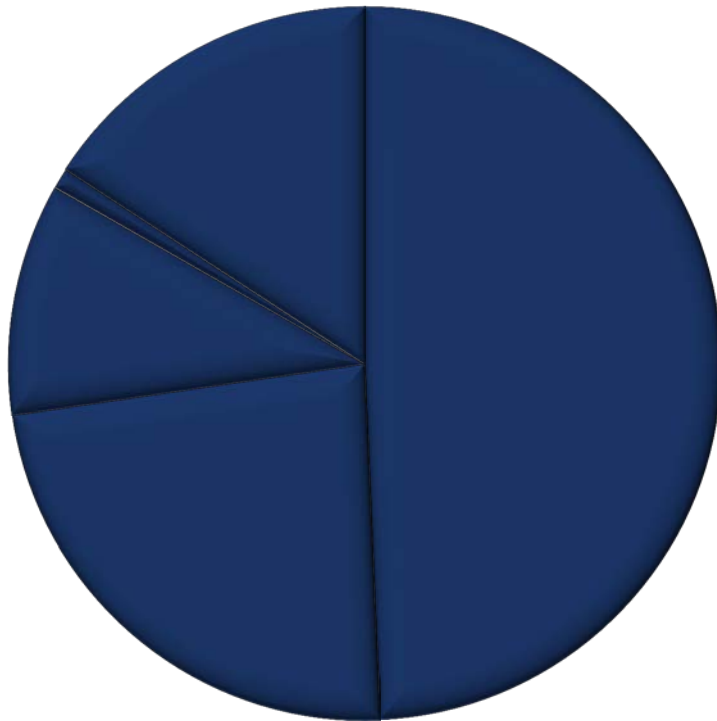




ECONOMIC DEVELOPMENT INCENTIVE GRANT FUND

April 4, 2013 - Board of Regents Meeting

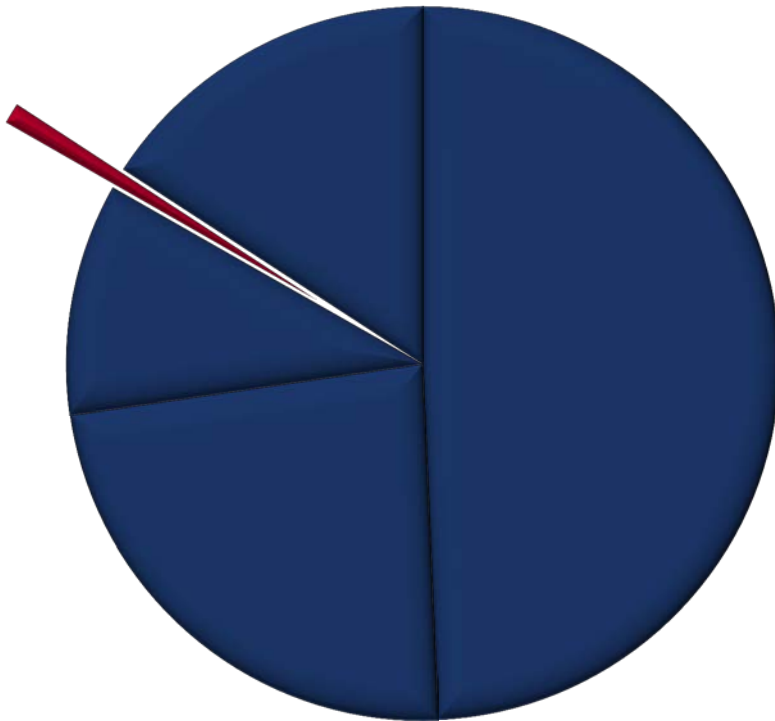
2013-15 Biennial Budget



**Governor's
Recommended
Budget**

\$181.4 Million

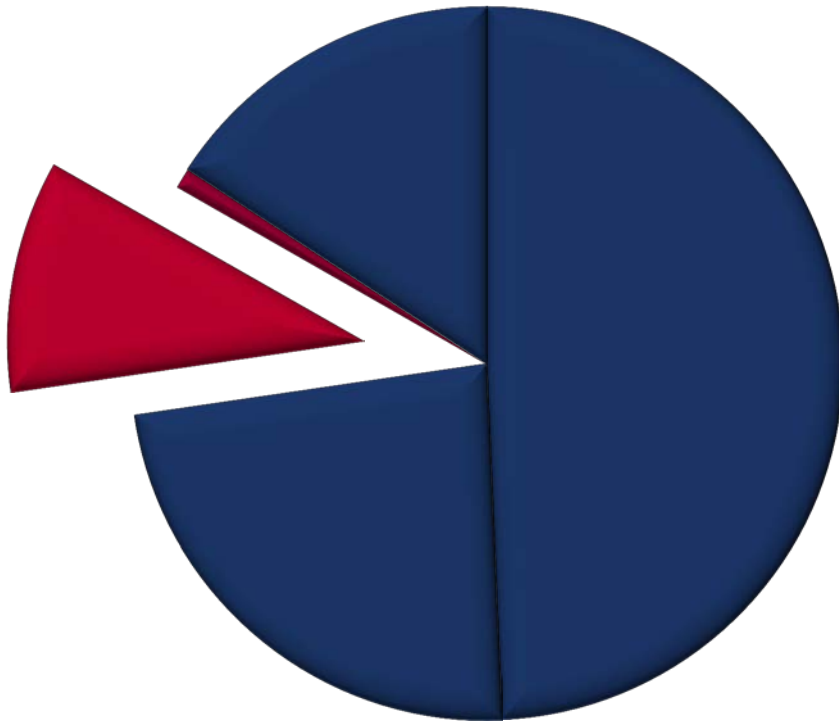
2013-15 Biennial Budget



**Lease and
Directed Moves**

\$1.7 Million

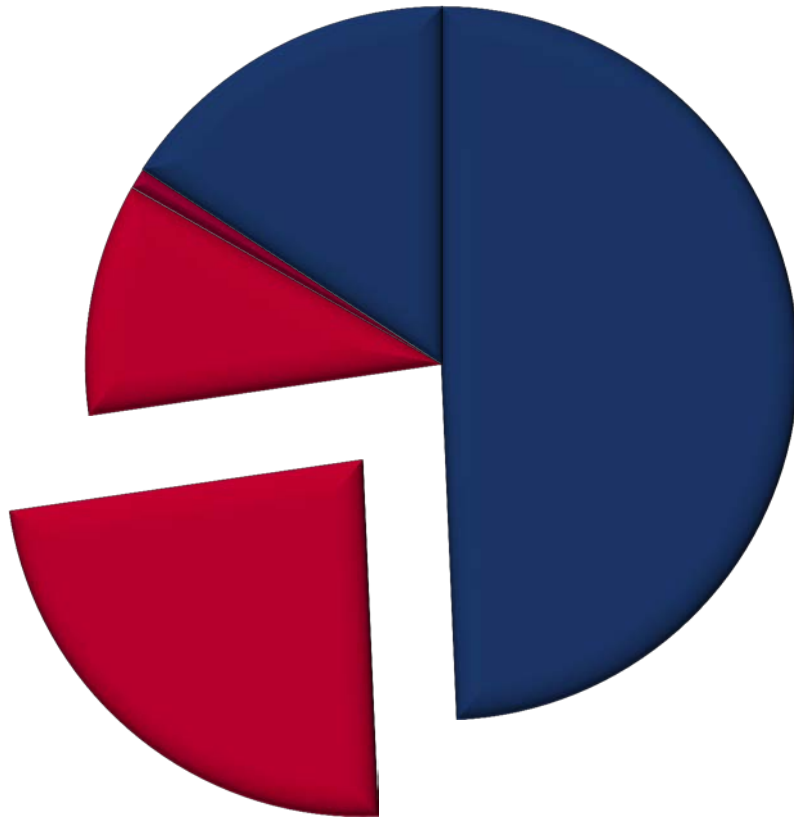
2013-15 Biennial Budget



Cost to Continue

\$19.1 Million

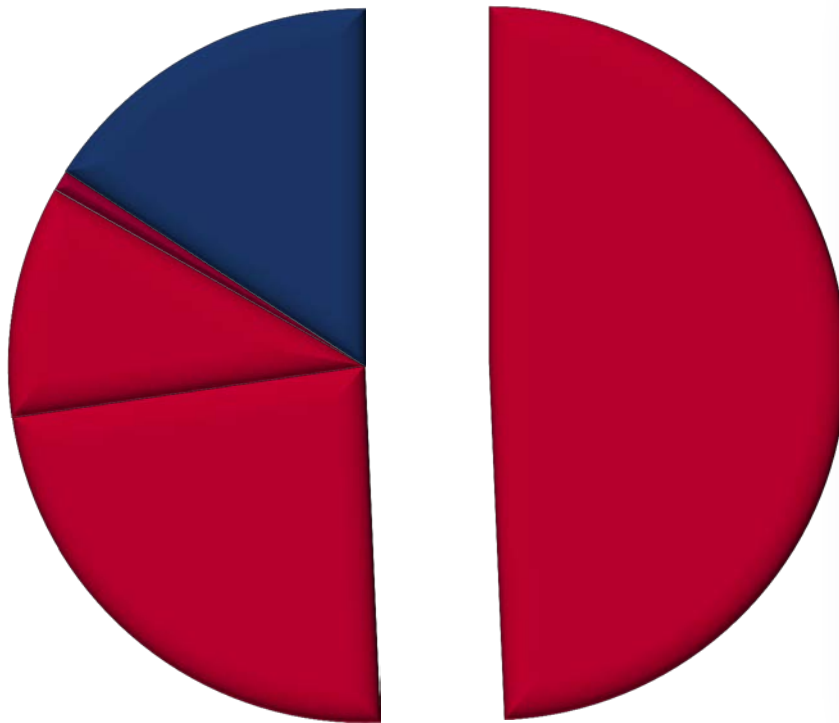
2013-15 Biennial Budget



**Debt Service
Reestimate**

\$42.4 Million

2013-15 Biennial Budget

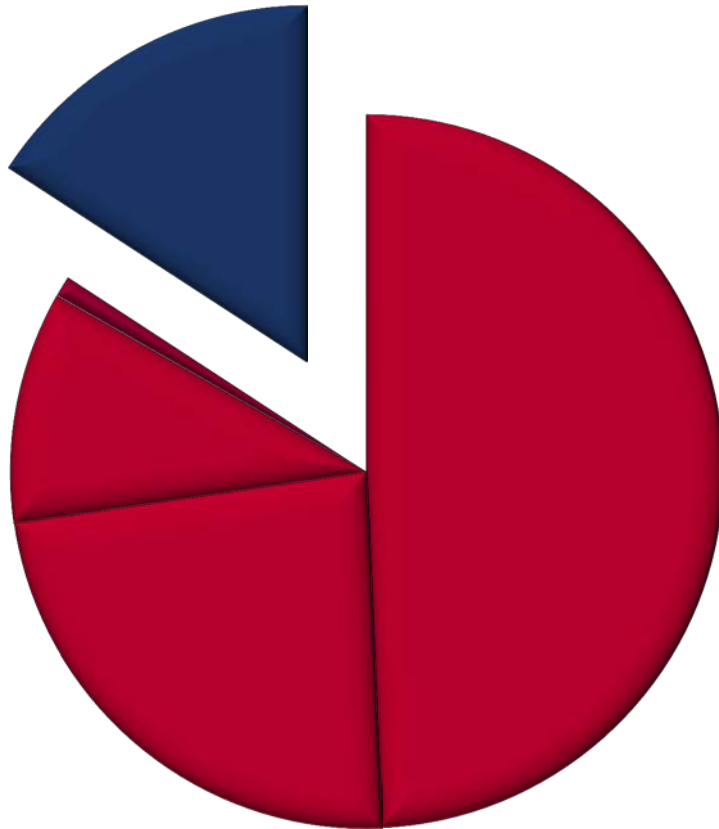


Compensation Reserve

Any pay plan and fringe benefits for FY13, FY14, and FY15

\$89.4 Million

2013-15 Biennial Budget



New Initiatives

WARM/TRIUMPH
Carbone Funding
Flexible Option
Incentive Grants

\$28.7 Million

Outline of Discussion

- **Overview of Economic Development Incentive Grant Program**
 - Funding
 - Eligible Activities
 - Approval Process & Plan Development
 - Reporting Requirements
- **Assembling a Workgroup**
- **Addressing WEDC Industry Cluster Needs**
- **Matching UW Institution Proposals with Eligible Activities**

Overview of the Economic Development Incentive Grant Program

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Incentive Grant Funding

- \$20 million biennially in new GPR appropriations
 - \$10 million annually
- Awards are not base building

Eligible Programs

- Economic Development Programs
- Development of an educated and skilled workforce
- Improving the affordability of postsecondary education

Reporting Requirements

- Annual report from the Board of Regents to the DOA secretary
 - Report includes program goals, results, and budget information by grant recipient
 - Report also includes systemwide summary of this information

Taking a Closer Look at Eligible Activities...

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Economic Development

Encourage growth & establishment of businesses in WI

Includes creating and retaining jobs

Programs must provide financial assistance, tax benefits, or direct services

Development of an Educated & Skilled Workforce

Increasing # of degrees in high-demand fields

Increasing internship & Co-op opportunities to students

Increasing or enhancing research and development

Improving Postsecondary Education Affordability

Reducing time to obtain a degree for resident undergraduate students

Increasing opportunities for high school students to earn college credit

Improving transfer of credit between higher education institutions

Creating the Economic Development Incentive Grant Plan

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Within 90 days of the budget going into effect, the Board of Regents must submit a plan for approval to the DOA secretary for the Incentive Grant Program.

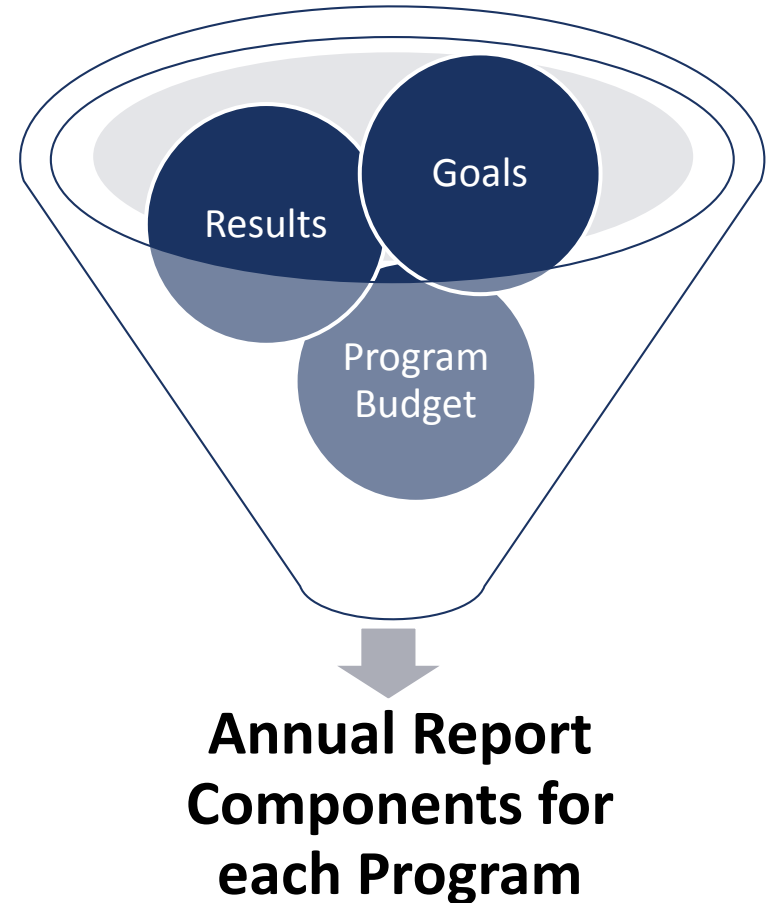
The Plan must include:

- Application procedures and procedures and criteria for awarding grants
- Plan to establish performance goals and accountability measures
- An plan to track and report program results
- An acknowledgement that amounts awarded are not base building

Annual Reporting Requirements

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- Annual report must be submitted to the DOA Secretary from the Board of Regents – No specified date
- The results, goals, and budgets must be reported for each grant recipient



Steps Moving Forward...

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Assembling a Workgroup

- Workgroup will consist of UW System Administration officials & representatives from UW Institutions
- Workgroup will begin discussing and creating the Incentive Grant plan as required by statute

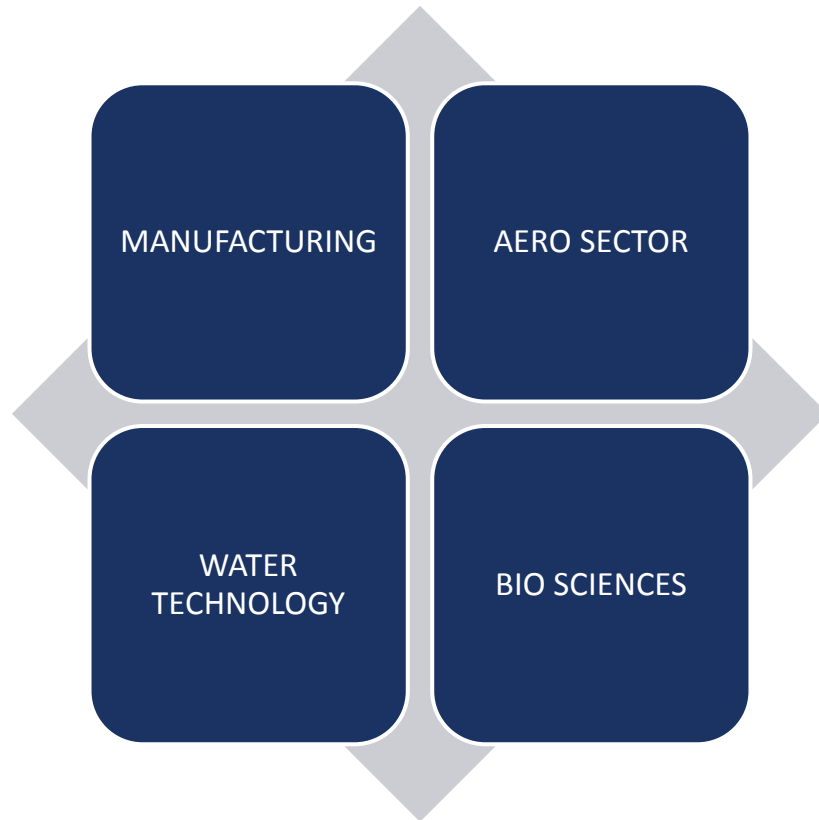
Utilizing UW Institution Proposals

- UW Institutions submitted draft proposals
- Most proposals fit into one or more eligible category
- Proposals will likely need to be revised or updated as the Incentive Grant plan is developed

Addressing WEDC Industry Cluster Needs

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Examples of WEDC Industry Clusters



UW Milwaukee: Water & Energy Initiatives

- Industry Clusters: Water Technology, Manufacturing, & Bio Sciences
- Private Sector Partners: Johnson Controls Inc., Rockwell Automation, AO Smith, & Badger Meter

UW Oshkosh: Business Success Center

- Industry Clusters: Aero Sector & Manufacturing
- Private Sector Partners: Rockford Area AeroSpace Network, Defense Alliance & Advanced Power & Energy Cluster

UW Stout: Project Kick-Start & Scale-Up

- Industry Clusters: Manufacturing, Agriculture & Bio Sciences
- Private Sector Partners: Mensa Systems, Vibetech, & Cool Science

Eligible Grant Activities & UW Institution Proposals

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Economic Development

- UW – La Crosse: Center for Entrepreneurship, Sustainability, & International Trade
- UW – Parkside: Empowering Entrepreneurs and Businesses

Skilled & Educated Workforce

- UW – Milwaukee: Energy & Water Proposals
- UW – Oshkosh & Green Bay: Engineering Technology

Improving Access and/or Affordability

- UW – Madison: Increasing Engineering & Business Graduates
- UW – Colleges: College Options

Some proposals may meet the criteria of more than one eligible category.

Questions and Discussion

