



2011-13 CAPITAL AND OPERATING BUDGET REQUEST

Board of Regents Meeting
August 19, 2010

Principles for Progress and Prosperity

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The UW System will...

- **Boost productivity & enhance quality**
- **Create new Wisconsin jobs**
- **Expand access**

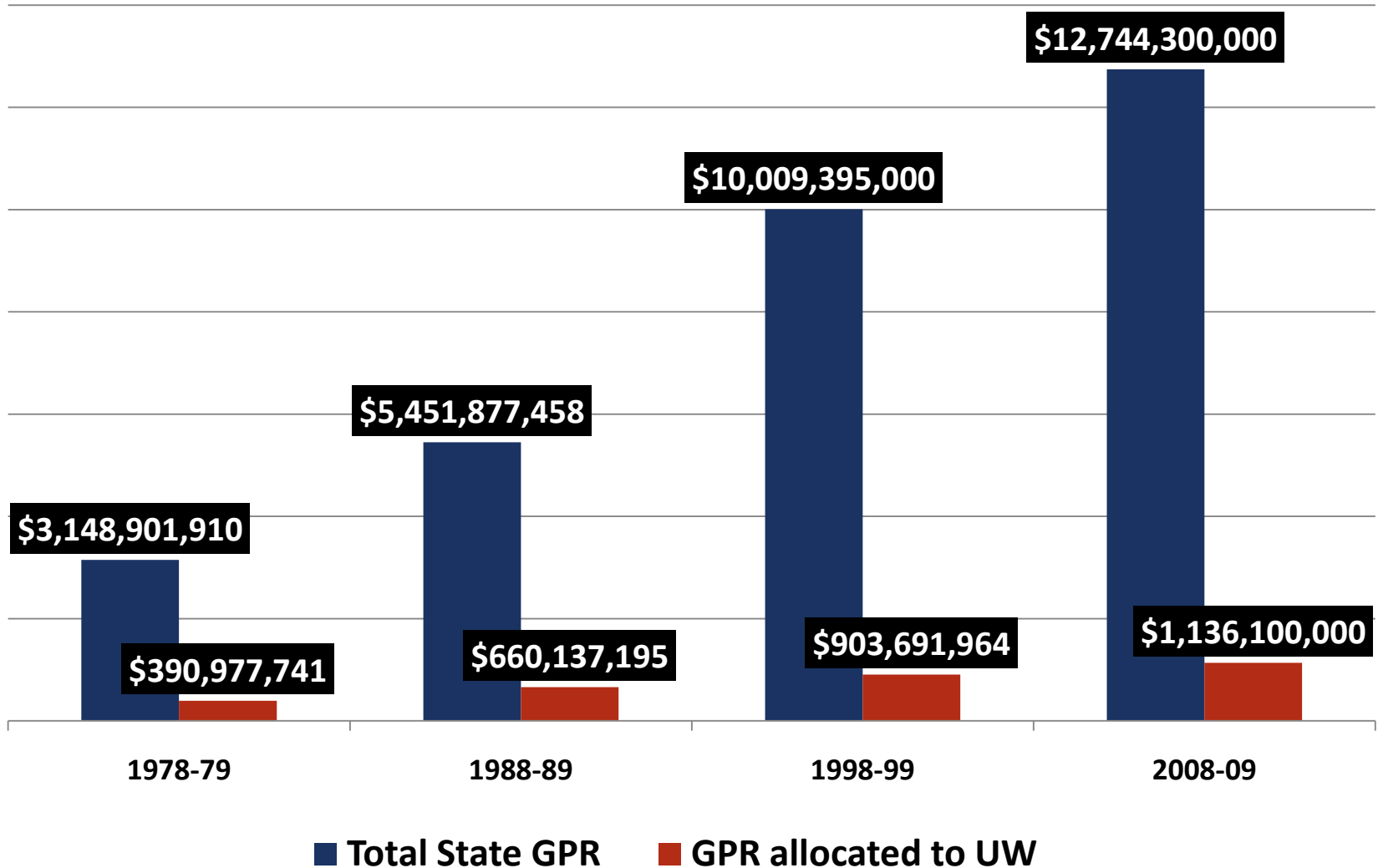


The State of Wisconsin will...

- **Provide stable funding**
- **Allow greater management flexibility**
- **Expand access**

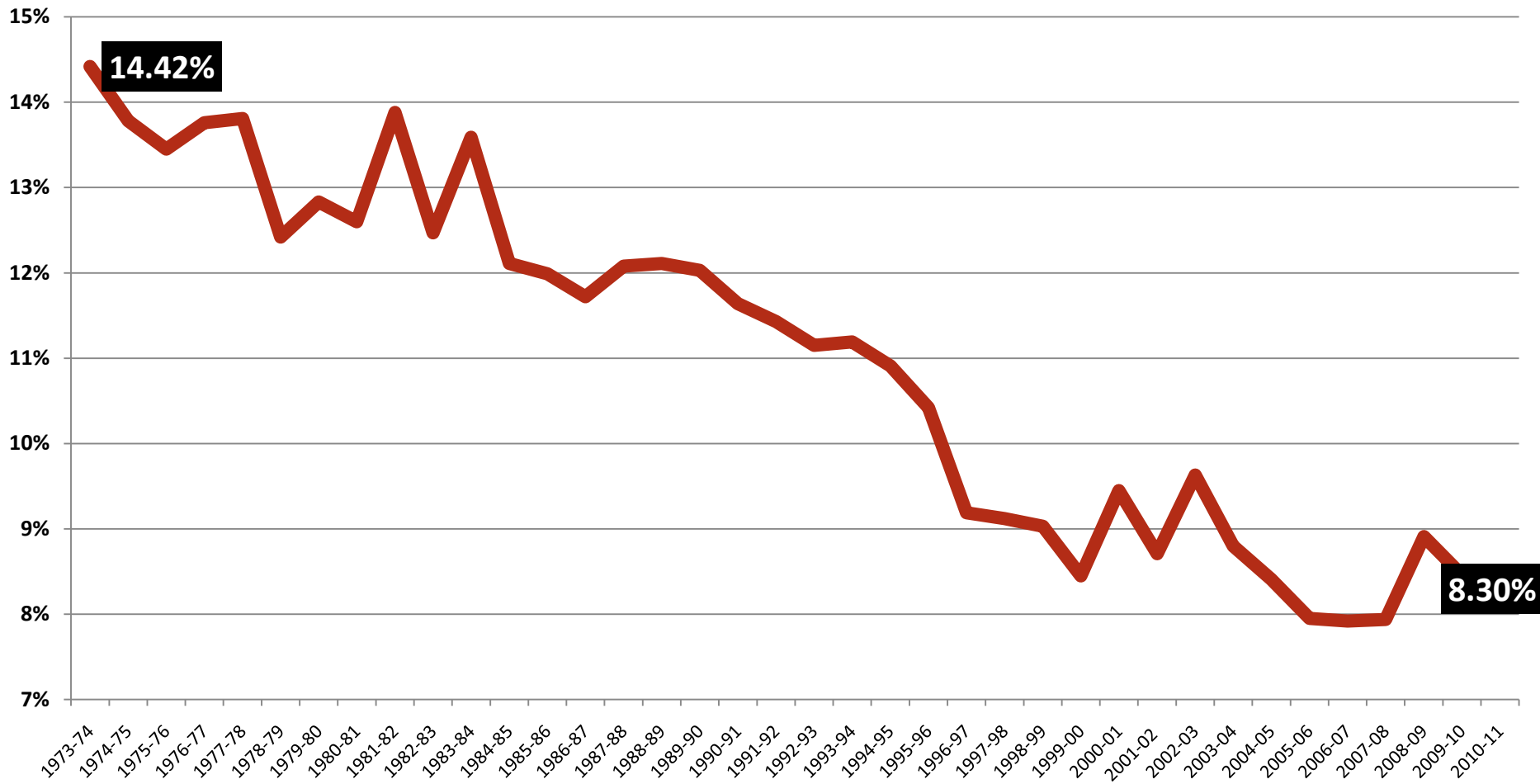
UW System share of GPR

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UW as % of State GPR Expenditures

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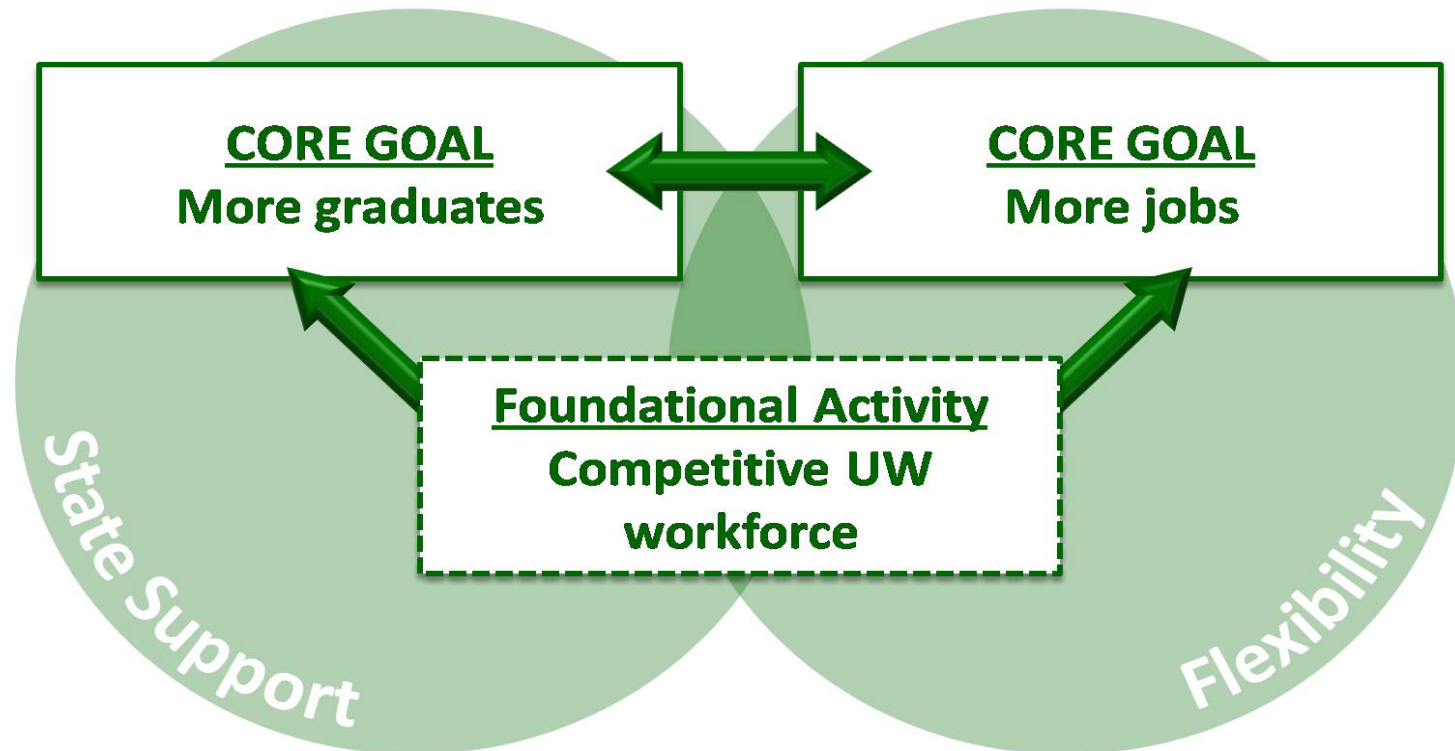
How others see the trends

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- FY 1999: \$903.6 million in GPR to UW System
 - ▣ *9% of all General Fund spending*
- FY 2010: \$1.03 billion to UW System – a 14% gain
 - ▣ *8% of all General Fund spending*
- Over the same period
 - ▣ General Fund spending grew by 26.9%
 - ▣ K-12 General Fund Spending grew by 39.8%

Growth Agenda framework

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2011-13 Capital Budget and 2011-17 Six-Year Plan

David L. Miller

Associate Vice President

Capital Planning and Budget

2011-13 Capital Budget Summary

All Funds

Major Projects In millions	GFSB	Gift Grants	PR & PRSB	Total
New Major Projects using GFSB	\$54.0	\$17.4	\$5.6	\$77.0
New Major Projects without GFSB		\$35.6	\$176.6	\$212.2
Advance Enumerations from 2009-11	\$222.4	\$0	\$0	\$222.4
All Agency Funds				
Maintenance/Repair/Renovation (UW only)	\$83.6	\$0	\$25.0	\$108.6

Request Advance 2013-15 Enumeration of RVF - Health & Human Performance/Recreation Building.	Budget and scope to be determined.
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2011-13 Capital Budget Request

General Fund Supported Projects

Project	GFSB	PRSB	Gifts	Project Total
Advance Enumerated				
Madison School of Human Ecology	\$22.5	\$3.2*	\$27.3*	\$53.0
Madison WI Inst. for Medical Research	\$67.4		\$67.4*	\$134.8
Madison Utilities (WCCF Chillers)	\$38.5			\$38.5
Milwaukee Master Plan Initiative	\$50.0	\$27.8*		\$77.8
Eau Claire Education Building	\$44.0			\$44.0
*previously enumerated				
Systemwide Classroom/IT improvements	\$10.0			\$10.0
Utilities (MSN)	\$9.2	\$5.6		\$14.8
MSN-School of Nursing	\$34.8		17.4	52.2
All Agency Maintenance	\$83.6		25.0	108.6
Totals	\$360.0			

2011-13 Capital Budget Recommendation

Program Revenue and Gift & Grant Projects

Project		PRSB/PR	Gift/Grant	Total
EXT	Upham Woods Shower Facility Replacement	\$1.0		\$1.0
LAC	Parking Ramp	\$12.1		\$12.1
MSN	Alumni Plaza		\$8.0	\$8.0
MSN	Athletic Performance Center	\$49.2	\$27.6	\$76.8
MSN	Carson Gulley Renovation	\$10.0		\$10.0
MSN	Elizabeth Waters Hall Renovation	\$7.1		\$7.1
MSN	W. Campus/Hospital Parking Consolidation	\$26.3		\$26.3
OSH	Lincoln School Remodel	\$4.5		\$4.5
OSH	South Campus Chiller Plant	\$4.4		\$4.4
PLT	Residence Hall Renovations	\$19.7		\$19.7
STP	N. Debot Res Hall Remodeling Phase I	\$10.5		\$10.5
STO	Fleming Hall Renovation	\$6.6		\$6.6
SUP	Ross & Hawkes Res Hall Upgrade	\$13.0		\$13.0
WTW	Bigelow and Benson Halls Renovation	\$12.2		\$12.2

UW System Six-Year Budget Projection

Approximate dollars in millions

2011-13 Biennium

<u>Total New GFSB Projected</u>	
Statewide:	\$538 million
Projected UW share:	\$360 million

<u>General Fund Supported Borrowing</u>	
<u>Existing Advance Enumerations</u>	<u>GFSB</u>
MSN – School of Human Ecology	\$22.5
MSN – WI Medical Res.-Mid. T.	\$67.4
MSN – Utilities	38.5
MIL – Master Plan Initiative	50.0
<u>EAU – Academic Building</u>	<u>44.0</u>
Total:	\$222.4
<u>New Enumeration Requests</u>	<u>GFSB</u>
SYS – Classrooms	\$10.0
MSN – Utilities	\$9.2
<u>MSN – Nursing Science Center</u>	<u>\$34.8</u>
Total	\$64.8
All Agency Funds (UW System)	\$86.3
WWT- Carlson Hall (2009-11 GFSB)	\$17.0

Program Revenue		
EXT	Upham Woods Shower Facility	\$ 1.0
LAC	Parking Ramp	12.0
MSN	Alumni Plaza	8.0
MSN	Athletic Performance Center	76.8
MSN	Carson Gulley Renovation	10.0
MSN	Elizabeth Waters Hall Renovation	7.1
MSN	W. Campus/Hospital Parking	26.3
OSH	Lincoln School Remodel	4.5
OSH	PR Chiller Plant	4.4
PLT	Residence Hall Renovs.	26.2
STP	N. Debot Res Hall Remod Phase I	10.5
STO	Fleming Hall Renovation	6.6
SUP	Ross/Hawkes Res Hall Upgrade	10.5
WTW	Bigelow and Benson Halls Renov	11.0

2013-15 Biennium

<u>Total New GFSB Projected</u>	
Statewide:	\$565 million
Projected UW share:	\$375 million

<u>General Fund Supported Borrowing</u>	
<u>Existing Advance Enumerations</u>	<u>GFSB</u>
UWM – Master Plan Initiative	\$30.0
<u>Planned Advance Enumeration</u>	
RVF – Health & Human Performance	TBD
<u>Potential New Enumeration</u>	<u>GFSB</u>
SYS – Classrooms	\$10.0
SYS- Utilities	\$10.0
New Major Projects:	\$145.0
All Agency Funds (UW System)	\$125.0

Program Revenue		
LAC	New Student Union	\$37.0
MSN	Indoor Banked Track	TBD
MSN	Witte Hall Renovation	13.0
MSN	University Houses Renovation	12.2
MSN	Memorial Union Center Wing	35.0
MIL	Athletics–New Fields/Sports	30.0
MIL	Daycare Relocation	TBD
MIL	Klotsche Sports Center Addn	TBD
MIL	Union Addition & Remodel	75.0
OSH	Donner & Webster Hall Renov	18.0
OSH	Reeve Union Entrance & Exp.	3.3
PKS	Residence Hall Phase II	11.6
PLT	Residence Hall Renovs.	20.3
STP	N. Debot Res Hall Phase II	11.2
STO	North Residence Hall Renov	13.3
SUP	Residence Hall Upgrades	TBD
WTW	Clem Hall Renov	6.4
WTW	Fricker Hall Renov	6.7
WTW	Perkins Stadium Renewal	1.7

2015-17 Biennium

<u>Total New GFSB Projected</u>	
Statewide:	\$593 million
Projected UW share:	\$400 million

<u>General Fund Supported Borrowing</u>	
<u>Planned Advance Enumeration for 2015-17</u>	
MIL- Innovation Park Research	\$75.0
<u>Potential New Enumeration</u>	<u>GFSB</u>
SYS – Classrooms	\$10.0
SYS- Utilities	\$25.0
New Major Projects:	\$200.0
All Agency Funds (UW System)	\$125.0

Program Revenue		
EAU	New Residence Hall I	TBD
EAU	Parking Ramp	TBD
LAC	Eagle Rec Center Addition	\$ 8.0
MSN	Sellery Hall Renovation	\$13.0
MSN	Mem Union Com Wing	\$25.3
OSH	Fletcher Hall Renov	TBD
PLT	Res Hall Renovation	TBD
STP	Allen Res Hall Remodel Ph I	\$12.5
STO	South Res Hall Renov	\$14.1
SUP	Res Hall Upgrades	TBD
WTW	Wells Hall West Renovation	\$15.0
WTW	Wells Hall East Renovation	\$14.3

Capital Budget Next Steps

August 2010	2011-13 Capital Budget Recommendation
September 2010	Submitted to Department of Administration
December 2010	Supplemental requests to Board of Regents and DOA
February 2011	Request authority to plan 2013-15 priority projects
March 2011	State Building Commission votes on 2011-13 Capital Budget
July 2011	Budget signed into law

2011-13 Operating Budget Request

Michael L. Morgan, Senior Vice President

Freda Harris, Associate Vice President

2011-13 Operating Budget Request

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The 2011-13 Operating Budget Request includes:

- Cost to Continue
- Program Revenue Requests
- New Initiatives
- Statutory Language Requests
- Performance Measures

Cost to Continue Initiatives

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Cost to Continue includes:

- Increases for financial aid programs
- Student technology fee
- Funding DOA-approved fringe benefit rates
- Funding of negotiated Classified salary increases
- Reinstatement of furlough savings
- 2008-09 semi-automatic pay progressions
- Other DOA approved costs

Cost to Continue Operations

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Cost to Continue and Program Revenue estimates are not available at this point.

- Technical Instructions were received Aug. 4
- Base budget should be determined this week
- May need to request an extension of the September 15 due date

Program Revenue Requests

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Program Revenue Authority

Requests authority to spend revenue generated from such sources as the following:

- Gift and trust funds
- General operating receipts
- Auxiliaries, including
 - ✓ UW-Madison athletics
 - ✓ Room and dining charges
 - ✓ Parking
 - ✓ Segregated fees

2011-13 Operating Budget Request

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The 2011-13 Request complies with DOA instructions:

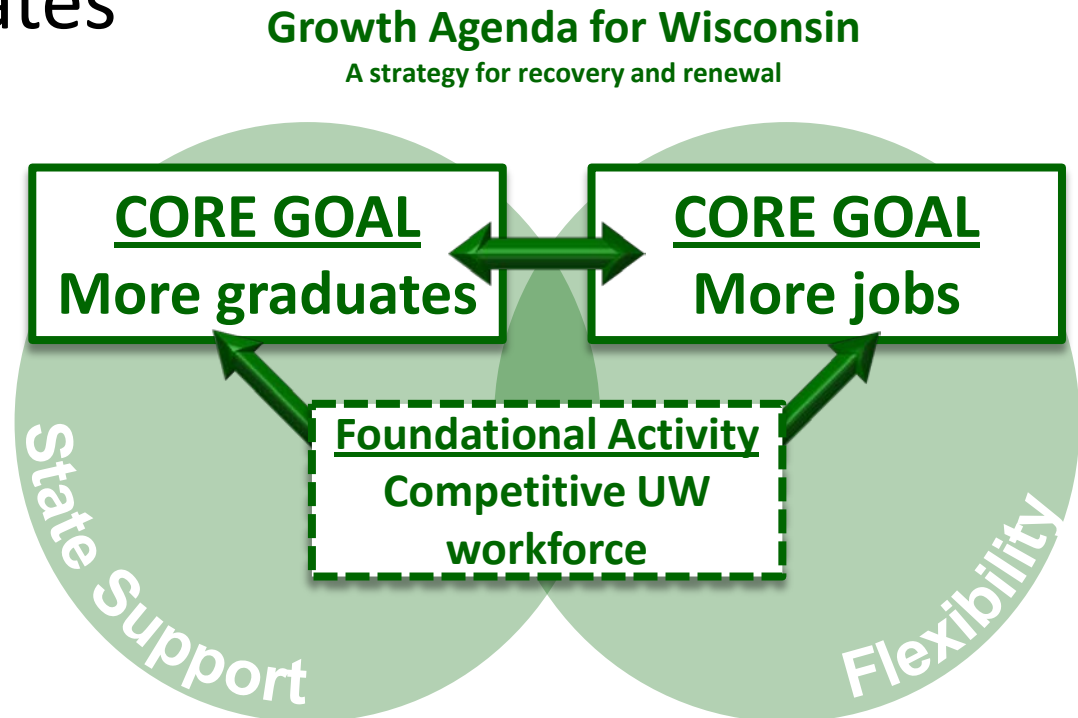
- 0% GPR increase except for UW System instruction and research activities focused on economic growth
- Exception for cost to continue
- Exemption for certain other programs

New Initiatives

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The New Initiatives are tied to the Growth Agenda. The Growth Agenda goals directly address:

- More graduates
- More jobs



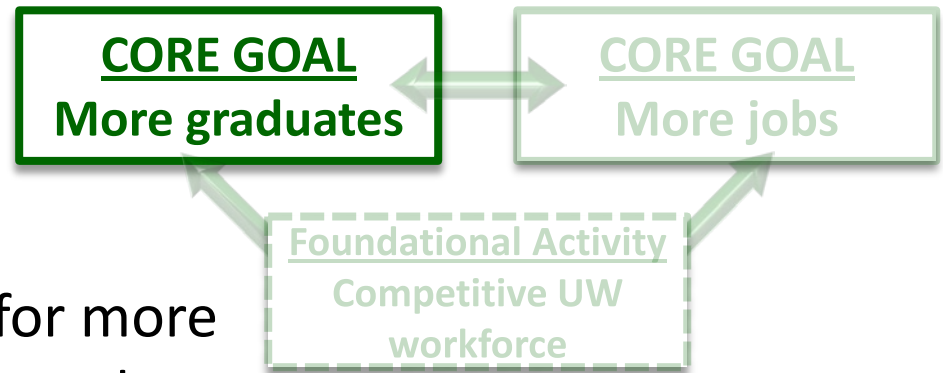
New Initiatives

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System Goal of 80,000 cumulative additional undergraduate degrees by 2025.

This request would:

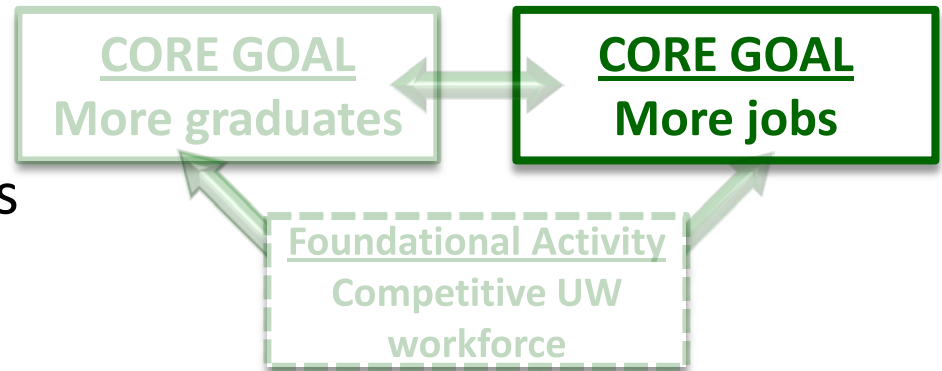
- Provide additional access for more than 5,900 undergraduate students
- Improve student success and retention. 2,220 of the 5,900 students would be added through retention
- Increase the Precollege pipeline
- Expand Tuition Increase Grant



New Initiatives

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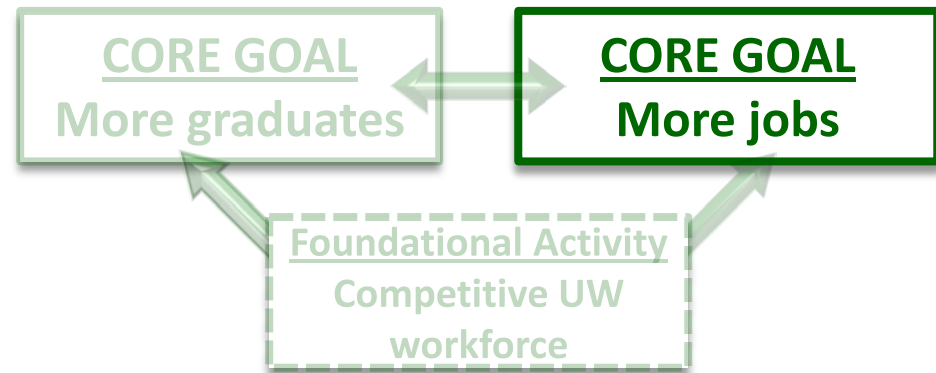
- Fund Phase II of the Milwaukee Research Initiative, including resources for the Schools of Public Health and Freshwater Science
- Provide resources for needed Graduate Assistants at UW Madison to support the research mission
- Increase digital resources for all UW System libraries



New Initiatives

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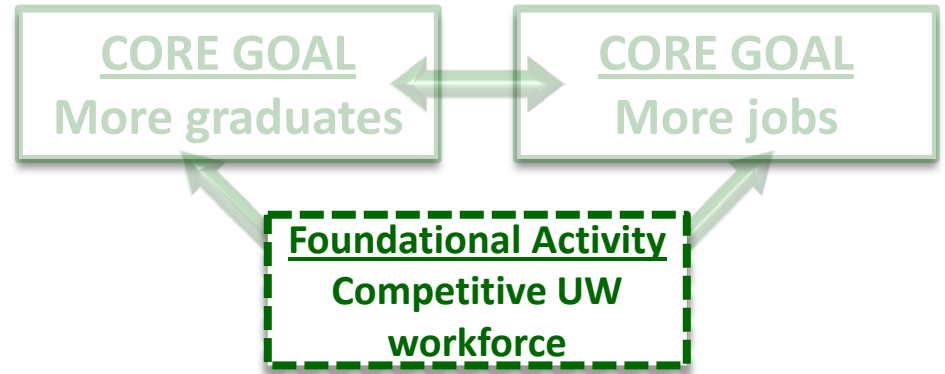
- Establish three (3) regional Emerging Technology Centers at Comprehensive Institutions
- Connect university resources to businesses
- Provide infrastructure to expand research connected to regional and state needs at comprehensive institutions



New Initiatives

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- Request the 2% state pay plan that was rescinded from June 2008 as an equity measure
- Review the Competitive University Workforce Commission recommendations (future)
- Submit a request for unclassified pay plan (future)



New Initiatives

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New Initiatives include (ongoing GPR/Fee \$):

More Graduates for Wisconsin	\$22.2 m.
Tuition Increase Grant	\$10.5 m.
Research to Jobs - Comprehensives	\$8.2 m.
Milwaukee Initiative Phase II	\$10.0 m.
Madison Graduate Initiative	\$5.4 m.
Research to Jobs - Libraries	\$6.0 m.
Reinstatement of 2% Rescinded Pay Plan	\$20.9 m.
Total	\$83.2 m.

Operating Budget Requests

In millions of dollars (on-going)

25

2011-13 Request

	GPR		Fees		Total
Growth Agenda	\$66.0	+	\$17.2	=	\$83.2
Cost to Continue	TBD	+	TBD	=	TBD

2009-11 Request

Growth Agenda	\$37.5	+	\$13.4	=	\$50.9
Cost to Continue	<u>50.2</u>	+	<u>22.9</u>	=	<u>73.1</u>
Total*	\$87.8	+	\$36.3	=	\$124.1

* Individual components may not equal total because of rounding

Statutory Language Requests

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Statutory Language change recommendations include eight recommended changes and three technical corrections. Of these, two are new this biennium.

- Expand tuition authority to include educational quality
- Authorize the Board of Regents to address competitive compensation needs across the system

Performance Measures

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Per Department of Administration instructions, the 2011-13 request includes the following performance measures:

- Enrollments
- Second-year retention
- Graduation rates
- Undergraduate Degrees (New measure, changed from Contribution to Wisconsin income)