



2009-11 Governor's Recommended Biennial Budget

Board of Regents Meeting

March 5, 2009

\$4.7 Billion Annual Budget

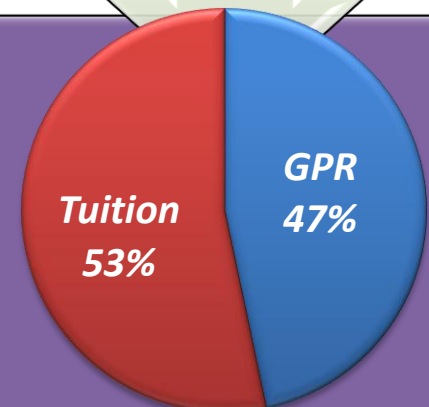
- Less **\$1.12 billion** Federal funds
- Less **\$537 million** in gifts, grants and contracts
- Less **\$915 million** in Auxiliaries, Hospitals & Other

\$2.2 Billion GPR/Fee Total

- Less **\$330 million** in GPR restricted for debt service, utilities, State Lab of Hygiene, and other programs

\$1.84 Billion to Educate Students

- **\$860 million GPR (47%)**
- **\$981 million Tuition (53%)**



Highlights of the Governor's Recommended Budget

- Board of Regents request vs. Governor's recommended budget/cost to continue
- Growth Agenda: what can be done
- Biennial budget reductions
- Maintaining affordability

Highlights of the Governor's Recommended Budget

- Recruitment and Retention
- Research Support
- Financial Aid
- Statutory language changes:
including domestic partner benefits
- Next steps

Board of Regents Request vs. Governor's Recommended (GPR/Fees)

(millions)

	Board Requested	Governor Recommended
Full funding of Cost to Continue	\$137.0	\$174.7*
\$100 million budget reduction	--	(100.0)
A financial aid program for students with family income of up to \$60,000 to cover tuition increases (state share of cost)	--	12.0
A 1% across-the-board cut for non-federal funds, of which \$20.4 million is GPR.	--	(20.4)
Research initiatives	15.3	10.2
Recruitment and Retention	15.0	15.0
Other Growth Agenda items	29.0	--
TOTAL	\$196.3	\$ 91.5

*Includes funding for debt service and revised utility estimates; agencies do not request debt service.

Growth Agenda

- Enrollment and research growth?
 - ✓ Expectations and limitations – will vary by campus
- Continuing support for 2007-09 initiatives will be slowed
- 2009-11? Problematic

Biennial Budget Reductions

How much?

- All funds: Up to \$174 million
- GPR: \$120.4 million (5.2%)
- Other: \$53.6 million

Structure of the Reduction

- \$100 million in GPR reduction
- 1% across the board reduction
 - ✓ \$20.4 million – GPR
 - ✓ \$28.6 million – program revenue
- \$25 million transfer from auxiliary services to HEAB to support WHEG grants

Maintaining Affordability

- Resident undergrad students will be held harmless from paying **tuition increases** based on financial need and having an annual family income of \$60,000 or less
- All Pell-eligible students included

Maintaining Affordability

- Funding support: Full funding of the Wisconsin Higher Education Grant (WHEG) \$24 million and additional \$12 million in GPR in UW System
- Pell Grant increases (Federal)
- Increase in American Opportunity (Hope) Tax Credit (Federal)

Recruitment and Retention Funding

- Funding to recruit and retain faculty, instructional and research academic staff in high demand areas
- Request: \$15 million
- Recommendation: \$15 million

Research Support

- Research: \$18.2 million increase
- Research funds support for:
 - ✓ WI Institutes for Discovery (\$8.2 M)
 - ✓ BioEnergy Initiatives (\$8.0 M)
 - ✓ WI Genomics Initiative (\$2 M)

Financial Aid

- Financial Aid*: \$14.3 million
 - ✓ \$2.3 million: AOP & Lawton
 - ✓ \$12 million for maintaining affordability

*Additional \$24 million in HEAB budget

Statutory Language Changes

- Tuition for undocumented persons
- Domestic partner benefits
- Collective bargaining provisions
- Retain funds from sale of lands (PR-donated)
- Ability to create Schools of Public Health and Freshwater Science at UWM
- Veterans remission requirements

Next Steps

- Assessing implications of funding reductions
- Advocacy planning to address budget
- Identifying programs and services to be reduced
- Identifying additional resources to continue key and necessary programs and services
- Finalize 2010 budget for Board action in July