December 15, 2008

To: Employees and Friends of The University of North Carolina at Charlotte

Re: Update on Current Issues and Activities

Dear Colleagues:

I hope that this newsletter finds you well and that you are able to enjoy the holidays in the company of family and friends. We are gearing up to celebrate our winter commencement ceremonies, followed by winter break and then the beginning of a busy spring semester.

In the fall we welcomed a record number of 23,300 students. Last year, we were thrilled to claim the largest, most academically talented, and most diverse freshman class in our history; once again, we've increased the size and diversity of our freshman class. We also saw record numbers of new transfer students, a 15% increase in international students, and enrolled a total of 4,971 graduate students.

We celebrate our successes mindful of the current financial situation faced by the families who support our students and the state government from which we draw funding. North Carolina operates on a $21 billion budget, and officials estimate the state budget shortfall could reach $2 billion by the end of the fiscal year.

The Governor has mandated that state agencies, including the University of North Carolina, “revert” part of their budgets this fiscal year. A “reversion” is a one-time, non-recurring reduction to our General Fund budget, reflective of the fact that the Executive and Legislative branches now project that they will not have sufficient cash to completely fund the budget enacted earlier this year. As I write this newsletter, the formal announced reversion is 5%, but we are planning for a reversion of 7% or more with weakening economic trends being announced almost weekly.

Every UNC campus finds itself in a somewhat different circumstance in dealing with the budget reversions. For UNC Charlotte, historically sound fiscal practices and new funding related to our significant enrollment growth have allowed us thus far to avoid the kinds of dire consequences that are often associated with budget cut-backs (like lay-offs). However, we have not been able entirely to escape having to make painful choices like suspending important faculty and staff recruitments and curtailling expenditures for travel, training, equipment, and
repairs/renovations. Although we cannot know what the future holds, we will continue to investigate ways to improve efficiency and implement solutions that reduce the negative impact of budget reductions upon our students, academic programs, and employees.

Overall, we have been fortunate that UNC Charlotte is experiencing increases in enrollment and that the Legislature has continued thus far to fund that enrollment growth. Current-year budgetary reversions certainly have negative impacts in terms of managing that growth, but they do no permanent damage to the underlying base budget. However, should the current economic environment threaten the continued funding of enrollment growth, UNC Charlotte’s budgetary situation could turn dramatically for the worse. In the upcoming 2009 legislative session, UNC Charlotte has requested $6.5 million for expected enrollment growth; that’s nearly 15% of the UNC system’s requested enrollment increase funding of $44.8 million. Even in difficult economic times, it is critical that these funds be provided if we are expected to accept and enroll hundreds of new undergraduate and graduate students each year. It is a little known fact that, at our present rate of growth, UNC Charlotte accepts new students equivalent to the size of Davidson College every other year.

Now, on to the good news of the day. Notwithstanding the gloomy economy, the news at UNC Charlotte is very positive. As always, if you want additional detail on any specific item mentioned in this newsletter, please feel free to contact my assistant, Donna Brady (dcbrady@uncc.edu). You may also find the Chancellor’s Outbox as another useful information source: http://www.administration.uncc.edu/chancellor/outbox.html.

Athletics: On the Field and Off

Because of all of the recent publicity given to the matter of football, I’ve decided to lead off this fall semester newsletter with that topic. And what could be more appropriate? As of this date, UNC Charlotte remains North Carolina’s only undefeated football program!

On September 18, I recommended to the Board of Trustees that UNC Charlotte begin an intercollegiate football program in the fall of 2013 by applying for entry into the Football Championship Subdivision of the NCAA (formerly known as Division I-AA).

On November 13, 2008, a day that will certainly be etched in my memory for awhile, the Board of Trustees voted 8-0-1 in favor of adding football as our 17th intercollegiate sport. Four other Board members who could not attend the meeting to cast a formal vote indicated informally their support for adding football. After nearly two years of research and a feasibility study led by a committee chaired by Mac Everett, I concluded that the addition of football will not only energize the student body and engage alumni, but also will strengthen the bond between the Charlotte region and the university. My September and November remarks to the Board of Trustees about football may be found at: http://www.administration.uncc.edu/chancellor/outbox.html.

In January, the 49ers Athletic Department will roll out a comprehensive fundraising plan, complete with Forty-Niner Seat License policies, ticket information, and the introduction of the