Overview and Review
2011-2013 State of Wisconsin Biennial Budget

Chancellor Biddy Martin
and
Vice Chancellor Darrell Bazzell
Budget Overview

Darrell Bazzell
Vice Chancellor of Administration
Biennial Budget and Higher Education

- Positions UW-Madison as a public authority
- Requires UW-System to allocate $250,000 to develop a plan for UW-Milwaukee to convert to a public authority
- Reduces support for UW-System institutions and UW-Madison by $250 million
  - Reduces UW-Madison by $125 million ($62.5M base cut)
- Protects state student financial aid
UW-Madison FY 2010-2011 Budget ($2.7B)

- Federal Funds: 33%
- Tuition/Fees: 15%
- Gifts, Grants and segregated fees: 18%
- Auxiliary enterprises: 12%
- State Appropriations: 17%
- Other: 5%
UW-Madison Budget Reduction Comparison

- **03-05 Biennium**: $53M
  - $38M Tuition
  - $15M Cuts

- **11-13 Biennium**: $62.5M

The chart illustrates the comparison of budget reductions over two biennia, showing the significant increase in total cuts and tuition costs from 2003-2005 to 2011-2013.
Public Authority Model
UW-Madison

Chancellor Biddy Martin
UW-Madison Public Authority

- Public Authority has no single definition or form; an entity created by the legislature to support a public purpose
- UW-Madison will remain a public institution of higher education receiving state funding and maintaining strong ties to the state
- UW-Madison will be independent from the University of Wisconsin System
  - Bill creates Chapter 37 of the Wisconsin Statutes specific to UW-Madison
- Assets and liabilities, including real property, contracts, and trust funds will transfer to the Authority
- A Board of Trustees consisting of 21 members will govern the Authority
All members must have a demonstrated commitment to the welfare of the university and have management experience or possess expertise in aspects of the university’s mission, such as:

- Undergraduate, graduate and professional education
- Research
- Intellectual property
- Support of existing industries
- New business startups
- Public service
UW-Madison Board of Trustees Composition

- Governor appoints 11 members (7 must be alumni)
  - 1 member from Board of Regents for the UW System
  - 1 member representing agriculture interests in state
  - 9 additional members

- Other 10 members appointed as follows:
  - 2 UW-Madison Faculty
  - 1 UW-Madison non-faculty employee
  - 1 UW-Madison student
  - 2 members each (total of six) appointed by boards of Wisconsin Alumni Research Foundation, Wisconsin Alumni Association, and University of Wisconsin Foundation. All must be alumni.
  - Chancellor serves as non-voting member
Additional Bill Features

Budget addresses specific areas including:

- Accountability and Oversight
- Policies and Procedures
- Sovereign Immunity/Risk Management/Liability Coverage
- Public Records and Open Meetings
- Procurement
- Facilities and Construction
- Cooperative Agreements
Tuition and Financial Aid

- Board of Trustees authorized to set and manage tuition rates
- Current tuition policies and procedures remain in effect until changed by BOT or July 1, 2013
- Provisions ensure continued access to variety of financial aid programs
Employment

- Effective July 1, 2011, employees will be employed by UW-Madison, not the state of Wisconsin.
- Employees will participate in the state health insurance, Wisconsin Retirement System and benefit programs.
- Board of Trustees will develop and implement personnel system incorporating principles of shared governance.
- Collective bargaining rights: UW-Madison will have rights equivalent to peers in other state agencies.
Questions and Answers