

MEMORANDUM

TO: Executive Officers and Deans
FROM: Larry A. Nielsen, Provost and Executive Vice Chancellor
Charles D. Leffler, Vice Chancellor for Finance and Business
SUBJECT: Emergency Spending Guidelines (Revised)

We have received a response from the Office of State Budget and Management (OSBM) to the long list of exceptions (37 pages) submitted by UNC-GA on behalf of all of the UNC universities and affiliated programs.

Unfortunately, the majority of the responses were either "no" or "request an exception" to the state's Budget Management Restrictions. Therefore, we have revised the NC State University Spending Guidelines to reflect OSBM's response; the guidelines are found on the Budget Central website (www.ncsu.edu/budgetcentral). We are working on another request for a general exception on appropriated receipts projects so your budget analyst may be contacting your business officer for additional information and justification.

It must be emphasized that the primary purpose of the state's restrictions is to limit the expenditure of cash that is in short supply with the increasing state revenue deficit. It is entirely possible that some approved expenditures might not be processed and paid prior to June 30, 2009, due to the Governor's constitutional responsibility to end the fiscal year with a balanced budget.

Although in-state travel is permitted for direct instruction, public safety, and delivering direct care to animals, it must be pre-approved by the Chancellor. A form for submitting requests for pre-approval of this in-state travel is attached (also available on the Budget Central website) and should be completed and sent to your assigned budget analyst with the dean's or vice chancellor's approval noted. All pre-approval requests should be submitted by noon, each Thursday, with the intent of the Chancellor's review and approval occurring on Friday.

Any requests for exception to any of the other Expenditure Guidelines, including Personnel, Non-personnel, or Travel expenditures, must be approved by the dean or vice chancellor and submitted on the attached Exception form (also available on the Budget Central website). Requests received by noon Thursday will be reviewed on Friday and either included in the request to OSBM or rejected.

Finally, and in preparation for some of the difficult budget decisions related to the 2009-11 appropriation Bill, we are directing the University Budget Office to abolish, immediately, all positions that have been vacant for at least 18 months and have been paid from state appropriated funds. We are not withdrawing the budget for the abolished position. Please carefully review all positions that have been vacant for greater than six months and abolish those that you have no intent to fill in 2009-10.

Thank you for your cooperation, assistance, and patience during these difficult budget times.

cc: Chancellor James L. Oblinger