

July 11, 2005

The Honorable Jim Doyle
Governor, State of Wisconsin
115 East, State Capitol
P.O. Box 7863
Madison, WI 53707-7863

Dear Governor Doyle:

I am submitting a list of eleven (11) items the University of Wisconsin System recommends for veto from AB100, the 2005-07 biennial budget bill. A rationale for each of the items is provided and I would welcome the opportunity to answer any questions on the recommended vetoes or discuss other vetoes or budget changes you may be considering that would affect the university.

An item of major concern for the Board of Regents, is the 2.3% across-the-board reduction to state agencies the Legislature included in its bill. This item presents the UW System with an additional obstacle to efficiently plan for Fall classes, which are set to begin in two months. A partial veto (see attached) may be possible to return these funds to the appropriate agencies including the UW System.

In addition, I hope you will veto the proposal to require a 1.5% contribution to the Wisconsin Retirement System from non-represented classified employees and faculty. If that provision is allowed to stand, the proposed 2% pay plan in the first year becomes a 0.5% increase. My fear is that net pay increases that average about 1% per year over a four year period will encourage further departures of high quality, hard working, and devoted faculty and staff and reduce the quality of education available to our students.

Included in the list of recommendations is the request for a partial veto of the membership of the Higher Education Task Force that would be created under AB 100. The Board of Regents and I are very supportive of the idea of a bipartisan task force to examine the future of the University of Wisconsin System and its role in meeting the needs of the state. The Board, through the resolution that was passed last month (see attached), clearly communicated the need for a bipartisan examination of the future of the UW System. The request for the partial veto would allow the committee to be formed with a somewhat different membership and charge. We believe the Executive branch needs to be represented and currently is not, for instance.

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In addition, the Board of Regents remains concerned about the affordability of the UW System to students from low income families. Of particular concern are the reduction of financial aid increases and the removal of the increase to the WHEG maximum award. Your budget included a \$21 million increase to financial aid for UW Students and an increase of the WHEG maximum award from \$2,500 to \$3,000. Both increases are necessary to ensure that financial aid can help the neediest students in Wisconsin access the University. Any help that could be provided in the future to accommodate an increase in financial aid funding and the maximum award would be greatly appreciated.

If you have any questions about any of these items, please don't hesitate to contact me. We very much appreciate your consideration of these items and your concern about the welfare of the University of Wisconsin System and its service to our students and all Wisconsin residents.

Sincerely,

Kevin P. Reilly
President

Attachments

cc: Department of Administration Secretary Marotta
UW Board of Regents President Walsh
UW Board of Regents Vice President Bradley
Chancellors
Cabinet