Dear Campus Community,

I promised you that as COVID-19 implications emerged and new information was shared by UW System, I would keep you fully informed as an act of transparency, goodwill, and care. This email keeps that promise. The first thing that may have jumped to your mind is “are layoffs going to happen soon?” The answer is no. But, what I am going to tell you is that the speed and intensity of the implications of COVID-19 are not letting up and remain a daily and fast moving phenomenon and that we need to do planning.

Last week was very intense. I attended three Chancellor meetings last week alone that were all focused around the rapidly evolving budget realities provoked by COVID-19 throughout UW institutions. There were other meetings across System constituency groups at the Provost, CBO, Admissions and HR levels that all echoed versions of the same themes. On the weekend, we all shared what we had heard and triangulated that information.

Every one of these meetings involved requests from System for each individual campus to engage in rapid budget scenario planning around these contexts:

1. now to the end of this fiscal year, June 30, 2020
2. beginning of next fiscal year July 1, 2020 going into the fall semester

These requests from UW System involved assessing fiscal resources between now and end of fiscal year 2020. In addition, each campus was asked to provide projections around different scenarios that cross-referenced enrollment prospects and budget capacities into fall 2020. Each request had short turnarounds and I worked with our enrollment experts, fiscal experts and academic affairs experts to assess all of the various combinations of scenarios. Long days, evenings and weekends were spent to compile information. The scenarios are in the final stages and we are awaiting feedback from the System level. We will be sharing them with you the week of April 20 so that we all have access to the information.
I also listened carefully and learned how our other UW institutions were projecting their fiscal realities. The news on these fronts is sobering. UW System is having conversations about this and avenues that campuses may take as I write. This sends a clear signal that all of our UW campuses will be financially very, very challenged. You may be aware that the fiscal challenges are not unique to Wisconsin and are happening in higher education all across the country with some campuses closing their doors.

It is concerning and painful news. I wanted you to hear about these System wide issues from me first so that you know what is going on and you are not surprised by the news in the coming days and weeks. I also want to reassure you that we are working very hard to stay ahead of these challenges similar to how we have worked hard to stay ahead of this and protect our campus since COVID-19 emerged.

This is what we know:

**Legislative Relief**

There has been some relief from the federal government via the CARES Act for our campus, $1,488,367 which we are required to split 50/50 between student aid and institutional aid. The portion for institutional aid is not nearly enough to cover the expenditures and reimbursement of student housing and meal costs and other COVID-19 related expenses for which the student aid may not be used.

UW System is advocating hard on behalf of all the institutions for additional federal and state resources but it will take time and painstaking advocacy to attempt to secure without any assured outcomes. Given the many societal and economic hardships occurring as a result of COVID-19, higher education will be competing with many other priority areas for public funds. It will be a tough road.

Our campus will continue to be in contact with our legislators about our own situation. And, while I’m confident our governmental liaisons and others will fight hard for our worthy contribution to education efforts in the state, we can anticipate that this will be a hard fight with no assured outcome. Thus, we cannot count on relief funds coming in sufficient quantity to save the day, although I do hope more funds will eventually be committed.

**Planning**

The upshot of these contextual factors is that we must aggressively and proactively prepare to best protect our most precious resource - our people - and to strengthen our fiscal position in the midst of a rapidly changing landscape. We had already begun planning and the urgency is ever more clear. We cannot fail to have an institutional strategy to endure through multiple scenarios. Here is where we are to date:

(1) now to until June 30, Summer 2020
• We’ve already made the decision to offer all Summer 2020 courses online as a direct response to COVID-19 risks.

• Students are now registering for Summer and Fall 2020 courses and I encourage all advisors to proactively monitor your advisees to ensure that they do enroll in Summer and Fall courses.

• Retention is critical. Please help by intervening with students frequently over the coming few weeks to ensure retention as much as possible. If you identify issues that are preventing a student from proceeding, please report these using NAVIGATE and we will do our best help the students.

• Supplies and Expenses During this time, it is important that all departments (except for those on grant funding) limit their spending to only essential items that are needed to be used within the next 60 days. Any purchases of supplies in excess of $100.00 will need to be approved by the appropriate cabinet officer. This $100.00 threshold applies to purchases of general supplies - it does not apply to debt service payments, maintenance and repair projects through facilities management, or payments for capital projects that run through facilities management. Any recurring fees (such as copier maintenance fees) or payments as part of a contract that has already been negotiated and finalized are exempt from the $100.00 limit. If you have any questions, please send them to Jeff Kahler to receive further clarification.

• We are carefully reviewing all requests to hire. While there is not an absolute ban on new hires, each must be judiciously reviewed.

• We have a very proactive enrollment strategy which is making the best use of technology when face-to-face interaction with students is impossible right now and we are utilizing targeted marketing approaches. There are also some strategies for helping to maximize enrollment. You can expect to learn more about these strategies soon.

• The good news is we will not engage in any mandatory personnel actions (such as layoffs, furloughs, involuntary job reassignments, etc.) that will negatively impact our faculty and staff between now and the
end of this fiscal year (June, 30, 2020). To do so would cause real financial pain to you for very little practical gain and with very little notice for you to prepare. YOU matter to us. We are in a position to make this choice and I’m very grateful for this.

(2) July 1 and going to the fall semester 2020

Now for the fuzzy future. We need to turn our attention to planning for next fiscal year. The state of where our region and student body will be is very dynamic and a constantly changing situation. We are working very hard to protect your jobs and we must be assertive now in our planning efforts to do our best to avoid the possibility of layoffs should the worst emerge. While we may at some point in the future need to re-examine lay-offs as an option, we are working very hard to avoid doing so now as an early response to the financial challenges.

The question of the day is what will happen with enrollment. The competitive environment in the UW and across higher education was already tightening and COVID-19 will exasperate the situation. Our own talented Admissions team spent countless hours the past week on scenario projections of our incoming enrollment profile. You should realize that all of the past comparables as a predictor are out the door – nothing our nation has recently experienced can be used as a point of comparison.

There is uncertainty about many key factors:

- The progression and peak times of COVID-19 over Summer/Fall here in the northland – some have it as early as May, others not until late July or August
- Our subsequent capacity to safely restore face-to-face offerings and bring new incoming Freshmen to live in our residence halls
- The implications for fall athletics – if there are no athletic competitions, athletes may choose to defer a year before attending to ensure maximum eligible years to compete
- The implications for international students – visas may be difficult to secure
- The increasingly competitive environment for enrollments across Wisconsin and Minnesota
- The financial capacities of our potential students and their families.

Other connected indicators that are unknown:

- Health of the economy
- Pandemic progressions
- Student willingness to enroll in university
• Family willingness to support students enrolling and/or living at colleges
• The impact of potential illnesses on our employees
• Other unknown factors that seem to emerge on a weekly basis.

It seems that COVID-19 delivers new ramifications and nuances every day. System President Cross commented recently that his best estimate is that it is 50-50 odds that campuses will be able to open as usual in the fall and that all campuses needed to engage in multiple scenario planning around this for both face-to-face usual openings and online openings to prepare. The decisions about fall status will be made sometime in mid-summer but between now and then, we will need to plan for multiple scenarios and be very agile in our choices as new information clarifies.

In addition, while there is no clarity around the possibility of a state lapse that would negatively impact campuses, that word has been used a few times this past week. For those of you unfamiliar with a lapse, it means that the state government imposes a one-time give-back of funds on a temporary basis - in essence a mid-year cut. We are not sure what may happen around this challenging topic. Should it occur, it would be a very difficult development.

**Town Hall Meetings**

During this week we will be summarizing the possibilities as best we can on potential impacts. Starting the week of April 20\(^\text{th}\), we will be engaging in a series of ZOOM Town Hall meetings open to all of you to review the different scenarios, explain the possible implications, offer some preliminary thoughts based on analysis, and invite your questions and ideas for how we can strengthen our financial position in preparation for the multiple scenarios that could impact the fiscal year.

If things turn out better than the worst of these scenarios, we can ease back and change directions. But if the worst case scenarios emerge, we must be very proactive now so that people can plan. As we engage in these processes, we have several critical goals in mind:

(1) Preserving your jobs and your benefits; YOU are our most precious resource---how can we financially survive without needing to resort to layoffs?
(2) Maintain the financial ability to survive this next year under worst case fiscal and enrollment scenario.
(3) Have enough financial capacity to emerge strong on the other side of COVID-19.
(4) Ensure that we have the ability to serve students well throughout.
We are working very hard to secure our future. We are trying to mitigate the greatest negative impacts to our faculty and staff for as long as we possibly can. I so wish the news were guaranteed to be better but we just don’t know. We want to make sure we position ourselves to survive no matter what scenario comes our way with COVID-19 and the immediate aftermath of it. We need your understanding that fiscal scenarios are emerging that are like nothing we have seen to date.

I understand full well the fearfulness that may be a result of this email. It is out of my deep respect for you and your work that I wanted you to know nonetheless. I do believe that we can take steps to help us through this, preserve your jobs and our future...if we work together. Plan to attend one of the ZOOM Town Hall meetings. Review the information that will be shared during those meetings. Please give us your best thinking. Thank you for helping us all navigate our way through these turbulent waters.

Renee