February 2015
Town Hall meetings
January 27, 2015

- Governor Walker announces UW System Budget Plan

- UW System President, Board of Regents President and Vice President statements

- Chancellor’s communication to campus and statement to the press

- UW-River Falls (go.uwrf.edu/budgetinfo) webpage established
January 30, 2015

- Chancellor convenes Cabinet and Shared Governance Leaders for updates and discussion of guiding principles and assumptions

February 2, 2015

- Chancellor submits a guest column to River Falls Journal
Key Points of Governor’s Budget Proposal
• $150 million base budget reduction for University of Wisconsin System

• Establish UW System as a Public Authority

• February 3, 2015 – Governor’s Budget Address

• Spring, 2015 – Proposal considered/potentially modified by State Legislature
Key Data regarding UW-River Falls Budget
2013-15 Biennium

2013-14
- Lapse of $538,499
- Base cut of $919,220
- Total reduction of $1,457,719
- Paid for with reserve balances

2014-15
- Base cut of $1,734,792
- $1,230,000 allocated to GPR/Tuition Divisions (1.9% to 8.1% cuts)
- $300,000 contributed from Program Revenue
- Remainder cut through institution-wide savings
## 2014-15 Annual Budget for UWRF

### Student and General State Aid

<table>
<thead>
<tr>
<th>Fund 102 GPR/Tuition</th>
<th>$50,623,994</th>
<th>Includes fringe benefit allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities for GPR buildings</td>
<td>$2,098,210</td>
<td>Funding equals expenditures</td>
</tr>
<tr>
<td>Debt Service for GPR buildings</td>
<td>$6,467,191</td>
<td>Funding equals expenditures</td>
</tr>
<tr>
<td>Service Based Pricing/Differential Tuition</td>
<td>$2,066,089</td>
<td></td>
</tr>
<tr>
<td>Total GPR/Tuition for UW-RF</td>
<td>$61,255,484</td>
<td></td>
</tr>
<tr>
<td>Total GPR/Tuition for UW System</td>
<td>$2,527,158,912</td>
<td></td>
</tr>
<tr>
<td>UW-RF as a percentage of Total System</td>
<td>2.4%</td>
<td></td>
</tr>
</tbody>
</table>
## Adjusted GPR/Tuition - UWRF

<table>
<thead>
<tr>
<th>Adjusted GPR/Tuition - UWRF</th>
<th>2014-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portion of Fund 102 that is State Funding</td>
<td>$17,099,168  33.78% of total (rank 6(^{th}) highest of 11 comprehensives)</td>
</tr>
<tr>
<td>Portion of Fund 102 that is Tuition</td>
<td>$33,524,826  66.22% of total</td>
</tr>
<tr>
<td>Fund 102 GPR/Tuition</td>
<td>$50,623,994  Includes fringe benefit allocation</td>
</tr>
<tr>
<td>Total adjusted GPR/Tuition for UW System</td>
<td>$1,985,297,087</td>
</tr>
<tr>
<td>UW-RF as a percentage of Total System</td>
<td>2.5%</td>
</tr>
</tbody>
</table>
## Estimated Budget Reduction

<table>
<thead>
<tr>
<th>Estimated Budget Reduction</th>
<th>2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>UW System Reduction for the Biennium</td>
<td>$300,000,000</td>
</tr>
<tr>
<td>UW System Reduction each year of biennium</td>
<td>$150,000,000</td>
</tr>
<tr>
<td>UW-RF’s historical % of reduction (2.8%)</td>
<td>$4,200,000</td>
</tr>
<tr>
<td>$4,200,000 as a % of adjusted GPR/Tuition</td>
<td>8.3%</td>
</tr>
<tr>
<td>$4,200,000 as a % of adjusted GPR (state support)</td>
<td>24.6%</td>
</tr>
</tbody>
</table>

* Due to biennial math, if we do not take reductions in 2015-16, we will need to double the reduction in 2016-17
What do we spend our funding on?

FY 2014 Expense - All Funds - $107.2M
57% Salaries & Fringes

- Salaries $43.6 M (41%)
- Fringes $17.4 M (16%)
- S&E $30.1 M (28%)
- Capital $2.8 M (3%)
- Debt Service $13.3 M (12%)

FY 2014 Expense - Fund 102 - $53.9M
84% Salaries & Fringes

- Salaries $31.8 M (59%)
- Fringes $13.4 M (25%)
- S&E $6.4 M (12%)
- Capital $1.7 M (3%)
- Financial Aid $0.6 M (1%)
Cost of Education Paid by Resident Undergraduates (System-wide)

Source: UW System Fact Book
Some possible elements of a UW System Public Authority (presumed to be implemented July 1, 2016)

- Generally, increased autonomy; increased role for Board of Regents; decrease state/legislative control

- Dedicated funding stream: % of sales tax and CPI increases

- Board of Regents truly set tuition (including for MN students)

- New flexibilities for university procurement and construction

- UW: “Public employees” – but remain in retirement and health insurance through State

- Ability to create pay plan (but must fund)

- Shared governance and tenure under BOR authority (vs. statute)
1. Guided by the university’s mission and strategic plan, budget reductions and reallocations will be intentional, not “across the board.”

2. The highest priority will be protecting and enhancing our core mission of student learning, engagement and success, also understanding the role of academic and administrative support in this realm.

3. There will be strong communication, engagement of shared governance groups, and meaningful opportunity for consultation and broad input from the campus community.
4. A comprehensive view of university resources will be utilized and decisions will be informed by data and analysis. The long-term impacts of decisions will always be considered.

5. We will make the difficult choices earlier rather than later, with the goal of enabling the university to emerge in the future as a stronger, albeit a potentially very different, university.
6. We will need to intentionally choose to do less in some areas, or to eliminate functions or programs. We recognize that this will lessen the experience of our students and our ability to serve them and their families, and the residents in our region, in significant ways.

7. Layoffs and/or a reduction in workforce will be implemented in a supportive and respectful manner.
February 2 and 3 – UW-River Falls Town Hall meetings

February 3 – Governor’s Budget Address and Analysis

By February 6 – Opportunity for all faculty and staff to provide ideas for budget reductions (anonymous survey)

February 9 – Campus chancellors meet with regional legislators at Legislative Luncheon (hosted by UW-Eau Claire)

February 20 – summary of campus feedback and recommendations
Mid-Late February – Based on Governor’s actual budget and UW System information, formulate and implement budget reduction process

March-April – Finalize 2015-16 Budget for UW System

March 31 – President Cross visit to UW-River Falls

~ March – May/June 2015 – State 2015-2017 Biennial Budget debated in legislature and forwarded to Governor
~ June – 2015-17 Biennial Budget finalized – Governor signs, with any vetoes, and legislative review of vetoes complete

July 1, 2015 – New fiscal year begins.

July 9 – UW-River Falls 2015-16 Budget approved by Board of Regents