



MEMORANDUM

TO: Deans, Directors and Department Heads

FROM: Warwick A. Arden, Executive Vice Chancellor and Provost 
Charles A. Maimone, Executive Vice Chancellor, Finance and Administration 

SUBJECT: FY 25-26 Budget Update

DATE: March 9, 2026

As we enter the last quarter of the fiscal year, we face growing concern about our ability to meet our budget due to increasing financial obligations with fixed or declining funding levels. Uncertain and unpredictable funding sources particularly at the federal and state levels have made budget forecasting increasingly difficult and heightened our financial risk.

These pressures are further compounded by our strategic ambitions to grow the student population, uphold commitments to research excellence, and address expanding IT demands driven by research growth and escalating information technology requirements.

In alignment with the [UNC System President's June 2025 directive](#), we have taken deliberate steps to control costs, including close management of administrative headcount and salaries, implementation of a contract review process for agreements exceeding \$100,000, and establishment of a formal approval process for all new positions. These measures have helped and will remain in place for the remainder of this fiscal year.

In anticipation of limited resources, effective immediately, only positions that are critical to the continuation of the university's mission will be approved. New positions will require approval by the Executive Vice Chancellor and Provost and the Executive Vice Chancellor for Finance and Administration. The increased scrutiny only applies to positions fully or partially funded by university resources defined as: all funding sources excluding Contracts and Grants (ledger 5) and Agency Funds (ledger 9) fund types. So therefore, new positions funded in-full by Contracts and Grants or Agency Funds fund types will continue through the normal UHR processes and will not be subject to the additional scrutiny.

While no other budget restrictions are being implemented at this time, we expect the downward pressure on state and federal resources to continue. In anticipation of potential reductions later this year or next, the two-digit OUCs should continue to monitor their vacant positions and make every effort to either fill the positions or consider abolishing them, especially positions that have been vacant for more than 12 months.

Thank you for your attention and prudent efforts to be good stewards of the university's resources during these uncertain times. If you have further questions, please contact Tim Danielson, Associate Vice Chancellor, University Human Resources (tjdanie4@ncsu.edu), Eduardo Lorente, Vice Provost for Budget and Business Operations, Provost Office (ejlorent@ncsu.edu), and/or Barbara Moses, Associate Vice Chancellor, Budget and Resources Management (bamoses@ncsu.edu).