

2011-13 UW System Biennial  
Operating Budget Request

BOARD OF REGENTS

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the submission of its 2011-13 Biennial Operating Budget request, totaling an ongoing increase of \$83.6 million in GPR/Fees for the Growth Agenda, along with recommended Statutory Language Changes and approved Performance Measures. The Board delegates authority to the UW System President to submit the Cost to Continue and Program Revenue requests and seek an extension to the statutorily required September 15, 2010 submission date, if needed. The Cost to Continue and Program Revenue request amounts will be provided to the Board of Regents in October.



# **2011-13 Biennial Operating Budget**

The University of  
Wisconsin System  
August, 2010

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# BOARD OF REGENTS 2011-13 BIENNIAL BUDGET

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## A. EXECUTIVE SUMMARY AND BACKGROUND

**2011-13 UW SYSTEM BIENNIAL BUDGET  
EXECUTIVE SUMMARY**

**BACKGROUND**

Since its February 2010 meeting, the Board of Regents has had a series of conversations centered around the Growth Agenda for Wisconsin and three key priorities for the State, including More Graduates, More Jobs, and a Competitive University Workforce. The Board has shown strong support for increased and stable funding from the State of Wisconsin for these priorities, and for greater flexibilities that will enable UW System institutions to use their resources to more effectively serve students and the state. These conversations evolved into the 2011-13 Biennial Budget proposal described herein and recommended for approval by University of Wisconsin System President Kevin Reilly.

The Board of Regents is required to submit a budget request to the Department of Administration by September 15 of each even numbered year. Although the Department of Administration has directed most state agencies to assume there will be no new funding other than for cost-to-continue items, an exception was made for “University of Wisconsin System instruction and research activities that are focused on economic growth.” This recommended request meets those parameters, and seeks funding that will move Wisconsin along a path towards greater economic prosperity.

**REQUESTED ACTION**

Approval of Resolution 2. That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the submission of its 2011-13 Biennial Operating Budget request, totaling an ongoing increase of \$83.6 million in GPR/Fees for the Growth Agenda, along with recommended Statutory Language Changes and approved Performance Measures. The Board delegates authority to the UW System President to submit the Cost to Continue and Program Revenue requests and seek an extension to the statutorily required September 15, 2010 submission date, if needed. The Cost to Continue and Program Revenue request amounts will be provided to the Board of Regents in October.

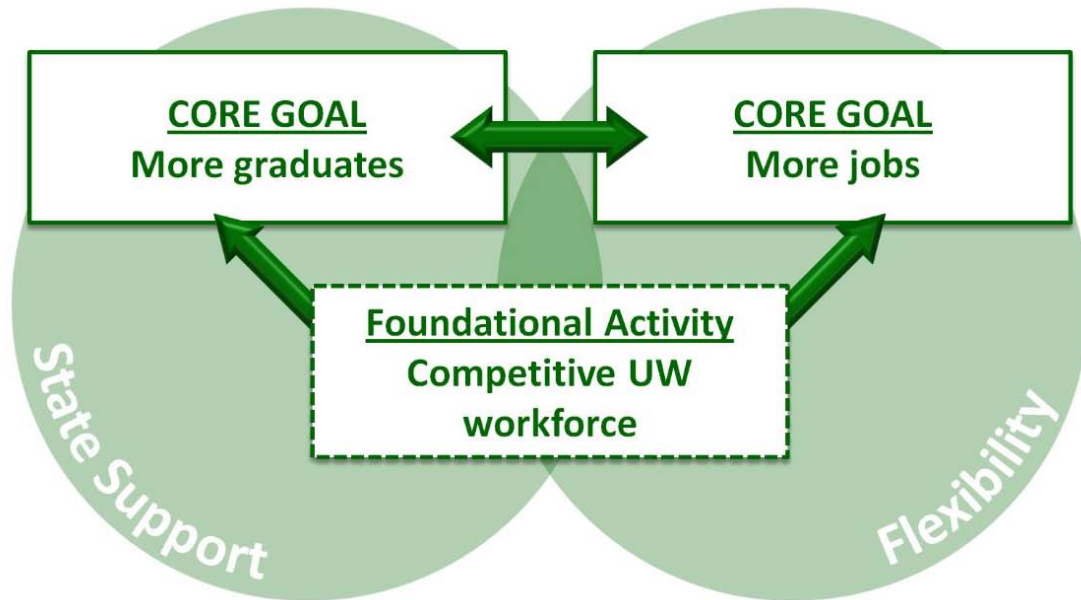
**DISCUSSION**

**THE UNIVERSITY OF WISCONSIN SYSTEM’S GROWTH AGENDA**

The graphic on the next page displays the elements of the University of Wisconsin System’s 2011-13 Growth Agenda for Wisconsin priorities. The 2011-13 biennial budget request includes a number of initiatives designed to increase the number of graduates and jobs for Wisconsin residents.

# Growth Agenda for Wisconsin

A strategy for recovery and renewal



## More Graduates - \$33.1 million

The University of Wisconsin System has adopted the ambitious goal of increasing the number of undergraduate degrees awarded by 80,000 by 2025. The More Graduates initiatives support the first step toward meeting this important goal. The two key elements are: (1) increasing the number of students who are retained from their freshman to sophomore years; and, (2) increasing the number of students enrolled in UW System institutions. For retention initiatives, the equivalent of 2008-09 state support is requested for each additional student an institution plans to retain by 2015-16. For new enrollments, however, the UW System recognizes that the current cost per student must be reduced as it serves more students. Therefore, only 75% of the equivalent of 2008-09 state support per student is requested for each additional student that an institution plans to enroll in 2012-13. This request includes \$22.6 million in ongoing GPR/Fee funding and would yield more than 5,900 additional students, including an increase of 2,220 students retained to their sophomore year.

Maintaining affordability is critical in order for low- and middle-income Wisconsin residents to obtain an undergraduate degree. At its June 2010 meeting, the Board of Regents approved a resolution encouraging the Higher Education Aids Board to request an increase in GPR funding that is sufficient to hold Wisconsin Higher Education Grant (WHEG) recipients harmless to tuition increases, and to increase the number of students who receive WHEG awards by 5% each year. The Tuition Increase Grant (TIG) program was created in the 2009-11 Budget to provide grants to students whose family income is less than \$60,000 and who do not receive a WHEG

award in order to hold them harmless against increases in tuition. In order to be eligible for a TIG in 2011-12 and subsequent years, a student must have been enrolled during 2010-11 and maintained continuous enrollment. The 2011-13 Budget recommends expanding the TIG program to include students who first enroll at a UW institution in 2011-12 or 2012-13. This request includes \$10.5 million in additional ongoing GPR funding to maintain affordability for middle-income students.

#### More Jobs - \$29.7 million

In addition to producing more college graduates, University of Wisconsin System institutions promote job creation in Wisconsin. Several initiatives are proposed to help spur more job creation in the state.

UW System faculty, staff, and students are hampered by limited access to emerging information in rapidly changing fields, particularly in the STEM (science, technology, engineering, and math) areas. GPR/Fee funding of \$6 million is requested to create a new research infrastructure called the UW Library Research Commons, comprised of electronic journals, databases, and other electronic resources in new areas of knowledge. The Library Research Commons will be accessible to all UW students, faculty and staff. This request will also support the expansion of existing electronic resources currently held by the UW-Madison Libraries to all UW faculty, staff and students.

For UW-Milwaukee, \$10 million GPR/Fees is requested to fund Phase II of a three biennia Research Initiative. Phase II (2011-13) requests resources for: seed funding for selected research projects; staff to secure additional grant and corporate partnership funding; expanded access to library resources such as electronic journals and research materials; increased support for information technology (IT), including research computing capabilities to enhance efforts in science and engineering; and cluster hires in advanced manufacturing and healthcare/biomedical engineering and science, and power, energy, and sustainability. In addition, new funding would support faculty and the administrative infrastructure of the new Schools of Public Health and Freshwater Sciences in order to build the necessary research, instructional, and outreach capacity, including expanded degree offerings. This funding would also enhance and expand undergraduate research and internship opportunities, and will allow UW-Milwaukee to attract and retain outstanding graduate students, focusing on health sciences, the Schools of Public Health and Freshwater Sciences, and the STEM fields.

For UW-Madison, \$5.4 million GPR is requested to hire an additional 225 graduate assistants to support work on externally funded research projects. This state investment is expected to generate more than \$35 million in external funding.

For the UW Comprehensive universities, \$8.3 million GPR is requested to begin implementing the recommendations of the Research to Jobs Task Force. Some of the initiatives are a weeklong course to teach basic business and entrepreneurial skills; a UW System website for posting start-up ideas and requests for collaborations, support and resources; an expanded Wisconsin Discovery Portal database, which allows the public to identify faculty and staff who have certain technical expertise; and the establishment of emerging technology centers across the UW

System. These technology centers will leverage multiple resources to create new jobs through research and development and technology innovation, as well as adding and retaining jobs by strengthening existing businesses. This UW Comprehensive Universities proposal would also provide flexible support to fund faculty research time, grant assistance, supplies and equipment, and the matching/seed funding that are critical to enhancing and supporting efforts to increase and stimulate research and job creation. Institutions will have the flexibility to manage some Research to Jobs funding to meet their specific goals and respond to research and funding opportunities and regional needs as they arise.

#### Competitive University Workforce - \$20.9 million

At its June 2010 meeting, the Board of Regents received a report from the Competitive University Workforce Commission. This report found “that the current compensation system and the level of compensation for UW System faculty, academic staff, and academic and administrative leaders are not adequate and that a number of deficiencies exist”. The Board will consider what pay plan recommendations to submit to the Office of State Employment relations at their November or December meeting. The 2011-13 Biennial Budget request includes the restoration of the rescinded 2% pay plan for nonrepresented staff. The represented staff received this 2% increase starting in June of 2009. Accordingly, in order to treat all staff equitably, the nonrepresented staff should receive the same increase starting on July 1, 2011.

### **STATE SUPPORT**

#### Cost to Continue and Program Revenue

In order to provide a more educated workforce and more jobs for that workforce, the University of Wisconsin System needs a stable funding base. One key to achieving this is the full funding of cost-to-continue items by the State of Wisconsin. Cost to Continue items (Section B, Pages B-11-12) are determined in consultation with DOA. These requests fund items that DOA has agreed are needed to maintain an agency’s base budget for ongoing operations. The majority of these items are related to pay plan and fringe benefit increases previously approved by the Joint Committee on Employment Relations (JCOER).

Technical instructions for preparing the 2011-13 biennial budget were released by the Department of Administration (DOA) on August 4, 2010. There has not been sufficient time to work with DOA on establishing a base budget for the University of Wisconsin System or determine how to calculate some of the major components of Cost to Continue and Program Revenue to provide estimates in this document. The base budget for the University of Wisconsin System is expected to be established by the week of August 16. At this point, an extension for submitting cost to continue and program revenue budget requests may be needed beyond the September 15 deadline. While the amounts needed for cost to continue items in 2011-13 are not known at this time, it may be instructive to note that the annual ongoing amount received in 2009-11 for cost to continue items was \$92 million.



The Program Revenue Requests (Section B, Page B-13) represent estimated increases in funding needed to reflect projected revenue growth and cost increases during the 2011-13 biennium. Program Revenue funds will need to be generated in order to be spent.

### Flexibilities

In addition to stable funding, the University of Wisconsin could improve the impact of the funding it receives if it had greater flexibility in the use of those dollars. Toward that end, the Statutory Language Changes (Section B, Pages B-14-17) include proposals that would enable the UW System to use resources more efficiently, streamline procedures, eliminate costly duplication, and make technical corrections. With these increased efficiency measures, the UW System would be better equipped to manage resources effectively in an era of limited state funding.

### **PERFORMANCE MEASURES**

The DOA budget instructions (see Reference section) require agencies to update the performance measures that were developed and submitted with each biennial budget request, beginning in 2003-05. This section (Section C, page C-1) includes updates for the following three performance measures:

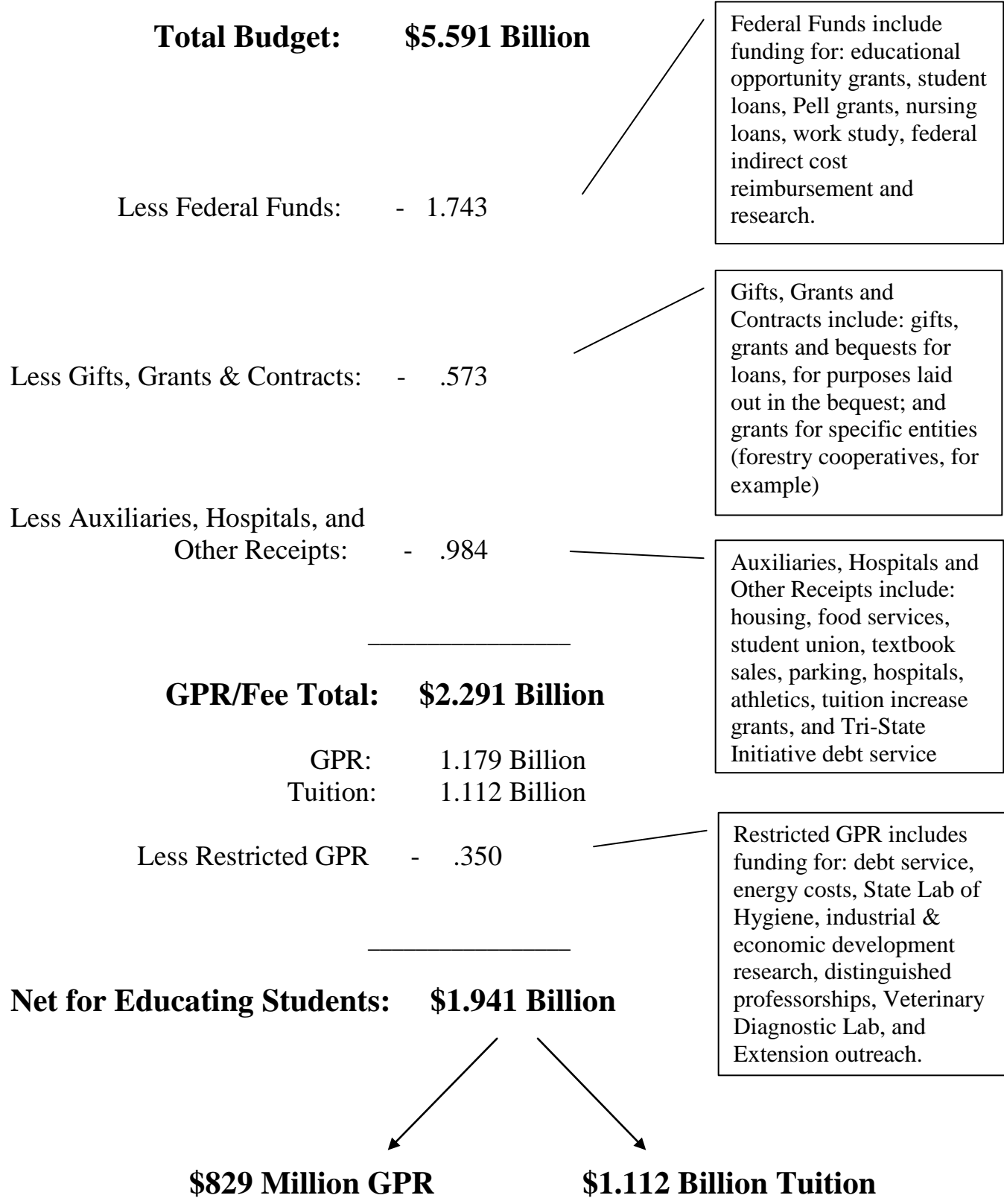
- Headcount Enrollments
- Retention of Students to the Second Year
- Graduation Rates

A new performance measure has been added, replacing “Contribution to Wisconsin Income.” The new measure “Number of Associate and Baccalaureate Degrees Conferred” reflects the UW System’s Growth Agenda goal of providing additional degree holders for the state.

### **RELATED REGENT POLICIES**

None.

**UNIVERSITY OF WISCONSIN SYSTEM**  
2010-11 Operating Budget



**B. 2011-13 BIENNIAL OPERATING BUDGET REQUEST**

UNIVERSITY OF WISCONSIN SYSTEM  
PROPOSED 2011-13 BIENNIAL BUDGET REQUEST  
SUMMARY OF NEW GPR/FEE INITIATIVES

<u>Budget Initiatives</u>	<u>Ongoing Annual Amount</u>
More Graduates - Improved Retention and Increased Enrollments	\$22,622,500
More Graduates - Tuition Increase Grant	\$10,500,000
More Jobs - UW Library Research Commons	\$6,000,000
More-Jobs - UW-Milwaukee	\$10,000,000
More Jobs - UW-Madison	\$5,400,000
More Jobs - UW Comprehensive Universities	\$8,250,000
Competitive University Workforce - Restore Rescinded 2% Pay Plan	<u>\$20,873,600</u>
Total for New Initiatives	\$83,646,100
 <u>Sources of Requested Funding</u>	
General Purpose Revenue (GPR)	\$66,267,300
Tuition (Fees)	\$17,378,800

**Growth Agenda Goal: More Graduates for Wisconsin (MG4W)**

	<u>2011-12</u>	<u>Increase in 2012-13</u>	<u>Ongoing Base Increase</u>
GPR	\$0	\$15,291,900	\$15,291,900
Fees (Tuition)	\$0	\$7,330,600	\$7,330,600
GPR/Fees	\$0	\$22,622,500	\$22,622,500

The More Graduates for Wisconsin initiative will provide funding to increase the number of graduates produced in the UW System. In 2008, Wisconsin was ranked 29<sup>th</sup> in the nation for percentage of adults holding a bachelor’s degree, a full six percentage points behind Minnesota. To address this educational deficit, we must attract a broader, deeper cut of the population, with a particular focus on traditionally underrepresented populations. If per capita income in Wisconsin were raised to the Minnesota average, residents would collectively take home an additional \$29 billion annually. The research shows that more degree-holders in the state will lead not only to higher income levels, but to more rapid economic growth, decreased demand on social services, and lower poverty rates. By improving access to quality higher education and increasing the overall number of degrees awarded, this initiative will better prepare more graduates so current and future generations can enjoy a higher quality of life in a more economically robust community.

Utilizing a dual-pronged approach of increased access and improved retention, the UW System goal of 80,000 additional graduates is set to be achieved by 2025. Funding for the 2011-13 biennia will provide transformational dollars to assist institutions in catalyzing new strategies and expanding those that have proven successful, to increase enrollments and improve retention during the first phase of implementation. These strategies include:

- Enhanced student services to support students throughout their academic career, utilizing an early warning system to identify students in need of additional support
- Increased recruitment and retention efforts for underserved populations
- High Impact Practices such as first-year seminars, undergraduate research, writing-intensive courses, learning communities and experiential learning
- New and expanded K-12 pipeline programs and bridge programs
- Alternative pathways such as online programs, 3-year degrees, a credit repository, programs targeting adult students, and credit for prior learning
- Focus on transfer students through expanded collaborations with the Wisconsin Technical College System and the UW Colleges.

**Outcomes:** Full funding of the first phase of this initiative will lead to an increase of over 5,900 FTE enrollments by fall 2012, including approximately 2,220 students by Fall 2015. Subsequent funding requests will lead to additional enrollments, an increased number of students retained, and more graduates for the state of Wisconsin. The evidence is clear: a more educated population will be healthier, more philanthropic, and more engaged in the community and the democratic process.

**Financial Aid: Tuition Increase Grant**

	<u>2011-12</u>	<u>Increase in 2012-13</u>	<u>Ongoing Base Increase</u>
GPR	\$6,200,000	\$4,300,000	\$10,500,000
Fees (Tuition)	\$0	\$0	\$0
GPR/Fees	\$6,200,000	\$4,300,000	\$10,500,000

The UW budget includes a request for additional state GPR funding for the Tuition Increase Grant program in order to continue the program for current students and expand the program to include students who first enroll at a UW institution in 2011-12 or 2012-13.

The Tuition Increase Grant (TIG) program, referred to in statute as the Academic Fee Increase Grants, was created in the 2009-11 Budget to provide grants to hold students whose family income is less than \$60,000 and who do not receive a Wisconsin Higher Education Grant harmless against increases in tuition. A TIG may not exceed the amount of a student's unmet need, and awards are based on "regular/base" tuition only, excluding segregated fees and differential tuition. The statutes also require that, in order to be eligible for a TIG in 2011-12 and subsequent years, a student must have been enrolled during 2010-11 and maintained continuous enrollment.

Assuming a 5.5% increase in tuition each year, expanding the TIG program to include students who first enroll at a UW institution in 2011-12 or 2012-13, thereby holding harmless four cohorts of students, would require a \$6.2 million increase over 2010-11 and a \$4.3 million increase over 2011-12. Expansion of the TIG requires a statutory change to allow these additional students to benefit from this program.

**Outcomes:** Increase financial aid by \$10.5 million for the Tuition Increase Grant to expand this program to students who enroll during the 2011-13 biennium.

## **Research to Jobs: UW Library Research Commons**

	<u>2011-12</u>	<u>Increase in 2012-13</u>	<u>Ongoing Base Increase</u>
GPR	\$0	\$3,900,000	\$3,900,000
Fees (Tuition)	\$0	\$2,100,000	\$2,100,000
GPR/Fees	\$0	\$6,000,000	\$6,000,000

This initiative will provide funding to increase access to many core resources and support the expansion of existing electronic resources currently held by the UW-Madison Libraries to all UW faculty and students, thereby building the research capacity of the entire UW System. This is the most cost effective method for leveraging systemwide resources.

Growing desirable jobs in the global marketplace requires a well educated workforce and a strong research base that can be transferred to business and industry. Despite efforts by the libraries to work collaboratively to achieve volume discounts, the need for additional resources is substantial. The libraries have received no funding increases since 1999. With an average inflation rate of 9 percent per year, significant cuts in research subscriptions have been necessary. The graph below illustrates the accelerating cost of research materials during this time of flat budgets for the UW libraries. Due to the lack of timely, accurate, and comprehensive scholarly resources, faculty and other researchers have difficulty keeping up-to-date in their field and maintaining a competitive edge in acquiring extramural funding, passing current knowledge on to their students, and transferring their research into economic growth for the state of Wisconsin. All UW institutions are reporting grave difficulties attracting and retaining quality faculty in the absence of core information resources.

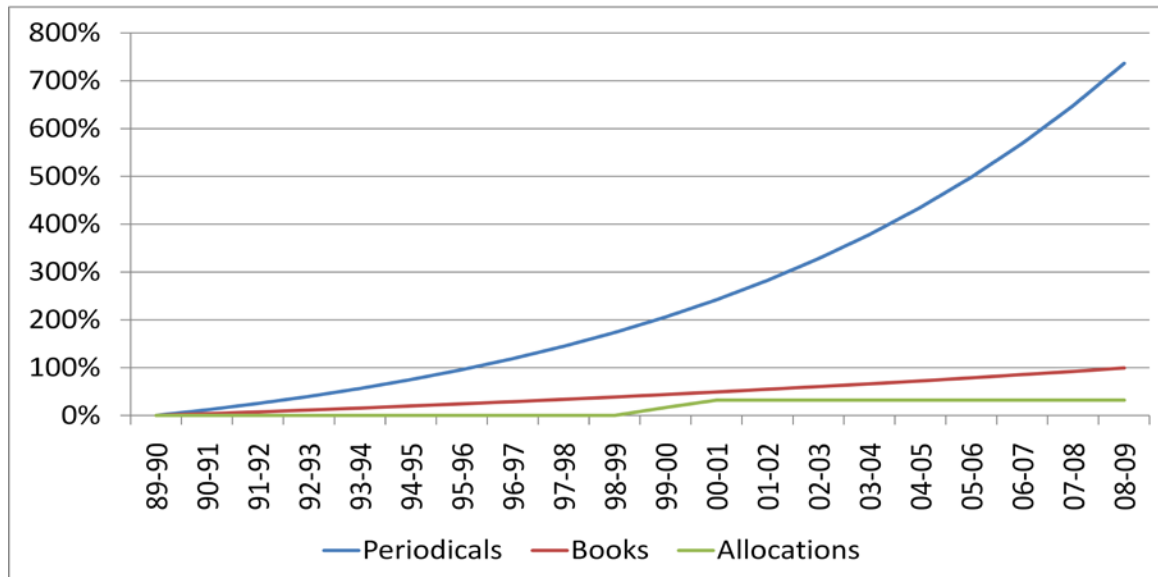
**Supporting Funds:** Research grants and related revenue flows will result from high quality faculty research supported by the new research infrastructure. Additional funds will be generated through license fees.

**Outcomes:** The UW Research Commons will enable faculty to be more competitive in obtaining research grants in these fields. This will result in increased revenue to the state in the form of federal dollars, intellectual property and technology transfer to the private sector. It will also expand access to electronic content to UW System students and staff. Beneficial outcomes for the UW System and the State of Wisconsin will include:

- Recruiting, retaining, and graduating the best and brightest undergraduate and graduate students by equipping them with the information and tools they need to do their best work
- Expanding student participation in research to achieve a more competitive intellectual edge system-wide
- Attracting and retaining a highly accomplished faculty whose expertise and drive contribute to the discovery and dissemination of knowledge
- Supporting the production of technologies and products that generate license fees and spur the creation of start-up companies, which tend to arise and flourish within 50 miles of the “home” university

- Accelerating grant awards and related revenue flows to the UW by providing faculty with access to the most comprehensive, up-to-date knowledge base
- Fostering more R&D at state and local government agencies through connections with UW library resources

### Library Periodical, Book, and Allocation Increases 1989-90 Through 2008-09





## UW-Milwaukee – Powering Southern Wisconsin’s Knowledge-Based Economy Phase II

	<u>2011-12</u>	<u>Increase in 2012-13</u>	<u>Ongoing Base Increase</u>
GPR	\$0	\$8,425,000	\$8,425,000
Fees (Tuition)	\$0	\$1,575,000	\$1,575,000
GPR/Fees	\$0	\$10,000,000	\$10,000,000

This initiative will fund Phase II of a three biennia Research Initiative. Phase I (2007-09) provided \$8,399,400 GPR and \$1,230,100 Fees (\$9,629,500 GPR/Fees biennial total) and 60 FTE faculty/academic staff to focus on research in the areas of biomedical and health technologies, advanced manufacturing, and other science and engineering fields in order to strengthen the level of research in southeastern Wisconsin and translate outcomes into economic development. Phase I also invested in graduate education in advanced manufacturing and biomedical research, and expanded undergraduate research. Phase II was previously requested, but did not receive funding, in the 2009-11 Budget.

Phase II (2011-13) provides seed funding for selected research projects, adds staff to secure additional grant and corporate partnership funding, and provides for expanded access to library resources such as electronic journals and research materials. Increased support for information technology (IT), including research computing capabilities, will enhance efforts in science and engineering. Phase II also anticipates cluster hires in advanced manufacturing and healthcare/biomedical engineering and science, and power, energy, and sustainability. These cluster hires are expected to attract federal and other research funding and foster economic activity through the creation of intellectual property, technology transfer and business startups.

Funding will also support faculty and the administrative infrastructure of the new Schools of Public Health and Freshwater Sciences in order to build the necessary research, instructional and outreach capacity, including expanding degree offerings. Finally, this initiative will enhance and expand undergraduate research and internship opportunities and allow UW-Milwaukee to attract and retain outstanding graduate students, focusing on health sciences, the Schools of Public Health and Freshwater Sciences, and the STEM fields.

In 2008-09, UW-Milwaukee had over \$53.6 million in research expenditures, which represents an increase of 150% from the beginning of the decade. It is expected that the requested state funds and the expanded research focus under Phase II will allow UW-Milwaukee to secure additional external grants and contracts.

**Supporting Funds:** It is anticipated that the increased research emphasis will attract an additional \$13-\$20 million, per year, in extramural funding within five years.

### **Outcomes:**

- Enroll 15 PhD and 20 Masters students in the School of Freshwater Sciences.
- Enroll 12-15 PhD students per year in the School of Public Health, with an eventual total enrollment of 60 students.
- Enroll 100 Masters students in the School of Public Health.
- Provide support for 100 undergraduate internships and 17 graduate assistants.
- Hire 22 FTE Faculty in key cluster research areas, 15 FTE Faculty for the School of Public Health, 5 FTE Faculty for the School of Freshwater Sciences and 7 FTE Faculty to support undergraduate research.

**Research to Jobs: UW-Madison – Supporting the Research Enterprise**

	<u>2011-12</u>	<u>Increase in 2012-13</u>	Ongoing Base <u>Increase</u>
GPR	\$0	\$5,400,000	\$5,400,000
Fees (Tuition)	\$0	\$0	\$0
GPR/Fees	\$0	\$5,400,000	\$5,400,000

This initiative seeks funds to maximize the impact of the Madison Initiatives for Undergraduates (MIU) on UW-Madison’s research enterprise by ensuring top-flight graduate assistant support for new faculty. As part of the MIU, a tuition differential that was implemented in 2009-10, 75 new faculty positions will be added in key science and technology related fields such as Chemistry, Mathematics, Biology, and Environmental Science.

These new faculty positions will help to eliminate bottlenecks in key gateway courses, thereby increasing access to high-demand majors and reducing time to degree. However, these faculty will also share the same high research productivity goals and responsibilities that have made UW-Madison one of the nation’s premier research institutions. In 2007-08, UW-Madison ranked third among all institutions, and second among public institutions, in total research and development expenditures. UW-Madison attracted over \$800 million in external research funding to Wisconsin in 2008-09, while in 2008, 144 new US patent applications were filed and over \$54 million in licensing income from technology transfer was generated. It is expected that, if properly supported, these new faculty will attract over \$35 million in externally funded grant activity, thereby increasing UW’s contribution to the state’s economic growth.

Faculty cannot develop grant proposals and conduct the types of research that will attract external funding and produce additional opportunities for technology transfer and licensing opportunities without the assistance and support of high-quality graduate assistants to work on these projects. Based on current experience and research models, each of the new faculty will need approximately three graduate assistants to work on externally funded research projects. While external grant funding will cover the direct costs of these graduate assistants, including stipends and fringe benefit costs, these grants cannot fund the tuition waivers that are required by state statute and necessary if UW-Madison is going to attract the best graduate students – those who can work on cutting-edge research endeavors - in an increasingly competitive environment. Therefore, this initiative requests funding to cover the cost of the tuition waivers associated with these graduate assistants. It is anticipated that, when all graduate assistants are recruited and placed, the full cost of the associated tuition remissions will be \$5.4 million annually.

**Supporting Funds:** It is estimated that these faculty and research teams will leverage up to \$35 million in external funding.

**Outcomes:** Hire an additional 225 graduate assistants to support 75 new faculty positions and work on externally funded research projects.

**Research to Jobs: UW Comprehensive Institutions**

	<u>2011-12</u>	<u>Increase in 2012-13</u>	<u>Ongoing Base Increase</u>
GPR	\$0	\$8,300,000	\$8,250,000
Fees (Tuition)	\$0	\$0	\$0
GPR/Fees	\$0	\$8,300,000	\$8,250,000

In 2009, President Reilly appointed a Research to Jobs Task Force to investigate ways that UW can leverage its faculty and research resources to help stimulate job creation, strengthen the state economy and sustain long-term economic growth. The Task Force completed its work and issued a report in September 2009. A Research to Jobs Implementation Committee was then convened in February 2010 to translate the Task Force’s recommendations into actionable measures and proposals, including:

- A weeklong course to teach basic business and entrepreneurial skills (entrepreneurial bootcamp). The current program at UW-Madison could accommodate some additional students, but expansion to other areas of Wisconsin or providing additional opportunities at UW-Madison require additional support.
- A UW System website for posting start-up ideas and requests for collaborations, support and resources. A professionally-managed, interactive and multifunctional website could use social networking tools to provide a forum for collaboration and resource sharing, as well as allows students and researchers in order to share ideas and discuss solutions to problems.
- Expansion of the Wisconsin Discovery Portal database, which allows the public to identify faculty and staff who have certain technical expertise, including areas of research expertise, current funding, issued patents and patent applications, technologies available for licensing, recent publications and their contact information.
- Encourage the establishment and growth of emerging technology centers across the UW System. These centers will leverage multiple resources to create new jobs through research and development and technology innovation, as well as adding and retaining jobs by strengthening existing businesses.

The following funding is requested for this initiative:

**2011-13 Research to Jobs Budget Request**

	<b>2012-13 Request</b>	<b>Ongoing</b>
Implementation Report Recommendations	\$2,200,000	\$2,150,000
Increasing Faculty Research Time**	\$3,300,000	\$3,300,000
Grant Writing & Administration**	\$800,000	\$800,000
Supplies/Equipment/Travel/Support**	\$500,000	\$500,000
Seed/Bridge Funds & Matching Grants**	\$1,500,000	\$1,500,000
<b>Total</b>	<b>\$8,300,000</b>	<b>\$8,250,000</b>

**\*\*2011-13 Research to Jobs Flexible Support Per Institution**

	<b>2012-13 Request</b>	<b>Ongoing</b>
Increasing Faculty Research Time	\$300,000	\$300,000
Grant Writing & Administration	\$72,727	\$72,727
Supplies/Equipment/Travel/Support	\$45,455	\$45,455
Seed/Bridge Funds & Matching Grants	\$136,364	\$136,364
<b>Total</b>	<b>\$554,545</b>	<b>\$554,545</b>

Efforts to link businesses to UW resources and encourage research, entrepreneurship and job creation, however, are not limited to these initiatives. If these goals are to be achieved, faculty and research academic staff need both resources and support. UW comprehensive institutions cite support for faculty release time and summer stipends, grant assistance, supplies and equipment, and matching/seed funding as critical to enhancing and supporting efforts to increase and stimulate research. Institutions will therefore have the flexibility to manage some Research to Jobs funding to meet their specific needs and be able to respond to research and funding opportunities and regional needs as they arise.

**Outcomes:**

- Provide entrepreneurial bootcamp opportunities to an additional 50-60 students.
- Establish a website for posting ideas and requests for collaboration and support, with an initial base of 40 projects/requests by full implementation.
- Expand the Wisconsin Discovery Portal database to include all UW institutions and doubling the traffic to the website to over 1,000 unique visits and 10,000 pageviews per month.
- Build research capacity at the comprehensive institutions by creating/enhancing three emerging technology centers and providing flexible funding to support targeted research activities, thereby attracting an average of \$2 in extramural funding for each dollar invested in research through this initiative.

**Restoration of 2008-09 2% Rescinded State Pay Plan for Nonrepresented Staff**

	<u>2011-12</u>	<u>Increase in 2012-13</u>	<u>Ongoing Base</u> <u>Increase</u>
GPR	\$14,500,400	\$0	\$14,500,400
Fees (Tuition)	\$6,373,200	\$0	\$6,373,200
GPR/Fees	\$20,873,600	\$0	\$20,873,600

During the 2009-11 Biennial Budget development process, a pay plan increase that had been approved by the Joint Committee on Employee Relations for Faculty, Academic Staff and Nonrepresented Classified Staff was rescinded. However, employees that were in bargaining units, through negotiations with the Office of State Employee Relations, received the 2% pay plan increase in June of 2009. This item requests an equity adjustment at the beginning of the 2011-12 fiscal year for the non-represented and unclassified employees that did not receive the increase in June of 2009.

The salaries of UW System faculty and staff have fallen significantly behind their peers' salaries. A preliminary assessment of salary data indicates that UW faculty will end the 2011-13 fiscal year 15.14% behind their peers, when the salaries are adjusted for inflation. On an unadjusted basis, UW System faculty are 16.01% behind their peers.

The Competitive University Workforce Commission recommended closing the gap in faculty and staff salaries over three biennia. Restoring the 2% Rescinded pay plan would be a first step in that direction. The UW System is expected to submit a formal 2011-13 pay plan request to the Office of State Employment Relations (OSER) later this year.

UNIVERSITY OF WISCONSIN SYSTEM  
2011-13 STANDARD BUDGET ADJUSTMENTS

This section includes items that could potentially be submitted in the UW System's 2011-13 Biennial Budget as Standard Budget Adjustments, if the Department of Administration agrees. Specific dollar amounts that will be submitted to DOA in the final budget request have not yet been calculated. These amounts will be reported to the Board in October.

The following list includes those anticipated items that the UW System will request as Standard Budget Adjustments:

<i>Summary of the UW System's 2011-13 Standard Budget Adjustments</i>
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<b>Return of 2009-11 Furlough Savings</b>
This item would restore funding that was removed from the University's 2009-11 Budget for eight days of unpaid leave that was required to be taken by employees in each year of the biennium.
<b>Full Funding of June 2009 Bargained 2% Pay Plan Increases</b>
This item will fully fund the 2% increases that were paid to represented classified staff effective June of 2009, but the funding was repealed in the 2009-11 Biennial Budget.
<b>2008-09 and 2009-10 Craftworker Prevailing Rate Increases</b>
This item requests the unfunded balance of the craftworker pay plan for 2008-09 and 2009-10, above the amounts approved for non-represented staff based on prevailing rate increases for craftworkers.
<b>Full Funding of Fringe Benefits</b>
This item requests full funding of the Department of Administration (DOA) approved fringe benefit rate changes from the 2009-11 approved rates to the new 2011-13 rates.
<b>Full Funding of 2007-08 and 2008-09 UW-Madison Teaching Assistant Bargained Increases</b>
This item will fully fund the costs associated with the 2007-08 2%, and 2008-09 3% bargained pay plan increases for UW-Madison Teaching Assistants as approved by the Joint Committee on Employee Relations (JCOER).
<b>Full Funding of 2007-08 and 2008-09 Engineering Bargained Increases</b>
This item will fully fund the costs associated with the 2007-08 2%, and 2008-09 3% pay plan increases for those in the Engineering Bargaining Unit and the associated Unit Stratifications as approved by JCOER.

*Summary of the UW System's 2011-13 Standard Budget Adjustments  
(Continued)*

**2008-09 Semi-Automatic Pay Progressions and Discretionary Compensation Adjustments**

This item requests funding for the 2008-09 Automatic Pay Progressions, Discretionary Compensation Adjustments (DCAs), Performance Recognition Payments (PRPs), Mandatory Progression Adjustments, and Market Stratification Adjustments that have been paid out based upon the approved JCOER compensation plans.

**Minor Transfers within the Same Appropriation**

This will make minor position or funding realignments within the same alpha appropriation without any overall dollar or position impacts.

**Positions for the Administration of Veterans Remissions and Collective Bargaining**

This request will provide staffing and funding to administer the Veterans Remissions Program and Faculty and Academic Staff Collective Bargaining which was approved in the 2009-11 Biennial Budget.

**Increases for Minority and Disadvantaged Financial Aid Programs**

This item requests funding for the Ben R. Lawton Undergraduate Minority Retention Grant (LUMRG) and the Advanced Opportunity Program (AOP) financial aid programs to increase financial aid at the same percentage as estimated tuition increases for the 2011-12 and 2012-13 fiscal years.

**Full Funding of Lease and Directed Move Costs**

This request will fully fund current lease rental costs through 2009-10, in the 2011-13 biennium.

**Full Funding of Chargeback Items**

This request seeks GPR funding for charges associated with the State Human Resource System (SHRS), procurement services and facilities maintenance tracking assessed by other state agencies.

**Student Technology Fee Increases**

This request increases funding for student technology fee initiatives. The Special Technology Fee is a percentage of tuition and increases as general tuition revenue grows.

UNIVERSITY OF WISCONSIN SYSTEM  
2011-13 PROGRAM REVENUE REQUESTS

This item includes preliminary agreements with the Department of Administration regarding which items may be submitted in the UW System’s 2011-13 Biennial Budget as Program Revenue Requests. Specific dollar amounts that will be submitted to DOA in the final budget request have not yet been calculated. These amounts will be reported to the Board in October.

The following list includes those known items that the UW System will request as Program Revenue increases:

<b>Summary of the UW System’s 2009-11 Program Revenue Requests</b>
<b>Projected Increases in Gift Funds</b>
Based on historical trend analysis and projected growth, this item provides for growth and cost increases in gift funds based on a 5 year average of percentage increases in budgeted gift funds.
<b>Projected Increases in Trust Funds</b>
This request provides for projected growth and estimated cost increases for Trust Fund income. The 2011-13 projected increases will be based on an analysis of budgeted Trust Fund income for the past ten years.
<b>Projected Increases in General Operating Receipts</b>
This budget request will increase program revenue spending authority each year of the 2011-13 biennia for programmatic needs of other operating receipts programs based on the estimated three year average of Wisconsin disposable income per capita.
<b>Auxiliary Enterprises Program Increases</b>
The 2011-13 projected increases for auxiliaries will be based on the reporting threshold. The 1995-97 biennial budget (Act 27) converted the auxiliary enterprises appropriation from a sum certain appropriation to a continuing appropriation requiring the UW System to report to DOA and the Joint Finance Committee only if annual expenditures were in excess of the appropriated amounts.
<b>UW-Madison Intercollegiate Athletics Program Revenue Increase</b>
This request provides funding increases in 2011-13 for UW-Madison Intercollegiate Athletics.
<b>UW-System Aquaculture Facility Increases</b>
This request increases the UW System’s segregated funding levels to reflect the increased operating budget requirements associated with the UW System Aquaculture Facility in 2011-13.



## STATUTORY LANGUAGE CHANGE REQUESTS

### 1. EXPAND TUITION AUTHORITY TO INCLUDE EDUCATIONAL QUALITY INITIATIVES

Section 20.285(1)(im), Wis. Stats., grants revenue generating authority to the Board of Regents, but places some restrictions on the use of these funds. Section 36.27, Wis. Stats., further limits the ability of the Board of Regents to set tuition for resident undergraduate students to the amounts required to fund specific activities, including the amounts enumerated in the state budget, state imposed costs, the approved recommendations of the director of the office of state employee relations for compensation and fringe benefits, and certain other limited activities. The Board of Regents, however, may not include initiatives that enhance education quality, such as programming designed to support student retention and graduation or expand undergraduate internship or research experiences when setting tuition. Inclusion of initiatives that enhance the quality of undergraduate education would ensure that students continue to receive a world-class education at all UW System institutions.

### 2. ELIMINATION OF THE \$12,000 CAP ON DUAL EMPLOYMENT

Section 16.417(2)(a), Wis. Stats., prohibits individuals who are employed or retained in a full-time position or capacity with a state agency or authority from earning more than \$12,000 per year from a position with another agency or authority. Each UW System institution must track dual employment situations against this cap, which is administratively difficult and resource intensive. Removal of this cap will free staff resources for other duties and allow UW System institutions to hire the most talented and qualified individuals available, regardless of their status with another state agency or authority.

### 3. AUTHORIZATION TO ADDRESS COMPETITIVE COMPENSATION NEEDS ACROSS THE UW SYSTEM

Compensation across the UW System continues to lag behind peer institutions, which makes recruitment and retention of high-quality faculty increasingly difficult. The Board of Regents should be authorized to increase and redistribute resources to address competitive compensation across the entire UW System. This includes: (1) the authority to approve compensation levels and salary ranges for employees serving as Vice Presidents or Provosts; (2) the ability to determine pay plan increases for faculty, academic staff, and academic and administrative leaders, while taking into consideration state funding and the availability of resources; and (3) the ability to make base adjustments for salary increases associated with performance. Authorization should also be granted to the Board of Regents to consider compensation needs within the UW System as part of the tuition authority provided under Section 36.27, Wis. Stats.

4. ELIMINATION OF TWO REPORTS PREPARED BY UW MEDICAL SCHOOL AND THE MEDICAL COLLEGE OF WISCONSIN

This proposal would eliminate the following two biennial reports required in s. 13.106, Wis. Stats.: medical school enrollments and graduate placement and the financial summaries of the UW Medical School and the Medical College of Wisconsin. There is no evidence that the Legislature or the Executive Branch utilizes these reports and their preparation is time-consuming for members of the medical school staff.

5. ELIMINATION OF EXCESS EXPENDITURES REPORTS

This proposal would eliminate the requirement to report excess expenditures in appropriations 128 (Auxiliary Enterprises), 132 (Extension Non-Credit Program Receipts), 136 (General Operations Receipts), and 336 (General Operations Receipts-System Administration). It is unclear why these expenditures were identified for additional reporting requirements, as well as what benefits or uses are derived from these reports. Reporting on these expenditures is time-consuming and resource intensive for UW System Administration staff, and UW System also produces an extensive audited Annual Financial Report.

6. PROCUREMENT PROCESS FLEXIBILITY: REPORTING REQUIREMENTS FOR CONTRACTS AND ORDERS

Section 16.753(1), Wis. Stats., requires that government agencies submit all major expenditures, which are defined as expenditures of \$10,000 or more or continuing expenditures of \$10,000 or more in a biennium, to the Governmental Accountability Board to be posted on the Internet. Because there is no automated system to segment expenditures that fall below \$25,000, which is the threshold for identifying major capital projects, this requirement has proven to be extremely staff intensive and costly. Changing the definition of major expenditure to “expenditures, or continuing expenditures within a biennium, of \$25,000 or more” would allow automatic tracking of these expenditures, streamline the reporting process and reduce the staff time required to compile and track this information.

Section 16.753(3), Wis. Stats., requires that all change orders to a contract subject to the posting requirement, as well as any change orders to a contract that creates a major expenditure, must be reported and posted on the Internet. The statutes do not, however, provide any minimum threshold for change orders to be posted. Therefore, all change orders, even those with no fiscal impact, must be reported. In addition, there is no provision to remove a contract from the posting if a change order reduces the contract to a level that is below the major expenditure threshold. Statutory changes that provide some minimum threshold in order for change orders to be posted, as well as exempting change orders that reduce a contract below the major expenditure category, will reduce the administrative burden of complying with this requirement.

7. PROCUREMENT PROCESS FLEXIBILITY: PERMIT THE UW SYSTEM TO USE HIGHER EDUCATION PURCHASING CONSORTIA

Independent procurement authority would streamline the purchasing process and allow the university to respond quickly and efficiently to the rapidly changing higher education purchasing environment. The UW System seeks flexibility in the procurement process to allow the System to use higher education consortial contracts, such as the Big 10 Consortium contract for office supplies. In addition, sole source processing time could be streamlined if DOA approval were not required.

UW System seeks this authority within an accountability structure. Reports to the legislature on purchases would continue, management reviews would continue, and several approval levels would still exist for unusual purchases such as sole source requests. The UW would continue to adhere to all statutory purchasing requirements and would partner in contracts with the state when it is cost effective to do so. The UW System would continue to work collaboratively on contracts with the Wisconsin Technical Colleges and K-12s.

8. PROCUREMENT PROCESS FLEXIBILITY: PERMIT THE UW SYSTEM TO INCREASE USE OF MINORITY BUSINESSES

Section 16.75(3t)(c), Wis. Stats., requires that, prior to seeking bids or competitive sealed proposals for the purchase of certain materials, supplies, equipment or contractual services, state agencies must offer prison industries the opportunity to supply the goods or services, as long as that the Department of Corrections is able to provide the goods or services at a price comparable to one which may be obtained through competitive process. The mandatory nature of prison industry contracts provides that only the Department of Corrections can waive this requirement for state agencies.

UW System seeks the ability to purchase from a minority business certified by the Department of Commerce under s. 560.036, Wis. Stats., instead of prison industries when the minority business offers an equal product at an equal or lower cost. Providing this authority will allow the UW System to encourage and support the development and growth of minority businesses while ensuring that goods and services are procured at a price that is competitive and fair for state taxpayers.

## **TECHNICAL CORRECTIONS**

1. BROADEN PROGRAM REVENUE POSITION CREATION AUTHORITY: EXTEND NON-GPR POSITION AUTHORITY TO SERVE PAYING CLIENTS PROMPTLY

Section 16.505(2m), Wis. Stats., gives the UW System authority to create positions funded by a number of program revenue funded appropriations without the approval of the Governor or the Joint Committee on Finance. This proposal would extend this position creation authority to additional program revenue appropriations and to positions funded by academic student fees, without being limited to those generated by increased enrollment or from courses for which the academic fees or tuition charged equals the full cost of offering the courses. This would treat tuition funded positions in a manner in keeping with the other PR appropriations.

Position creation through DOA or legislative approval can take a significant amount of time. Current law relating to position creation prevents institutions from responding to workload and program changes in a timely way to meet the needs of students and other UW clients who are paying for services. This proposal would enable the university to address changing needs quickly.

2. INCREASE FEES FOR SPECIALTY LICENSE PLATES AND BROADEN THE SCHOLARSHIP PROGRAM TO INCLUDE UW COLLEGES

The UW System requests legislation to permit an increase in the donation fee assessed for specialty university license plates and to include the UW Colleges in this program. Current statutes permit the Department of Transportation to issue special license plates for all four-year campuses of the UW System. At present, an annual fee of \$20 is assessed for these plates. These funds serve as a donation to the financial aid program of the respective institution. The UW System wishes to assure that this fee will increase as application fees for other specialty license plates increases. The UW System also requests a change to s. 341.14(6r), Wis. Stats., to allow the UW Colleges to be represented in this program as well, to increase funding available for scholarships for UW Colleges' students.

3. CHANGING THE PROGRAM REVENUE APPROPRIATIONS FOR LABORATORY MODERNIZATION AND SCHOOLS OF BUSINESS TO CONTINUING APPROPRIATIONS

The UW System recommends a modification of the appropriations for laboratory modernization [s. 20.285(1) (Lm), Wis. Stats.] and the schools of business [s. 20.285(1)(Ls), Wis. Stats.] to create continuing appropriations. Both of these appropriations are funded with academic student fees which is a continuing appropriation. The current lack of flexibility in these appropriations creates difficulties for programs supported with these resources as the timing of projects (especially for laboratory modernization) and of funding matches can delay construction and expenditure.

## C. PERFORMANCE MEASURES

**DOA Required 2011-13 Biennial Budget Performance Measures  
for the University of Wisconsin System**

**Measure 1: Undergraduate Degrees**

**Goal: Meet or exceed current plans to increase undergraduate degrees conferred (Associate and Bachelor's).**

Year	Plan	Actual
2000-01		21,896
2001-02		22,468
2002-03		22,745
2003-04		25,049
2004-05		24,129
2005-06		24,103
2006-07		25,096
2007-08		25,465
2008-09		25,992
2009-10	26,167	
2010-11	26,847	
2011-12	27,287	
2012-13	27,829	
2013-14	28,140	
2014-15	28,749	

**Progress:** This measure is new, as of the 2011-13 biennium, to align with the University of Wisconsin System's More Graduates initiative. The goal of the More Graduates initiative is to confer an additional 80,000 high-quality undergraduate degrees over current levels over the next 15 years.

Although the initiative focuses on undergraduate degrees, graduate education remains an important part of the UW System's mission.

**Measure 2: Enrollment**  
**Goal: Provide service to meet or exceed the current headcount student enrollment plans.**

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<b>Year</b>	<b>Plan</b>	<b>Actual</b>
2000-01		160,567
2001-02		163,657
2002-03		165,055
2003-04		166,181
2004-05		166,245
2005-06		168,504
2006-07		169,706
2007-08		173,393
2008-09		175,056
2009-10		178,909
2010-11	181,182	
2011-12	183,079	
2012-13	185,877	
2013-14	188,604	
2014-15	191,607	
2015-16	194,498	

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**Progress: The University of Wisconsin System is committed to serving the residents of the State of Wisconsin. Headcount enrollment plans were developed in conjunction with the More Graduates initiative.**

**Measure 3: Retention Rate**

**Goal:** Meet or exceed current plans to increase the rate at which new freshmen return to the same institution for the second year of study.

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<b>Year (Entering Class)</b>	<b>Plan</b>	<b>Actual</b>
2000-01 (Fall 1999)		79.0%
2001-02 (Fall 2000)		79.1%
2002-03 (Fall 2001)		79.7%
2003-04 (Fall 2002)		80.7%
2004-05 (Fall 2003)		80.2%
2005-06 (Fall 2004)		80.5%
2006-07 (Fall 2005)		79.2%
2007-08 (Fall 2006)		79.2%
2008-09 (Fall 2007)		79.3%
2009-10 (Fall 2008)		80.2%
2010-11 (Fall 2009)	80.2%	
2011-12 (Fall 2010)	80.4%	
2012-13 (Fall 2011)	80.7%	
2013-14 (Fall 2012)	81.3%	
2014-15 (Fall 2013)	81.6%	
2015-16 (Fall 2014)	82.0%	

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**Progress:** A student's persistence to the second year of study is an important, early indication of accomplishing the long-term graduation objective. The University of Wisconsin System is committed to providing students with the opportunity to successfully persist to the second year and beyond to graduation.

Revised year-to-year targets were developed in conjunction with the More Graduates initiative. They reflect plans to increase enrollments of historically underserved populations that may face greater obstacles to persistence in higher education.



**Measure 4: Graduation Rate**

**Goal:** Meet or exceed current plans to increase the rate at which new freshmen earn a bachelor's degree at the same institution within six years.

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<b>Year* (Entering Class)</b>	<b>Plan</b>	<b>Actual</b>
2000-01 (Fall 1994)		53.4%
2001-02 (Fall 1995)		54.3%
2002-03 (Fall 1996)		55.9%
2003-04 (Fall 1997)		56.2%
2004-05 (Fall 1998)		56.2%
2005-06 (Fall 1999)		57.3%
2006-07 (Fall 2000)		58.0%
2007-08 (Fall 2001)		58.7%
2008-09 (Fall 2002)		59.3%
2009-10 (Fall 2003)		59.7%
2010-11 (Fall 2004)	59.7%	
2011-12 (Fall 2005)	60.0%	
2012-13 (Fall 2006)	60.2%	
2013-14 (Fall 2007)	60.7%	
2014-15 (Fall 2008)	61.1%	
2015-16 (Fall 2009)	61.6%	

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\*Year denotes the reporting year not the academic year the degree was completed.

**Progress:** Continuing to increase graduation rates is an important strategy for reaching the goal of the University of Wisconsin System's More Graduates initiative. New targets based on graduation at the same institution were developed in conjunction with the More Graduates initiative.

## D. REFERENCE



**JIM DOYLE**  
**GOVERNOR**  
**STATE OF WISCONSIN**

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July 6, 2010

Dear Agency Head:

This country has experienced the worst global and national economic downturn in generations. The "Great Recession" of 2008 and 2009 brought the world financial system to the edge of collapse, exposing the excesses of Wall Street and wreaking havoc on homeowners, middle-class families and small businesses. Wisconsin's economy was severely affected by the worldwide financial fallout, which brought on the largest deficit in the state's history.

True to Wisconsin's values of common sense and pragmatism, the 2009-11 budget struck a balance between deep cuts and maintaining focus on key priorities – broad-based educational opportunities, affordable and accessible health care, and innovative job creation and economic growth policies. In the last biennial budget, state spending was cut by over \$3 billion, the largest cut in state history. Every state program was cut, state employee pay was scaled back, all state workers were furloughed and we are not filling over 3,400 vacant positions.

At the same time we protected middle class tax payers and our priorities. We avoided hitting middle-class pocketbooks and continued to protect the nearly \$4 billion in tax cuts for businesses, seniors and homeowners that I have worked to enact during my two terms as Governor.

Additionally, unlike many states, Wisconsin's middle-class families were protected from the more drastic actions implemented in other states. Wisconsin citizens are receiving their tax refunds within days; some states are withholding tax refunds for months. Wisconsin schools are receiving state aid on time and keeping schools open; some states have shortened the school year and delayed billions of dollars in school aid payments. Financial aid for college students has been preserved and increased through the Wisconsin Covenant; some states are cutting financial aid, resulting in students dropping out of college. Health care benefits to seniors, the disabled and low-income families have been preserved in Wisconsin; many states have made drastic cuts in Medicaid benefits and provider rates. Wisconsin's state parks remain open for the enjoyment of residents and tourists alike; many states have closed state parks. Wisconsin has protected property tax payers; other states have made drastic cuts in property tax relief.

As we have protected core services to families and businesses, we have also begun to see Wisconsin's economy recover from the global recession. The contrasts are stark. In fiscal year 2008-09, for the first time in the state's history, sales tax collections declined from the prior year. Recently, the Department of Revenue reported that revenue collections for fiscal year 2009-10 appear to be on track with estimates, with consumer spending showing the first increase in months. During this Great Recession, Wisconsin lost jobs at a rate not experienced since 1980-82. Recently, the Department of Workforce Development reported that job growth in April 2010 was the largest in 14 years. These and other reports are positive signs that the economy is beginning to rebound; and because of our balanced approach, Wisconsin is well positioned for a return to solid growth.

There is still much more to do to repair the financial damage brought on by the Great Recession. Advanced funding commitments for the 2011-13 biennium, including one-time financing measures and implementation of tax cuts, total at least \$2 billion. These commitments can be addressed through the measures currently in place to strictly control state spending, including limits on the filling of state positions and state employee compensation along with the anticipated continued economic growth. By staying the course on spending restraint, my successor and the next Legislature should be able to focus on identifying ways to address key priorities in the next State Budget and grow Wisconsin's economy.

Given this background, the Major Budget Policies and Budget Instructions call for most agencies to hold their overall fiscal year 2011-12 and fiscal year 2012-13 GPR budgets to fiscal year 2010-11 levels. The same targets will apply to SEG-funded administrative operations appropriations. These targets are necessary to ensure that state government lives within its means.

In addition, most agencies will be required to submit plans to reduce nonfederally-funded state appropriations by ten percent. These reductions will be in addition to cuts made in the 2009-11 biennium. Through these plans, agencies should seek to prioritize, retool and reorganize programs.

Agency budget requests are due September 15. Please review the Major Budget Policies and Budget Instructions carefully as you prepare and prioritize your requests. Technical budget instructions will be available on the Internet at [www.doa.state.wi.us/debf/index.asp](http://www.doa.state.wi.us/debf/index.asp).

We have begun to emerge from the global and national recession and the challenges it has brought to Wisconsin. I am confident that you and your employees will continue to meet these challenges and continue to deliver vital services to Wisconsin citizens.

Sincerely,



Jim Doyle  
Governor

# MAJOR BUDGET POLICIES 2011-13

## BUDGET TARGETS

- Agencies should prepare their 2011-13 biennial budget requests based on 100 percent of their fiscal year 2010-11 adjusted base level.
- The 2011-13 biennium will present many fiscal challenges brought on by global and national economic conditions. Addressing these challenges will be the overriding factor in GPR spending decisions for the next budget. As such, there will need to be restraint in most GPR appropriations in the next budget.
  - Agencies should assume there will be zero growth in overall GPR appropriations in each fiscal year during the 2011-13 biennium, and specific program needs should be managed within this general constraint.
  - Exceptions will occur only for K-12 school aids; required basic cost-to-continue needs for the state's institutions, i.e., the Department of Corrections and the Department of Health Services institutions; entitlement and related assistance programs in the Department of Health Services (e.g., Medical Assistance), the Department of Children and Families' Division of Safety and Permanence, and the Department of Workforce Development's Division of Vocational Rehabilitation; the University of Wisconsin System instruction and research activities that are focused on economic growth; and housekeeping adjustments like standard budget adjustments, fuel and utilities, and debt service.
- The zero growth policy will also apply to the SEG-funded administrative operations appropriations in all agencies that are supported by the transportation fund, the conservation fund, the environmental fund and the lottery fund.
- Funding requests for other types of appropriations and other funding sources in both years should be limited to revenue availability and only the highest priority programmatic needs.
- Except for standard budget adjustments, routine budget items should be handled in agencies' base budgets regardless of fund source.
- Proposals that transfer functions or programs, including related costs and staff, between agencies should result in zero growth in overall state appropriations (i.e., the transferring agency should have lower overall appropriations to offset the increase at the receiving agency). All agencies involved in the transfer should notify the State Budget Office during the initial stages of considering any such proposal to facilitate review of the request and allocation of any projected savings between the agencies.

## PLANNING FOR REDUCTIONS

- Under 2009 Wisconsin Act 28, the Department of Administration secretary is authorized to lapse or transfer \$641 million to the general fund in the 2009-11 biennium. Agencies are in the process of submitting plans to meet those lapse requirements. These reductions will need to continue in the 2011-13 biennium.
- Agencies should prepare plans to absorb at least a ten percent permanent base cut of all non-FED sum certain appropriations in an agency, excluding the programs listed above that are exempt from the zero growth limitation, debt service, and fuel and utilities appropriations.
- Reduced base budget plans are due Monday, November 8, 2010.
- Agencies should use this exercise to fundamentally review missions and priorities, exploring opportunities to reallocate resources, integrate programs and consolidate functions.
- Where reductions and efficiencies in state operations result in reductions in positions, agencies should avoid filling vacancies and make other plans to accomplish this reduction without layoffs.
- Any areas needing additional staff must be met through base reallocations.

Note: The State Budget Office will be working with agencies regarding the specific appropriations that will be included in the overall budgetary base for the ten percent permanent base cut.

Agencies must receive approval from the State Budget Office before proposing to use funding sources in another agency to stay within budget targets, to absorb operations' reductions or to fund any new initiatives.

## **PRIVACY MEASURES**

Protecting the privacy of Wisconsin citizens and businesses is a top priority. Privacy officers have been established in every state agency to review systems and processes and identify changes necessary to prevent the release of personal information. Agencies may include items in their budget requests to address system and process changes necessary to prevent the release of, or access to, personal information such as Social Security numbers.

## **PERFORMANCE MEASUREMENTS IN BUDGETING**

- Agencies need to report on the performance measures they identified for previous biennial budgets. These measures should relate to agencies' broad Chapter 20 budget programs. If needed to capture significant shifts in agency function, additional measures could be added; however, only a few measures should be presented so there is a clear focus on results.
- For the 2011-13 budget, agencies need to report actual outcome measures through fiscal year 2008-09 and fiscal year 2009-10. Planned outcome measures should be listed for fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13. Agencies should track and maintain data going forward to present actual performance data for a fiscal year compared to planned performance. (A calendar year may be used if data is collected on that basis. Please note where calendar years are used.)
- The State Budget Office will include performance measures developed by an agency in the Executive Budget Book, and agencies should reference measures in decision items, where relevant.
- Agency descriptions and performance measures will be communicated to each agency budget contact for updating. It is important for agencies to follow the prescribed format to ensure consistency and compatibility.

## **BUDGETING FOR INFORMATION TECHNOLOGY**

Requests for funding of information technology projects should identify the link between the project and the state's business goals, conformity to the Department of Administration's Policies and Procedures for Information Technology Management, and provide specific information about each project, including executive sponsorship. Consistent with information technology strategic planning, project definitions must include a standard return on investment (ROI) calculation.

## **BUDGETING FOR DEPARTMENT OF ADMINISTRATION RATE CHANGES**

Agencies should not reflect anticipated rate changes from the various divisions within the Department of Administration in their 2011-13 budget requests. Forecasting of rates and impacts on individual agency budgets will be addressed by the Department of Administration in developing the Governor's 2011-13 budget.

## **27th PAY PERIOD**

Typically, every appropriation with a biweekly payroll is budgeted for 26 pay periods. However, every 11 years the payroll cycle results in an additional pay period needing to be budgeted within a fiscal year. A 27th pay period will occur in fiscal year 2011-12. Agencies with non-GPR appropriations should establish explicit nonappropriated reserves to meet this cost. All appropriations with biweekly payrolls will be given supplemental spending authority through the normal pay plan supplement process. The detailed budget instructions will provide more background on budgeting for the 27th pay period.

## **FEDERAL FUNDS**

The state has a goal of increasing the ongoing receipt of federal funds where the use of federal funding is consistent with state program goals. In order to increase the amount of federal funds received, agencies should conduct the following review:

- Examine existing grant awards to ensure that they are fully utilized and consistent with agency priorities. If unexpended grant authority is available, the agency should reallocate the funds to other activities to the extent possible under state and federal rules.
- Agencies may also identify, in the form of a policy paper submitted on September 15, additional federal grant opportunities that were not included in the agency's request. Such opportunities may be considered for funding by the State Budget Office during budget deliberations.

## **STATUTORY LANGUAGE GUIDELINES**

- Agencies should seek to limit policy items unrelated to appropriation changes for inclusion in the Governor's budget.

Note: Please contact your State Budget Office analyst to discuss whether a particular initiative is appropriate for submission as a budget request.

- Agencies should not submit extensive lists of technical or housekeeping changes for inclusion in the Governor's budget. Proposed changes for separate nonbudget legislation can be submitted to the State Budget Office for review and approval, separate from the budget request.

Note: Please contact your State Budget Office analyst if these types of changes are sought.

- As in past budgets, prior to September 15, agencies may work directly with the Legislative Reference Bureau in preparing statutory language items related to the budget. After September 15, all drafting and redrafting requests related to the budget must come from the State Budget Office.
- The Legislative Reference Bureau strongly discourages agencies from submitting budget bill drafts that agencies have drafted. Instead, agencies should submit memoranda identifying what they are seeking to accomplish.
- The detailed budget instructions will provide more information on statutory language submittal requirements.



## **BUDGET SUBMITTAL DUE DATES AND PROCEDURES**

- Formal budget requests are due Wednesday, September 15, 2010. Send four (4) copies to the State Budget Office and two (2) copies directly to the Legislative Fiscal Bureau.
- Agency budget directors will be required to include with their budget submittals a signed Budget Checklist of budget elements completed. This will help ensure all required materials have been included in the budget. The checklist will be posted as an appendix to the technical budget instructions.
- State Budget Office staff will be available to meet with individual agencies to explain budget policies and procedures, and discuss any agency concerns.
- Implementation of the new budget development system may result in changes in policies and procedures. Additional information will be forthcoming on any changes.

## **INFORMATION ON THE WEB**

- The Budget Instructions will be available on the State Budget Office Web site at <http://www.doa.state.wi.us/debf/index.asp>.
  - Periodic information updates will be posted to this Web site and the State Budget Office SharePoint site, so agencies should check these sites regularly.

UNIVERSITY OF WISCONSIN SYSTEM  
SHARE OF STATE GPR

	UW GPR <u>EXPENDITURE</u>	STATE OF WI GPR <u>EXPENDITURE</u>	UW AS % <u>OF STATE</u>
1973-74	278,743,147	1,933,571,053	14.42%
1974-75	298,522,282	2,166,752,155	13.78%
1975-76	310,446,570	2,307,619,718	13.45%
1976-77	340,074,169	2,470,900,111	13.76%
1977-78	363,899,880	2,634,551,777	13.81%
1978-79	390,977,741	3,148,901,910	12.42%
1979-80	420,677,864	3,278,297,185	12.83%
1980-81	434,183,806	3,446,856,743	12.60%
1981-82	478,941,747	3,450,863,890	13.88%
1982-83	508,368,220	4,078,030,140	12.47%
1983-84	540,472,131	3,977,740,308	13.59%
1984-85	555,568,482	4,588,188,276	12.11%
1985-86	583,885,301	4,868,026,430	11.99%
1986-87	594,259,601	5,070,256,284	11.72%
1987-88	633,625,206	5,246,094,384	12.08%
1988-89	660,137,195	5,451,877,458	12.11%
1989-90	698,155,838	5,802,999,036	12.03%
1990-91	740,757,863	6,364,528,649	11.64%
1991-92	759,887,369	6,650,683,407	11.43%
1992-93	771,832,665	6,922,128,169	11.15%
1993-94	814,538,009	7,276,614,107	11.19%
1994-95	849,762,860	7,789,976,441	10.91%
1995-96	847,482,297	8,131,598,722	10.42%
1996-97	853,360,473	9,283,406,651	9.19%
1997-98	883,660,451	9,694,461,511	9.12%
1998-99	903,691,964	10,009,395,000	9.03%
1999-00	953,800,000	11,293,969,000	8.45%
2000-01	1,047,000,000	11,077,681,000	9.45%
2001-02	981,400,000	11,265,100,000	8.71%
2002-03	1,063,800,012	11,047,900,000	9.63%
2003-04	949,000,000	10,784,000,000	8.80%
2004-05	996,900,000	11,859,700,000	8.41%
2005-06	1,011,600,000	12,727,100,000	7.95%
2006-07	1,039,500,000	13,130,800,000	7.92%
2007-08	1,074,600,000	13,526,300,000	7.94%
2008-09	1,136,100,000	12,744,300,000	8.91%
2009-10 *	1,139,816,724 (a)	13,470,870,900 ©	8.46%
2010-11 *	1,179,337,184 (b)	14,200,780,300 ©	8.30%

Source: State Annual Fiscal Report, Budgetary Basis, Department of Administration

\* Numbers are budgeted amounts, not actual expenditures

(a) UW System 2009-10 Redbook

(b) UW System 2010-11 Annual Budget Document

© Legislative Fiscal Bureau, Comparative Summary of Budget Recommendations, 2009  
Act 28, Table 1

## UNIVERSITY OF WISCONSIN SYSTEM

### TUITION POLICY PRINCIPLES

#### Board of Regents GUIDING PRINCIPLES

1. Tuition and financial aid in the UW System should balance educational quality, access, and ability to pay.
2. As a matter of fiscal and educational policy, the state should, at a minimum, strive to maintain its current GPR funding share (65%) of regular budget requests for cost-to-continue, compensation and new initiatives, and fully fund tuition increases in state financial aid programs.
3. Nonresident students should pay a larger share of instructional costs than resident students, and at least the full cost of instruction when the market allows. Nonresident rates should be competitive with those charged at peer institutions and sensitive to institutional nonresident enrollment changes and objectives.
4. Where general budget increases are not sufficient to maintain educational quality, supplemental tuition increases should assist in redressing the imbalance between needs and resources.
5. Tuition increases should be moderate and predictable, subject to the need to maintain quality.
6. GPR financial aid and graduate assistant support should “increase at a rate no less than that of tuition” while staying “commensurate with the increased student budget needs of students attending the UW System.” In addition, support should also reflect “increases in the number of aid eligible students.”
7. General tuition revenue (to cover regular budget increases under the standard 65% GPR and 35% Fees split) should continue to be pooled systemwide. Special fees may be earmarked for particular institutions and/or programs increasing those fees.
8. When considering tuition increases beyond the regular budget, evaluation of doctoral graduate tuition should consider impacts on multi-year grants and the need to self-fund waivers or remissions from base reallocation within departmental budgets.

**MAJOR STATE PROGRAMS**  
**General Purpose Revenue (GPR) Expenditures, 1975 - 2009**  
(Dollars in Millions)

Year Ending 6/30:	UW System		Local Assistance						Medical Assistance		Total GPR Expenditures <sup>a</sup>	
			School Aid		Shared Revenues, Property Tax Credits		Subtotal <sup>a</sup> -Local Assistance					
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% Inc. Over Prev. Year
1975	\$298.8	13.7%	\$485.8	22.3%	\$677.7	31.1%	\$1,322.4	60.7%	\$151.2	6.9%	\$2,177.1	14.1%
1976	310.6	13.4%	530.9	22.9%	664.0	28.7%	1,379.0	59.5%	172.0	7.4%	2,316.6	6.4%
1977	340.4	13.8%	564.5	23.0%	701.9	28.5%	1,446.9	58.9%	202.4	8.2%	2,458.6	6.1%
1978	363.9	13.7%	599.0	22.5%	718.9	27.1%	1,544.2	58.1%	218.4	8.2%	2,656.5	8.0%
1979	340.4	10.8%	670.8	21.3%	783.4	24.9%	1,703.3	54.1%	259.0	8.2%	3,148.9	18.5%
1980	420.7	12.8%	799.0	24.4%	790.1	24.1%	1,858.7	56.7%	295.6	9.0%	3,278.4	4.1%
1981	434.2	12.8%	844.3	24.8%	710.1	20.9%	1,865.5	54.9%	354.4	10.4%	3,398.6	3.7%
1982	478.9	13.9%	784.6	22.7%	758.4	22.0%	1,831.2	53.1%	356.8	10.3%	3,450.9	1.5%
1983	508.4	12.5%	1,135.0	27.8%	917.9	22.5%	2,364.5	58.0%	372.1	9.1%	4,078.0	18.2%
1984	540.5	13.6%	969.0	24.4%	819.6	20.6%	2,130.3	53.6%	398.6	10.0%	3,977.7	-2.5%
1985	555.6	12.1%	1,182.0	25.8%	1,004.2	21.9%	2,577.5	56.2%	431.9	9.4%	4,588.2	15.3%
1986	583.9	12.0%	1,293.5	26.6%	1,049.0	21.5%	2,778.0	57.1%	436.3	9.0%	4,868.0	6.1%
1987	594.3	11.7%	1,352.4	26.7%	1,083.5	21.4%	2,906.8	57.3%	468.6	9.2%	5,070.3	4.2%
1988	633.6	12.1%	1,476.0	28.1%	1,098.6	20.9%	3,056.2	58.3%	470.2	9.0%	5,246.1	3.5%
1989	660.1	12.1%	1,496.8	27.5%	1,110.7	20.4%	3,112.6	57.1%	532.1	9.8%	5,451.9	3.9%
1990	698.2	12.0%	1,619.1	27.9%	1,126.7	19.4%	3,289.0	56.7%	588.6	10.1%	5,803.0	6.4%
1991	740.8	11.6%	1,843.3	29.0%	1,154.9	18.1%	3,609.6	56.7%	659.9	10.4%	6,364.5	9.7%
1992	759.9	11.4%	1,942.4	29.2%	1,213.3	18.2%	3,753.6	56.4%	759.3	11.4%	6,650.7	4.5%
1993	771.8	11.1%	2,025.2	29.3%	1,230.3	17.8%	3,907.3	56.4%	801.4	11.6%	6,922.1	4.1%
1994	810.1	11.1%	2,175.3	29.9%	1,248.0	17.2%	4,090.8	56.2%	834.6	11.5%	7,276.6	5.1%
1995	849.8	10.9%	2,450.8	31.5%	1,291.6	16.6%	4,468.1	57.4%	843.3	10.8%	7,790.0	7.1%
1996	847.4	10.4%	2,683.4	32.7%	1,331.9	16.4%	4,767.2	57.6%	877.1	10.8%	8,141.8	4.5%
1997	853.4	9.2%	3,527.6	38.5%	1,585.7	17.1%	5,609.8	61.0%	865.6	9.3%	9,283.5	14.0%
1998	876.8	9.0%	3,662.2	37.8%	1,477.9	15.2%	5,847.4	60.3%	904.8	9.3%	9,694.5	4.4%
1999	903.6	9.0%	3,859.7	38.6%	1,577.9	15.8%	6,022.4	60.2%	927.8	9.3%	10,009.4	3.2%
2000	953.8	8.4%	4,173.3	37.0%	1,477.9	13.1%	6,405.1	56.7%	971.0	8.6%	11,294.0	12.8%
2001	1047.0	9.5%	4,413.2	39.8%	1,488.5	13.4%	6,679.6	60.3%	993.2	9.0%	11,077.7	-1.9%
2002	981.4	8.7%	4,552.8	40.4%	1,488.5	13.2%	6,792.0	60.3%	1,070.5	9.5%	11,265.1	1.7%
2003	1063.8	9.6%	4,756.1	43.0%	900.2	8.1%	6,438.0	58.3%	1,038.6	9.4%	11,047.9	-1.9%
2004	949.0	8.8%	4,759.0	44.1%	1,069.0	9.9%	6,506.2	60.3%	688.7	6.4%	10,784.0	-2.4%
2005	996.9	8.4%	4,789.0	40.4%	1,221.0	10.3%	6,671.6	56.3%	1,608.8	13.6%	11,859.7	10.0%
2006	1,011.6	8.2%	5,157.2	41.6%	1,413.9	11.4%	7,270.4	58.7%	1,286.9	10.4%	12,385.3	4.4%
2007	1,039.5	7.9%	5,299.5	40.4%	1,413.9	10.8%	7,342.6	55.9%	1,704.4	13.0%	13,130.8	6.0%
2008	1,074.6	7.9%	5,345.7	39.5%	1,538.7	11.4%	7,549.8	55.8%	1,721.2	12.7%	13,526.3	3.0%
2009	1,136.1	8.9%	4,916.4	38.6%	1,618.6	12.7%	7,223.9	56.7%	1,103.8	8.7%	12,744.3	-5.8%
2010 <sup>b</sup>	NA	N/A	NA	N/A	NA	N/A	NA	N/A	NA	N/A	NA	N/A
% Change Over:												
5 Yrs. ('04-'09)	19.7%		3.3%		51.4%		11.0%		60.3%		18.2%	
10 Yrs. ('99-'09)	25.7%		27.4%		2.6%		20.0%		19.0%		27.3%	
20 Yrs ('89-'09)	72.1%		228.5%		45.7%		132.1%		107.4%		133.8%	

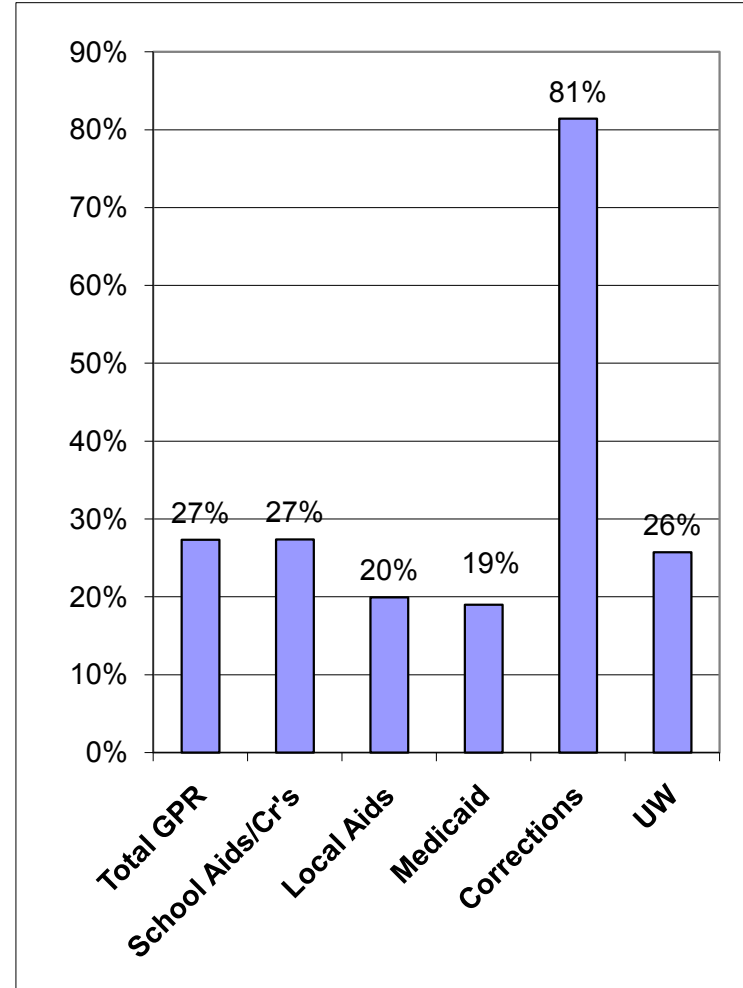
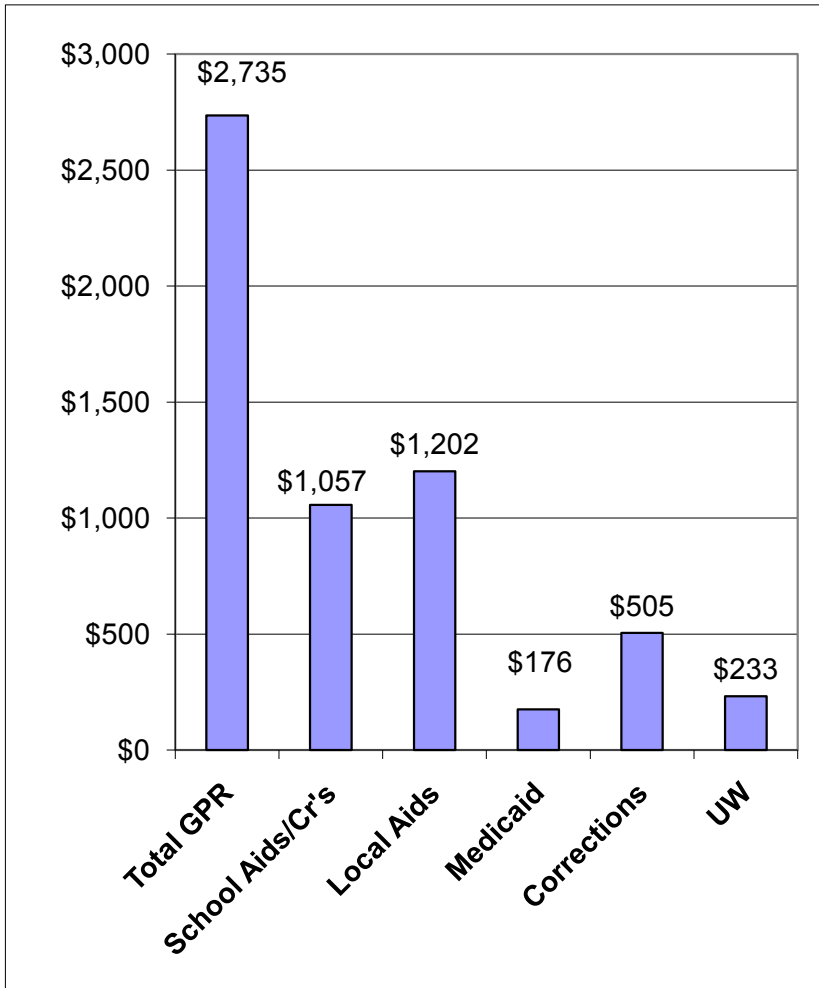
<sup>a</sup>Includes K-12 school aids, shared revenues and property tax credits as well as categories not separately listed.

Source: 1975-1993 data per Wisconsin Taxpayers Alliance from Wisconsin Department of Administration, "Annual Fiscal Reports," 1994 - 2009 data per "Annual Fiscal Reports", UW System Administration. Information is gathered from Table 2 and Table 3.

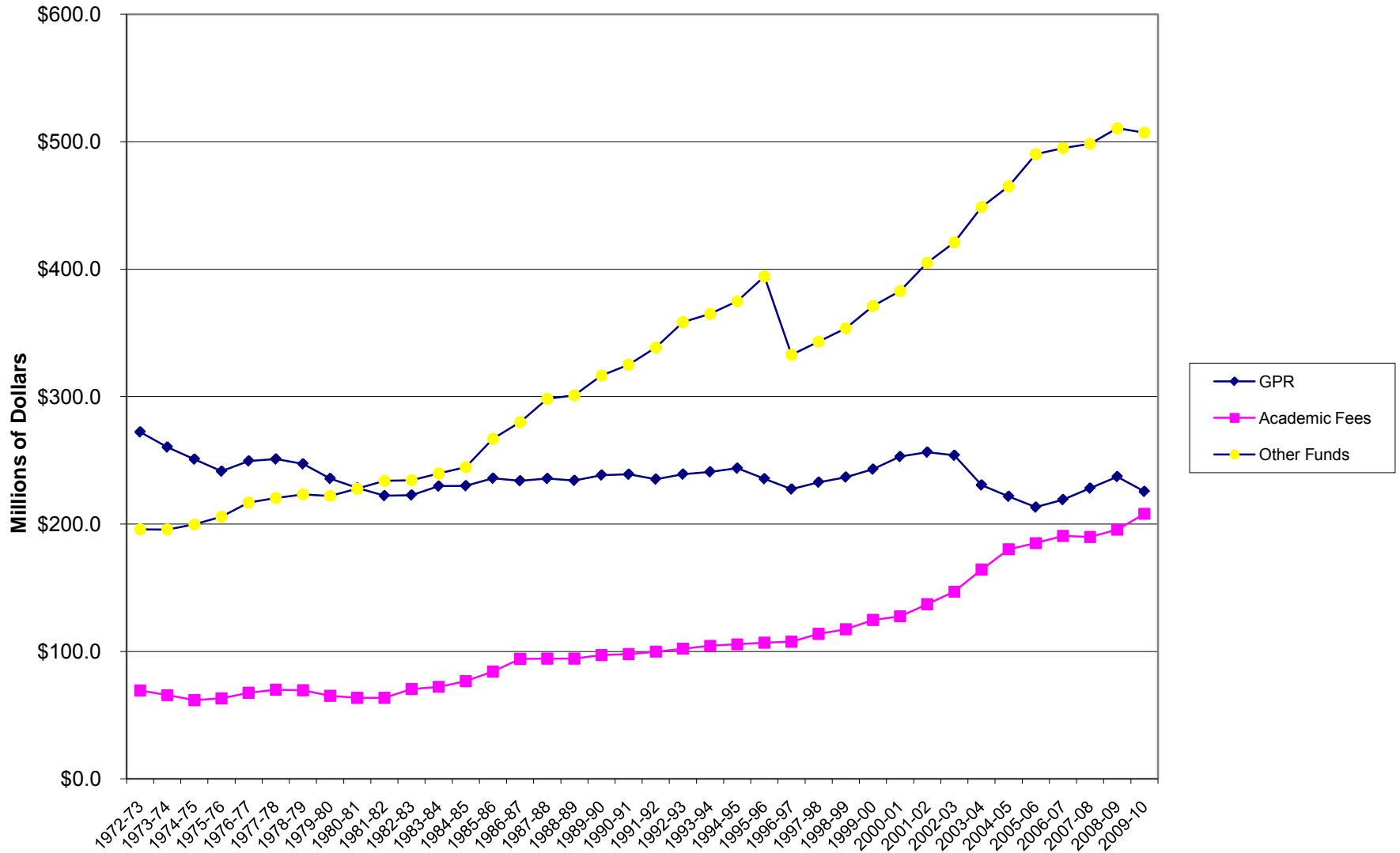
<sup>b</sup> 2009-10 not available yet

**"State Priorities Have Shifted Away From Higher Education..."**

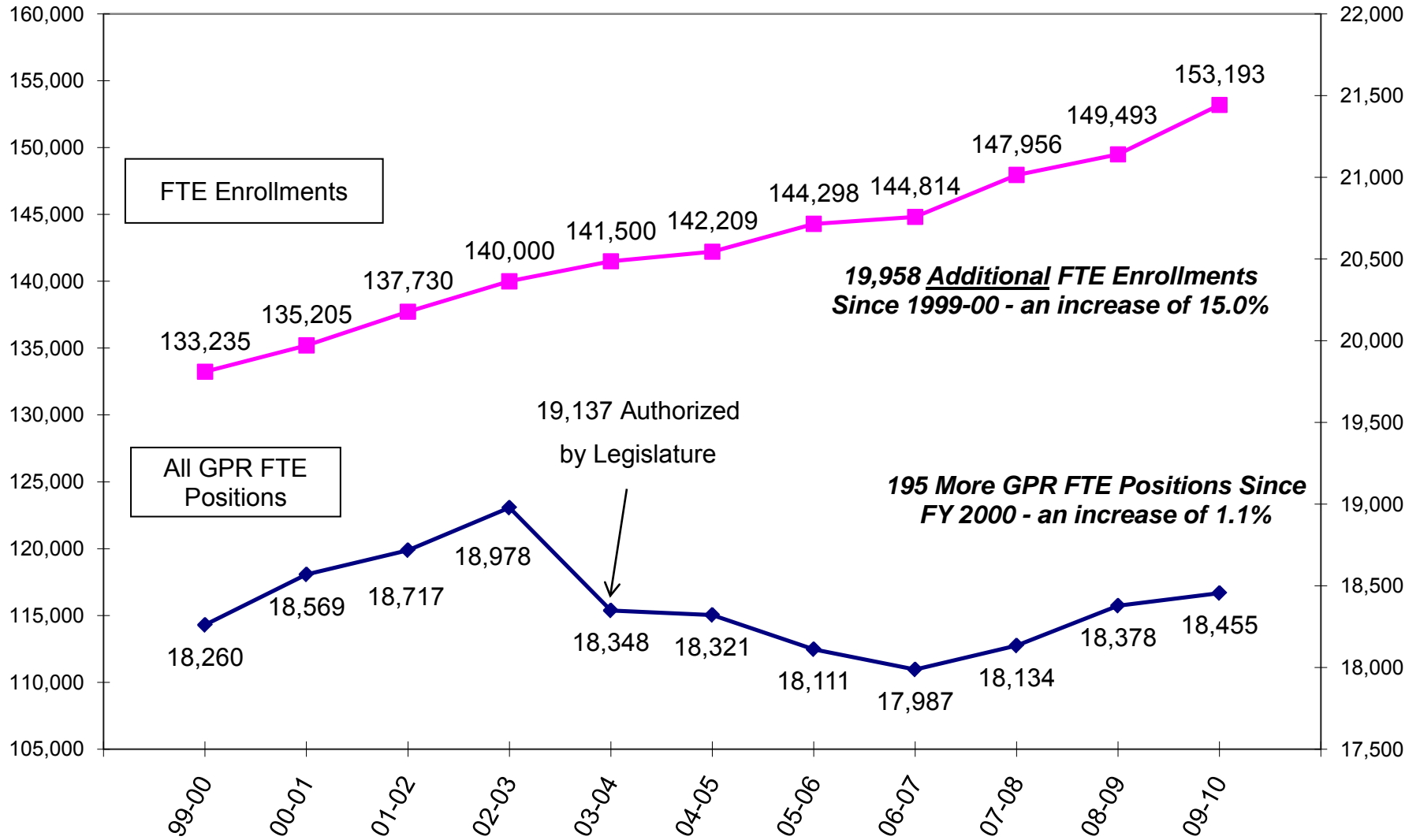
**Ten Years of Spending Growth  
By GPR Category, FY 1999 - 2009  
in Millions and Percents, State Annual Fiscal Report**



**UW System GPR, Fees and Other Funds  
Adjusted for Inflation 1972-73 to 2009-10  
(Inflation is Estimated for 2009-10)**



## UW SYSTEM FTE ENROLLMENTS VS GPR FTE



## GLOSSARY OF TERMS

AASCU - American Association of State Colleges and Universities

AAUP – American Association of University Professors

ACE – American Council on Education

ACIS - The Academic Information Series

ACSS - Academic and Student Services

ACT-CAPP - American College Testing-Collegiate Assessment of Academic Proficiency

AIR – The Association for Institutional Research

AODA - Alcohol and Other Drug Abuse - Programs and staff related to alcohol and drug abuse intervention, prevention and counseling services.

AOP - Advanced Opportunity Program - A UW System financial aid program for minority and economically disadvantaged graduate students.

Auxiliary Operations - Self-sustaining programs, not directly related to instruction, e.g., dormitories, food service and student unions.

BEA – Bureau of Economic Advisors

BLS – Bureau of Labor Statistics

CAC - Curricular Area Code

CACUBO – Central Association of College and University Business Officers

CAPP - Cooperative Academic Partnership Program

CBA - Competency Based Admissions

CBO - Chief Business Officer

CCSSE – Community College Survey of Student Engagement

CDR - Central Data Request

CEUS - CDR Edit and Update System (see CDR)

Cluster - A number of institutions grouped according to mission. The universities at Madison and Milwaukee comprise the Doctoral Cluster. All other degree-granting institutions in the UW System are in the Comprehensive University Cluster. In addition, the UW System has thirteen two year University of Wisconsin Colleges and Extension.



Compensation - Salaries and fringe benefits paid to staff.

1. Pay plan - Increases in salaries and related fringe benefits provided to all state employees.
2. Merit/Market - Salary increases based on a systematic performance evaluation program which identifies positive contributions by faculty and staff member to teaching, research, public service and/or the support functions inherent in the institution's mission.
3. Solid Performance - Adjustments provided to those faculty and academic staff who have demonstrated satisfactory performance.

Continuing Appropriation – An appropriation from which expenditures are limited by only the amount of revenues received. The amount shown in the appropriation schedule is an estimate of, rather than a limit on, the amount that may be expended during the fiscal year.

COOL - College Opportunities On-Line

Cost Per Student - A series of calculations used to derive the instructional costs of student related activities (i.e. student services, physical plant, instruction, etc.).

CPI - Consumer Price Index - A price index which measures the rate of inflation on goods and services that people buy for day-to-day living.

CUPA – College of University Professionals Association (HR/Compensation)

CWS - College Work Study - A campus based financial aid program which provides financial assistance in the form of subsidized employment to needy students.

DARS - Degree Audit Reporting System

Debt Service - Principal and interest payments on the capital raised by selling bonds for construction of university buildings.

DIN - Decision Item Narratives - are descriptive summaries of biennial budget requests, submitted on forms required by the Department of Administration. They include background information and a description and justification of the request.

DOA - Department of Administration - Executive agency responsible for providing and coordinating support services to other state agencies and for developing the Governor's biennial budget recommendations.

DoIT - Division of Information Technology located at UW-Madison.

DPI - Department of Public Instruction - Executive agency responsible for the direction and supervision of the state's public school system for kindergarten through 12th grades.

DRI - Data Resources, Inc. - An economic consulting firm used by the Department of Revenue for economic forecasts on national economic growth and inflation (CPI).

DSF – Division of State Facilities

EDP - Extended Degree Program

Expenditure Classification - The major line item to which costs are assigned. The major expenditure classifications are Salaries and Wages, Fringe Benefits, Supplies and Expenses, Permanent Property, Aids to Individuals, and Debt Service.

FERPA - Family Educational Right to Privacy Act

FIPSE - Fund for the Improvement of Postsecondary Education

FTE - Full-Time Equivalent - The customary statistic for indicating the number of full-time equivalent students or staff represented by a group of part-time and full-time members.

Funds 101-106 – Specific subsets of the UW System’s general program operations appropriation [s. 20.285(1)(a)]. Fund 101 includes funding for the doctoral institutions, Fund 102 includes funding for the comprehensive institutions, Fund 103 includes funding for UW Colleges, Fund 104 includes funding for UW-Extension and for Extension programs conducted at each institution, Fund 105 includes facilities maintenance funding for all institutions that own facilities, and Fund 106 includes funding for systemwide operations.

FWS – Federal Work Study

GAPP - General Administrative Policy Paper

GPO - General Program Operations - The pool of four fund sources (GPR, Tuition/Fees, Federal Indirect Cost Reimbursement and General Operating Receipts) assigned to a particular campus or system budget increment.

GPR - General Purpose Revenue - The State appropriation approved by the Governor and Legislature from the General Fund (general tax revenues).

GPR/Fees - The pool of state general purpose revenues and academic tuition fund sources assigned to a particular campus or system budget increment.

HEAB - Higher Educational Aids Board - Executive agency responsible for the management of the state's financial aid system affecting students in public and private postsecondary institutions.

HEPI - Higher Education Price Index - A price index which measures the rate of inflation on the current operations of colleges and universities. The HEPI reports the change in prices paid by institutions for a fixed group of goods and services purchased for educational and general operations, such as faculty and administrators salaries, supplies and materials, books and periodicals, equipment, etc., less expenditures for sponsored research.

IAA - Identification Authentication Authorization

IAIS - Instructional Analysis Information System

IIA - Inter-Institutional Agreement

IM - Informational Memoranda

IPEDS – Integrated Postsecondary Education Data System

IRE – Institute on Race and Ethnicity

JCOER - Joint Committee on Employment Relations - Legislative committee comprised of 8 legislative leaders from both houses responsible for issues related to state employment relations.

JFC - Joint Committee on Finance - Legislative committee comprised of 8 senators and 8 representatives responsible for making recommendations regarding fiscal matters affecting all state operations.

LAB – Legislative Audit Bureau

LFB – Legislative Fiscal Bureau

LTE – Limited Term Employee

LUMRG - Lawton Undergraduate Minority Retention Grant - A UW System administered financial aid program for needy Wisconsin resident and Minnesota Compact sophomore, junior, or senior minority students.

M&D – Multicultural & Disadvantaged

MAAD – Multiple Application and Admission Database

MATC – Madison/Milwaukee Area Technical College

MHEC – Midwestern Higher Education Compact

MILER – Methodology for Implementing Lowest Effort and Resources

MOA – Memorandum of Agreement

MOU – Memorandum of Understanding

MSEP – Midwest Student Exchange Program

NACUBO – National Association of College & University Business Officers

NASH – National Association of System Heads

NCES – National Center for Education Statistics

NCHEMS – National Center for Higher Education Management Systems

NSSE – National Survey of Student Engagement

OEDI – Office of Equity, Diversity, and Inclusion

OCR – U.S. Office of Civil Rights

OIS – Office of Information Services

OLIT – Office of Learning and Information Technology

OMB – Office of Management and Budget (Federal Gov)

OPAR – Office of Policy Analysis and Research

OPE – Office of Postsecondary Education (Federal Gov)

OPID – Office of Professional Instruction and Development

ORB – Occasional Research Brief

OSER – Office of State Employment Relations - Office responsible for personnel and employment relations policies and programs for the state.

PMIS – Planning Management Information Systems (now IAIS)

PR - Program Revenue - Revenues which are received to finance specified programs, e.g. Extension continuing education.

PR-F - Program Revenue-Federal - Monies which are received from the federal government.

Program - The budget activity to which costs are assigned. Examples of programs are Instruction, Research, Public Service, Academic Support, Student Services, and Institutional Support (Administration).

S&E - Supplies and Expense - Includes all expenditures except those for personnel salaries, fringe benefits and permanent property items (capital equipment defined as having a useful life of at least 2 years and a unit price of at least \$5,000) and aids to individuals. Supplies and expense would include items such as classroom supplies, travel expenses, office supplies, photocopying, computer software, equipment repair, and telephone service.

SAASS – Student Affairs and Academic Support Services

SCUP – Society for College and University Planning

SEG - Segregated Revenue - Monies which are segregated in a fund by law and are available only for the purposes of that fund, such as the Trust Fund Income appropriation.

SEG FEES - Segregated Fees - Charges to students in addition to academic tuition and fees assessed to all students for support of special services, programs, and facilities (i.e. student unions/centers, and health services). The institutional body designated to review the budgets for SUF supported activities is the Segregated University Fee Allocation Committee (SUFAC).

SHEEO – State Higher Education Executive Officers

SSR – Student Statistics Reports (website: <http://www.uwsa.edu/opar/ssb/>)

Student Share of Costs - The proportion of the cost per student paid by student academic tuition. This amount is usually shown as a percentage of total costs.

TIP - Talent Incentive Program - A HEAB administered financial aid program which provides financial assistance to especially needy resident undergraduates attending public or private postsecondary institutions in Wisconsin.

TIS – Transfer Information System

Tuition - As used in this document, tuition is the amount paid by all students for support of their instructional costs.

UDDS – Unit Division Department Sub-Department

UWS(A) – University of Wisconsin System (Administration)

VSA – Voluntary System of Accountability

WARF – Wisconsin Alumni Research Foundation

Weighted Average - An average used to take into account different charges/costs for factors that affect how much significance should be given to each UW System institutions cost/charge. For example, the systemwide weighted average student budget takes into account the differences in student FTE for tuition costs and segregated fees, and number of occupants for room rates, etc. at each institution.

WHEG - Wisconsin Higher Education Grant - A HEAB administered financial aid program which provides need-based grants to UW System and WTCS resident undergraduate students.

WTCS - Wisconsin Technical College System - Postsecondary educational system which provides adult basic, manpower training, job skill improvement, apprenticeship-related training, college transfer, and allied educational activities. The WTC System is governed by a 12 member board which supervises curriculum standards and operations of 16 regional WTCS districts.