

Dear UW Colleges and UW-Extension colleagues and Board of Visitors members,

By now I am sure you are aware that the Joint Finance Committee (JFC) has made its decisions regarding the UW System budget. The [Omnibus Motion](#) (Motion #521) describes the various provisions that will be put forward to the full legislature and then to the governor for his signature. UW System Administration has provided a high-level [outline of the motion](#). We are told to anticipate few changes to these provisions as the budget proceeds through its final stages.

While we are still analyzing JFC decisions in detail, I wanted to relay to you some of the major components that will affect our institutions.

Budget cut

The JFC reduced the overall cut to the UW System from \$300 million to \$250 million for the biennium. The committee also restored some cost to continue funds and many of the targeted cuts that would have eliminated UW-Extension programs such as the Discovery Farm program. In addition, the Educational Communications Board (ECB) had more than half of its funding restored. We will provide a more thorough summary of the restoration of targeted cuts later this week.

In addition, JFC has directed the Board of Regents to distribute the \$50 million (\$25 million per year) “to aid UW institutions that are most impacted by the GPR base reduction.” I have spoken to President Cross who informed me he will not fully exempt any UW institution from budget cuts. Therefore, the UW Colleges and UW-Extension will receive a budget cut in the 2015-17 biennium. Though I am very optimistic and delighted our overall budget cut will be less than originally predicted, our portion of the cut is unknown at this time.

We will continue with our budget planning process in UW-Extension and we will proceed with implementation planning for Phase 1 cuts in the UW Colleges. ***I will wait until receiving indication of our final budget cut from UW System Administration before making any other budget decisions for either institution.***

Tenure

The JFC has eliminated tenure from statute and has directed the Board of Regents to establish policies for granting tenure to a faculty member. The Board has previously approved a [resolution](#) in support of tenure and it has established a Task Force on tenure. President Cross and Regent Millner have issued a [statement on tenure](#) as well. The JFC decision also included procedures for faculty layoffs, the implications of which we will analyze more fully and then share our findings with you.

Shared governance

The JFC provided language that more clearly defines the parameters of shared governance and the role of the chancellor within the UW System. Shared governance will continue to be codified in statute within the state of Wisconsin. ***As has been my practice over the last six months, I will continue to seek broad input and advice from faculty, staff, and students on major decisions affecting our institutions.***

Flexibilities

The JFC provided some additional operational flexibilities to the UW System. These include the ability to award merit salary increases and the ability to develop purchasing and procurement policies separate from the state. In addition, the Board of Regents, rather than the Department of Administration, will be responsible for entering into leases.

Next steps

We will continue to keep you updated as we move through the last stages of the budget reduction process.

Though the overall budget cut to the UW System remains large, the JFC has provided some relief by reducing the cut, some additional relief to UW institutions most impacted, restoring many targeted cuts, and providing some management flexibilities. I am confident our advocacy work had a positive impact on this outcome. I express my gratitude to each and every one of you who participated in this effort over the last four months. I firmly believe we made a difference.

As we continue to address our immediate future and the implications of this budget, I also invite us to look further ahead. The UW Colleges and UW-Extension have a deep history of innovation aligned with our respective access missions. We need to call upon that spirit of innovation now more than ever. I have begun to see a noticeable pivot from identifying problems to working toward solutions and I am optimistic about our future work together.