

Campus Biennial Budget Meeting

Ninth in a Series

July 16, 2015

UWM Student Union, Ballroom East

Today's Meeting

- **Chancellor's Updates**
- **Budget Planning Task Force**
 - Budget Cuts – Planning for One-Time and Permanent Cuts
- **Shared Governance**
 - Faculty Tenure
 - Indefinite Status
 - University Staff Advocacy
 - Student Advocacy
- **Budget Communication Task Force**
- **Wrap-up and Next Steps**
- **Q & A – budget-questions@uwm.edu**

What Could Have Been

**Speculation of big Scott Walker budget cut has
UW-Milwaukee fearing worst**

- Journal Sentinel, January 23, 2015

- **Proposed \$300M Cut to UW System**
- **Could Have Translated to up to a
\$24M Annual Cut to UWM**
- **UWM in better position than expected**

Clarity on 2015-17 Budget

- **\$250M Budget Cut to UW System**
- **Actual Cut for UWM: \$30M**
 - \$12.2M (FY16)
 - ~ \$18M (FY17)
- **Planning for long-term cuts**

UWM's Budget Cut – By the Numbers

UWM's Share of \$150 Million Annual Base Reduction (13.6%):	\$20,430,000
Additional Annual Reduction for Unfunded Costs:	\$2,121,000
Total Annual Cut without Restored \$25 million	\$22,551,000
UWM's Share of Restored \$25 million (18%)	(\$4,508,800)
UWM's Total Annual Base Cut with Restored \$25 million	\$18,042,200
UWM's Share of UW System \$20 million in One-Time Funds (29%)	\$5,825,100
Amount Needed to Fund Cut in FY 2016	(\$12,217,100)
Amount Needed to Fund Cut in FY 2017	(\$18,042,200)
Total UWM Cut Over FY 15-17 Biennium	(\$30,259,300)

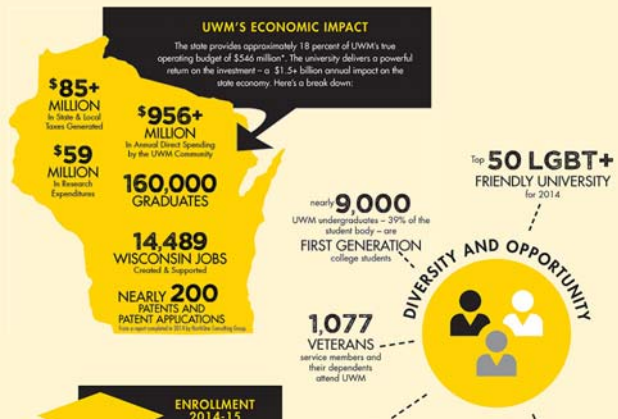
UWM's Budget Cut Comparison

Institution	Total Unfunded Costs		Base Reduction		Restoration of \$25M		Total Base Budget Reductions		FY15-16 One-Time Systemwide Fund Balances Distribution	
Madison	\$5,916,400	38.0%	\$56,985,000	38.0%	(\$4,000,000)	16.0%	\$58,901,400	41.9%	(1,701,500)	8.5%
Milwaukee	\$2,121,000	13.6%	\$20,430,000	13.6%	(\$4,508,800)	18.0%	\$18,042,200	12.8%	(5,825,100)	29.1%
Eau Claire	\$813,000	5.2%	\$7,830,000	5.2%	(\$939,600)	3.8%	\$7,703,400	5.5%	(439,300)	2.2%
Green Bay	\$392,400	2.5%	\$3,780,000	2.5%	(\$1,354,000)	5.4%	\$2,818,400	2.0%	(1,045,400)	5.2%
La Crosse	\$658,700	4.2%	\$6,345,000	4.2%	(\$768,800)	3.1%	\$6,234,900	4.4%	(250,000)	1.3%
Oshkosh	\$786,500	5.1%	\$7,575,000	5.1%	(\$945,700)	3.8%	\$7,415,800	5.3%	(250,000)	1.3%
Parkside	\$364,500	2.3%	\$3,510,000	2.3%	(\$1,944,400)	7.8%	\$1,930,100	1.4%	(1,701,400)	8.5%
Platteville	\$445,500	2.9%	\$4,290,000	2.9%	(\$1,207,300)	4.8%	\$3,528,200	2.5%	(1,584,000)	7.9%
River Falls	\$442,200	2.8%	\$4,260,000	2.8%	(\$1,390,700)	5.6%	\$3,311,500	2.4%	(1,481,500)	7.4%
Stevens Point	\$666,500	4.3%	\$6,420,000	4.3%	(\$1,327,900)	5.3%	\$5,758,600	4.1%	(331,500)	1.7%
Stout	\$615,100	3.9%	\$5,925,000	4.0%	(\$1,216,800)	4.9%	\$5,323,300	3.8%	(1,550,000)	7.8%
Superior	\$246,000	1.6%	\$2,370,000	1.6%	(\$1,764,900)	7.1%	\$851,100	0.6%	(2,501,000)	12.5%
Whitewater	\$666,500	4.3%	\$6,420,000	4.3%	(\$1,277,300)	5.1%	\$5,809,200	4.1%	(250,000)	1.3%
Colleges	\$605,700	3.9%	\$5,835,000	3.9%	(\$1,481,800)	5.9%	\$4,958,900	3.5%	(839,300)	4.2%
Extension	\$569,900	3.7%	\$5,490,000	3.7%	(\$872,000)	3.5%	\$5,187,900	3.7%	(250,000)	1.3%
System Admin	\$67,000	0.4%	\$645,000	0.4%	0	0.0%	\$712,000	0.5%	0	0.0%
Systemwide	\$196,200	1.3%	\$1,890,000	1.3%	0	0.0%	\$2,086,200	1.5%	0	0.0%
Total	\$15,573,100	100.0%	\$150,000,000	100.0%	(\$25,000,000)	100.0%	\$140,573,100	100.0%	(20,000,000)	100.0%

Why Our Budget Cut Changed

- Intensive Advocacy Efforts
- Importance of UWM & Role as a Public, Urban Research University
- UWM: Vital to the Future Efforts
- Growing Recognition of UWM's Value

UWM Facts and Impact - 2015



POWERFUL IDEAS | **PROVEN RESULTS** |

UWM'S RAINY DAY FUND

is **ONLY 1%** of its **TOTAL FUND BALANCE**

ONLY \$836,000
 In Reserves, Non-Restricted Funds Available

UWM 2014 Restricted Fund Balance is \$84,200,000
 Restricted \$ keep operations as well as our buildings open and IT running.



Recommended Allocation of FY16 Cut

	% Share UWM Budget	FY16 Cut (in millions)	Cut %
Academic Affairs	54.6%	*\$6.2	39.5%
Student Affairs	22.5%	\$4.0	25.5%
Finance & Administrative Affairs	12.6%	\$3.1	19.7%
General Education Administration	2.8%	\$0.6	3.8%
Unit-Wide / Central Pool	7.5%	\$1.8	11.5%
Total to be Collected in FY16	100.0%	\$15.7	100%

Amount needed for FY16	\$12.2
To be Set Aside for FY17	\$3.5
Remaining Amount Needed for FY17	\$14.5

What this Means to UWM

- **Stark Reality of Managing \$30M Cut Aggravated by:**
 - 4th consecutive biennium of cuts
 - Ongoing tuition freeze (totaling 4 Years)
 - Enrollment stagnation over time
 - Unrealized \$20M Growth Initiative and DIN funds
 - Resulting structural deficit
- **Next 2 Years Will be Immensely Challenging**
- **Transformational Team**

Budget Planning Task Force

- **BPTF met for 8 hours in past week to finalize recommendations on FY16 cut allocation**
- **FY16 cut allocation:**
 - Designed to protect academic core
 - Reviewed load on primary activities of research, support & instruction
 - Types of proposed measures to accommodate cuts include:
 - Holding open up to 135 positions (equivalent to \$8.3M in salary)
 - Redirecting planned projects, including capital & equipment upgrades
 - Reduction in supplies & expenses spending (about \$2.2M)
 - Schools, colleges & units to finalize measures & communicate them to faculty & staff no later than Aug. 31

Budget Planning Task Force

- **FY 17 and Beyond**
 - BPTF in process of reviewing scenarios submitted for FY17 (and beyond) cut
 - (The “5/10% scenarios”)
 - BPTF will make recommendations later in summer on longer-term cut
 - BPTF will continue to monitor UWM’s budget & balances, and advise on collective fiscal impact of work of BPTF, BCTF, CEMAT, BMWG and Chancellor’s Transformational Team, until the overall campus structural deficit is eliminated

Voluntary Separations

Institution	Total employees ('13-'14 data)	VSIP eligible	Employees volunteered	<u>Current</u> signed agreements (could change)
UW-Green Bay	635	158	38	29
UW-Stout	1,057	239	61	25
UW-Superior	403	72	24	18
UW-Platteville	1,100	218	83	19
UW-Oshkosh	1,485	239	98	37
UW-Stevens Point	1,152	284	99	32
UW-Milwaukee	5,391	220	78	23

As of 7/3/15

UWM Voluntary Separations

	Total employees	VSIP eligible	Employees volunteered	Signed agreements
UW-Milwaukee	5,391	220	78	35
Academic Staff		42	18	6
Classified Permanent		69	34	18
Faculty		82	13	7
Limited Appointee		27	13	4

As of 7/15/15

Shared Governance – Faculty

- **University Committee**
 - Faculty tenure
 - Tenure policies and procedures for UWM
 - UC News Web site: uwm.edu/ucnews

Shared Governance – Academic Staff

- **Academic Staff Committee**
 - Indefinite status veto
 - Indefinite status and next steps

28. Academic Staff Appointments

Section 1210m

This section prohibits the Board of Regents from making probationary or indefinite academic staff appointments beginning July 1, 2015. In addition, all academic staff holding probationary appointments on June 30, 2015, are transitioned to a fixed term appointment, while indefinite appointments are made permanent.

I am vetoing this section in its entirety because I object to making these changes without additional study to determine whether there are possible unintended consequences, particularly on certain programs at the University of Wisconsin-Madison.

Shared Governance - Students

- **Student Association**
 - Student fees veto
 - Student advocacy

17. Allocable Student Fees

Sections 1139g and 1142m [as it relates to responsibility for allocable student fees]

These provisions modify current law to specify that students at University of Wisconsin institutions and colleges would have the responsibility for recommending the disposition of student fees subject to the approval of the chancellor and final confirmation of the Board of Regents.

I am vetoing section 1139g and partially vetoing section 1142m [as it relates to responsibility for allocable student fees] because I object to removing the students' role in determining how segregated fees to support student activities and services are allocated. Students should retain the responsibility to decide the disposition of fees that they pay and that support campus student activities. As a result of this veto, the students will continue to work in consultation with the Chancellor, subject to the final confirmation of the Board of Regents, to determine the disposition of fees that support student activities.

Shared Governance – University Staff

- **Advisory Council**
 - University personnel advocacy

Budget Communication Task Force

- **Strong Outreach to Campus & Community**
- **Campus-Wide Effort**
- **Planning Advocacy for 2017-19 Budget**
- **Communication Task Force Work Continues**
- **Budget Info Website Remains – Live Updates**

Budget Communication Task Force

Please share these stories about UWM and its impact. – Chancellor Mark Mone

UWM physical therapy students help those with cancer recover and lead healthier lives

Physical therapy doctoral students work with Milwaukee-area cancer survivors in a free program to help with their recovery and improve their quality of life - it's another example of UWM's community engagement that goes far beyond campus. [More...](#)



Please Share! ➔



Campus gardens and energy conservation just 2 reasons UWM is a top 'green' school

Nestled in Milwaukee's tree-lined East Side, UWM is committed to reducing the campus's environmental impact and to preparing students for sustainability professions. And, its reputation is growing with recognition by The Princeton Review for seven consecutive years. [More...](#)



Please Share! ➔



'Black Men in Prison' series earns WUWM journalism's top award for broadcasting

Inspired by an earlier UWM report on black male incarceration in Wisconsin, reporters at NPR-affiliate WUWM examined the issues in the series "Project Milwaukee: Black Men in Prison," which earned the station a prestigious Edward R. Murrow Award. [More...](#)



Please Share! ➔



Wrap-up

- **What's Coming Up**
 - Planning winds down; Implementation begins
 - Campus Budget Forum (Aug. 19)
 - Fall Plenary Address (Sept. 3)
 - Board of Regents (Sept. 10-11)

Preparing for our Future

- **Challenging Fiscal Reality**
- **Tenure and Indefinite Status Conversion**
- **Causes for Optimism**
 - Fiscal relief, relative to what could have occurred
 - Student voice
 - How we are addressing challenges together
 - Enrollment stability (tenuous), transformational team, and potential funding changes
 - New initiatives
 - You – your commitment, dedication & resilience
- **What You Can do for UWM**

Q & A – Open Discussion

budget-questions@uwm.edu

<SPACER SLIDE>

*Slides that follow can be brought up, if needed,
during presentation*

Quick Recap

- **JFC Completes Budget Work (July 3)**
- **Motion to Limit Access to Public Records Removed from Budget Proposal (July 4)**
- **Senate Signs Budget (July 8)**
- **Assembly Signs Budget (July 9)**
- **Board of Regents Approves Budget Allocations to UW Institutions (July 9)**
- **Governor Signs Budget; 104 Vetoes (July 12)**