Members in attendance: John Bland, Susan Brooks, Chris Ervin, Beth Hardin, Frank Fleming, Niki Moseley (for Ramah Carle), Danielle Rodriquez (for Angela Gay), Carrie Smith, Ken Smith, Darin Spease, Gary Stinnett, Charisse Turner, and Cleo Widmaier

UNC System: Management Flexibility Allocation for FY 2011-12:

- A draft of the document, *UNC System: Management Flexibility Allocation for FY 2011-12*, which was formulated by GA for spreading the system’s allocation of state funds among all institutions under its umbrella, has been received. GA took the 2011-12 continuation budget base, removed items as required by the FY 12 budget bill, added enrollment growth and building reserves for the qualified schools (UNC Charlotte received both), and applied certain weighted factors (such as retention, degree efficiency, number of Pell Grant recipients) to arrive at each institution’s allocation.

- The average system-wide cut was 15.6%; however, GA chose to protect four smaller schools by assigning them lesser percentages of the cut, while requiring cuts in excess of 15.6% at larger, more economically stable institutions. UNC Charlotte’s cut was listed at 16.1%, higher than many, but lower than some. Beth commented that she does not fault GA for their decision to protect the smaller schools, which could have been faced with closure.

- At this time, we do not know where we stand on carry-forward dollars and deferred encumbrances. There is some possibility we will be allowed cash; however, we have no details on the amount at this time. We should know something in a week or two (about July 15).

- Tomorrow, the Board of Governors Finance Committee will finalize the numbers; and their budget will become public information. Interest on campus and in the media will increase.

- This year, we are not allowed to increase tuition above normal 6.5%, one-fourth of which is required to go to financial aid.

Communications:

- The new salary requirements passed into law with the budget, so information on it will go out to all faculty and staff this afternoon.

- Another correspondence to relate our 16.1% cut will also go out. It will indicate we have already developed plans for meeting a 15% budget cut and must now evaluate ways to make up the other $2.4 million lost due to the additional 1.1% cut. We have a range of ways to deal with this, but no decisions will be made until the Chancellor returns on Tuesday.
• In any communication in the near term, it is critical to say we are less confident we can make it through without layoffs due to the additional cut. We could have made it through a 15% cut due to our loss of 270 unfilled positions for which we no longer have funding.
• We must communicate aggressively – The leanest-of-the-lean message.
• We will not have a final plan until the end of next week.

**NOTE:** On the day following this meeting, GA recalculated our cut to 16.2 %, a 1.2% increase over our 15% plan.