Universities of Wisconsin Board of Regents
Meeting of the Business & Finance Committee
Wisconsin Room, 2nd Floor, UW-Milwaukee Student Union
2200 E. Kenwood Boulevard, Milwaukee, Wisconsin
& via Zoom Videoconference
June 4, 2026

The meeting of the Business and Finance Committee was called to order at 10:30 a.m. by Chair, Regent Ashok Rai.

A. Calling of the Roll

Present: Regent Ashok Rai (Chair), Regent Haben Goitom (Vice Chair), Regent Noah Fritz, Regent Jim Kreuser, Regent Timothy Nixon, Regent Tom Palzewicz, Regent Jack Salzwedel and Regent Karen Walsh.
Absent: None

B. Declaration of Conflicts

The chair asked committee members to identify any conflicts of interest regarding items on the agenda. No conflicts were declared.

C. Approval of the Minutes of the April 20, 2026, Meeting of the Business & Finance Committee

Regent Rai noted that the minutes of the April 20, 2026 meeting had been provided, and asked committee members to identify any corrections. Hearing none, the minutes were approved as distributed.

D. Approval of 2026-27 Tuition and Auxiliary Rates

UW Administration Vice President for Finance & Administration Julie Gordon presented the proposal for the 2026-27 tuition and auxiliary rates at each of the Universities of Wisconsin. The presentation included an outline of the key factors that were considered in developing the proposal, a comparison of tuition adjustments in recent years with peer institutions in other Midwest states, and an overview of the recommendations for 2026-27.

The proposal provides for a base tuition increase of 2% for resident undergraduates. Accounting for a combined tuition and segregated fee increase averaging 2.2%, and an increase in room and board rates averaging 2.8%, the proposed average increase in the cost of attendance for Wisconsin resident undergraduate students at the four-year campuses would be 2.5% in 2026-27.

Nonresident undergraduate tuition at all UWs would increase by either the same dollar amount or the same percentage as for residents, except at UW-Madison, which would increase nonresident undergraduate tuition by 4%.

Graduate tuition for residents and nonresidents would be unchanged at UW-Madison and UW-Green Bay. UW-Stout proposes a 4% increase, and all other UWs propose a 2% increase, the one exception being that UW-Whitewater would increase nonresident graduate tuition by the same dollar amount as for residents.

In addition to the base tuition adjustment, increases to program-specific tuition are proposed for seven specific academic programs across four of the UWs to help to address the higher costs of delivering those programs.

Lastly, a phased-in elimination of the tuition plateau was requested by UW-Green Bay for its graduate programs, and by UW-Milwaukee for three of its graduate programs.

Questions/Comments: Regent Rai noted that the committee would be acting on the tuition and auxiliary rates proposal and each of the two tuition plateau changes as three separate resolutions.

Regent Nixon stated that he would not support a tuition increase, voicing concerns including public opposition that could lead to reduced state funding, a lack of unanimity among the chancellors as communicated to him, and the question of its financial necessity. He noted that former Regent Tony Evers had never supported a tuition increase, which, following a question of clarification from Regent Walsh, he specified was prior to the period of the tuition freeze implemented by state government.

Regent Walsh, after noting that universities are required to cover 30% of pay plan expenses, asked VP Gordon how the UWs manage that additional cost. VP Gordon, adding that UWs needed to similarly account for that expense without offsetting tuition revenue during the period of the tuition freeze, replied that universities most often respond with reductions in administrative employees and in the number of hours an office or center is open, while attempting to minimize the direct impact on student services.

Regent Walsh commented that inflation impacts the universities, both currently and cumulatively over the course of previous years when the UWs were unable to adjust tuition accordingly. She shared concerns related to employee workload and retention, and the challenge of maintaining a strong university without new revenue to cover increased costs of inflation and employee compensation.

Regent Goitom noted the UWs' affordability relative to their peers, and commented that the need to keep up with the pace of change in higher education aligns with the Board's fiduciary duty to maintain both affordability and educational quality.

Regent Kreuser highlighted issues raised in the presentation including inflationary cost increases and the impact of tuition remissions. He suggested that the Board consider exploring in the future a method of incentivizing the increased use of shared services. Regent Rai replied that he appreciated the creative suggestion, and that additional analysis would be appropriate before considering that approach.

Regent Fritz stressed the issue of aging campus facilities, and the need to address the accelerating costs of maintenance and renovation.

Regent Salzwedel commented on the timing of the proposal following the increase in state funding and the transition in university leadership, and noted that revenue balances, nonresident tuition, and shared services may provide additional opportunities.

Regent Rai reiterated the importance of addressing compounding inflationary pressures and noted that the universities need to also mitigate a $43 million combined expense of the tuition share of pay plan and veterans' tuition remissions. He added that an increased use of revenue balances may leave some campuses at risk of a structural deficit. He acknowledged the work of university leadership in driving efficiencies and stressed that while the Board must continue to address the expense side of the equation, it is important to make financial decisions that do not affect educational quality. Regent Salzwedel clarified that he was referring to the "system fund balance" in his earlier reference to the use of balances.

Motion to adopt Resolution D1 *(tuition and auxiliaries)* **made by:** Regent Fritz
Motion seconded by: Regent Goitom
Motion carried by a majority (voice vote)

Motion to adopt Resolution D2 *(UW-Green Bay plateau)* **made by:** Regent Walsh
Motion seconded by: Regent Kreuser
Motion carried unanimously (voice vote)

Motion to adopt Resolution D3 *(UW-Milwaukee plateau)* **made by:** Regent Palzewicz
Motion seconded by: Regent Walsh
Motion carried unanimously (voice vote)

E. Approval of the 2026-27 Universities of Wisconsin Annual Operating Budget

VP Gordon presented the UW System's annual operating budget for the 2026-27 fiscal year, which is based on the second year of the state's biennial budget enacted last summer, as well as the tuition and rate adjustments approved by the committee in the previous action.

The revenue budget for FY27 is projected at approximately $7.9 billion, an increase of 12.7% from the prior year, while the expenditure budget will increase by 12.3%. Revenue from gifts, grants, and contracts, driven largely by research grants and charitable giving, is projected to increase nearly $440 million. Related to the increased grant funding, federal indirect cost reimbursements are expected to increase nearly $130 million. A total of $24.7 million in tuition balances is projected for one-time uses.

The budget document contains details on each of the universities, including the key factors that impact their revenue and expense budgets, their fundraising highlights, and the actions being taken to support the goals of the UW Strategic Plan. No universities project a structural deficit in their GPR/tuition funds for 2026-27.

Questions/Comments: Regent Rai recognized university leadership for their efforts in developing the budget. He encouraged committee members to utilize the budget document as a useful financial reference throughout the year.

Motion to adopt Resolution E made by: Regent Fritz
Motion seconded by: Regent Kreuser
Motion carried unanimously (voice vote)

F. Regent Policy Document Review: RPD 13-1, "General Contract Approval, Signature Authority, and Reporting" (First Reading)

University of Wisconsin General Counsel Quinn Williams and Director of Procurement Brent Tilton presented for first reading proposed revisions to Regent Policy Document 13-1. The changes seek to better clarify the express delegation of the Board's authority to enter into contracts on its behalf to the System President and UW Chancellors, and to clarify what contracts require Board approval prior to signature. The revisions specifically include the delegation of Board procurement authority under Chapter 36 of state statute to the System President.

The draft more clearly defines what constitutes a contract, broadly including agreements such as grants, settlements, and memoranda of understanding, and provides clear definitions for key concepts like total contract value and private entities. These updates ensure the policy reflects the full scope of agreements entered into by the Board and aligns with current statutory procurement authority.

The policy maintains existing Board approval thresholds while providing clear guidance on when approval is required, particularly for contracts with private entities or UW employees, and for amendments or extensions that increase total contract value.

General Counsel Williams added that the policy has been circulated to the universities for additional feedback. Following review and incorporation of that feedback, the policy will be brought to the committee at a subsequent meeting for a second reading and requested adoption.

Questions/Comments: Regent Goitom suggested that the policy consider Board review of amendments and extensions involving change to the substantive nature of the contract or agreement. Regent Nixon noted concern over the potential that an amendment could increase the nature and value of a contract substantially without a requirement for Board review and approval.

In response to questions from Regent Kreuser and Regent Goitom, GC Williams clarified that dollar values of contracts and amendments are aggregated when determining the threshold by which Board approval is required. If a contract originally did not require Board approval, an amendment that would raise the aggregate total value over the threshold would require Board approval.

Regent Palzewicz asked whether risk analysis is part of the review process. GC Williams replied in the affirmative, adding that the universities engage in risk analysis as to the underlying contracts from the fiscal, political, and policy side.

Regent Walsh asked VP Gordon about the responsibility for tracking aggregate increases in contract value for awareness on when an agreement needs to be approved by the Board. VP Gordon replied that UW Administration monitors those contracts that they issue and sign, and relies on the universities to notify UW Administration when one of their contracts or amendments requires Board approval.

As a first reading of the proposed revisions, no further action was required by the Committee.

G. UW-Milwaukee Host Campus Presentation

Due to time constraints, Regent Rai asked to defer on receiving the host campus presentation. Regent Rai thanked UW-Milwaukee officials for their efforts in preparing the presentation slides that were shared in advance with the Committee, and encouraged members to review the information provided therein.

The meeting was adjourned at 12:07 p.m.

Respectfully submitted,

David Volz
Acting Committee Clerk