2013-15 Biennial Budget

Freda Harris, Associate Vice President
Board of Regents Meeting
March 7, 2013
Revenue Sources for 2012-13

Total Budget

- Less Federal Funds: $4.06 Billion
- Less Gifts, Grants, Contracts: $3.48 Billion
- Less Auxiliaries, Hospitals, Other: $2.41 Billion
- Less Restricted GPR: $2.19 Billion

Net for Educating Students: $.92 Billion

- GPR: $1.28 Billion
- Tuition
Governor’s Budget Highlights

- UW Budget
- Cost to Continue
- Flexible Block Grant
- New Initiatives
- Program Revenue
- Financial Aid
University of Wisconsin Budget

- No cuts or lapses
- Continued implementation of the Block Grant
- Compensation authority and responsibility
- Expansion of Wisconsin GI Bill benefits
- New credit transfer requirements
- Funding for new programs
University of Wisconsin Budget

New GPR Funding: $181.4 million

- GPR Block Grant: $89.4 million
- GPR Debt Service: $42.4 million
- Cost-to-Continue: $20.8 million
- Incentive Grant: $20 million
- UW Flexible Option: $2 million
- Carbone Cancer Center: $3.75 million
- WARM and TRIUMPH: $3 million

(Biennial Funding)
Cost to Continue

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Flexible Block Grant

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  - **Cost-to-Continue:** $20.8 million
Flexible Block Grant

• State funding for the UW to address Board priorities.
• UW no longer a part of the state Compensation Reserve for fringe benefits and pay increases
• Funding for utilities cost changes
New Initiatives

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Knowledge Powers Wisconsin
• No tuition caps or limits
• Maintains the flexibility provided in the 2011-13 Biennial Budget that gives the Board the authority and responsibility for determining revenues needed for priorities
Budget Trends

• Enrollment
• Support Per Student
• Financial Aid
Trends in Support Per Student

Support Per Student

- $0
- $2,000
- $4,000
- $6,000
- $8,000

1976-77 1994-95 2012-13

State

Graph showing trends in support per student from 1976-77 to 2012-13.
Financial Aid

- No Increases to the Wisconsin Higher Education Grant (WHEG) Program
- Increased funding for the Wisconsin Covenant program
Statutory Language

- Compensation
- Credit Transfer
- Sale of Property
- Internet Consortia
- Wisconsin GI Bill
- Course Options Program
- Charter Schools
- Reporting Requirements
• Authority for the UW System to establish compensation plans for its employees
• Removal of restrictions on salary adjustments
• $50 per month health insurance premium for employees who use tobacco
• All state employees will be offered a high-deductible healthcare plan
• Changes to employing rehired annuitants
Credit Transfer

- UW System and WTCS would be required to establish a core credit transfer agreement.
- No less than 30 credit hours of general undergraduate courses must transfer between institutions.
- Independent and tribal institutions may join the agreement.
Sale of Property

• The budget recommendations enable the sale of state heating plants
• University property would no longer be exempt from sale or lease by the Building Commission and DOA
• UW institutions may continue to participate in research and higher education consortia
• New participation in consortia requires approval from the DOA Secretary
• WiscNet is specifically excluded from eligibility
Wisconsin GI Bill

• A Veteran from any state may qualify for the Wisconsin GI Bill by living in Wisconsin for five consecutive years
• The spouse and children of a disabled veteran may qualify if the veteran lives in Wisconsin for five years
• Removes a 10-year eligibility limit on the spouses of disabled veterans
• Establishes a 2.0 GPA requirement
Course Options Program

- Any student attending a public K-12 institution could take up to two university courses at a time.
- The school board would pay the University the cost of providing the course as determined by the Department of Public Instruction (DPI).
- Interaction with Youth Options and other programs is unclear.
Charter Schools

- UW institutions are no longer permitted to establish or operate a new charter school.
- Institutions may contract with an individual to operate a charter school.
- Statute would no longer require institutions to receive Board approval.
Reporting Requirements

- Biennial inventory of the fair market value of all real property
- Annual report on economic development grant activities (Incentive Grants)
- Annual report on core credit transfer agreements
Next Steps

March
Capital Budget

April
Joint Finance

May
Assembly and Senate

June
Governor’s Vetoes

July
2013-15 Biennial Budget