

Dear Campus Community,

We are sharing with you the latest update on the university's financial situation. This communication is the first of what will be weekly Friday updates. If you miss one, please look for it on this [webpage](#), which will be updated as a single source of answers and resources.

UW-River Falls is charged with eliminating an \$8 million structural deficit by 2028. While we can take advantage of our reserves as is reasonable ("lengthening our runway"), immediate actions are unavoidable. As we continue to monitor and strive to influence enrollment for the fall, we will be prudent and take proactive steps.

We acknowledge that efforts to eliminate our structural deficit will impact the campus community. We will hold true to the principles shared in the [April 18 Falcon Forum](#) and continue our commitment to student and employee success through the pursuit of our strategic goals.

After conservatively factoring in the anticipated new revenue from Minnesota tuition reciprocity and our portion of the [workforce development funds](#) through the JFC supplemental appropriation, we have established a budget reduction target of \$6.3 million spread across the next two fiscal years, equivalent to a total of 15% of current GPR-funded operations.

For fiscal year 2024-25, our target for budget improvement is \$4.2 million. This amount will primarily come from a reduction in expenses, as increases in revenue will be insufficient in the near term. Based on current projections, by early 2025 we expect an additional expense reduction target for fiscal year 2025-26, estimated at \$2.1 million. To reach the target for the coming fiscal year, each unit will be asked to identify a 10% reduction of their annual GPR budget allocation, understanding that an additional 5% reduction should be planned for fiscal year 2025-26. While our deficit elimination focuses on GPR funds, PR unit leaders also will be expected to work with Executive Cabinet to analyze their budgets and maximize savings on a case-by-case basis.

Specific GPR reduction targets will be provided to unit leaders for FY25 planning prior to the next meeting of the University Budget Advisory Committee (UBAC) on Monday, April 29, from 3-4:30 p.m. in the UC Ballroom. At the UBAC meeting, input will be gathered on possible university-wide measures, including the expense reduction ideas that have emerged previously. Unit leaders will then be asked to submit their budget reduction proposals to Executive Cabinet in early June for further discussion. We will watch our fall enrollment numbers carefully as we complete these analyses over the summer. Future communications will provide details on timelines for the implementation of specific decisions.

We are expecting the May 9 presentation of the Strategic Enrollment Management Plan to demonstrate how investments can help increase retention and attract students from new markets producing meaningful returns over the next few years. Our appreciation to everyone who has been participating in that complex planning effort.

Meanwhile, we will continue communicating the value and impact of a UW-River Falls degree. We also will work closely with the Universities of Wisconsin to advocate with our elected officials for a meaningful increase in state funding for the 2025-27 biennium.

Thank you for your commitment and dedication as we chart our course forward.

Sincerely,

Executive Cabinet:

Chancellor Maria Gallo

Interim Provost Wes Chapin

Vice Chancellor Dave Ruhland

Vice Chancellor Laura King

Chief of Staff Beth Schommer