



2015-17 BIENNIAL BUDGET REQUEST

Board of Regents
August 2014

2015-17 Biennial Budget Request

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(1) Talent Development Initiative

Initiative	in millions	UW Funds	New State Funds
➤ Talent Path			\$15.4
➤ Talent Infrastructure		\$42.3	\$57.3
➤ Talent-Based Economy			\$22.5
Totals		\$42.3	\$95.2

(2) Performance Measures

- | | |
|-------------------------|----------------------|
| ➤ Undergraduate Degrees | ➤ Participation Rate |
| ➤ Retention Rate | ➤ Graduation Rate |

(3) Statutory Language Changes

Standard Budget Adjustments (cost-to-continue)

2013-15 Biennial Budget Impacts

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Tuition Freeze:

Two-year tuition freeze does not provide the UW share of state employee salary and fringe increases.

Impact: \$27.3M ongoing deficit

Base GPR Reduction:

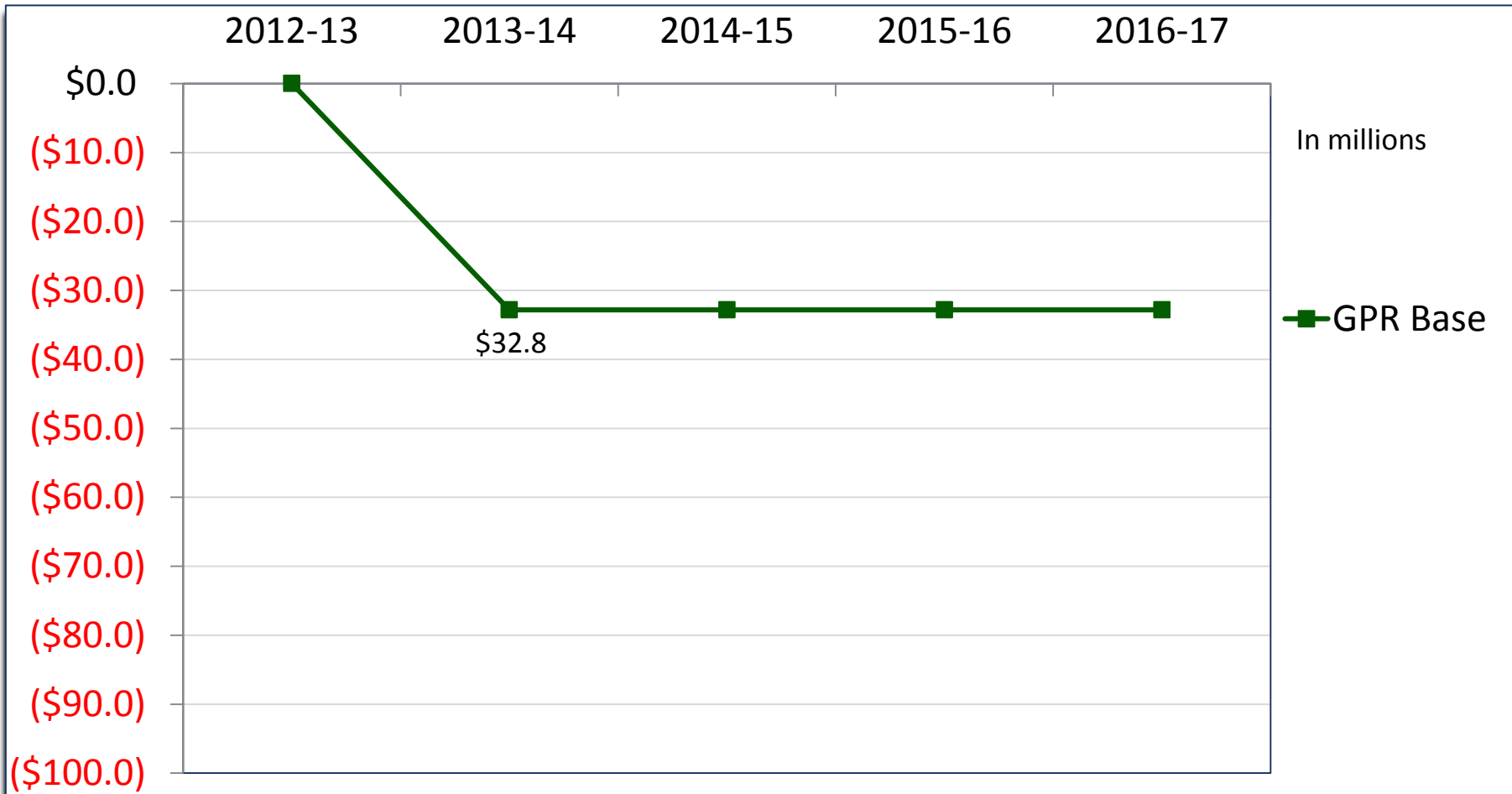
UW institutions were required to absorb a \$32.8M GPR cut.

UW System Actions:

- UW System developed cash balances policies
- Increased transparency and accountability of balances
- Drew down balances to cover costs on a one-time basis

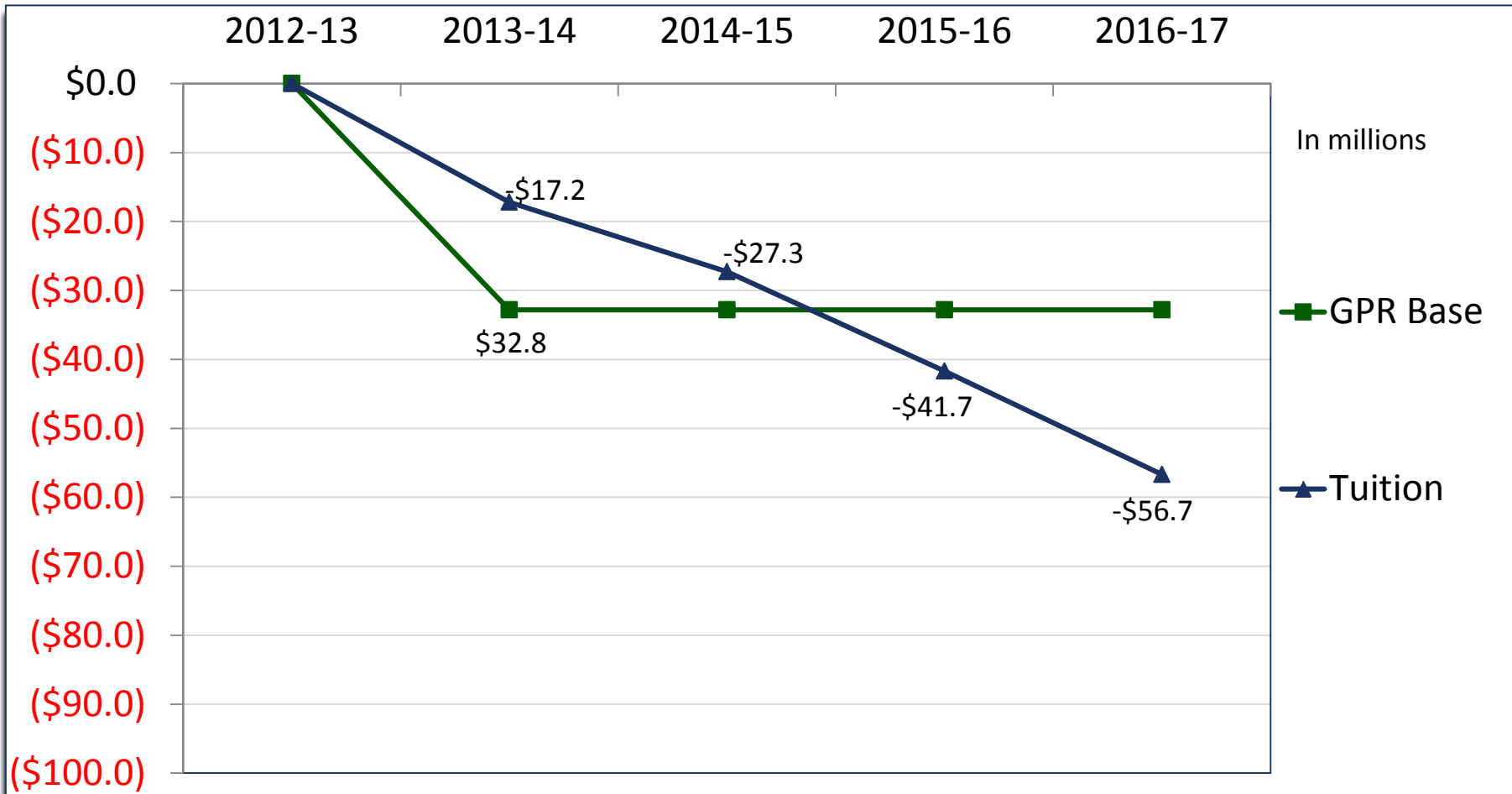
A Closer look at the Growing Deficit

4



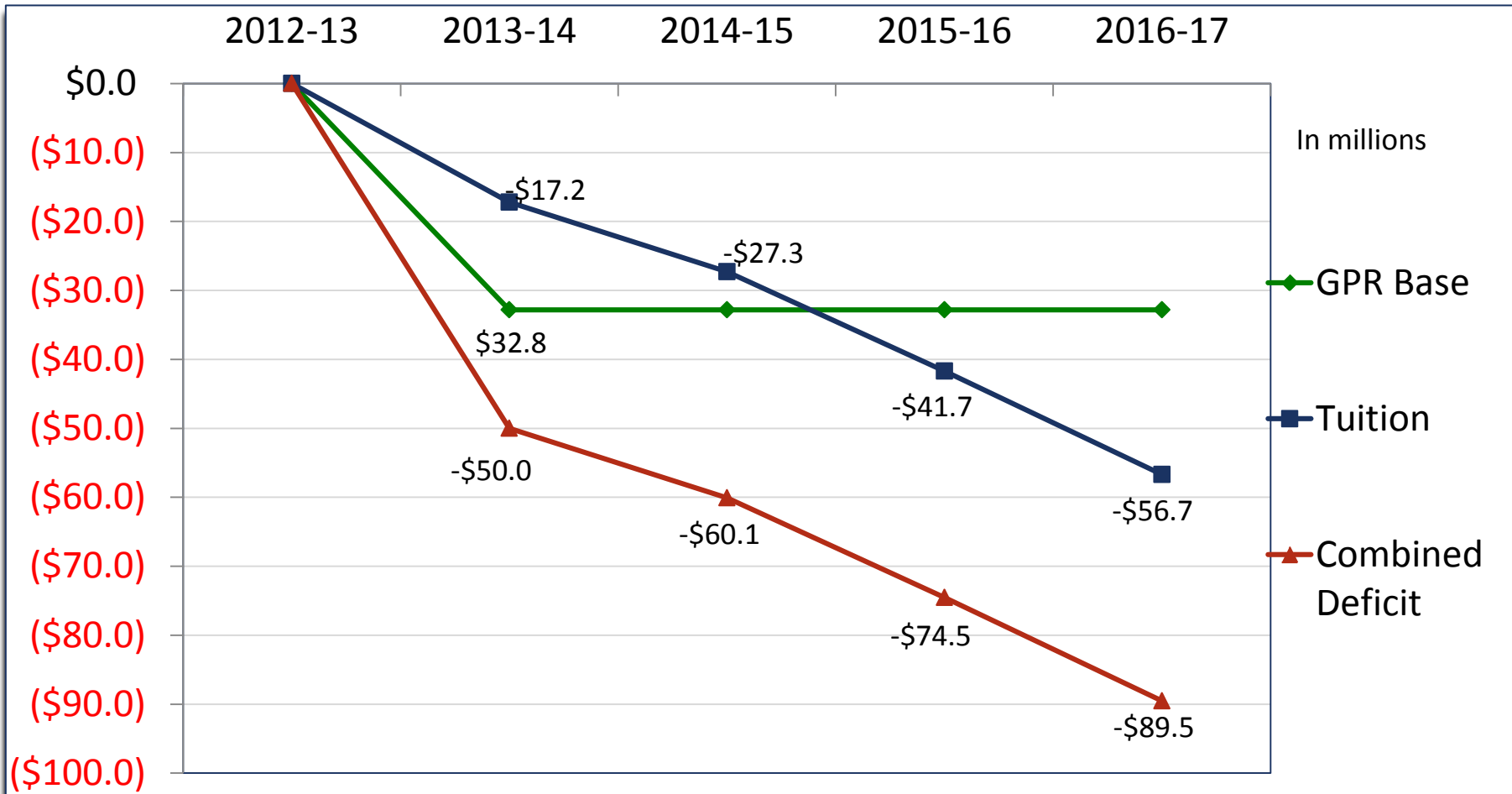
A Closer look at the Growing Deficit

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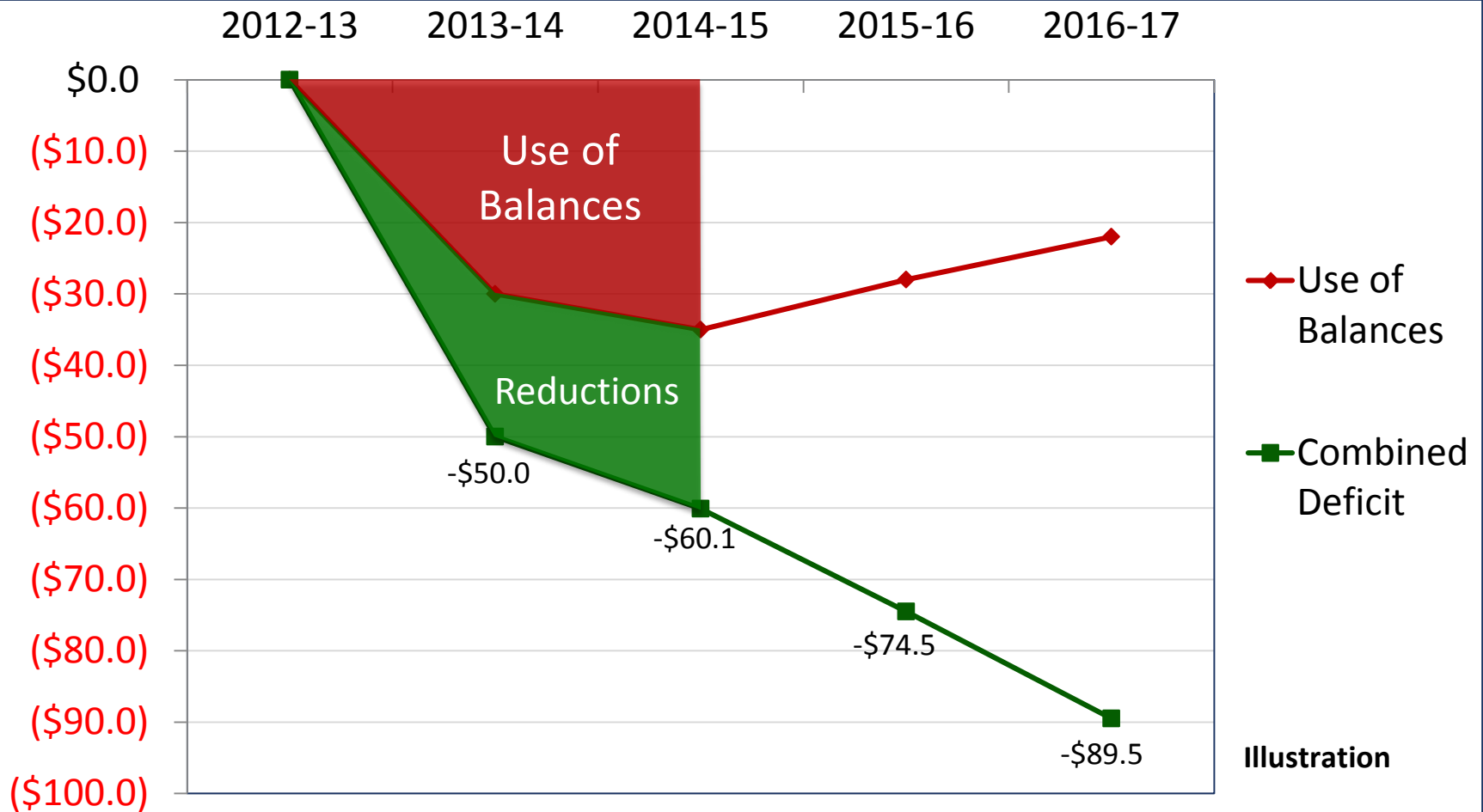
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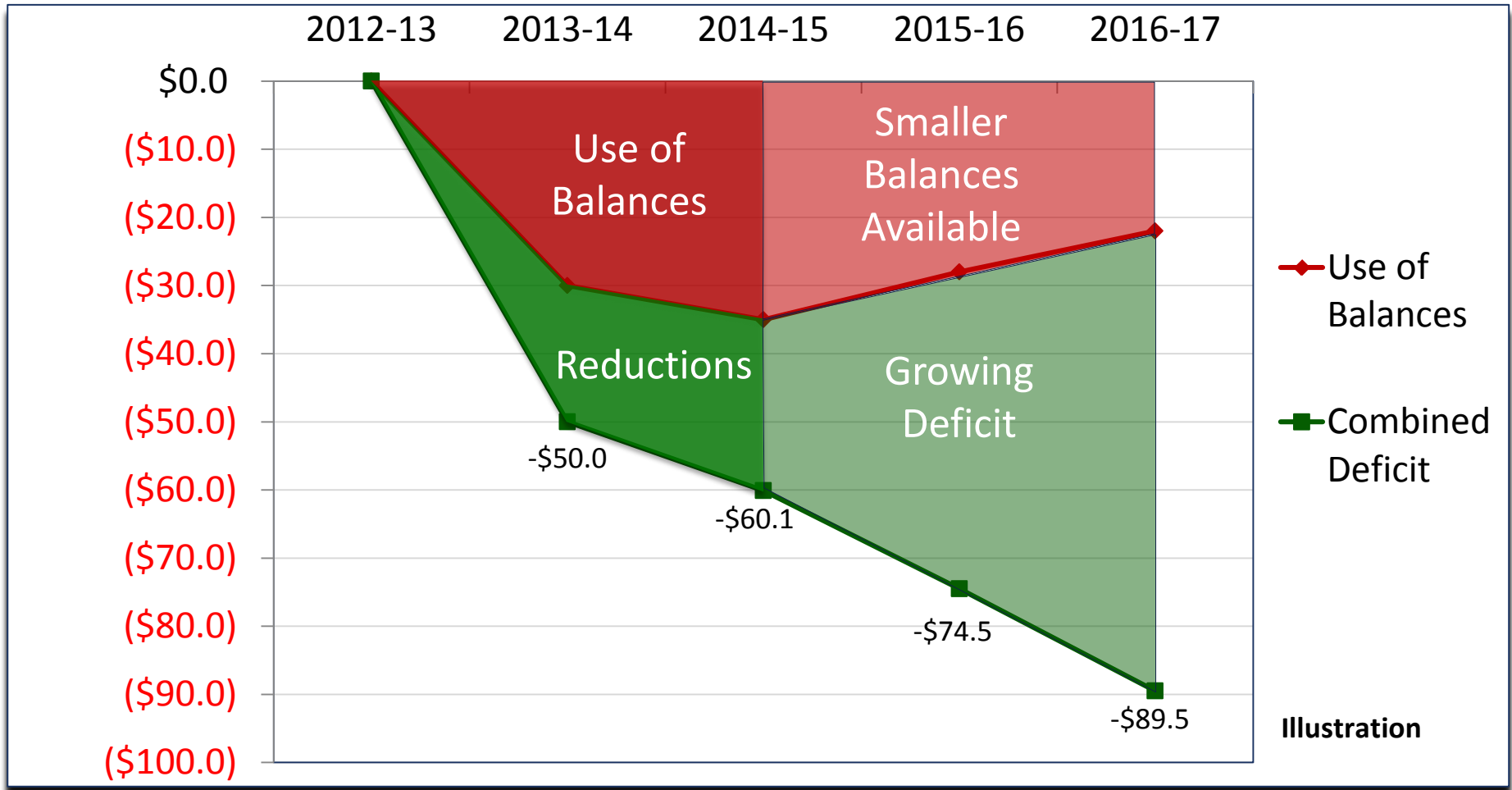


Program Revenue Balances Will Only be Temporary Help

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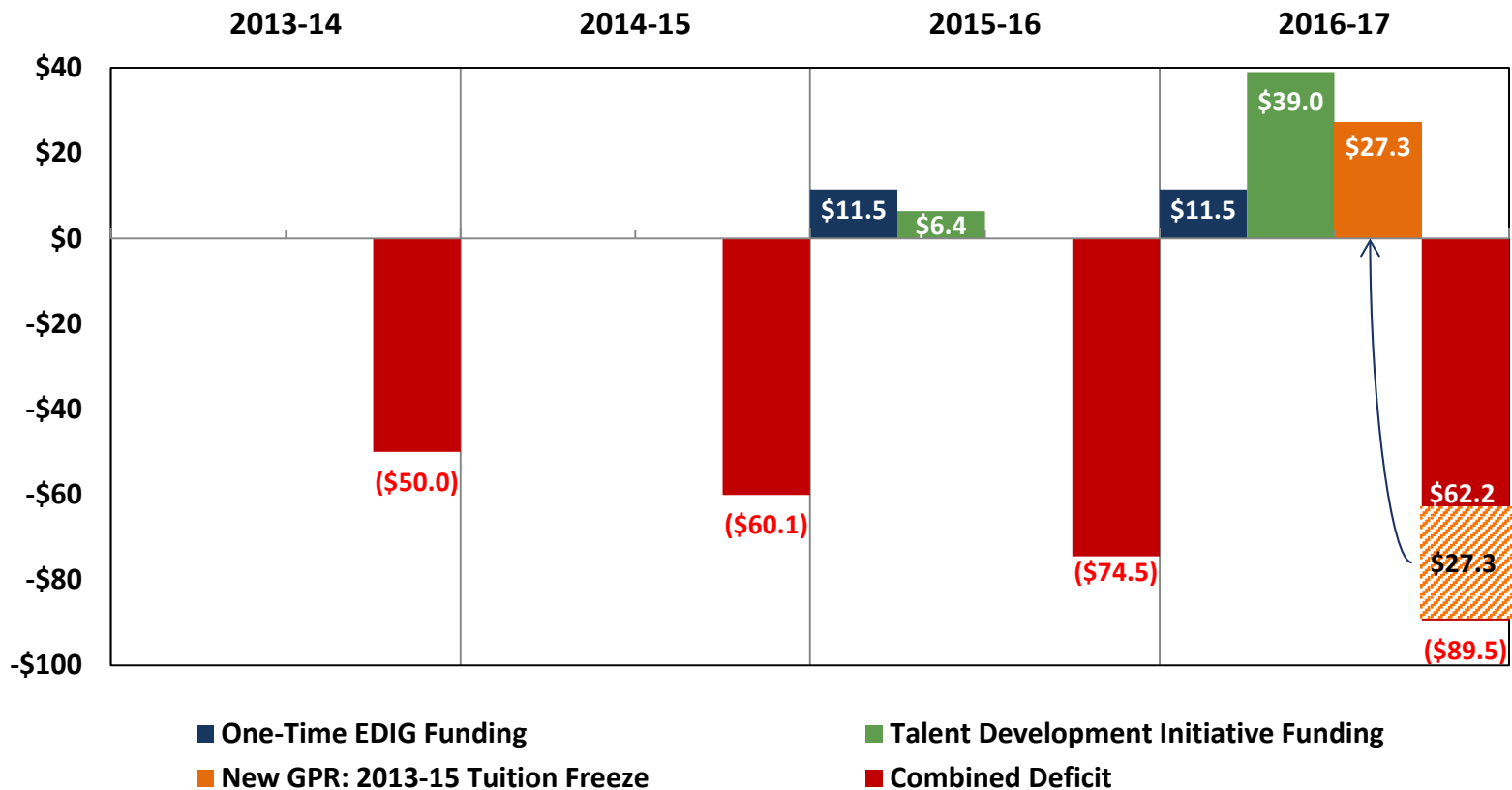


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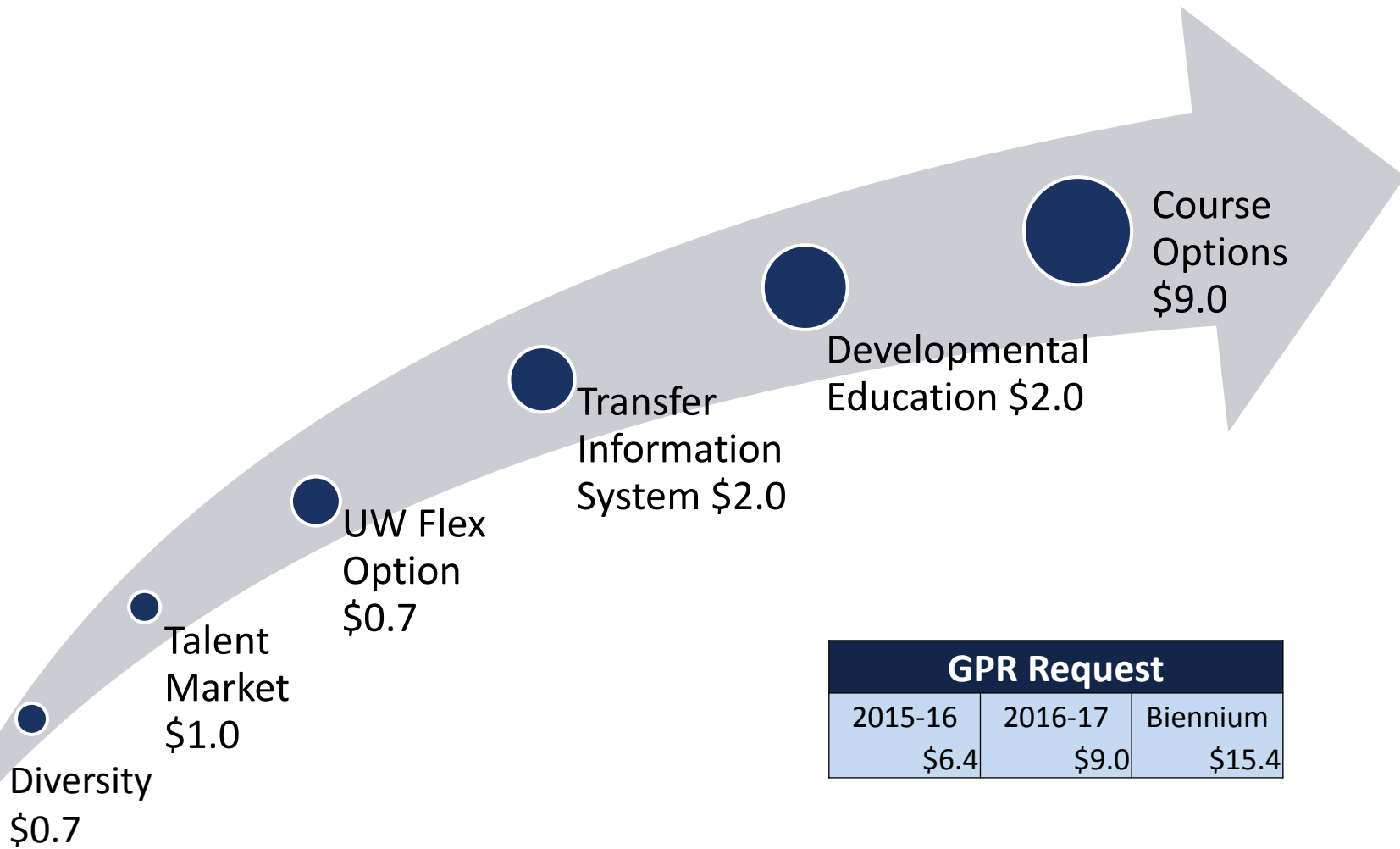


Ongoing Reductions Compared to New Funding

2015-17 Requested Funding: Impact on Operating Deficit



Building the Talent Path



GPR Request		
2015-16	2016-17	Biennium
\$6.4	\$9.0	\$15.4

Building the Talent Infrastructure

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Increase High-Demand Degrees

Increase Opportunities for Internships

Attract and Retain Students in High-Demand Fields

Recruit and Retain Faculty in High-Demand Fields

Building the Talent Infrastructure

Focusing on six industries critical to Wisconsin's economy.

- **Agriculture & Food Manufacturing**
- **Finance, Insurance, and Real Estate**
- **Healthcare**
- **Manufacturing**
- **Transportation**
- **Water Management & Research**

Funding Request		
	2015-16	2016-17
UW Funds	\$15.0	
GPR		\$30.0

Support for Students

The Ongoing Cost of the 2013-15 Tuition Share of Standard Budget Adjustments

Funding Request		
	2015-16	2016-17
UW Funds	\$27.3	
GPR		\$27.3

Building the Talent-Based Economy: Economic Development Incentive Grants 2.0



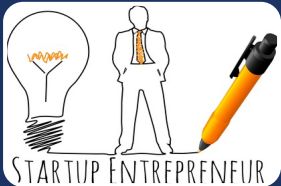
Economic Development Programs

- Create/retain jobs
- Support the growth or establishment of businesses in WI



R & D Programs

- Focus on R&D that leads to commercialization of products



Entrepreneurial Activities

- Support to UW faculty and students engaged in entrepreneurial activities

GPR Request: One-time Funds		
	2015-16	2016-17
GPR	\$11.25	\$11.25

Performance Measures

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As requested by the Department of Administration budget instructions. Details provided on pages C.1 – C.4

➤ Undergraduate Degrees

Meet or exceed current plans to increase undergraduate degrees

➤ Participation Rate

Enroll at least 32% of WI high school graduates immediately after graduation

➤ Retention Rate

Meet or exceed current plans to increase the rate of freshmen retention

➤ Graduation Rate

Meet or exceed current plans to increase the rate at which new freshman graduate

Proposed Statutory Changes

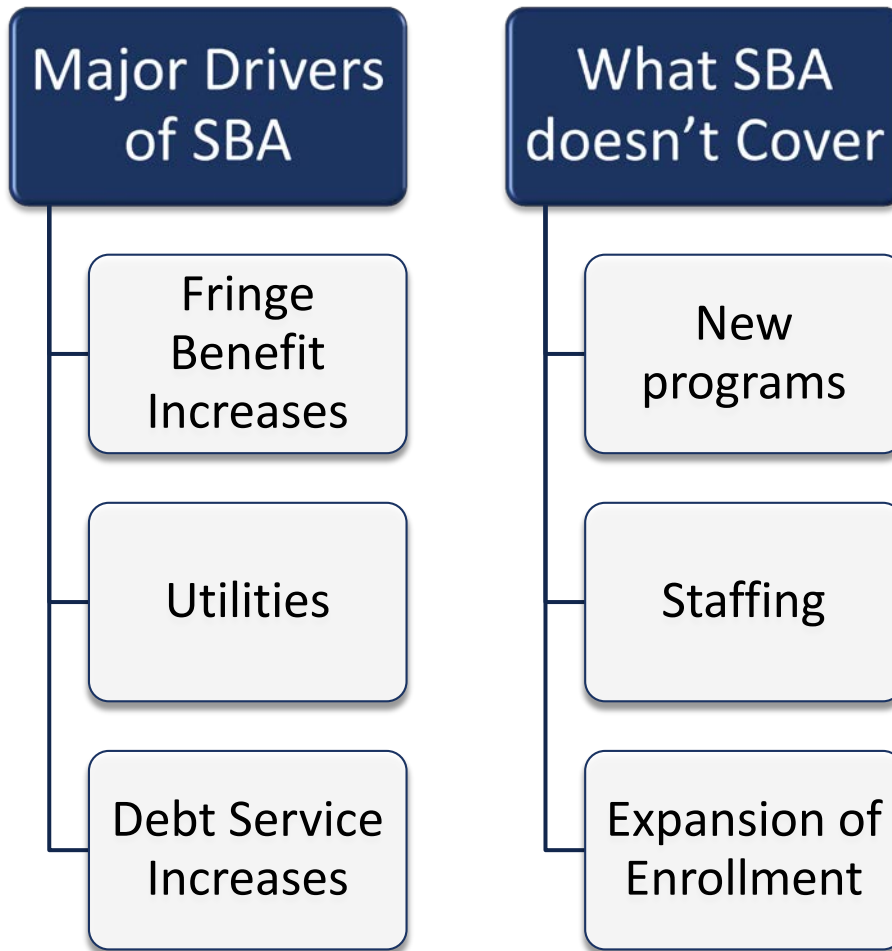
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Compensation

- Add “merit” as a reason for granting salary adjustments from existing funds.
- Authorize the Board of Regents to determine pay plan increases for all University employees
 - Ensure that UW employees continue to receive the same state-funded pay plan as other state employees.
- Eliminate or streamline certain reporting requirements
- Work with the Governor and Legislature on further administrative flexibilities.

Standard Budget Adjustment Basics (SBA)

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Authorize the UW System president to negotiate with the Department of Administration to determine standard budget adjustment funding.

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