



UNIVERSITY OF WISCONSIN SYSTEM

# Fiscal Year 2018-19 Annual Operating Budget

Board of Regents Meeting June 8, 2018

Sean P. Nelson, Vice President for Finance

# 2018-19 Annual Budget Highlights

- State funding **increased** by 5.6% [\$59.7M]
- Resident undergraduate tuition **frozen** for sixth consecutive year
- Segregated fee increases **limited**
- Program revenue balances projected to further **decline**

# Total 2018-19 UW System Budget

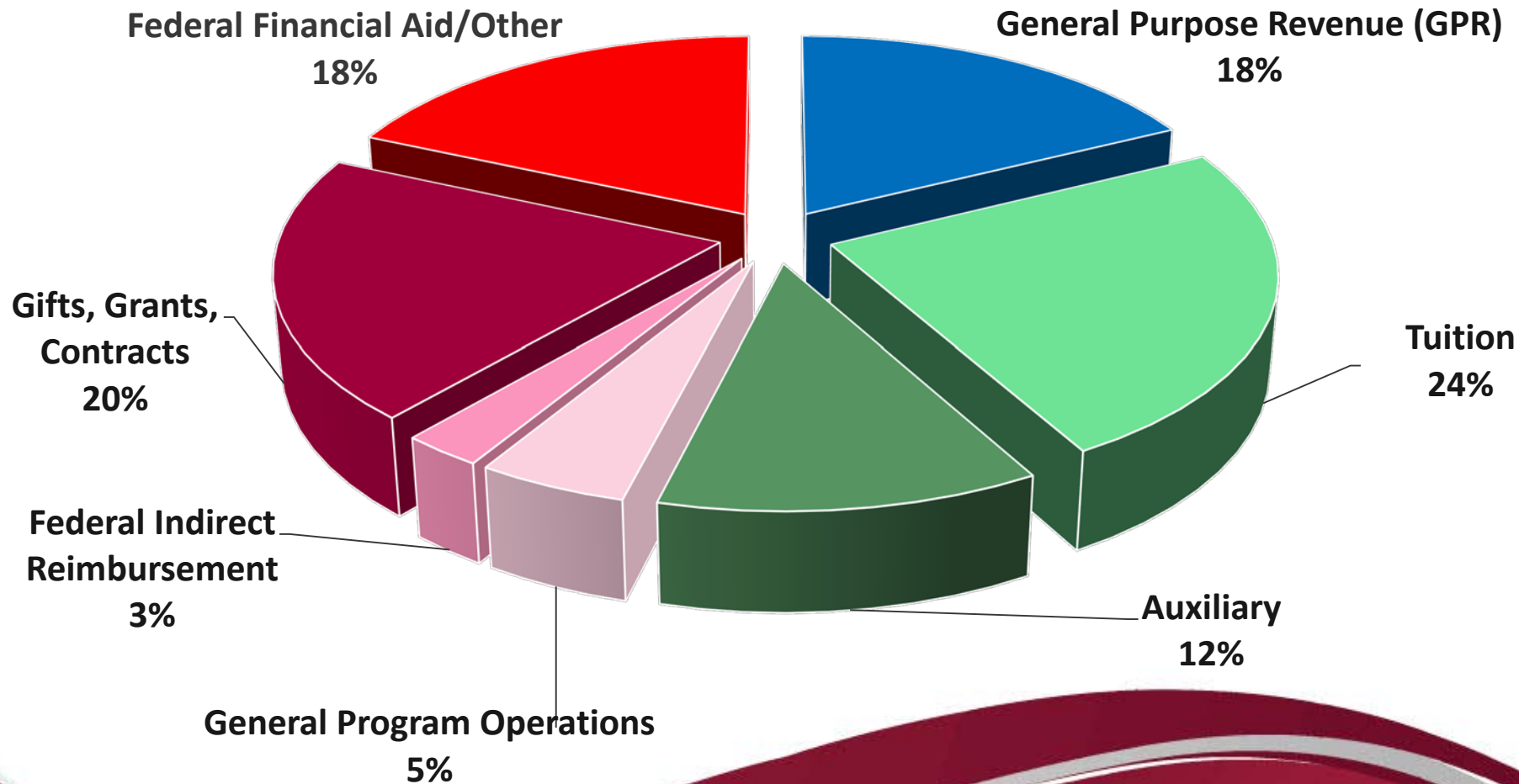
Revenues: \$6.250 billion

Expenditures: (\$6.349 billion)

Planned Use of Program Revenue Balances:  
(\$98.9 million)

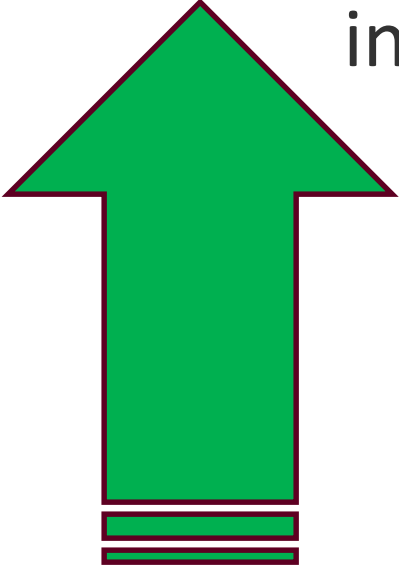
# Expenditures

*Estimated FY18/19 Expenditures: \$6.35 billion*

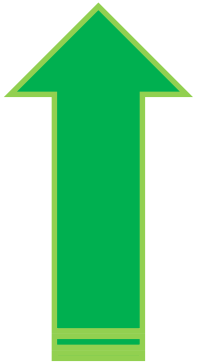


# State GPR Budget Increases

A Net Increase in State GPR of \$59.6 million in 2018-19, or 5.6%, including:

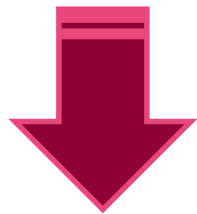
- 
- **\$42.6 million for salary Pay Plan**
    - 2% on July 1, 2018 and 2% on January 1, 2019
  - **\$26.25 million for Performance-based Funding**
    - Funding to be allocated to the campuses from the UW System in the Fall of 2018

# Additional Fund Sources



## Projected Expenditure Increases:

- General Program Operations: 3.8% [\$11.2M]
- Federal Indirect Cost Reimbursement: 6.6% [\$10M]
- Gifts, Grants, Contracts: 6% [\$72.8M]



## Projected Expenditure Decrease:

- Federal Financial Aid/Other: - 3.8% (\$45.9M)

# 2018-19 Tuition

**6<sup>th</sup> consecutive year of resident  
undergraduate tuition freeze**

**Net Tuition Revenue increase of \$34.7  
million attributable to professional  
school increases and non-resident tuition  
at UW-Madison**

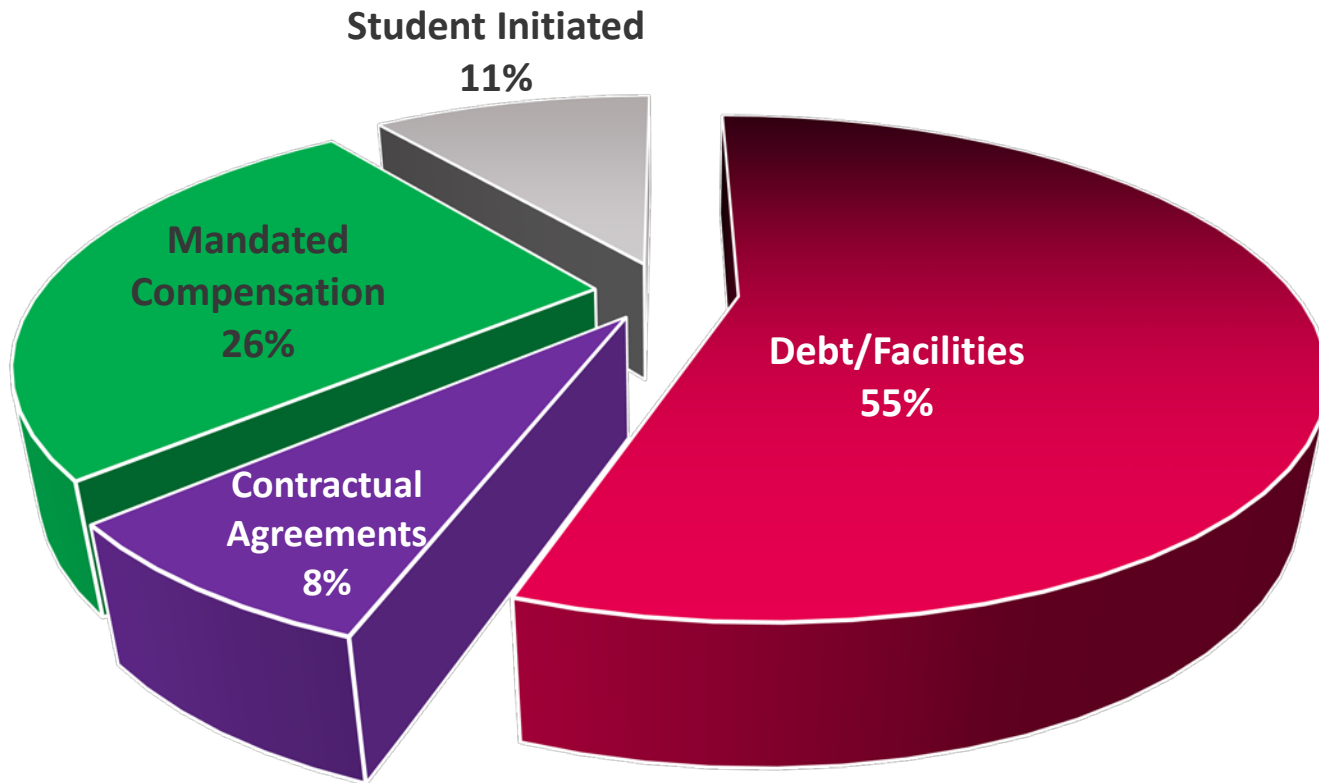
# 2018-19 Auxiliaries

**TOTAL segregated fees will increase at 4-year institutions by an average of \$33 per year, or by 2.6%**

**Room and board rates will increase at 4-year institutions by an average of \$118 per year, or by 1.6%**

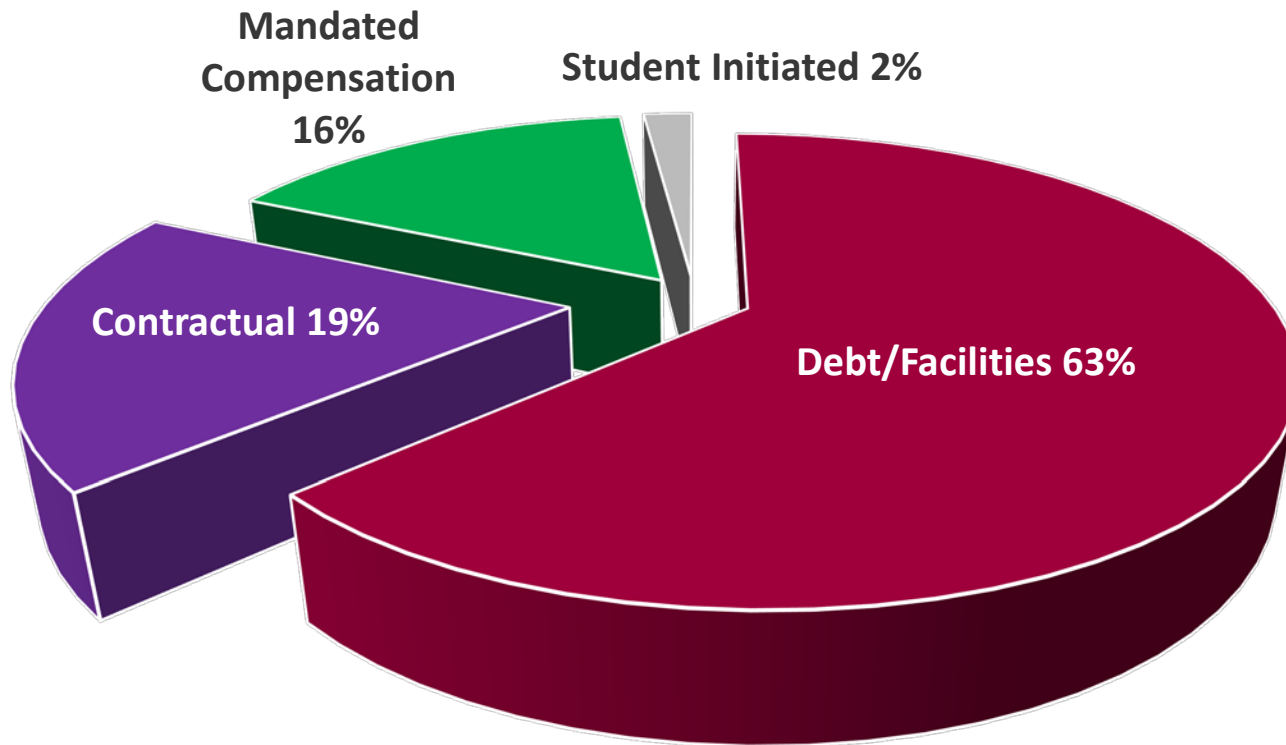


# 2018-19 Auxiliaries: Segregated Fee Increases



 Average Increase of \$33 [2.6%]

# 2018-19 Auxiliaries: Room and Board Increases



 Average Increase of \$118 [1.6%]



# Average Cost for Resident Freshman\*

Campus	Tuition	Seg Fee	Room Rate	Meal Plan	FY19 Total	Percent Increase over FY18
Madison	\$ 9,273	\$ 1,282	\$ 6,821	\$ 3,150	\$ 20,526	1.3%
Milwaukee	\$ 8,091	\$ 1,497	\$ 6,150	\$ 4,028	\$ 19,766	0.4%
Eau Claire	\$ 7,361	\$ 1,309	\$ 5,290	\$ 2,899	\$ 16,859	1.9%
Green Bay	\$ 6,298	\$ 1,580	\$ 4,375	\$ 2,234	\$ 14,487	0.0%
La Crosse	\$ 7,585	\$ 1,348	\$ 4,298	\$ 2,043	\$ 15,274	0.9%
Oshkosh	\$ 6,422	\$ 1,199	\$ 5,158	\$ 2,846	\$ 15,625	1.3%
Parkside	\$ 6,298	\$ 1,090	\$ 4,764	\$ 2,062	\$ 14,214	0.4%
Platteville	\$ 6,418	\$ 1,153	\$ 4,609	\$ 2,971	\$ 15,151	1.3%
River Falls	\$ 6,428	\$ 1,434	\$ 4,286	\$ 2,227	\$ 14,375	0.1%
Stevens Point	\$ 6,698	\$ 1,390	\$ 4,651	\$ 2,944	\$ 15,683	0.8%
Stout	\$ 7,020	\$ 1,147	\$ 4,427	\$ 2,595	\$ 15,189	1.4%
Superior	\$ 6,535	\$ 1,591	\$ 4,164	\$ 2,842	\$ 15,132	0.6%
Whitewater	\$ 6,519	\$ 1,008	\$ 4,520	\$ 2,081	\$ 14,128	2.1%
<b>Average</b>	<b>\$6,996</b>	<b>\$1,310</b>	<b>\$4,886</b>	<b>\$2,686</b>	<b>\$15,878</b>	<b>1.0%</b>

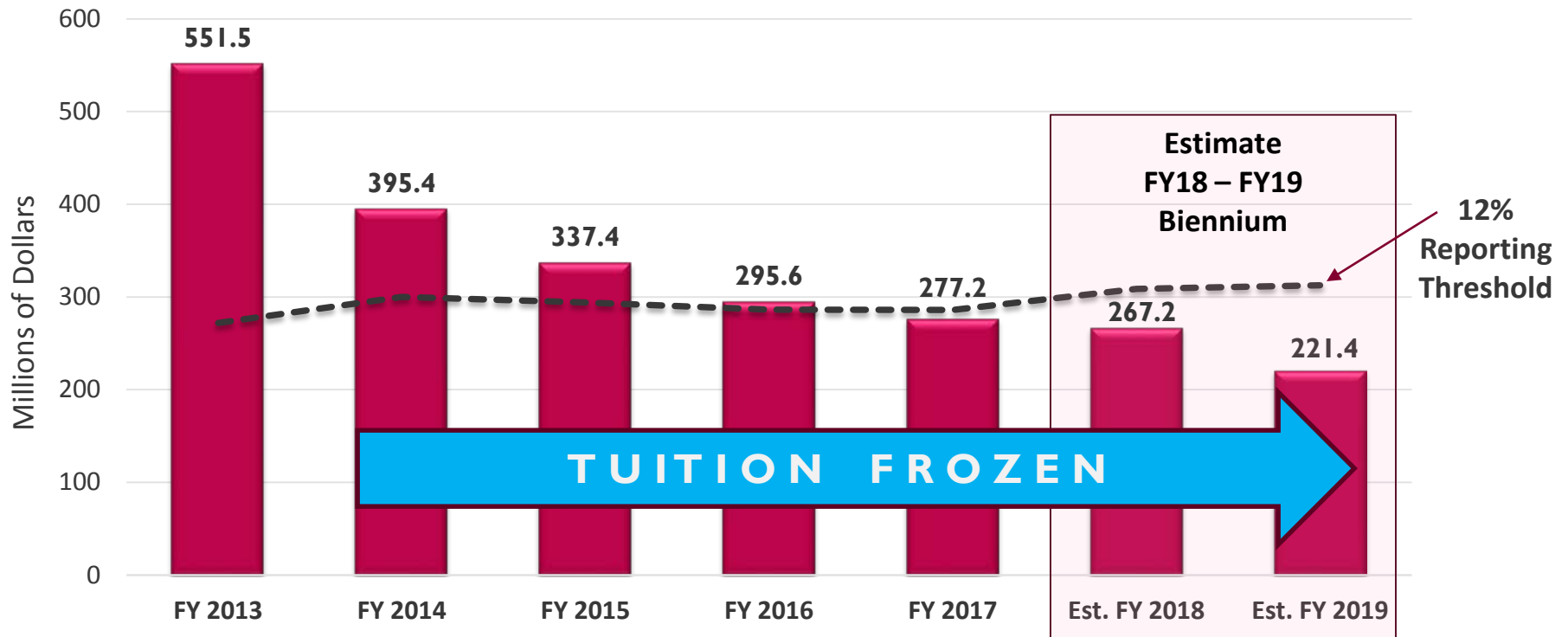
\*Excludes books, transportation, and miscellaneous costs.

# Program Revenue Balances

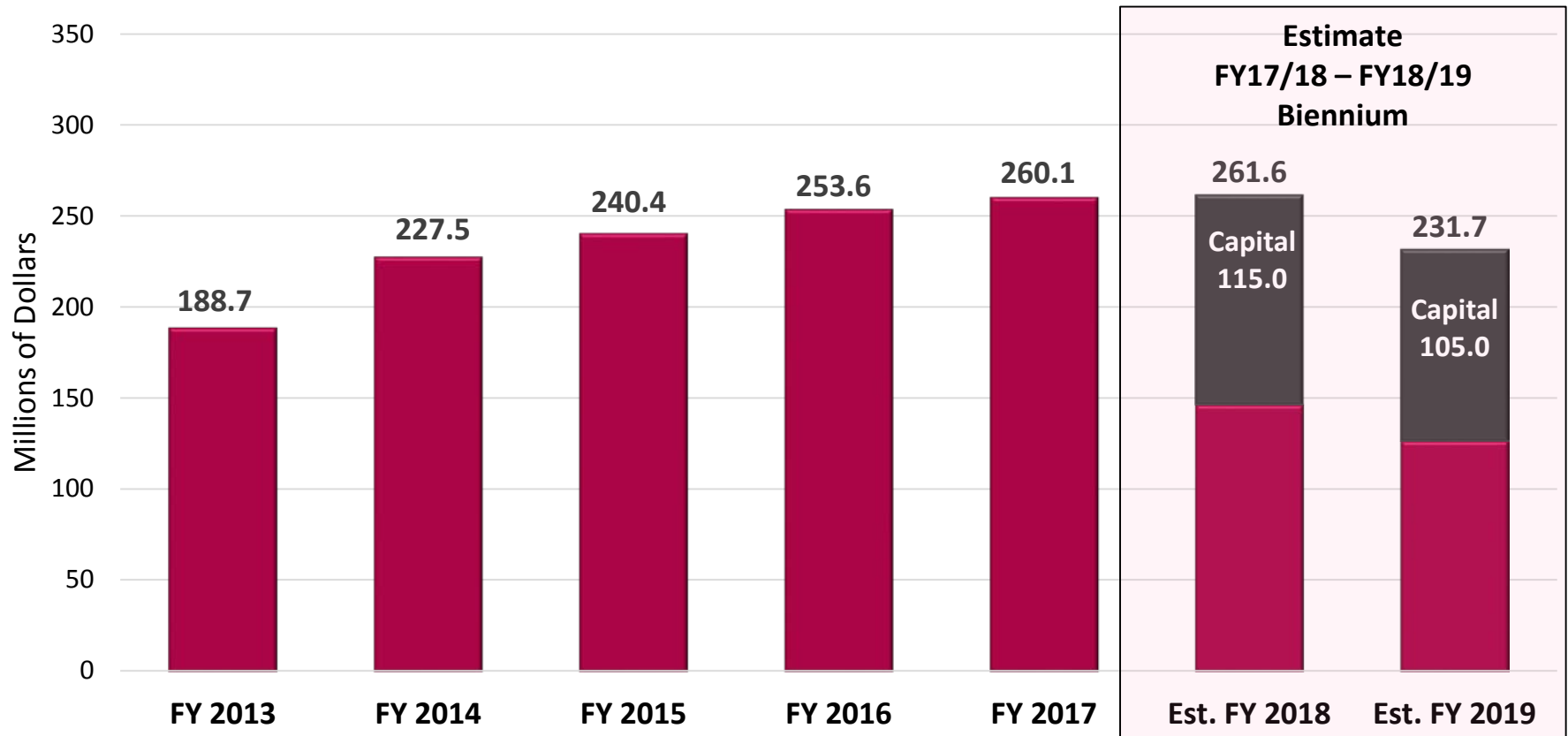
**Tuition balances are estimated to decrease by \$330.1 million, or approximately 60%, between 2012-13 and 2018-19**

**Auxiliary balances are expected to decrease by \$29.9 million, or approximately 11%, from 2017-18 to 2018-19**

# GPR/Tuition Balances

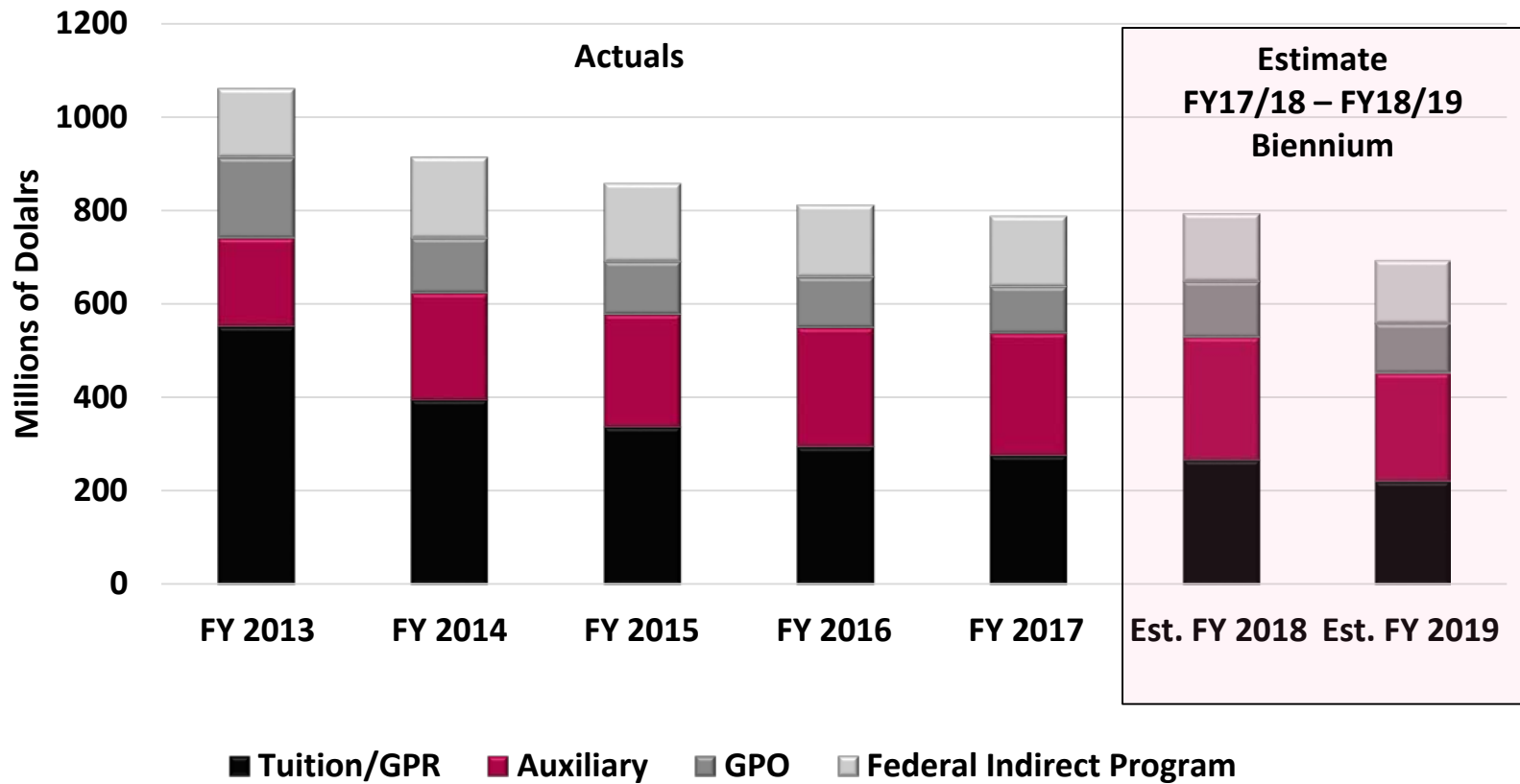


# Auxiliary Balances



45% of balances committed for capital projects in FY19

# Total Program Revenue Balances



# Restructuring: FY19 Pro Forma Budgets

- The 7 receiving institutions developed Pro Forma budgets based on the UW Colleges FY19 budget submission
  - Each receiving institution was provided with a crosswalk with estimated funding distributions
  - Pro Forma budgets are included in **Appendix A** as an informational supplement
- **Higher Learning Commission decision on June 28th**



# Other FY19 Budget Notes

- Full **budget reallocation** of UW Colleges and UW-Extension will occur during 2018-19
- Realignment of current UW System resources to support **Information Security** efforts
- New **budget and planning system** implementation (“Plan UW”) is underway and will be phased in over the next several years



UNIVERSITY OF WISCONSIN SYSTEM

**QUESTIONS?**