Overview of 2011-2013
State of Wisconsin Biennial Budget
and
New Badger Partnership/Public Authority Status for UW-Madison

Vice Chancellor Darrell Bazzell
&
Chancellor Biddy Martin

Breakfast for Chairs and Program Directors
March 22, 2011
Budget Overview

Darrell Bazzell
Vice Chancellor for Administration
UW-Madison FY 2010-2011 Budget ($2.7B)

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

03-05 Biennium
$38M Tuition
$53M Cuts

11-13 Biennium
$62.5M
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
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
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
Additional Bill Features

Bill 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
Trends in Academic Year Tuition and Required Fees

Source: Academic Planning and Analysis
Tuition rates at top U.S. public universities 2010-11

Source: Shanghai Jiao Tong University Academic Ranking of World Universities 2010
Public Big Ten Academic Year Tuition & Required Fees 2010-11

Source: Academic Planning and Analysis
Institutional Need-Based
Financial Aid For Undergrads

For 2010-11,

• 749 students received a need-based UW-Madison Grant ($4.6M)
• 6,036 students received a “Hold Harmless Grant” ($3.9M)
• $8.1M total MIU aid funds distributed so far this academic year (January 2011)

Total Institutional Need-Based Aid For Undergraduates (millions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$6.2</td>
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<tr>
<td>2008-09</td>
<td>$6.9</td>
</tr>
<tr>
<td>2009-10</td>
<td>$11.2</td>
</tr>
<tr>
<td>2010-11 (as of 1/2011)</td>
<td>$13.6</td>
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97% increase
Our Commitment to Wisconsin

- Continue our mission as a public, land-grant institution to discover, examine critically, preserve and transmit the knowledge, wisdom and values

- Foster our valued tradition of the Wisconsin Idea, forging close working relationships across the state
Collaborations with UW- Institutions

- UW-Madison offers three transfer agreement programs
  - Guaranteed admission to students who meet certain requirements
  - Provide guidance on courses appropriate for a UW-Madison degree
- UW-Madison & UW-Milwaukee Intercampus Research Grants
- Collaborative and duel degree programs include:
  - BS in Physics, BS in Engineering
    - Eau Claire, La Crosse, Oshkosh, River Falls, Whitewater
  - BS in Nursing
    - Eau Claire, Green Bay, Milwaukee, Oshkosh
- UW-Madison Consortium for Extension and Research in Agriculture and Natural Resources (CERANR) provides $125,000 for cooperative research led by faculty and staff at UW-Madison, Platteville, River Falls, & Stevens Point.
UW System’s WI Idea Partnership Proposal

(date March 10, 2011)

- UW System “proposes amending the proposed 2011-13 biennial budget to provide all UW campuses and UW-Extension with new management flexibilities within the current Board of Regents of the UW System governance structure.”
- “If this language is included in the 2011-13 budget, the Board of Regents will delegate these new management flexibilities to the UW campuses and UW-Extension to the fullest extent possible….”
What you can do to help…

- Be informed (www.budget.wisc.edu, forums, online chats weekly)
- Encourage your colleagues to be informed
- Serve as an informational resource to your faculty, staff, students, alumni and collaborators
- Tell us what you are hearing
- Tell us how these changes might impact your work as a chair -- we are always looking for examples.
- Volunteer to attend meetings around the state being organized by University Relations/WAA/UWF
Questions and Answers