



## The University of North Carolina

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*Constituent Universities*  
Appalachian State  
University

East Carolina  
University

Elizabeth City  
State University

Fayetteville State  
University

North Carolina  
Agricultural and  
Technical State  
University

North Carolina  
Central University

North Carolina  
School of the Arts

North Carolina  
State University  
at Raleigh

University of  
North Carolina  
at Asheville

University of  
North Carolina  
at Chapel Hill

University of  
North Carolina  
at Charlotte

University of  
North Carolina  
at Greensboro

University of  
North Carolina  
at Pembroke

University of  
North Carolina  
at Wilmington

Western Carolina  
University

Winston-Salem  
State University

*Constituent High School*  
North Carolina  
School of Science  
and Mathematics

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March 27, 2009

Dana S. Cope  
Executive Director  
State Employee Association of North Carolina  
P.O. Drawer 27727  
Raleigh, NC 27611

Dear Mr. Cope:

I appreciate the concerns expressed in your March 26 letter about the reductions in force (RIFs) that are occurring at UNC-Chapel Hill and other UNC campuses. I can assure you that our chancellors initiated RIFs reluctantly and postponed this painful step as long as feasible in the current fiscal environment. In response to your contention that these RIFs are premature and violate State Personnel Commission rules, we have conferred with OSP Director Linda Coleman and confirmed that in these extraordinary times, it is appropriate and prudent for the University to take the steps being taken in compliance with the State Personnel Act and OSP policy and guidelines.

While you suggest that "there is no shortage of funds yet," recall that the University has had to absorb more than \$175 million in state budget cuts during the current fiscal year alone—and that personnel costs account for 75% of our campuses' state funding. Given the current magnitude of the state budget shortfall and all other economic indicators, it is wholly unrealistic to think that the University—and every other part of state government—will not face significant funding reductions in the 2009-10 year. For that reason, our chancellors are making reasonable and sound management decisions now and also trying to give affected employees (both SPA and EPA) as much advance notice as possible. Waiting would only increase the number of staff who would have to be laid off in order to absorb inevitable cuts. I will continue to work as hard as I can hold our cuts to 5% and to make them non-recurring in order to preserve as many jobs as we possibly can.

Sincerely,

Erskine Bowles

cc: Governor Beverly Perdue  
State Personnel Director Linda Coleman



**STATE EMPLOYEES ASSOCIATION OF NORTH CAROLINA, INC.**

March 26, 2009

**Erskine P. Bowles, President**  
The University of North Carolina  
P. O. Box 2688  
Chapel Hill NC 27515

**Dear President Bowles:**

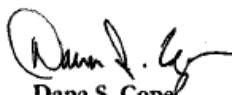
One of SEANC's members has brought to my attention an e-mail addressed to ITS employees at UNC-CH containing the following statement: "In order for us to be positioned to make the kind of cuts that seem likely next FY, we need to reduce staff size now, so that we can realize a full year's worth of salary savings for the positions eliminated beginning July 1st."

Implementation of a reduction in force in this fiscal year in anticipation of a shortage of funds in the next fiscal year is premature and violates the State Personnel Commission's rule which authorizes a reduction in force only "whenever it is necessary due to shortage of funds or work, abolishment of a position, or other material change in duties or organization." 25 NCAC .01C .1004. There is no shortage of funds yet, as the next budget has yet to be passed and signed into law. The General Assembly may, in fact, find a way to fund UNC for the next fiscal year in such a way that no reductions in force are required.

SEANC opposes all "anticipatory" reductions in force and calls upon you to halt all ongoing and planned reductions in force in the UNC system that are based on expectations of what the FY 2009-10 budget may provide. Instead, all reductions of force should occur only in strict compliance with the State Personnel Commission rules.

Thank you for your prompt attention to this matter.

Sincerely,

  
Dana S. Cope  
Executive Director

cc: **Governor Beverly Perdue**  
**Linda Coleman, State Personnel Director**