March 31, 2011

Dear Members of the Joint Committee on Finance:

University of Wisconsin leaders have long sought to gain new management tools that would allow local institutions to operate more efficiently, maintain educational quality, sustain broad college access, and enhance the University’s service to all Wisconsin communities. Facing intense financial challenges, the need for these new management flexibilities is intensified. We are pleased that Governor Walker has acknowledged this need.

The Wisconsin Idea Partnership (WIP) is a plan to provide improved budgeting, tuition/pricing, human resources, capital planning and construction, financial management, and procurement tools to all UW institutions as part of a unified state system that includes UW-Madison. Within that framework, the WIP would entail amending specific statutes in ways that facilitate and preserve public accountability. These proposed changes do not go beyond the tools that Governor Walker has already proposed for UW-Madison. The plan is at once a more equitable approach in that it benefits all UW campuses immediately, but it is also an approach that is much simpler to implement.

The Wisconsin Idea Partnership has the strong support of the UW Board of Regents, 13 of the 14 UW Chancellors, all UW Colleges Deans, student leaders, faculty governance groups, academic staff governance groups, and others. I would encourage you to visit our website (www.wisconsin.edu/wip) to learn more.

Attached is a summary of the WIP, as well as potential statutory language that could be used to implement the changes and achieve our shared goals. We hope that you will consider amending Senate Bill 27 to include the Wisconsin Idea Partnership, and we look forward to speaking with you about this.

Sincerely,

Kevin P. Reilly
President

Attachment: WIP Summary
WIP Statutory Language

cc: Governor Walker
Regents
Chancellors
Cabinet
Summary of Proposal to Provide Management Flexibilities for All University of Wisconsin System Institutions

The primary purpose of the Wisconsin Idea Partnership is to advance the Wisconsin Idea by providing the maximum flexibility to all University of Wisconsin Chancellors to lead their institutions in the most effective and efficient manner possible, for the benefit of their students, faculty, staff, and local communities. To accomplish this, the UW System requests the proposed 2011-13 biennial budget bill be amended to provide all UW campuses and UW-Extension with new management flexibilities within the current Board of Regents of the University of Wisconsin System governance structure. These statutory flexibilities are necessary to ensure that all UW institutions have the tools to manage significant budget cuts and compete effectively for outside resources, and attract high-quality students, faculty, and staff.

This Wisconsin Idea Partnership provides UW-Madison with all the operational flexibilities proposed by Governor Walker, but within a unified System framework. This option avoids the creation of a new public authority that would separate UW-Madison from all other UW institutions. By preserving existing law that governs UW institutions, this straightforward approach addresses many concerns raised under the Governor’s plan, including student, faculty, and staff shared governance, student access, tuition rates, academic freedom in teaching and research, and the appointment of a new and separate governing board.

If the language as proposed by the Wisconsin Idea Partnership is included in the 2011-13 budget, the Board of Regents will delegate these new management flexibilities to the UW campuses and UW-Extension to the fullest extent possible, while ensuring transparency and appropriate levels of Board oversight and public accountability.

The Wisconsin Idea Partnership is focused on the following areas: Budgeting, Tuition/Pricing, Human Resources, Capital Planning and Construction, Financial Management, and Purchasing and Procurement.
Budgeting

Currently, general-purpose revenue (GPR) dollars and other funds are allocated to the UW System in earmarked “silos,” providing campuses little or no ability to move funds among appropriations, or the flexibility to reprioritize available funds in one area to address emerging state and university needs in another. This limits the tools that Chancellors may use to “manage to the bottom line.”

Under the Wisconsin Idea Partnership, the Board of Regents would receive from the state a single “GPR block grant,” replacing the current appropriation structure of line-item funding earmarked for utilities, pay plan, health insurance, and new initiatives. UW institution-specific block grants would allow the UW campuses and UW-Extension to use GPR, fees, and other program revenues for any appropriate university purpose. Institutions would continue to retain additional revenues from institution-specific tuition increases and from new enrollment growth.

The Wisconsin Idea Partnership would permit UW institutions to reallocate funding among all budget lines to address institutional priorities and regional needs. Savings from utilities, fringe benefits, and other areas could be used to fund core academic operations, technology transfer, educational services for small businesses, competitive compensation for faculty/staff, financial aid, or other priorities.

Putting it into practice:

- **Budgeting Example 1:** If UW-Oshkosh were provided a block grant, it could use the savings in one area and apply them to other high-need areas. For example, by providing energy-saving incentives to employees and students, UW-Oshkosh estimates it could save up to $500,000 annually in utility costs alone. Currently, UW-Oshkosh cannot retain such savings to apply them to high-priority program needs.

- **Budgeting Example 2:** If UW-Parkside were to be provided funds through a GPR block grant, as opposed to “silooed” appropriations that cannot be re-purposed, it could better address institutional priorities and regional needs. For example, UW-Parkside estimates it could save $1 million through block grant funding and apply it to institutional priorities, such as programs to meet regional needs; energy savings investments; funding for instructors and other instructional improvement initiatives; and positions for student support services and academic advising to enhance student success.
Tuition/Pricing

Wisconsin Statutes grant tuition revenue generating authority to the UW System Board of Regents, but the law also restricts the use of these funds so that resident undergraduate tuition rates are by and large determined by actions taken by the Governor and legislature during the biennial budget process.

Approval of the Wisconsin Idea Partnership would provide the Board of Regents with authority to set tuition levels for UW campuses so that all institutions have the ability to meet the needs of students and employers while maintaining high levels of educational quality. All UW institutions would be able to enhance educational quality, address competitive compensation challenges, improve student services, boost retention rates, and increase graduation rates based upon their individual circumstances. This change, in conjunction with the budgeting changes that remove multiple tuition appropriations, would improve the budgeting and planning process for all UW campuses.

Policies would be developed to ensure that UW campuses remain affordable for Wisconsin citizens. This tuition flexibility would allow individual campuses to generate funding for unique value-added services and programs, establish niches within the higher-education marketplace, or implement new pricing models.

Putting it into practice:

- *Tuition/Pricing Example 1*: With tuition/pricing flexibilities, UW campuses would be able to propose and fund more on-campus, high-quality programs for faculty and students by streamlining the tuition approval process. Currently, the required laborious state biennial budget process is a disincentive for developing unique, targeted programs.

- *Tuition/Pricing Example 2*: With tuition/pricing flexibilities, UW campuses would be better able to direct resources to high-impact practices that increase the potential for student retention and graduation. Some examples are undergraduate research, internships with businesses in the community, and study abroad.

- *Tuition/Pricing Example 3*: Tuition/pricing flexibilities would allow campuses to more readily invest in First Year Experiences, a program that helps first-generation college students to understand the college experience and increase retention. Several campuses are also examining gateway courses to improve student success.
Human Resources

Today, UW faculty and academic staff employees are governed by the same laws that govern virtually all other State of Wisconsin employees. Titles, pay ranges, pay plans, benefit plans, and other human resources decisions are now made by the Office of State Employment Relations (OSER), and are generally applied uniformly across all agencies, ignoring UW’s unique need to compete in a global market for human capital.

The Wisconsin Idea Partnership would provide all UW Chancellors with freedom to address growing challenges associated with recruiting and retaining the quality and diversity of staff needed to further their institutions’ missions. The Wisconsin Idea Partnership would address the need to provide incentives for innovative practices and reward creativity and initiative on the part of faculty, academic staff, and limited appointees (unclassified staff), non-represented classified employees, and represented classified employees.

The Wisconsin Idea Partnership would provide for oversight by the statewide Board of Regents within the constraints of the budget authority provided, while reducing costly and unnecessary reports and duplicative oversight by OSER.

With these recommended changes, the UW Board of Regents would be responsible for setting pay plans and approving collective bargaining agreements for all UW System employees, and for determining the appropriate job classifications for all staff, within the constraints of its budget.

Putting it into practice:

- **Human Resources Example 1**: With personnel flexibilities, UW-Oshkosh could better manage the hiring process for classified employees. Because the campus often has to interview many more candidates than makes sense, with the new flexibilities, the campus estimates it could save one position, or about $50,000.

- **Human Resources Example 2**: Personnel flexibilities would give UW campuses the potential to address competitive issues in faculty and staff recruitment and retention. High-quality faculty and staff are key to providing a level of excellence in student teaching and learning, research, and community engagement.

- **Human Resources Example 3**: If UW-Parkside received full delegation for classified staff hiring and personnel classifications, it would eliminate layers of bureaucracy between the campus, UW System Administration, the Office of State Employment Relations, and other state agencies, and streamline the process by about 20%.
Capital Planning and Construction

UW institutions face many state capital planning and construction policies and oversight mechanisms that significantly increase the time it takes to complete a construction project and the project’s overall cost. These project costs could be reduced significantly by streamlining the planning, design, and approval processes, and by placing the responsibility and accountability closer to the users – typically those who are also paying for the project.

Under the Wisconsin Idea Partnership, the Legislature would continue to enumerate all projects funded with General Fund Supported Borrowing (GFSB) or Program Revenue Supported Borrowing (PRSB) over $500,000. The State Building Commission would approve all projects over $500,000 regardless of source of funds. The Division of State Facilities (DSF) would have control of and manage all projects funded with GPR or GFSB. The Board of Regents would have authority to undertake and oversee the management of projects funded entirely from sources other than GPR and GFSB such as program revenue and gifts and grants.

UW campuses could manage all aspects of non-GPR, non-GFSB projects, including hiring architects and engineering consultants, bidding, contracting, and project supervision. The Board and institutions would be responsible for funding overhead costs and the DSF would continue to be able to charge a management fee on GPR and GFSB projects.

The Board would be able to accept gifts of land or other real property or to allow privately-owned or operated facilities on University land.

Putting it into practice:

- **Capital Planning and Construction Example 1:** Allowing UW campuses to manage program revenue and gift-funded construction projects would reduce administrative costs and provide a direct savings to students and donors. The 18 UW System program revenue and gift-funded projects in the 2011-13 Capital Budget, for example, carry a 4% administrative fee for the Department of Administration (DOA), Division of State Facilities, totaling $7.2 million. UW campuses could manage these projects for 2.5% or less ($4.5 million), generating a savings to students and donors of $2.7 million.

- **Capital Planning and Construction Example 2:** Currently, projects constructing new space follow the same approval path regardless of size and budget. At UW-Platteville, for example, a simple $1.7-million prefabricated building for maintenance shops and storage was enumerated in the 2009-11 Capital Budget with campus program revenue. Requiring enumeration caused the project to be submitted to DOA in September 2008.
and, due to the lengthy process, it is still not under contract for construction. Management by the campus would have allowed the project to have been completed in the fall of 2010.

Financial Management

Under current law, UW institutions cannot manage their own finances and investments. The State invests all revenues, and UW institutions are credited for interest earnings on certain funds. The state keeps investment earnings on most program revenue funds, while statutes restrict the UW to managing and investing only gifts and trust funds.

The Wisconsin Idea Partnership would allow the Board of Regents to oversee revenue and interest earnings on program revenue funds (tuition, auxiliaries operations, and other revenues earned through program revenue operations). In order to preserve the State’s cash flow capabilities, program revenue funds would be required to be placed in the local government fund, but the University would retain interest earnings from those funds. Additionally, the Board would gain authority to invest any and all surplus funds, and retain interest earnings on those funds. Statutory limitations on income accumulation in funds holding specific gifts, grants, and bequests would be removed. Finally, the Board of Regents would be able to determine the percentage of trust funds that may be held in common stocks.

Putting it into practice:

- **Financial Management Example 1**: With financial management flexibility, UW institutions would be encouraged to retain reasonable reserve balances as a means to manage ups and downs in enrollment and revenues. Under the current system, these funds can potentially be tapped to address other state needs. UW institutions and their students should benefit from campuses employing sound business practices, rather than being penalized.

- **Financial Management Example 2**: With financial management flexibility, UW-Platteville, for example, could manage and invest surplus funds, just as proposed for the UW-Madison authority. This would provide a mechanism for a campus to set aside savings from one or more years to prepare for major expenditures, such as capital projects, or to build an endowment that could provide interest earnings to the university to support financial aid, compensation packages, or other activities.
Purchasing and Procurement

All University of Wisconsin System institutions must adhere to strict laws and regulations that govern the procurement of goods and services. These laws apply uniformly to all State agencies, ignoring the specialized needs of UW campuses and prohibiting the use of other purchasing tools that could enhance UW operations and reduce costs.

Except as specifically delegated, the DOA would continue to have primary oversight over procurement. The Board of Regents would be delegated the authority to enter into contracts for specialized, University-related materials, supplies, equipment, and services. This authority would be further delegated to UW campuses and UW-Extension. The Board of Regents would be authorized to enter into consortium purchasing agreements with other higher education institutions and UW institutions could purchase from any vendor included in those purchasing agreements. Additionally, the UW institutions would manage their vehicle fleets in lieu of management by DOA. The Board of Regents would also have the opportunity to manage its own worker’s compensation program and insurance contracts provided a six-month notice of such intent was provided to DOA.

Putting it into practice:

- **Purchasing and Procurement Example 1**: These flexibilities would allow UW-Platteville to purchase education-related equipment with a simplified process. For example, the university is currently purchasing a new milling machine for the industrial technology program. This was set in motion by a Wisconsin firm, Scott Industries of Muscoda, which noted that the students they hired from UW-Platteville were not familiar with state-of-the-art equipment, leading to additional training needs. Scott Industries and the university negotiated an agreement for UW-Platteville to purchase an up-to-date milling machine, with Scott Industries gifting 50% of the $100,000 cost. To accomplish this, UW-Platteville submitted a sole source request to UW System, which then went to DOA and the Governor. This took six weeks to get approved. The faculty time spent on this process to prepare justifications could be better spent with students or grant development. Purchasing staff time could be better used to manage and negotiate other contracts.

- **Purchasing and Procurement Example 2**: The opening of the UW-River Falls Hudson Center experienced difficulties because of restrictions surrounding the purchase of furniture. Despite ordering the furniture far in advance and paying the required vendor far more than market cost, the campus was told that the furniture might not be provided in time for the first class of the semester. This uncertainty forced Facilities
Management to deliver temporary furniture that almost immediately had to be removed from the building when the vendor delivered the new furniture a few hours before the first class. Such inefficiencies could be avoided if UW campuses had greater purchasing and procurement flexibility.

Conclusion
Wisconsin is at a crossroads. To thrive in a global economy that rewards innovation and knowledge, our state needs more college graduates and more jobs to employ its citizens. The University of Wisconsin System has an ambitious, detailed plan to help on both counts in order to move Wisconsin forward but it needs an equally detailed commitment from Wisconsin people and their government.

As UW’s share of state support has deteriorated from 12 cents on the dollar to 8 cents in 2009-11 to a proposed 6.1% in 2011-13, the need for new management flexibilities at all UW institutions has never been more urgent. We look forward to the day when the State of Wisconsin renews its financial commitment to its public university and reverses this trend of declining support. In the meantime, the Wisconsin Idea Partnership will help the UW institutions survive these perilous times and enable 30,000 dedicated faculty and staff to provide a high quality education to 182,000 students.
BUDGETING

Currently, general-purpose revenue (GPR) dollars and other funds are allocated to the UW System in earmarked “silos,” providing campuses little or no ability to move funds among appropriations, or the flexibility to reprioritize available funds in one area to address emerging campus needs in another. This limits the tools that chancellors may use to “manage to the bottom line.”

Under the Wisconsin Idea Partnership, the Board of Regents would receive from the state a “GPR block grant,” replacing in large part the current appropriation structure of line-item funding. Specifically, the block grant would include line-item appropriations currently earmarked for utilities, pay plan, auxiliary enterprises, academic student fees, federal aid, general operations receipts, health insurance, new initiatives and other line-item appropriations. UW campus-specific block grants would allow the UW campuses and UW-Extension to use GPR, fees, and other program revenues for any appropriate university purpose. Campuses would continue to retain additional revenues from institution-specific tuition increases and from new enrollment growth.

The GPR block grant would permit UW campuses to reallocate funding among all budget lines to address institutional priorities and regional needs. Savings could be used to fund core academic operations, technology transfer, educational services for small businesses, competitive compensation for faculty/staff, financial aid, or other priorities.

This GPR block grant would be accomplished by amending Wisconsin Statutes, Section 20.285 and related statutes to fold specified line-item appropriations into a single “general program operations” appropriation under Section 20.285(1)(a). Other appropriations would remain separate from the block grant as line-item appropriations. Other statutory changes would be required as well. Specifically, Wisconsin Statutes would be amended as follows:

- **20.285 of the statutes is amended to read:**

  20.285 University of Wisconsin System. There is appropriated to the board of regents of the University of Wisconsin System for the following program:

  20.285(1)
  (1) University education, research and public service.
20.285(1)(a)
(a) *General program operations.* The amounts in the schedule for *general program operations,* the purpose of educational programs and related programs. Any transfers between the instruction, research, public service, libraries, learning resources and media, farm operations, student services, auxiliary enterprises, physical plant or general operations and services subprograms shall be reported quarterly to the department of administration. The board of regents may not encumber amounts appropriated under this paragraph for groundwater research without the approval of the secretary of administration.

20.285(1)(ab)——
(ab) *Student aid.* The amounts in the schedule for aids to students.

20.285(1)(am)——
(am) *Distinguished professorships.* The amounts in the schedule to pay the cost of distinguished professorships under s. 36.14.

20.285(1)(as)——
(as) *Industrial and economic development research.* The amounts in the schedule for grants for industrial and economic development research projects and outreach activities under s. 36.25 (25).

20.285(1)(b)——
(b) *Area health education centers.* The amounts in the schedule to operate and implement jointly with the Medical College of Wisconsin area health education centers and projects. Beginning October 1, 1999, the area health education centers and projects shall be implemented and operated solely by the board of regents of the University of Wisconsin System.

20.285(1)(bm)——
(bm) *Fee remissions.* The amounts in the schedule for the fee remissions under s. 36.27 (3m).

20.285(1)(c)——
(c) *Energy costs; energy-related assessments.* The amounts in the schedule to pay for utilities and for fuel, heat, and air conditioning, to pay assessments levied by the department of administration under s. 16.847 (3) for costs incurred and savings generated at university facilities, and to pay costs incurred under ss. 16.858 and 16.895, including all operating costs recommended by the department of administration that result from the
installation of pollution abatement equipment in state-owned or operated heating, cooling, or power plants, by or on behalf of the board of regents, and including the cost of purchasing electricity, steam, and chilled water generated by the cogeneration facility constructed pursuant to an agreement under 2001 Wisconsin Act 109, section 9156 (2z) (g).

20.285(1)(ed)—
(ed) WiSys Technology Foundation grants. A sum sufficient not to exceed $2,000,000 for grants to the WiSys Technology Foundation, Inc., under s. 36.25 (52) (b).

20.285(1)(em)—
(em) Educational technology. The amounts in the schedule for educational technology projects under s. 36.25 (38).

20.285(1)(d)
(d) Principal repayment and interest. A sum sufficient to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs incurred in financing the acquisition, construction, development, enlargement or improvement of university academic facilities and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a).

20.285(1)(da)—
(da) Lease rental payments. A sum sufficient to pay the rentals required to be made on academic facilities under leases entered into under s. 36.06, 1969 stats., and s. 37.02, 1969 stats.

20.285(1)(db)
(db) Self-amortizing facilities principal and interest. A sum sufficient to reimburse s. 20.866 (1) (u) for any amounts advanced to meet principal and interest costs on self-amortizing university facilities whenever the combined balances of all accounts of activities, of any campus, included in par. (h) and sub. (6) (g) are insufficient, as determined by the department of administration, to make transfers to pars. (kd) and (ke) as required by par. (h) and sub. (6) (g), and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a). Amounts advanced under the authority of this paragraph shall be repaid to the general fund in installments to be determined jointly by the department of administration and the campus concerned. For projects authorized by the building commission before July 1, 1998, annually an amount equal to 80% of the principal and interest costs for maintenance of University of Wisconsin-Madison intercollegiate athletic facilities shall be paid from the appropriation under this paragraph. For projects authorized by the building commission on or after July
1, 1998, annually an amount equal to 70% of the principal and interest costs for maintenance of University of Wisconsin-Madison intercollegiate athletic facilities shall be paid from the appropriation under this paragraph.

20.285(1)(eb)—
(eb) Business plan competition. The amounts in the schedule to support a business plan competition program under s. 36.25 (53).

20.285(1)(eg)—
(eg) Emerging technology center. Biennially, the amounts in the schedule to develop a business plan for an emerging technology center under s. 36.25 (54).

20.285(1)(em)—
(em) Schools of business. The amounts in the schedule to support improvements in master's level business programs under s. 36.25 (28).

20.285(1)(eo)—
(eo) Extension outreach. The amounts in the schedule for University of Wisconsin-Extension outreach services.

20.285(1)(ep)—
(ep) Extension local planning program. The amounts in the schedule for the University of Wisconsin-Extension local planning program under s. 36.11 (37) and for development of model ordinances for traditional neighborhood development and conservation development under s. 66.1027.

20.285(1)(er)—
(er) Grants for study abroad. The amounts in the schedule for grants for study abroad under s. 36.36.

20.285(1)(fc)—
(fc) Department of family medicine and practice. The amounts in the schedule for the development and operation of the department of family medicine and practice.

20.285(1)(fd)
(fd) State laboratory of hygiene; general program operations. The amounts in the schedule for general program operations of the state laboratory of hygiene.

20.285(1)(fj)
(fj) **Veterinary diagnostic laboratory.** The amounts in the schedule for general program operations of the veterinary diagnostic laboratory.

20.285(1)(fm) —

(fm) **Laboratories.** The amounts in the schedule for laboratory modernization.

20.285(1)(fs) —

(fs) **Farm safety program grants.** The amounts in the schedule for farm safety program grants under s. 36.25 (32) (b).

20.285(1)(ft) —

(ft) **Wisconsin Humanities Council.** The amounts in the schedule for the Wisconsin Humanities Council.

20.285(1)(fx) —

(fx) **Alcohol and other drug abuse prevention and intervention.** The amounts in the schedule for alcohol and other drug abuse prevention and intervention programs under s. 36.48.

20.285(1)(g) —

(g) **Physical plant service departments.** All moneys received for the operation of the university service departments, to be used for the operation of the university service departments, to permit cooperation between the service departments and any state or federal agency, and to be available for the purchase of materials and the payment of wages. To the extent that moneys for the payment of wages under this paragraph are transferred from general purpose revenue appropriations, those appropriations may be supplemented as necessary from s. 20.865 (1) (c) for pay plan costs associated with the proportionate share of wages paid by such appropriations.

20.285(1)(gm) —

(gm) **Breast cancer research.** As a continuing appropriation, from moneys received as amounts designated under s. 71.10 (5f) (b), 50 percent of the net amounts certified under s. 71.10 (5f) (h) 3., for breast cancer research conducted by the University of Wisconsin Comprehensive Cancer Center under s. 255.055.

20.285(1)(gn) —

(gn) **Prostate cancer research.** As a continuing appropriation, from moneys received as amounts designated under s. 71.10 (5h) (i), 50 percent of the net amounts certified under s. 71.10 (5h) (h) 3., for prostate cancer research conducted by the University of Wisconsin Comprehensive Cancer Center under s. 255.054.
20.285(1)(gr)—
(gr) Center for urban land economies research. The amounts in the schedule for research and educational, public outreach and grant activities under s. 36.25 (34). Ten dollars of each renewal fee received under s. 452.12 (5) shall be credited to this appropriation.

20.285(1)(gs)—
(gs) Charter school operator payments. All moneys received from the operator of a charter school under contract with the University of Wisconsin–Parkside under s. 118.40 (2r) (b), for the costs associated with the charter school.

20.285(1)(h)—
(h) Auxiliary enterprises. Except as provided under subs. (5) (i) and (6) (g), all moneys received by the University of Wisconsin System for or on account of any housing facility, commons, dining halls, cafeteria, student union, athletic activities, stationery stand or bookstore, parking facilities or car fleet, or such other auxiliary enterprise activities as the board designates and including such fee revenues as allocated by the board and including such moneys received under leases entered into previously with nonprofit building corporations as the board designates to be receipts under this paragraph, but not including any moneys received from the sale of real property during the period beginning on October 27, 2007, and ending on June 30, 2009, and the period beginning on July 1, 2010, to be used for the operation, maintenance, and capital expenditures of activities specified in this paragraph, including the transfer of funds to par. (kd) and (ke), and to nonprofit building corporations to be used by the corporations for the retirement of existing indebtedness and such other payments as may be required under existing loan agreements, for optional rental payments in addition to the mandatory rental payments under the leases and subleases in connection with the providing of facilities for such activities, and for grants under ss. 36.25 (14) and 36.34. A separate account shall be maintained for each campus and extension. Upon the request of the extension or any campus within the system, the board of regents may transfer surplus moneys appropriated under this paragraph to the appropriation account under par. (kp).

20.285(1)(ha)—
(ha) Stores. All moneys received for the operation of a university stores division at any campus or extension, to be used for the operation of a university stores division at any campus or for extension, and to permit sales from these stores divisions to other divisions of the university, any agency of the state, local government or federal government, or to university related activities, and to permit cooperation between the stores divisions and any board, commission or department of state, local or federal government and the
university. A separate account shall be maintained for each stores division operated pursuant to this paragraph, and funds in these accounts shall not be commingled.

20.285(1)(hm)
(hm) Extension outreach. All moneys collected under s. 94.64 (4) (a) 3. to be used for University of Wisconsin-Extension outreach services.

20.285(1)(i)—
(i) State laboratory of hygiene. All moneys received for or on account of the operation of the state laboratory of hygiene, to be used for general program operations of the laboratory of hygiene.

20.285(1)(ia)
(ia) State laboratory of hygiene, drivers. All moneys transferred from the appropriation account under s. 20.435 (5) (hx) for the state laboratory of hygiene for costs associated with services for drivers.

20.285(1)(im)—
(im) Academic student fees. Except as provided under pars. (ip), (Lm) and (Ls) and sub. (2) (j), all moneys received from academic student fees for degree credit instruction, other than for credit outreach instruction sponsored by the University of Wisconsin-Extension, and to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs incurred in financing the construction of tri-state initiative facilities at the University of Wisconsin-Platteville as enumerated in 2005 Wisconsin Act 25, section 9105 (1) (h), to make payments determined by the building commission under s. 13.488 (1) (m) that are attributable to the proceeds of obligations incurred in financing the facilities, and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a).

20.285(1)(in)—
(in) Payment of debt service; University of Wisconsin-Platteville tri-state initiative facilities. All moneys received from the students enrolled in the University of Wisconsin-Platteville tri-state initiative to make debt service payments described in s. 20.285 (1) (im). If this tuition is insufficient to make the payments, the board shall use other moneys appropriated under s. 20.285 (1) (im) to make the payments.

20.285(1)(ip)—
(ip) Extension student fees. Except as provided under pars. (Lm) and (Ls), all moneys received from academic student fees at the University of Wisconsin-Extension, for credit outreach instruction sponsored by the University of Wisconsin-Extension.
20.285(1)(iz) —
(iz) General operations receipts. All moneys received for or on account of the University of Wisconsin System, unless otherwise specifically appropriated, including all moneys received from the sale of real property during the period beginning on October 27, 2007, and ending on June 30, 2009, and the period beginning on July 1, 2009, to be used for general operations. In fiscal year 2008-09, the board shall transfer $15,000,000 from this appropriation account to the medical assistance trust fund. In fiscal year 2009-10, the board shall transfer $23,800,000 from this appropriation account to the medical assistance trust fund. In fiscal year 2010-11, the board shall transfer $25,000,000 from this appropriation account to the medical assistance trust fund. In fiscal years 2011-12 and 2012-13, the board shall annually transfer $27,500,000 from this appropriation account to the medical assistance trust fund.

20.285(1)(j) —
(j) Gifts and donations. All moneys received from gifts, grants, bequests and devises, except moneys received from the sale of real property during the period beginning on October 27, 2007, and ending on June 30, 2009, and the period beginning on July 1, 2009, to be administered and expended in accordance with the terms of the gift, grant, bequest or devise to carry out the purposes for which made and received.

20.285(1)(ja) —
(ja) Gifts; student loans. All moneys received from gifts, grants, bequests and devises for student loans and related operations to be administered and expended in accordance with the terms of the gift, grant, bequest or devise to carry out the purposes for which made and received.

20.285(1)(jc) —
(jc) Physician and dentist and health care provider loan assistance programs. All moneys received under ss. 36.60 and 36.61 and all moneys transferred under 2009 Wisconsin Act 28, section 9210 (1), to be used for loan repayments under ss. 36.60 and 36.61 and costs associated with the repayments.

20.285(1)(je) —
(je) Veterinary diagnostic laboratory; fees. All moneys received under s. 36.58 (3), other than from state agencies, to be used for general program operations of the veterinary diagnostic laboratory and to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs incurred in financing the construction of the veterinary diagnostic laboratory enumerated in 2001 Wisconsin Act 16, section 9107 (1) (m) 1., to make payments determined by the building commission under s. 13.488 (1) (m) that are
attributable to the proceeds of obligations incurred in financing that facility, and to make
payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a).

20.285(1)(jm)——
(jm) Distinguished professorships. All moneys received after August 1, 1987, from gifts,
grants, bequests and devises for distinguished professorships to pay the cost of
distinguished professorships under s. 36.14.

20.285(1)(jp)——
(jp) License plate scholarship programs. All moneys received under s. 341.14 (6r) (b) 4.,
for the scholarship programs under s. 36.44.

20.285(1)(jq)
(jq) Steam and chilled-water plant; principal repayment, interest, and rebates; nonstate
entities. All moneys received from utility charges to the University of Wisconsin
Hospitals and Clinics Authority and agencies of the federal government that are approved
by the department of administration under s. 36.11 (48) to reimburse s. 20.866 (1) (u) for
the payment of principal and interest costs incurred in purchasing the Walnut Street
steam and chilled-water plant enumerated under 2003 Wisconsin Act 33, section 9106 (1)
(g) 2. and in renovating and adding an addition to the Charter Street heating and cooling
plant enumerated under 2009 Wisconsin Act 28, section 9106 (1) (g) 3., to make
payments determined by the building commission under s. 13.488 (1) (m) that are
attributable to the proceeds of obligations incurred in financing the purchase of the plant,
and to make payments under an agreement or ancillary arrangement entered into under s.
18.06 (8) (a).

20.285(1)(k)
(k) Funds transferred from other state agencies. All moneys received from other state
agencies to carry out the purposes for which received.

20.285(1)(ka)
(ka) Sale of real property. All net proceeds from the sale of real property by the board
under s. 36.34, 1969 stats., and s. 36.33, except net proceeds received during the period
beginning on October 27, 2007, and ending on June 30, 2009, and the period beginning
on July 1, 2009, to be used for the purposes of s. 36.34, 1969 stats., and s. 36.33,
including the expenses enumerated in s. 13.48 (2) (d) incurred in selling the real property
under those sections.

20.285(1)(kb)——
(kb) Great Lakes studies. The amounts in the schedule for studies of Great Lakes fish. All
moneys transferred from the appropriation account under s. 20.370 (1) (mu) shall be credited to this appropriation account.

20.285(1)(kc)
(kc) Charter school. All moneys received from the department of public instruction under s. 118.40 (2r) (e), for the operation of a charter school by the University of Wisconsin-Parkside under s. 118.40 (2r) (b).

20.285(1)(kd)
(kd) Principal repayment, interest and rebates. From the revenues credited under par. (h) and sub. (6) (g), a sum sufficient to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs incurred in financing the acquisition, construction, development, enlargement or improvement of self-amortizing university facilities, to make the payments determined by the building commission under s. 13.488 (1) (m) that are attributable to the proceeds of obligations incurred in financing such facilities, and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a). For projects authorized by the building commission before July 1, 1998, annually an amount equal to 20% of the principal and interest costs for maintenance of University of Wisconsin-Madison intercollegiate athletic facilities shall be paid from the appropriation under this paragraph. For projects authorized by the building commission on or after July 1, 1998, but before July 1, 2001, annually an amount equal to 30% of the principal and interest costs for maintenance of University of Wisconsin-Madison intercollegiate athletic facilities shall be paid from the appropriation under this paragraph. For projects authorized by the building commission on or after July 1, 2001, annually an amount equal to 40% of the principal and interest costs for maintenance of University of Wisconsin-Madison intercollegiate athletic facilities shall be paid from the appropriation under this paragraph.

20.285(1)(ke)
(ke) Lease rental payments. From the revenues credited under par. (h) and sub. (6) (g), a sum sufficient to pay the rentals required to be made on self-amortizing facilities under leases entered into under s. 36.06, 1969 stats., and s. 37.02, 1969 stats.

20.285(1)(kf)
(kf) Outdoors skills training. The amounts in the schedule for outdoors skills training under s. 29.598. All moneys transferred from the appropriation account under s. 20.370 (1) (mu) shall be credited to this appropriation account.

20.285(1)(kg)
(kg) Veterinary diagnostic laboratory; state agencies. All moneys received from other
state agencies on account of the veterinary diagnostic laboratory to be used for general program operations of the veterinary diagnostic laboratory.

20.285(1)(kj)—

(kj) Academic fee increase grants. The amounts in the schedule for academic fee increase grants under s. 36.25 (49). All moneys transferred to this appropriation account from the appropriation account under par. (h) shall be credited to this appropriation account. No moneys may be encumbered under this paragraph after June 30, 2011.

20.285(1)(km)—

(km) Aquaculture demonstration facility; principal repayment and interest. The amounts in the schedule to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs incurred in financing the construction of the aquaculture demonstration facility enumerated under 1999 Wisconsin Act 9, section 9107 (1) (i) 3., to make the payments determined by the building commission under s. 13.488 (1) (m) that are attributable to the proceeds of obligations incurred in financing that facility, and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a). All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 1c. shall be credited to this appropriation account. Notwithstanding s. 20.001 (3) (a), the unencumbered balance on June 30 of each year shall revert to the appropriation account under s. 20.505 (8) (hm).

20.285(1)(kn)—

(kn) Aquaculture demonstration facility; operational costs. The amounts in the schedule for the operational costs of the aquaculture demonstration facility enumerated under 1999 Wisconsin Act 9, section 9107 (1) (i) 3. All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 11a. shall be credited to this appropriation account. Notwithstanding s. 20.001 (3) (a), the unencumbered balance on June 30 of each year shall revert to the appropriation account under s. 20.505 (8) (hm).

20.285(1)(ko)

(ko) Steam and chilled-water plant; principal repayment, interest, and rebates. All moneys received from utility charges to University of Wisconsin-Madison campus operations that are approved by the department of administration under s. 36.11 (48) to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs incurred in purchasing the Walnut Street steam and chilled-water plant enumerated under 2003 Wisconsin Act 33, section 9106 (1) (g) 2. and in renovating and adding an addition to the Charter Street heating and cooling plant enumerated under 2009 Wisconsin Act 28, section 9106 (1) (g) 3., to make payments determined by the building commission under s. 13.488 (1) (m) that are attributable to the proceeds of obligations incurred in financing
the purchase of the plant, and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a).

20.285(1)(kp) —
(kp) **Student related activities.** All moneys transferred from par. (h) for the one-time, fixed-duration cost of any student-related activity.

20.285(1)(kr) —
(kr) **University of Wisconsin center for tobacco research and intervention.** All moneys received from the department of health services under s. 255.15 (3) (b), to advance the work of the tobacco research and intervention center at the University of Wisconsin–Madison in developing new educational programs to discourage tobacco use, determining the most effective strategies for preventing tobacco use and expanding smoking cessation programs throughout the state.

20.285(1)(ks) —
(ks) **Physician and dentist and health care provider loan assistance programs; repayments.** Biennially, the amounts in the schedule for loan repayments under ss. 36.60 and 36.61. All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 6r. shall be credited to this appropriation account. Notwithstanding s. 20.001 (3) (b), the unencumbered balance on June 30 of each odd-numbered year shall revert to the appropriation account under s. 20.505 (8) (hm).

20.285(1)(Lm) —
(Lm) **Laboratories.** From moneys received as academic student fees, the amounts in the schedule for laboratory modernization.

20.285(1)(Ls) —
(Ls) **Schools of business.** From moneys received as academic student fees, the amounts in the schedule to support improvements in master's level business programs under s. 36.25 (28).

20.285(1)(m) —
(m) **Federal aid.** All moneys received from the federal government for instruction, extension, special projects, and emergency employment opportunities and programs to be administered and expended in accordance with the provisions of the federal grant or contract to carry out the purposes for which made and received.

20.285(1)(ma) —
(ma) **Federal aid; loans and grants.** All moneys received from the federal government
for student loans, work-study and educational opportunity grants and other grants to be administered and expended in accordance with the provisions of the federal grant or program to carry out the purposes for which made and received.

20.285(1)(me) —
(mc) **Veterinary diagnostic laboratory; federal funds.** All moneys received from the federal government for the veterinary diagnostic laboratory to be used in accordance with the provisions of the federal grant or program.

20.285(1)(n) —
(n) **Federal indirect cost reimbursement.** All moneys received from the federal government as reimbursement for indirect costs of grants and contracts for the purposes authorized in s. 16.54 (9) (b).

20.285(1)(q)
(q) **Telecommunications services.** From the universal service fund, the amounts in the schedule to provide telecommunications services as specified in s. 196.218 (5) (a) 6.

20.285(1)(qe)
(qe) **Rural physician residency assistance program.** Biennially, from the critical access hospital assessment fund, the amounts in the schedule for the department of family medicine in the University of Wisconsin School of Medicine and Public Health to establish and support physician residency positions under s. 36.63.

20.285(1)(qj)
(qj) **Physician and dentist and health care provider loan assistance programs; critical access hospital assessment fund.** Biennially, from the critical access hospital assessment fund, the amounts in the schedule for loan repayments under ss. 36.60 and 36.61.

20.285(1)(qm)
(qm) **Grants for forestry programs.** From the conservation fund, of the amounts in the schedule, $78,000 annually for the University of Wisconsin-Stevens Point paper science program and the remaining balance for grants to forest cooperatives under s. 36.56.

20.285(1)(qr)
(qr) **Discovery farm grants.** From the agricultural chemical cleanup fund, the amounts in the schedule for making grants under s. 36.25 (47).

20.285(1)(r)
(r) **Environmental education; environmental assessments.** From the environmental fund,
as a continuing appropriation, an amount equal to 50% of the environmental assessments under s. 299.93 (1) (a) and 70% of the environmental assessments under s. 299.93 (1) (b) for environmental education grants under s. 36.54 (2).

20.285(1)(rc)
(rc) Environmental education; forestry. From the conservation fund, the amounts in the schedule for environmental education grants related to forestry under s. 36.54 (2) and to administer environmental education grants.

20.285(1)(rm)
(rm) Environmental program grants and scholarships. From income and interest in the normal school fund, the amounts in the schedule for grants and scholarships under s. 36.49.

20.285(1)(s)
(s) Wisconsin Bioenergy Initiative. From the recycling and renewable energy fund, the amounts in the schedule to support research under the Wisconsin Bioenergy Initiative into improved plant biomass, improved biomass processing, conversion of biomass into energy products, development of a sustainable energy economy, and development of enabling technologies for bioenergy research.

20.285(1)(tb)
(tb) Extension recycling education. From the recycling and renewable energy fund, the amounts in the schedule for University of Wisconsin-Extension educational and technical assistance programs in recycling and recycling market development.

20.285(1)(tm)
(tm) Solid waste research and experiments. From the recycling and renewable energy fund, the amounts in the schedule for research into alternative methods of solid waste management and for administering solid waste experiment centers.

20.285(1)(u)
(u) Trust fund income. All moneys received as trust fund income under s. 36.03, 1969 stats.

20.285(1)(w)
(w) Trust fund operations. All moneys available for trust fund operations pursuant to s. 36.03, 1969 stats.
20.285(2)
(2) General provisions.

20.285(2)(a)
(a) Transfers.

1. Any moneys in program revenue appropriations to the board of regents for operation may be temporarily transferred to or from any other program revenue appropriation, but any moneys so transferred shall be repaid to the appropriation from which taken before the close of the fiscal year in which the transfer was made. This subdivision does not apply to moneys transferred from the appropriation account under sub. (1) (h) to the appropriation account under sub. (1) (kp).

20.285(2)(a)3.
3. The board of regents may transfer moneys from the appropriation under sub. (1) (Lm) to the appropriation under sub. (1) (fm).

20.285(2)(b)
(b) Contingent fund. Notwithstanding s. 20.920 (1) (b), the board of regents may use balances in University of Wisconsin System program revenue appropriations as contingent funds for the payment of miscellaneous expenses and student financial aid if immediate payment is deemed necessary. Other than payments for student financial aid, the daily balance of these funds may not exceed $3,000,000 and total disbursements from these funds may not exceed $100,000,000 in any fiscal year.

20.285(2)(c)
(c) Student employment funds. The board of regents, through the institutions' student financial aids offices, shall annually use at least 10% of its budgeted student employment funds that are unrelated to the college work-study program or to research and instruction for distribution on the basis of financial need.

20.285(2)(d)
(d) Fee and tuition remissions. The aggregate amount of nonresident remissions of tuition and fees for any fiscal year for the institutions formerly governed under ch. 36, 1971 stats., may not exceed the aggregate amount so remitted for those institutions in the 1970-71 fiscal year as adjusted for proportional increases in tuition charges since 1976-77, and for the institutions formerly governed under ch. 37, 1971 stats., the aggregate amount shall not exceed the aggregate amount so remitted for those institutions in the 1972-73
fiscal year as adjusted for proportional increases in tuition charges since 1976-77. The limits under this paragraph do not apply to fee remissions granted under s. 36.27 (3) (g). This paragraph does not restrict the granting of remissions when required under the terms of a contract or gift, or when such remissions are reimbursed as an indirect cost.

20.285(2)(c)
(e) Use of state funds for entertainment purposes. No general purpose revenues appropriated under this section may be used for entertainment by University of Wisconsin officials.

20.285(2)(h)
(h) University of Wisconsin college campus at Medford. Of the amounts appropriated to the board of regents of the University of Wisconsin System under sub. (1) (a), the board of regents may pay to the Taylor County board of supervisors, for outstanding debt service costs on the University of Wisconsin college campus at Medford facilities, up to $24,500 annually until the facilities are sold or an alternative use for the facilities is found. Payments shall be made on a schedule and in the manner the board determines. If the facilities are sold or an alternative use for the facilities is found, the Taylor County board of supervisors shall repay to the state all amounts received under this paragraph.

20.285(2)(i)
(i) Expenditures from federal indirect cost reimbursement appropriation. In addition to any expenditures approved under s. 16.50 (2) to (5), the board of regents of the University of Wisconsin System may make expenditures from the appropriation under sub. (1) (n) for any fiscal year equivalent to the amount by which the expenditure estimate under s. 16.50 (1) for that appropriation exceeded actual expenditures from that appropriation for the previous fiscal year without approval under s. 16.50 (2) to (5), to the extent that sufficient revenues are available in the appropriation account under sub. (1) (n) to finance this expenditure.

20.285(2)(j)
(j) Notwithstanding s. 20.001 (2) (c), annually, there shall lapse from the appropriation accounts under ss. 20.285 (1) (a), (h), and (j) an amount equal to the amount spent during that fiscal year from the appropriation account under s. 20.455 (1) (b) for legal advice regarding public broadcasting by the University of Wisconsin System, as determined by the secretary of administration.

20.285(3) —
(3) University system administration.
20.285(3)(a)—
(a) General program operations. The amounts in the schedule for the general program operations of the university system administration.

20.285(3)(iz)—
(iz) General operations receipts. All moneys received for or on account of the university system administration, to be used for general operations of the university system administration.

20.285(3)(n)—
(n) Federal indirect cost reimbursement. All moneys received from the federal government as reimbursement for indirect costs of grants and contracts.

20.285(4)—
(4) Minority and disadvantaged programs.—

20.285(4)(a)—
(a) Minority and disadvantaged programs. The amounts in the schedule for programs for minority and disadvantaged students under s. 36.25 (14m).

20.285(4)(b)—
(b) Graduate student financial aid. The amounts in the schedule for grants to minority and disadvantaged graduate students under s. 36.25 (14).

20.285(4)(dd)—
(dd) Lawton minority undergraduate grants program. A sum sufficient equal to $6,399,500 in the 2009-10 fiscal year and $6,757,900 in the 2010-11 fiscal year, and in subsequent fiscal years a sum sufficient equal to the amount calculated under s. 36.34 (1) (e), for the Lawton minority undergraduate grant program under s. 36.34 (1).

20.285(5)—
(5) University of Wisconsin-Madison intercollegiate athletics.—

20.285(5)(h)—
(h) Auxiliary enterprises. The amounts in the schedule for the operation of the division of intercollegiate athletics at the University of Wisconsin-Madison. All moneys received from the operation of the division of intercollegiate athletics at the University of Wisconsin-Madison shall be credited to this appropriation.
20.285(5)(i)  
(i) **Nonincome sports.** All moneys received from the sale of parking provided for all events at athletic facilities at the University of Wisconsin-Madison, less related expenses appropriated under sub. (1)(h), to be used for the sports administered by the division of intercollegiate athletics at the University of Wisconsin-Madison other than men's basketball, football and hockey, for debt service on any sports-related facility, and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a). Of the amount appropriated under this paragraph, the board shall allocate at least $50,000 annually to support scholarships for women athletes.

20.285(5)(j)  
(j) **Gifts and grants.** All moneys received from gifts, grants and bequests to carry out the purposes for which made.

20.285(6)  
(6) **University of Wisconsin Hospitals and Clinics Authority.**

20.285(6)(a)  
(a) **Services received from authority.** The amounts in the schedule to pay for services received from the University of Wisconsin Hospitals and Clinics Authority.

20.285(6)(g)  
(g) **Services provided to authority.** All moneys received from the University of Wisconsin Hospitals and Clinics Authority under any agreements entered into under s. 233.03 (10) or 233.04 (7), (7g), (7m) or (7p) for services provided to the authority and for leases and rentals to the authority. Moneys may be transferred from this appropriation account to the appropriation account under sub. (1)(kd). or (ke).

- **20.370 of the statutes is amended to read:**

20.370(1)(mu)  
General program operations — state funds. The amounts in the schedule for general program operations that do not relate to the management and protection of the state's fishery resources and that are conducted under ss. 23.09 to 23.11, 27.01, 30.203, 30.277, and 90.21, and chs. 29 and 169, for the endangered resources program, as defined under s. 71.10 (5) (a) 2., and for transfers to the appropriation account under s. 20.285 (1) (kf) for outdoors skills training under s. 29.598.
20.370(4)(mu)
General program operations — state funds. The amounts in the schedule for general program operations that relate to the management and protection of the state's fishery resources and that are conducted under ss. 23.09 to 23.11, 30.203 and 30.277 and ch. 29 and for transfers to the appropriation account under s. 20.285 (1) (kb) 20.285(1)(k) for studies of Great Lakes fish.

- **20.395(5)(ef) of the statutes is created to read:**

  20.395(5)(ef)
  Payments to the University of Wisconsin—Madison. From the general fund, all moneys received under s. 341.14 (6r) (b) 4. for the special group specified in s. 341.14 (6r) (f) 38. for payments to the University of Wisconsin—Madison, under s. 341.14 (10).

- **20.866(1)(u) of the statutes is amended to read:**

  20.866(1)(u)
  Principal repayment and interest. A sum sufficient from moneys appropriated under sub. (2) (zp) and ss. 20.115 (2) (d) and (7) (b), (br), (s), and (tb), 20.190 (1) (c), (d), (i), and (j), 20.225 (1) (c) and (i), 20.245 (1) (e) and (j), 20.250 (1) (c) and (e), 20.255 (1) (d), 20.285 (1)(a), (d), (db), (im), (jm), (je), (jq), (k), (kd), (km), and (ko) and (5)-(i), 20.320 (1) (c) and (t) and (2) (c), 20.370 (7) (aa), (ac), (ag), (aq), (ar), (at), (au), (bq), (br), (cb), (cc), (cd), (cg), (cq), (cr), (cs), (ct), (ca), (eq), and (er), 20.395 (6) (af), (aq), (ar), and (au), 20.410 (1) (e), (ee), and (ko) and (3) (e), 20.435 (2) (ee), 20.465 (1) (d), 20.485 (1) (f) and (go), (3) (t) and (4) (qm), 20.505 (4) (es), (et), (ha), and (hb) and (5) (c), (g), and (kc), 20.855 (8) (a), and 20.867 (1) (a) and (b) and (3) (a), (b), (bb), (bc), (bd), (be), (bf), (bg), (bh), (bi), (bm), (bn), (bp), (bq), (br), (bu), (bv), (g), (h), (i), (kd), and (q) for the payment of principal, interest, premium due, if any, and payment due, if any, under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a) relating to any public debt contracted under subchs. I and IV of ch. 18.

- **20.867(3)(c) of the statutes is repealed:**

  20.867(3)(c)
  Lease rental payments. A sum sufficient to guarantee full payment of lease rental payments on self-amortizing facilities enumerated under s. 20.285 (1) (ke) if the moneys available in those appropriations are insufficient to make full payment. All amounts advanced under the authority of this paragraph shall be repaid to the general fund whenever the balance of the appropriation for which the advance was made is sufficient to meet any portion of the amount advanced. The department of administration may take
whatever action is deemed necessary, including transfers from other program revenue appropriations, to insure recovery of the amounts advanced.

- **20.867(3)(h) of the statutes is amended to read:**

  20.867(3)(h)
  Principal repayment, interest, and rebates. A sum sufficient to guarantee full payment of principal and interest costs for self-amortizing or partially self-amortizing facilities enumerated under ss. 20.190 (1) (j), 20.245 (1) (j), 20.285 (1) (im), (je), (jq), (kd), (km), and (ko), 20.370 (7) (eq), 20.485 (1) (go), and 20.867 (3) (kd) if moneys available in those appropriations are insufficient to make full payment, to make full payment of the amounts determined by the building commission under s. 13.488 (1) (m) if the appropriation under s. 20.190 (1) (j), 20.245 (1) (j), 20.285 (1) (im), (je), (jq), (kd), (km), or (ko), 20.485 (1) (g), or 20.867 (3) (kd) is insufficient to make full payment of those amounts, and to make payments under an agreement or ancillary arrangement entered into under s. 18.06 (8) (a). All amounts advanced under the authority of this paragraph shall be repaid to the general fund whenever the balance of the appropriation for which the advance was made is sufficient to meet any portion of the amount advanced. The department of administration may take whatever action is deemed necessary including the making of transfers from program revenue appropriations and corresponding appropriations from program receipts in segregated funds and including actions to enforce contractual obligations that will result in additional program revenue for the state, to ensure recovery of the amounts advanced.

- **36.11(17)(g) of the statutes is repealed:**

  36.11(17)-(g)
  (g) Funding for the sabbatical leave program shall be provided from the existing general operations appropriation for the system.

- **36.11(29m) of the statutes is repealed:**

  36.11(29m)
  Report on expenditures. Beginning in the 1996-97 fiscal year, annually the board shall report to the department of administration and the joint committee on finance the amount of expenditures from the appropriations under s. 20.285 (1) (h) and (iz) and (3) (iz) in the previous fiscal year that were in excess of the dollar amounts shown in the appropriation schedule under s. 20.005 (3) for those appropriations in the previous fiscal year.
• 36.14(3) of the statutes is repealed:

36.14(3)
The board may pay the costs specified under sub. (2) only from the appropriations under s. 20.285 (1) (a), (am) and (jm). The board may pay any of the costs specified under sub. (2) from the appropriation under s. 20.285 (1) (jm). The board may pay from the appropriation under s. 20.285 (1) (am) only the salary and fringe benefit costs of the professor but may not pay more than 50% of those costs from that appropriation. Annually the board shall report to the department of administration all expenditures from the appropriation under s. 20.285 (1) (a) made for the purposes of this section.

• 36.25 of the statutes is amended to read:

36.25(13s)Medical practice in underserved areas. Of the moneys appropriated to the board under s. 20.285 (1) (fe) of the statutes, the board shall, beginning in fiscal year 2008-09, allocate $400,000 in each fiscal year for the department of family medicine and practice in the University of Wisconsin School of Medicine and Public Health to support the Wisconsin Academy for Rural Medicine, the Academy for Center-city Medical Education, and the Wisconsin Scholars Academy programs. The board may not expend any moneys allocated under this subsection in a fiscal year unless the board receives $400,000 in gifts and grants from private sources in that fiscal year for supporting such programs.

36.25(28)Schools of business. The board shall use the funds in the appropriations under s. 20.285 (1) (em) and (ls) to support improvements in master's level business programs. The board may spend funds in those appropriations only if it receives matching funds for the same purpose from private contributions.

36.25(32)(b)From the appropriation under s. 20.285 (1) (fs), the board shall award grants totaling not more than $500 annually per county to sponsors of farm safety education, training or information programs. To be eligible for a grant, a sponsor shall:

36.25(38)(b)The board shall use the moneys appropriated under s. 20.285 (1) (cm) for the support the following purposes:

36.25(49)Academic fee increase grants. The board may make grants in the 2009-10 fiscal year from the appropriation under s. 20.285 (1) (kj), in the 2010-11 fiscal year from the
appropriations under s. 20.285 (1) (a) and (kj), and in the 2011-12 fiscal year and each fiscal year thereafter from the appropriation under s. 20.285 (1) (a), to resident undergraduate students who do not receive grants under s. 39.435 that are payable from the appropriation under s. 20.235 (1) (fe), whose annual family income is less than $60,000, and who have unmet financial need. Beginning in fiscal year 2011-12, the board may make a grant under this subsection only to those students enrolled in the system during fiscal year 2010-11 who maintain continuous enrollment. A grant to a student under this subsection shall be in an amount determined by the board that corresponds to any increase, or any portion of an increase, in academic fees charged to the student, but may not exceed the amount of the student's unmet need. The board may not make a grant under this subsection to a student whose name appears on the statewide support lien docket under s. 49.854 (2) (b), unless the student provides to the board a payment agreement that has been approved by the county child support agency under s. 59.53 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a).

36.25(52)(b)
(b) From the appropriation under s. 20.285 (1) (cd), the board shall award grants to the foundation for the Wisconsin Small Company Advancement program to provide intellectual property management services to the extension and all institutions and college campuses other than the University of Wisconsin-Madison and the University of Wisconsin-Milwaukee and for the administrative costs of the program. The amount of each grant shall be $250,000. The foundation may use no more than $75,000 of the amount appropriated under s. 20.285 (1) (cd) for the administrative costs of the program. The board may not award a grant unless the foundation shows to the satisfaction of the board that the foundation has secured, after January 1, 2010, matching funds for the program from sources other than the state that are equal to the amount of the grant, except that the amounts used for administrative costs of the program are exempt from the matching requirement. In-kind contributions may be applied to meet the matching requirement.

36.25(53)
Business plan competition. The board shall use the moneys appropriated under s. 20.285 (1) (eb) to support a business plan competition program existing on May 25, 2010, at institutions and college campuses other than the University of Wisconsin-Madison that makes entrepreneurial expertise available to students and that has ties to campus-based business plan contests and national organizations that foster student entrepreneurism. The board may use the moneys only if the board receives matching funds for the same purpose from private contributions.
Emerging technology center. The board shall use the moneys appropriated under s. 20.285 (1) (eg) to develop an emerging technology center at the University of Wisconsin-La Crosse. The board may use state moneys only if the board receives matching funds for the same purpose from sources other than the state. In-kind contributions may be applied to meet the matching requirement.

- 36.27(3m)(d) of the statutes is repealed:

  36.27(3m)(d)
  If the appropriation under s. 20.285 (1) (bm) in any fiscal year is insufficient to fully fund the fee remissions under par. (b), the board shall notify the joint committee on finance.

- 36.36 of the statutes is repealed:

  36.36
  Grants for study abroad. From the appropriation under s. 20.285 (1) (er), the board shall award a grant of up to $2,000 to a resident undergraduate student to assist in paying the costs associated with the student's study abroad if the student satisfies all of the following criteria:

  36.36(1) (1) The student demonstrates financial need for the grant, as determined by the board.

  36.36 (2) (2) The student is enrolled full-time in the system in the semester preceding the student's study abroad.

  36.36 (3) (3) The student is enrolled in a program leading to an associate or bachelor's degree.

- 36.46 of the statutes is repealed:

  36.46
  36.46 Auxiliary reserves.

- 36.46(1) (a) of the statutes is repealed:

  36.46(1) (a)
  (1) (a) The board may not accumulate any auxiliary reserve funds from student fees for any institution in an amount that exceeds an amount equal to 15% of the previous fiscal
year's total revenues from student segregated fees and auxiliary operations funded from student fees for that institution unless the reserve funds are approved by the secretary of administration and the joint committee on finance under this subsection. A request by the board for such approval for any fiscal year shall be filed by the board with the secretary of administration and the cochairpersons of the joint committee on finance no later than September 15 of that fiscal year. The request shall include a plan specifying the amount of reserve funds the board wishes to accumulate and the purposes to which the reserve funds would be applied, if approved. Within 14 working days of receipt of the request, the secretary of administration shall notify the cochairpersons of the joint committee on finance in writing of whether the secretary proposes to approve the reserve fund accumulation.

• 36.46(1) (b) of the statutes is repealed:

36.46(1) (b)
(b) Notwithstanding par. (a), if, within 14 working days after the date of the secretary's notification, the cochairpersons of the committee do not notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the secretary's proposed action, the proposed reserve funds may be accumulated. If, within 14 working days after the date of the secretary's notification, the cochairpersons of the committee notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the secretary's proposed action, the proposed reserve funds may not be accumulated unless the committee approves that action.

• 36.46(2) of the statutes is repealed:

36.46(2)
By September 1, 1998, and annually by September 1 thereafter, the board shall submit to the joint committee on finance a report on the requests to transfer moneys from the appropriation account under s. 20.285 (1) (h) to the appropriation account under s. 20.285 (1) (kp) that were received by the board in the previous fiscal year. For each request, the report shall identify the campus that submitted the request, the amount of the request, the revenue source of the moneys requested, the purpose for which the moneys were to be used and whether the board approved the request.

• 36.52 of the statutes is repealed:

36.52
36.52—Reimbursement of pay-supplements. Whenever moneys become available from the federal government to finance the cost of pay and related adjustments for employees of
the system in the unclassified service whose positions are wholly or partly funded from federal revenue under 7 USC 343 that have been paid from the appropriation under s. 20.865 (1) (ej) during the same fiscal year in which moneys are expended from that appropriation, the board shall reimburse the general fund for any expenditures made under s. 20.865 (1) (ej) from the appropriate appropriation to the board made from federal revenues.

- **71.10 of the statutes is amended to read:**

71.10(5f)(i)
(i) Appropriations and Payments. From the moneys received from designations for the breast cancer research program, an amount equal to the sum of administrative expenses, including data processing costs, certified under par. (h) 1. shall be deposited in the general fund and credited to the appropriation account under s. 20.566 (1) (hp), and, of the net amount remaining that is certified under par. (h) 3., an amount equal to 50 percent shall be credited to the appropriation account under s. 20.250 (2) (g) and an amount equal to 50 percent shall be credited to the appropriation account under s. 20.285 (1) (gm), paid to the University of Wisconsin-Madison for breast cancer research conducted by the University of Wisconsin Carbone Cancer Center.

71.10(5h)(i)
Appropriations, disbursement of funds to the fund and payment. From the moneys received from designations for the prostate cancer research program, an amount equal to the sum of administrative expenses, including data processing costs, certified under par. (h) 1. shall be deposited in the general fund and credited to the appropriation account under s.- 20.566 (1) (hp), and of the net amount remaining that is certified under par. (h) 3. an amount equal to 50 percent shall be credited to the appropriation accounts account under s. 20.250 (2) (h) and 20.285 (1) (gm), an amount equal to 50 percent shall be paid to the University of Wisconsin-Madison for the use specified under s. 255.054 (1).

- **255.054(1) of the statutes is amended to read:**

255.054 (1)
The Medical College of Wisconsin, Inc., and the University of Wisconsin Comprehensive Carbone Cancer Center shall use the moneys appropriated under ss. 20.250 (2) (h) and 20.285 (1) (gm) the moneys paid under s. 71.10 (5h) (i) for prostate cancer research projects. These moneys may not be used to supplant funds available for prostate cancer research from other sources.
• **255.055(1) of the statutes is amended to read:**

> 255.055 (1)
> The Medical College of Wisconsin, Inc., and the University of Wisconsin Comprehensive Carbone Cancer Center shall use the moneys appropriated under ss. 20.250 (2) (g) and 20.285 (1) (gm) the moneys paid under s. 71.10 (5f) (i) for breast cancer research projects. These moneys may not be used to supplant funds available for breast cancer research from other sources.

• **452.12(5)(d) of the statutes is created to read:**

> 452.12(5)(d)
> Annually, the department shall pay to the University of Wisconsin−Madison $10 of each renewal fee received under this subsection for support of the center for urban land economics in the School of Business at the University of Wisconsin−Madison under s. 36.25 (34).

**TUITION/PRICING**

Wisconsin Statutes grant tuition authority to the UW System Board of Regents, but the law also restricts that authority so that resident undergraduate tuition rates are by and large determined outside the control of the Board and UW campuses.

The Wisconsin Idea Partnership would provide the Board of Regents with authority to set tuition levels for UW campuses so that all campuses have the ability to meet the needs of students and employers while maintaining high levels of educational quality. All UW campuses would be able to enhance educational quality, address competitive compensation challenges, improve student services, boost retention rates, and increase graduation rates based upon their individual circumstances. This change, in conjunction with the budgeting changes that remove multiple tuition appropriations, would improve the budgeting and planning process for all UW campuses.

Policies would be developed to ensure that UW campuses remain affordable for Wisconsin citizens. This tuition flexibility would allow individual campuses to generate funding for unique value-added services and programs, establish niches within the higher-education marketplace or implement new pricing models.

Authority to set tuition would be accomplished by amending Wisconsin Statutes, Section 36.27 as follows:
36.27(1) of the statutes is amended to read:

36.27 Tuition.

(1)
(1) Board of regents to establish.

(1)(a)
(a) Subject to par. par. (am), (b) and (c), the board may establish for different classes of students differing tuition and fees incidental to enrollment in educational programs or use of facilities in the system. Except as otherwise provided in this section, the board may charge any student who is not exempted by this section a nonresident tuition. The board may establish special rates of tuition and fees for the extension and summer sessions and such other studies or courses of instruction as the board deems advisable.

(1)(am)—

(am) The board may not increase academic fees for resident undergraduate students beyond an amount sufficient to fund all of the following:

(1)(am)1.—
1. In a fiscal year beginning in an even-numbered year, the amount shown in the schedule under s. 20.285 (1) (im) for that fiscal year and in a fiscal year beginning in an odd-numbered year, the highest amount shown in the schedule under s. 20.285 (1) (im) for that fiscal year in the substitute amendment, offered by the joint committee on finance, to the biennial budget bill; the engrossed biennial budget bill; or the enrolled biennial budget bill.

(1)(am)2.—
2. The approved recommendations of the director of the office of state employment relations for compensation and fringe benefits for classified staff, for unclassified employees specified in s. 230.12 (1) (a) 1. b., and for unclassified employees specified in s. 230.12 (3) (e). If these recommendations have not been approved by the joint committee on employment relations by the time the board sets academic fees, the board may raise academic fees for resident undergraduate students by an amount sufficient to fund the recommendations of the director of the office of state employment relations for compensation and fringe benefits for classified staff and for unclassified employees specified in s. 230.12 (1) (a) 1. b. and the board's recommendations for unclassified employees specified in s. 230.12 (3) (e). If the director of the office of state employment relations has not made recommendations by the time the board sets academic fees, the board may raise academic fees for resident undergraduate students by an amount
sufficient to fund the board's estimate of compensation and fringe benefits for classified staff and for unclassified employees specified in s. 230.12 (1) (a) 1. b. and the board's recommendations for unclassified employees specified in s. 230.12 (3) (e). If the board sets academic fees based upon the board's estimate and the board's unapproved recommendations, and the recommendations of the board and the director of the office of state employment relations as finally approved by the joint committee on employment relations call for a lower rate of compensation and fringe benefits than the board's estimate and unapproved recommendations, the board shall lower academic student fees for resident undergraduate students for the next academic year by an amount equal to the difference between the academic fees charged and an amount sufficient to fund the approved recommendations. If the board sets academic fees based upon the board's estimate and unapproved recommendations, and the recommendations of the board and the director of the office of state employment relations as finally approved by the joint committee on employment relations call for a higher rate of compensation and fringe benefits than the board's estimate and unapproved recommendations, the board may raise academic student fees for resident undergraduate students for the next academic year by an amount equal to the difference between the academic fees charged and an amount sufficient to fund the approved recommendations.

(1)(am)3.—
3. The projected loss in revenue caused by a change in the number of enrolled undergraduate, graduate, resident and nonresident students from the previous academic year.

(1)(am)4.—
4. State-imposed costs not covered by general purpose revenue, as determined by the board. Beginning on December 15, 2000, and annually thereafter, the board shall report costs under this subdivision to the secretary of administration.

(1)(am)5.—
5. Distance education, nontraditional courses and intersession courses.

(1)(am)6.—
6. Differential tuition that is approved by the board and that is not included in the amount shown in the schedule under s. 20.285 (1) (im).

(1)(b)
(b) The board shall permit a person who is 60 years of age or older to audit a course without paying an auditor's fee if the person is a resident of this state, as determined under sub. (2) (e), space is available in the course and the instructor approves.
(1)(bm) —
(bm) Beginning on December 15, 2000, and annually thereafter, the board shall submit a report to the legislature under s. 13.172 (2) containing the amount by which expenditures from s. 20.285 (1) (im) in the previous fiscal year exceeded the amount shown in the schedule for that appropriation in the previous fiscal year, the purposes for which the additional revenues were spent and the amount spent for each purpose.

(1)(c) —
(c) The board may not charge a student registered as a master’s level business school student prior to the first semester of the 1989-90 academic year higher fees than other graduate students at the same institution.

- 36.27(2)(cr) of the statutes is repealed:

(2)(cr) —
(cr) A person who is a citizen of a country other than the United States is entitled to the exemption under par. (a) if that person meets all of the following requirements:

(2)(cr)1. —
1. The person graduated from a high school in this state or received a declaration of equivalency of high school graduation from this state.

(2)(cr)2. —
2. The person was continuously present in this state for at least 3 years following the first day of attending a high school in this state or immediately preceding receipt of a declaration of equivalency of high school graduation.

(2)(cr)3. —
3. The person enrolls in an institution and provides that institution with proof that the person has filed or will file an application for a permanent resident visa with U.S. Citizenship and Immigration Services as soon as the person is eligible to do so.

- 31.27(3) of the statutes is amended as follows:

(3)
(3) Tuition remissions. Within the limits established by s. 20.285 (2) (d), The board may remit nonresident tuition either in whole or in part at each institution, but not other fees:
• 31.27(3)(a) of the statutes is amended as follows:

(3)(a)
(a) To a number of needy and worthy nonresident students upon the basis of merit, to be shown by suitable tests, examinations or scholastic records and continued high standards of scholastic attainment.

• 31.27(3)(b) of the statutes is amended as follows:

(3)(b)
(b) To additional individual students who, in the judgment of the board, are deserving of relief from the assessment of nonresident tuition because of extraordinary circumstances.

(3)(c)
(c) The board may remit nonresident tuition, in whole or in part, but no other fees, except in special circumstances as approved by the chancellor, to worthy and needy foreign students and to students who are United States citizens but whose residence is not in the United States.

• 31.27(3m)(d) of the statutes is repealed:

(3m)(d) —
(d) If the appropriation under s. 20.285 (1) (bm) in any fiscal year is insufficient to fully fund the fee remissions under par. (b), the board shall notify the joint committee on finance.

• 31.27(4) of the statutes is repealed:

(4) Tuition award program—

36.27(4)(a) —
(a) The board may annually exempt from nonresident tuition, but not from incidental or other fees, up to 300 students enrolled at the University of Wisconsin-Parkside as juniors or seniors in programs identified by that institution as having surplus capacity and up to 225 students enrolled at the University of Wisconsin-Superior in programs identified by that institution as having surplus capacity.

36.27(4)(b) —
(b) A student who received an exemption from nonresident tuition under 1987 Wisconsin Act 27, section 3054 (2g) (a) during the 1987-88 and 1988-89 academic years, or who
receives an exemption from nonresident tuition under par. (a), shall continue to receive an exemption from nonresident tuition until the completion of his or her degree program.

36.27(4)(d)—
(d) The University of Wisconsin Parkside and the University of Wisconsin Superior shall give preference in admissions to residents of this state over nonresidents who would be exempt from nonresident tuition under par. (a).

HUMAN RESOURCES

Today, UW faculty and academic staff employees are governed by the same laws that govern virtually all other State of Wisconsin employees. Titles, pay ranges, pay plans, benefit plans, and other human resources decisions are now frequently made by the Office of State Employment Relations (OSER), and are generally applied uniformly across all agencies. The current system does not take into account UW’s unique need to compete in a global market for human capital.

The proposed statutory changes under the Wisconsin Idea Partnership would provide all UW campuses with freedom to address growing challenges associated with recruiting and retaining the quality and diversity of staff needed to further their institutions’ missions. The changes would address the need to provide incentives for innovative practices and reward creativity and initiative on the part of faculty, academic staff, and limited appointees (unclassified staff), non-represented classified employees, and represented classified employees.

With these changes, the Board would have full authority for administration of the civil service system for UW System employees, including but not limited to, creating university specific classification titles. Additionally, the Board would have authority to bargain with all classified and unclassified unions and be responsible for approving and administering those contracts for UW System employees. The Board would have the authority to determine which positions are exempt from classified service as academic staff. UW System employees would also be exempt from the cap on earnings that could be received from another agency during a year. Finally, the Board is requesting relief from selected reporting requirements and a number of technical changes necessitated by other changes being requested relative to the above-described flexibilities.

These human resources flexibilities would be accomplished by amending Wisconsin Statutes as follows:
• 16.417(2) (a) of the statutes is amended to read:

16.417(2)(a) No individual other than an employee of the University of Wisconsin System or an elective state official who is employed or retained in a full-time position or capacity with an agency or authority may hold any other position or be retained in any other capacity with an agency or authority from which the individual receives, directly or indirectly, more than $12,000 from the agency or authority as compensation for the individual's services during the same year.

• 16.505(2m) of the statutes is amended to read:

16.505(2m) The board of regents of the University of Wisconsin System may create or abolish a full-time equivalent position or portion thereof from revenues appropriated under s. 20.285. Nonrepresented and unclassified employees of the University of Wisconsin System will not be considered state employees for reporting purposes. (1) (a), (gs), (h), (ip), (iz), (j), (k), (kc), (m), (n), or (q) to (w) or (3) (iz) or (n) and may create or abolish a full-time equivalent position or portion thereof from revenues appropriated under s. 20.285 (1) (im) that are generated from increased enrollment and from courses for which the academic fees or tuition charged equals the full cost of offering the courses. No later than the last day of the month following completion of each calendar quarter, the board of regents shall report to the department and the cochairpersons of the joint committee on finance concerning the number of full-time equivalent positions created or abolished by the board under this subsection during the preceding calendar quarter and the source of funding for each such position.

• 16.505(4)(b) of the statutes is amended to read:

16.505(4)(b) Except as provided in par. (c), no agency may change the funding source for a position authorized under this section unless the position is authorized to be created under a different funding source in accordance with this section.

• 16.505(4)(c) of the statutes is repealed:

16.505(4)(c) The department shall fund from general purpose revenue under s. 20.865 (1) (ej) positions in the University of Wisconsin System that are otherwise funded from revenues specified in s. 20.001 (2) (e), to the extent authorized under s. 20.865 (1) (ej).
• **16.705(1r)(d) of the statutes is amended to read:**

16.705(1r)(d)

Contractual services purchased by the Board of Regents of the University of Wisconsin System with moneys appropriated under s. 20.285 (1) (j), (ja), (jm), (u), or (w) or (5) (j).

• **20.865 of the statutes is amended to read:**

20.865

20.865 Program supplements. There is appropriated to the various state agencies from the respective funds and accounts from which their appropriations are financed, the amounts provided in this section as approved by the department of administration under ss. 16.50 and 20.928, but only after the amounts included in the respective program appropriations for the purposes specified in this section have been exhausted. Every expenditure under this section for purposes normally financed by a program revenue appropriation or segregated revenue appropriation from program receipts shall be charged to the appropriate account, but if there are insufficient moneys available in that account, the expenditure shall be charged to the fund from which the appropriation is made. Those general fund expenditures paid from general purpose revenues for purposes financed by program revenues shall be separately accounted for and the general fund, except as otherwise provided in sub. (2) (d), (j) and (t) and ss. 20.285 (1) (g) and 36.52, shall be reimbursed for those expenditures as soon as moneys become available in the appropriate account.

• **20.865(1)(c) of the statutes is amended to read:**

20.865(1)(c)

Compensation and related adjustments. A sum sufficient to supplement the appropriations to state agencies for the cost of compensation and related adjustments approved by the legislature under s. 111.92 for represented employees and by the joint committee on employment relations under s. 230.12 and by the legislature, when required, for nonrepresented employees in the classified service and comparable adjustments for nonrepresented employees in the unclassified service, except those nonrepresented employees specified in ss. 20.923 (4g), (5) and (6) (c) and (m) and 230.08 (2) (d) and (f), as determined under s. 20.928, other than adjustments funded under par. (ej). Unclassified employees included under s. 20.923 (2) need not be paid comparable adjustments.
• 20.865(1)(ci) of the statutes is repealed:

20.865(1)(ci)
(ci) Nonrepresented university system senior executive, faculty and academic pay adjustments. A sum sufficient to pay the cost of pay and related adjustments approved by the joint committee on employment relations under s. 230.12 (3) (e) for University of Wisconsin System employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d) who are not included within a collective bargaining unit for which a representative is certified under subch. V or VI of ch. 111, as determined under s. 20.928, other than adjustments funded under par. (cj).

• 20.865(1)(cj) of the statutes is repealed:

20.865(1)(cj)
(cj) Pay adjustments for certain university employees. The amounts in the schedule to finance the cost of pay and related adjustments approved or provided by law, by the legislature under s. 111.92, by the joint committee on employment relations under s. 230.12 or by the governor, the joint committee on finance or the legislature in budget determinations for employees of the University of Wisconsin System in the unclassified service whose positions are wholly or partly funded from federal revenue under 7 USC 343, whenever federal revenue is not provided to finance this cost, but not including any adjustments provided by the board of regents of the University of Wisconsin System to correct salary inequities or to recognize competitive factors from moneys not allocated for that purpose by law or in budget determinations. Moneys from this appropriation may be used to finance the cost of adjustments for a position that is partly funded from federal revenue only in proportion to the part funded from federal revenue.

• 20.865(1)(cm) of the statutes is repealed:

20.865(1)(cm)
(cm) Represented university faculty and academic staff pay adjustments. A sum sufficient to supplement the appropriations to the Board of Regents of the University of Wisconsin System for the cost of compensation and related adjustments approved by the legislature under s. 111.9991 for University of Wisconsin System employees under s. 230.08 (2) (d) who are included within a collective bargaining unit for which a representative is certified under subch. V or VI of ch. 111, as determined under s. 20.928.
• 20.865(1)(i) of the statutes is amended to read:

20.865(1)(i)  
(i) Compensation and related adjustments; program revenues. From the appropriate program revenue and program revenue-service accounts, a sum sufficient to supplement the appropriations to state agencies for the cost of compensation and related adjustments approved by the legislature under s. 111.92 for represented employees and by the joint committee on employment relations under s. 230.12 and the legislature, when required for nonrepresented employees in the classified service and comparable adjustments for nonrepresented employees in the unclassified service, except those nonrepresented employees specified in ss. 20.923 (4g), (5) and (6) (c) and (m) and 230.08 (2) (d) and (f), as determined under s. 20.928, other than adjustments funded under par. (cj). Unclassified employees included under s. 20.923 (2) need not be paid comparable adjustments.

• 20.865(1)(ic) of the statutes is repealed:

20.865(1)(ic)  
(ic) Nonrepresented university system senior executive, faculty and academic pay adjustments. From the appropriate program revenue and program revenue-service accounts, a sum sufficient to supplement the appropriations to the University of Wisconsin System to pay the cost of pay and related adjustments approved by the joint committee on employment relations under s. 230.12 (3) (e) for University of Wisconsin System employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d) who are not included within a collective bargaining unit for which a representative is certified under subch. V or VI of ch. 111, as determined under s. 20.928, other than adjustments funded under par. (ej).

• 20.865(1)(im) of the statutes is repealed:

20.865(1)(im)  
(im) Represented university system faculty and academic staff pay adjustments; program revenue. From the appropriate program revenue and program revenue-service accounts, a sum sufficient to supplement the appropriations to the Board of Regents of the University of Wisconsin System for the cost of compensation and related adjustments for University of Wisconsin System employees under s. 230.08 (2) (d) who are included within a collective bargaining unit for which a representative is certified under subch. VI of ch. 111, as determined under s. 20.928.
• 20.865(1)(si) of the statutes is repealed:

20.865(1)(si)
(si) Nonrepresented university system senior executive, faculty and academic pay adjustments. From the appropriate segregated funds, a sum sufficient to supplement the appropriations to the University of Wisconsin System to pay the cost of pay and related adjustments approved by the joint committee on employment relations under s. 230.12 (3) (e) for University of Wisconsin System employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d) who are not included within a collective bargaining unit for which a representative is certified under subch. V or VI of ch. 111, as determined under s. 20.928.

• 20.865(1)(sm) of the statutes is repealed:

20.865(1)(sm)
(sm) Represented university faculty and academic staff pay adjustments; segregated revenues. From the appropriate segregated funds, a sum sufficient to supplement the appropriations to the Board of Regents of the University of Wisconsin System for the cost of compensation and related adjustments for University of Wisconsin System employees under s. 230.08 (2) (d) who are included within a collective bargaining unit for which a representative is certified under subch. VI of ch. 111, as determined under s. 20.928.

• 20.923(4g) of the statutes is amended to read:

20.923(4g)
University of Wisconsin System senior executive positions. A compensation plan consisting of 9 university senior executive salary groups is established for certain administrative positions at the University of Wisconsin System. The salary ranges and adjustments to the salary ranges for the university senior executive salary groups 1 and 2 shall be contained in the recommendations of the director of the office of state employment relations under s. 230.12 (3) (e). The salary ranges and adjustments to the salary ranges for university senior executive salary groups 13 to 9 shall be determined by the board of regents of the University of Wisconsin System based on an analysis of salaries paid for similar positions at comparable universities in other states. The board of regents shall set the salaries for these positions within the ranges to which the positions are assigned to reflect the hierarchical structure of the system, to recognize merit, to permit orderly salary progression and to recognize competitive factors. The salary of any incumbent in the positions identified in pars. (ae) to (f) may not exceed the maximum of
the salary range for the group to which the position is assigned. The positions are
assigned as follows:

- **20.923(4g)(ar) of the statutes is amended to read:**

  20.923(4g)(ar) The positions assigned to university senior executive group 3 are the
  chancellors at the University of Wisconsin System campuses at Eau Claire, Green Bay,
  La Crosse, Oshkosh, Parkside, Platteville, River Falls, Stevens Point, Stout, Superior and
  Whitewater and the chancellors of the University of Wisconsin Colleges and the
  University of Wisconsin-Extension.

- **20.923(5) of the statutes is amended to read:**

  20.923(5) Other University of Wisconsin System administrative positions. The president
  and chancellors board of regents of the University of Wisconsin System shall assign the
  positions of associate and assistant vice presidents, vice chancellors not identified in sub.
  (4g), assistant chancellors, associate and assistant vice chancellors and administrative
  directors and associate directors of physical plant, general operations and services and
  auxiliary enterprises activities or their equivalent, of each University of Wisconsin
  institution, the University of Wisconsin-Extension and the University of Wisconsin
  System administration to salary ranges established under s. 36.09 (1) (k) 2. b.

- **20.923(14)(b) of the statutes is repealed:**

  20.923(14)(b)
  (b) Except as provided in s. 36.09 (1) (j), any adjustment of salary for an incumbent
  specified in sub. (4g) is governed by the provisions of the proposal concerning senior
  university executives, faculty and academic staff as approved by the joint committee on
  employment relations under s. 230.12 (3) (e).

- **20.928(4) of the statutes is repealed:**

  20.928(4)
  If insufficient moneys are available from the appropriation under s. 20.865 (1) (cj) to
  fund the costs of pay and related adjustments for employees of the University of
  Wisconsin System that are payable from that appropriation in any fiscal year, the
  secretary of administration shall prorate payments made on behalf of each employee in
  the proportion that the moneys available bears to the total amount payable to all
  employees.
• 36.09(1)(e) of the statutes is amended to read:

36.09(1) (e) The board shall appoint a president of the system; a chancellor for each institution; a dean for each college campus; the state geologist; the director of the laboratory of hygiene; the director of the psychiatric institute; the state cartographer; and the requisite number of officers, other than the vice presidents, associate vice presidents, and assistant vice presidents of the system; faculty; academic staff; and other employees and fix the salaries, subject to the limitations under par. (j) and ss. 20.923 (4g) and 230.12 (3) (e), the duties and the term of office for each. The board shall fix the salaries, subject to the limitations under par. (j) and ss. 20.923 (4g) and 230.12 (3) (e), and the duties for each chancellor, vice president, associate vice president, and assistant vice president of the system. No sectarian or partisan tests or any tests based upon race, religion, national origin, or sex shall ever be allowed or exercised in the appointment of the employees of the system.

• 36.09(1)(i) of the statutes is amended to read:

36.09(1)(i) Upon recommendation of the president of the University of Wisconsin System, and the administrator of the division of merit recruitment and selection in the office of state employment relations, the board of regents of the University of Wisconsin System and the director of the office shall jointly adopt general policies governing the designation of positions to be exempt from the classified service as academic staff as defined in s. 36.15 (1) (a) and (b). No position in the classified service may be designated as an academic staff position under the general policies unless the director of the office of state employment relations approves the designation.

• 36.09(1)(j) of the statutes is amended to read:

36.09(1)(j) Except where such matters are a subject of bargaining with a certified representative of a collective bargaining unit under s. 111.91 or 111.998, the board shall establish salaries for persons not in the classified staff prior to July 1 of each year for the next fiscal year, and shall designate the effective dates for payment of the new salaries. In the first year of the biennium, payments of the salaries established for the preceding year shall be continued until the biennial budget bill is enacted. If the budget is enacted after July 1, payments shall be made following enactment of the budget to satisfy the obligations incurred on the effective dates, as designated by the board, for the new salaries, subject only to the appropriation of funds by the legislature and s. 20.928 (3). This paragraph does not limit the authority of the board to establish salaries for new appointments. The board may not increase the salaries of University of Wisconsin System employees specified in ss. 20.923 (5) and (6) (m) and 230.08 (2) (d) under this...
paragraph unless the salary increase conforms to the proposal as approved under s. 230.12 (3) (e) or the board authorizes the salary increase to correct salary inequities under par. (h), to fund job reclassifications or promotions, to recognize performance or to recognize competitive factors. The board may not increase the salary of any position identified in s. 20.923 (4g) under this paragraph unless the salary increase conforms to the proposal as approved under s. 230.12 (3) (e) or the board authorizes the salary increase to correct a salary inequity or to recognize competitive factors. The board may not increase the salary of any position identified in s. 20.923 (4g) (ae) and (am) to correct a salary inequity that results from the appointment of a person to a position identified in s. 20.923 (4g) (ae) and (am) unless the increase is approved by the office of state employment relations. The granting of salary increases to recognize competitive factors does not obligate inclusion of the annualized amount of the increases in the appropriations under s. 20.285 (1) for subsequent fiscal bienniums. No later than October 1 of each year, the board shall report to the joint committee on finance and the secretary of administration and director of the office of state employment relations concerning the amounts of any salary increases granted to recognize competitive factors, and the institutions at which they are granted, for the 12-month period ending on the preceding June 30.

- 36.09(1)(jm) of the statutes is created to read:

36.09(1)(jm) The Board may provide the program defined in Section 230.12(9) of the statutes, administered by the Department of Employee Trust Funds, for employees of the Board under Sections 36.13, 36.15, and 36.17 of the statutes.

- 36.11(33) of the statutes is repealed:

(33) Report on management and staff positions.—

36.11(33)(a) —
(a) The board shall categorize each position in the system as either a management position or a staff position. The board shall define "management" and "staff" for the purposes of this paragraph.

36.11(33)(b) —
(b) By January 1, 1998, and annually thereafter by January 1, the board shall submit a report to the joint committee on finance that includes all of the following:

36.11(33)(b)1. —
1. The definitions of "management" and "staff" used by the board under par. (a).
36.11(33)(b)2.——
2. A list of the position titles in each category.

36.11(33)(b)3.——
3. The criteria used by the board to categorize the positions.

36.11(33)(b)4.——
4. The current number of authorized positions in each category at each campus.

• 36.11(54) of the statutes is repealed:

36.11(54)
(54) Employee reports.—

36.11(54)(a)
(a) In this subsection, "backup position" means a position that the board is contractually required to provide for an employee who resigns or is terminated from his or her current position.

36.11(54)(b)
(b) Annually, the board shall submit a report to the appropriate standing committees of the legislature under s. 13.172 (3) and to the governor that identifies the number of employees with limited appointments under s. 36.17 and rules promulgated thereunder, the number of employees with concurrent appointments, and the number of employees with employment contracts that require backup positions but who have not yet resigned or been terminated from their current positions.

• 36.52 of the statutes is repealed:

36.52
36.52 Reimbursement of pay supplements. Whenever moneys become available from the federal government to finance the cost of pay and related adjustments for employees of the system in the unclassified service whose positions are wholly or partly funded from federal revenue under 7 USC 343 that have been paid from the appropriation under s. 20.865 (1) (cj) during the same fiscal year in which moneys are expended from that appropriation, the board shall reimburse the general fund for any expenditures made under s. 20.865 (1) (cj) from the appropriate appropriation to the board made from federal revenues.
• **40.05(4)(bp)2 of the statutes is amended to read:**

40.05(4)(bp)2

2. The limits on conversion of accumulated unused sick leave which are specified under subd. 1. may be waived for nonteaching faculty who are appointed to work 52 weeks per year and nonteaching academic staff personnel if the secretary of administration determines that a sick leave accounting system comparable to the system used by the state for employees in the classified service is in effect at the institution, as defined in s. 36.05 (9), and if the institution regularly reports on the operation of its sick leave accounting system to the board of regents of the University of Wisconsin System.

• **40.05(4)(bp)3.c of the statutes is repealed:**

40.05(4)(bp)3.c—

c. That the institution regularly reports on the operation of its sick leave accounting system to the board of regents of the University of Wisconsin System.

• **111.815(1) of the statutes is amended to read:**

111.815(1) In the furtherance of this subchapter, the state shall be considered as a single employer and employment relations policies and practices throughout the state service shall be as consistent as practicable. The office shall negotiate and administer collective bargaining agreements except that the department of health services, subject to the approval of the federal centers for medicare and medicaid services to use collective bargaining as the method of setting rates for reimbursement of home care providers, shall negotiate and administer collective bargaining agreements entered into with the collective bargaining unit specified in s. 111.825 (2g), and the Board of Regents of the University of Wisconsin System shall negotiate and administer collective bargaining agreements entered into with the collective bargaining units specified in s. 111.825(1n), (2)(a), (2)(b), (2)(c), (2)(g), (2)(h) and (2)(i). To coordinate the employer position in the negotiation of agreements, the office, or the department of health services with regard to collective bargaining agreements entered into with the collective bargaining unit specified in s. 111.825 (2g), or the Board of Regents with regard to collective bargaining agreements entered into with the collective bargaining units specified in s. 111.825(1n), (2)(a), (2)(b), (2)(c), (2)(g), (2)(h) and (2)(i), shall maintain close liaison with the legislature relative to the negotiation of agreements and the fiscal ramifications of those agreements. Except with respect to the collective bargaining units specified in s. 111.825 (1m), (1n), (2)(a), (2)(b), (2)(c), (2)(f), (2)(g), (2)(h), (2)(i), and (2g), the office is responsible for the employer functions of the executive branch under this subchapter, and shall coordinate its collective bargaining activities with operating state agencies on matters of agency
concern. The legislative branch shall act upon those portions of tentative agreements negotiated by the office that require legislative action. With respect to the collective bargaining units specified in s. 111.825 (1m), the University of Wisconsin Hospitals and Clinics Board is responsible for the employer functions under this subchapter. With respect to the collective bargaining unit specified in s. 111.825 (2) (f), the governing board of the charter school established by contract under s.118.40 (2r) (cm) is responsible for the employer functions under this subchapter. With respect to the collective bargaining unit specified in s. 111.825 (2g), the department of health services is responsible for the employer functions of the executive branch under this subchapter. With respect to the collective bargaining units specified in s. 111.825 (1n), (2)(a), (2)(b), (2)(c), (2)(g), (2)(h) and (2)(i), the Board of Regents of the University of Wisconsin System is responsible for the employer functions under this subchapter.

- **111.815(2) of the statutes is amended to read:**

  111.815(2) In the furtherance of the policy under s. 111.80(4), the director of the office shall, together with the appointing authorities or their representatives, represent the state in its responsibility as an employer under this subchapter except with respect to negotiations in the collective bargaining units specified in s. 111.825 (1m), (1n), (2)(a), (2)(b), (2)(c), (2)(f), (2g), (2)(h) and (2)(i). The director of the office shall establish and maintain, wherever practicable, consistent employment relations policies and practices throughout the state service.

- **111.825(1n) of the statutes is created to read:**

  Collective bargaining units for employees in the classified service of the state who are employed by the Board of Regents of the University of Wisconsin System are structured with one collective bargaining unit for each of the following occupational groups:
  
  (a) Administrative support.
  (b) Blue collar and nonbuilding trades.
  (c) Building trades crafts.
  (cm) Law enforcement.
  (d) Security and public safety.
  (e) Technical.
  (f) Professional:
  1. Fiscal and staff services.
  2. Research, statistics and analysis.
  3. Patient care.
  4. Education.
  5. Engineering.

- **111.92(1)(d) of the statutes is created to read:**

  Any tentative agreement reached between the Board of Regents of the University of Wisconsin System, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825(1n), (2)(a), (2)(b), (2)(c), (2)(g), (2)(h) and (2)(i) shall, after official ratification by the labor organization, be executed by the parties.

- **230.03(5) of the statutes is created to read:**

  “Board” means the Board of Regents of the University of Wisconsin System.

- **230.04(1n) of the statutes is created to read:**

  The Board shall have authority for all of the functions set forth in this chapter pertaining to the administration of the civil service system for University of Wisconsin System employees, including the authority to establish specific classifications. Notwithstanding s. 230.12, the Board shall have the authority to establish a compensation plan for all University of Wisconsin System employees subject to this chapter who are not covered by a collective bargaining agreement and to establish a compensation plan to cover subjects not covered by collective bargaining agreements for represented classified employees. The compensation plan developed by the Board shall be subject to the amounts appropriated to the Board under s. 20.285(1)(a). The compensation plan will not require further approval by the joint committee on employment relations or the Legislature beyond the approval of the appropriation under s. 20.285(1)(a).

- **230.12(3)(e) of the statutes is amended to read:**

  230.12(3)(e) University of Wisconsin System senior executives, faculty, and academic staff employees; Wisconsin Technical College System senior executives. 1. The director, after receiving recommendations from the board of regents, shall submit to the joint committee on employment relations a proposal for adjusting compensation and employee benefits for employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d) who are not included in a collective bargaining unit under subch. V or VI of ch. 111 for which a representative is certified. The proposal shall include the salary ranges and adjustments to the salary ranges for the university senior executive salary groups 1 and 2 established under s. 20.923 (4g). The proposal shall be based upon the competitive ability of the board of regents to recruit and retain qualified faculty and academic staff, data collected...
as to rates of pay for comparable work in other public services, universities and commercial and industrial establishments, recommendations of the board of regents and any special studies carried on as to the need for any changes in compensation and employee benefits to cover each year of the biennium. The proposal shall also take proper account of prevailing pay rates, costs and standards of living and the state's employment policies. The proposal for such pay adjustments may contain recommendations for across-the-board pay adjustments, merit or other adjustments and employee benefit improvements. Paragraph (b) and sub. (1) (bf) shall apply to the process for approval of all pay adjustments for such employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d). The proposal as approved by the joint committee on employment relations and the governor shall be based upon a percentage of the budgeted salary base for such employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d). The amount included in the proposal for merit and adjustments other than across-the-board pay adjustments is available for discretionary use by the board of regents.

CAPITAL PLANNING AND CONSTRUCTION

UW campuses face many state capital planning and construction restrictions and oversight mechanisms that significantly increase the time it takes to complete a construction project and the projects overall cost. These project costs could be reduced significantly by streamlining the planning, design, and approval processes, and by placing the responsibility and accountability closer to the users – typically those who are also paying for the project.

Under the Wisconsin Idea Partnership, the Legislature would continue to enumerate all projects over $500,000 funded with General Fund Supported Borrowing (GFSB) or Program Revenue Supported Borrowing (PRSB). The State Building Commission would continue to approve all projects over $500,000 regardless of source of funds. The Board of Regents would have authority to undertake projects under $500,000 funded entirely from sources other than GPR and GFSB without legislative enumeration or Building Commission approval. The Division of State Facilities (DSF) would have control of and manage all projects funded with GPR or GFSB. The Board of Regents would have authority to undertake and oversee the management of projects funded entirely from sources other than GPR and GFSB such as program revenue and gifts and grants.

UW campuses could manage all aspects of non-GPR, non-GFSB projects, including hiring architects and engineering consultants, bidding, contracting and project supervision. The Board and campuses would be responsible for funding overhead costs, and the DSF would continue to be able to charge a management fee on GPR and GFSB projects.
The Board would be able to accept gifts of land or other real property or to allow privately owned or operated facilities to be constructed on University land. The Board will have independent authority to lease off-campus space and to purchase and sell real property.

These capital project flexibilities would be accomplished by amending Wisconsin Statutes as follows:

- **13.48(2)(b)(1m) of the statutes is repealed:**

  13.48 (2)(b)(1m) The University of Wisconsin System may not accept any gift, grant or bequest of real property with a value in excess of $30,000 or any gift, grant or bequest of a building or structure that is constructed for the benefit of the system or any institution thereof without the approval of the building commission.

- **13.48 (4) of the statutes is amended to read:**

  13.48 (4) State Agencies to Report Proposed Projects. Each state agency contemplating a project under this program shall report its proposed projects to the building commission. The report shall be made on such date and in such manner as the building commission prescribes. This subsection does not apply to projects identified in sub. (10) (c).

- **13.48 (10) (a) of the statutes is amended to read:**

  13.48 (10) (a) No state board, agency, officer, department, commission or body corporate may enter into a contract for the construction, reconstruction, remodeling or addition to any building, structure, or facility, in connection with any building project which involves a cost in excess of $150,000 without completion of final plans and arrangement for supervision of construction and prior approval by the building commission. The building commission may not approve a contract for the construction, reconstruction, renovation or remodeling of or an addition to a state building as defined in s. 44.51 (2) unless it determines that s. 44.57 has been complied with or does not apply. This section applies to the department of transportation only in respect to buildings, structures, and facilities to be used for administrative or operating functions, including buildings, land, and equipment to be used for the motor vehicle emission inspection and maintenance program under s. 110.20.
• 13.48 (10) (c) of the statutes is created to read:

13.48 (10) (c) Paragraph (a) does not apply to any contract for a building project involving a cost of not more than $500,000 to be constructed for the Board of Regents of the University of Wisconsin System that is funded entirely from sources other than general purpose revenue or general fund supported borrowing.

• 13.48 (12) (b) 6. of the statutes is created to read:

13.48 (12) (b) 6. A facility constructed by or for the Board of Regents of the University of Wisconsin System.

• 13.48 (29) of the statutes is amended to read:

13.48 (29) Small projects. Except as otherwise required under s. 16.855 (10m), the building commission may prescribe simplified policies and procedures to be used in lieu of the procedures provided in s. 16.855 for any project that does not require prior approval of the building commission under sub. (10) (a), except projects specified in sub. (10) (c).

• 16.004 (8) (am) of the statutes is amended to read:

16.004 (8) (am) The secretary shall maintain a system of rental policies for state-owned housing administered by all agencies other than the Board of Regents of the University of Wisconsin System, and shall periodically review the system for possible changes. Whenever the secretary proposes to change rental policies other than rental rates, the secretary shall submit a report relating to the system to the joint committee on finance. The report shall include any changes in rental policies recommended by the secretary.

• 16.85 (1) of the statutes is amended to read:

16.85 (1) To take charge of and supervise all engineering or architectural services or construction work, as defined in s. 16.87, performed by, or for, the state, or any department, board, institution, commission, or officer of the state, including nonprofit-sharing corporations organized for the purpose of assisting the state in the construction and acquisition of new buildings or improvements and additions to existing buildings as contemplated under ss. 13.488, 36.09, and 36.11, except work to be performed for the Board of Regents of the University of Wisconsin System with respect to a building, structure, or facility that is funded entirely from sources other than general purpose revenue or general fund supported borrowing; the engineering, architectural, and construction work of the department of transportation; and the engineering service
performed by the department of commerce, safety and professional services, department of revenue, public service commission, department of health services, and other departments, boards, and commissions when the service is not related to the maintenance, and construction and planning, of the physical properties of the state. The department may not authorize construction work for any state office facility in the city of Madison after May 11, 1990, unless the department first provides suitable space for a child care center primarily for use by children of state employees.

- **16.85 (12) of the statutes is amended to read:**

16.85 (12) To review and approve plans and specifications for any building or structure that is constructed for the benefit of the University of Wisconsin System or any institution thereof, and to periodically review the progress of any such building or structure during construction to assure compliance with the approved plans and specifications. This subsection does not apply to any building, structure, or facility that is constructed, remodeled, repaired, renewed, or expanded for the Board of Regents of the University of Wisconsin System if the project is funded entirely from sources other than general purpose revenue or general fund supported borrowing.

- **16.855 (22) of the statutes is amended to read:**

16.855 (22) The provisions of this section, except sub. (10m), do not apply to construction work for any project that does not require the prior approval of the building commission under s. 13.48 (10) (a) if the project is constructed in accordance with policies and procedures prescribed by the building commission under s. 13.48 (29). The provisions of this section do not apply to construction work for any project by or for the Board of Regents of the University of Wisconsin System that is funded entirely from sources other than general purpose revenue or general fund supported borrowing. The Board shall adopt policies to require public and competitive bidding and Minority Business Enterprise and veterans hiring goals for these projects. If the estimated construction cost of any project, other than a University of Wisconsin System project that is exempted under this subsection, is at least $40,000, and the building commission elects to utilize the procedures prescribed under s. 13.48 (29) to construct the project, the department shall provide adequate public notice of the project and the procedures to be utilized to construct the project on a publicly accessible computer site.

- **16.87(5) of the statutes is created to read:**

16.87(5) This subsection does not apply to any project for the Board of Regents of the University of Wisconsin System that is funded entirely from sources other than general
purpose revenue or general fund supported borrowing.

• **16.89 of the statutes is amended to read:**

16.89 Construction and services controlled by this chapter. No department, independent agency, constitutional office or agent of the state shall employ engineering, architectural or allied services or expend money for construction purposes on behalf of the state, except as provided in this chapter. The Board of Regents of the University of Wisconsin System shall not employ engineering, architectural, or allied services or expend money for construction purposes, except as provided in this chapter. The Board of Regents may employ services and expend money for any project that is financed entirely from sources other than general purpose revenue or general fund supported borrowing. The Board shall delegate authority to UW-Madison to employ services and expend money for construction purposes. The Board may delegate this authority to other UW System institutions.

• **36.11(1)(b) of the statutes is amended to read:**

36.11(1)(b) Except as provided in this paragraph, the board may purchase, have custody of, hold, control, possess, lease, grant easements and enjoy any lands, buildings, books, records and all other property of any nature which may be necessary and required for the purposes, objects and uses of the system authorized by law. Any lease is subject to the powers of the University of Wisconsin Hospitals and Clinics Authority under s. 233.03 (13) and the rights of the authority under any lease agreement, as defined in s. 233.01 (6). The board shall not permit a facility that would be privately owned or operated to be constructed on state-owned land without obtaining prior approval of the building commission under s. 13.48 (12). The board may sell or dispose of such property as provided by law, or any part thereof when in its judgment it is for the best interests of the system and the state. All purchases and sales of real property shall be subject to the approval of the building commission. The provision of all leases of real property to be occupied by the board shall be the responsibility of the board, department of administration under s. 16.84 (5).

• **36.29(6) of the statutes is repealed:**

36.29(6) The board may not accept any gift, grant or bequest of real property with a value in excess of $30,000 except as provided in s. 13.48 (2) (b) 1m.

Draft 3/30/2011
• 36.29(7) of the statutes is repealed:

36.29(7)
(7) The board may not accept any gift, grant or bequest of a building or structure that is constructed for the benefit of the system or any institution unless acceptance is first approved by the building commission, or unless the plans and specifications for the building or structure are reviewed and approved by the department of administration and the building or structure is inspected as provided in s. 16.85 (12).

• 36.33(2) (a) of the statutes is repealed:

36.33(2)(a)
(2) Method of sale; assessments. (a) The board, in selling or leasing any part of the agricultural lands and improvements thereon, mentioned in sub. (1), shall sell or lease on the basis of either of the following:
1. Public bids, with the board reserving the right to reject any or all bids in the best interest of the state.
2. Negotiated prices.

• 36.33(2) (b) of the statutes is repealed:

36.33(2)(b)
(b) Notwithstanding any provisions of law to the contrary, the lands in Dane County mentioned in sub. (1) shall be subject to special assessments for public improvements by the city of Madison, in the same manner and to the same extent as privately owned lands, if the public improvements are of direct and substantial benefit to the lands that have been platted for sale.

• 36.33(3) of the statutes is repealed:

36.33(3)
(3) Building commission approval. The sale, lease and purchase of agricultural lands mentioned in sub. (1) shall be subject to the approval of the building commission.

• 36.33(4) of the statutes is amended to read:

36.33(4)
(4) Proceeds. The net proceeds from the sale of agricultural lands and improvements authorized by this section shall be devoted to the purchase of land and construction of improvements contemplated in sub. (1), but of any excess of revenue beyond the amount
required for this purpose a sum not to exceed $7,200,000 shall constitute a nonlapsible fund for the purpose of erecting facilities for research and instruction in animal husbandry, agricultural engineering and agricultural and life sciences at the University of Wisconsin-Madison, and such funds shall become available upon consent and recommendation of the board and authorization by the building commission.

- 36.33(5) of the statutes is repealed:

36.33(5)
(5) Local taxes. The lands mentioned in sub. (1) which are located in the city of Madison shall be subject to all general property taxes levied by the city of Madison in the event that they are used for commercial purposes. "Commercial purposes" does not include official use by the state or any of its agencies.

FINANCIAL MANAGEMENT

Under current law, UW campuses cannot manage their own finances and investments. The state invests all revenues, and UW campuses are credited for interest earnings on certain funds. The state keeps investment earnings on most program revenue funds, while statutes restrict the UW to managing and investing only gifts and trust funds.

The Wisconsin Idea Partnership would allow the Board of Regents to oversee revenue and interest earnings on program revenue funds (tuition, auxiliaries operations, and other revenues earned through program revenue operations). In order to preserve the state’s cash flow capabilities, program revenue funds would be required to be placed in the local government fund, but the Board would retain interest earnings from those funds. Additionally, the Board would gain authority to invest any and all surplus funds, and retain interest earnings on those funds. Statutory limitations on income accumulation in funds holding specific gifts, grants and bequests would be removed. Statutory limitations on application fees would be removed. Finally, the Board would be able to determine the percentage of trust funds that may be held in common stocks.

This management and investment authority would be accomplished by amending Wisconsin Statutes as follows:
• Section 16.54(8r) of the statutes is amended to read:

16.54(8r)
(8r)
16.54(8r)(a)
(a) Whenever the federal government makes available moneys for instruction, extension, special projects or emergency employment opportunities, the board of regents of the University of Wisconsin System may accept the moneys on behalf of the state. The board of regents shall, in the administration of the expenditure of such moneys, comply with the requirements of the act of congress making the moneys available and with the regulations prescribed by the federal government or the federal agency administering the act, insofar as the act or regulations are consistent with state law. The board of regents may submit any plan, budget, application or proposal required by the federal agency as a precondition to receipt of the moneys. The board of regents may, consistent with state law, perform any act required by the act of congress or the federal agency to carry out the purpose of the act of congress. The board of regents shall deposit all moneys received under this paragraph in the appropriation account under s. 20.285(1m).

• 19.32(1)(w) of the statutes is created to read:

19.32(1)(w) “Public institution of higher education” means an institution within the University of Wisconsin System, or a technical college.

• 19.36(14) of the statutes is created to read:

19.36(14) Any authority may withhold from access under s. 19.35(1) information in a record that is produced or collected by or for the faculty or staff of a public institution of higher education in the conduct of, or as a result of, study or research on a commercial, scientific, or technical subject, whether sponsored by the institution alone or in conjunction with an authority or a private person, until that information is publicly disseminated or patented.

• 25.50(1)(d) of the statutes is amended to read:

25.50 (1) (d) “Local government” means any county, town, village, city, power district, sewerage district, drainage district, town sanitary district, public inland lake protection and rehabilitation district, local professional baseball park district created under subch. III of ch. 229, long–term care district under s. 46.2895, local professional football stadium district created under subch. IV of ch. 229, local cultural arts district created under subch. V of ch. 229, public library system, school district or technical college district in this
state, any commission, committee, board or officer of any governmental subdivision of this state, any court of this state, other than the court of appeals or the supreme court, the Board of Regents of the UW System or any authority created under s. 114.61, 149.41, 231.02, 233.02 or 234.02.

- **25.50 (3m) of the statutes is created to read:**

  25.50 (3m) Notwithstanding sub. (3) (a), each day, the Board of Regents of the University of Wisconsin System shall transfer to the state treasurer for deposit into the fund the collected net cash balance from all sources except gifts, grants, and donations.

- **36.11(3) (d) of the statutes is repealed:**

  36.11(3) (d)1.  
  1. Except as provided in subd. 2., the board shall require that a $44 fee accompany each application for admittance from persons seeking admittance to any school within the system as new freshmen or as transfer students from outside the system. The board may exempt from the fee under this subdivision, on the basis of financial need, a maximum of 5% of the applications in any school year. The board shall ensure that no less than $9 of the fee is used for admission application expenses.

  36.11(3) (d)2.  
  2. The board shall require that a $56 fee accompany each application for admittance to a graduate school, law school or medical school within the system. The board shall ensure that no less than $11 of the fee is used for admission application expenses.

  36.11(3) (d)3.  
  3. Of the fee received with each application under subds. 1. and 2., the board shall provide $3 for the support of the higher education location program under s. 36.25 (36).

- **36.11(11) of the statutes is amended to read:**

  36.11(11)  
  (11) Surplus Money. The board may invest any of the surplus money designated in s. 29.285(1)(h) in such securities as are legal for trust fund investments; or invest such funds or any part thereof, in the senior or junior bonds or obligations that may be issued by such nonprofit−sharing corporation as may be contracted with by the board for the construction or equipment of dormitories, commons, or field houses, which bonds or obligations shall be secured by a mortgage or pledge of the buildings or improvements erected or to be erected by such corporations and by a mortgage or pledge of its leasehold
interest. Any interest on any of such bonds or securities shall when received be added to the revolving funds and may be used for the purposes set forth in this subsection.

- **36.29(1) of the statutes is amended to read:**

36.29 Gifts; golf course.
36.29(1) (1) All gifts, grants, and bequests for the benefit or advantage of the system or any of its institutions, departments, or facilities or to provide any means of instruction, illustration, or knowledge in connection therewith, whether made to trustees or otherwise, shall be valid notwithstanding any other provision of this chapter except as otherwise provided in this subsection and shall be executed and enforced according to the provisions of the instrument making the same, including all provisions and directions in any such instrument for accumulation of the income of any fund or rents and profits of any real estate without being subject to the limitations and restrictions provided by law in other cases, but no such income accumulation shall be allowed to produce a fund more than 20 times as great as that originally given. No investment of the funds of such gifts, grants, or bequests shall knowingly be made in any company, corporation, subsidiary, or affiliate that practices or condones through its actions discrimination on the basis of race, religion, color, creed, or sex. Except as otherwise provided in this section, the board may invest not to exceed 85% of trust funds held and administered by the board in common stocks. This subsection does not apply to a gift, grant, or bequest that the board declines to accept or that the board is not authorized to accept under this section.

- **227.01(1) of the statutes is amended to read:**

227.01(1) (1) "Agency" means a board, commission, committee, department or officer in the state government, except the governor, a district attorney or a military or judicial officer, and in subch. II includes the Board of Regents of the University of Wisconsin System with respect to rules promulgated under s. 36.11(1)(a), (c), and (cm) and (8).

**PROCUREMENT**

All University of Wisconsin System campuses must adhere to strict laws and regulations that govern the procurement of goods and services. These laws apply uniformly to all state agencies, ignoring the specialized needs of UW campuses and prohibiting the use of other purchasing tools that could enhance UW operations and reduce costs.
Except as specifically delegated, under the Wisconsin Idea Partnership, the Department of Administration would continue to have primary oversight over procurement. The Board of Regents would be delegated the authority to enter into contracts for specialized, university-related materials, supplies, equipment and services. This authority would be further delegated to UW campuses and UW-Extension. The Board of Regents would be authorized to enter into consortium purchasing agreements with other higher education institutions and UW campuses could purchase from any vendor included in those purchasing agreements. Additionally, the UW campuses would manage their vehicle fleets and travel arrangements. The Board of Regents would also have the opportunity to manage its own worker’s compensation program and insurance contracts provided a six month notice of such intent was provided to DOA.

This enhanced procurement authority would be accomplished by amending Wisconsin Statutes, as follows:

- **16.04(1) of the statutes is amended to read:**

  16.04(1) The department shall ensure optimum efficiency and economy in the fleet management and maintenance activities of all agencies, as defined in s. 16.52(7), other than the Board of Regents of the University of Wisconsin System. The department may:

- **16.045(1)(a) of the statutes is amended to read:**

  16.045(1)(a) “Agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 52, 231, 232, 233, 234, 235, 237, 238, or 279, or the Board of Regents of the University of Wisconsin System.

- **16.528 (1)(a) of the statutes is amended to read:**

  16.528 (1)(a) “Agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including the Board of Regents of the University of Wisconsin System or an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 52, 231, 233, 234, 237, 238, or 279.
• 16.53 (2) of the statutes is amended to read:

16.53 (2) Improper Invoices. If an agency receives an improperly completed invoice, the agency shall notify the sender of the invoice within 10 working days after it receives the invoice of the reason it is improperly completed. In this subsection, “agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including the Board of Regents of the University of Wisconsin System or an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 52, 231, 233, 234, 237, 238, or 279.

• 16.705(1r)(e) of the statutes is created to read:

16.705(1r)(e) Contractual services purchased by the Board of Regents with moneys other than moneys appropriated under s. 20.280 (1)(a) to (s).

• 16.71(4) of the statutes is created to read:

16.71(4) The department shall delegate to the Board of Regents of the University of Wisconsin System the authority to enter into contracts for materials, supplies, equipment, or services that relate to higher education and that agencies other than the University of Wisconsin System do not commonly purchase.

• 16.73(4m) of the statutes is created to read:

16.73(4m) The Board of Regents of the University of Wisconsin System may enter into agreements with higher education institutions, groups, or consortia under which any of the parties may agree to participate in, administer, sponsor, or conduct purchasing of materials, supplies, equipment, permanent personal property, miscellaneous capital, or contractual services. The institutions of the University of Wisconsin System may purchase from any vendor selected as a result of such purchasing agreements.

• 16.865(4) of the statutes is amended to read:

16.865(4) Except as provided in sub. (10), manage the state employees’ worker’s compensation program and the statewide self-funded programs to protect the state from losses of and damage to state property and liability.
• **16.865(5) of the statutes is amended to read:**

  16.865(5) *Except as provided in sub. (10),* arrange appropriate insurance contracts for the transfer of risk of loss on the part of the state or its employees, to the extent such loss cannot reasonably be assumed by the individual agencies or the self-funded programs. The placement of insurance may be by private negotiation rather than competitive bid, if such insurance has a restricted number of interested carriers. The department shall approve all insurance purchases.

• **16.865(8) of the statutes, as affected by 2011 Wisconsin Act 7, is amended to read:**

  16.865(8) Annually, *except as provided in sub. (10),* in each fiscal year, allocate as a charge to each agency a proportionate share of the estimated costs attributable to programs administered by the agency to be paid from the appropriation under s. 20.505 (2) (k). The department may charge premiums to agencies to finance costs under this subsection and pay the costs from the appropriation on an actual basis. The department shall deposit all collections under this subsection in the appropriation account under s. 20.505 (2) (k). Costs assessed under this subsection may include judgments, investigative and adjustment fees, data processing and staff support costs, program administration costs, litigation costs, and the cost of insurance contracts under sub. (5). In this subsection, “agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 52, 231, 232, 233, 234, 235, 237, 238, or 279.

• **16.865(10) of the statutes is created to read:**

  16.865(10) This section does not apply to the Board of Regents of the University of Wisconsin for any fiscal year if the Board, no later than December 31 preceding the beginning of that fiscal year, provides written notice to the department that it has elected not to be governed by this section. Any notice of nonelection applies to all subsequent fiscal years unless the Board, no later than December 31 preceding the beginning of a fiscal year, provides written notice to the department that it has elected to be governed by this section. Any notice of election applies to all subsequent fiscal years unless the Board again provides timely notice of nonelection.
• **20.916(8) of the statutes is amended to read:**

20.916(8)
Uniform Travel Schedule Amounts: Allowances. (a) The director of the office of state employment relations shall recommend to the joint committee on employment relations uniform travel schedule amounts for travel by state officers and employees whose compensation is established under s. 20.923 or 230.12 other than employees of the University of Wisconsin System.