

April 18, 2011

Colleagues,

The Legislature's Joint Finance Committee has completed public hearings on the 2011-2013 state budget and is beginning the review process. Included in the Governor's proposal are significant budget reductions to the UW System as well as potential structural changes for public higher education in Wisconsin.

Under the Governor's proposal, the UW System would realize a \$250 million operating budget reduction in 2011-2013. UW-Eau Claire's share would be approximately \$5.1 million per year — a base budget reduction that would be permanent. The Governor also has proposed tuition increases of 5.5 percent per year, which would somewhat offset the base budget reduction. The plan at this point is to prepare for a net campus reduction of \$2.3 million for the first year of the biennium.

As you know, the University has adopted a budget model and budget process that are workable whether there are more or less available funds. I met last week with Provost Patricia Kleine and Vice Chancellor Beth Hellwig to begin the process of identifying potential budget savings. They, and I, will next meet with deans, department chairs and directors in our respective divisions to seek input on how best to manage these significant reductions.

Complicating matters this year is a proposal in the Governor's budget to remove UW-Madison from the UW System by creating a separate public authority, including a governing board, to provide UW-Madison with more autonomy and greater flexibilities.

The UW System Board of Regents opposes removing UW-Madison from the system and has proposed its own plan that would keep UW-Madison in the system. The "Wisconsin Idea Partnership," as the regents' proposal is called, would provide all campuses with the same flexibilities UW-Madison would receive under the Governor's budget.

I support the regents' plan and am working with our state legislators and others to have it included in the budget. If we are to maintain and enhance the excellence of a UW-Eau Claire education, it is imperative we be given the flexibilities necessary to effectively and efficiently manage our campus. More information about the flexibilities included in the Wisconsin Idea Partnership is available at <http://www.wisconsin.edu/wip/>.

As the budget process is completed for the coming year, our goal will be the determination of focused reductions that allow room for modification in the second year of the biennium, giving us the greatest possible degree of flexibility. This approach enables us in year two of the biennium to make adjustments in support of the priorities listed in our Strategic Plan.

As always, I will communicate budget information as it becomes available. While the coming months will bring additional challenges, I look forward with you to focusing on what is most important: creating a truly exceptional learning community for our students.

Chancellor Brian Levin-Stankevich, Ph.D.