



### Impact of Budget Reductions

The University of North Carolina at Chapel Hill has absorbed over \$231 million in total state cuts since 2008. Until this fiscal year, reductions at UNC-Chapel Hill have primarily focused on administrative cuts and measures to improve efficiency. However, the cumulative impact of repeated reductions in state funding makes it impossible to continue directing reductions to non-instructional areas. Reductions for fiscal 2011-2012 have reached the level that they are now felt deeply in the classroom. The \$20 million shortfall for 2012-2013 will cause major losses in instruction.

2011-12 Reductions: 17.9% or \$100.7 million; \$20 million of those cuts are delayed until next fiscal year.  
Positions Eliminated: 493 positions (128 filled, 190 vacant and 175 part time, including adjunct faculty).

### Administrative Reductions

- 32% reduction in state funding for Finance and Administration over four years. Cuts taken in Finance will mean slower processing of vendor payments and may lead to increased audit findings. Our ability to maintain and repair a growing campus is threatened. Reductions in Maintenance and Grounds will result in deterioration of the campus appearance and, if unforeseen repairs to facilities are needed, our ability to cover those costs is in question.
- The Human Resources budget has been cut by 24%, dramatically reducing non-personnel expenses, along with the loss of 10 FTE positions, and jeopardizing our ability to meet state and federal reporting requirements.
- State funds support services dealing with student health, response and intervention for student well-being, and career-services. Due to budget reductions, Student Affairs has been forced to reduce campus health services hours on weekends. A 24-hour emergency line is still available.
- The number of centrally supported computer labs for students have been reduced from seven to three. Aging equipment in Information Technology that cannot be replaced due to budget constraints will produce increased failure rates, lost capacity and higher maintenance costs.

### Centers and Institutes

To help protect the academic core, centers and institutes have taken especially severe cuts in all areas, from public service and outreach to teaching and research.

- Centers and Institutes have absorbed cuts of 31%. All units have reduced services, including those providing public service and focusing on improving faculty excellence.
- Some specific examples include the closure of the Office of Business and Economic Development and the Frank Porter Graham Child Development Center (researching and serving children with developmental disabilities), reduction in part-time studies options at the Friday Center for Continuing Education, and the Morehead Planetarium and Science Center beginning to charge K-12 schools for educational services.

### Academic Reductions

Our greatest concern is retaining and attracting strong faculty. There are troubling patterns developing with faculty leaving for other peer institutions across all departments and schools. Until this year, Carolina had been winning two-thirds of faculty retention cases, but in 2010-11 that trend was reversed. Over the past two years, 201 faculty have received external offers, and 110 have left.

- The University Library sustains all academic units but has cut \$3.95 million from its acquisitions budget, canceling 1,167 subscriptions and more than 1,000 law journals. Further damage to the library's ability to aid instruction and research is the loss of 43 staff positions including 24 this year.
- The number of course sections has dropped by 556, with 16,232 fewer seats available to our students.
- Faculty in the College of Arts & Sciences teach 86% of the University's total undergraduate credit hours. The College has seen class size increases due to budget reductions: the number of classes with fewer than 20 students has decreased by 18.2%; classes with 40-49 students has increased by 22.5%; and classes with over 100 students has increased by 17%.

- Graduate student support has declined over 15%, with impacts on teaching laboratories and discussion sections.
- The School of Medicine eliminated 18 FTE faculty positions and 50 SPA positions, placing an extra burden on remaining faculty and staff. State dollars provide 25% of funding for basic and clinical science departments so budget reductions have put the medical school's education and service missions at great risk, and vulnerable to changes in external funding support. The Office of Continuing Medical Education will be closed which will require clinical departments within the medical school to utilize external entities for CME credit and delivery of external programs. Provision of category 1 CME credit for internal regularly reoccurring programs will be provided on a fee-for-service basis.
- Elimination of two distance education centers in Henderson and Winston-Salem in the School of Social Work. The School has also eliminated its continuing education staff and cuts to the Area Health Education Centers (AHEC) have diminished support provided to North Carolina social workers by 19%.
- The Gillings School of Global Public Health has lost 7% of its tenure/tenure-track faculty. Cuts to teaching assistants have been much deeper. Half -- 50% -- of the instructional technology staff has been eliminated, and the cuts to continuing education have been deep.
- The Eshelman School of Pharmacy has lost 27% in state support over the past four years, with the primary effects felt in the Professional Experiential Program, an essential ingredient for training North Carolina's future pharmacists.
- The School of Nursing's expansion for accelerated BSN students has been shelved due to lack of funds and BSN/ABSN enrollments have been reduced by 25%. The faculty is aging, with 42% eligible for retirement within two years.
- The School of Dentistry has delayed the expansion of the DDS class from 81 to 100 due to the lack of faculty to support new students. In addition, a heavier reliance on second-year residents to teach (from 15% to 30% of their time) limits their participation in patient care and research.
- The Kenan-Flagler Business School has lost five faculty, threatening the school's ability to continue programs in finance and organizational behavior. Student support has diminished particularly in global endeavors, which are vital to North Carolina and to our students.
- The School of Education has reduced the number of students admitted to the Elementary Education Program by one-third. The Masters in School Psychology is being phased out. Faculty will assume more instructional duties due to diminished support for graduate students, and even more administrative duties. The research support office has been closed, and external funding for the School is now highly vulnerable. LEARN NC has had its budget cut in half, the primary means of providing teacher support in all 115 school districts in the state.
- The School of Journalism, the only school-level program in North Carolina, has increased class sizes higher than the recommended number set by its accrediting organization in 23 sections of skill courses and has sharply reduced support to secondary school teachers.
- Faculty positions have been eliminated in the areas of efficiency and effectiveness, immigration law, and strategic leadership at the School of Government, a unit that has long provided help for state, county and municipal government leaders.

Despite the state's economic hardships, UNC-Chapel Hill is committed to providing a high-quality education to our students and maintaining our national prominence as a top-tier public research-intensive university. In 2010-2011, we retained 97% of our first-year students, graduated 80% of our undergraduate students in 4 years and 90% in 6 years. That puts Carolina among the top public universities in the nation, despite serious cuts to our budget in recent years. We may see those accomplishments deteriorate as deeper budget cuts take hold.

Carolina has been one of the brilliant gems of public higher education, thanks to the support of the people of North Carolina and the NC General Assembly. Our faculty and staff will be doing more with less, but continue to be passionate about the importance of their work in producing our state and nation's future leaders. However, in order to maintain that strength we must keep and attract great faculty, provide an environment where our students and faculty can learn and discover new knowledge, translating that discovery into innovations and jobs, and maintain fiscal stability by avoiding further cuts in state funding and keeping revenue from tuition at Carolina.