

2015-17 Biennial Budget Overview

August, 2014

2015-17 Biennial Budget Timeline

- **Spring 2014** – DOA gives biennial budget instructions to state agencies
- **August 2014** – Board of Regents takes final action on UW System biennial budget request
- **September 2014** – Board of Regents submits UW System biennial budget request to DOA
- **September 2014 to February 2015** – Development of Governor's budget
- **February 2015** – Governor presents his/her budget to the Legislature
- **February to June 2015** – Joint Finance Committee and Legislature work on budget
- **July 1, 2015 (optimistically)** – Biennial budget is enacted. Possible Governor's vetoes

UW System Biennial Budget Request

Talent Development Initiative: \$95.2 M

1. *Building the Talent-based Economy: \$22.5 M*

- Leverage the creation of STEM-related jobs

2. *Building the Talent Path: \$15.4 M*

- Increase the number of graduates
- Reduce time to degree

3. *Building the Talent Infrastructure: \$30 M*

- Invest in programs critical to Wisconsin's economy
- Economic development grants – Competitive, “base-building”

4. *Building the Foundation for Excellence: \$27.3 M*

- Maintain the quality of academic instruction and research in the UW System

Building the Talent-based Economy

- \$22.5 M one-time funding in 2015-16 to leverage the creation of STEM-related jobs
- Competitive grants to UW institutions for projects or programs that advance:
 - *Economic development programs*
 - *Research and development activities with a focus on those that lead to commercialization of products*
 - *Programs that provide financial or material support for UW faculty or students engaged in entrepreneurial activities*

Building the Talent Path

- \$15.4 M biennially
- Funding targeted to initiatives designed to increase the number of graduates and reduce the time to degree
 - *Course Options*: \$5.4 M to increase opportunities for Wisconsin high school students to enroll in high school courses for college degree credit
 - *Developmental Education*: \$1.0 M to pilot cutting-edged approaches to remedial education at UW institutions and implement those that are most successful

More on Building the Talent Path

- *Transfer Information System (TIS)*: \$1.0 M to update and support the technology infrastructure of TIS. This system offers UW and Wisconsin Technical College System students the ability to see how their credits will transfer to any UW or WTCS campus.
- *UW Flex Option*: \$0.7 M to provide base funding for the Flex Option program
- *Talent Market Initiative*: \$0.5 M to support a computer accessible resource that will connect Wisconsin businesses with students who are graduating from UW institutions
- *Diversity Initiatives*: \$0.4 M

Building the Talent Infrastructure

- \$30 M biennially to invest in programs that will focus on the state's need for college-degreed professionals in critical workforce areas
 - Programs that increase the number of degrees in fields for which occupational demand is high
 - Programs that increase the number of opportunities available for students to gain work experience in their fields
 - Programs that attract and retain students in degree fields for which occupational demand is high
 - Programs that recruit and retain outstanding faculty in high-demand fields

Building the Foundation for Excellence

- \$27.3 million in 2016-17
- Will be used to cover the “tuition structural deficit”: unfunded base costs for compensation and fringe benefits related to the 2013-15 tuition freeze
- Will allow UW System to maintain a high degree of quality, increase student success and retention, address the state’s need for more college-degreed professionals
- UW System requests that GPR fully fund compensation increases in years that a tuition freeze is in effect

2015-17 Biennial Budget Request

UW System New Initiatives

Amounts in Millions

	<u>2015-16</u>		<u>2016-17</u>		<u>Biennial</u>	<u>Ongoing</u>
	<u>Base</u>	<u>One-time</u>	<u>Base</u>	<u>One-time</u>		
Building the Talent-based Economy		\$ 22.5		-	\$ 22.5	-
Building the Talent Path	6.4		9.0		15.4	9.0
Building the Talent Infrastructure	-		30.0		30.0	30.0
Building the Foundation for Excellence	-		27.3		27.3	27.3
Totals	\$ 6.4	\$ 22.5	\$ 66.3	\$ -	\$ 95.2	\$ 66.3

Requested statutory language changes

- Authority to provide discretionary merit compensation adjustments for all employees
 - Would add merit as a reason for granting salary increases to faculty and academic staff
- Authority to approve compensation plans for all employees
 - Would allow the Board of Regents and the UW Madison Chancellor to approve compensation plans for all employees
 - General wage adjustments would continue to be funded through the state's Compensation Reserve