



2009-10 Annual Operating Budget and Tuition/Fee Schedules

National
Context

FY 2009-11
Biennial
Budget

FY 2009-10
Annual Budget

Tuition Policy
& Practice

Auxiliary
Services

Tuition & Fees

National Context

- **What's happening with state and higher education funding across the country**
- **Wisconsin stimulus funding for UW System**

National Context

- **What's happening with state and higher education funding across the country?**
 - ✓ 47 states experiencing budget deficits
 - ✓ Extensive use of stimulus funds to backfill general fund reductions
 - ✓ California - severe reductions in access/permanent salary reductions
 - ✓ Minnesota – substantial reductions/use of stimulus
 - ✓ Michigan and Illinois – reduce financial aid
 - ✓ Washington – Limit access and reduces research support
 - ✓ Arizona – major academic programs eliminated; furloughs up to 15 days annually; layoffs

National Context

- **Wisconsin stimulus funding for UW System**
 - ✓ No funding for FY2009-10 and FY2010-11 from state stabilization fund
 - ✓ Many states are using stimulus funds for continuing operations – when the funds are gone in FY2011-13 continuing expenditures will be greater than available funding
 - ✓ Lack of stimulus funding means no deficit for UW System

FY 2009-11 Biennial Budget

- **General and across-the-board (ATB) base cuts**
- **New initiatives**
- **Affordability advances**

FY 2009-11 Biennial Budget

- **General and ATB base cuts**

- ✓ \$100 million – General GPR
- ✓ 20.5 million – ATB GPR
- ✓ 23.25 million – auxiliary services
- ✓ 17.6 million – ATB program revenue
- ✓ Pay plan rescission and furloughs

FY 2009-11 Biennial Budget

- **New initiatives**

- ✓ Wisconsin Institutes for Discovery
- ✓ Bioenergy initiative
- ✓ Wisconsin Genomics Institute
- ✓ Increase Recruitment/Retention
- ✓ Domestic partner benefits
- ✓ UW-Milwaukee Schools of Freshwater Science and Public Health
- ✓ Stevens Point School of Nursing planning

FY 2009-11 Biennial Budget

- **Affordability advances**

- ✓ Hold harmless initiatives
- ✓ Tuition increase grant
- ✓ Increases in Pell grant awards
- ✓ Changes to Veterans Remission
- ✓ Parkside/Superior remissions

FY 2009-10 Annual Budget

- **Key Budget Modifications: 2008-09 and 2009-10**
- **Potential added costs**

FY 2009-10 Annual Budget

Key Budget Modifications GPR/Fees

2008-09 to 2009-10

2009-10 Budget	\$2,191.2
ATB/General reduction	(59.6)
Recruitment/retention	5.0
Utility/debt service	10.8
Furloughs	(37.7)
Tuition offset	35.0
Fringe increase	15.6

FY 2009-10 Annual Budget

- **Potential added costs**

- ✓ Mid year lapse
- ✓ Utility shortfall
- ✓ Veterans remission costs
- ✓ Unfunded pay increase

Tuition Policy and Practice

- **Tuition policy principles**
- **Why are increases necessary in FY2010?**
- **Increases FY 2006-2010**
- **Comparison to peers**

Tuition Policy and Practice

- **Tuition policy principles**

- ✓ Balance educational quality, ability to pay, access through tuition and financial aid
- ✓ Seek increases that are moderate and predictable subject to the need to maintain quality
- ✓ Seek to maximize financial aid support
- ✓ Assume general tuition revenues to cover regular budget increases under 65% GPR/35% fees split

Tuition Policy and Practice

- **Why are increases necessary in FY 2010?**
 - ✓ Partial offset to \$60 million reduction
 - ✓ Continue key instructional and support services
 - ✓ Limit impact on access:
 - Class size increases
 - # of faculty teaching
 - # of classes offered

Tuition Policy and Practice

- **Increases FY 2006-2010: Resident Undergraduate**

%	2006	2007	2008	2009	2010
Madison	6.9%	6.8%	5.5%	5.5%	5.5%
Milwaukee	6.9%	6.8%	5.5%	5.5%	5.5%
Comprehensives	6.9%	6.8%	5.5%	5.5%	5.5%
Colleges	7.5%	7.3%	0.0%	0.0%	0.0%

Tuition Policy and Practice

Comparison to Peers

- UW-Madison* – 2nd or 3rd lowest tuition of Big 10 peers after increases
- Madison, Milwaukee and Comprehensives all remain below 2008-09 peer average even with 2009-10 proposed increases
- Colleges will for the third consecutive year have no tuition increase
- UW-Milwaukee* peer avg: 9.7% tuition increase (will likely continue to rank 12th or 13th of 15 peers)

*Not full set of peers

Auxiliary Services

- **Use of fee increases**
- **Segregated fees**
- **Room and board rates**

Auxiliary Services

- **Use of fee increases**
 - ✓ Inflation/cost increases
 - ✓ Contracts with new vendors
 - ✓ Added services
 - ✓ Student initiatives
 - ✓ New buildings
 - ✓ Facility maintenance

Auxiliary Services

- **Segregated fees**

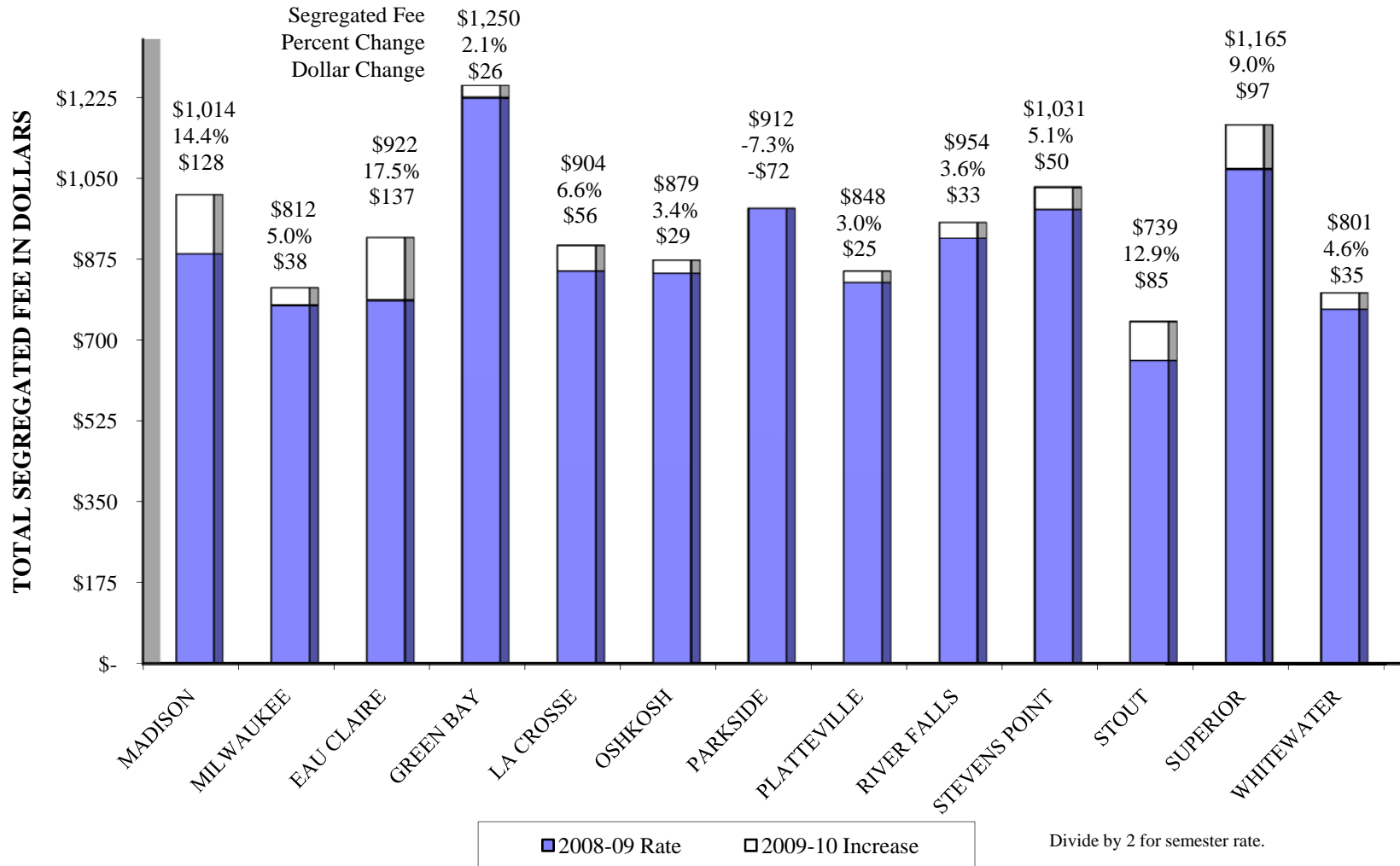
- ✓ What are segregated fees?

- Fees for programs and services such as health services, recreational sports, athletics, parking, student organizations, union, child care, etc.

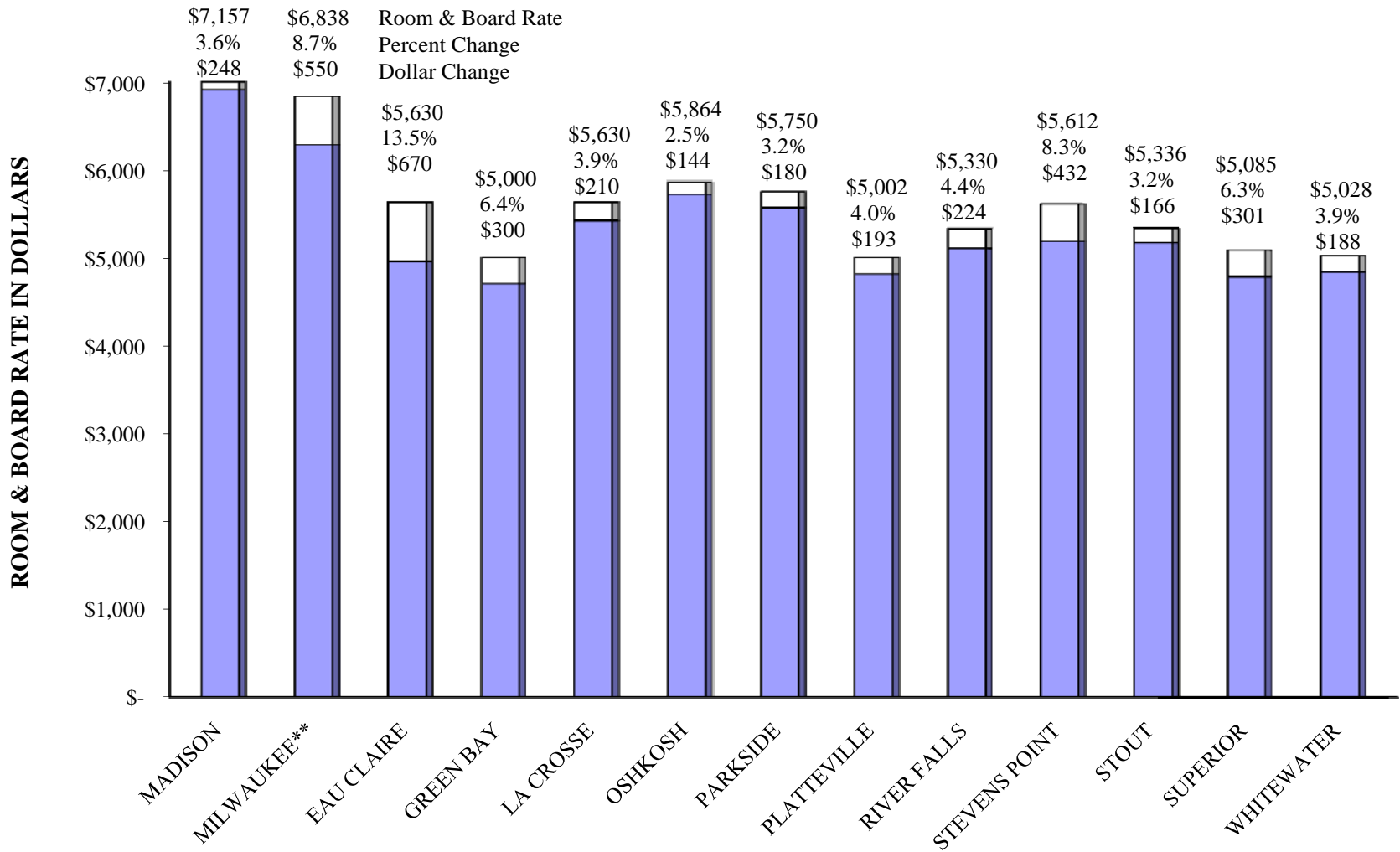
- ✓ Why are they necessary?

- They fund programs and services that support life on campus. Each campus makes choices on the type of service, and amount of fee charged for each service

Segregated Fees by Campus



Room & Board Rates by Campus



** Includes \$38/year Sandburg Hall Admin. Council Fee



Divide by 2 for semester rate.

Tuition and Fees

- **What is the average increase in cost for an undergraduate resident?**
 - ✓ \$684 for students residing on campus using a meal plan and not eligible for hold harmless on tuition increase
(less than 25% of students live on campus)
 - ✓ \$401 for students paying tuition and fees and not eligible for hold harmless on tuition increase
 - ✓ \$51 for students paying only segregated fees and eligible for hold harmless on tuition increase