

## Chancellor Wells' statement on proposed UW System tuition freeze, budget increase reductions

by Chancellor Richard H. Wells - Thursday, May 16, 2013

<http://www.uwosh.edu/today/27505/chancellor-wells-statement-on-proposed-tuition-freeze-budget-increase-reductions-for-uw-system-institutions/>

Governor Walker's proposal to freeze UW System institutions' tuition over the 2013-15 biennium is very good news for our students in regard to affordability. At the same time, it is very challenging news for our college, university and UW Extension communities. The tuition freeze, coupled with the Governor's call for what amounts to a \$94 million reduction of the originally proposed \$181 million increase in UW System institutions' 2013-15 state GPR funding, will, once again, test us on how well we can maintain and, more importantly, improve the quality education every UW student deserves. As in the past, we will do our very best to make it work.

The tuition and state budget changes were [announced by the state Department of Administration on May 15](#). The UW System [issued a statement in response](#).

Questions will arise as to what could be compromised at UW Oshkosh as we reallocate our fiscally responsible and strategically developed and applied fund balances to address lost revenue due to the tuition freeze and budget reductions. We outlined an array of fund-balance-supported programs and initiatives in a late-April analysis of our UW Oshkosh fund balance totals and uses, and I encourage people to [revisit that document](#). With the legislature still about one month from acting on the Governor's proposals, what we can commit to at this point is to pledge that our budget decisions at UW Oshkosh will be made thoughtfully and with the input and leadership of our deeply dedicated faculty, staff and student leadership governance groups.

Again, UW Oshkosh can make this work. As we have grown and preserved record student enrollments over the last decade, we have repeatedly faced budget challenges. With student, faculty and staff input, we have done our very best to minimize the erosion of educational quality and efforts to ensure student success. That will continue.

Meanwhile, we must ask that our many stakeholders continue to support our journey down an innovative, creative and entrepreneurial path as we develop new revenue streams, programs and initiatives to preserve and enhance educational quality.

When all is said and done with respect to our final UW System and UW Oshkosh budgets, our most critical and urgent challenge remains how to provide fair and competitive compensation for our outstanding faculty and staff.

First, it is imperative that the Governor and Legislature provide all the authority, flexibility and accountability the UW System Board of Regents needs to develop and implement a short- and long-term,

comprehensive compensation plan. This is critical to help us close a huge and widening faculty and staff compensation gap between UW System institutions and their peer institutions in the Midwest and throughout the nation.

Secondly, UW institutions must be supported and expected to reallocate existing funds and identify new innovate ways to generate new funds that will be dedicated to faculty and staff compensation.

Failure to do either of these things – to give our Board of Regents necessary flexibility and to empower campuses to reallocate and develop new revenue resources addressing our long-standing compensation challenges – will seriously erode our ability to provide the higher-quality education Wisconsin wants and our students deserve at a fair, subsidized price.

Assuming modest pay plan funding increases in the 1-to-3-percent range over the next several biennia, the absence of pay plan funding over the last several years still leaves our institutions an estimated six to 12 years from catching up to the median compensation levels at peer institutions. We are not talking about matching or exceeding peers' top pay scales. We are looking at approximately a decade just to reach the average. And this is based on the extraordinary assumption that peer institutions will not experience any pay increases over that same time period.

Put simply, we cannot provide a better education at a better price value for our students without fair compensation and development funds for our deeply dedicated faculty and staff. We must not lose further ground on this as we face these new budget challenges before us.