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UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Funding for Fifth Week of Vacation Taken as Cash No. 3009

Activities Various Numeric Appns 101-106, 116-119 126, 131, 301, 402

FISCAL SUMMARY					
<u>SOURCE OF FUNDS</u>			<u>EXPENDITURE ITEMS</u>		
		%		<u>2003-04</u>	<u>(FTE)</u>
				<u>2004-05</u>	<u>(FTE)</u>
GPR	\$ 204,400	71%	Unclassified Salaries	\$ 84,500	
SEG			Graduate Assistants		
PRO	\$ 84,200	29%	Classified Salaries	\$ 34,800	
PRF			LTE Salaries		
			Student Help		
TOTAL	\$ 288,600	100%	Fringe Benefits	\$ 25,000	
			Supplies & Services		
			Permanent Property		
			Aids to Individuals		
			& Organizations		
			Unallotted Reserve		
			Municipal Services		
			ANNUAL TOTALS	\$ 144,300	
			BIENNIAL TOTAL	\$ 288,600	
			POSITION TOTAL BY 2004-05		

BUDGET CHANGE CATEGORY

- Cost-to-Continue
- Workload Adjustment
- Program Modifications
- One-time Financing

I. BACKGROUND

The 2003-05 biennial budget instructions allow agencies to request funding for employees who elect to receive their fifth week of vacation as cash. The University of Wisconsin System is requesting funding equivalent to the actual cost of paying for leave the Unclassified and Classified Staff elected to cash in during the 2001-02 fiscal year minus the amounts approved in the 2001-03 biennial budget.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The UW System accumulated the cost of the fifth week of vacation cashed in by staff eligible for this benefit during the 2001-02 fiscal year, based on actual experience minus the amounts approved in the 2001-03 biennial budget. Fringe benefits were calculated using the 2003-05 variable fringe benefit rate of 21.15%. A schedule is attached detailing the cost by appropriation.

UW System cost of the Fifth Week of Vacation Taken as Cash by Appropriation:

<u>Fund</u>	<u>Total</u>
101-106	\$ 93,000
116	\$ 1,400
117	\$ 100
118	\$ 3,300
119	\$ 1,000
126	\$ 500
131	\$ 42,100
301	\$ (1,300)
<u>402</u>	<u>\$ 4,200</u>
Total	\$ 144,300

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Adjust Gift, Trust, & Other Continuing Appropriations to 2002-03 Operating LevelNo. 4010Activities VariousNumeric Appns 120, 128, 129, 132-136,
159, 165, 182, 184, 189, 336.

FISCAL SUMMARY

SOURCE OF FUNDS		%	EXPENDITURE ITEMS		2003-04 (FTE)	2004-05 (FTE)
GPR			Unclassified Salaries	\$ -18,060,900	(679.83)	
SEG			Graduate Assistants			
PRO	\$54,990,800	100%	Classified Salaries	\$ -5,094,600	(300.19)	
PRF			LTE Salaries	\$ 25,441,800		
			Student Help	\$ 7,189,400		
TOTAL	\$54,990,800	100%	Fringe Benefits	\$ 4,842,500		
			Supplies & Services	\$ 11,264,000		
			Permanent Property	\$ -862,900		
			Aids to Individuals & Organizations	\$ -1,997,400		
			Unallotted Reserve			
			Debt Service	\$ -511,100		
			Municipal Services	\$ 5,284,600		
			ANNUAL TOTALS	\$ 27,495,400	(980.02)	
			BIENNIAL TOTAL	\$ 54,990,800		
			POSITION TOTAL BY 2004-05		(1,960.04)	

BUDGET CHANGE CATEGORY

- Cost-to-Continue
 Workload Adjustment
 Program Modifications
 One-time Financing

I. BACKGROUND

This decision item brings gift, trust, and other continuing appropriations to the levels projected in the 2002-03 annual operating budget.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The Department of Administration's biennial budget instructions provide that the 2002-03 base levels for gift, trust, and other continuing appropriations are to be shown at the levels projected in the 2001-03 biennial budget. Because the 2001-03 biennial budget estimates were developed in 2000, current expenditure projections are considerably different.

The following table details the total yearly increase by fund:

		Dollar Increase	FTE Increase
Fund 120	Physical Plant Service Departments	\$ -510,000	0.95
Fund 128	Auxiliary Enterprises	\$ 21,294,500	380.95
Fund 129	Stores	\$ 409,200	-2.00
Fund 132	General Operations Receipts	\$ -1,275,700	98.50
Fund 133	Gifts & Donations – General	\$ 4,971,600	335.62
Fund 134	Gifts – Student Loans	\$ -1,654,900	0.00
Fund 135	Gifts & Donations – WARF	\$ -1,002,200	166.99
Fund 136	Other Operating Receipts	\$ 3,647,600	16.37
Fund 159	Stray Voltage Research	\$ 72,200	0.00
Fund 165	Veterinary Diagnostic Lab – Fees	\$ 469,200	0.00
Fund 182	Distinguished Professorships	\$ 345,400	2.74
Fund 184	License Plate Scholarship Program	\$ 9,000	0.00
Fund 189	Extension Student Fees	\$ 717,200	-19.20
Fund 336	General Operations Receipts	\$ <u>2,300</u>	<u>-0.90</u>
Total Increase		\$ 27,495,400	980.02

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Projected Increases in Gift Funds

No. 4020

Activities Various

Numeric Appns 133, 135

FISCAL SUMMARY				
SOURCE OF FUNDS		EXPENDITURE ITEMS		
			2003-04 (FTE)	2004-05 (FTE)
GPR		Unclassified Salaries	\$ 9,113,300	\$ 9,143,600
SEG		Graduate Assistants	\$ 1,451,200	\$ 1,455,100
PRO	\$89,278,000	Classified Salaries	\$ 974,000	\$ 978,300
PRF		LTE Salaries	\$ 246,200	\$ 247,300
		Student Help	\$ 445,100	\$ 447,000
TOTAL	\$89,278,000	Fringe Benefits	\$ 3,412,300	\$ 3,425,400
		Supplies & Services	\$ 6,992,000	\$ 7,017,800
		Permanent Property	\$ 4,939,900	\$ 4,947,100
		Aids to Individuals	\$ 1,949,700	\$ 1,953,100
		& Organizations		
		Unallotted Reserve		
		Municipal Services	\$ 205,000	\$ 205,900
		ANNUAL TOTALS	\$ 29,728,700	\$ 29,820,600
		BIENNIAL TOTAL	\$ 89,278,000	
		POSITION TOTAL BY 2004-05		

BUDGET CHANGE CATEGORY

- Cost-to-Continue
- Workload Adjustment
- Program Modifications
- One-time Financing

I. BACKGROUND

This decision item provides for the projected growth of Gift Funds. Gift Funds are donated to the University System from a variety of sources and for a variety of purposes. Examples are private gifts or bequests and corporate donations earmarked for specific purposes, e.g. research on heart disease, or for discretionary use by department. Funds may also be donated with no restrictions placed on them.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The 2003-05 Biennial Budget increases for Gift Funds are based on a number of factors, including historical trends, growth rates in actual expenditures, and planned capital projects. An analysis of budgeted Gift Funds over the last five years shows an average annual increase of 8.7%.

Fund 133

<u>2002-03 Budget</u>	<u>2003-04 Increase</u>	<u>Projected 2003-04 Budget</u>	<u>2004-05 Increase</u>
\$297,875,719	\$24,723,700	\$322,599,419	\$24,840,200

Fund 135

<u>2002-03 Budget</u>	<u>2003-04 Increase</u>	<u>Projected 2003-04 Budget</u>	<u>2004-05 Increase</u>
\$55,000,000	\$5,005,000	\$60,005,000	\$4,980,400

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Projected Increases in General Operating Receipts No. 4030
 Activities Various Numeric Appns 136

FISCAL SUMMARY				
SOURCE OF FUNDS		EXPENDITURE ITEMS		
	%		2003-04 (FTE)	2004-05 (FTE)
GPR		Unclassified Salaries	\$ 256,000	\$ 265,900
SEG		Graduate Assistants	\$ 19,500	\$ 20,300
PRO	\$2,910,200	Classified Salaries	\$ 22,000	\$ 22,800
PRF		LTE Salaries	\$ 11,900	\$ 12,300
		Student Help	\$ 31,700	\$ 33,000
TOTAL	\$2,910,200	Fringe Benefits	\$ 85,400	\$ 88,700
	100%	Supplies & Services	\$ 456,100	\$ 473,800
		Permanent Property	\$ 54,800	\$ 56,900
		Aids to Individuals	\$ 14,300	\$ 14,900
		& Organizations		
		Unallotted Reserve		
		Municipal Services	\$ 6,000	\$ 6,200
		ANNUAL TOTALS	\$ 957,700	\$ 994,800
		BIENNIAL TOTAL	\$2,910,200	
		POSITION TOTAL BY 2004-05		

BUDGET CHANGE CATEGORY

- X Cost-to-Continue
- Workload Adjustment
- Program Modifications
- One-time Financing

I. BACKGROUND

This decision item provides for the projected growth of General Operating Receipts. The programs provided by General Operating Receipts are self-supporting through the sale of goods and services and are ancillary in nature. They include such activities as conferences, camps, workshops, clinics, outreach programs in business, education, engineering, and sales from products or services resulting from instructional endeavors. Increased spending authority is necessary to accommodate demands for new and expanded services.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The 2003-05 Biennial Budget provides for an annual increase of 3.89% in General Operating Receipts, which is equivalent to the estimated three-year rolling average in Wisconsin Disposable Income Per Capita for the years 2001 through 2003. This is a conservative estimated increase compared to an analysis of budgeted General Operating Receipts over the last eight years, which shows an average annual increase of 11.70%.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Projected Increases in Auxiliary Operations

No. 4040

Activities Various

Numeric Appns 128

FISCAL SUMMARY						
SOURCE OF FUNDS		EXPENDITURE ITEMS				
	%		2003-04	(FTE)	2004-05	(FTE)
GPR		Unclassified Salaries	\$ 3,126,400		\$ 3,248,000	
SEG		Graduate Assistants	\$ 59,700		\$ 62,000	
PRO	\$54,945,200	Classified Salaries	\$ 2,266,700		\$ 2,354,800	
PRF		LTE Salaries	\$ 387,200		\$ 402,200	
		Student Help	\$ 1,254,900		\$ 1,303,700	
TOTAL	\$54,945,200	Fringe Benefits	\$ 2,114,100		\$ 2,196,300	
	100%	Supplies & Services	\$ 7,336,400		\$ 7,621,700	
		Permanent Property	\$ 1,146,700		\$ 1,191,300	
		Aids to Individuals	\$ 99,700		\$ 103,600	
		& Organizations				
X	Cost-to-Continue	Unallotted Reserve				
	Workload Adjustment	Municipal Services	\$ 288,900		\$ 300,200	
	Program Modifications	ANNUAL TOTALS	\$ 18,080,700		\$ 18,783,800	
	One-time Financing					
		BIENNIAL TOTAL	\$ 54,945,200			
		POSITION TOTAL BY 2004-05				

I. BACKGROUND

This decision item provides for the projected growth in Auxiliary Operations. The programs provided by Auxiliary enterprises are self-supporting through the collection of student supported segregated fees and the sale of goods and services. Auxiliary services include student housing, student centers/unions, intercollegiate athletics, bookstores, parking, student health services, and a variety of other services for students, faculty, and staff.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The 2003-05 Biennial Budget increases for Auxiliaries are based on the Board of Regents' annual budget reporting threshold, which is equivalent to the estimated three-year rolling average in Wisconsin Disposable Income Per Capita. The Wisconsin Disposable Income Per Capita was chosen as an appropriate measure because this measure is sensitive to an individual's ability to pay. If rates increase more than this rate, institutions are required to provide justifications for their rate increases. If rates increase less than the threshold, institutions are not required to provide detail. The reporting threshold is a relatively new

approach to Auxiliaries budgeting that was established by the Board of Regents Business and Finance Committee in order to simplify the internal budgeting process for Auxiliaries and to provide guidelines for institutions after being granted flexibility in Auxiliary budgeting in the 1995-97 Biennial Budget (Act 27). Act 27 converted the Auxiliary enterprises appropriation from a sum certain appropriation to a continuing appropriation and only requires the UW System to report to DOA and the Joint Committee on Finance if annual expenditures are in excess of the appropriated amounts. Act 27 also gave the UW System the authority to create and abolish positions funded by Auxiliaries, without additional Legislative approval.

Using the Disposable Income Per Capita methodology, this request assumes that Auxiliary budgets will increase 3.89% annually for 2003-04 and 2004-05. This is a conservative estimated increase compared to an analysis of budgeted Auxiliaries over the last eight years, which shows an average annual increase of 6.19%. The following table shows the amount budgeted in 2002-03 for unclassified and classified positions, fringe benefits, supplies and services, permanent property, aids to individuals, and special purposes. The table also summarizes the estimated increase by category and the total amounts for 2003-04 and 2004-05.

Increase in Auxiliary Operations (Fund 128) Computed @ 3.89% per Year

<u>Auxiliaries</u>	<u>2002-03</u>		<u>Projected</u>		<u>Projected</u>
	<u>Budget</u>	<u>Increase</u>	<u>2003-04 Budget</u>	<u>Increase</u>	<u>2004-05 Budget</u>
Unclassified Salaries	80,369,919	3,126,400	83,496,319	3,248,000	86,744,319
Graduate Asst Salaries	1,534,526	59,700	1,594,226	62,000	1,656,226
Classified Salaries	58,268,889	2,266,700	60,535,589	2,354,800	62,890,389
LTE Salaries	9,952,617	387,200	10,339,817	402,200	10,742,017
Student Help Salaries	32,259,424	1,254,900	33,514,324	1,303,700	34,818,024
Fringe Benefits	54,346,497	2,114,100	56,460,597	2,196,300	58,656,897
Supplies & Services	188,595,471	7,336,400	195,931,871	7,621,700	203,553,571
Permanent Property	29,477,268	1,146,700	30,623,968	1,191,300	31,815,268
Aids to Individuals	2,563,189	99,700	2,662,889	103,600	2,766,489
Municipal Services	7,427,220	288,900	7,716,120	300,200	8,016,320
TOTAL	464,795,020	18,080,700	482,875,720	18,783,800	501,659,520



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September 16, 2002

To: George Lightbourn, Secretary
Department of Administration

From: Katharine C. Lyall, President 
University of Wisconsin System

Re: University of Wisconsin 2003-05 Biennial Budget Request

In compliance with Department of Administration budget instructions, this memo transmits the University of Wisconsin Biennial Budget request for 2003-05. I am attaching the 2003-05 Biennial Budget document as passed by the Board of Regents on August 22, 2002. The UW System request meets the DOA requirement that 2003-05 biennial budget requests should be based on 100% of the fiscal year 2002-03 adjusted base level, with the exception of certain defined areas including required cost-to-continue needs. The document includes a summary of cost-to-continue, program revenue and statutory language items, performance measures, and brief descriptions of initiatives the UW System will submit at a later date, per DOA instructions. Detailed Decision Item Narratives for each of the requested items, appropriate B forms and a computer tape will be sent to the DOA Budget Analyst for the UW System, R.J. Binau. A list of the DIN narratives that are being submitted is attached along with a list of items that will be submitted at a later date.

Later this fall, the Board of Regents will consider pay plan recommendations based on a variety of market factors. In accordance with state Statutes, I will forward those recommendations to you and the Secretary of the Department of Employment Relations.

- cc. Joint Committee on Finance Co-Chairs Senator Burke and Representative Gard
Regent President Guy Gottschalk (w/o attachment)
Regent Vice President Toby Marcovich (w/o attachment)
Business and Finance Chair Regent Klauser (w/o attachment)
Vice Presidents (w/o attachment)
Acting Associate Vice President Freda Harris (w/o attachment)
Legislative Fiscal Bureau Director Robert Lang
DOA Education Team Leader Bob Hanle
DOA Analyst R.J. Binau
LFB Education Team Leader Dave Loppnow
LFB Analyst John Stott

DINS SUBMITTED 9/16/02

3002 Removal of Non-Continuing Elements from the Base
3003 A 1999-01 Delayed Pay Plan Increases
B 2001-03 Non-Represented Classified Pay Plan Increases @3.02%
C 2000-01 Craftworker Increases above 3.5%, 2001-02 Craftworker Increases @1.0% and 2001-02 Craftworker Increases above 1.0%
D 2001-03 Smith Lever Increases
3009 Fifth Week of Vacation as Cash
4010 Adjust Gift, Trust and Other Continuing Appropriations to 2002-03 Operating Levels
4020 Projected Increases in Gift, Trust and Other Continuing Appropriations
4030 Projected Increases in General Operating Receipts
4040 Projected Increases in Auxiliary Enterprises
4050 Increased Spending Authority for Environmental Education Grants
4060 Projected Increases in Trust Funds
4070 UW System Aquaculture Facility Operating Increases
4090 Student Technology Fee Increases
4091 State Controller's Office-Financial Services Billing Supplement
5010 Chargebacks
5020 Increases for Minority and Disadvantaged Financial Aid Programs
5030 Maintaining Services for Students with Disabilities
5040 Libraries
5050 Supplies and Equipment
5060 Instructional Technology
6010 UW-Madison Intercollegiate Program Revenue Increases for 2003-05
7010 Veterinary Diagnostic Lab-Chronic Wasting Disease-Salary & Positions
7020 Veterinary Diagnostic Lab-Chronic Wasting Disease-Supplies for Testing
7030 Veterinary Diagnostic Lab-Homeland Security-Animal Diagnostic Lab Network

DINS TO BE SUBMITTED AT A LATER DATE:

3003 E Fringe Benefits
F 2000-01 and 2001-02 Performance Recognition Awards and Discretionary Compensation Adjustments
3005 2000-01 and 2001-02 Job Surveys & 2001-02 Mandatory Progression Adjustments
3011 Minor Transfers and GPR Positions Created with Position Creation Flex
4080 Adjust Academic Fees to 2002-03 Operating Levels
5070 Building Maintenance
6050 State Lab of Hygiene

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285)

2003-05 Biennial Budget Proposal

Title Removal of Noncontinuing Elements From The BaseNo. 3002Activities VariousNumeric Appns. 106,108,115,118,177,301, and 402

FISCAL SUMMARY

SOURCE OF FUNDS		EXPENDITURE ITEMS		2003-04 (FTE)	2004-05 Over 2003-04 (FTE)
	\$	%			
GPR	(789,800)	100%	Unclassified Salaries		
SEG			Graduate Assistants		
PRO			Classified Salaries		
PRF			LTE Salaries		
			Student Help		
TOTAL	(789,800)	100%	Fringe Benefits		
			Supplies & Services	\$(300,000)	
			Permanent Property		
			Aids to Individuals		
			& Organizations		
			Unallotted Reserve	\$(94,900)	
			Municipal Services		
			ANNUAL TOTALS	\$(394,900)	
			BIENNIAL TOTAL	\$(789,800)	
			POSITION TOTAL BY 2004-05		

BUDGET CHANGE CATEGORY

X Cost-to-Continue
 Workload Adjustment
 Program Modifications
 One-time Financing

I. BACKGROUND

This standard budget adjustment removes \$300,000 in one-time funding provided in FY 2003 for the Waisman Center's Child-Parent Demonstration Project. The funding was provided in 2001 Act 109, the 2001-03 biennial budget repair act.

In addition, it removes \$94,900 in funding from unallotted reserve, which is related to memberships and dues lapses that were prescribed in 2001 Act 16, the 2001-03 biennial budget act. The unallotted reserve funding should be removed as follows:

Fund	Amount
106	(93,200)
108	(100)
115	(200)
118	(100)
177	(200)
301	(700)
402	(400)
TOTAL	(94,900)

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title 1999-01 Delayed Pay Plan Increases No. 3003-A

Activities Various Numeric Appns 101-106,115-118,126,131,176,177, 301

FISCAL SUMMARY					
SOURCE OF FUNDS			EXPENDITURE ITEMS		
		%		2003-04 (FTE)	2004-05 (FTE)
GPR	\$3,340,000	74%	Unclassified Salaries		
SEG			Graduate Assistants		
PRO	\$1,206,600	26%	Classified Salaries	\$1,876,400	
PRF			LTE Salaries		
			Student Help		
TOTAL	\$4,546,600	100%	Fringe Benefits	\$396,900	
			Supplies & Services		
			Permanent Property		
			Aids to Individuals		
			& Organizations		
			Unallotted Reserve		
			Municipal Services		
<u>BUDGET CHANGE CATEGORY</u>			ANNUAL TOTALS	\$2,273,300	
X	Cost-to-Continue		BIENNIAL TOTAL	\$4,546,600	
	Workload Adjustment		POSITION TOTAL BY 2004-05		
	Program Modifications				
	One-time Financing				

I. BACKGROUND

This item requests funding for Delayed Pay Plan Increases from 1999-01 for Classified Adjustments from 12/31/00 and 1/28/01.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The 2003-05 biennial budget instructions allows agencies to request funding for salary adjustments incurred in the 1999-01 biennia but not included in the 2001-03 biennial budget. The UW System accumulated the costs of the classified adjustments as approved by JCOER for 12/31/00 and 1/28/01 based on actual experience. Fringe benefits were calculated using the 03-05 variable fringe benefit rate of 21.15%.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Full Funding of Classified Non-Represented 2001-03 Increases at 3.02% No. 3003-B
 101-106, 108, 115-119,
 126, 131, 158, 176-178

Activities Various Numeric Appns 301, 402, 501, 601

FISCAL SUMMARY

<u>SOURCE OF FUNDS</u>		<u>EXPENDITURE ITEMS</u>			
			<u>2003-04 (FTE)</u>	<u>2004-05</u>	<u>(FTE)</u>
GPR	\$ 2,053,400	74%	Unclassified Salaries		
SEG			Graduate Assistants		
PRO	\$ 633,200	26%	Classified Salaries	\$ 1,108,700	
PRF			LTE Salaries		
			Student Help		
TOTAL	<u>\$ 2,686,600</u>	100%	Fringe Benefits	\$ 234,600	
			Supplies & Services		
			Permanent Property		
			Aids to Individuals		
			& Organizations		
			Unallotted Reserve		
<u>BUDGET CHANGE CATEGORY</u>			<u>ANNUAL TOTALS</u>	<u>\$ 1,343,300</u>	
X	Cost-to-Continue				
	Workload Adjustment				
	Program Modifications				
	One-time Financing				
			<u>BIENNIAL TOTAL</u>	<u>\$ 2,686,600</u>	
			<u>POSITION TOTAL BY 2004-05</u>		

Request

This item requests full funding for classified non-represented pay plan increases in 2001-02 and 2002-03.

Background/Justification

This decision item provides full funding for classified non-represented increases in 2001-02 and in 2002-03 in accordance with DOA 2003-05 budget instructions. In June 2001, the Joint Committee of Employee Relations (JCOER) approved this pay plan for classified non-represented staff for the 2001-03 biennium [3.02%, 1.0% in 2001-02 and 2.0% in 2002-03, compounded].

Pay Plan is calculated by increasing the classified non-represented staff salary base by JCOER approved salary base increases. Fringe benefits are calculated using the 2003-05 variable rate of 21.15%, which represents that portion of fringe benefits which varies with salary increases.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Full Funding of 2000-01 Classified Craftworker Increases Up To and Above 3.5 %, and 2001-02 Increases Up To and Above 1.0% No. 3003-C

Activities Various Numeric Appns 101-106, 131

FISCAL SUMMARY					
SOURCE OF FUNDS			EXPENDITURE ITEMS		
		%		<u>2003-04 (FTE)</u>	<u>2004-05 (FTE)</u>
GPR	\$1,659,600	74%	Unclassified Salaries		
SEG			Graduate Assistants		
PRO	\$592,600	26%	Classified Salaries	\$929,500	
PRF			LTE Salaries		
			Student Help		
TOTAL	<u>\$2,252,200</u>	100%	Fringe Benefits	\$196,600	
			Supplies & Services		
			Permanent Property		
			Aids to Individuals & Organizations		
			Unallotted Reserve		
<u>BUDGET CHANGE CATEGORY</u>			ANNUAL TOTALS	\$1,126,100	
X	Cost-to-Continue				
	Workload Adjustment				
	Program Modifications				
	One-time Financing				
			BIENNIAL TOTAL	\$ 2,252,200	
			POSITITON TOTAL BY 2004-05		

Request

This item requests funding for 2000-01 craftworker increases to 3.5%, 2000-01 craftworker increases above 3.5%, 2001-02 increases up to 1.0% and 2001-02 increases above 1.0%.

Background/Justification

This decision item requests full funding of the final 2000-01 classified craftworker pay plan up to and greater than 3.5%. In the 2001-03 biennial budget the UW System did not build the 3.5% craftworker increases into the Full Funding of Classified Pay Plan DIN so the total full funding amount was not included in the 2001-03 biennial budget. In addition, the 2000-01 craftworker increases above 3.5% was unknown at the time the 2001-03 biennial budget was developed so it is being requested here.

Also included in this item is the craftworker increases for 2001-02 pay plan up to and above 1.0%.

These amounts have been calculated based on actual experience and fringe benefits are calculated using the 2003-05 variable rate of 21.15%.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285)

2003-05 Biennial Budget Proposal

Title Smith-Lever Cooperative Extension Pay Plan IncreasesNo. 3003-DActivities Public ServiceNumeric Appns 104

FISCAL SUMMARY

<u>SOURCE OF FUNDS</u>		<u>EXPENDITURE ITEMS</u>	<u>2003-04 (FTE)</u>	<u>2004-05 (FTE)</u>
GPR	\$321,500	100%	Unclassified Salaries	\$ 265,400
SEG			Graduate Assistants	
PRO			Classified Salaries	
PRF			LTE Salaries	
			Student Help	
TOTAL	\$321,500		Fringe Benefits	\$56,100
			Supplies & Services	
			Permanent Property	
			Aids to Individuals	
			& Organizations	
			Unallotted Reserve	
			Municipal Services	
			ANNUAL TOTALS	\$321,500
			BIENNIAL TOTAL	\$643,000
			POSITION TOTAL BY 2004-05	

BUDGET CHANGE CATEGORY

- Cost-to-Continue
 Workload Adjustment
 Program Modifications
 One-time Financing

I. BACKGROUND

This request is for full funding of 3.0% pay plan increases for both years of the 2001-03 biennium for Cooperative Extension positions funded from the Smith-Lever appropriation.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The Cooperative Extension Smith-Lever Program includes positions that are funded jointly by state, federal, and county funds. Section 20.865 (1) (c), WI statutes, provides for full funding for "...pay and related adjustments approved for employees in the unclassified service whose positions are wholly or partly funded from federal revenue under 7 USC 343, whenever federal revenue is not provided to finance this cost..." During 2001-02 Smith-Lever positions did not receive any federal fund increases for pay plan. In addition, there is no expectation that the federal portion of pay plan will be funded in 2002-03. The state has agreed to fund the federal share of pay plan not provided on these positions.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285)

2003-05 Biennial Budget Proposal

Title Increase Spending Authority for Environmental Education GrantsNo. 4050Activity 5-Public ServiceNumeric Appns. 160

FISCAL SUMMARY					
SOURCE OF FUNDS		%	EXPENDITURE ITEMS	2003-04 (FTE)	2004-05 Over 2003-04 (FTE)
GPR				Unclassified Salaries	
SEG	\$200,000	100%	Graduate Assistants		
PRO			Classified Salaries		
PRF			LTE Salaries		
			Student Help		
TOTAL	\$200,000	100%	Fringe Benefits		
			Supplies & Services	\$ 100,000	0
			Permanent Property		
			Aids to Individuals & Organizations		
			Unallotted Reserve		
			Municipal Services		
			ANNUAL TOTALS	\$ 100,000	0
			BIENNIAL TOTAL	\$200,000	
			POSITION TOTAL BY 2004-05		

BUDGET CHANGE CATEGORY

X Cost-to-Continue
 Workload Adjustment
 Program Modifications
 One-time Financing

I. BACKGROUND

The University of Wisconsin System requests \$100,000 annually in increased spending authority for Fund 160—Environmental Education: Environmental Assessments. The revenue for Fund 160 is generated from court-imposed environmental assessments, as detailed in s. 299.93 (1), Wis. Stats. Fifty percent of the proceeds from the assessments are transferred from the Wisconsin Department of Natural Resources (DNR) to the Wisconsin Environmental Education Board (WEEB), housed at the University of Wisconsin-Stevens Point, to fund environmental education grants [s. 20.285(1)(r), Wis. Stats.].

At the program's inception, WEEB's share of annual revenue was estimated to be \$30,000, so this figure was established as the legislative spending authority. Since the first year (1995-1996), WEEB's share of the annual revenue has exceeded the \$30,000 estimate. For example, 1999-2000 revenue was \$63,534.81 and 2000-2001 revenue was \$51,514.98. [Note: WEEB expects a reporting of the value of the 2001-2002 revenue to be made by the DNR in either late September or early October and anticipates once again it will exceed the \$30,000 spending authority.] WEEB (via its legislative members) intends to pursue various legislative initiatives, including an increase to the assessment percentage, in an effort to double the annual Fund 160 revenue.

WEEB, created under 1989 Wisconsin Act 299, was originally attached to the Department of Public Instruction (DPI) and given the following responsibilities:

- Identify needs and establish priorities for environmental education in Wisconsin in consultation with the University of Wisconsin Extension, the Wisconsin Center for Environmental Education, teacher training institutions, conservation and environmental groups, youth organizations, and nature and environmental centers.
- Make grants for environmental education programs in accordance with the needs and priorities established by the Board.

1997 Wisconsin Act 27 transferred WEEB from DPI to the University of Wisconsin System. At that time, none of the revenue generated for Fund 160 had been allocated to grant recipients. Since the transfer, WEEB has allocated **all** available funds to grant recipients. Any current account balance represents:

- revenue deposited after the last grant cycle and therefore unavailable when recipients were selected
- funds allocated to grant recipients but not yet spent (the grant cycle is 18 months long ---for example July 1, 2002 to December 31, 2003)
- funds "returned" from grant recipients who completed their projects in December 2001 and for one reason or another did not use all the funds originally allocated to them.

This request reflects the intention of WEEB to continue to allocate **all** available funds for the purposes for which they have been authorized. This increase in spending authority is especially important since with the passage of the 2001-2003 State budget, \$200,000 in annual GPR funds which had been used to fund general environmental education grants was eliminated. While \$200,000 in annual SEG funds was added to WEEB's budget, the funds can only be used for **forestry**-based grant projects. WEEB does not believe the legislature was fully aware of this restriction when the change from GPR to SEG funds was made. The effect of the changes are that the current spending authority for the environmental education grant program is \$30,000 rather than the historical level of \$230,000 [\$200,000 GPR and \$30,000 Fund 160]. Last year, WEEB received over \$1 million dollars in grant requests, so the demand for funds far exceeds the current spending authority.

WEEB (via its legislative members) intends to pursue legislative initiatives, including an increase to the assessment percentage, as well as continued solicitation of the private sector in an effort to acquire additional financial support for the environmental education grant program. The goal is to restore spending authority for the environmental education grant program from all revenue sources to the former \$230,000 level with Fund 160 providing \$100,000 annually.

WEEB's grant program is designed to provide "seed money" for "grass roots" initiatives and statewide projects that otherwise would not occur. The maximum grant award is \$20,000.

Some of the statewide projects that have grown out of initial funding provided by the WEEB include:

- The DNR's *Park Pack* program, *EEK1* website and *EENews* bulletin
- UW-Arboretum's *Earth Partnership* program, a curriculum and teacher training program
- The WI K-12 Energy Education Program (KEEP), a curriculum and teacher training program
- Wisconsin Public Services' *SolarWise for Schools* program, a curriculum and teacher training program and opportunities to receive materials (predominantly renewable energy technologies) for schools within the WPS service territory
- Zoological Society of Milwaukee's *Birds Without Borders* program, a school and field based international curriculum for middle school students that deals with migratory birds and their habitats
- American Lung Association of Wisconsin's *Tools for Schools*, a lead abatement and lead-poisoning prevention initiative

- Creation, printing and distribution of *Wisconsin's Model Academic Standards for Environmental Education*, a document that outlines what students should know and be able to do, what they might be asked to do to give evidence of learning, and how well they should be expected to know it

Examples of "grass roots" initiatives funded include:

- \$772 to the Wildlife in Need Center for "Environmental Classes for Waukesha Retirees"
- \$970 to the Richland School District for "Better Woodlots for Wildlife not Livestock"
- \$2,457 to the Hurley School District to develop a "Fins, Furs, and Feathers" curriculum for primary grade students
- \$14,380 to the Aldo Leopold Nature Center for "Partnership in Nature Education with Scouts" [Boy and Girl Scouts]
- \$19,110 to the Boys and Girls Club of Greater Milwaukee for an "Environmental Youth Leadership Program"

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Projected Increases in Trust Fund Income

No. 4060

Activities Various

Numeric Appns. 161

FISCAL SUMMARY						
SOURCE OF FUNDS			EXPENDITURE ITEMS			
		%	2003-04	(FTE)	2004-05	(FTE)
GPR			Unclassified Salaries	\$ 233,600	\$ 249,500	
SEG	\$4,976,000	100%	Graduate Assistants	\$ 67,500	\$ 72,100	
PRO			Classified Salaries	\$ 12,600	\$ 13,500	
PRF			LTE Salaries	\$ 8,400	\$ 9,000	
			Student Help	\$ 37,300	\$ 39,800	
TOTAL	\$4,976,000	100%	Fringe Benefits	\$ 106,500	\$ 113,800	
			Supplies & Services	\$ 585,600	\$ 625,600	
			Permanent Property	\$ 326,200	\$ 348,400	
			Aids to Individuals	\$ 237,300	\$ 253,400	
			& Organizations			
			Unallotted Reserve			
X	Cost-to-Continue		Municipal Services	\$ 6,800	\$ 7,300	
	Workload Adjustment		ANNUAL TOTALS	\$ 1,621,800	\$ 1,732,400	
	Program Modifications					
	One-time Financing		BIENNIAL TOTAL	\$4,976,000		
			POSITION TOTAL BY 2004-05			

I. BACKGROUND

This decision item provides for projected growth of Trust Fund income. Trust Funds are donated by individuals, corporations, and non-profit organizations and can be used for specific purposes or as discretionary funds. Trust fund interest income is used for scholarships, loans, books, medical equipment, etc., while the principal is maintained in accordance with Board of Regent Policies.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The 2003-05 Biennial Budget increases for Trust Fund income are based on historical trends. An analysis of budgeted Trust Fund income shows that over the last ten years, Trust Funds increased at an average annual rate of 6.82%. Based upon this analysis, Trust Fund income is estimated to increase by the same percentage in 2003-04 and 2004-05.

2002-03	2003-04	2003-04	2004-05
<u>Budget</u>	<u>Increase</u>	<u>Projected Budget</u>	<u>Increase</u>
\$23,779,600	\$1,621,800 (6.82%)	\$25,421,400	\$1,732,400 (6.82%)

UNIVERSITY OF WISCONSIN SYSTEM (s20.285) 2003-05 Biennial Budget Proposal
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Title UW-System Aquaculture Demonstration FacilityNo. 4070Activities Instruction, Public Service, ResearchNumeric Appns. 156

FISCAL SUMMARY						
SOURCE OF FUNDS			EXPENDITURE ITEMS			
		%	2003-04	(FTE)	2004-05	(FTE)
GPR						
SEG						
PR-S	\$930,700	100%			\$365,000	8.0
PRF					\$173,000	5.0
TOTAL	\$930,700	100%			\$189,700	
					\$130,000	
					\$73,000	
<u>BUDGET CHANGE CATEGORY</u>						
<input checked="" type="checkbox"/>	Cost-to-Continue		ANNUAL TOTALS		\$0	0.0
	Workload Adjustment				\$930,700	13.0
<input checked="" type="checkbox"/>	Program Modifications		BIENNIAL TOTAL		\$930,700	
	One-time Financing		POSITION TOTAL BY 2004-05		13.0 FTE	

Request

The UW System requests \$930,700 PR-S to fund a permanent threshold of ongoing base operational funding for the Northern Wisconsin Aquaculture Demonstration Facility. At the Governor's request, the 1999-01 biennial budget included \$3,000,000 for the construction of the facility in the Ashland area. The facility construction will begin in Spring, 2003 and will be completed by Summer, 2004. This request was partially funded in the 01-03 biennial budget in the amount of \$250,000 from Tribal Gaming Revenues. This biennial budget request is necessary to fully fund the facility's operation and foster the growth of Wisconsin's emerging aquaculture industry. FY03-05 funding are requested from Tribal Gaming Revenues.

The mission of this facility is to promote and advance the development of commercial aquaculture in a northern climate, with specific emphasis on the state of Wisconsin. With the requested support funding the Facility will employ the staff and house the resources necessary: to offer production-scale demonstration of, and hands-on training in, modern aquaculture techniques; to conduct applied research projects on promising technologies and techniques in commercial aquaculture; and, to serve as a reference center for print, video and digital materials on all aspects of the science and business of aquaculture.

At the Facility, workshops will be offered for potential aquaculturalists, internships will be available for students from area technical colleges and universities, advanced workshops/seminars on new techniques and technologies will be designed for experienced members of the aquaculture industry, and applied research projects will be designed and conducted based on problems posed by the industry.

Background/Justification

In 1996, The Ashland Area Development Corporation, with the assistance of Bright Consulting, Inc., developed a proposal for an aquaculture demonstration facility. The development of this proposal was supported through a state Rural Economic Development grant. The resulting "Bright" proposal included strategies, goals, management and financial plans for the demonstration facility.

Based on the "Bright" plan, the 1999-2001 Wisconsin biennial budget contains a \$3,000,000 budget item for the construction of an Ashland Area Aquaculture Demonstration Facility. This facility is to be operated by the University of Wisconsin System Board of Regents, in consultation with representatives of the aquaculture industry. The University of Wisconsin System President has designated UW-Superior as the institution to administer the development of this project, in consultation with the other UW institutions, representatives of the aquaculture industry and representatives of other state and federal entities.

A Steering Committee, consisting of representatives from UW-Superior, UW-Milwaukee, UW-Extension, Wisconsin Sea Grant Institute, Wisconsin Department of Natural Resources, Wisconsin Department of Agriculture Trade and Consumer Protection, City of Ashland, Lac du Flambeau Tribal Natural Resources, Bureau of Indian Affairs, and the Wisconsin aquaculture industry, began meeting in February 2000, to coordinate planning and development of the facility and its programming.

Operating Budget

The operating budget for the facility is based on the construction funding level prescribed in 1999 Wisconsin Act 9 and the programming functions contained in the "Bright" proposal, which is consistent with the mission described for the Facility in Act 9.

As a demonstration and research facility, the principal ongoing expenses will be the salaries of personnel. To carry out the mission of the facility, several fisheries experts will be needed to conduct ongoing production scale demonstrations, contribute to applied research projects and solve individual problems posed by members of the aquaculture community. These personnel will be UW System employees, some with UW-Superior, some with UW-Milwaukee, some with UW-Madison and some with UW-Extension (and perhaps some with another UW campus) as their formal "home". All will work in harmony with the representatives of the aquaculture industry to achieve the mission of the facility.

The facility is expected to be completed in calendar year 2004. The 01-03 approved biennial budget appropriation of \$250,000 will be used to operate the facility with partial staffing and partial equipment installation. In fiscal year 2005, the second year of the 03-05 biennium, the facility will be ready to be fully staffed and fully operational. Therefore, full year funding is

requested for second year only of the 03-05 biennium. The facility will require eight unclassified staff and five classified staff with an estimated salary and fringe benefit budget of \$727,700. These positions are identified below:

<u>Description</u>	<u>FTE</u>
Executive Director	1.0*
Fisheries Development Specialists	2.0
Fisheries Health Specialists	2.0
Visiting Applied Researchers	2.0
Outreach Program Manager	1.0
Resource Center Coordinator	1.0
Fisheries Laboratory Technicians	3.0
Clerical Program Assistant	1.0
Maintenance and Grounds Assistant	1.0

**Included in staffing profile for 01-03 biennium; 1.0 FTE, \$80,000 Salary & FB's*

To function as a production-scale demonstration facility, it will be necessary to adopt new programs quickly to stay abreast of the new technology and techniques within the industry. With each change will come the need for new equipment and supplies. The ongoing projects will similarly require significant supply funds. The anticipated annual supply and equipment needs are listed below.

Supplies	\$ 50,000
Utilities and Maintenance	\$ 80,000
Capital equipment	<u>\$ 73,000</u>
Total supplies and equipment	\$203,000*

**01-03 Base Budget = \$170,000; total base funding = \$373,000*

The world supply of "wild stock" fish is decreasing while human consumption of fish is increasing. As these trends continue, the commercial production and sale of fish will become a more profitable enterprise. To promote and advance the aquaculture industry, the Governor and Legislature have committed funds for the construction of an Aquaculture Demonstration Facility in the Ashland area. This Demonstration Facility, operated by the University of Wisconsin System Board of Regents, in consultation with members of the Wisconsin aquaculture industry, will be a site where production scale demonstrations will be used for hands-on training and applied research projects thereby promoting and advancing the best practices within the aquaculture industry.

To carry out the mission envisioned for the Northern Wisconsin Aquaculture Demonstration Facility, an operating budget of \$930,700 is requested for the 2003-2005 biennium. After the Facility is in place and its programs are underway, it is anticipated that many projects will be eligible for federal funding. At that time, it will also be possible to secure contracts and grants to conduct specialized projects. As these sources of revenue materialize, it may be possible to reduce, in part, the state support of the Facility.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285)

2003-05 Biennial Budget Proposal

Title Adjustment to Student Technology FeeNo. 4090Activities Instruction, Academic SupportNumeric Appns 131

FISCAL SUMMARY

<u>SOURCE OF FUNDS</u>		<u>EXPENDITURE ITEMS</u>				
	%		<u>2003-04</u>	<u>(FTE)</u>	<u>2004-05</u>	<u>(FTE)</u>
GPR		Unclassified Salaries				
SEG		Graduate Assistants				
PRO	\$6,693,300	100%	Classified Salaries			
PRF			LTE Salaries			
			Student Help			
TOTAL	\$6,693,300	100%	Fringe Benefits			
			Supplies & Services	\$ 2,827,400		\$ 1,038,500
			Permanent Property			
			Aids to Individuals			
			& Organizations			
			Unallotted Reserve			
			Municipal Services			
			ANNUAL TOTALS	\$ 2,827,400		\$ 1,038,500
			BIENNIAL TOTAL	\$ 6,693,300		
			POSITION TOTAL BY 2004-05			

BUDGET CHANGE CATEGORY

X Cost-to-Continue
 Workload Adjustment
 Program Modifications
 One-time Financing

I. BACKGROUND

During the 1993-95 biennium, UW – Madison students began paying an instructional technology fee of 2.5% in order to fund student technology initiatives. All other UW System students began paying a similar fee (2%) during the 1995-97 biennium. Systemwide, these fees will total \$12.98 million in 2003-04 and \$14 million in 2004-05, and will fund a variety of initiatives that provided students with information resources.

Specific institutional plans are developed in consultation with the students. Student technology fee plans will vary depending on institutional missions, past investments, and student-identified needs.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The UW System requests an increase of \$6,693,300 in fees in the 2003-05 biennium. This request covers increases for 2002-03 and 2003-04, and has been calculated as a percent of Academic Fees. This request will provide tuition authority funding for student technology fee initiatives started in previous biennia. The amount of funding increases as general tuition revenue grows.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Increase State Controller's Office-Financial Services Billing Supplement No. 4091

Activity 1-Institutional Support Numeric Appns. 136,161

FISCAL SUMMARY

SOURCE OF FUNDS				EXPENDITURE ITEMS		2004-05 Over	
		%		2003-04	(FTE)	2003-04	(FTE)
GPR			Unclassified Salaries				
SEG	\$ (39,000)	50%	Graduate Assistants				
PRO	\$ 39,000	50%	Classified Salaries				
PRF			LTE Salaries				
			Student Help				
TOTAL	0	100%	Fringe Benefits				
			Supplies & Services				
			Permanent Property				
			Aids to Individuals				
			& Organizations				
			Unallotted Reserve				
			Municipal Services				
			ANNUAL TOTALS				
			BIENNIAL TOTAL		0		
			POSITION TOTAL BY 2004-05				

BUDGET CHANGE CATEGORY

- Cost-to-Continue
- Workload Adjustment
- Program Modifications
- One-time Financing

I. BACKGROUND

The Department of Administration (DOA) bills state agencies for the cost of providing financial services, such as auditing or payroll-related services, or maintenance of the WISMART state accounting system. In FY 2002, the University of Wisconsin System was billed \$991,912 for such services and remitted payment from Fund 136 and Fund 350, both of which are program revenue funds.

In FY 2002, the UW System received a \$19,500 supplement from DOA to cover increases in financial services billing. However, the supplement was provided in segregated funds despite the fact that the UW System remits the entire payment from program revenue funds. Therefore, the UW System requests a transfer of \$19,500 in spending authority from Fund 161, the SEG fund where the \$19,500 supplement was provided, to Fund 136, the PRO fund from which most of the financial services billing is actually paid.

Fund	Funding Source	Expenditure Category	Amt.
161	SEG	Supplies & Services	(19,500)
136	PRO	Supplies & Services	19,500
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UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title Full Funding of Chargeback Items No. 5010

Activities 1 & 6 Numeric Appns 106

FISCAL SUMMARY				
SOURCE OF FUNDS		EXPENDITURE ITEMS		2004-05 Over
			2003-04 (FTE)	2003-04 (FTE)
GPR	\$739,800	100%	Unclassified Salaries	
SEG			Graduate Assistants	
PRO			Classified Salaries	
PRF			LTE Salaries	
			Student Help	
TOTAL	\$739,800	100%	Fringe Benefits	
			Supplies & Services	\$369,900
			Permanent Property	
			Aids to Individuals	
			& Organizations	
			Unallotted Reserve	
			Municipal Services	
			ANNUAL TOTALS	\$369,900
			BIENNIAL TOTAL	\$739,800
			POSITION TOTAL BY 2004-05	

BUDGET CHANGE CATEGORY

- Cost-to-Continue
- Workload Adjustment
- Program Modifications
- One-time Financing

I. BACKGROUND

The University of Wisconsin System is seeking funding of increases paid to the Department of Administration and the Department of Employee Relations for services provided to the University System (Chargebacks). This request is considered to be a cost to continue request by the UW System for the SHRS system and Procurement charges.

II. DESCRIPTION AND JUSTIFICATION OF NEED

In 2001-02 the UW System received a billing from the Department of Employee Relations that included a SHRS (State Human Resources System) totaling \$153,000. The UW would like to request funding to cover the costs of this bill.

The UW System also received a billing for \$216,900 from the Department of Administration for procurement fees in 2001-02. The UW would like to request ongoing funding to cover this bill as well.

a vision of a better, more diverse UW System for the decade ahead. One of the major goals of *Plan 2008* is to increase the amount of financial aid available to needy students and reduce their reliance on loans.

Board of Regents' tuition policy sets forth the principle that financial aid increases should keep pace with tuition increases:

"GPR financial aid and graduate assistant support should increase at a rate no less than that of tuition while staying commensurate with the increased student budget needs of students attending the UW System. In addition, support should also reflect increases in the number of aid eligible students."

2001 Wisconsin Act 109 (the Budget Reform Act) provided that, beginning in 2003-04, annual increases for the Lawton appropriation would be linked to the highest prior year increase for undergraduate resident tuition at any UW System institution.

Lawton Undergraduate Minority Retention Grant

The Legislature created the Lawton Undergraduate Minority Retention Grant program to provide supplementary aid to financially needy sophomore, junior, and senior students of color. To be eligible, students must have financial need, be in good academic standing, and be enrolled for at least 6 credits. The program is a last grant award; that is, it is awarded after all other state, federal, and scholarship aid has been granted so that only the most-needy students receive aid. 1,960 students received Lawton grants in 2000-01

In the last ten years, the demand for LUMRG funds has increased dramatically. With the success of the UW System's first diversity plan, *Design for Diversity*, and the early positive results of *Plan 2008*, the number of undergraduate students of color has increased by 29% since 1991. As the number of students increases, and effectively the number of LUMRG eligible students increases, the demand for LUMRG dollars will exceed the amount of available grant funds. UW System financial aid officers find it difficult to meet the needs of eligible students of color. As a result, the LUMRG pays a significantly lower portion of a student's total need. In 2001, the average LUMRG grant paid 14% of a student's total budget compared to 21% in 1991.

The LUMRG program would require \$354,300 in 2003-04 to keep pace with the highest 2002-03 tuition increase and an additional \$274,800 in 2004-05 to keep pace with projected tuition increases.

Advanced Opportunity Program

The Advanced Opportunity Program was created to assist in the recruitment and retention of graduate and professional students of color and of economically disadvantaged graduate and professional students. 539 graduate students received AOP awards in 2000-01.

Like the demand for LUMRG, demand for AOP dollars is strong. Research universities find it increasingly difficult to recruit top scholars due to limited grant funds. Most departments have

pulled scarce resources from their budgets to help meet students' financial needs. At the comprehensive institutions, the number of AOP-eligible students has increased at the same time tuition has increased, but not always at the same level. Since 1994, tuition has increased by 50%, while the number of graduate students of color has increased by 11% and the AOP appropriation level has increased by 13%. Available grant dollars are extremely limited because the appropriation level has not kept pace with tuition increases. This makes it more difficult to attract and retain the best and brightest disadvantaged graduate students.

To keep pace with projected graduate tuition increases of 8% each year of the 2003-05 biennium, the AOP appropriation would need to increase by \$392,500 in 2003-04 and an additional \$423,800 in 2004-05.

UNIVERSITY OF WISCONSIN SYSTEM (s20.285) 2003-05 Biennial Budget Proposal

Title Services for Students with Disabilities

No 5030

Activities Student Services

Numeric Appns. 101- 106

FISCAL SUMMARY

SOURCE OF FUNDS			EXPENDITURE ITEMS				
		%		2003-04	(FTE)	2004-05	(FTE)
GPR	\$1,882,600	100%	Unclassified Salaries				
SEG			Graduate Assistants				
PRO			Classified Salaries				
PRF			LTE Salaries				
			Student Help				
TOTAL	\$1,882,600	100%	Fringe Benefits				
			Supplies & Services	\$941,300		\$0	
			Permanent Property				
			Aids to Individuals & Organizations				
			Unallotted Reserve				
<u>BUDGET CHANGE CATEGORY</u>							
<input checked="" type="checkbox"/>	Cost-to-Continue		ANNUAL TOTALS	\$941,300		\$0	
<input type="checkbox"/>	Workload Adjustment						
<input type="checkbox"/>	Program Modifications		BIENNIAL TOTAL	\$1,882,600			
<input type="checkbox"/>	One-time Financing		POSITION TOTAL BY 2004-05	0			

Request

The University of Wisconsin System requests \$1,882,600 GPR to provide mandated services for students with disabilities who are also Division of Vocational Rehabilitation (DVR) clients. This funding would replace payments that DVR has been making since 1973 for its student clients. Recently, DVR decided to phase out its support for these clients, citing section 2020 of the Americans with Disabilities Act, which requires that higher education institutions provide equal opportunities for students with disabilities.

Background/Justification

Since the passage of the Rehabilitation Act in 1973, UW System institutions have provided academic accommodations for students with disabilities. DVR partnered with the UW by funding the accommodations for those students who were also DVR clients. In 1993, the UW System and DVR formalized this relationship with a Memorandum of Understanding outlining the costs that DVR should cover for its clients as well as operating procedures and methods of

information exchange between UW institutions and DVR offices. This agreement worked to the benefit of all agencies and to the students/clients. However, it expired on June 30, 2002.

The 1998 amendments to the Federal Rehabilitation Act require each state to develop interagency agreements between DVR and the public postsecondary educational institutions. Since that time, the UW System, DVR and the Wisconsin Technical College System (WTCS) have been negotiating a new interagency agreement that meets the requirements of the Rehabilitation Act. While negotiations continue, there has not been agreement about who has primary responsibility to pay for the accommodations. DVR points to the ADA and argues that that law clearly makes postsecondary institutions responsible for accommodations for all students, including DVR clients. The UW System and WTCS argue that ADA did not change the expectation under the Rehabilitation Act. A 1978 case (Jones vs. ITT) in the United States federal court's seventh circuit determined that DVR had the responsibility to pay for interpreting costs for a client. Since there has not been a ruling to overturn the Jones case in the seventh circuit, the postsecondary institutions believe that is still the law in this circuit.

The DVR has taken a strong stance during the negotiations that it does not have responsibility to pay for accommodations for its clients who are postsecondary students and as a result, it has proposed to eliminate funding for these students/clients in the future. DVR's proposal to the UW System in November of 2001 would have gradually phased-out its payments by providing 75% of the funding for DVR clients in 2002-03, 50% in 2003-04, and 25% in 2004-05. The UW System and DVR recently signed a new Memorandum of Understanding for 2002-03 that will grant the UW System \$753, 000, estimated to be 80% of the total costs of mandated services from the previous fiscal year. Negotiations with DVR will continue for subsequent years.

The number of students with disabilities seeking accommodations from the disability services offices has steadily increased in the last five years. Since 1996-97, the first year the UW System began collecting data on these students, the number of students who registered with campus disability services offices increased from 3,879 to 4,002 in 2000-01, a 4.5% increase. Of those students, approximately 22% were also DVR clients. As the number of students with disabilities has grown, the cost of providing accommodations has also increased, but at a much faster rate. Since 1996-97, the total cost of providing mandated services to students with disabilities has increased by 98.6%, from approximately \$575,000 to \$1.1 million in 2000-01. The amount of funding DVR has provided for services for UW students has also increased steadily from \$333,000 in 1996-97 to \$652,000 in 2000-01. The proportion of total costs covered by DVR has remained constant at 58% of total costs. The cost of providing accommodations is projected to continue to increase as more sophisticated technologies, that better serve the student but are more costly, become available.

It will be difficult for campuses to absorb costs previously covered by DVR. At a time when campus budgets are being cut and scarce dollars are being reallocated, institutions will find it difficult to maintain the level of service currently provided to students with disabilities. Not only will the quality of services specifically required for students with disabilities decrease, but the quality of services to all students will also suffer. Because the disability services are mandatory, campuses will have to pull money from other sources, including other student services, in order to fund the services for these students.

In addition to the academic accommodations provided to students through the Disability Services office, institutions fund accommodations through departmental and library budgets that are not earmarked for disabilities services. Based on a UW System survey of institutions in 2001, campuses spend an additional \$1 million for services for students with disabilities who may or may not also receive services from the disability services office. As departments and student services continue to cover expenses for students with disabilities, scarce campus resources are being diverted from other student activities.

In order to continue to provide quality services to students, both disabled and non-disabled, the UW System requests funding to cover 100% of the costs of services for students who are also DVR clients in 2003-04 and 2004-05. Because it is not clear what portion of these costs DVR will agree to cover and because negotiations with DVR occur on a year-by-year basis, the UW System would agree to lapse to the general fund any portion of the costs covered by DVR in 2003-04 and 2004-05.

UNIVERSITY OF WISCONSIN SYSTEM (s20.285) 2003-05 Biennial Budget Proposal

Title LibrariesNo. 5040Activities Academic SupportNumeric Appns. 101-106,131

FISCAL SUMMARY

<u>SOURCE OF FUNDS</u>			<u>EXPENDITURE ITEMS</u>				
		%		<u>2003-04</u>	<u>(FTE)</u>	<u>2004-05</u> <u>Over 2003-04</u>	<u>(FTE)</u>
GPR	\$3,900,000	65%	Unclassified Salaries				
SEG			Graduate Assistants				
PRO	\$2,100,000	35%	Classified Salaries				
PRF			LTE Salaries				
			Student Help				
TOTAL	\$6,000,000	100%	Fringe Benefits				
			Supplies & Services				
			Permanent Property	\$2,000,000		\$2,000,000	
			Aids to Individuals & Organizations				
			Unallotted Reserve				
<u>BUDGET CHANGE CATEGORY</u>							
X	Cost-to-Continue		ANNUAL TOTALS	\$2,000,000		\$2,000,000	
	Workload Adjustment						
	Program Modifications		BIENNIAL TOTAL	\$6,000,000			
	One-time Financing		POSITION TOTAL BY 2004-05		0		

Request

The UW System requests \$6,000,000 GPR/Fees to enhance library service not only to UW students and faculty, but also to Wisconsin businesses and citizens. The requested funding would be split among four components:

- Campus Collections. \$3,997,700 (\$1,332,600 in 2003-04, and an additional \$1,332,500 in 2004-05) would provide for the continued development of campus collections.
- Shared Electronic Collections. In order to continue the development of shared electronic collections to benefit all UW users, regardless of location, \$1,006,300 (\$335,400 in 2003-04, and an additional \$335,500 in 2004-05) is requested.
- Rapid Sharing of Physical Resources. An increase of \$471,000 (\$157,000 in 2003-04, and an additional \$157,000 in 2004-05) would allow UW System libraries to continue the rapid sharing of physical resources to students, faculty and staff across the University of Wisconsin System.

- Digital Collections. \$525,000 (\$175,000 in 2003-04, and an additional \$175,000 in 2004-05) would enable the creation of digital collections to help preserve Wisconsin's unique cultural and historical heritage.

Background / Justification

The UW System's libraries are a priceless asset for the state of Wisconsin. They are crucial not only to the universities' instruction and research missions, but are also tremendously important resources for Wisconsin businesses, government agencies, K-12 students and teachers, private colleges and universities, and Wisconsin citizens. All UW Libraries are open to the public for on-site usage of collections at a low marginal cost and each year over 60,000 documents are loaned to business, industry and hospitals.

In the 1999-2001 biennial budget, UW System libraries received, for the first time in a decade, increased GPR/Fee funding of \$7,300,000. With this additional funding, system-wide library cooperation was urged, ultimately resulting in permanent changes in how UW System libraries approach building and sharing their collections. Through cooperative collections development and universal borrowing, the UW libraries have been able to extend the benefits of this increased funding to all campuses. Physical and electronic document delivery has enabled UW libraries to share books and journals among campuses resulting in less duplication of purchases. By working cooperatively, UW Libraries have also been able to negotiate an array of system-wide contracts for online resources which many campuses within the system would be unable to afford individually.

In October 2001, the Council of UW Libraries (CUWL) approved a strategic plan, *The University of Wisconsin Libraries Strategic Directions for 2001-2003* which reaffirms its commitment to:

- Cooperative development of UW collections,
- Timely access to all UW library resources,
- Quality services to faculty and students,
- Environments to enhance learning and research, and
- Better public access for citizens, businesses, and other educational & research institutions.

The United Council of University of Wisconsin Students has placed library collections on its list of areas with high priority for additional funding in the 2003-05 biennial budget. The United Council recommendation states: "Information, research, and resources are what students consume and seek out, and, in turn, what students produce. It is crucial that we stay current with the latest theories and discoveries in order to receive the best education we can. Ensuring that students have access to this basic component of a quality education is key."

While the increased funding in the 1999-2001 biennial budget was greatly beneficial to UW libraries, their ability to meet the needs of students, faculty and other customers through local collections continues to erode. The cost of academic books continues to increase at a rate of about 4% per year, while periodical costs have been increasing about 8% annually. It is projected that by the end of the 2003-05 biennium UW libraries would need a funding increase

of about \$5.8 million just to cover the cost of inflation for books and periodicals between 2001 and 2005. This amount does not take into account additional funding needed to meet the increase in the number of academic books and journals published annually, and to cover inflation for other types of acquisitions (government documents, for example). While the amount of funding requested for campus collections would not cover the full cost of inflation, it would allow the UW Libraries to continue to support these vital collections.

Even as electronic resources multiply, the printed page is proving to be a durable communications technology with book publishing continuing to grow worldwide. Many of the future trading partners and collaborators with the United States produce nearly all of their knowledge resources in printed works. This is especially true of Central Asia and other potential hot spots in the world. Scholarly works are also often available only in paper format. Furthermore, books are still the preferred medium when students have to deal with difficult material or engage in sustained reading. Electronic information, as opposed to the printed word, is much more vulnerable to change as well. Nearly 50% of all websites disappear within six months and very few are reliably preserved for future use by students and scholars. Additionally, many forms of electronic media become inaccessible when player technology becomes obsolete.

With limited budget growth, UW System libraries have also utilized system-wide cooperation to establish shared electronic collections. By working together, the UW libraries have been able to purchase system-wide licenses for major databases that would be substantially more expensive if each campus were to purchase these databases individually. While there is a public perception that electronic information is free on the World Wide Web, valuable reference materials such as electronic journals and newspapers, and comprehensive business, scientific and health information sources are quite expensive, with annual cost increases each year of about 7%. For example, two years ago the UW System cost for access to the electronic database of periodicals called Lexis/Nexis was \$185,888. This year the cost has risen to \$216,071. Similarly, the cost of the database Web of Science was \$212,000 two years ago and is today \$234,190. With additional funding in the 2003-05 biennial budget, UW Libraries would be able to build, and continue to negotiate savings on, shared electronic collections to benefit users systemwide.

The rapid sharing of physical resources among the UW System libraries is an ever-growing and essential service. When funding was requested in the 1999-2001 biennial budget for document delivery, the delivery service was provided three-days per week to all UW institutions except for UW-Superior and the UW Colleges by the South Central Library System. Currently, with the increased sharing of materials among campuses, South Central provides document delivery five-days per week to all UW campuses including UW Superior and the UW Colleges. The cost of this essential delivery service has been increasing at 4% per year. Additional funding is needed to cover these increases in cost.

The University of Wisconsin Libraries launched the University of Wisconsin Digital Collections (UWDC) in 2000. A grant from the UW System has expanded the capabilities for digitizing and hosting of locally created electronic information for use by faculty, staff and students in teaching, learning and research.

The UWDC initiative needs to be expanded to meet the needs of students and faculty across all disciplines by providing electronic resources, which can be accessed and used with the new instructional technologies being implemented across our campuses. In addition to classroom and campus use, Internet access means students can also reach the materials from dorms and home – and the same is true for distance education students across the State.

The current level of funding (\$250,000/year) for digital collections through a grant from UW System needs to be made permanent and supplemented to support the ongoing creation and access support of electronic materials. This request would phase in permanent funding for digital collections by providing \$175,000 in 2003-04 and an additional \$175,000 in 2004-05.

The requested funding would enable the addition of several thousand digital objects to the current collections, creating resources in various subject areas. For example, during the past year, the libraries have digitized materials from all the UW campuses relating to Pioneer Experiences in Wisconsin, and the Aldo Leopold papers and materials are now being prepared. These are materials frequently used by faculty in teaching. Creating digital copies, which can then be combined from across the UW System to create a rich resource for all campuses to access, makes the materials even more valuable. These also contribute to numerous national initiatives for digitizing, preserving and making our cultural heritage materials accessible.

UNIVERSITY OF WISCONSIN SYSTEM (s20.285) 2003-05 Biennial Budget Proposal

Title Supplies and Equipment No. 5050Activities 2 Numeric Appns. 101-106

FISCAL SUMMARY

SOURCE OF FUNDS			EXPENDITURE ITEMS				
		%		2003-04	(FTE)	2004-05	(FTE)
GPR	\$ 3,977,300	65%	Unclassified Salaries	\$		\$	
SEG			Graduate Assistants				
PRO	\$ 2,141,600	35%	Classified Salaries				
PRF			LTE Salaries				
			Student Help				
TOTAL	\$ 6,118,900	100%	Fringe Benefits				
			Supplies & Services	\$2,000,100		\$2,118,700	
			Permanent Property				
			Aids to Individuals & Organizations				
			Unallotted Reserve				
<u>BUDGET CHANGE CATEGORY</u>							
	Cost-to-Continue		ANNUAL TOTALS	\$2,000,100		\$2,118,700	
	Workload Adjustment						
	Program Modifications		BIENNIAL TOTAL	\$6,118,900			
	One-time Financing		POSITION TOTAL BY 2004-05				

Request

The University of Wisconsin System requests \$6,118,900 in additional supplies and expense funding to maintain the purchasing ability for instruction related activities only in fiscal years 2003-04 and 2004-05. The budget request is calculated by increasing the 2001-02 GPR/Fees Supplies and Expense category by 2.504% in 2002-03 to establish a beginning base. The base amounts were increased by projected increases in the CPI-U for 2002-03 (2.768%) and 2004-05 (2.853%).

Background/Justification

The Board of Regents of the UW System at their Board meeting in August, 2002 amended the Biennial Budget Request to include a Supplies and Equipment initiative that would maintain student access to instructional supplies including computer software, electronic databases, instructional laboratory equipment and chemicals, and examination booklets. Without this additional funding the UW System will be unable to maintain the current level of instructional support provided to its students.

UNIVERSITY OF WISCONSIN SYSTEM (s20.285) 2003-05 Biennial Budget Proposal

Title UW OnlineNo. 5060Activities Academic SupportNumeric Appns. 104,106,131

FISCAL SUMMARY

SOURCE OF FUNDS			EXPENDITURE ITEMS				
	\$	%		2003-04	(FTE)	2004-05	(FTE)
GPR	\$ 2,735,500	65%	Unclassified Salaries	\$ 510,000	20	\$ 921,800	7
SEG			Graduate Assistants				
PRO	\$ 1,473,000	35%	Classified Salaries				
PRF			LTE Salaries				
			Student Help				
TOTAL	\$ 4,208,500	100%	Fringe Benefits	\$ 179,900		\$ 325,100	
			Supplies & Services	\$ 500,000		\$ 581,800	
			Permanent Property				
			Aids to Individuals & Organizations				
			Unallotted Reserve				
<u>BUDGET CHANGE CATEGORY</u>							
	Cost-to-Continue		ANNUAL TOTALS	\$ 1,189,900	20	\$ 1,828,700	7
	Workload Adjustment						
x	Program Modifications		BIENNIAL TOTAL	\$4,208,500			
x	One-time Financing		POSITION TOTAL BY 2004-05	27			

Request

To advance the development of UW Online, UW System Administration requests \$4.2 million (27 FTE) to fulfill the vision of the Board of Regents, as developed in the report of the Executive Group on Online Learning (EGOLL), to permit UW to become a leader in the provision of distance education programs, both in terms of the number of ongoing programs, their caliber and the standard of delivery. This request will permit UW Learning Innovations (UWLI) to implement fully its online program development program. In addition, by providing support to the Academic Advanced Distributed Learning (ADL) Co-Lab, the UW System is committed to advancing the caliber of distance education itself by supporting this research and development program, which will benefit UWLI as well as all online learning.

This initiative is designed to address a number of deficits in Wisconsin. Only 23% of Wisconsin's adult population has a bachelor's degree vs. 24% nationally. Wisconsin's per capita income is \$1,200 below the national average as well. Higher percentages and higher income correlate with strong economic growth. The development of viable online degree programs can

increase the educational level of the state, by making a college degree possible for individuals who are not able to undertake education in a campus setting.

UWLI requests 20 FTE to include: 13 FTE in Course Development; 4 FTE in Information Technology; and 3 FTE in Learner Services. Four of these staff (3 in course development and 1 in information technology) would be moved from present program revenue funding to general purpose revenue funding. The short-term, significant, front-end costs of developing online programs cannot continue to be funded out of existing revenues and resources. While revenue from online UW programs is increasing rapidly, it will not be adequate to expand/support the array of online programs necessary to position the UW System as a world leader in online education. Program development costs for new programs represent an up-front investment that neither UWLI nor the UW System institutions can afford. Moving some of the funding required to develop new courses and programs to GPR would provide a more stable base from which UWLI can proceed. The ADL Co-Lab requests one-time funding for 7 project positions.

Background

Learning Innovations: The Board of Regents (BOR) has determined that UWLI, in conjunction with the campuses, will develop at least three online educational programs in 2003-05. UW System and the UW institutions have already successfully embarked on the development of a collaborative online learning environment designed to meet the educational demands of the 21st Century. University of Wisconsin Learning Innovations is currently supporting other UW institutions in offering over 120 online courses built around seven degree and four certificate programs, with projected online enrollments expected to surpass 3,400 by the close of fiscal year 2001-02.

The BOR has made a commitment to enhance UW Online as envisioned by the EGOLL report to increase online program offerings and to develop a UW Online portal to consolidate and rationalize online services to online students. Over the next two years, in line with the wishes of the Board of Regents, UW LI intends to initiate development of three additional collaborative online degree or certificate programs, each consisting of approximately 20 courses. These programs would initially accommodate approximately 1500 enrollments per year. In addition, in support of these online learners, UWLI also plans to complete the development of its Learner Resource Management System.

Specifically, UW System requests the following funding for online program and support system development in the 2003-05 biennium.

1. Market research

- Before launching any new programs, UW System recognizes the need to undertake market research studies to identify potential markets and targeted audiences for these new offerings. It is assumed that six research studies would be required to arrive at three valid programs for development. UW System Market Research staff would carry out this research at a cost of approximately \$6,000 per study. This cost is based on similar studies performed for UW Learning Innovations in the past. The costs include survey development, distribution, and tabulation. Staff salary and fringe

benefits are not included. The total cost associated with the six market research studies is \$36,000.

2. Faculty content development

- UW faculty at participating UW System institutions serve as the content experts during the actual online course development process. Based on history at various UW campuses and at other institutions, this level of assistance requires salary support or buyout at \$5,000 per course, of which half, or \$2,500, will be matched by the participating UW institution. The total number of courses to be developed will equal approximately 20 per online program. Thus, the associated faculty content development costs for all three programs will be approximately \$150,000 in this biennium.

3. Online course development

- The primary mission of UWLI is to serve as a partner to other UW institutions in the development, maintenance, and support of their online certificate and degree programs. The key functions performed by UWLI in the support of online programs include: faculty consultation and development in online instruction; course design and development expertise which incorporates best practices in pedagogy; faculty support while the course is being offered; technical support for faculty and students; office integration services for the exchange of student course/registration/payment information between UWLI and appropriate campus administrative offices; and program support through the development of program-specific web sites that provide information about the programs, as well as serve as a gateway to campus-based resources and information.
- UWLI presently has 8 online course development staff (2 instructional designers, 1 project manager, 1 faculty developer, 2 editors and 3 course developers). This staff handles the 7 current degree programs (and the development of an 8th), including programs in business administration, nursing, and engineering, and 7 certificate programs, i.e. human resources, criminal justice, project management, and international business. Six of the present staff members are dedicated to the online maintenance and revision of the established programs and two are dedicated to the creation and development of the 8th. Additional staff are necessary to complete this development process in a timely manner. Without additional staff, UWLI would be unable to add or expand the programs as noted above. New course and program development is more labor-intensive than course maintenance. Course maintenance requirements will also increase as new courses are added. Therefore, UWLI requests 13 additional staff to develop the new online degree programs. Ten staff will be new and three will be reassigned staff presently funded by Program Revenue. The remaining existing staff will concentrate on course maintenance. The staff requested include:

- 1 Project Manager
- 1 Faculty Developer
- 3 Instructional Designers (1 reassigned from PR funding)
- 5 Course Developers (1 reassigned from PR funding)
- 3 Course Editors (1 reassigned from PR funding)

4. Information Technology and Learner Services (Learner Relationship Management System (LRMS))

- Service and support available to online learners must be comparable with that available to on-campus learners. For online learners this translates into a single online point of reference for educational information, advising, technical support, learner tracking, and virtual bookstore services. At present, the LRMS is a student information system to handle registration, payments, and some technical support for online students. This request would permit UWLI to enlarge the system to provide a totally student focused website. As such, it would include specialized program information, individualized course listings, and degree checklists for each student. In addition, it would permit a total integration of data between UWLI and the campuses, which are responsible for transcripts and diplomas for online students. It would also permit each of these entities to create both standardized and unique reports based on any of the information gathered. Ultimately it would permit a seamless integration between the LRMS and the on-campus student information systems (i.e. PeopleSoft systems) coming into use on many of the campuses. According to a recent article in *University Business* (January 2002), institutions recognize the "operational improvements and efficiencies that can be gained by linking back-end financial and student information systems with Web-based course management tools and enterprise-wide communication and community tools." One-time funding to achieve these integrative aims would equal \$1.2 million for consultant programming (primarily from the UW-Madison Division of Information Technology) to build, authenticate, secure and integrate the additional components of the LRMS systems and \$150,000 for the first half of the necessary hardware and software upgrades. In addition, \$500,000 of ongoing GPR would be needed to fund 4 Information Technology Specialists and 3 Learner Services Specialists, who would maintain/update the systems and provide student support for the increased enrollments, respectively.

Academic Co-Lab: One of three such laboratories established in the United States, the Wisconsin Academic Advanced Distributed Learning (ADL) Co-Lab was created in 2000 through a memorandum of understanding between the Department of Defense, the UW System and the Wisconsin Technical College System. It was designed to provide leadership in testing the ADL concept in academic settings. It is an applied research and development center, working with faculty and staff to create new forms of online learning products. With UWLI, it is one of the UW System initiatives designed to support web-based learning. The ADL Co-Lab promotes the development of a single technical "translation" language of standards that will allow the complex components of Web-based learning (the words, pictures and lessons that make up on-line courses of instruction or training) to work together and interchangeably. Though not

yet fully available today, these tools will enable electronic resources, such as textbooks, audio and video materials and computer simulations, to be used, reused and combined in delivering education and training anytime and anywhere. These standards will permit development of courses and programs that are suitable for students with a variety of learning styles. According to Dr. Nihikant Sonwalker of the Education Media Creation Center of MIT, such content objects are not only efficient, but they also permit creative combinations of media to improve student learning. Development of these standards will result in a worldwide directory of learning materials (shareable course objects), which can be combined to meet individual learning needs and styles anytime and anywhere. This will make distance education more cost-effective and more individualized to each student. Experts believe that these developments will lead to a surge in online learning. Having acceptable standards will permit institutions the flexibility to use a variety of software vendors, which in turn will ultimately lower the development cost of all online production. UWLI has already been working with various companies, academic units and the Co-Lab itself on early stages in the creation of shareable content objects and repositories.

In this respect, the Co-Lab supports the work in which UWLI is engaged. The Co-Lab's activities in the creation of a shareable course object will ultimately permit UWLI to improve and individualize its level of course production.

The core activities that represent the ADL Co-lab's mission are:

- Research and development of ADL compliant tools and technologies
- Creation of a national library and clearinghouse of digital resources (shareable course objects) based on a protocol or established set of standards and guidelines.
- Sponsoring pilot projects which make use of these digital resources
- Provision of training and technical assistance to course designers and faculty
- Assessment of programs and protocols

Although this project was a joint venture with the Federal Government, no Federal funding was allocated. One-time funding of \$500,000 would permit the Co-Lab to continue these activities by hiring project staff with expertise in web tools and standards, as needed to complete specific projects. Presently, the Co-Lab has funding for a project manager and three half-time student technicians. In order to complete the projects presently proposed, the lab would propose project funding for 7 project staff (project manager, assistant project manager, ADL Co-lab liaison, 2 instructional designers, faculty content developer, and a program assistant) and four half-time graduate students, related equipment, supplies, and travel.

External Funding and Internal Reallocation: The Co-Lab has already developed a wide network of academic partners who collaborate in research, development, demonstration, implementation and evaluation of ADL technologies and products. It has already secured outside funding of hardware, software and technical publications (\$800,000), a vendor partnership agreement (\$125,000), and assistance from the Department of Labor (\$25,000). Grant proposals to Department of Education, the National Science Foundation, and the Defense Acquisition University have also been submitted.

The University of Wisconsin System campuses have base reallocated over \$16 million and obtained \$4.8 million in external funding for Information Technology in fiscal year 2003.

Outcomes

Development of up to three new online programs, accommodating approximately 1500 additional students.

Enhancement of the LRMS to assist online students in all programs and courses.

Development of library of digital learning resources, faculty training, redesign of courses and intellectual property via the ADL Co-Lab.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title UW-Madison Intercollegiate Program Revenue Increases for 2003-05 No. 6010Activities 0, 5, and 9 Numeric Appns. 123, 528, 530, and 533

FISCAL SUMMARY

<u>SOURCE OF FUNDS</u>		<u>EXPENDITURE ITEMS</u>		<u>2004-05 Over</u>	
	<u>%</u>		<u>2003-04</u>	<u>(FTE)</u>	<u>2003-04</u>
					<u>(FTE)</u>
GPR		Unclassified Salaries	\$ 298,800		\$ 167,200
SEG		Graduate Assistants	\$ 1,700		\$ 1,300
PRO	\$8,531,100 100%	Classified Salaries	\$ 123,200		\$ 96,100
PRF		LTE Salaries	\$ 60,400		\$ 47,100
		Student Help	\$ 32,200		\$ 25,100
TOTAL	\$8,531,100 100%	Fringe Benefits	\$ 156,700		\$ 103,000
		Supplies & Services	\$ 2,503,900		\$ 1,502,300
		Permanent Property	\$(2,360,200)		\$ 135,000
		Aids to Individuals & Organizations	\$ 1,013,000		\$ 348,100
		Unallotted Reserve			
X	Cost-to-Continue	Debt Service	\$ 148,500		\$ 2,149,500
	Workload Adjustment	ANNUAL TOTALS	\$ 1,978,200		\$ 4,574,700
	Program Modifications				
	One-time Financing				
		BIENNIAL TOTAL	\$ 8,531,100		
		POSITION TOTAL BY 2004-05			

I. BACKGROUND

See attached.

**University of Wisconsin
Division of Intercollegiate Athletics
2003-05 Biennial Budget Request**

Request

The UW System requests an increase in program revenue spending authority for the Division of Intercollegiate Athletics of \$1,978,200 for 2003-04 and \$4,574,700 for 2004-05. The proposed changes in spending authority included in the request are based on the Division's strategic financial plan that has been previously approved by the Board of Regents and annually monitored by the University's Athletic Board. The requested funding changes are as follows:

	<u>2003-04</u>	<u>2004-05</u>
	<u>Changes</u>	<u>Changes</u>
Athletic Department	\$1,763,200	\$4,348,900
Camps & Clinics	\$ 95,000	\$ 99,800
University Ridge	\$ 120,000	\$ 126,000
Total Changes	\$1,978,200	\$4,574,700

Background

In the fall of 1999 the Division of Intercollegiate Athletics released a strategic financial plan that was structured to 1) contain costs; 2) ensure the athletic department would generate annual surpluses; 3) build the overall department's operating reserve to a level sufficient to meet the reserve requirements established by the UW System; and 4) address the department's future facility needs.

During the first two years of the plan the department has clearly demonstrated its ability to meet or exceed the benchmarks outlined in the plan. The department has contained costs by eliminating several positions and consolidating several units within the department, increasing private support for the program through the implementation of an annual fundraising program (i.e., the Badger Fund) and increasing its operating reserve to approximately \$6 million. In addition, the department is in the process of addressing several of its pressing facility needs including the completion of a women's hockey locker room, the construction of a new training facility for men's and women's crew and the completion of the utility/infrastructure phase of the Camp Randall Stadium renovation project.

Justification

Please see the attached explanation and summary for the University's rationale for increasing the spending authority for the Department of Athletics.

**University of Wisconsin
Division of Intercollegiate Athletics
2003-05 Biennial Budget Request**

“DIN”

1. **Source of Funds:** 100% PRO
2. **Budget Change Category:** Cost to continue
3. **Position Total:** No increase
4. **Activities:** 0, 5 & 9
5. **Numeric Appns:** 528/530/533

TOTAL	Change 2003-04	Change 2004-05	Biennial Total
Unclassified Salaries	\$298,764	\$167,200	\$764,728
Graduate Assistants	\$1,697	\$1,300	\$4,694
Classified Salaries	\$123,239	\$96,100	\$342,578
LTE Salaries	\$60,400	\$47,100	\$167,900
Student Help	\$32,200	\$25,100	\$89,500
Fringe Benefits	\$156,700	\$103,000	\$416,400
Supplies & Services	\$2,288,900	\$1,276,500	\$5,854,300
Permanent Property	(\$2,360,200)	\$135,000	(\$4,585,400)
Aids to Individuals	\$1,013,000	\$348,100	\$2,374,100
Special Purpose	\$148,500	\$2,149,500	\$2,446,500
	<u>\$1,763,200</u>	<u>\$4,348,900</u>	<u>\$7,875,300</u>
Camps & Clinics (S&E)	\$95,000	\$99,800	\$289,800
University Ridge GC (S&E)	\$120,000	\$126,000	\$366,000
TOTAL	<u>\$1,978,200</u>	<u>\$4,574,700</u>	<u>\$8,531,100</u>

Athletic Department

The athletic department expenditures represent the costs associated with sponsoring 23 intercollegiate athletic programs that provide extracurricular activity for approximately 800 student athletes and 350 students participating in the band and spirit squads. The expenditure assumptions used in the 2003-05 biennium request include;

1. An annual increase in operating expenses of 2.5%.
2. An annual increase in scholarship costs of 10%.
3. Annual pay plan increases of 4.0% in 2003-04 and 3.0% in 2004-05.
4. No additional staffing requests.
5. An increase of \$2.4 million in debt service for the completion of the Camp Randall Stadium renovation project and \$1.3 million increase in incremental operating costs associated with the operation of the expanded stadium.
6. An increase of \$800,000 for the installation and operation of a video scoreboard in the Kohl Center. The current scoreboard is over ten years old and has outlasted its life expectancy.
7. An increase of \$700,000 in spending authority for post-season bowl travel based on the recently approved Big Ten policies for payouts for participation in the Rose Bowl.

Camps/Clinics

Camps and Clinics represent the outreach programs that are conducted by the athletic department's coaches during the summer months. The camps attract over 6,000 student campers to the campus each summer. The biennial increase of \$289,800 represents an anticipated 5% growth in camper revenue and expenses during each year of the biennium.

University Ridge Golf Course

The University Ridge Golf Course is an 18-hole golf course with a driving range, retail golf shop and clubhouse. The golf course generates approximately \$3 million in revenue and plays host to over 32,000 rounds of golf annually. The biennial increase of \$366,000 represents an anticipated 5% growth during each year of the biennium.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285)

2003-05 Biennial Budget Proposal

Title WVDL – GPR – Chronic Wasting Disease – Salary & PositionsNo. 7010Activities Public ServiceNumeric Appn. 126

FISCAL SUMMARY

<u>SOURCE OF FUNDS</u>		<u>%</u>	<u>EXPENDITURE ITEMS</u>		<u>2004-05 Over</u>	
			<u>2003-04</u>	<u>(FTE)</u>	<u>2003-04</u>	<u>(FTE)</u>
GPR	\$905,000	100%	Unclassified Salaries	\$180,000	2.0	
SEG			Graduate Assistants			
PRO			Classified Salaries	\$150,300	4.0	\$8,400
PRF			LTE Salaries			
			Student Help			
TOTAL	\$905,000	100%	Fringe Benefits	\$116,500		\$3,000
			Supplies & Services			
			Permanent Property			
			Aids to Individuals			
			& Organizations			
			Unallotted Reserve			
			Municipal Services			
			ANNUAL TOTALS	\$446,800	6.0	\$11,400
			BIENNIAL TOTAL	\$905,000		
			POSITION TOTAL BY 2003-05		6.0	

BUDGET CHANGE CATEGORY

X Cost-to-Continue
 Workload Adjustment
 Program Modifications
 One-time
 Financing

I. BACKGROUND

2001 Wisconsin Act 108 made available \$901,600 from the DNR for the Wisconsin Veterinary Diagnostic Laboratory to perform wildlife testing for Chronic Wasting Disease. This was one-time funding, but the need is expected to continue.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The funds from the DNR are expected to be exhausted by the end of fiscal year 03. Revenues generated by other agricultural-oriented laboratory testing cannot and should not be used to pay for CWD testing on wildlife and captive cervids.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title WVDL – GPR – Chronic Wasting Disease – Supplies for Testing

No. 7020

Activities Public Service

Numeric Appn 126

FISCAL SUMMARY

SOURCE OF FUNDS		EXPENDITURE ITEMS		2003-04 (FTE)	2004-05 Over 2003-04 (FTE)
GPR	\$960,000	100%	Unclassified Salaries		
SEG			Graduate Assistants		
PRO			Classified Salaries		
PRF			LTE Salaries		
			Student Help		
TOTAL	\$960,000	100%	Fringe Benefits		
			Supplies & Services	\$480,000	\$ 0
			Permanent Property		
			Aids to Individuals & Organizations		
			Unallotted Reserve		
			Municipal Services		
<u>BUDGET CHANGE CATEGORY</u>			ANNUAL TOTALS	\$480,000	\$ 0
X	Cost-to-Continue		BIENNIAL TOTAL	\$960,000	
	Workload Adjustment		POSITION TOTAL BY 2004-05		
	Program Modifications				
	One-time Financing				

I. BACKGROUND

2001 Wisconsin Act 108 made available \$901,600 from the DNR for the Wisconsin Veterinary Diagnostic Laboratory to perform wildlife testing for Chronic Wasting Disease. This was one-time funding, but the need is expected to continue.

II. DESCRIPTION AND JUSTIFICATION OF NEED

The funds from the DNR are expected to be exhausted by the end of fiscal year 03. This request assumes the DNR and DATCP will request 30,000 tests in FY 04, and 30,000 tests in FY 05, with a supplies only cost of \$16 per test. Salaries are covered by a different DIN. These are current assumptions, based on current estimates. These numbers assume no expansion of the eradication or management zone, and no identification in captive cervids.

Revenues generated by other agricultural oriented laboratory testing cannot and should not be used to pay for CWD testing on wildlife and captive cervids.

UNIVERSITY OF WISCONSIN SYSTEM (s.20.285) 2003-05 Biennial Budget Proposal

Title WVDL - USDA Homeland Security - Animal Diagnostic Lab NetworkNo. 7030Activities Public ServiceNumeric Appn TBD

FISCAL SUMMARY

SOURCE OF FUNDS		%	EXPENDITURE ITEMS		2004-05 Over	
				2003-04 (FTE)	2003-04	(FTE)
GPR			Unclassified Salaries	\$60,000		
SEG			Graduate Assistants	\$232,000		
PRO			Classified Salaries			
PRF	\$1,436,000	100%	LTE Salaries			
			Student Help	\$10,000		
TOTAL	\$1,436,000	100%	Fringe Benefits	\$113,800		
			Supplies & Services	\$282,200		
			Permanent Property	\$20,000		
			Aids to Individuals & Organizations			
			Unallotted Reserve			
			Municipal Services			
<u>BUDGET CHANGE CATEGORY</u>			ANNUAL TOTALS	\$718,000		
<u>X</u>	Cost-to-Continue		BIENNIAL TOTAL	\$1,436,000		
	Workload Adjustment		POSITION TOTAL BY 2003-05			
	Program Modifications					
	One-time Financing					

I. BACKGROUND

On October 1, 2002, the WVDL will be awarded \$2.0 million to provide animal diagnostic work for USDA over a two-year period.

II. DESCRIPTION AND JUSTIFICATION OF NEED

Expenditures which will occur in FY 03 will be budgeted separately. This budget is the cost to continue the USDA project begun October 1, 2002. Additional federal appropriations will be required to continue work beyond September 30, 2004. This project is the result of national homeland security needs; WVDL is one of five core laboratories to work with two national laboratories in the diagnosis of threatening foreign animal diseases such as Foot & Mouth Disease.