2003-2004 Budget Forum

Charles W. Sorensen
Chancellor
UW-Stout
Today’s Agenda

- UW-Stout’s Budget Process
- University Priorities for 2003-2004
- Other Funded Priorities and Adjustments
- Wisconsin’s Fiscal Deficit
  - Impact on University of Wisconsin System
  - Impact on UW-Stout
UW-Stout’s Budget Process: This Forum is One Step in the Process

- Nine budget planning sessions were held in the fall of 2002 to discuss university priorities.
- Over 300 faculty, staff and students participated in the sessions and/or provided feedback via e-mail or web.
- Six new priorities were supported by the university community.
UW-Stout’s Budget Process

Following the priority sessions:

- Chancellor’s Advisory Council (CAC) met several times to discuss priorities, potential funding, and key measures of performance
- Colleges and divisions commented on the priorities
Why Invest in Priorities?

- UW-Stout has always been known as an innovative, progressive university. We must continue to invest in specific areas to:
  - Meet the changing needs and requirements of our students;
  - Ensure the viability of UW-Stout in the future;
  - Ensure we provide a safe, welcoming environment for faculty, staff and students.
University Priority: Academic Advising

Proposed Strategies:
- Identify best practices for advisement
- Define Program Director role / responsibility
- Define faculty, staff and student roles / responsibilities
- Establish expectations and provide training for Program Directors, Advisors, Faculty and Students

Key Measures of Performance:
- Freshmen and Transfer students assigned to an advisor at time of enrollment
- Improved Student Satisfaction ratings on Advising
- Reduced time to graduation
- Undecided students must declare major by 3rd semester
University Priority: Assessment (AQIP Project)

Actions:
- $147,331 for the Assessment and Continuous Improvement Center
  (First year funded from grant through UW System)
- $22,000 for Assessment Coordinator (funded by Academic and Student Affairs)

Key Measures of Performance:
- Assessment framework developed and distributed
- Assessment and Continuous Improvement Center self-supported by 2005
- E-Scholar assessment plan developed and implemented
- Number of faculty / staff who participate in information and training sessions
- Number of faculty / staff who participate in assessment activities
University Priority: Leadership Development (AQIP)

Actions:
Funded by University Special Projects Fund:
- $10,000 for increase in Professional Development Fund
- $15,000 for Russell Professional Development & Leadership Program
- $10,000 for Women Leadership Development Seminars (Match)
- $5,000 for Governance – Professional Development

Funded by Administrative and Student Life Services:
- $10,400 for classified training / mentoring program and EDGE for Executives

Key Measures of Performance:
- Number of employees enrolled in leadership training and mentoring activities
- Participant evaluation of leadership training and mentoring activities
- Number of employees applying for leadership positions
University Priority:  
Campus Diversity Climate

Proposed Strategies:

- Review and include a diversity module in the orientation program for all new faculty, staff and students
- Conduct focus groups on diversity. Recommendations from the focus groups will form the basis for Phase II of Plan 2008.
- Establish accountability mechanisms based on the level of complaint

Key Measures of Performance:

- Reduction in the number of complaints due to discrimination
- Increase in the number of cultural diversity programs offered
- Increase in the number of diverse faculty hired and retained
- Increase in the number of diversity students
University Priority: e-Campus

Actions:

- $33,700 for Web Design (one year funding from University Special Projects Fund)

Key Measures of Performance:

- Increased number of university administrative internal forms handled electronically from creation to completion
- Number of hits to Access Stout’s My Document page
- Number of applications (transactions) processed directly with customers, stakeholders and staff compared to previous years
- Customer, stakeholder and staff satisfaction survey, with assistance from BPA
University Priority: School of Education

Proposed Strategies:

- Pilot test new outcome exams to identify curriculum gaps in 02-03
- Conduct a visioning session including K-12, CESA's and alumni
- Develop a sample NCATE application
- Finalize a model of organization for Teacher Education and implement in 2003-04

Key Measures of Performance:

- Development of new school
- Pass rate of licensing exams
- Meet DPI / PI34 requirements
Other Funded Priorities & Commitments

- **Alcohol and Other Drug Abuse (AODA)**
  - $33,700 for Programming Assistant & Education Programmer (one year funding from University Special Projects Fund)

- **Graduate Education**
  - $40,000 for Graduate Assistantships (funded by Access to Learning and University Special Projects Fund)

- **The Stout Technology Advantage**
  - $117,500 for Lab Renewal Plan (Match)

- **Laptop Program**
  - $600,650 for Technicians, Manager, Training, Facilities, Curriculum (multiple funding sources including Laptop User Fee, University Special Projects Fund, Student Tech Fee Funds, etc…)

- **Other**
  - $120,395 for copier upgrade, network upgrade chargeback, misc other (funded by University Special Projects Fund)
University Special Projects Fund: Why have a reserve?

Purpose: Flexible funds held for one-time, non-recurring expenditures or ad hoc expenditures deemed to be a university-level obligation. University Special Projects Fund is budgeted at approximately 2 percent of the 102 budget. The budget is augmented by salary turnover and uncommitted carry-forward, including tuition and fees. The University Special Projects Fund is used to:

- Fund University priorities
- Reduce impact of budget lapses
- Assist with the impact of budget reductions (unemployment costs, banked leave, contractual issues)
- Provide for emergency needs due to enrollment pattern shifts
Fiscal Crisis

- The FY04 and FY05 biennial budget represents Wisconsin’s worst fiscal crisis in over 20 years.
  - A $3.2 billion shortfall over the next two years.

- The Governor is committed to restoring integrity to the state’s budget.

- Costs will be reduced, duplicative programs eliminated and priorities met.

- State government will be downsized.
Fiscal Crisis: Budget Allocations by Purpose

Wisconsin faces a projected deficit in the next two-year budget of more than $3 billion. That’s more than 13 percent of all the state’s general purpose revenue last year, and more than the state spent on any single program other than public schools.

How the state spent its money last year:

- **$9.3 billion** – Public school aid
- **$2.3 billion** – Medical Assistance
- **$2.2 billion** – Shared revenue
- **$2.0 billion** – UW System
- **$1.4 billion** – Corrections

Other, composed of:
- **$433 million** – Department of Workforce Development
- **$312 million** – Department of Natural Resources
- **$289 million** – Technical College System
- **$4.47 billion** – All other programs
# University of Wisconsin System:
## Impact of Governor’s Initiatives

Reduce UW System by $250,000,000

<table>
<thead>
<tr>
<th></th>
<th>2003-04</th>
<th>2004-05</th>
<th>Biennial</th>
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<tbody>
<tr>
<td>GPR (Tax Dollars)</td>
<td>-$110 M</td>
<td>-$140 M</td>
<td>-$250 M</td>
</tr>
<tr>
<td>Tuition Offset</td>
<td>$50 M</td>
<td>$100 M</td>
<td>$150 M</td>
</tr>
<tr>
<td>Budget Reduction</td>
<td>-$60 M</td>
<td>-$40 M</td>
<td>-$100 M</td>
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- This is 38% of all cuts to existing state agency budgets and programs
- This cuts 12% of the UW budget
University of Wisconsin System: Impact of Governor’s Initiatives

- Reduce the number of positions for the UW System by 650 Full Time Equivalent positions.

- Increase student financial aid for low- and middle-income UW students by 56 percent over the biennium.

- Take $23,000,000 from auxiliary operations (functions like Residence Halls, Food Service, Parking) for the Wisconsin Higher Education Grant program.
### University of Wisconsin System: Impact of Governor’s Initiatives

<table>
<thead>
<tr>
<th></th>
<th>Current 2002-03 Tuition and Fees</th>
<th>With Proposed Increases* 2003-04 Tuition and Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Peer Midpoint</td>
<td>Rank</td>
</tr>
<tr>
<td>UW-Madison</td>
<td>$4,423</td>
<td>$5,509 8th of 9</td>
</tr>
<tr>
<td>UW-Milwaukee</td>
<td>$4,353</td>
<td>$5,670 12th of 15</td>
</tr>
<tr>
<td>UW Comprehensives</td>
<td>$3,604</td>
<td>$4,462 34th of 35</td>
</tr>
<tr>
<td>(Tuition &amp; Avg Seg Fees)</td>
<td></td>
<td></td>
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* $350 / semester Madison & Milwaukee; $250 / semester Comprehensives
** Calculated using estimated tuition increases for peers
# UW-Stout: Academic Year Tuition Increase

## 2002-2003

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<tbody>
<tr>
<td></td>
<td>$3,757</td>
<td>$4,257</td>
<td>$4,757</td>
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## Revenue Increase Over 2002-2003

- $3.2 M
- $6.4 M

## Increase Covers:

- Portion of Budget Cut
- Cost to Continue for the System:
  - Fee Portion of Full Funded 2001-03 Pay Plans
  - Fee Portion of 2001-2002 Fringe Benefit Increases
  - Student Technology Fee Increases
  - Portion of System-Wide Debt Service & Utility Increases
  - Projected Costs for 2003-2005 for Pay Plan and Fringe Benefits

## UW-Stout’s 2002-2003 Budget:

- Fringe Budget: $13,885,408
- Debt Service: $4,037,867
- Utilities: $1,386,033
UW-Stout: Budget & Funding Sources

Operating Budget: $100,800,000

State Support* $ 34,500,000
34%

Tuition $ 24,000,000
24%

*State Support does not include restricted funds – utilities, debt service, financial aid.
## UW-Stout: 2003-2004 Net Budget Reduction

After Tuition Offset of $50,000,000

<table>
<thead>
<tr>
<th></th>
<th>2003-2004 Base Reduction</th>
<th>Economic Impact Of Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Madison</td>
<td>$23,090,550</td>
<td>$57,726,375</td>
</tr>
<tr>
<td>Milwaukee</td>
<td>$7,914,000</td>
<td>$19,785,000</td>
</tr>
<tr>
<td>Eau Claire</td>
<td>$2,940,600</td>
<td>$7,351,500</td>
</tr>
<tr>
<td>Green Bay</td>
<td>$1,418,550</td>
<td>$3,546,375</td>
</tr>
<tr>
<td>La Crosse</td>
<td>$2,539,350</td>
<td>$6,348,375</td>
</tr>
<tr>
<td>Oshkosh</td>
<td>$2,800,800</td>
<td>$7,002,000</td>
</tr>
<tr>
<td>Parkside</td>
<td>$1,327,050</td>
<td>$3,317,625</td>
</tr>
<tr>
<td>Platteville</td>
<td>$1,728,150</td>
<td>$4,320,375</td>
</tr>
<tr>
<td>River Falls</td>
<td>$1,657,950</td>
<td>$4,144,875</td>
</tr>
<tr>
<td>Stevens Point</td>
<td>$2,515,800</td>
<td>$6,289,500</td>
</tr>
<tr>
<td><strong>Stout</strong></td>
<td><strong>$2,319,450</strong></td>
<td><strong>$5,798,625</strong></td>
</tr>
<tr>
<td>Superior</td>
<td>$865,050</td>
<td>$2,162,625</td>
</tr>
<tr>
<td>Whitewater</td>
<td>$2,648,100</td>
<td>$6,620,250</td>
</tr>
<tr>
<td>Colleges</td>
<td>$2,182,950</td>
<td>$5,457,375</td>
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<tr>
<td>Extension</td>
<td>$2,505,600</td>
<td>$6,264,000</td>
</tr>
<tr>
<td>System Admin / Wide</td>
<td>$1,546,050</td>
<td>$3,865,125</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$60,000,000</strong></td>
<td><strong>$150,000,000</strong></td>
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### UW-Stout: Reduction in Full Time Equivalent Positions

<table>
<thead>
<tr>
<th>Position</th>
<th>Reduction</th>
</tr>
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<tbody>
<tr>
<td>Madison</td>
<td>258.40</td>
</tr>
<tr>
<td>Milwaukee</td>
<td>89.84</td>
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<tr>
<td>Eau Claire</td>
<td>32.55</td>
</tr>
<tr>
<td>Green Bay</td>
<td>16.19</td>
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<tr>
<td>La Crosse</td>
<td>27.34</td>
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<tr>
<td>Oshkosh</td>
<td>32.99</td>
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<tr>
<td>Parkside</td>
<td>15.37</td>
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<tr>
<td>Platteville</td>
<td>18.31</td>
</tr>
<tr>
<td>River Falls</td>
<td>18.21</td>
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<tr>
<td>Stevens Point</td>
<td>28.70</td>
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<tr>
<td><strong>Stout</strong></td>
<td><strong>25.32</strong></td>
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<tr>
<td>Superior</td>
<td>10.53</td>
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<tr>
<td>Whitewater</td>
<td>29.22</td>
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<tr>
<td>Colleges</td>
<td>25.82</td>
</tr>
<tr>
<td>Extension</td>
<td>14.00</td>
</tr>
<tr>
<td>System Admin / Wide</td>
<td>7.21</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>650.00</strong></td>
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650 FTE GPR
UW-Stout: How We Handled The Reduction

Budget Reduction Steering Committee (representing all constituent groups, including students) met weekly

1. University-wide: Each division (Chancellor’s Office, Academic & Student Affairs, and Administrative & Student Life Services) prepared for a 5 percent reduction

2. Partial strategic cuts in four areas: Athletics, University Recreation, Placement, Stout Solutions

3. Instructional Efficiencies were identified in order to preserve as much instructional access as possible: reduce program director / department chair allocations, redefine responsibilities, increase class sizes, increase instructional workload for faculty and academic staff
Questions?

Comments?

Thank you for your input!