



Memorandum

To: UWGB Community
From: Gary L. Miller *Gary*
Date: March 30, 2015
Subject: Budget Reduction Update

GARY L. MILLER
Chancellor

We continue our planning to accommodate significant budget reduction and to reshape the university for the future. Permit me to review our progress to date and preview our activities for the coming weeks.

Process

Deliberations on the Governor's budget proposal will begin in earnest in the Joint Finance Committee in the coming days. We continue to have very productive discussions with our legislative colleagues about both the size of the proposed reductions and the flexibilities required to promote more efficient operations in the university. Many of our friends in the community, most especially our Council of Trustees, have been involved in these discussions. I will be in the Capitol a number of times in April to continue these conversations.

Our planning on campus continues within the planning structure we established including interactive discussions among the senior administrative team (Cabinet), University Planning and Innovation Council (UPIC), academic leaders and governance groups. The work of the UPIC has been especially intensive and creative and I want to thank the members of that group for their extraordinary work.

In addition to the work within the planning structure, UPIC members and I are visiting academic and non-academic units at their request to review the budget situation and discuss options. We continue to sponsor a blog on the Chancellor's web page and hold open town hall meetings. I have met personally with many of you to hear your specific concerns and suggestions. And, last week President Cross visited campus to hold meetings with students, faculty and staff.

Strategy and Goals

Our strategy continues to be to identify specific permanent reductions to be taken this spring and to develop plans to use our limited flexibility to manage some of the \$4.6 million reduction over the next two years. Our goal is to emerge from this process with a university rebalanced and organized to: (1) continue the high quality student experience for which we are known, (2) support faculty development, (3) grow enrollment in key areas and (4) engage at a higher level as a value-adding partner in economic development, education and social services in our region of Wisconsin.

I N N O V A T I O N T R A N S F O R M A T I O N P L A C E

Schedule

I know that many of you are anxious about decisions affecting your programs or your employment. At the moment we are planning for a worst case scenario which requires us to discuss potential actions. However, until the conclusion of the legislative process, we will not know which of the potential actions under consideration will be required for us to meet our obligations. Thus, I would expect most of the important decisions regarding our reduction will be made in mid- to late May. Please be assured that regardless of when personnel actions are made – if they must be made – we will follow all guidelines regarding notification regardless of when notification takes place.

Analytics

To accomplish a reduction of this size requires an understanding of the complex dynamics of many programs and processes. Currently, while the university has lots of data we do not have the analytic capacity for the kinds of predictive meta-analyses needed. So, we are building that capacity as we go. I have established a Data Team to bring academic, human resources and fiscal data together to produce the kinds of evidence-based narrative we need to make decisions. The team includes Greg Davis, Dick Anderson, Debbie Furlong and Dan McCollum. The goals of this team are to: (1) provide decision analytics for the immediate budgetary challenge and (2) develop recommendations and foundational elements for the growth of a full-featured analytics unit. I want to thank them for their great work.

Actions and Considerations

The enormous size of the proposed reduction requires us to examine every aspect of our operation; the planning groups are proceeding with that mandate. Following is a general description of the planning themes:

- Program reshaping. Ultimately, all academic and non-academic programs will be reviewed for possible resizing (growth or downsizing), re-organization or elimination. This process will require more time than we have to manage reductions prior to the beginning of the fiscal year and benefit from more substantive discussions with faculty and staff leadership. However, planning groups are considering some actions regarding programs that may be taken in the near future. We anticipate decisions on these programs will be made in early May.

Some programs under study involve academic support or faculty and staff development. The way in which we deploy resources for advising, faculty development, instructional technology, adult education and eLearning are among these. We are also considering the possibility of reorienting certain programs for revenue generation. In most cases, these considerations are in the early stages and not expected to yield large savings or substantial additional revenue immediately. However the potential for long-term savings and revenue growth appears substantial in some cases.

- Administrative reductions. We have identified approximately \$1.1 million in administrative reductions that can be taken prior to July 1st requiring no reduction in force. Because most of these reductions involve eliminating vacant positions, these reductions will result in reductions in service in some areas. No decision on these will be made until we have the final word on the budget reduction.
- The Work Model and Institutional Organization. The institutional organization and work model has not been thoroughly reviewed since the university was established. There is evidence that adjustments in the way we allocate teaching, research and service, the way we provide services to the academic programs and the way in which we are organized, particularly at the decanal level can both save us money and provide potential for growth. Various models are being examined now and it is expected this study will continue into the next fiscal year.
- Voluntary Separation Program. Later this week, approximately 154 eligible current employees in all classifications will be notified of an opportunity to voluntarily separate from the university. Eligible employees include all those at least 55 years of age having 5 or more years of service. Details of this program will be issued to eligible employees by Human Resources in the coming days.

I encourage you to communicate your concerns or suggestions to your supervisor, academic leader (e.g., dean, unit chair) or to members of the UPIC.

I continue to believe we will emerge from this challenging time as a stronger university with a renewed commitment to our students and our region and new capacity for growth, engagement and partnership building. Thank you all for your participation.

c: Cabinet
Council of Trustees
University Leadership Group
University Planning and Innovation Council