

July 6, 2015

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

I hope you all had the opportunity to spend meaningful time with family and friends over the July 4th holiday. When I arrived in Madison on December 1st, nearly everyone told me, “just wait until summer.” I now know why summer is such a special time in Wisconsin.

I am writing today to update you on the latest budget developments. This afternoon, UW System plans to publicly post materials for the July 9th Board of Regents meeting. At this meeting, UW System’s annual operating budget for 2015-16 will be voted on – including the changes in funding allocations to institutions. We will circulate a link to funding allocations when materials are posted by UW System on the Board of Regents website.

As you know, the Joint Committee on Finance-approved budget reduces the UW System’s annual base budget by \$125 million, which is \$25 million less than the cut proposed in the Governor’s original budget. Over two years, the base budget cut will be \$250 million, \$50 million less than originally proposed. The Committee further instructed the Board of Regents to distribute that restored \$25 million per year to aid the UW institutions that are most impacted by the overall GPR base reduction.

Here’s how we believe it will look for us. Under the proposed allocation plan, to be voted on by the Regents, UW Colleges’ share of the System’s \$125-million cut and \$15.6 million in unfunded costs will be **\$4,958,900** or \$1,481,800 less than originally proposed. UW-Extension’s total budget reduction will be **\$5,187,900** or \$872,000 less than originally proposed.

This is welcome news, certainly, and may allow us to offset some planned budget cuts and provide for a somewhat longer planning and transition period. At the same time, this adjusted GPR allocation cannot offset or redress the substantial cuts and funding needs we will face going forward. There is no way around this fact. I know how difficult this is for us all.

We have some major challenges ahead. The state’s budget deliberations still continue, although it appears things will be finalized soon. Once we know all the facts, I will announce Round 2 budget cuts for UW Colleges, considering the Budget Planning Task Force recommendations and the hundreds of comments and suggestions I received from you and our external supporters. In the meantime, we will proceed with Round 1 budget implementation planning for UW Colleges, progress on which is shared regularly. Our existing budget reduction process for UW-Extension will continue as planned. I will keep you updated on all decisions and timelines.

Finally, I want you to know that I am proud of your work in advocating on behalf of our UW Colleges and UW-Extension throughout this difficult time. That commitment to supporting our mission is part of what makes this such a special place. In a recent note to me, President Cross noted the following: “Just wanted to express my thanks for your thoughtful advice and vigorous advocacy throughout the budget. While I wish I could have done more for the UW Colleges, in particular, I am hopeful these resources will significantly improve current conditions. Please share with the greater UWCX stakeholders how grateful we are for their continued hard work and support.”

Like President Cross, I am enormously grateful for your work on our behalf. Again, I will continue to keep you informed as we work through next steps in implementing our 2015-17 budget.

Sincerely yours,

Cathy

Cathy Sandeen, PhD, MBA
Chancellor
University of Wisconsin Colleges
University of Wisconsin-Extension
432 N. Lake Street
Madison, WI 53706
608.262.3786
<http://www.uwex.uwc.edu/>
