

Finance & Administration Colleagues –

Over the past several weeks, we have had a number of conversations as a campus about organizational changes aimed at helping us redeploy resources in support of our students while also reducing the overall budget of the university. While these conversations have not been easy, they are necessary and incredibly important. Thank you to each of you who has provided feedback. A comment that has come up repeatedly is related to a desire to know more about what is happening and when it will happen. This update is intended to provide more detail about the timeline of Administrative Service Center implementation.

Our December projections showed that the university would be facing a \$5 million shortfall for fiscal year 2021, based on flat first-time, full-time freshman enrollment in fall 2020. Good work is being done to recruit and retain students to UNC, but factors outside of our control continue to impact our budget. Those include nationwide declines in enrollment, state support that remains near the lowest in the nation, and increases in costs for technology, utilities, and other necessary investments. With the pressures on our budget, 70% of which is made up of personnel, the only way to invest in our future is to reorganize the way we do some of our work. We must provide more resources to recruit and retain our students, and to make sure that they can complete their degrees on time and with as little debt as possible.

In the fall, the concept of Administrative Service Centers (ASCs) emerged as a way for UNC to more effectively service the administrative needs across campus while also freeing up resources needed to implement new strategies to support our students. I am working with campus leaders including members of cabinet, directors, unit leaders, and others to finalize the job descriptions for service center positions. Finance and Administration will have one ASC with two positions and will be populated by individuals whose current job function is closely aligned with the job description for the newly created role.

Academic Affairs, Student Affairs, University Advancement, Finance & Administration, and Athletics will all be implementing Administrative Service Centers and identifying additional cost savings opportunities. In Finance & Administration, the implementation of the ASC alone will not create enough savings to meet the University's needs and additional reorganization work is underway. Each unit head within our division has been asked to identify other activities where permanent savings can be found. We must have a clear plan by spring break so that we can develop the budgets and staffing plans for each unit within Finance & Administration.

Employees across campus whose positions will not be continued will be notified individually between late March and April 15. Some employees' final day will closely coincide with the date they are notified. Others will be asked to remain in their position through the end of the semester to allow time for a transition in operations. These decisions will be made within each unit at the discretion of unit-level leadership. Regardless of the date of notification and whether individuals are asked to remain on for a short period of time after notification, all employees who are impacted will be paid for a minimum of two months after their final day of work.

I recognize that these are hard decisions to make, but I am confident that they will ultimately put the university on a more sustainable path, ensuring that we can make the types of investments we need to make to see that our students are supported, persist, and graduate.

UNC will launch a website this week that will serve as a repository for communication and documents related to this ongoing work. On it, you will find copies of communications like this one sent to other university divisions, samples of the ASC job descriptions and service level agreements, and FAQs about Administrative Service Centers. A link will be provided via UNC Today. Thank you all for your feedback, participation, and concern for UNC's future. Please reach out if you have any questions.

Sincerely,

Michelle