

University of Wisconsin-Eau Claire

Open Forum: Excellence Under Construction

January 25, 2011, 3:30 p.m., Schofield Hall

Thank you, Susan, and thanks to the University Senate for making this Forum available for a midyear update. This meeting is historic because this will be the last time that we will hold our January forum in this current space — by next fall Schofield Auditorium, thanks to the UW-Eau Claire Foundation, the Student Senate and our friends and donors, will be renovated and restored to its full glory — and the seats restored to full comfort.

After the forum you are welcome to see what the beautiful new seats will look like — we have a sample here in the corner.

While we are on the subject of friends and donors, I want to remind you that our annual campaign for faculty and staff began yesterday and will run through February 11, when the Foundation hosts its annual appreciation luncheon.

No one knows better than you do what our University needs and what a difference a donation to the Foundation can make. I encourage all of you to join me in participating.

But first, let me welcome you all to a new semester!

I want to begin 2011 by taking this time to look at where we are and also ahead to what promises to be an eventful few months. Provost Kleine and Vice Chancellor Hellwig will join me, and there will be time after our remarks for open discussion.

As you saw from the slide show as you arrived, 2010 was another outstanding year for UW-Eau Claire — both in the classroom and across campus. The slides captured only a small sampling of what our academic departments and administrative units have been doing.

While this past year brought us furloughs and budget challenges, and you were called on to make sacrifices while other public educators continued to gain, you persisted in putting our students first. I want to thank you for that — your dedication is what continues to distinguish UW-Eau Claire.

Last fall, our theme for the Blugold Breakfast was “Excellence is Always Under Construction.” I think that is still a fitting theme for the beginning of 2011. Not only are things changing here on campus, but our horizon also continues to shift.

State Impact

I suspect your big questions are “What’s ahead at the state level? And what impact will the new governor and legislature have on UW-Eau Claire and on each of us individually?” I also suspect that some of you came here today because you hope I will be able to share some insider’s knowledge about what’s ahead for the UW System. I am sorry to disappoint

you, but the new administration in the statehouse has been keeping its planning for higher education close to the vest.

As the new term begins, our new governor and legislature must grapple with the very real and severe budget pressures this state faces. We will all learn how they intend to do so early in February when the governor delivers his State of the State address and issues his proposed budget. Just this morning we learned from a news report that the governor is considering a budget repair bill that could be introduced before his new budget next month. So stay tuned.

It would be naïve, however, to think that the UW System will be completely exempted from sharing in any budget adjustments the governor may propose, including state funding reductions and/or actions that affect all state employees. Public higher education in Wisconsin has experienced 20 years of steady erosion in the percentage of state expenditures. This has occurred under both political parties, all governors and all legislatures. And it has occurred without a debate about the role of the state in higher education.

This year there is certainly the expectation that there will be additional budget reductions in our GPR or state support budget. Currently GPR funding covers approximately 44 percent of our instructional budget.

The governor and others have also talked about the benefit package held by state employees, including ourselves. There appears to be statutory provisions by which additional costs could be shifted to state employees. This would reverse years of fundamental agreement that below-average salaries (at least in the university system) were to some extent offset by a slightly more generous benefit package. Whether the governor's administration will take such actions or when they might do so remain unknown.

On another level, our self-generated budget (tuition, fees, grants and contracts) remains healthy. We have had additional revenue from continued enrollment growth over the past few years. While that does not cover the full cost of education, it provides marginal additional revenue for the university. When you combine all our revenue sources — state support, tuition, fees, grants and contracts — less than 23 percent of our total revenues derive from state tax dollars.

The good news is that a reduction in that portion of our revenue is, percentage-wise, less damaging than it once would have been when the state provided a larger portion of the revenue pie. The bad news is the decades-long decline in that overall percentage. We now receive about \$4,000 per student from the state. When combined with tuition, this leaves us nearly the same dollars to spend per student as I understand our local technical college has.

For years, I and my colleagues at the UW System and Board of Regents, have attempted to reverse this pattern, hammering away at the message that public higher education is part of the solution, not the problem.

We even use the language of corporate reports like "Be Bold Wisconsin" that links greater educational attainment and the System's growth agenda to a stronger economic base for Wisconsin. We use the compelling testimony of our students, our graduates and their very satisfied employers to argue for preservation of what is left of higher education funding and restoration of capacity.

But is it not a popular saying that the definition of insanity is doing the same thing over and over and expecting different results? If so, then we must ask ourselves how much longer we will continue to go back to Madison to ask for a restoration of a social contract for public higher education that has been steadily eroded by government since the 1980s.

It is time, instead, to address the realities of higher education funding in Wisconsin with an additional, forceful message: If the state cannot continue its covenant as a strong partner, it must free us up to be more efficient, more entrepreneurial and more creative in how we use our resources to serve our students. In particular, we will seek to make our case that UW-Eau Claire can contribute most effectively to student success and to the recovery and economic health of Wisconsin not by making across-the-board cuts to people and operations, but by reducing the regulatory environment that handcuffs our ability to generate and use the dollars we have.

In this regard, I will also oppose a cap on tuition or other arbitrary price controls. As we learned with the Blugold Commitment, our students understand the value of their tuition investment, a tuition that continues to be nationally competitive. We are still \$3,000 less per year in cost of attendance than the national average for public comprehensives.

And our alumni value their degree. A recent alumni survey revealed that an astounding 95 percent of our alumni not only believe that their tuition was fair but that their Blugold degree was worth the investment.

We are not just one voice calling for more flexibility. The Board of Regents has identified specific areas in which greater board autonomy from broader state agencies could result in better use of resources, as in our construction processes.

Chancellor Martin at UW-Madison has also unveiled what she is calling the "New Badger Partnership." This is a proposal for greater autonomy for Madison that would pair reduced state oversight with accountability for university outcomes with a guaranteed minimum level of state funding. Other states, notably Virginia, Ohio, Colorado and Oregon, have already gone down this road. Even Louisiana and Arkansas appear to be moving in this direction.

Clearly, no comprehensive has the capability to generate revenue like a Madison campus can, and there are significant differences in what might help us succeed as opposed to a research university. Nevertheless, we at UW-Eau Claire must also be ready to take advantage of opportunities that might present themselves, should the governor or legislature look to new models.

At this time, these ideas about how Wisconsin supports public education on a sustainable basis for the future are still being discussed with the governor's advisers. These conversations must be echoed on this campus as well.

While there are many uncertainties on the horizon, there are opportunities as well. We have positioned ourselves as well as can be expected. In addition to your personal sacrifices, we as a university community have been more than frugal. If we must make reductions in our state-funded budget, we have a living strategic plan, PEEQ recommendations and an iterative, participative budget process to do so. All of these processes involve you and oversight by your colleagues. Our students have supported new funding through differential tuition. And we graduate the third largest number of baccalaureates annually, an achievement that puts us in a strong position.

We will continue, with UW System and through our own friends and advocates, to build a productive relationship with the governor's office and our legislators — both Warren Petryk and Kathy Bernier are Blugolds. I know that, given the opportunity to soar, we are a tremendous resource to Wisconsin and this region. I also know that our campus is highly respected among those newly elected to office. We will continue to take this message to Madison.

Campus Facilities Projects

Meanwhile, here on campus, we're getting much closer to putting on our hard hats and being physically "under construction." While we could still encounter changes from the governor and legislature regarding any of our projects, we are proceeding to prepare for what will result in more than \$100 million in construction spending in the coming decade.

I want to remind you that the \$100 million is what we call capital funding — resources available only for construction and our physical plant — not transferrable for instruction or other general operating funds. Even if we put a building on hold, we would not gain a single penny, and we would lose the opportunity to improve our facilities for years to come.

This facilities investment will have a real impact on our aging campus. In December our Children's Center received the green light to move forward. Barring any change from Madison, we anticipate breaking ground in late spring or early this summer.

Our education building also continues to be on track to move forward in the next biennium. We are now completing the planning phase of that project that will bring much-needed classrooms online. Tomorrow a busload of civic leaders from Eau Claire will visit with legislators as part of the annual Chippewa Valley Rally. One of the messages they will take to our legislators is to keep UW-Eau Claire's education building a priority.

But the biggest and most immediate project is our Student Center. I've asked Vice Chancellor Hellwig, who chairs that building committee, to provide an update.

[Remarks by Vice Chancellor Beth Hellwig]

Thank you, Beth and thanks to all those faculty and staff who are devoting countless hours of service on all our building committees.

Even as we shepherd our new building initiatives forward, we have also been working hard to complete our 20-year facilities master plan. More than a year in development, it has involved faculty, staff and students in creating a vision for a very special place. If you were one of the hundreds who shared your ideas, thanks for your input.

We now have an exciting vision for a physical campus that matches our academic vision as a premier learning community. New residence halls, renovation of Haas Fine Arts, a science building, more connections to the natural space and river — this plan is truly a reflection of the Centennial vision we created just a few years ago. By the way, this plan also means we will be “under construction” for the next 20 years — and that’s a very positive thing. We are a growing campus, and our boundary will expand beyond that of our first 100 years. To do that, we *must* seek partnerships with the community to complete our vision faster and more creatively. I continue to make that a priority.

While so much is uncertain in 2011, we nevertheless have made great strides over the past several years to take control of our future. We could have hunkered down and reacted as best we could to the changes, but that is not how we earned our reputation as one of Wisconsin’s most innovative and rigorous universities. Instead, we have taken very deliberate steps to prepare for and to control the forces that are buffeting many other institutions.

The Provost allowed me to borrow a slide from one of her presentations to illustrate how the initiatives of the past several years all support our Centennial plan. Three years ago we took the time to envision together the future we wanted. We created a Centennial plan with annual gold arrow priorities to help us get to that vision. We had the courage to challenge ourselves with a self-study of our strengths and weaknesses — our PEEQ program review. And then we worked to create revenue sources that would support the work we need to do to achieve our vision to be the premier undergraduate learning community in the Upper Midwest.

Gold arrows, PEEQ, budget proposals, the Blugold Commitment — they really do come together to support the one thing we value most — our stewardship of excellence.

Last January I reported to you on almost 70 changes I supported from the PEEQ self-study. I won’t go through all 70 of those changes, but I do want to note that PEEQ has provided the information that we are using to make decisions. For example:

- We have reallocated resources to fund a program in Actuarial Science and the Watershed Institute, both PEEQ recommendations.
- Progress is being made in revising General Education and our graduate requirements — the deans have been working very closely with the University Liberal Education Committee on this important work, with the help of more than 40 faculty members currently testing integrated learning pilots. This has the potential to truly transform our work, and I look forward to its completion in the near future.
- We have a new enrollment management plan, and we are seeing increases in the numbers of international and under-represented students at UW-Eau Claire.
- And both Business Services and Human Resources are working to address our “hyper-compliant” culture — improving our contracting and purchase order processes.

But we know that if we are to become a premier institution, these incremental changes are not enough. We need two essential things: *ideas* to transform student learning and *more faculty and staff* to make them a reality. Both take money. Thanks to our students, the Blugold Commitment, just begun this fall semester, has and will continue to provide us with the funding that will enable us to take charge of our future. Yesterday, the Student Senate endorsed funding for 62 Blugold Commitment proposals and Provost Initiatives for 2011/12. I will review them and make final determinations as soon as possible.

I know the proposal process was demanding, but the results have been truly astounding. In a time when so many institutions are struggling to keep faculty in the classrooms, we are partnering with our students to innovate and create the kind of learning community we have only dreamed about before. I asked several of our faculty to talk to you about just a few of the new ideas that they proposed for Blugold funding. While these three proposals must still be approved, I think they illustrate the kind of transformation that will be possible in the years ahead.

[Faculty video]

As Jack mentioned, the Blugold Commitment can help us stretch and challenge ourselves in new ways. I thought about that last fall when I visited 3M’s Innovation Center in St. Paul with some of our alumni. As you can imagine, it’s technologically impressive, yet the most elemental response I had was to think about how the organization that I lead stands in terms of innovation.

I’m proud to say that extraordinary innovation has been a hallmark of UW-Eau Claire over the years — sometimes through cutting-edge discovery — but always, and certainly within Wisconsin, we have been a leader in creating exciting applications for student learning.

I see our innovative spirit in our new immersion programs to exciting locations around the world, but also in the more traditional contexts of the classroom where so many of you bring your dedication and creativity. You reshape the borders of your curricula, collaborate across and between disciplines, and sharpen the learning that occurs inside and outside the classroom.

That spirit of innovation has never been more needed as we work to position our university for the future. Are there opportunities — particularly if the hypercompliant nature of state regulation eases — for us to generate new revenues? How can we assure more reasonable progress to degree and more timely graduation for our students? In what ways can we continue to reduce our overhead operating costs?

While these kinds of ideas are core to our Centennial vision, more important is our investment in people. We cannot continue to demand more and more from fewer employees. The Blugold Commitment was designed to provide the resources for faculty and staff to do transformative work. And so the primary investments of the Blugold Commitment will be in additional faculty and staff.

By the end of this year, we will have funded up to 27 positions — the majority of which are dedicated for instruction — with more faculty positions slated for 2012. This represents the most significant investment in our human resources in decades and the difference between status quo and distinction. And that is just a first step in what will be a four-year transition to annual funding of more than \$12 million through the Blugold Commitment. Provost Kleine will tell us more about our investment in faculty.

[Remarks by Provost and Vice Chancellor Patricia Kleine]

Thank you, Provost Kleine. There is no doubt that the coming months will be an unnerving period of more than a little uncertainty, a lot of rhetoric coming from the political arena and expectations of continuing sacrifices by those of us in the university system.

These times may test our commitment to excellence — and even our will to be excellent. But I believe too much is at stake for that to happen. With your help, we will support one another as we continue to create the premier learning community in the Upper Midwest.

And now, I'll invite Susan back to facilitate questions and discussion. Thank you.