

Harriot College Committee on Resource Review

AY 2021-2022

Initial Recommendation Report: Addressing Potential 3% Budget Cut

January 11, 2022

Executive Summary

Allison Danell, Dean of the Harriot College of Arts and Sciences (HCAS), created a ten-person Committee on Resource Review to consider strategies for meeting a potential 3% budget cut from the college. The committee included faculty at all ranks and from various disciplinary areas of the college.

The committee was provided with documents and information about the college budget and funding models and met nine times from November 2021 to January 2022 to discuss data pertaining to the college budget, enrollments, FTE production, and other issues.

Based on these deliberations, the committee reluctantly recommends cutting salary amounts above \$91,000 on all currently vacant EHRA positions, eliminating 9.0 FTE EHRA vacant positions at \$91,000 per FTE, and eliminating 2.0 FTE SHRA vacant positions at \$36,000 per FTE for a total reduction of \$1,434,980.

Background

At the November 2, 2021, Faculty Senate meeting, Vice Chancellor for Administration and Finance Stephanie Coleman charged deans with gathering faculty input on university funding in the face of a potential 3% cut to the 2022-2023 budget. In response, Allison Danell, Dean of the Harriot College of Arts and Sciences, created the HCAS Committee on Resource Review.

Team members—led by Associate Dean for Resource Management Todd Berry—represented 3 Natural Sciences/Mathematics faculty, 3 Social Science faculty, and 3 Humanities faculty; 4 women and 5 men; 8 tenured or tenure-track faculty, and 1 fixed-term faculty.

The committee was charged with reviewing HCAS resources and recommending strategies for the budget reduction model and future resource use.

Process

The committee met nine times between November 16, 2021, and January 11, 2022, to review documents relating to HCAS EHRA, SHRA positions and operating budgets and to submit a report outlining recommendations for an anticipated 3% budget cut.

The committee began by reviewing documents provided, including the committee charge and project background, HCAS annual report for the previous year, budget reduction models brief, and student enrollment by unit from 2019 through 2021. The first meeting included Dean Danell, who charged the committee (Appendix 1). Several subsequent meetings were primarily discussions to address questions from the committee about the current funding model and options that were available for consideration. Dr. Eduardo Leorri, Associate Dean for Planning, attended the December 7 meeting to answer additional questions, particularly about the UNC enrollment growth model.

As the committee became more familiar with the college's resources and budget, members requested and were provided with additional information about extramural grant funding, faculty FTEs, academic majors, nationally accredited programs, and additional historic enrollment data by unit. The committee also solicited feedback from unit chairs and other stakeholders on the potential impacts of different approaches to the cutting of funds; the chairs' feedback on potential operating budget cuts is summarized in Appendix 2.

The committee discussed various possibilities from the limited options currently available to determine recommended strategies for making a 3% cut to the college budget. At the January 4 meeting, the committee voted unanimously to present the recommendations contained in this report.

The committee will continue to meet during the spring 2022 semester to further consider budgetary needs and allocation strategies across the College. Recommendations will be based on detailed analyses of data available to the Committee and a summary of statistical productivity data and resources for each unit.

Recommended Strategies

To meet a 3% budget reduction model, totaling \$1,434,980, the committee recommends the following:

- Cut salary amounts above \$91,000 on all currently vacant EHRA positions and apply those funds to the reduction pool;
- Apply 9.0 FTE EHRA vacant positions at \$91,000 per FTE to the reduction pool; and
- Apply 2.0 FTE SHRA vacant positions at \$36,000 per FTE toward the reduction pool.

The table below presents how these recommended reductions will generate the \$1,434,980 needed for the 3% budget reduction model:

	Sal	SS 7.65%	Retirement 13.22% for EHRA and 22.89% for SHRA	Health \$7019 per FTE	Total
Cut Excess Sal over \$91k	\$209,788	\$16,049	\$48,020	\$0	\$273,857
9 EHRA Vacant Positions @91K each	\$819,000	\$62,654	\$108,272	\$63,171	\$1,053,096
2 SHRA Vacant Positions	\$72,000	\$5,508	\$16,481	\$14,038	\$108,027
					\$1,434,980

The committee came to these recommendations after considering multiple alternatives. All budget reduction models result in significant hardships to the departments and personnel in the college, but the recommended cut is believed to provide the best path forward for current and future HCAS personnel should a 3% cut become necessary.

Rationale

In considering potential cuts, the committee based its recommendations on data indicating that the operating budgets of the dean's office and all the departments total ~1.4M (roughly the size of a needed 3% cut). Vacant SHRA positions in the college total ~\$0.36M, and vacant EHRA positions total ~\$3.7M.

Early in the process, the committee decided not to recommend cutting positions that were currently filled because 12 of 16 departments have already lost FTE positions in the past five years. Consequently, we considered that cuts should primarily originate from open positions and/or department operating budgets.

Nearly every department within the college has already suffered the loss of operating budget funds and personnel in previous budget cuts. To assist in our deliberations, the committee asked

for feedback from department chairs to model a 3% or 6% operating budget cut to departments, which would net \$43,000 or \$85,000, respectively, toward the ~\$1.4M cut.

Based on feedback from the chairs (see Appendix 2), the committee decided that the small amount of money gained from cutting departmental operating budgets was not worth the continued erosion of departmental resources for supporting teaching, research/creative activity, professional development, and service. Therefore, the committee recommends that the entire ~\$1.4M budget cut be realized through eliminating open positions.

Between academic years 2016-2017 and 2021-2022, the college saw a decrease of 40.5 faculty positions. Given the history of recurring cuts to the college units, any subsequent cuts undermine mission-driven functions of the departments. However, the committee determined that reducing salary levels of existing open lines and eliminating unfilled EHRA and SHRA positions are the least damaging alternatives. The committee acknowledges that such cuts, if they are necessary, and/or if they become permanent, will negatively affect the functioning of the college. The members opted to limit cutting SHRA positions to preserve support for current college faculty.

Eleven current open positions have salary levels greater than \$91,000, which is HCAS' Average Teaching Cost (ATC) and the maximum salary allowed against positions that are to be part of the budget reduction. The committee recommends cutting salary amounts above \$91,000 on each of those 11 positions, which will generate a \$273,000 reduction, leaving an additional ~\$1,161,000 to be cut. The committee also determined that the reductions that retained the most EHRA positions while minimizing the loss of SHRA positions were to cut 9 open EHRA positions (of 37 current open positions) and 2 open SHRA positions (of 6.75 current open positions). Finally, the committee strongly recommends not cutting open positions from ongoing, active searches.

If such reductions become permanent, they will undermine all departments' ability to fulfill the university's mission. Departments and faculty will be hindered in the ability to:

- add mission-critical faculty positions,
- offer competitive salaries to qualified applicants,
- sustain quality instruction,
- offer courses in majors at intervals that will allow students to “finish in four,”
- provide necessary course materials and technology,
- offer educational experiences beyond classrooms (e.g., labs, fieldtrips, events, speakers),
- engage in community-based outreach in the sciences and humanities,
- conduct research,
- secure and maintain external funding, and
- provide university and professional service.

We recommend that the college minimize the number of EHRA positions lost in any cut because of damage to instruction, inability to offer courses in majors, and loss of faculty productivity. In addition, we urge that tenure-stream faculty should be prioritized in hiring given the significant loss of those positions as noted.

Additional Recommendations

Some professionally accredited programs are required to show college support in the form of dedicated resources (i.e., requiring the minimum number of dedicated faculty to the program). The loss of professional accreditation may result in an exodus of students because in some fields such accreditations are a sign of educational quality. We recommend that cuts should be managed so as not to undermine any accredited programs.

One recommendation the committee discussed was to create an SHRA position in the Dean's office whose primary duty would be to handle honoraria contracts and travel paperwork for departments across the college. This centralized system would free time for other SHRA employees and may improve the accuracy and timeliness of fund distribution. Benefits might include sharing administrative work across smaller departments and the elimination of one or two unfilled positions. Travel and honoraria allotments would remain the purview of the departments.

The committee also discussed previous university initiatives that may have been unnecessarily costly to departments in various ways. Specifically, we noted that the research cluster model, though a well-intended attempt to increase research productivity and grant seeking/funding, may not have yielded the best possible results. We understand that the funds supporting that effort were supplied by REDE, but question whether sufficient time for faculty consideration and input was provided prior to implementation. Funding might have been used in other ways to support research. We recommend that the college ensures more opportunities for faculty participation in planning broad initiatives and more transparency in the funding approach.

Future Considerations

The committee will continue its work over the spring 2022 semester by considering a number of issues at a more granular level. We will consider:

- additional ways to achieve efficiency at the college level.
- various proposals that will strategically support professional development, research, and community engagement for the currently employed faculty.
- impacts of college goals—including increasing or maintaining majors, producing more SCHs, and attaining higher levels of grant funding—on resource allocation to units.
- current unit operating budget allocations and needs across the college.

To consider and propose additional recommendations for resource allocations to units within the college based on data available to the committee, a statistical summary of productivity and resources for each unit over the period 2016/2017 to 2020/2021, and, for some measures, 2021/2022 in in process. The data collected and summarized will include:

- Total FTEs per unit (2016/2017-2020/2021) and decreases or increases in FTEs per unit (2016/2017 - 2020/2021)

- Total majors per unit (Fall 2016- Fall 2021) and majors/FTE per unit (2016/2017-2020/2021)
- Total grant funds per unit (2016/2017-2021/2022) and average grant funds/FTE per unit (2016/2017-2020/2021)
- SCH/FTE per unit (2016/2017-2020/2021)
- Unit operating finds

These data will be considered in the context of existing university and college missions; budget models; strategic plans, which the committee will review; as well as differences in disciplines and specific challenges to various units. The impact of COVID on enrollments and productivity may also be a factor in data analysis.

The specifics of the data, the data analysis, additional factors considered, and resulting recommendations will be provided in the committee's final report, which will focus on recommendations for longer-term resource allocation and planning.

Respectfully submitted,

Cheryl Dudasik-Wiggs, teaching assistant professor, English

Adriana Heimann-Rios, associate professor, Geological Sciences

Nathan Hudson, assistant professor, Physics

Donna Kain, associate professor, English

Nick Rupp, professor, Economics

Ryan Schacht, assistant professor, Anthropology

Olga Smirnova, associate professor, Master of Public Administration Program, Political Science

David Smith, associate professor, Foreign Languages and Literatures

Peng Xiao, associate professor, Mathematics

Supporting Documents:

- Appendix 1: Committee Charge
- Appendix 2: Departmental Chairs assessment of 3% and 6% reduction impacts
- Appendix 3: Open Positions

Appendix 1. Committee on Resource Review

November 16, 2021

Purpose of the Committee

The purpose of the Harriot College Committee on Resource Review is to provide a thorough review and discussion of Harriot College resources and provide opportunities for faculty to provide ideas and strategies for the budget reduction model and future resource usage.

Description of the Committee

Dr. Allison Danell, Dean of the Thomas Harriot College of Arts and Sciences, invites full-time faculty members (fixed-term, tenure-track, and tenured) to indicate their interest in being selected to serve on the Harriot College Committee on Resource Review. The committee will be led by Associate Dean for Resource Management, Mr. Todd Berry, and be comprised of nine members (drawn from the list of volunteers) representing a wide variety of disciplines and perspectives from Harriot College.

With more than 450 full-time faculty and staff, and a total budget of approximately \$44M, of which personnel expenses make up slightly more than 85% of the total, Harriot College is the largest academic unit within the Division of Academic Affairs. Due to enrollment decreases, the university faces a potential budget reduction for AY 2022-23 and the colleges are tasked with generating 3% reduction models to prepare for the prospective funding loss. This committee provides Harriot College faculty the opportunity to gain a fuller understanding of college resources and priorities and to offer feedback to the dean's office on ideas and strategies for both generating the 3% reduction model and future resource allocations. Working on the committee requires discretion, professionalism, and the ability to work in a constructive and deliberate manner with sensitive information.

The deadline for volunteering is November 1, 2021, and work will begin shortly thereafter, with the goal of reaching most objectives listed below before February 1, 2022.

Committee Objectives

- Understand past resource allocations and budget reductions
- Survey current Harriot College resource pools
- Engage with other campus units and bodies, as appropriate, in a discussion of university and unit resource strategic planning
- Analyze unit productivity matrix
- Review college and unit strategic plans and updates
- Provide feedback to share with the Harriot College Dean on strategies for generating a model 3% budget reduction
- Analyze Unit's resources and productivity data (FTEs, SCHs, Majors, Grant Funds)
- Advise the Harriot College Dean on strategic, mission-driven approaches for future targeted resource allocations

Committee Membership

- Cheryl Dudasik-Wiggs, teaching assistant professor, English
- Adriana Heimann Rios, associate professor, Geological Sciences
- Nathan Hudson, assistant professor, Physics
- Donna Kain, associate professor, English
- Nick Rupp, professor, Economics
- Ryan Schacht, assistant professor, Anthropology
- Olga Smirnova, associate professor, Political Science
- David Smith, associate professor, Foreign Languages and Literatures
- Peng Xiao, associate professor, Mathematics

Appendix 2. Departmental Chairs assessment of 3% and 6% reduction impacts

3% Reduction Impacts

6% Reduction Impacts

<p>Cut back on student recruitment materials and items purchased for graduating students, both seniors and graduate students. Reduce printing budget. Postpone purchasing some equipment requested by faculty.</p>	<p>All of the 3% plus: Reduce funds budgeted to support faculty research. Reduce opportunities for professional development of faculty and staff</p>
<p>Our faculty would have to compete with each other for conference or research travel funding and only half of the faculty would receive funding.</p>	<p>All of our faculty would lose conference or research travel funding.</p>
<p>This would most likely have to come from what we earmark for professional development/conference participation. This would mean that we would be able to fund two less conference registration and travel and participation. Presently we are planning to fund in part 10-15 faculty participating in conferences and support professional development for 5-7 other projects.</p>	<p>We would most likely need to eliminate all PD that was not conference participation and reduce the amount that we reimburse faculty for conferences.</p> <p>Both of these would likely result in less publications since conference presentations in our fields result in publications in edited books, journals, and/or monographs.</p>
<p>Would reduce the overall amount available to each faculty member for conference-related travel and professional development.</p>	<p>Would further reduce the overall amount available to each faculty member for conference-related travel and professional development, including potentially eliminating funds for professional development for fixed-term faculty. It would also potentially impact recruiting of tenure-track lines as the availability of travel funds is important to new faculty.</p>
<p>As is the case for many departments, the bulk of our operating funds go to supporting faculty travel to conferences to present their research. Because of COVID-19, some of these are still virtual this year, so cuts of this magnitude may not have much of an impact. The other things we spend our operating budget on include things like office supplies, copier services, and low-dollar some technology items. The cuts would cause us to have to tighten our belts a little and</p>	<p>As is the case for many departments, the bulk of our operating funds go to supporting faculty travel to conferences to present their research. Because of COVID-19, some of these are still virtual this year, so cuts of this magnitude may not have much of an impact. The other things we spend our operating budget on include things like office supplies, copier services, and low dollar technology items. The cuts would cause us to have to tighten our belts a little and maybe forego a</p>

<p>maybe forego a few things, but they certainly would not be catastrophic.</p>	<p>few things, but they certainly would not be catastrophic.</p>
<p>If implemented, it will probably be absorbed in less travel money for faculty.</p>	<p>If implemented, it may be absorbed in even less travel money for faculty.</p>
<p>A 3% cut would have a minimal impact.</p>	<p>At this level, we would reduce student worker hours and our events/speaker's budget. We would also cut tenure line faculty travel/professional development allocations modestly and reduce the size of the funding pool for fixed term travel/professional development.</p>
<p>Our current operating budget is approximately 25% of what it was before the budget crisis of 2008. Thus, we use the budget to get us through the year rather than use part of it to invest in the future (e.g., by providing travel funds to faculty, by purchasing equipment for labs and the field to support teaching and research). Thus a 3% cut would be further erosion of our ability to run our department, or rather to nurse our department through the year hoping that nothing significant (to run the front office or to support teaching, research and service) breaks and needs repair or needs replacing.</p>	<p>Our current operating budget is approximately 25% of what it was before the budget crisis of 2008. Thus, we use the budget to get us through the year rather to use part of it to invest in the future (e.g., by providing travel funds to faculty, by purchasing equipment for labs and the field to support teaching and research). Thus a 6% cut would be further erosion of our ability to run our department, or rather to nurse our department through the year hoping that nothing significant (to run the front office or to support teaching, research and service) breaks and needs repair or needs replacing. A cut of this magnitude could affect the quality of our teaching as it could reduce our capability to support course-related, required field trips particularly if some essential item needs replacing (for example, the main office copier is six years old and the communal printer is 10 years old). It could also reduce our ability to recruit graduate students at our national conference (the cost of a recruiting booth has increased significantly over the past several years) – this is a particularly important item.</p>

<p>We have to cope with this cut by losing access to student workers. Given that we just lost an Admin Associate, this will negatively affect our ability to effectively work with faculty, students, administrative officers and the public in our front office.</p>	<p>In this scenario, our budget is cut by \$1,800. We have to cope with this cut by losing access to our subscription to NBER Working Paper Series (https://www.nber.org/working-papers-subscription-information). This database has the most recent and most impactful economics research papers (full-text) from world renowned economists, which feature cutting-edge research projects. We might have to rely on inter-library loans or even wait until they papers go through the lengthy process to be in print with huge time lags (often in a year or more).</p>
<p>In most years (depending on how many faculty are traveling), we take some out of operating and then use our Overhead account to supplement. So, a 3% cut would likely result in either a reduction in the amount of travel or additional taken out of Overhead.</p>	<p>Because many of the bills we pay out of operating are relatively fixed costs, the impact of a cut would be felt most heavily in travel and would either come out of the pockets of faculty or drain valuable funds from our Overhead account, thus reducing our ability to support faculty research over time.</p>

Appendix 3. Open Positions

	POS #	SALARY OR AVAIL BUDG	POSITION FTE	Reduction	Remainder
	933656	\$0	0.00		
	949014	\$23,994	0.40		
	500140	\$35,000	1.00		
	940217	\$38,585	1.00		
	935543	\$43,000	1.00		
	949014	\$43,073	0.60		
	939425	\$45,000	1.00		
	936028	\$46,711	1.00		
	938206	\$47,523	1.00		
	930676	\$47,758	1.00		
	600014	\$56,000	1.00		
	936417	\$56,390	1.00		
	949072	\$60,000	1.00		
	949070	\$60,000	0.50		
	940278	\$65,527	1.00		
	929608	\$68,910	1.00		
	935502	\$69,041	1.00		
	937609	\$70,696	1.00		
	940776	\$74,713	1.00		

	935512	\$75,007	1.00		
	929751	\$78,149	1.00		
	934006	\$79,235	1.00		
	935503	\$79,701	1.00		
	934014	\$81,648	1.00		
	936410	\$85,607	1.00		
	939441	\$88,860	1.00		
	934011	\$90,073	1.00		
	936808	\$92,000	1.00	-91,000	1,000
	939420	\$98,744	1.00	-91,000	7,744
	934023	\$99,662	1.00	-91,000	8,662
	934017	\$100,239	1.00	-91,000	9,239
	934012	\$101,421	1.00	-91,000	10,421
	935547	\$104,418	1.00	-91,000	13,418
	937818	\$105,525	1.00	-91,000	14,525
	937816	\$119,254	1.00	-91,000	28,254
	932837	\$125,022	1.00	-91,000	34,022
	935501	\$127,801	1.00	-91,000	36,801
	937801	\$152,136	1.00	-91,000	61,136
	600057		1.00		