

Email from UW-Green Bay Chancellor Thomas Harden —

From: Harden, Thomas

Sent: Friday, April 26, 2013 4:08 PM

Subject: Revenue Balance Update 4-26-13

Dear Colleagues,

I'd like to share another brief update on the UW System fund balance issue and its relationship to UW-Green Bay.

This morning I traveled to Appleton with two of our University officers for a meeting with local leaders, seven Northeastern Wisconsin legislators, and community representatives of key University constituencies (nine members of our Founders Board and three Trustees made the trip). UW-Oshkosh and UW-Fox Valley were also represented by leadership and advocates.

Regent Tim Higgins of Appleton hosted and moderated the discussion, which was reasoned and measured. It was a chance to have a candid discussion and describe the reality of fiscal management at our respective institutions. UW-Oshkosh Chancellor Richard Wells and I spoke, as did the legislators, before the meeting was opened up for wider discussion and questions and answers. The community and business people who were present seemed to appreciate the need for appropriate cash carryovers at an institution such as UW-Green Bay, and I believe most of the legislators understand that, as well.

I described UW-Green Bay's balances as modest, and they are. The statewide audit released late last week — setting our total at about \$18 million at the close of FY'12 — was correct. And, once we back out gifts and grants and restricted revenue from auxiliaries, program revenue and the like, and we apply those balances to ongoing obligations central to our service to students and community... our balances are modest and very defensible.

Our FY'12 tuition-fund balance at UW-Green Bay, \$4.3 million, is within industry standards. What's more, when you account for charges including unfunded mandates, the required lapse to the state we absorbed early in the fiscal year, and a prudent contingency fund should we undershoot our summer and fall enrollment targets even a little, that cash balance dips sharply. The most accurate figure for our tuition reserve fund is \$636,128. That is a 1.2 percent reserve as a percentage of state allocations and tuition.

I am confident we are doing things the right way at UW-Green Bay and pleased that many at this morning's meeting seemed to agree. We will continue to engage our most influential advocates to make that point more evident.

The Governor's budget proposal included \$181 million in additional funding for the UW System, only part of which is "new money." You have probably seen the news reports that this commitment may now be in jeopardy. It is important we all have the facts, so I will provide more on this new development when we have reliable information.

Thank you for your support and continued interest in UW-Green Bay and its future.

Tom Harden

Chancellor

