March 2, 2011

UW-Eau Claire Colleagues,

As you all know, yesterday afternoon Governor Scott Walker introduced his 2011-13 budget proposal. His budget contains significant reductions to UW System campuses and UW System Administration, and it includes the separation of UW-Madison from UW System through the creation of a public authority.

As with the governor’s budget repair bill, his 2011-13 budget would require state employees to contribute 5.8 percent of their salary toward retirement and pay 12.6 percent of the cost of health insurance benefits. However, the governor’s budget does not include a continuation of furlough days for state employees.

Over the next several days we, along with UW System, will be reviewing details of the budget to determine the direct impacts on UW-Eau Claire. Here is a brief overview of the budget as it affects UW System and the UW campuses:

- Reduces state aid by $250 million over the biennium to the UW System institutions and UW-Madison.
- Reduces funding for UW System campuses (excluding UW-Madison) by 11 percent.
- Reduces funding to UW-Madison by $125 million over the biennium.
- Reduces UW System Administration funding by 25 percent.
- Exempts student financial aid from GPR reductions.
- Provides a 5.5 percent tuition increase for UW System institutions (excluding UW-Madison).
- Directs the UW System to develop a plan to transition UW-Milwaukee into a public authority similar to UW-Madison.
- Expands the Wisconsin GI tuition and fee reimbursement to provide full remission of academic fees for 128 credits or eight semesters.

As a reminder, the budget repair bill is still pending in the State Senate.

I am encouraged by the governor's pledge in his budget address to work with individual UW System campuses to achieve flexibilities in this budget cycle that will enable us to more efficiently and effectively use all the financial resources available to us. Also, while we continue to lose public funding, we retain our public purpose and are committed to providing access to higher education for students of all economic backgrounds. To that end, I am pleased that the governor's budget proposal leaves student financial aid intact.

The reductions proposed by Governor Walker will, no doubt, have significant impact on how we operate as an institution. I understand that these proposed reductions add to the uncertainty we already are experiencing as a campus community, and I will continue to communicate with you as additional budget information becomes available. Please also continue to check our Budget Update Web page for current information.

Thank you once again for your service to our University and dedication to our students during these difficult times.

Chancellor Brian Levin-Stankevich, Ph.D.