



UNIVERSITY OF WISCONSIN-MILWAUKEE
BUDGET IN BRIEF
2016-17

From the Chancellor



“UWM is one of the best values for the state of Wisconsin in terms of ROI for state taxpayers. Now is the time to re-invest in UW-Milwaukee.”

The University of Wisconsin-Milwaukee provides a world class education. Together with our students, faculty and partners, we create powerful learning experiences that transform lives and communities and boost the Wisconsin economy.

Public university budgets are multifaceted and complex. It is absolutely critical that we share how we use the investments we receive from students, the state and its taxpayers, and all who support UWM. With this UW-Milwaukee *Budget in Brief* our goal is to make clear how we manage the valuable resources we have.

UWM is an administratively lean and fiscally responsible public university, even in the face of challenging national trends and budget cuts. We have a responsibility like no other in Wisconsin that goes beyond being good stewards.

We are Wisconsin’s only public urban research university and are distinguished by our access mission, serving the largest urban population in the state. We provide higher educational opportunities in an economical fashion that stresses affordability. Indeed, our dual mission is one of Wisconsin’s greatest assets that just keeps on giving: we have produced 178,000 alumni of whom 76% remain in Wisconsin to live and work, providing our state with highly-skilled, innovative, and critically thinking employees. However, the reality is that our dual mission costs more to educate and graduate students.

After reviewing our *Budget in Brief*, I hope that you see how fiscally responsible we are and that UWM is one of the best values for the state of Wisconsin in terms of ROI for taxpayers. Now is the time to re-invest in UWM. We will continue to maximize that support by creating talented employees, research and entrepreneurial partnerships that matter, and engagements with community business, education, healthcare, non-profits, arts, and other sectors.

Mark Mone
UW-Milwaukee Chancellor

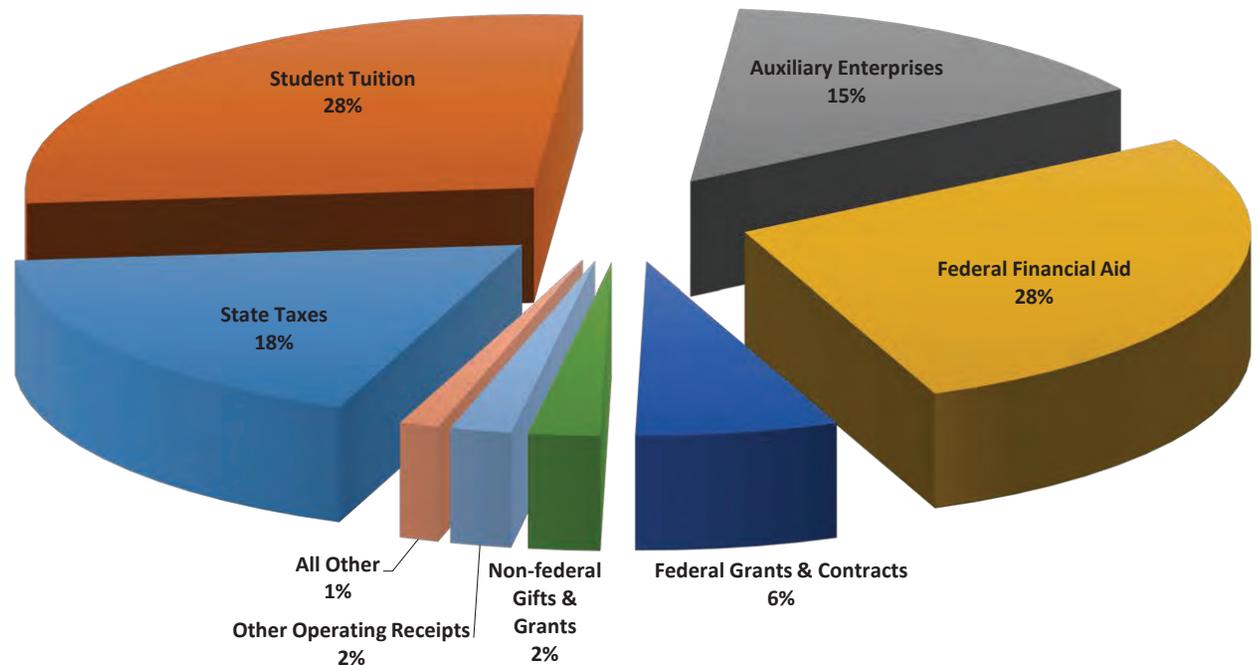
Revenue Sources

UW–Milwaukee gets revenue from multiple sources for its \$667 million "redbook" budget. The university's mission is supported by state and federal government investments, tuition, research grants, and contributions from friends of the university.

- The largest portion of the university's published budget, more than \$228 million, or 34 percent, is from the federal government. Most of this is student financial aid and supports tuition and fees for students
- The second-largest amount (\$187 million, or 28 percent) comes from student tuition and fees.
- Revenues from state government totaled \$118 million, or 18 percent of the overall budget. State revenue includes general purpose revenue (\$75 million), over which the university has some discretion, and specific-purpose revenue (\$43 million), which goes to predetermined programs.
- Revenues from auxiliary enterprises, such as University Housing and the Student Union, account for \$97 million, or 15 percent, of the overall budget. This money is collected and spent entirely within these units and typically cannot be used for other university purposes.
- Revenue from gifts from donors and private grants are 2 percent (\$15 million) of the budget.

It is important to note that UWM's actual operating budget is different than its published budget. \$186 million in federal financial aid is included in UWM's published budget but is passed through to students and eventually a portion is received by UWM in the form of tuition revenues or other receipts. Also, UWM has access to another revenue source - credit online or outreach fees - that is not included in the published budget. With the subtraction of financial aid pass-through funds, and the addition of credit outreach fees, UWM's budgeted revenues for operating purposes are \$523 million.

Source of Funds

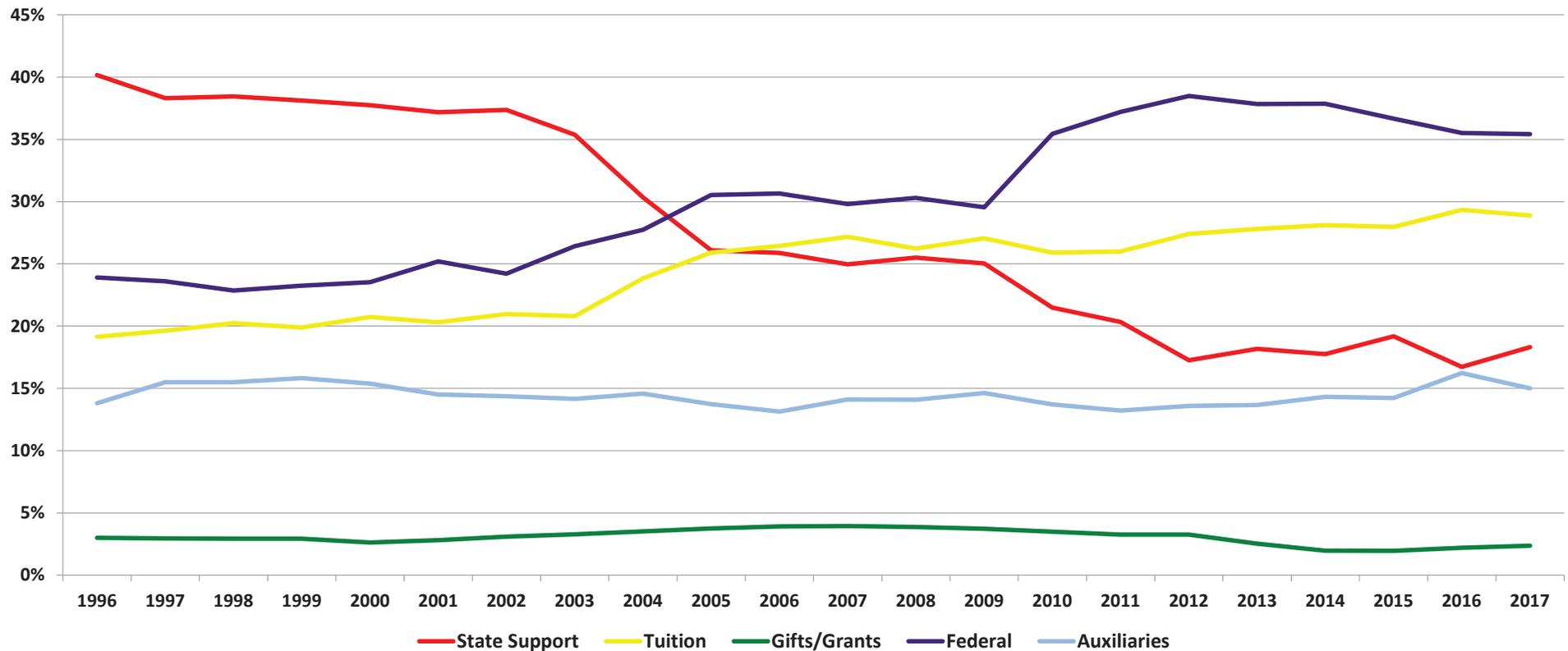


Changing Budget Landscape

UWM's funding sources have shifted over the decades. As the chart below indicates, the amount of support we receive in state funds relative to our overall budget has declined, and the university has become increasingly reliant on private donations, federal dollars, and tuition payments.

The federal funding shown below includes federal financial aid that is passed through to students.

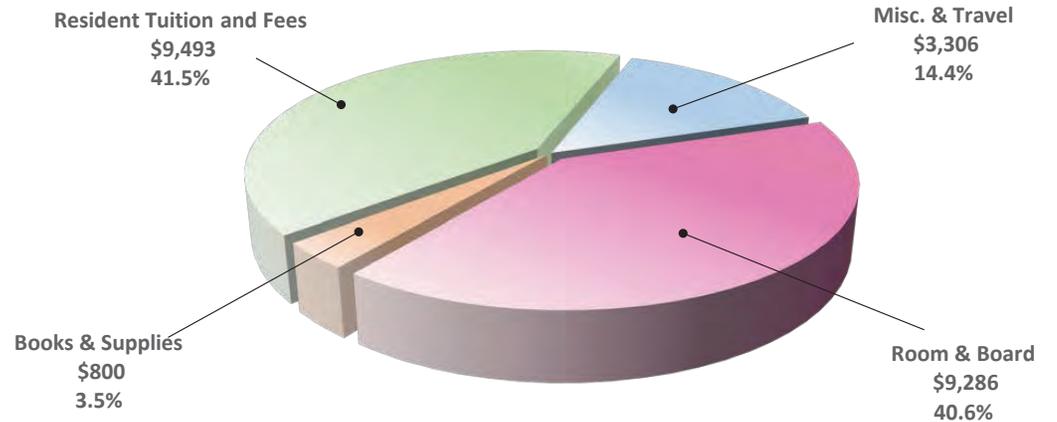
Source of Funds



Tuition and Fees

Tuition and fees are part of the overall cost of attending UW-Milwaukee. Tuition currently is frozen for in-state undergraduates enrolled at UW System campuses. UW-Milwaukee is consistently ranked one of the nation's best values among public colleges and universities.

Cost of Attendance for Typical UWM Undergraduate Total = \$22,885



2016-2017 Academic Year Tuition & Required Fees

UNIVERSITY	Undergraduate: Resident		Non-Resident	
	AMOUNT	RANK	AMOUNT	RANK
Temple	\$ 15,384	1	\$ 26,376	6
U. of Illinois-Chicago	\$ 14,816	2	\$ 27,672	4
Rutgers-Newark	\$ 13,829	3	\$ 29,480	2
Wayne State	\$ 12,269	4	\$ 26,219	8
U. of Texas-Dallas	\$ 12,162	5	\$ 33,654	1
U. of Louisville	\$ 11,068	6	\$ 26,090	9
U. of Cincinnati	\$ 11,000	7	\$ 26,334	7
Georgia State	\$ 10,686	8	\$ 28,896	3
U. of Akron	\$ 9,920	9	\$ 18,451	14
Cleveland State	\$ 9,636	10	\$ 13,687	15
SUNY-Buffalo	\$ 9,574	11	\$ 26,812	5
U. of Missouri-Kansas City	\$ 9,563	12	\$ 23,363	10
UW-Milwaukee	\$ 9,493	13	\$ 19,850	12
U. of Toledo	\$ 9,242	14	\$ 18,580	13
U. of New Orleans	\$ 7,150	15	\$ 20,967	11
Average excluding UW-Milwaukee	\$ 11,164		\$ 24,756	
UW-Milwaukee distance from average	-\$1,671		-\$4,905	

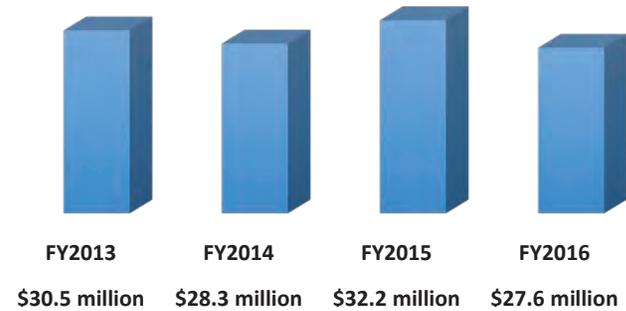
UW-Milwaukee ranked thirteenth among peer institutions in 2016-17 for in-state resident undergraduate tuition and fees and twelfth for non-resident undergraduate students.

Research Funding

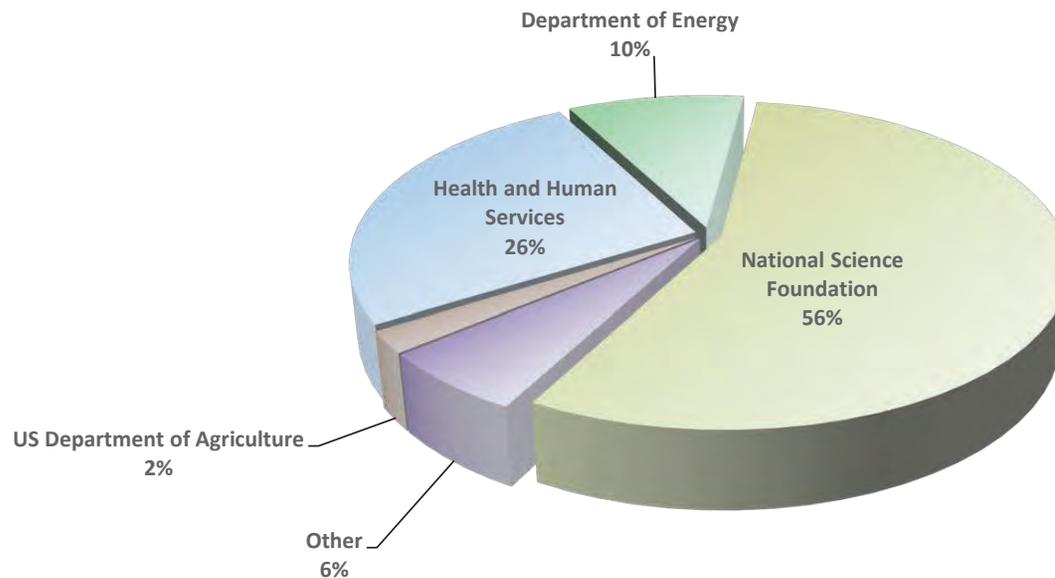
UW-Milwaukee's research enterprise is the largest among southeastern Wisconsin universities. The research is wide-ranging and includes fundamental research, business collaboration, and community engagement. The research and resulting skilled workforce stimulate the economy and support entrepreneurship across the state.

- Over the last four years, UWM has spent an average of almost \$30 million per year from federal and non-federal sources for research. Federal research programs are the major sources.
- The largest source of external funding is the National Science Foundation, followed by Health and Human Services.
- These research dollars are awarded through competitive review processes that require faculty to develop cutting-edge proposals for specific projects.

Total Research Funding Trend



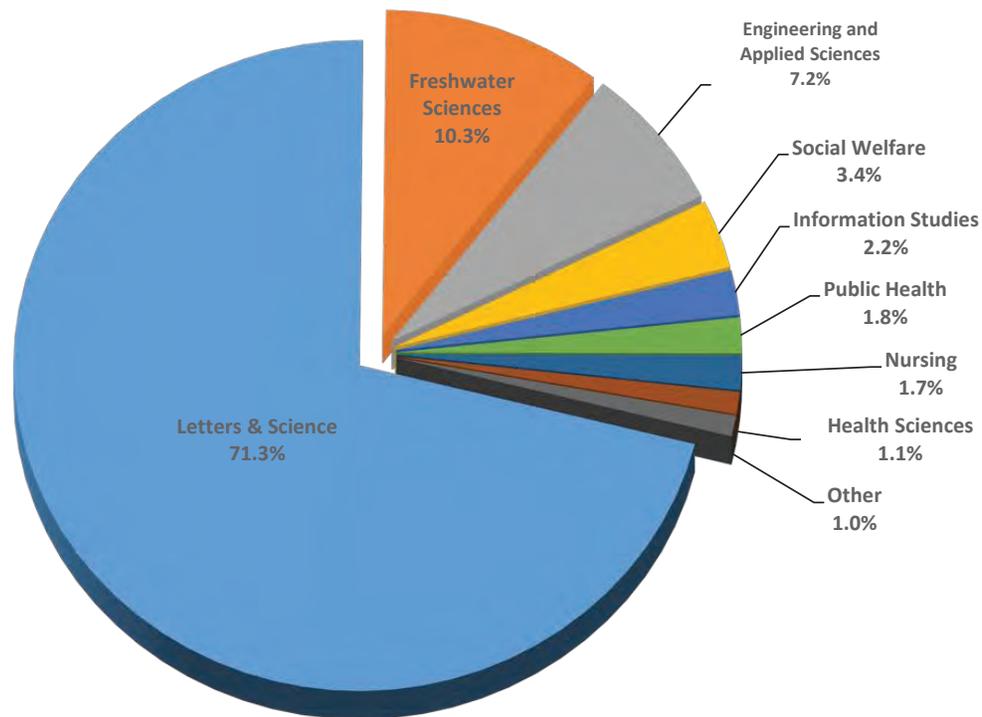
Sources of Federal Research Funding



Distribution of Research Funds

This chart shows how research funding is distributed across the UW–Milwaukee campus. Faculty and staff across the university—in science, engineering, business, education, social sciences, arts and humanities—compete for research dollars and help grow UWM's research profile. This research fuels economic growth and development through the money spent here in the state of Wisconsin to support this research infrastructure. The research reputation of UW–Milwaukee attracts businesses and generates new start-up companies.

Distribution of Research Funds



Gift and Grant Funds

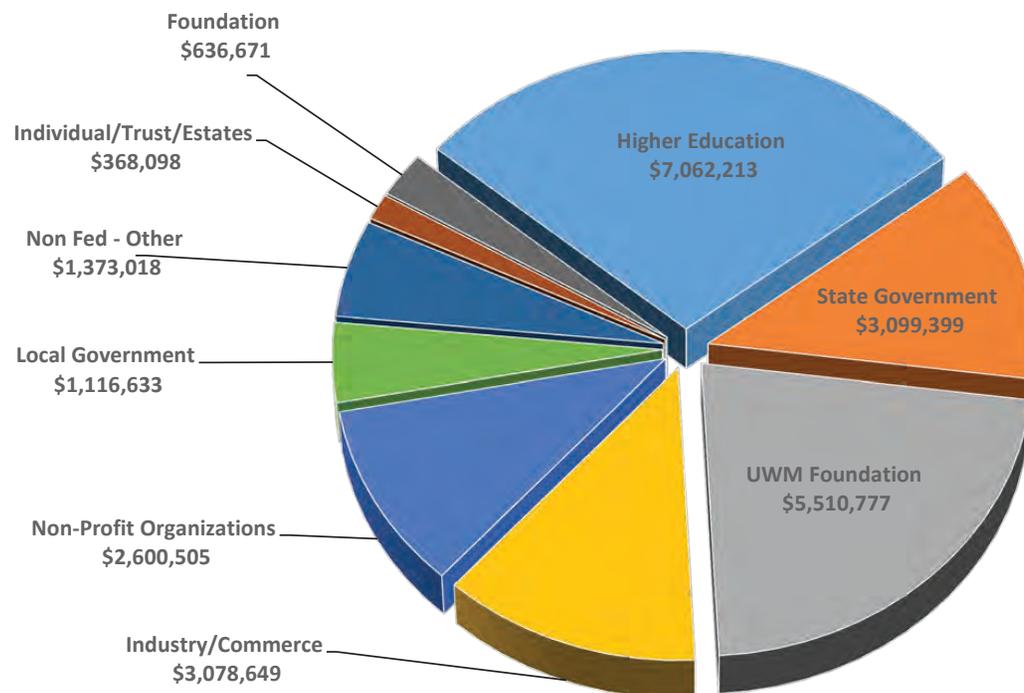
UW–Milwaukee also receives a significant amount of funding, \$25 million in 2015–16, from private gifts, non-federal grants, private contracts, and licensing fees. These funds are typically earmarked for very specific purposes.

The funds received must be spent on preapproved projects. They are not allocated for discretionary use.

Both private and public universities across the country increasingly depend upon support from their alumni and friends to help them invest in special programs.

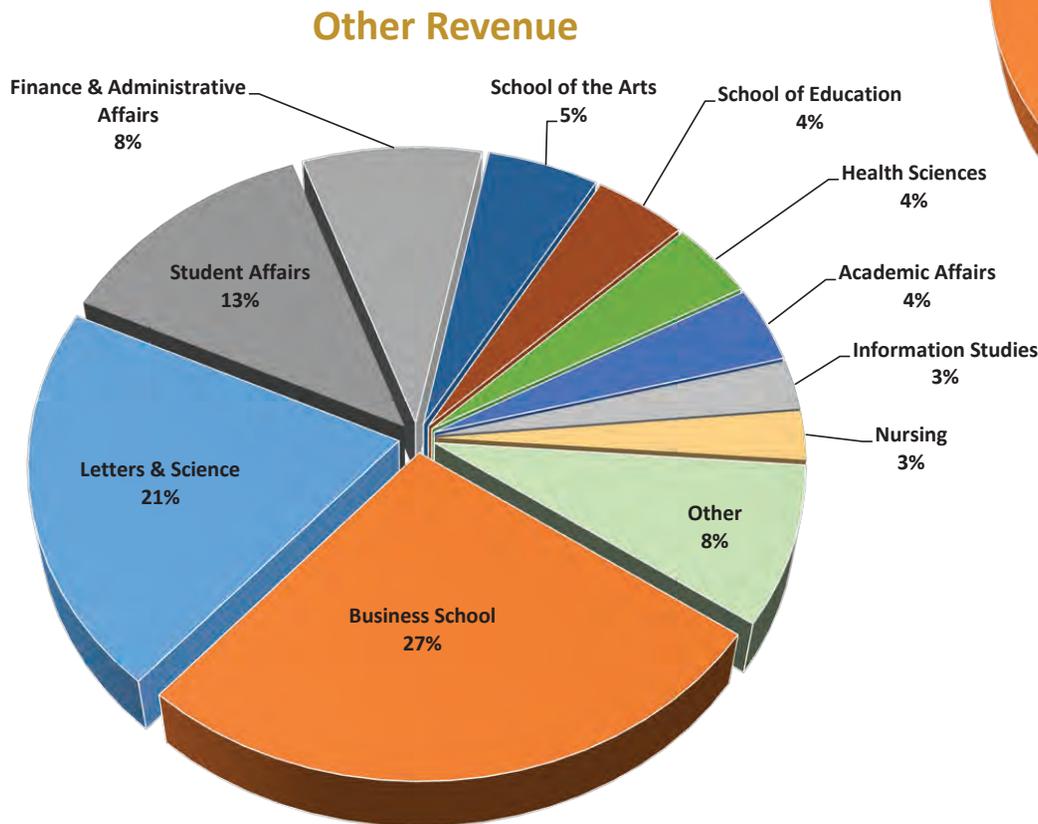
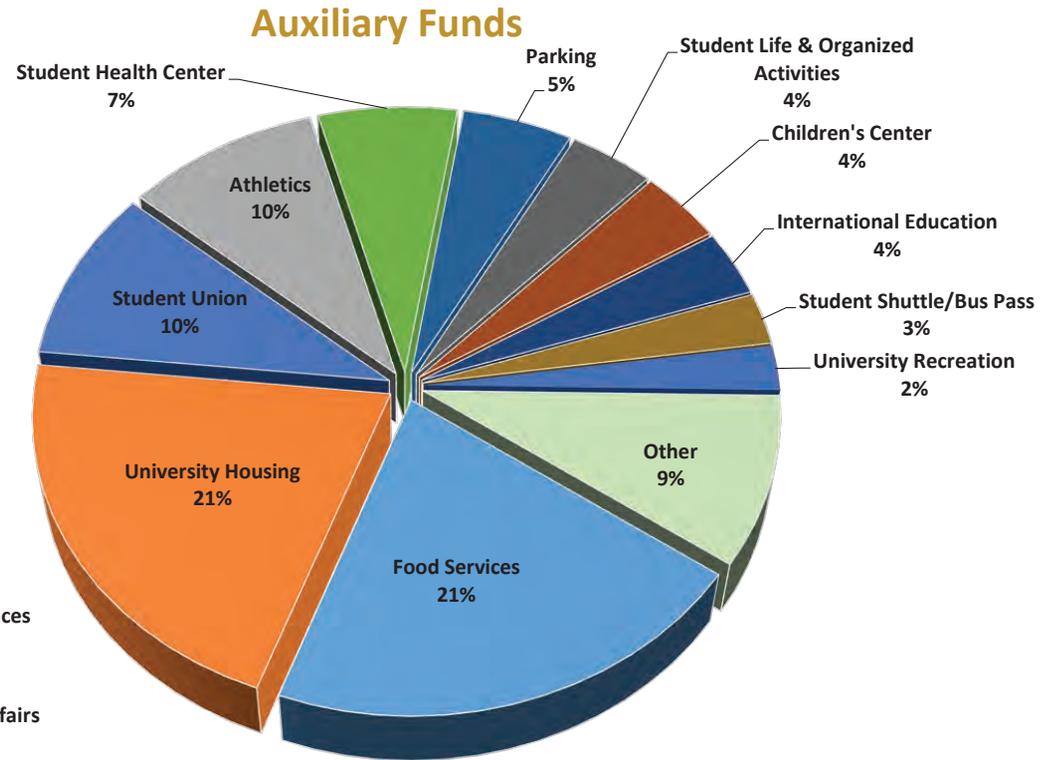
The majority of gift funds at UW–Milwaukee are spent to provide need-based financial aid to students, to improve facilities, to spur innovation, and to enrich the academic experience.

Fiscal 2016 Gifts and Non-Federal Grants/Awards



Auxiliary Funds and Other Revenue

Auxiliary funds are user fees paid for services the university provides to the campus community and general public, such as our residence halls or parking services. UW–Milwaukee budgeted \$97 million in auxiliary revenues in 2016–17. These funds typically must be used to support the units where they are collected and cannot be used for other university purposes.



The university budgeted \$13 million in revenue in 2016–17 from other sources, including certifications provided to the public by the College of Letters and Science and the Business School.

Fiscal 2015-16 Expenditures by Unit

Expenditures at UW–Milwaukee reflect our core missions of education, research, and outreach.

- In the 2015–16 academic year, \$333 million, or 46 percent of our total expenditures, was allocated to our academic units.
- In addition, 26 percent was spent on support units necessary to the academic and research mission of the university, including auxiliary units, information technology, facilities planning and management, the police department, etc.

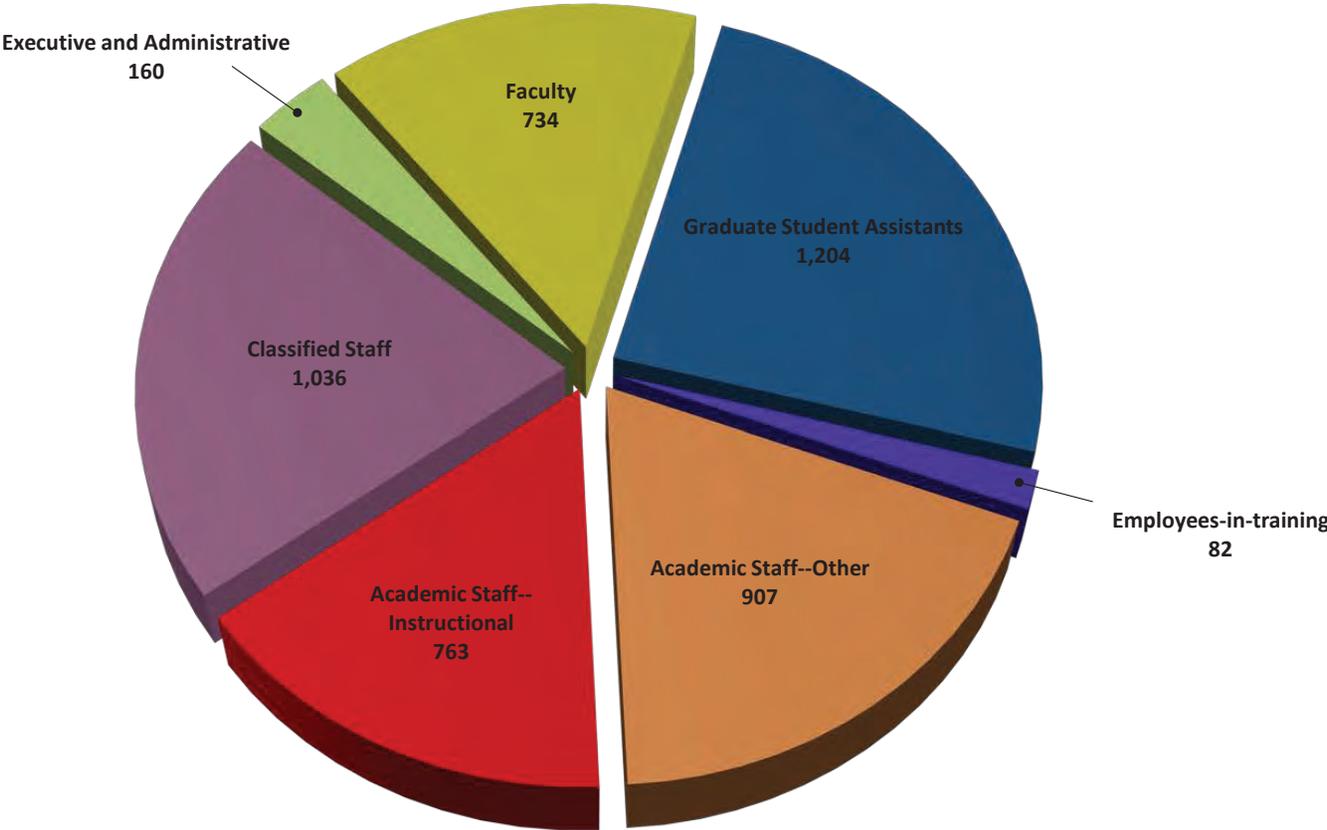
UW-Milwaukee Expenditures by Unit 2015-16 (In Millions) All Revenue Sources

<u>Academic Units</u>	<u>All Funds</u>	<u>% of Total</u>	<u>Support Units</u>	<u>All Funds</u>	<u>% of Total</u>
Academic Affairs	\$20.90	2.9%	General Educational Administration	\$13.10	1.8%
Health Sciences	\$17.70	2.5%	Finance & Administrative Affairs	\$54.60	7.6%
Architecture & Urban Planning	\$5.80	0.8%	Student Affairs	\$85.60	11.9%
Business Administration	\$20.60	2.9%	Unit Wide	\$33.60	4.7%
Education	\$16.80	2.3%	Subtotal	\$186.90	26.0%
Engineering & Applied Science	\$25.60	3.6%	Student Financial Aid (Loans)	\$198.10	27.6%
Arts	\$17.00	2.4%			
Freshwater Sciences	\$9.30	1.3%	TOTAL	\$718.10	100.0%
Office of Research	\$4.50	0.6%			
Graduate School	\$2.70	0.4%			
Information Technology Services	\$16.70	2.3%			
Letters & Science	\$110.20	15.3%			
Library	\$10.30	1.4%			
Information Studies	\$6.20	0.9%			
Nursing	\$14.90	2.1%			
Public Health	\$7.90	1.1%			
Social Welfare	\$12.10	1.7%			
Continuing Education	\$9.50	1.3%			
Academic Support	\$4.40	0.6%			
Subtotal	\$333.10	46.4%			

Faculty and Staff

At UW–Milwaukee, people are our greatest asset. Accordingly, a large portion of our budget—roughly 50 percent—goes toward compensating the faculty, academic staff, and classified staff who support our education and research missions. In addition to the more than 4,800 members of the faculty and staff, the university also employs over 2,800 undergraduate students.

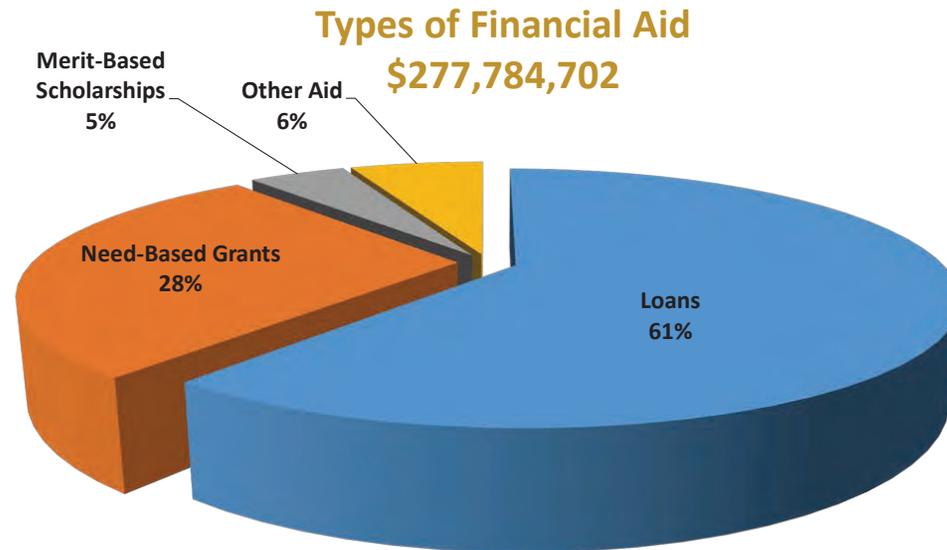
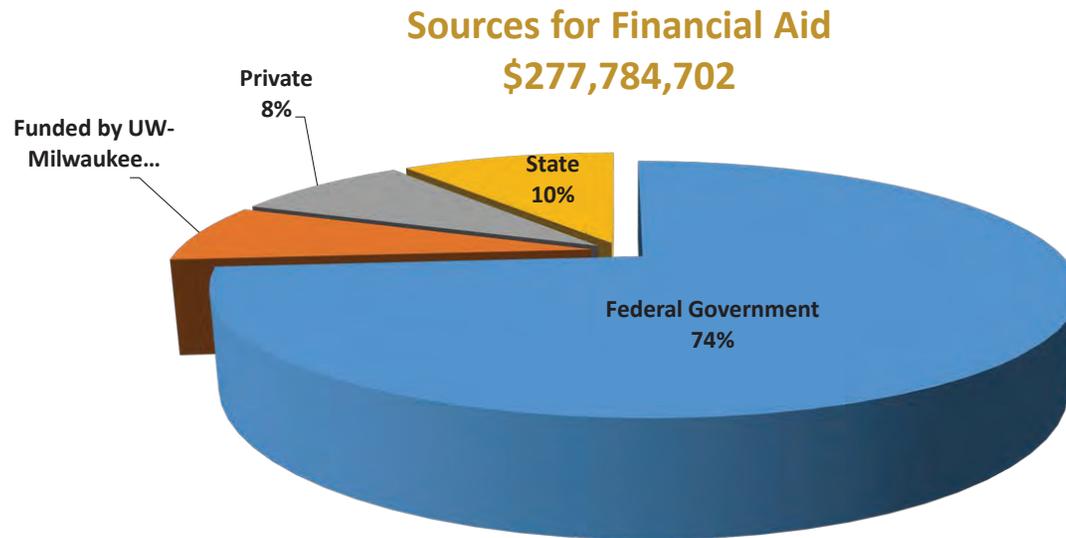
Faculty and Staff Positions



Student Financial Aid

Though UW–Milwaukee strives to keep higher education affordable, for many students and families, additional help is needed. In 2015-16, 3 out of 4 UW–Milwaukee undergraduates received some form of financial aid, including student loans.

- Through a combination of federal, state, and gift funding, many students received some financial aid. Although we have less aid available than some peer institutions, we work to be good stewards of limited resources by targeting available funds to students with the greatest need.
- The bottom pie chart shows annual grants, scholarships, loans and other aid for UW–Milwaukee students. Loans include subsidized, unsubsidized, private, state, and institutional.
- Private aid is provided by sources other than the federal/state government and UW–Milwaukee funds, including private donors, non profits, and service organizations.

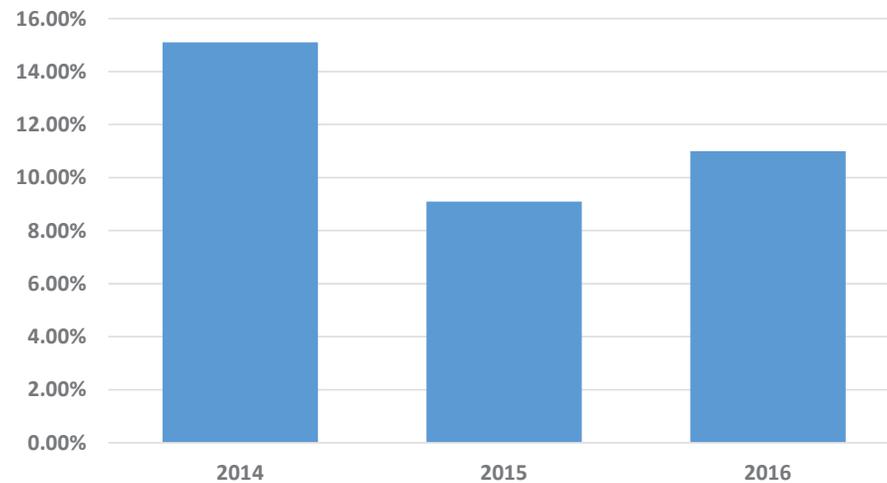


Year-End Fund Balances

In response to directives from the State Legislature and UW System Board of Regents, UW–Milwaukee is working hard to manage fund balances with greater transparency. The university’s tuition balance, as calculated by Legislative Audit Bureau methodology, declined from 15 percent in 2014 to 11 percent in 2016.

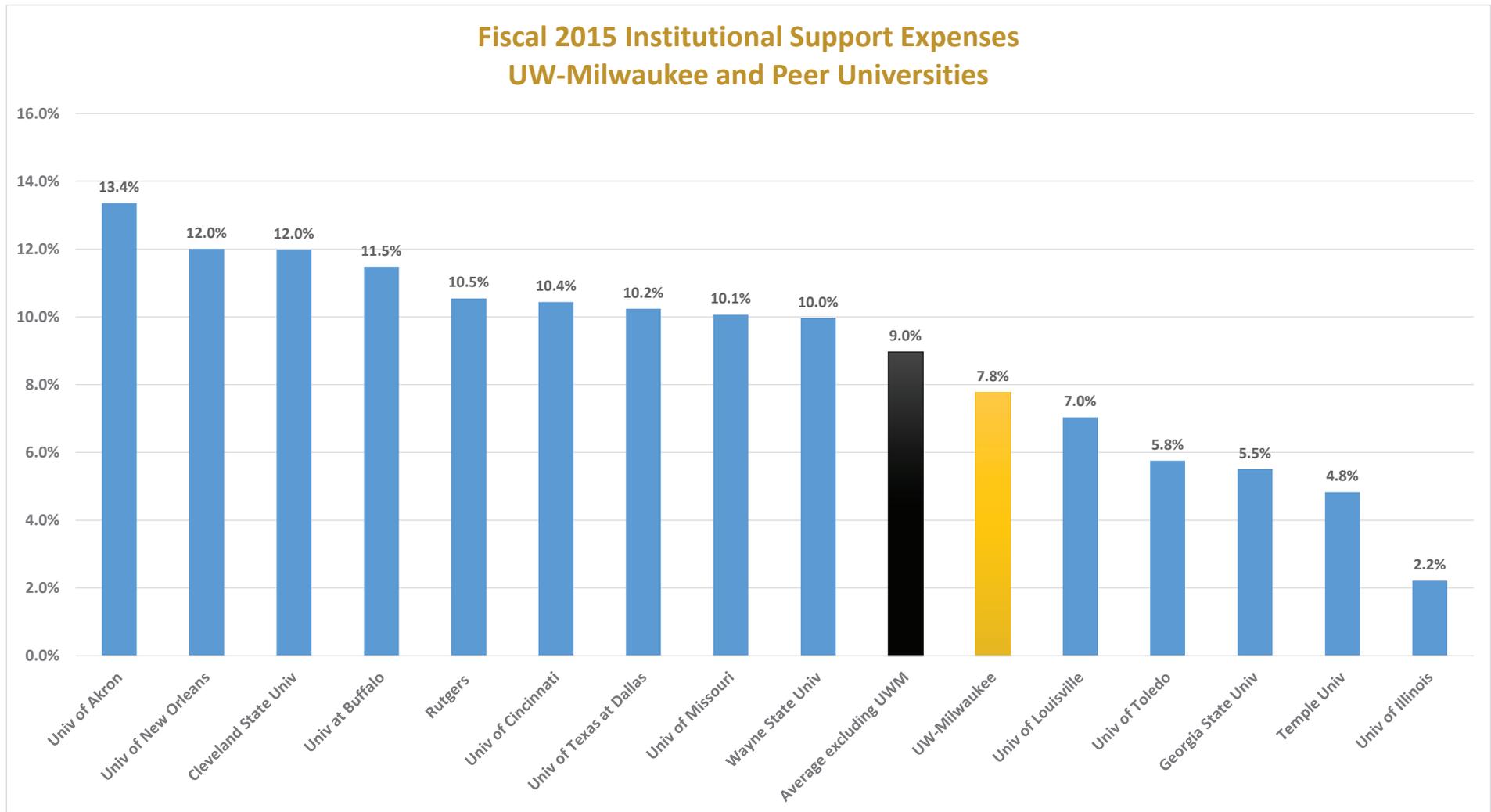
- All of the tuition fund balance is already fully committed to various university programs. Most of the dollars are designated for commitments that have been made but are not yet paid for, such as start-up costs for new schools of Public Health and Freshwater Sciences and faculty and staff hiring.
- UWM has a very small amount of reserves. Reserves comprise less than 1% of annual expenditures and are held as a safeguard against revenue fluctuations caused by enrollment shifts.

Tuition Carryover Ratio



Administrative Overhead

UW–Milwaukee’s central administration costs are low compared to its peers. According to 2015 data, the amount spent on day-to-day administrative support as a percentage of total operating expenses at UW–Milwaukee is 15 percent less than our peer average. These support services include general administrative services, legal and fiscal operations, purchasing and printing, employee personnel and records, and information technology.





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For further information, please visit our State Budget Information website at uwm.edu/budget