



# UNIVERSITIES OF WISCONSIN

*THE ROLE OF UW ADMINISTRATION IN  
CHARTING THE PATH TOWARD A MORE  
STABLE FUTURE FOR UW UNIVERSITIES*

Presentation to the UW Board of Regents

December 2024

# SETTING THE STAGE – SUMMARY OVERVIEW OF THE UW UNIVERSITY ASSESSMENTS



The current state review of finances, enrollment, and operations across the Universities of Wisconsin<sup>1</sup> suggests the universities may need to strive to adopt more stringent cost control and revenue growth measures to stabilize their financial health.

## The UW mission is to develop human resources to discover and disseminate knowledge beyond the boundaries of its campuses...



Through a constellation of 13 universities statewide, including R1s, regional comprehensives and a polytechnic university, the Universities of Wisconsin are a vital partner to Wisconsin, **offering accessible education, research, and public service** opportunities in every corner of the state.



With more than 164,000 students enrolled as of Fall 2024, nearly 37,000 degrees conferred annually, and **academic portfolios that are well-aligned to the state and regional workforce**, the 13 UW institutions **fuel the state's talent pipeline** and contribute to the richness of Wisconsin's culture and economy.

## ...but challenges, including declining UG enrollment and increasing expenses, threaten many universities' financial sustainability



**Declining UG enrollment FTE** (-20%<sup>12</sup> from Fall 2011-2023) and a shrinking pool of HS graduates **threaten UW's traditional student base**, while declining UG conferrals and SCH production, coupled with retention challenges, pose additional risk.



Limited state appropriations challenge university budgets while future state budget uncertainty and regulatory complexity add further risk. According to SHEEO, **WI ranks 43<sup>rd</sup> in the nation in public funding per student FTE.**



**UG enrollment declines, growing expenses, a 10-year tuition freeze (until FY24), and expiration of HEERF Aid** have compounded pressure on several universities and contributed to an overall -\$63M<sup>2</sup> UW tuition fund deficit in FY23.

## ...therefore, the universities should continue to make strategic choices to right size operations and continue fulfilling their mission



**Several universities are in the process of implementing institutional realignment plans to align operational expenses with revenues**, while other universities had already proactively taken measures to curb expense growth over the last decade.



To secure the future for the Universities of Wisconsin, it is critical that the Board of Regents **consider what it means to operate as a System and develop a culture that leverages the scale and capabilities that exist across institutions** to enable the Universities of Wisconsin to meet their statewide mission.

# SETTING THE STAGE – PERSISTENT CHALLENGES IDENTIFIED AT UW UNIVERSITIES



The challenges below were identified at multiple universities during the individual university assessments, suggesting an opportunity for UW Administration to play a more active role in guiding the Universities of Wisconsin through this challenging period.

**ENROLLMENT** | Declines in undergraduate enrollment, especially at branch campuses, have created strong revenue pressure, compressing net tuition and auxiliaries. Additionally, a disconnect exists between campus and system enrollment forecasting.

**STUDENT SUCCESS** | A fresh look at student support strategies may be needed as retention rates<sup>2,3</sup> declined across 7 campuses from Fall 2016 to Fall 2022; although retention rates at several campuses have been recovering since COVID, they have yet to return to pre-COVID levels.

**ACADEMIC PROGRAM MANAGEMENT** | While some 4-year degree programs align strongly with demand, as of Fall 2023, there were 194 low-enrolled programs across UW<sup>1,4</sup> out of 646 programs analyzed. Though some universities have existing or emerging policies and processes for program monitoring, they are often not strongly applied, while many campuses lack a formal policy or process.

**TALENT, COMPENSATION, AND BENEFITS** | Nearly all stakeholders noted relatively low salaries as a key challenge to attracting and retaining talent – evidenced by UW faculty being paid on average 16% less than peers at non-UW institutions<sup>3,5</sup>. There has also been significant leadership turnover at select campuses.

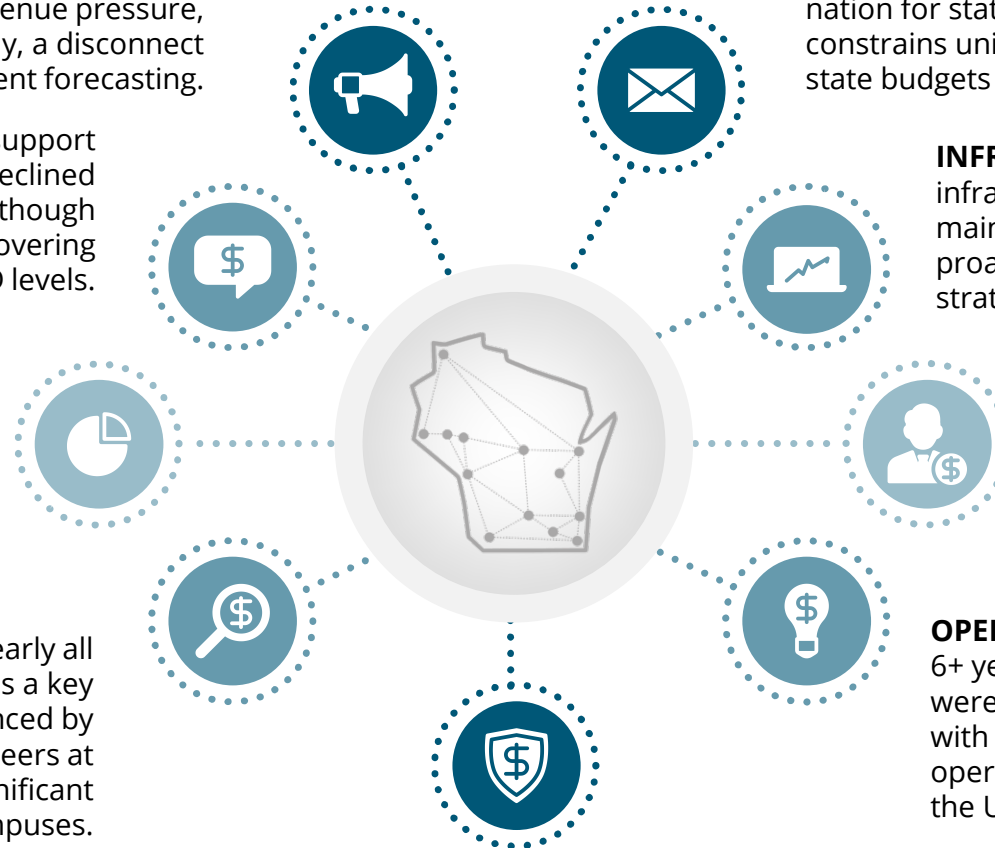
**LEADERSHIP TURNOVER** | The role of campus leaders has become increasingly challenging in the context of broader pressures on higher education and operating deficits that existed at 10 of the 12 UW<sup>3,6</sup> campuses. High turnover rates among leadership positions can interrupt decisive action needed to correct course.

**STATE FUNDING** | According to SHEEO, WI ranks 43rd in the nation for state funding per student FTE. As a direct result, this constrains university budgets, while uncertainty around future state budgets and regulatory complexity pose further risk.

**INFRASTRUCTURE** | Many university facilities and infrastructure are aged, and capital planning and maintenance efforts are often reactive rather than proactive, limiting some universities' ability to execute a strategic approach to space and capital planning.

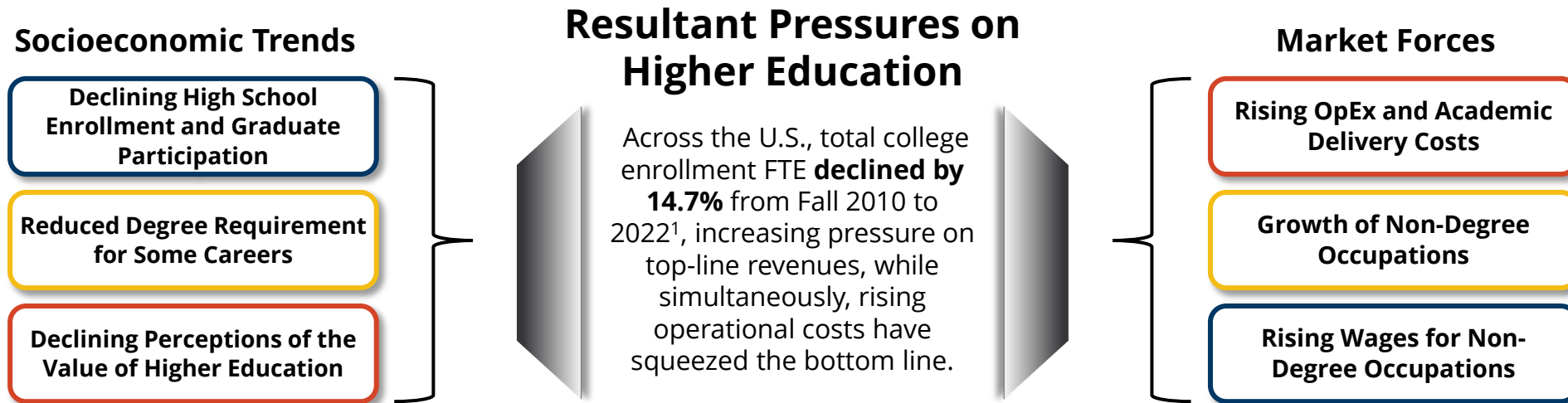
**DATA & TECHNOLOGY** | Use of data, analytics, and technology to make data-informed decisions varies widely across the universities, with a number of universities lacking the organizational culture and operations necessary to use data to drive accountability and strategic decision-making.

**OPERATIONAL EFFICIENCY** | As enrollment declined for 6+ years across 9 UW campuses, operations and expenses were not scaled back (with notable exceptions) to align with enrollment trends, resulting in decreased efficiency of operations, administration, and academic delivery across the Universities of Wisconsin.



# ENTERING UNCHARTED WATERS

Although the Universities of Wisconsin are seeing an uptick in enrollment in the current academic year, the system operates in the broader context of strong pressures on higher education.



**Key to note: The Universities of Wisconsin are not** unique in terms of the financial constraints and operational deficits in recent years – for example, within the last two years alone, noteworthy universities, including three Big Ten members, also reported operational deficits.

**As a result of these pressures, boards are taking on more active roles in driving governance, transparency, and accountability.**



# LEVERAGING UW ADMIN STRENGTHS TO HELP ADDRESS UNIVERSITY CHALLENGES

While UW Administration may not have the ability to help the universities tackle *all* challenges identified, it does have several areas of strength to help the UW universities navigate these challenges and thrive into the future.

## 1 Driven Teams Dedicated to Serving Wisconsin

Throughout the project, UW university stakeholders repeatedly observed that UW Administration is comprised of dedicated employees who care about the mission of the UW universities and are committed to serving the state of Wisconsin and its citizens.

## 2 Trusted Advisor on Legal, Compliance, and Policy Matters

From providing guidance on new Title IX compliance matters to crafting new HR policies or serving as legal counsel on university-specific issues, UW Admin drives value to the UW universities in its capacity as a legal, compliance, and policy advisor.

## 3 Critical Service Provider for University Operations

Whether providing back-up support for unforeseen vacancies at the universities or functioning as a service provider through centralized operations, university stakeholders noted that UW Admin also provides a host of valuable services, particularly in areas related to operational and transactional support.

## 4 Appetite for Change (Even When Change May be Painful)

UW Administration has demonstrated the ability to make tough decisions (such as increased attention to financial deficits or deciding to close some branch campuses) to position UW universities for long-term sustainability and meet the mission of UW Admin “as a champion of higher education and a responsible steward of resources.”

# HOWEVER, CHALLENGES LIMIT THE FULL POTENTIAL IMPACT OF UW ADMINISTRATION



Despite UW's strengths, this assessment identified several underlying challenges through focus group discussions with university leaders, engagement with UW Admin personnel, and analysis of UW Admin current state operations and available quantitative data.

**Foundational Challenge:** A lack of clarity around the UW Administration's role, responsibilities, and decision-making authority impacts the ability of UW leaders to fulfill the Administration's stated purpose as a champion of higher education and a responsible steward of resources across the Universities of Wisconsin.

1

## There is a Clear Need to Improve Processes to Ensure Accountability Across UW

The existing culture across the Universities of Wisconsin defers to a high degree of campus autonomy across academic and administrative activities. There is a need to improve system-wide accountability, while leaving space for the unique identity and culture of each campus, as the Universities of Wisconsin are the sum of its parts, ultimately rolling up to singular financial statements.

2

## Assessment Indicates a Need for More Robust Academic Program Management

While Wisconsin statute<sup>2</sup> clearly delineates the Board's authority over programs, the policy and processes outlining how universities report on degree programs include few incentives or disincentives and limited guardrails or accountability standards to hold university leadership accountable for a suitable array of programs that meets the needs of the state.

3

## Services and Support Do Not Consistently Demonstrate a Clear Value Proposition

In a time of limited resources, centralized services must offer a clear value proposition. Inconsistent approaches to defining Key Performance Indicators and Service Level Agreements, issues such as fractional FTEs and variances between forecasts and actual financial impacts of UW Admin services on university budgets, cloud the actual and perceived value of UW Admin services.

4

## UW Admin Support for the Universities Can be More Customer-Oriented

Universities reported a lack of a consistent, structured approach to engaging them in discussion on policies or initiatives. Concerns included inputs being collected through inconsistent means and sometimes at unpredictable times. This limits visibility into university needs and the extent to which UW Admin services and support are efficiently addressing the challenges the universities face.

5

## A Clear Tactical Vision is Needed to Guide Campus Operational Decision-Making

Without a clear tactical vision and roadmap for the future of UW operations, it is difficult for university leaders to make informed decisions about investing in operations and/or strategic priorities. UW universities would benefit from a strategic roadmap across administrative, operations, technology, programmatic, and enrollment initiatives.

## **THE QUESTION IS...**

*WHAT ROLE AND RESPONSIBILITIES SHOULD THE UW ADMINISTRATION EXERCISE TO BEST HELP UW UNIVERSITIES ADDRESS THESE CHALLENGES IN SERVICE TO THE MISSION TO EDUCATE STUDENTS AND SERVE THE STATE OF WISCONSIN?*





# FIRST AND FOREMOST, THE ROLE OF UW ADMINISTRATION MUST BE CLARIFIED


The role and responsibilities of UW Admin should be clearly defined, communicated, and consistently exercised to enable leaders across UW universities to understand their own responsibilities and how those relate to UW Administration's.

*At a high level, UW Administration can embrace **4 types of leadership roles***



**Though the roles and responsibilities of UW Admin may need to vary by functional area to best meet university needs, these roles and responsibilities should be exercised consistently within each functional area. The question is...what is the *right* balance of the 4 types of leadership roles for UW Admin in key functional areas?**



A photograph of a busy university campus walkway. In the foreground, a young woman in a bright orange t-shirt with the word "STRONG" and blue shorts walks towards the camera. Behind her, a large group of students in various casual attire, many with backpacks, are walking away from the camera. The path is lined with lush green trees, some with white blossoms. A semi-transparent white rectangular box is overlaid on the middle of the image, containing the text "1. Academic Array Management".

# 1. Academic Array Management

# THE BUSINESS CASE FOR MORE ROBUST ACADEMIC ARRAY MANAGEMENT

Assessment of available information indicates a need to refine the current approach to management of the academic array, including clarification of roles, responsibilities, and authority of UW Admin and the Board of Regents.



Out of 646 undergraduate degree programs analyzed<sup>1</sup>, 102 programs had no substantial program changes reported to UW Admin (per SYS 102\*) since Fall 2018, yet have declined in enrollment by 5x or more than the average overall enrollment contraction<sup>1</sup> across UWs.<sup>2</sup>



UW universities (excluding Madison) have grown the number of undergraduate majors offered by 6.8% despite bachelor's degree conferrals declining by 9.2%.



Though the Universities of Wisconsin Board of Regents has clear authority over academic array, current UW policies do not delineate the approach by which the Board can fully exercise this authority.

Notes: 1) Analysis excludes the University of Wisconsin-Madison and includes only 4-year degree programs at 4-year campuses; 2) Average UW wide overall enrollment contraction (excluding UW-Madison) calculated as the average YoY decline in total 4-year UW campus undergraduate headcount from Fall 2014 to Fall 2023. Time period chosen for average rate of enrollment decline calculation to 'smooth' data skewing in recent years from COVID.

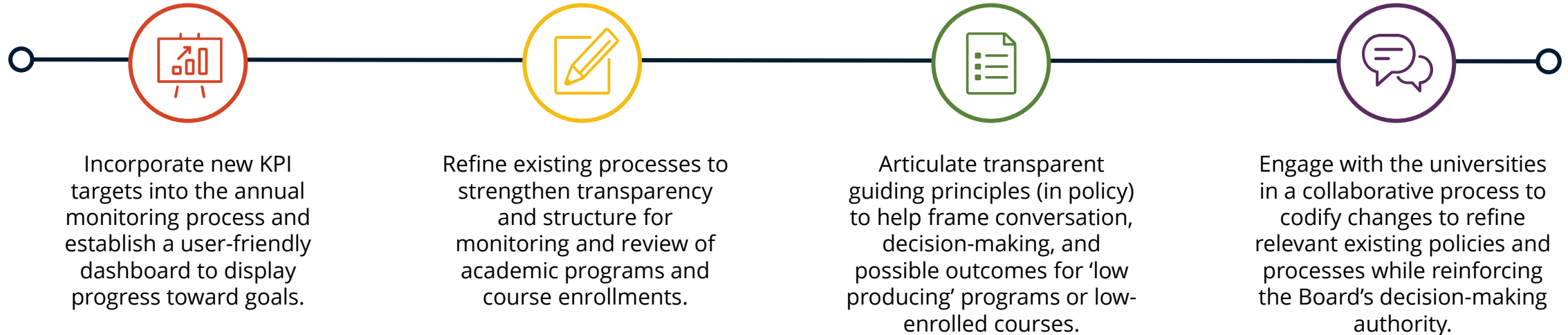
\*[UW System Administrative Policy 102: Policy on University of Wisconsin System Array Management: Program Planning, Delivery, Review, and Reporting](#)



# STRENGTHENING MONITORING AND MANAGEMENT OF THE UW ACADEMIC ARRAY



UW Administration and the Board of Regents would benefit from aligning on roles and responsibilities of the academic array and taking action to ensure the monitoring and management process is more robust and transparent.



## Opportunity to realign UW Admin role toward:



### Primary role: Oversight

While creating and curating academic programs should fall within the purview of faculty governance at each university, UW Admin should be accountable for creating transparent policies and processes to provide the data necessary for the Board of Regents to fulfill its role in approving and monitoring programs.



# POSSIBLE OUTCOMES OF ANNUAL BOARD PROGRAM REVIEWS

For programs flagged in UW Administration's annual program report, once a university has presented its action plan to the Board of Regents Education Committee, the range of possible decisions and outcomes should also be transparently articulated in policy.

## Possible Outcomes

Ultimately, Board decisions should be based on the full range of available information – quantitative KPI and trends as well as qualitative factors, such as impact on the community or Wisconsinites' access to education.



### Monitoring - No Action Needed

The information presented by the university sufficiently justifies continuing the program with no need for intervention



### Optimize

Available information sufficiently justifies continuing the program **but** demonstrates a need to optimize delivery (for example, increase section sizes)



### Invest

Available information demonstrates a need to invest in growing a program as outlined in a submitted Action Plan inclusive of specific KPI targets and timelines



### Collaborate

Data presented by the university shows an opportunity to shift single-university-dedicated programs to a multiple university collaborative program offering




### Close

Information presented unfortunately demonstrates the best path forward for a specific program is to suspend courses or altogether eliminate the offering

Though Board decisions regarding program review outcomes may not always be uniform in approach, all rationale and decisions must be transparently communicated to relevant stakeholders.



A group of diverse students is walking along a wide, paved path on a university campus. The path is flanked by lush green grass and large, mature trees with vibrant green leaves. In the background, a multi-story brick building is visible. The students are dressed in casual attire, including t-shirts, jeans, and shorts, and many are carrying backpacks. The scene is bright and sunny, suggesting a pleasant day. A semi-transparent white rectangular box is overlaid on the center of the image, containing the text '2. Enrollment and Financial Management' in a bold, black, sans-serif font.

## 2. Enrollment and Financial Management

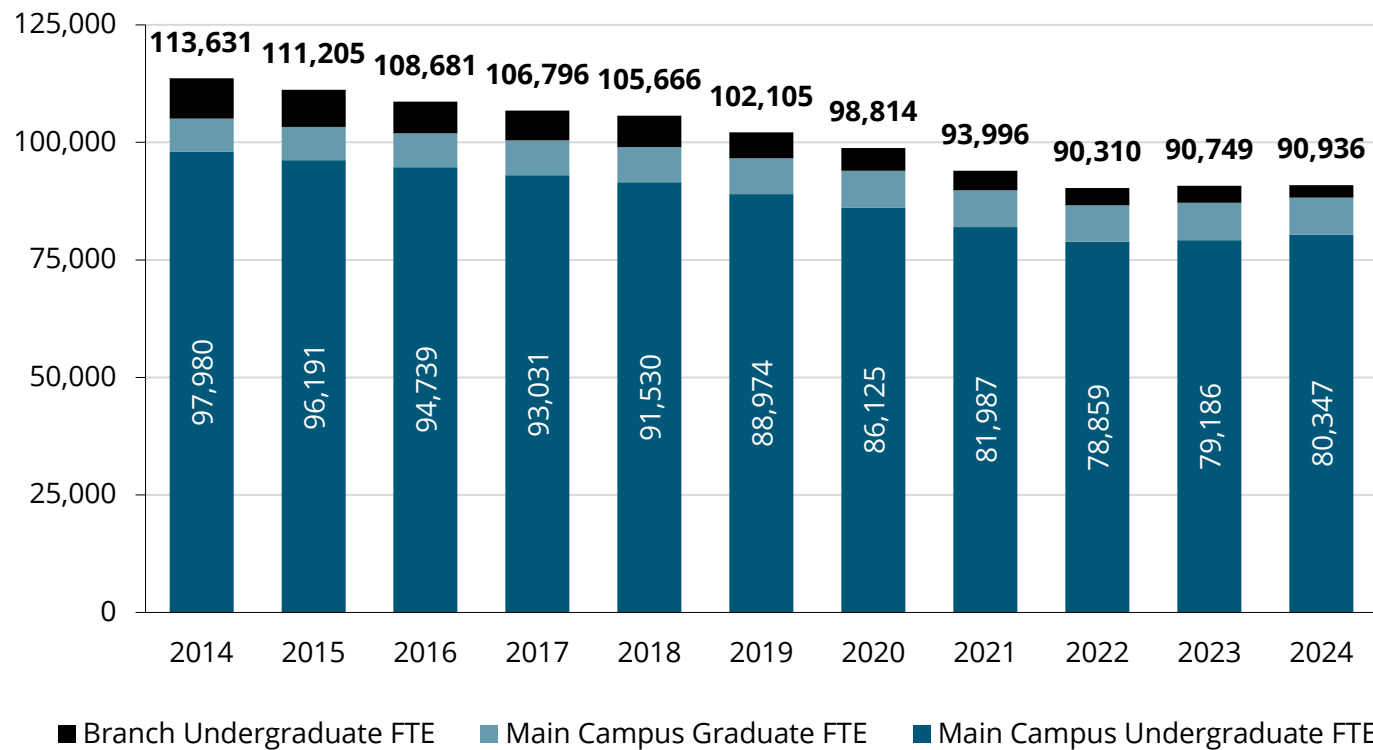




# THE CASE FOR ACCOUNTABILITY IN ENROLLMENT & FINANCIAL MANAGEMENT

As Wisconsin ranks 43<sup>rd</sup> in the nation for public funding per student FTE, UW universities face a challenging financial and operational environment. Nonetheless, assessment of available information suggests a need to adopt stronger oversight processes for university budgeting and financial management as well as enrollment planning to position the Universities of Wisconsin for longer-term financial sustainability.

UW<sup>1,2,3</sup> Total Fall FTE Enrollments at 4-Year Universities (2014–2024)



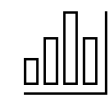
## KEY FINDINGS



Seven universities had negative operating margins in 4+ of the last seven fiscal years<sup>4</sup>, indicating challenges began prior to COVID-19.



Enrollment at 9 of 12 UW<sup>2</sup> universities peaked in 2014 or earlier.



Following enrollment growth from Fall 2022 to Fall 2023, Fall 2024 numbers show continued growth at 8 out of the 12 universities' main campuses.<sup>3</sup>

Nevertheless, combined enrollment on an FTE basis, inclusive of the branch campuses, increased just 0.2% from Fall 2023 to Fall 2024 as branch campus enrollments declined by 23.8% and offset most main campus gains.

Note: 1) [UW Education Reports & Statistics - Enrollments](#); 2) Excludes UW-Madison; 3) UW 10<sup>th</sup> Day Fall 2024 Enrollment Tables; 4) Latest year of available data was FY 2023



# DRIVING TOWARDS ACCOUNTABILITY IN ENROLLMENT & FINANCIAL MANAGEMENT

Several actions can be taken by UW Administration to help university leaders strengthen enrollment and financial management practices while also striving to improve accountability through definition of clear metrics and guidelines.



## Opportunity to realign UW Admin role toward:



### Primary role: Oversight

Due to the critical nature of financial and enrollment management in providing statewide access to education, UW Administration could consider an oversight role, under which it defines clear expectations, including accountability measures related to projections and/or targets for forecasting, financial monitoring, enrollment, retention, and graduation.





### **3. Operational Support Services: Human Resources, IT, Shared Services, and Student Affairs**

# UW ADMINISTRATION PROVIDES A HOST OF SERVICES AND SUPPORT TO UNIVERSITIES



The following list of centralized and shared services demonstrates how UW Administration is a widely adopted operational support and service provider for universities across IT, HR, payroll, and procurement.



**Enterprise Resource Planning Data Warehouse and Reporting**



**Central HR Functions**



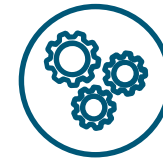
**General Customer Support<sup>1</sup>**



**HR Service Delivery**



**Central Payroll Functions**



**Business Services**



**Central Benefits Functions**



**Purchasing Services**



Indicates one or more services offered in this category is in use by all UW universities



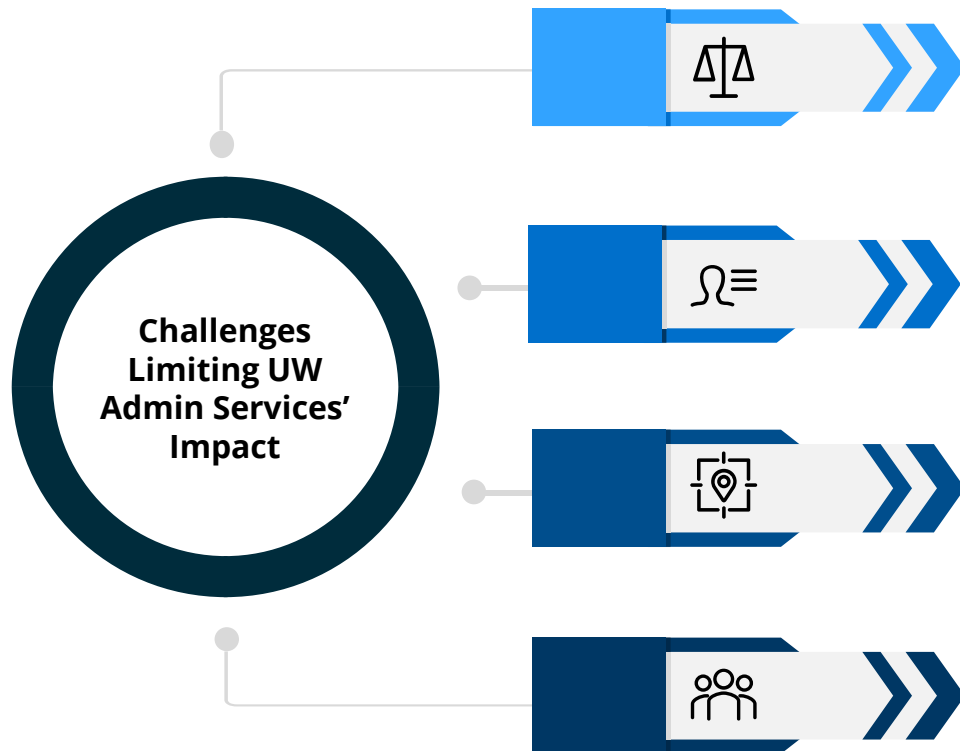
Indicates one or more services offered in this category is in use by some, but not all, universities

**UW Admin provides a variety of critical services to the universities, and most are widely adopted. Additional communication with the universities around service needs, service value, and potential opportunities to minimize overlap in roles/responsibilities can improve service uptake and satisfaction even further.**



# THE CASE FOR ENHANCING THE IMPACT OF UW ADMIN SERVICES AND SUPPORT

Challenges to operational and student support services impact UW Admin's ability to identify, develop, and successfully implement centralized support services and pose barriers to realizing its full impact as a supportive thought partner and service provider.



## Fractional FTEs a Barrier to Centralization

Stakeholders within both UW Admin and the universities revealed partial FTEs (a single individual performing multiple roles or responsible for multiple distinct areas) as a barrier to realizing cost efficiencies.

## Limited Planning Related to Incoming/Outgoing Employees

There does not appear to be a systematic approach to onboarding, retention or career pathways/leadership transition, and employee hiring and retention is frequently cited as a key concern.

## Disconnects Around Perceived Value

Perceived disconnects exist between UW Admin and the universities related to the extent to which value and efficacy of central initiatives, support, and services are clearly demonstrated.

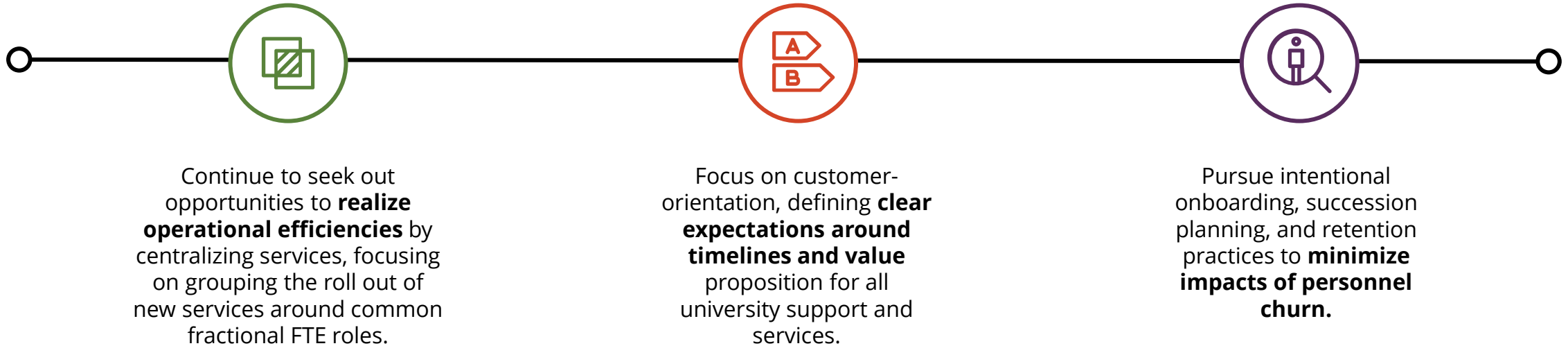
## Customer-Service Mindset Could be Further Embraced

There is a lack of a consistent, structured approach to engaging the universities to discuss policies or initiatives, which limits visibility of university needs, both in service design and delivery.

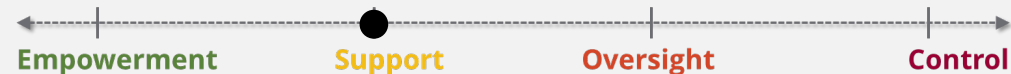
# SUPPORTING UNIVERSITY OPERATIONS AS SERVICE PROVIDER AND THOUGHT PARTNER



Current-state analysis suggests opportunities for UW Admin Human Resources, Information Technology, and Shared Services to each serve as a trusted thought partner, policy advisor, and service provider to the universities via a support role.



## Opportunity to realign UW Admin role toward:



### Primary role: **Support**

A support role enables UW Admin to serve as a trusted thought partner, policy advisor, and service provider to the universities. HR, IT, and Shared Services are areas where **standardization can help the universities to realize efficiencies** from centralization of transactional, cyclical, and/or widespread services.



# UWSA RESPONSES TO DELOITTE OBSERVATIONS

BOARD OF REGENTS  
DECEMBER 5, 2024

JULIE GORDON, INTERIM VICE PRESIDENT FOR FINANCE & ADMINISTRATION

JOHANNES BRITZ, INTERIM SENIOR VICE PRESIDENT FOR ACADEMIC & STUDENT AFFAIRS



# UW ADMINISTRATION ORGANIZATION



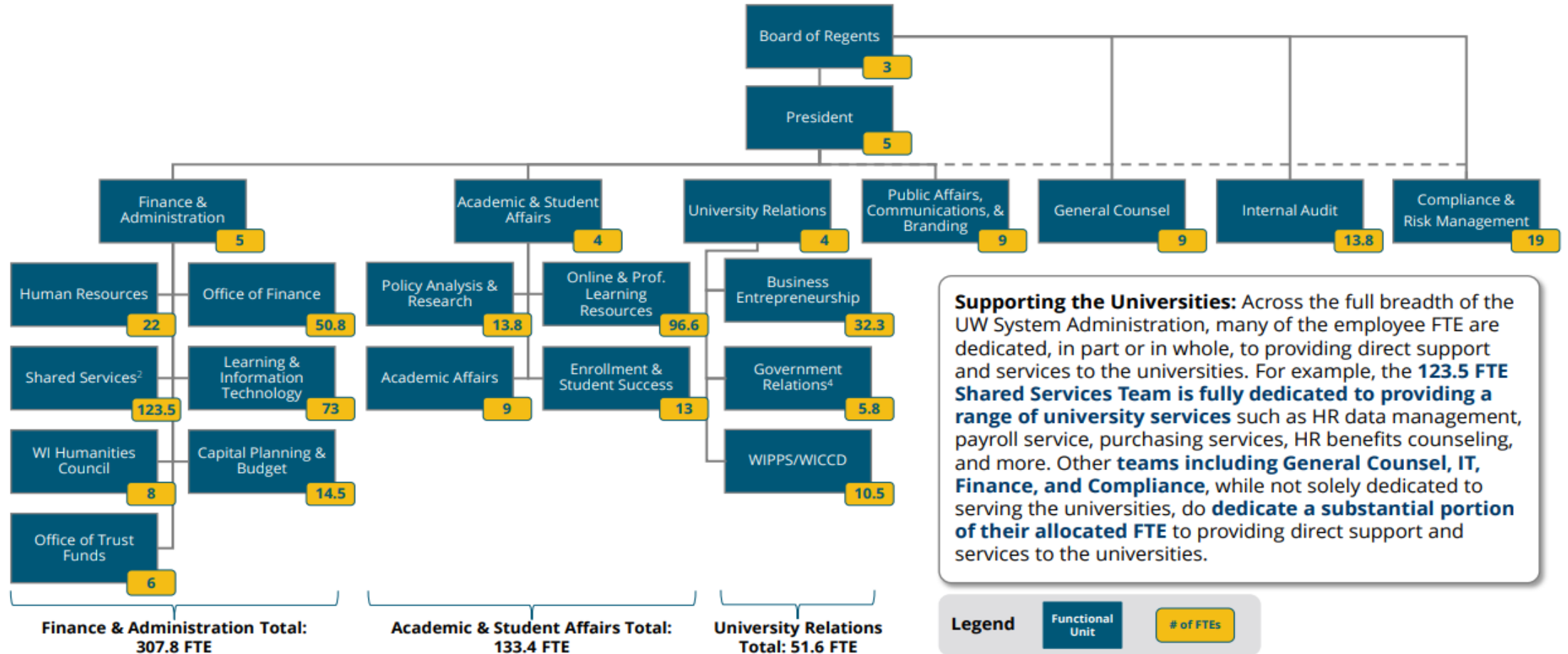
# UW ADMINISTRATION

- Significant portion of UWSA employees **provide direct services** that would otherwise need to be completed at the university level.
  - Shared Services (payroll services, purchasing, HR benefits counseling, travel expense auditing)
  - Office of Learning & Information Technology (ITaaS, Networking as a Service)
  - Office of General Counsel
- Other offices are **hybrid**, providing direct services and management/oversight services
  - Compliance & Risk Management (workers compensation, title IX investigations)
  - Office of Finance (travel management services, grants administration)
  - Office of Enrollment & Student Success (GoWisconsin, direct admits)
- As of September 2024, UWSA has **523.2 FTE, or 1.5%** of total UW employment
  - Some offices/departments are grant or program revenue funded (e.g., Office of Business & Entrepreneurship)





# UWSA ORGANIZATIONAL STRUCTURE



**Supporting the Universities:** Across the full breadth of the UW System Administration, many of the employee FTE are dedicated, in part or in whole, to providing direct support and services to the universities. For example, the **123.5 FTE Shared Services Team is fully dedicated to providing a range of university services** such as HR data management, payroll service, purchasing services, HR benefits counseling, and more. Other **teams including General Counsel, IT, Finance, and Compliance**, while not solely dedicated to serving the universities, do **dedicate a substantial portion of their allocated FTE** to providing direct support and services to the universities.



# SERVICES AND SUPPORT FUNCTIONS

## Academic & Student Affairs

- Academic Affairs
- Enrollment & Student Services
  - Go Wisconsin (application assistance)
- Online & Professional Learning Resources
- Policy Analysis & Research

## Board of Regents/Office of President

- Compliance & Risk Management
- General Counsel
- Internal Audit
- Public Affairs, Communications & Branding
- WI Intercollegiate Athletics

## University Relations

- Corp Relations & Economic Engagement
- Government Relations
- Business & Entrepreneurship
- Institute for Public Policy & Service

## Finance & Administration

- Capital Budget & Planning
- Finance
  - Budget & Planning
  - Financial Administration
  - Financial Systems Support
  - Strategic Sourcing
  - Travel Management
- Human Resources
- Information Security
  - Cyber Defense
  - Governance Risk & Compliance
  - Security Outreach & Outreach
- Learning & IT Services
  - Client & Application Services
  - Enterprise Architecture & Planning
  - Libraries & Academic Technologies
  - Local Area Networking
  - Student Information Systems Services
  - Systems & Engineering

## Finance & Administration (cont)

- Trust Funds
- Shared Services
  - Benefits Service Delivery
  - Business Services Service Delivery
  - Customer Success & Operational Communications
  - ERP Administration
  - HR Service Delivery
  - Payroll Core Processing
  - Payroll Service Delivery
  - Purchasing Service Delivery
  - Reconciliation & Financial Controls
  - Strategic Project Support & Management



# HIGHER ED SYSTEM BENCHMARKS

- Not fully addressed in Deloitte report
  - Difficult to provide apple-to-apple comparisons
  - Would provide static data, without ability to easily replicate on ongoing basis
- Recent benchmark survey by higher education professional organizations



# HIGHER ED SYSTEM BENCHMARK

	Universities of Wisconsin	Average of Responding Systems*
System Office Expenses per Student FTE	\$868	\$962

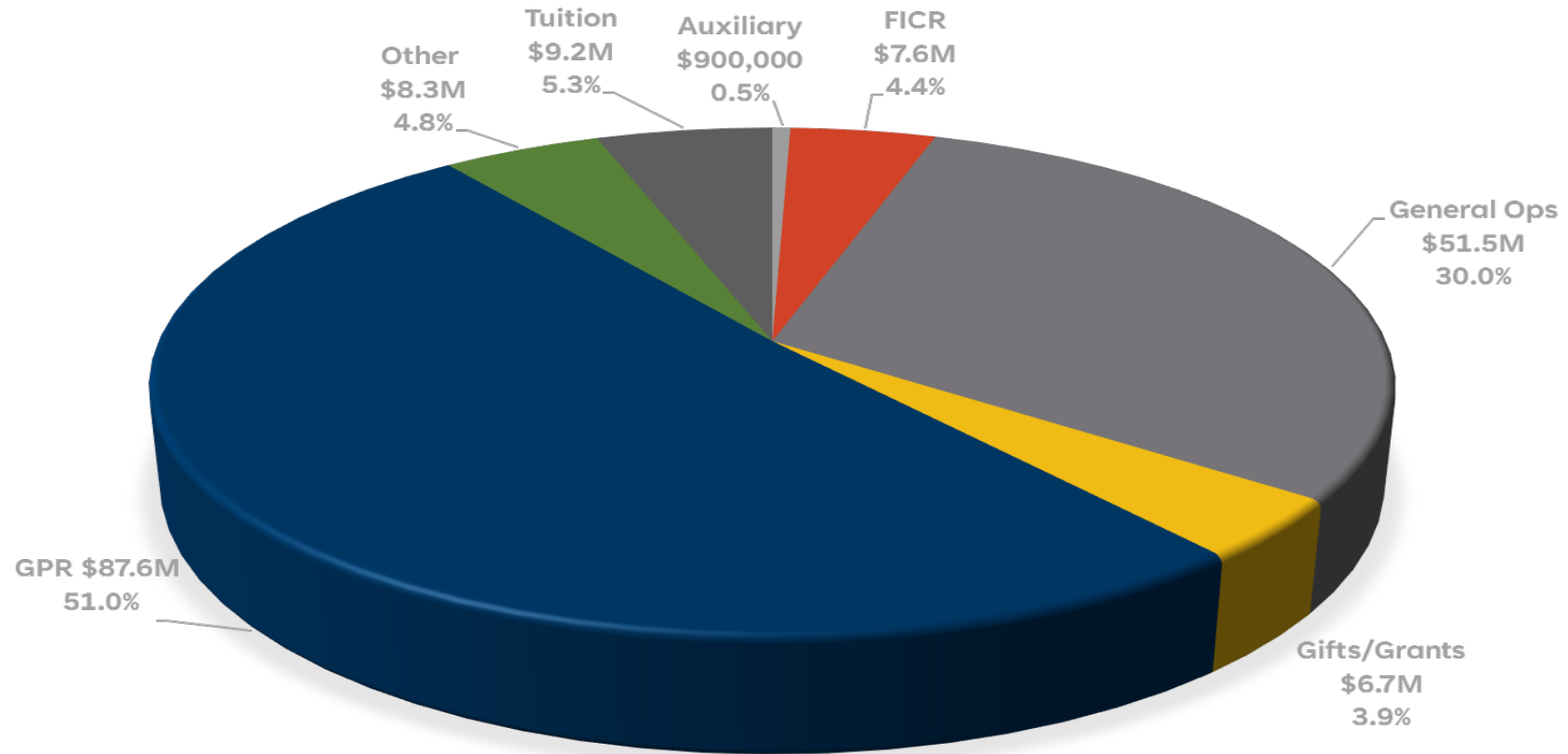
\* 17 systems of higher education that include the University System of Maryland, Pennsylvania State System of Higher Education, and University of Tennessee System



# UW ADMINISTRATION FINANCES



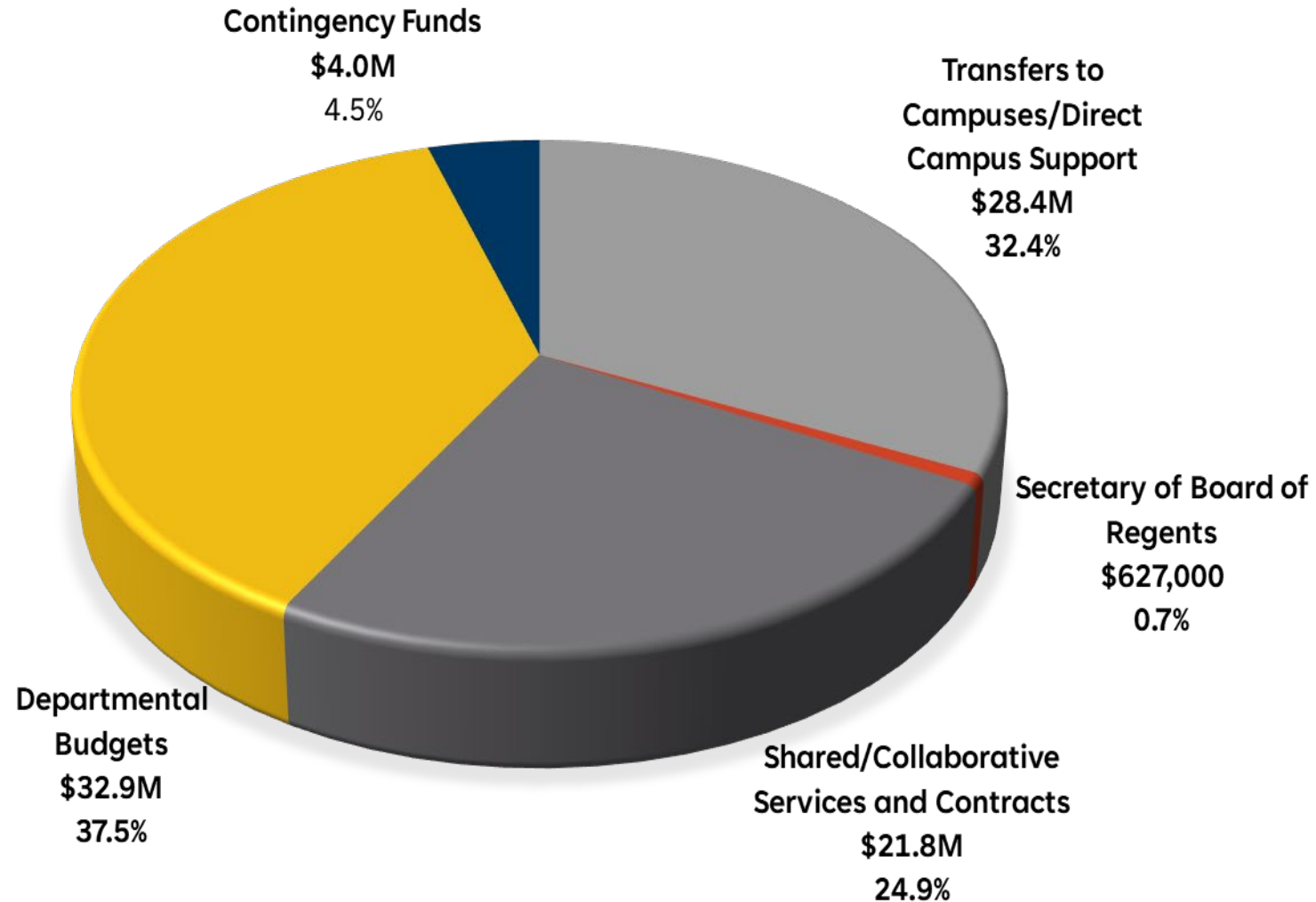
# FY 2025 TOTAL UWSA BUDGET



Total FY25 Expense Budget: \$171.9M



# FY 2025 UWSA GPR BUDGET



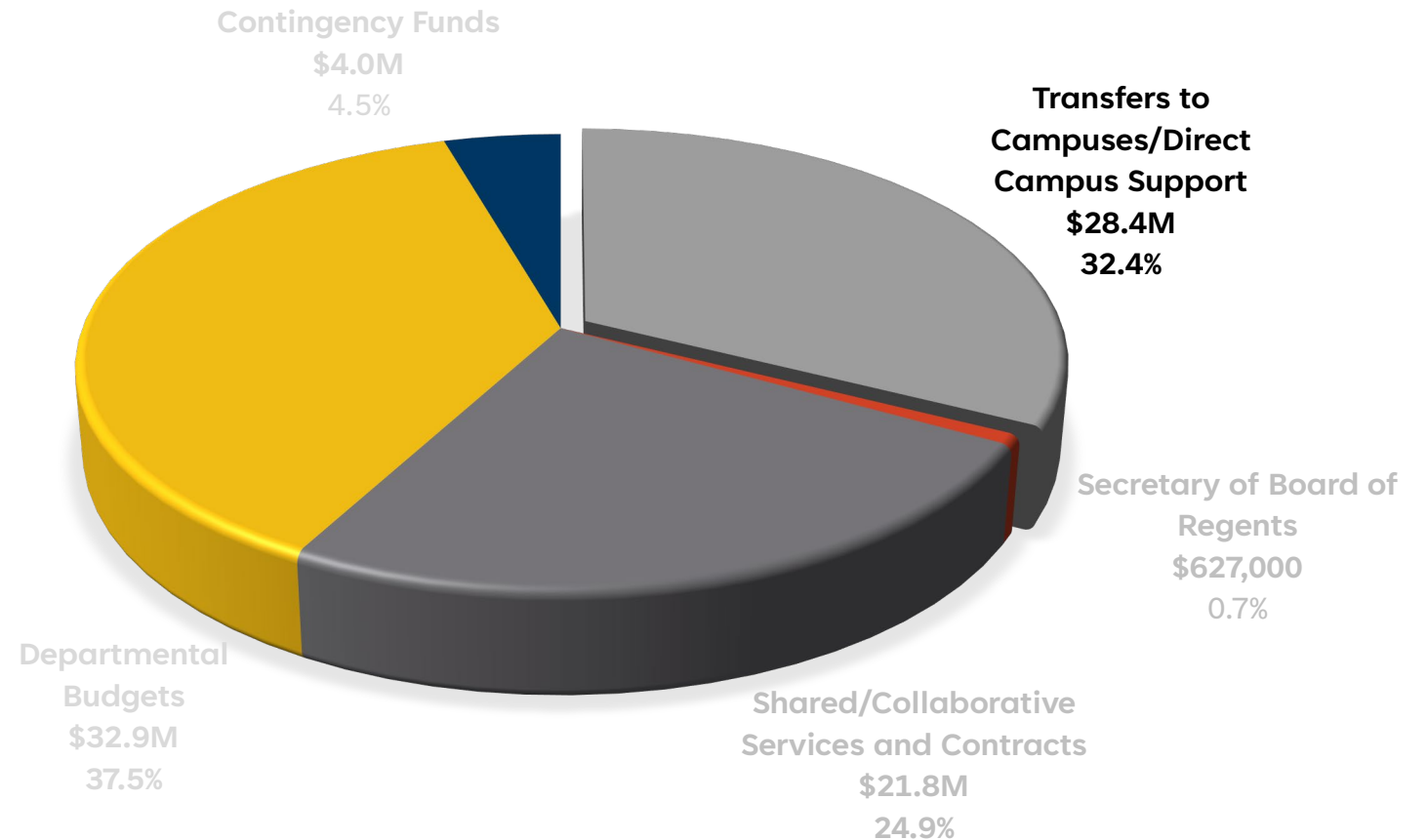
Total FY25 GPR: \$87.6M





# FY25 GPR CAMPUS TRANSFERS & DIRECT CAMPUS SUPPORT

- Workforce Development Funds \$15.9M
- Utilities/Debt Service \$3.4M
- Library Resource Sharing \$3.3M
- Academic Affairs Support \$2.6M
  - Grants
  - Apply UW/UW Help
  - 360 Advising/EAB Navigate
  - Behavioral Health Initiatives
- Freshwater Collaborative \$2.1M
- Foster Youth Funding \$500,000
- Chancellor Pay Plan \$285,000
- Regent Awards \$90,000
- Survivor Tuition Remissions \$40,000

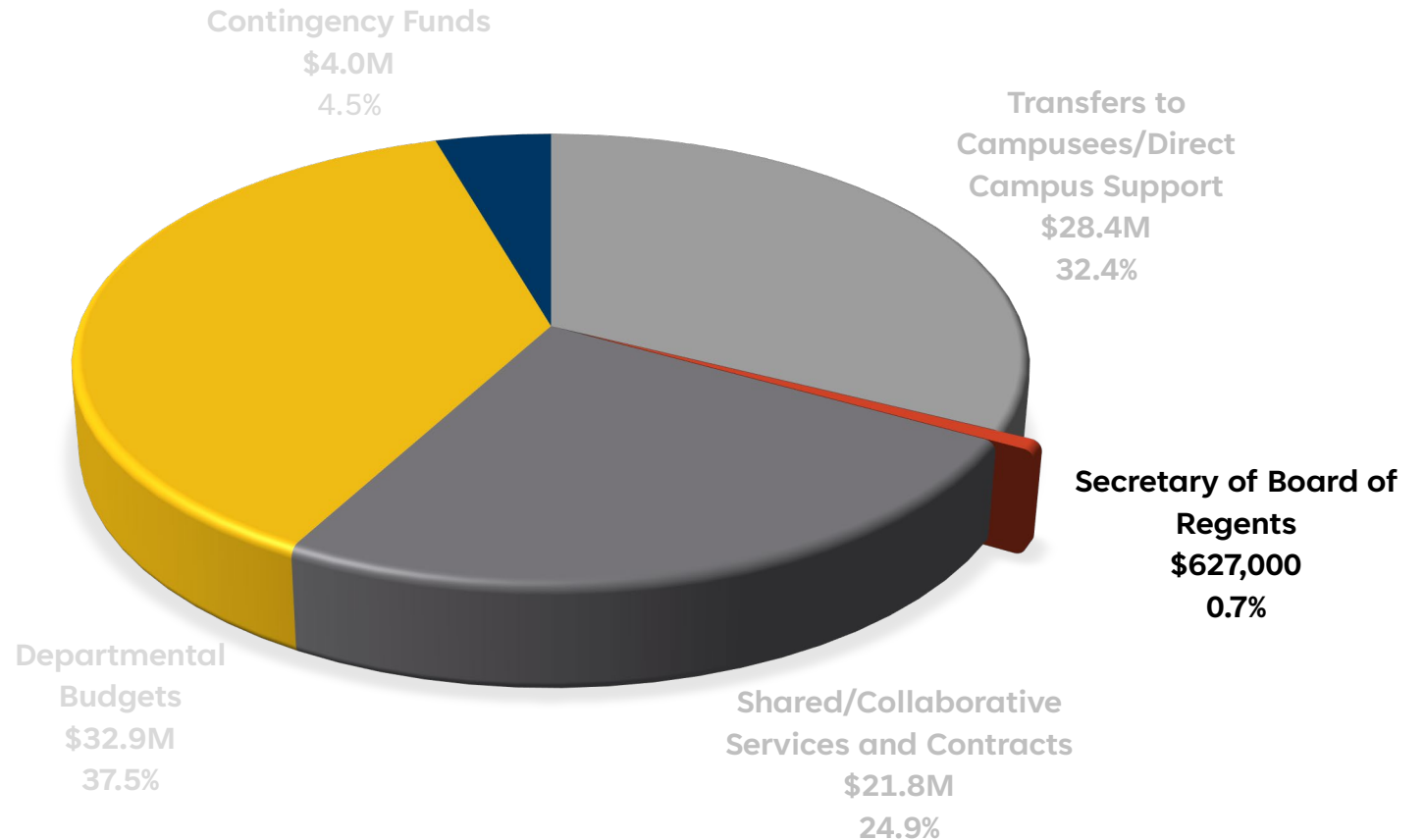


**Transfers to Campuses/Direct Campus Support: \$28.4 Million (of \$87.6M total GPR)**



# FY25 GPR BOARD OF REGENTS

- Dedicated Board Staff
- Hosting of Board Meetings
- Publication of Notices
- Audio Visual and Technical Services
- Space Rental

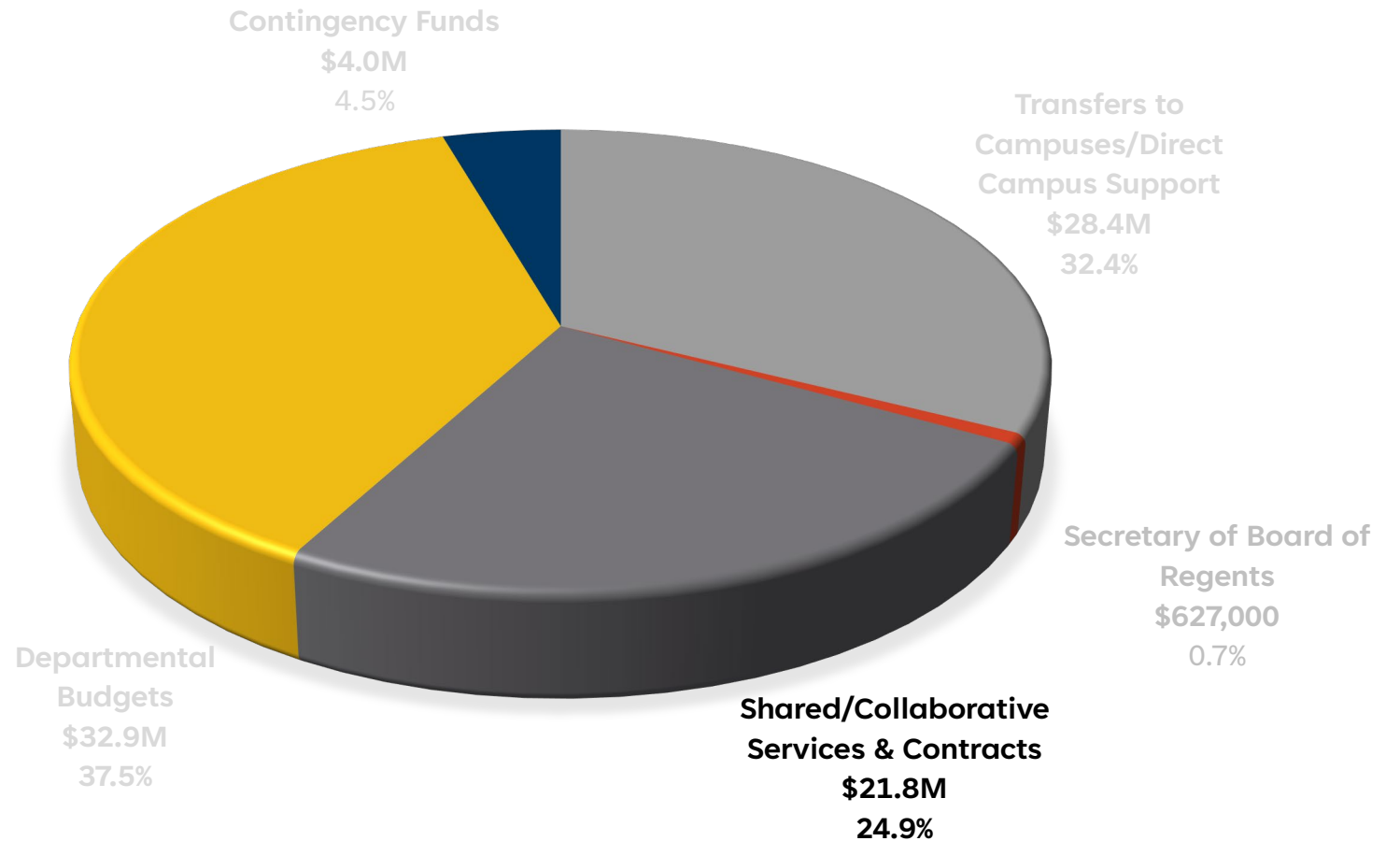


**Secretary of Board of Regents: \$627,000 (of \$87.6M total GPR)**



# FY25 GPR SHARED/COLLABORATIVE SERVICES AND CONTRACTS

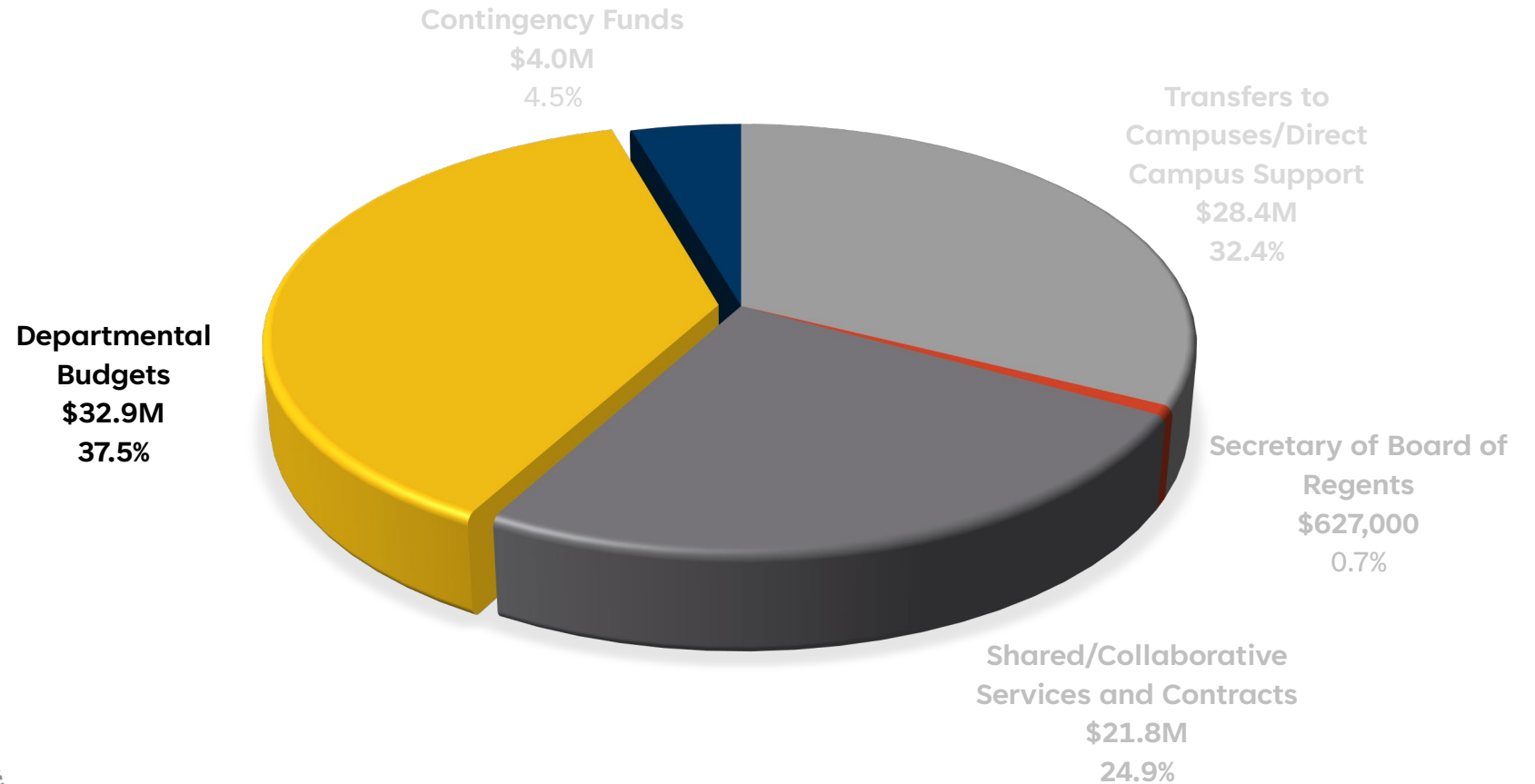
- Office of Online & Professional Learning Resources \$10M
- IT as a Service GPR Costs \$3.5M
- Shared Services GPR \$3.1M
- Institute for Business & Entrepreneurship \$1.8M
- Surveys and Memberships \$1.8M
- Support in Department Budgets \$1.5M
  - Real Estate Records Access & Construction Software
  - Administrative Law Judges
  - Tax Preparation Services
  - PCI Compliance
  - eApp Software



**Shared/Collaborative Services & Contracts: \$21.8 Million (of \$87.6M total GPR)**



# FY25 GPR DEPARTMENT BUDGETS



**Department Budgets: \$32.9 Million (of \$87.6M total GPR)**



# FY25 DEPARTMENT ACTIVITIES

- **Examples** of departmental services/activities replicated at campuses if not centrally provided:
  - Financial Administration – interface with and draw funds from DOA; prepare financial statements; manage banking contract
  - Capital Planning – develop capital budget; evaluate projects including planners, architects & engineers; budget advocacy
  - IT – manage library resources (interlibrary loans, shared collections); investigate cyber security breaches; manage strategic IT procurements
  - Legal – review campus contracts; address personnel claims
  - Trust Funds – manage investments; distribute earnings
  - Academic Affairs – administer eApp; lead UW-wide student initiatives (e.g., EAB Navigate); support strategic planning of academic program array; support expansion of continuing ed and online collaborative programs

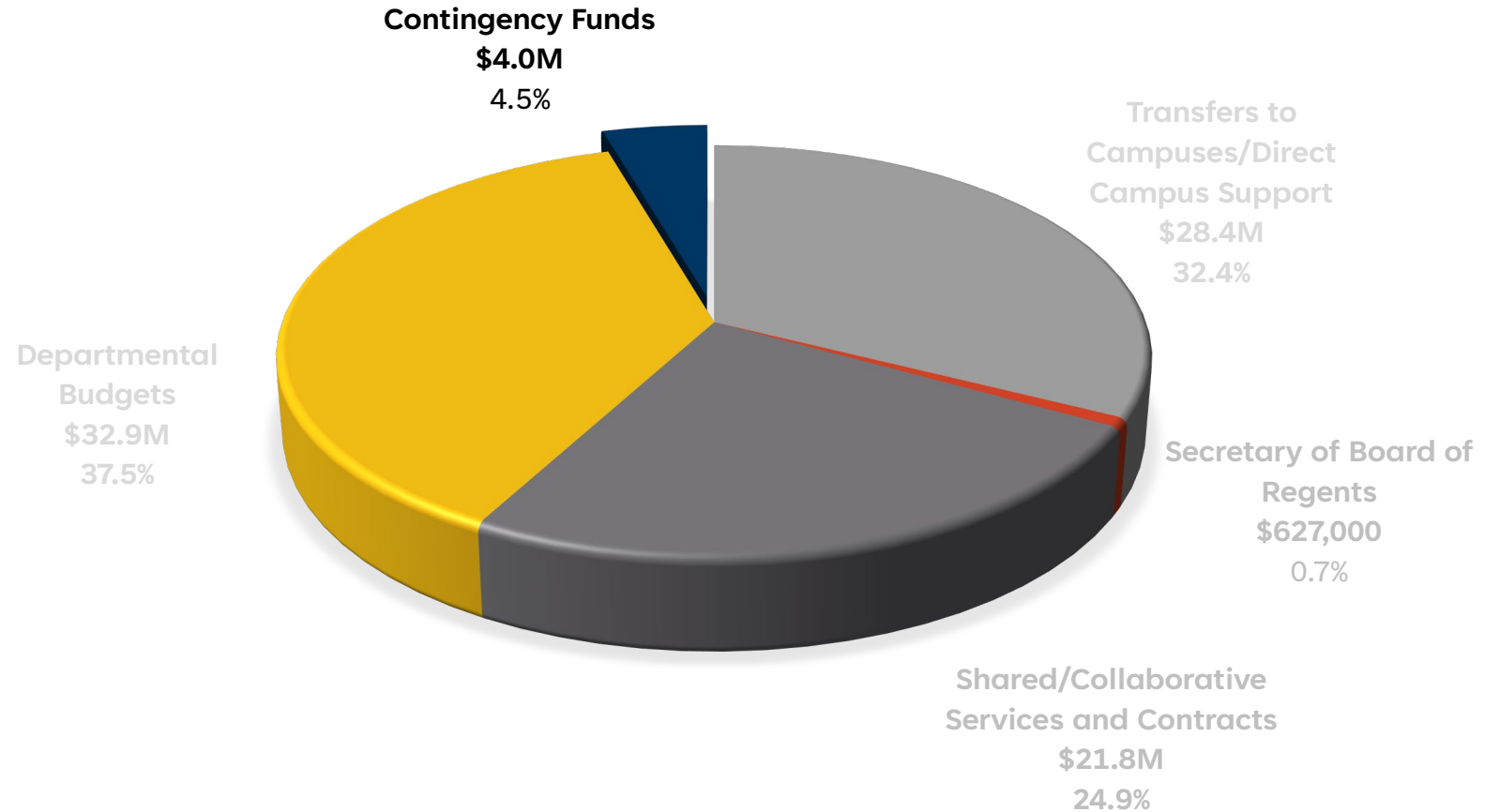
**Department Budgets: \$32.9 Million (of \$87.6M total GPR)**



# FY25 GPR CONTINGENCY FUNDS

Support for Unforeseen Circumstances or Opportunities

- Examples include:
  - Crisis Call Center
  - Student Safety & Empowerment Training
  - Sustainability Project Positions
  - Title IX Advising Services
  - Outside Counsel or Investigators



**Contingency Funds: \$4.0 Million (of \$87.6M total GPR)**



# UW FINANCIAL MANAGEMENT



# FINANCIAL MANAGEMENT

- Wisconsin ranks 43<sup>rd</sup> in nation for higher education funding (state and tuition funds) for 4-yr universities
- Culture of continual improvement
  - Financial management has been evolving for ~10 years as higher ed & Wisconsin landscape changes
  - Additional monitoring as campuses report **structural deficits**





# FINANCIAL MANAGEMENT PROGRESSION

Budget Activities / Requirements Phased-in Over Time	Year Phased-in									
	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Annual Budget w/ Campus Narratives				✓	✓	✓	✓	✓	✓	✓
Annual Budget Alignment to Strategic Plan							✓	✓	✓	✓
Tuition and Auxiliary Rate Setting in Spring							✓	✓	✓	✓
Budget-to-Actual (UW aggregated)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Budget-to-Actual by Campus					✓	✓	✓	✓	✓	✓
Program Revenue Balances Report	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Budgeted Revenue			✓	✓	✓	✓	✓	✓	✓	✓
Financial Forecasts by Campus							✓	✓	✓	✓
Financial Realignment Plans							✓	✓	✓	✓
Current State Assessments (one-time project)							✓			
Workday Finance									✓	✓
PlanUW Budget Planning			✓	✓	✓	✓	✓	✓	✓	
Workday Adaptive Planning Budget Module										✓



# FINANCIAL MANAGEMENT PROGRESSION

- Budget to Actual Reporting (FY18)
  - Initially expenses only, reported at aggregate level
  - Began reporting by campus in FY22
- Implemented current budget system, PlanUW (FY20)
  - Phased implementation, including forecasting
  - Subsequent phases paused when ATP began
  - Began budgeting revenues
- Accelerated rate setting process from summer to spring (FY24)
- Provided financial forecasts by campus (FY24)



# FINANCIAL MANAGEMENT PROGRESSION – NEXT STEPS

- **Eliminate structural deficits** by FY 2028
  - Identified in 2023-28 Strategic Plan
  - Campus initiatives and direct consultation with UWSA
- **Enhanced financial reporting** and updates
  - Provided revised forecasts for 9 campuses
  - Financial realignment plans for 6 campuses
- **Multi-year forecasts**
  - Included in financial realignment plans
  - Reviewed enrollment assumptions with campus and OPAR
- **Dashboards/metrics of accountability**
  - Cash/balances on hand
  - Budget vs actual analyses



# UW SHARED SERVICES



# BENEFITS OF SYSTEM-LEVEL SCALE



COST SAVINGS /  
INCREASED VALUE



HIGHER QUALITY



INCREASED RESILIENCE

Each shared service must be built around  
one or more of these benefits





# SHARED SERVICES BACKGROUND

- Organic growth has led to...
  - Services provided in various UWSA offices
    - ✓ Varying means of contacting/communicating with universities and end users
  - Based on university requests and ad hoc identified opportunities, resulting in fractional FTE concerns
  - Implemented varying processes for assessing UW universities for shared services
  - Limited number of service level agreements, metrics, KPIs



# Shared Services – Service Strategy & Governance

*Objective:* Establish service level agreements and governance model to oversee strategic service growth, customer experience, and budget

*Next Steps:*

- Conduct listening sessions and strategy discussions
- Complete standardized, “lean” HR and finance business processes
- Establish plan for distribution of work – where does work occur and by whom
- Develop strategic plan for implementing any new services to avoid fractional FTE concerns and maximize benefits to campuses
- Establish governance structure - include all universities, review shared services, outcomes, budgets, KPIs
- Establish service level agreements – include expectations for service, communications, periodic service reviews, university assessments, etc

*Implementation:* July 2025



# Shared Services - Customer Success

*Objective:* Unify customer support functions

*Next Steps:*

- Conduct listening sessions
- Reduce “need to know where to go” to improve customer experience
- Improve transparency of issue status and resolution
- Ensure feedback and continual improvement processes in place

*Implementation:* Occurs in 3 phases through July 2025 with Workday go-live

- Internal UWSA consolidation – underway, expect completion by January 2025
- UW universities – underway now, expect completion by April 2025
- New ERP support team – April 2025 training and preparation, go-live July 2025



# Shared Services - Metrics & KPIs

*Objective:* Establish operational and performance metrics for shared service functions/service areas

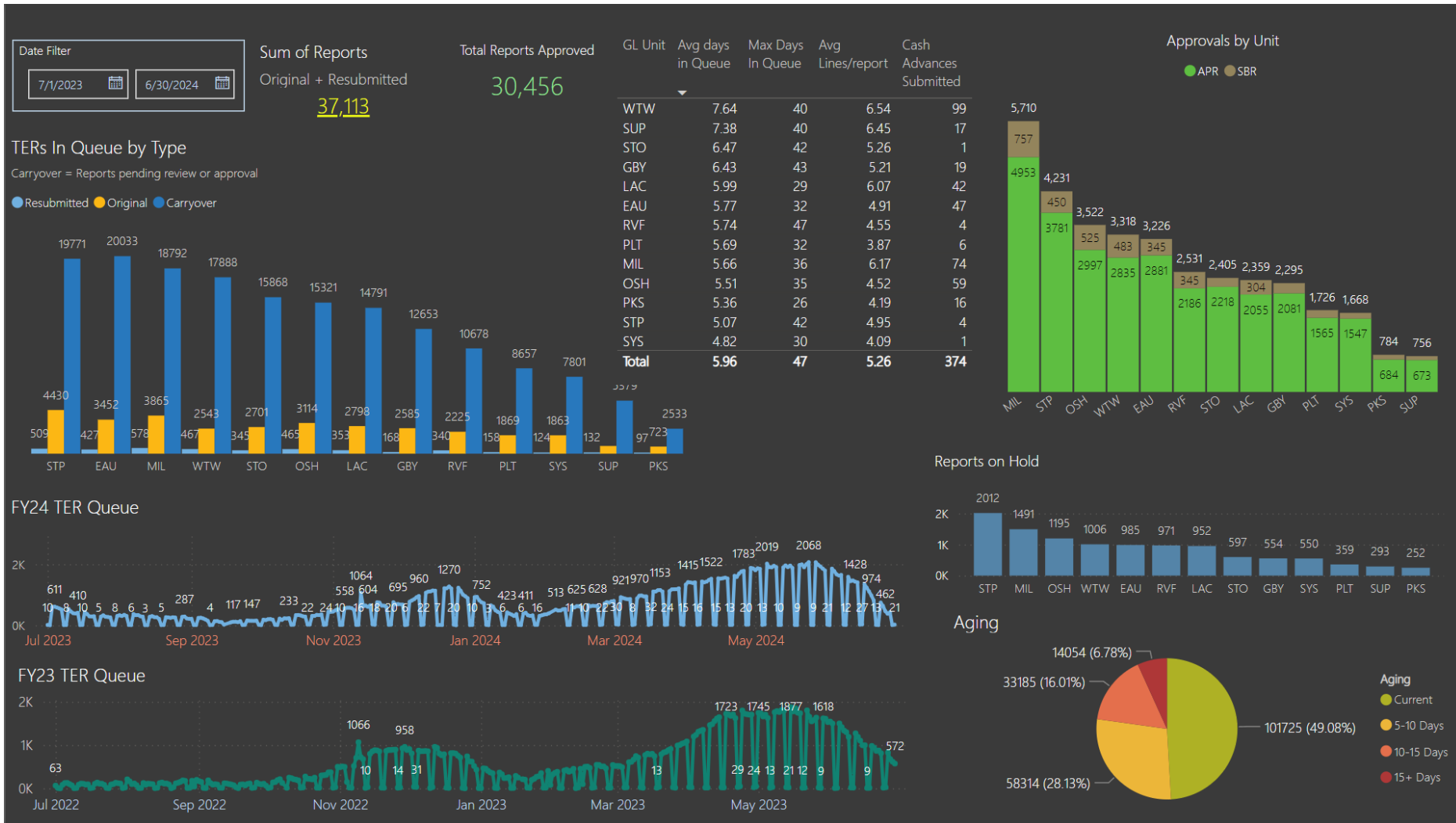
*Next Steps:*

- Piloting operational metrics for expense reports, customer success
  - For example:
    - ✓ 74,300 customer tickets as of October 1
    - ✓ FY25 turnback rate of less than 10% for expense reports
- Work with university partners to develop new and adjust existing metrics
- Link metrics/KPIs with benchmark data, as available
- Report to stakeholders for improved transparency/accountability

*Implementation:* July 2025



# Shared Services Expense Report FY 2024 Dashboard – Operational Metrics







# UW ACADEMIC ARRAY MANAGEMENT



# STRENGTHENING MONITORING AND MANAGEMENT OF THE UW ACADEMIC ARRAY

- The 2024 Deloitte report points out that there are multiple socioeconomic and market trends that are significantly impacting the bottom line for our universities.
- Given this national landscape, it is not unusual for boards to take on more active roles in driving governance, transparency, and accountability.
- One area that may benefit from additional board involvement is program array management. Deloitte analysts saw an opportunity to revise RPD 4-12 and SYS 102 to improve academic program array monitoring and accountability, and to enable the Board of Regents to fully exercise their statutorily-granted authority in this area.



# PROGRAM ARRAY MANAGEMENT TASKFORCE

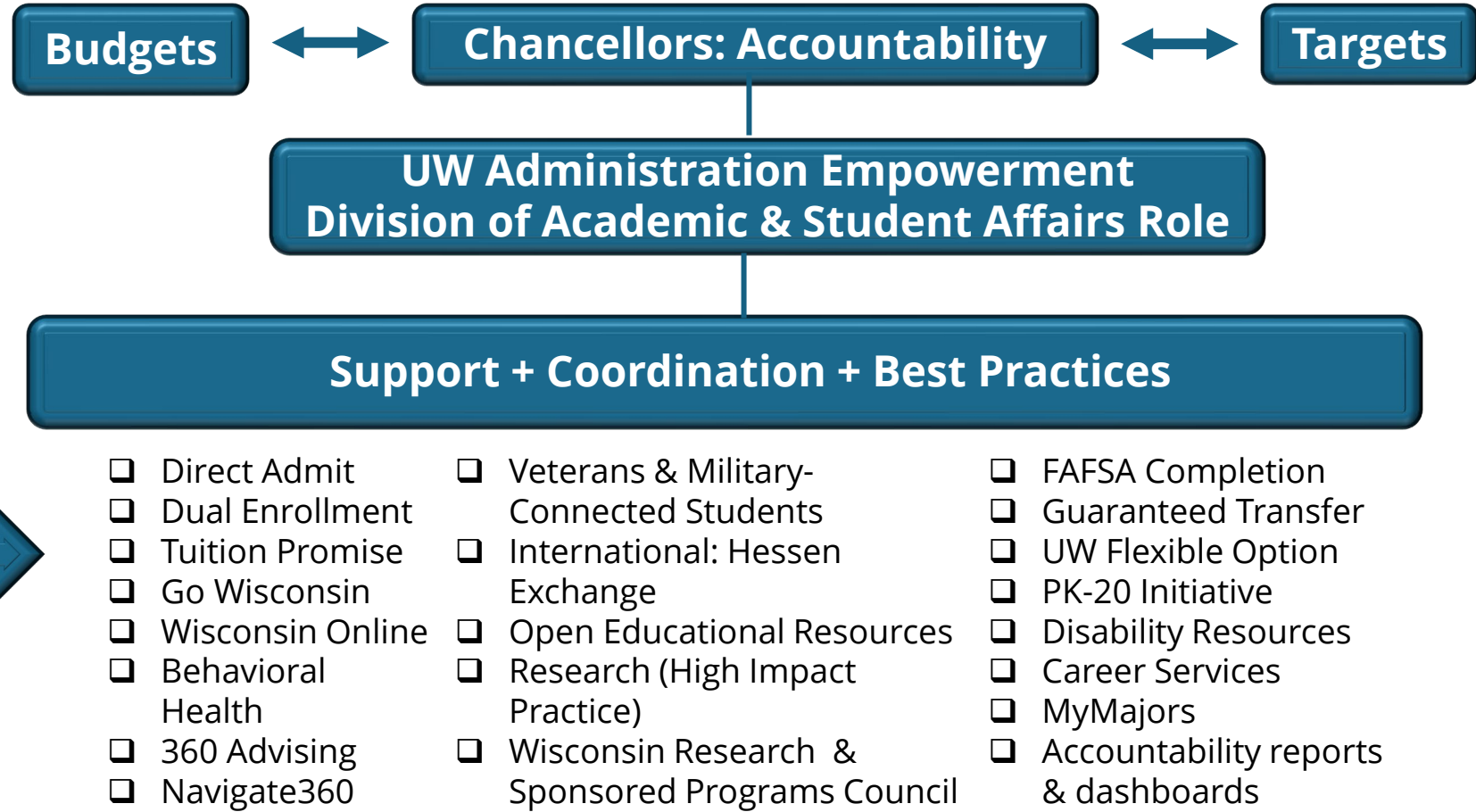
## OBJECTIVES INCLUDE RECOMMENDATIONS ON:

- Updates to current policies, procedures, and guidelines that impact program array management
- Improved metrics for identifying underperforming programs
- Revisions to processes for data reporting to universities
- Processes that increase the accountability of universities around underperforming programs
- Revisions to processes for reporting program array monitoring to the Board of Regents
- Models for program collaboration and common governance processes to mitigate program suspension or elimination
- Taskforce will be formed to address the above



# UW ENROLLMENT MANAGEMENT

# Strategic Plan = Enrollment Management Goals



## Budget Request 2025-2027

- Tuition Promise
- Veterans of Wisconsin
- Tribal Nation Promise
- Dual Enrollment
- Expanding Recruitment & Outreach
- Direct Admit Wisconsin
- Welcome Back Wisconsin
- Improving Transfer Pathways
- Adult Degree Completion-Online
- Student Mental Health & Wellbeing
- Student Retention
- Career Readiness
- High Impact Practices
- Prior Learning Assessment
- Teacher Loan Forgiveness
- Artificial Intelligence
- Continuing Education



QUESTIONS?