

2005-06 Operating Budget
including Rates for Academic Tuition,
Segregated Fees, Textbook Rental,
Room and Board, and Apartments;
Academic Tuition Refund
Policy and Schedule; and Revised
Decision Rules

BOARD OF REGENTS

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, the 2005-06 operating budget be approved, including rates for academic tuition, segregated fees, textbook rental, room and board, and apartments; the tuition refund policy and schedule; and revised decision rules as attached in the document 2005-06 Operating Budget and Fee Schedules, July, 2005. The 2005-06 amounts are:

GPR	\$991,440,842	24.05%
<u>Academic Tuition</u>	<u>\$859,895,254</u>	<u>20.86%</u>
Total GPR/Fees	\$1,851,336,096	44.91%
<u>Other</u>	<u>\$2,271,244,904</u>	<u>55.09%</u>
Total	\$4,122,581,000	100.00%

That the President of the UW System is authorized to approve funding changes resulting from final enactment of the 2005-07 biennial budget and make detailed allocations to reflect gubernatorial action, and further.

That, if necessary, the Executive Committee of the Board of Regents is authorized to approve changes in tuition rates as the result of Joint Committee on Employee Relations (JCOER) action.



2005-06 Operating Budget and Fee Schedules

The University of
Wisconsin System
July, 2005

**UW SYSTEM 2005-06 ANNUAL BUDGET
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July 7, 2005

Agenda Item II.6.

UW SYSTEM 2005-06 ANNUAL OPERATING BUDGET

EXECUTIVE SUMMARY

INTRODUCTION

The State of Wisconsin is in the process of finalizing the 2005-07 biennial budget, which is the basis for the University of Wisconsin System's 2005-06 and 2006-07 annual budgets. The Board of Regents is being asked to act on the 2005-06 annual budget and tuition rates at this time. The board will act on the 2006-07 annual budget and tuition rates in June 2006. The proposed 2005-06 annual budget and tuition rates are based on the Legislative Budget. The final budget may change due to subsequent actions by the Governor.

This executive summary is divided into the following four sections:

- I. the 2005-07 biennial budget;
- II. the 2005-06 annual budget;
- III. 2005-06 recommended tuition rates; and
- IV. auxiliary operations and other funds.

MAJOR FEATURES

I. THE 2005-07 BIENNIAL BUDGET

The 2005-07 biennial budget continues the recent pattern of operational budget reductions for the University of Wisconsin System. State funding will decrease by \$22 million while tuition increases will generate \$100 million. This funding is not adequate to cover the projected \$179 million in anticipated cost increases for fringe benefits, debt service, and utilities. UW System institutions have little control over these costs. The balance of the \$179 million and the other budget increases will be funded from \$125 million in reductions to existing UW System operational budgets.

<i>These anticipated new costs...</i>	<i>Amount</i>
Utilities, Debt Service, Fringe Benefits	\$178,733,700
Financial Aid and Student Technology Fee	\$15,550,000
Board of Regent Initiatives	\$1,664,000
Governor's Initiatives	\$7,711,200
Legislative Initiatives	-\$53,800
Total Legislative Budget	\$203,605,100
<i>... will be funded from the following sources:</i>	
State (GPR) Funding	-\$22,271,200
Tuition Increases	\$100,470,300
UW System Operations Reductions (incl. 2.3% cut)	\$125,406,000
Total Legislative Budget	\$203,605,100

See Appendix A for a detailed summary of 2005-07 biennial budget funding changes.

As noted above, \$125 million in UW System operational reductions are required during the upcoming biennium in order to fully fund ongoing cost increases (\$179 million) and other new expenditures. These operational reductions are on top of the \$50 million GPR reduction in 2002-03 and another \$250 million GPR reduction in 2003-05 (offset in part by \$150 million in tuition increases).

Fiscal Year/Biennium	GPR Operations Reductions	Tuition Offsets	Net Reductions
2002-03	\$50,000,000	\$0	\$50,000,000
2003-05	\$250,000,000	\$150,000,000	\$100,000,000
2005-07 *	\$125,406,000	\$0	\$91,000,000

* Includes the \$34.4 million to be held in the Joint Committee on Finance account, which may be released as part of a supplementation process.

UW System institutions are increasingly challenged to continue to provide access and quality services to students and the state at a time when new costs exceed new revenues. UW System institutions are required to eliminate 200 administrative positions during the 2005-07 biennium, including 100 in 2005-06 and another 100 in 2006-07. In addition, 146.42 FTE positions would be eliminated in 2006-07 due to provisions related to the potential sale of power plants currently operated by UW System institutions. These reductions are on top of 450 positions lost during the 2003-05 biennium. The Governor proposed adding 125 new faculty positions in 2006-07, but the Joint Committee on Finance removed 120 of the new positions and the associated funding.

The GPR appropriation for UW System Administration is reduced by \$3 million biennially. This represents more than 15% of the total appropriation.

II. 2005-06 ANNUAL BUDGET

In annual terms, the Legislative Budget identified \$96 million in anticipated new costs for the UW System during the 2005-06 fiscal year. The vast majority of these new costs, \$93 million, are for utilities, debt service, fringe benefits, financial aid, and the student technology fee. The remainder is for the High Demand Faculty Initiative (\$1.7 million), Alzheimer's Research (\$1 million), and the Rock County/Platteville Engineering Initiative (\$0.6 million). Although there is an increase in new costs, budget reductions result in a decrease in state funding of \$12.5 million. Tuition increases will provide \$36 million of the new costs and \$73 million will come from operational reductions (including \$1.5 million from UW System Administration). Also, UW System institutions will be required to eliminate 100 FTE administrative positions during the 2005-06 fiscal year.

<i>These anticipated new costs ...</i>	<i>Amount</i>
Utilities, Debt Service, Fringe Benefits	\$86,343,200
Financial Aid and Student Technology Fee	\$6,651,100
Board of Regent Initiatives	\$582,000
Governor's Initiatives	\$2,772,600
Legislative Initiatives	-\$64,400
Total Legislative Budget	\$96,284,500
<i>... will be funded from the following sources:</i>	
State (GPR)	-\$12,451,100
Tuition	\$36,118,200
UW System Reallocations	\$72,617,400
Total Legislative Budget	\$96,284,500

Although not included in the Legislative Budget, the 2005-06 annual budget for the UW System will be increased to reflect health insurance estimates and compensation increases. The following table details these estimates, including the 2% pay plan recommendation made by the Office of State Employment Relations in May. As shown below, the calculation of the 2005-06 UW System budget starts with the 2004-05 base and adds the amounts in the Legislative Budget, the estimated health insurance and pay plan amounts, and academic fee continuing appropriation changes, including credit outreach.

GPR/Fee Funding Changes From 2004-05 To 2005-06

	GPR	Fees	Total
2004-05 Budget	\$992,904,091	\$807,142,103	\$1,800,046,194
Adjustments for 2005-06			
Legislative Budget	-\$12,451,100	\$36,118,200	\$23,667,100
Net changes for Estimated Health Insurance and Pay Plan	\$10,987,851	\$776,567	\$11,764,418
Academic Fee Continuing Appropriation Changes, including Credit Outreach	\$0	\$15,858,384	\$15,858,384
Subtotal – 2005-06 Changes	-\$1,463,249	\$52,753,151	\$51,289,902
2005-06 Budget	\$991,440,842	\$859,895,254	\$1,851,336,096

After pay plan and other adjustments, GPR will decrease by \$1.5 million which will make up 24.05% of the total funding for the University of Wisconsin System in 2005-06. This is down from 25.57% in 2004-05, continuing the downward trend in GPR support as a percent of the total budget.

After pay plan and other adjustments, tuition revenue will increase by \$52.8 million in 2005-06. Tuition support will represent 20.86% of the total UW System budget, up slightly from 20.79% in 2004-05.

Table A-1 provides a detailed allocation of changes in GPR/fee funding by institution from 2004-05 to 2005-06.

III. 2005-06 RECOMMENDED TUITION RATES

During the 2005-06 fiscal year, tuition rates will increase to fund the tuition share of increased costs approved by the Joint Committee on Finance, to offset the projected continued reductions in nonresident enrollments, and to pay the traditional tuition share of the 2% pay plan increase for 2005-06 recommended by the Office of State Employment Relations. Recommended tuition increases are 6.9% for most resident undergraduate students. Consistent with recent practice, tuition increases for most other students are at the same dollar amount as undergraduate resident students. As shown in Table B-1, recommended dollar increases will be \$364 per year at UW-Madison, \$356 per year at UW-Milwaukee, and \$277 per year at the UW Comprehensives universities and the UW Colleges.

The UW System has seen a decline of 949 nonresident undergraduate students in the last three years. This is likely the result of the legislatively mandated surcharge of an additional 5% for nonresident students during the 2001-03 biennium. Although resident tuition rates are near the bottom of peer rankings, nonresident rates are among the highest, as much as 25% above the peer median.

Year	Nonresident Undergraduates (Headcount)	Change From Previous Year
2002-03	10,258	-360
2003-04	9,800	-458
2004-05	9,669	-131
	Total:	-949

Tuition increases over the last four years are shown below. While the percentage increases for resident undergraduate students have been larger than for nonresidents, the dollar increases for nonresidents have been more than twice that of resident students. Increasing nonresident rates by the same dollar amount will result in nonresident students sharing in the additional costs of providing a quality experience for UW System students, but would keep nonresident tuition rates from becoming even less competitive.

UW- Madison

	Resident			Nonresident		
	Tuition	\$ Change	% Change	Tuition	\$ Change	% Change
2000-01	\$3,290			\$13,688		
2001-02	\$3,568	\$278	8.4%	\$15,800	\$2,112	15.4%
2002-03	\$3,854	\$286	8.0%	\$17,854	\$2,054	13.0%
2003-04	\$4,554	\$700	18.2%	\$18,554	\$700	3.9%
2004-05	\$5,254	\$700	15.4%	\$19,254	\$700	3.8%
4 year change		\$1,964	59.7%		\$5,566	40.7%

UW-Milwaukee

	Resident			Nonresident		
	Tuition	\$ Change	% Change	Tuition	\$ Change	% Change
2000-01	\$3,194			\$12,642		
2001-02	\$3,462	\$268	8.4%	\$14,592	\$1,950	15.4%
2002-03	\$3,738	\$276	8.0%	\$16,490	\$1,898	13.0%
2003-04	\$4,438	\$700	18.7%	\$17,190	\$700	4.2%
2004-05	\$5,138	\$700	15.8%	\$17,890	\$700	4.1%
4 year change		\$1,944	60.9%		\$5,248	41.5%

UW Comprehensives

	Resident			Nonresident		
	Tuition	\$ Change	% Change	Tuition	\$ Change	% Change
2000-01	\$2,594			\$10,122		
2001-02	\$2,776	\$182	7.0%	\$11,544	\$1,422	14.0%
2002-03	\$3,000	\$224	8.1%	\$13,046	\$1,502	13.0%
2003-04	\$3,500	\$500	16.7%	\$13,546	\$500	3.8%
2004-05	\$4,000	\$500	14.3%	\$14,046	\$500	3.7%
4 year change		\$1,406	54.2%		\$3,924	38.8%

In addition to the general \$364 increase for most UW-Madison students, recommended tuition for Law School students will increase by another 5% for residents and \$750 per semester for nonresidents as the second phase of a four year quality improvement plan. See Section B for more information on the Law School initiative.

Legislative action to date requires the Board of Regents to provide a remission of academic fees of 50% to 100% to certain eligible veterans and their families. Section B provides more information on these remissions. No new funding was provided for these additional remissions, and the costs are not included in the recommended 2005-06 tuition rates. The additional costs are estimated to fall within a range of \$4.4 to \$12.2 million annually. UW System institutions will monitor the costs of these remissions during the upcoming fiscal year.

IV. AUXILIARY OPERATIONS AND OTHER FUNDS

Recommended segregated fee rate increases average 8.8% for 2005-06. Reasons for the rate increases include:

- Student approved facility enhancements related to Student and Recreation Centers at Whitewater, Oshkosh, Superior, Stevens Point, Parkside, and River Falls.
- Higher costs associated with supply and expenses, utilities, and debt service. Table C-3 provides a more detailed explanation of all the segregated fee increases.

Recommended segregated fee increases at the UW Colleges average 6.9%. Increases are largely due to student activity funding requirements and program enhancements related to academic skill centers.

Recommended Room and Board rates increased an average of 5.1%. Increases are primarily attributed to the following:

- New and renovated residence halls and facility maintenance projects at Stout, Milwaukee, La Crosse, Oshkosh, River Falls, Platteville, and Stevens Point.
- Higher costs associated with compensation, debt service, supply and expenses, and utilities.

The 2005-06 auxiliary operations budget includes adjustments covering increased compensation, supplies and expenses, added health care costs, new services, and additional capital expenditures. Planned expenditures will decrease 4.4% in 2005-06 to \$546.45 million. The decrease is a result of transferring academic program revenue operations from auxiliary accounts (Fund 128) to other program revenue operating receipts (Fund 136). The transfer occurred to differentiate between self-supporting auxiliary operations and other ancillary activities highly related to instruction.

Total Other Funds will continue to comprise a larger share of the total UW System budget. Revenue from these sources will increase \$188.4 million, a 9% increase over 2004-05, and will support 54.86% of the total budget. This is an increase from 53.64% in 2004-05. Total Other Funds include auxiliaries, federal and private gifts, grants, and contracts, other operating receipts, noncredit instruction, and trust funds.

A. CHANGES IN FUNDING

TABLE A-1
University of Wisconsin System
FY 2005-06 Annual Budget
Changes By Institution
GPR/Fees
Revised to Reflect Final Legislative Action

	2004-2005 GPR/Fees	Budget Reduction*	High Demand Faculty Retention	Compensation	Tuition Targets and Differential Tuition	Financial Aid	Utilities	Debt Service	Other**	2005-2006 GPR/Fees	Total Change
Madison	532,990,506	(14,426,742)	406,861	(284,713)	1,225,700	1,562,128	29,646,759	6,340,834	1,210,939	558,672,272	25,681,766
Milwaukee	187,255,507	(4,962,586)	184,216	(272,862)	(371,750)	1,216,196	4,088,924	3,010,984	1,664,343	191,812,972	4,557,465
Eau Claire	64,358,332	(1,877,294)	90,535	(82,022)	250,000	103,489	913,926	1,213,688	131,229	65,101,883	743,551
Green Bay	32,611,083	(972,563)	37,609	(77,206)		70,542	924,989	797,689	51,089	33,443,232	832,149
La Crosse	55,784,148	(1,615,601)	71,936	(81,212)		87,138	547,566	1,155,302	88,566	56,037,843	253,695
Oshkosh	62,673,379	(1,799,428)	81,646	(96,225)	1,367,271	145,150	1,153,024	1,182,062	262,879	64,969,758	2,296,379
Parkside	31,642,022	(892,297)	30,087	(65,692)	140,400	182,162	1,051,216	819,584	47,683	32,955,165	1,313,143
Platteville	40,745,089	(1,200,102)	49,233	(84,811)	523,177	59,114	1,088,977	880,402	569,109	42,630,188	1,885,099
River Falls	37,347,710	(1,151,848)	49,644	(22,348)	(10,905)	65,415	786,212	843,911	69,256	37,977,047	629,337
Stevens Point	56,397,290	(1,630,356)	82,603	(56,927)		91,859	1,117,831	553,854	112,629	56,668,783	271,493
Stout	51,632,852	(1,464,016)	61,952	(55,084)		96,798	463,865	1,695,931	122,292	52,554,590	921,738
Superior	20,217,300	(579,560)	23,386	(5,186)	135,000	39,223	412,385	469,269	28,764	20,740,581	523,281
Whitewater	59,691,883	(1,763,059)	77,680	(67,935)	204,370	281,642	810,020	1,206,390	117,216	60,558,207	866,324
Colleges	46,648,919	(1,563,731)	68,517	(84,985)	671,725	48,844	1,360,236		225,649	47,375,174	726,255
Extension	69,768,698	(1,670,603)	51,695	(65,308)			84,970		5,778,873	73,948,325	4,179,627
System Admin./Systemwide	61,870,648	(12,313,573)		(137,145)	(2,296,330)		(2,605,100)		4,828,749	49,347,249	(12,523,399)
System Total-Excl. Pay Plan and FB	1,411,635,366	(49,883,359)	1,367,600	(1,539,661)	1,838,658	4,049,700	41,845,800	20,169,900	15,309,265	1,444,793,269	33,157,903
2.3% Legislative Reduction		(17,117,400)								(17,117,400)	(17,117,400)
2% Pay Plan				19,186,232						19,186,232	19,186,232
Fringe Benefits	388,410,828	(5,116,641)	299,400	18,439,547	1,831,904				608,957	404,473,995	16,063,167
System Total	1,800,046,194	(72,117,400)	1,667,000	36,086,118	3,670,562	4,049,700	41,845,800	20,169,900	15,918,222	1,851,336,096	51,289,902

* Does not distribute fringe benefits on the \$15 million additional Joint Finance Committee budget reductions.

** Includes an increase of \$7.1 million for credit extension, \$2.6 million for the student technology fee, and \$1.0 million for alzheimer's research.

**B. ACADEMIC TUITION AND
REFUND POLICY AND SCHEDULE**

2005-06 TUITION RATES

Recommended Tuition Increases. Recommended tuition increases for resident undergraduate students are 6.9% at UW-Madison, UW-Milwaukee, and the UW Comprehensive universities for the 2005-06 academic year. Consistent with recent Board practice, recommended tuition increases for most other student groups are at the same dollar amount as those for undergraduate resident students (\$364 at UW-Madison, \$356 at UW-Milwaukee, and \$277 at the UW Comprehensive universities and the UW Colleges for the academic year). For market factor reasons tuition at the Medical and Veterinary schools will not be increased. The recommended 2005-06 tuition schedule is shown in Table B-1.

Table B-2 lists all UW System differential tuition programs and rates for 2005-06. A description of these programs is provided in Appendix B. The 2006 summer session tuition schedule is shown in Table B-3. Table B-4 shows the consolidated schedule of tuition and segregated fees for 2005-06. The UW System tuition refund policy and schedule follows on pages B-8 and B-9.

Law School Tuition. In addition to the general \$364 dollar increase for most UW-Madison students, recommended tuition for Law School students will increase an additional 5% for residents and \$750 per semester for nonresidents as the second phase of a four year quality improvement plan. The additional 2005-06 funding will enable the Law School to add two faculty positions in the area of tax law; increase support for summer research projects; integrate two additional clinical faculty members into the research mission of the Law School; supplement the professional staff in the Law School Admissions and Financial Aid Offices; support web-based student services systems and the Law Library student computer laboratory; and upgrade classroom technology.

Pilot Tuition Programs. This is the fourth year of UW-Stout's pilot laptop program, which includes per credit tuition and an additional per credit laptop fee. During 2005-06 this pilot program will apply to freshman, sophomore, junior, new senior, and first-year graduate students. This is the second year of UW-Milwaukee's pilot program differentials in the College of Business Administration, College of Engineering and Applied Science, College of Nursing, and the Peck School of the Arts. With the exception of a few core classes, students taking courses within these Colleges/Schools will be charged an additional amount per credit; \$15, \$10, \$30, and \$15, respectively. The College of Engineering and Applied Science differential applies to both undergraduate and graduate students, while the others apply only to undergraduates.

New Remission Programs For Veterans. Legislative action to date requires the Board of Regents to provide a 50% remission of academic fees to eligible veterans. In addition, the Board is required to provide a 100% remission of academic fees for surviving spouses who have not remarried, within ten years of the death of the veteran, and children between the ages of 18 and 26, of eligible veterans who died on active duty or in the line of duty while on active or inactive duty for training purposes or who incurred at least a 30% service connected disability. Eligibility is determined by Wis. Stats. Chapter 45. Remissions are valid for up to 128 credits or 8 semesters, whichever is longer. The costs of these remissions, estimated to be within a range of \$4.4 to \$12.2 million annually, are not built in to the 2005-06 tuition rates.

Peer Tuition

The following table summarizes the distance to the peer median for UW-Madison tuition in 2004-05.

2004-05 MADISON BIG TEN PEER GROUP TUITION COMPARISONS			
	TUITION AND SEGREGATED FEES	PEER GROUP MID-POINT	DISTANCE FROM MID- POINT
Resident Undergraduate	\$5,862	\$7,346	(\$1,484)
Non-resident Undergraduate	\$19,862	\$18,281	\$1,581
Resident Graduate	\$8,316	\$8,179	\$137
Non-resident Graduate	\$23,586	\$17,540	\$6,046

The following table summarizes the 2005-06 estimated academic year tuition and dollar increases over 2004-05 actual academic year tuition for UW-Madison and its peer group.

UW-MADISON 2005-06 RESIDENT UNDERGRADUATE TUITION COMPARISON		
	TUITION DOLLAR INCREASE	ESTIMATED TUITION
Illinois – Entering Fall 2005 & After	new rate	\$7,042
Illinois – Entered Fall 2004 to Summer 2005	\$0	\$6,460
Illinois - Entered Before Fall 2004	\$422	\$6,436
Indiana - Entered Summer 2003 & After (1)	\$845	\$6,831
Indiana - Entered Before Summer 2003 (1)	\$248	\$5,195
Iowa (1)	\$188	\$4,890
Michigan (Estimate Only)	\$789	\$8,679
Michigan State (Estimate Only)	\$523	\$7,063
Minnesota (1)	\$463	\$7,140
Ohio State - Entered Summer 2003 & After (1)	\$432	\$7,509
Ohio State - Entered Summer 2002 to Spring 2003 (1)	\$381	\$7,407
Ohio State - Entered Before Summer 2002 (1)	\$342	\$6,750
Purdue – Entered Fall 2002 & After (1), (2)	\$366	\$6,458
Purdue – Entered Before Fall 2002 (1), (2)	\$300	\$5,300
UW-Madison	\$364	\$5,618
Average Excluding Madison (3)	\$455	\$6,811

(1) Tuition rates shown are final.

(2) Includes tuition and segregated fees.

(3) Average is weighted for those campuses that have multiple rates by the number of years of students paying each rate.

Note: Michigan estimates its tuition for resident undergraduates will increase 10% and Michigan State estimates 8%.

TABLE B-1

**UNIVERSITY OF WISCONSIN SYSTEM
PROPOSED 2005-06
TUITION SCHEDULE
FOR FULL ACADEMIC YEAR**

		2005-06 TUITION			
		ANNUAL TUITION	SEMESTER TUITION	DOLLAR INCREASE (Academic Year)	SEMESTER INCREASE
UW-MADISON					
<u>Resident</u>					
Undergraduate	\$5,254	\$5,618	\$2,809	\$364	\$182
Graduate	\$7,708	\$8,072	\$4,036	\$364	\$182
Business Masters	\$9,164	\$9,528	\$4,764	\$364	\$182
Law School	\$10,122	\$10,992	\$5,496	\$870	\$435
Medical School	\$21,152	\$21,152	\$10,576	\$0	\$0
Veterinary School	\$15,270	\$15,270	\$7,635	\$0	\$0
<u>Nonresident</u>					
Undergraduate	\$19,254	\$19,618	\$9,809	\$364	\$182
Graduate	\$22,978	\$23,342	\$11,671	\$364	\$182
Business Masters	\$24,602	\$24,966	\$12,483	\$364	\$182
Law School	\$26,340	\$28,204	\$14,102	\$1,864	\$932
Medical School	\$32,276	\$32,276	\$16,138	\$0	\$0
Veterinary School	\$23,304	\$23,304	\$11,652	\$0	\$0
UW-MILWAUKEE					
<u>Resident</u>					
Undergraduate	\$5,138	\$5,494	\$2,747	\$356	\$178
Graduate	\$7,434	\$7,790	\$3,895	\$356	\$178
Business Masters	\$8,828	\$9,184	\$4,592	\$356	\$178
<u>Nonresident</u>					
Undergraduate	\$17,890	\$18,246	\$9,123	\$356	\$178
Graduate	\$21,800	\$22,156	\$11,078	\$356	\$178
Business Masters	\$23,264	\$23,620	\$11,810	\$356	\$178
UW COMPREHENSIVE UNIVERSITIES					
<u>Resident</u>					
Undergraduate	\$4,000	\$4,277	\$2,139	\$277	\$139
Graduate	\$5,342	\$5,619	\$2,810	\$277	\$139
Business Masters	\$5,896	\$6,173	\$3,087	\$277	\$139
<u>Nonresident</u>					
Undergraduate	\$14,046	\$14,323	\$7,162	\$277	\$139
Graduate	\$15,952	\$16,229	\$8,115	\$277	\$139
Business Masters	\$16,532	\$16,809	\$8,405	\$277	\$139
UW COLLEGES					
<u>Resident</u>	\$3,700	\$3,977	\$1,989	\$277	\$139
<u>Nonresident</u>	\$12,400	\$12,677	\$6,339	\$277	\$139

Refer to Table B-2 for tuition rates of the differential tuition programs previously approved by the Board of Regents.

Tuition rates shown in this table have been rounded to the dollar. Campus fee schedules and student billing statements will include actual rates that will be within a dollar of these rates.

TABLE B-2

UNIVERSITY OF WISCONSIN SYSTEM PROPOSED 2005-06 DIFFERENTIAL TUITION SCHEDULE (for semester rate, divide academic year by 2)

	2005-06		2006 SUMMER SESSION TUITION (a)
	ACADEMIC YEAR	SEMESTER	
	TUITION	TUITION	
UW-MADISON			
<u>Resident</u>			
Pharmacy	\$10,610	\$5,305	\$2,653
<u>Nonresident</u>			
Pharmacy	\$22,860	\$11,430	\$5,715
UW-MILWAUKEE			
<u>Resident</u>			
Communication Science & Disorders	\$9,348	\$4,674	\$2,337
Occupational Therapy	\$9,348	\$4,674	\$2,337
<u>Nonresident</u>			
Communication Science & Disorders	\$26,587	\$13,294	\$6,647
Occupational Therapy	\$26,587	\$13,294	\$6,647
<u>Resident and Nonresident Students (b)</u>			
College of Business Administration	\$15/credit	\$15/credit	\$15/credit
College of Engineering and Applied Science	\$10/credit	\$10/credit	\$10/credit
College of Nursing	\$30/credit	\$30/credit	\$30/credit
Peck School of the Arts	\$15/credit	\$15/credit	\$15/credit
UW-EAU CLAIRE			
<u>Resident</u>			
Undergraduate	\$4,414	\$2,207	\$1,103
<u>Nonresident</u>			
Undergraduate	\$14,460	\$7,230	\$3,615
Return to Wisconsin Program	\$10,879	\$5,439	\$2,720
UW-LA CROSSE			
<u>Resident</u>			
Undergraduate	\$4,331	\$2,165	\$1,083
Occupational Therapy	\$5,186	\$2,593	\$1,297
Graduate	\$5,673	\$2,836	\$1,576
Business Masters	\$6,227	\$3,113	\$1,730
Physical Therapy/Physician Assistant	\$6,797	\$3,398	\$1,888
<u>Nonresident</u>			
Undergraduate	\$14,377	\$7,188	\$3,594
Return to Wisconsin Program	\$10,796	\$5,398	\$2,699
Occupational Therapy	\$17,241	\$8,621	\$4,310
Graduate	\$16,283	\$8,141	\$4,523
Business Masters	\$16,863	\$8,431	\$4,684
Physical Therapy/Physician Assistant	\$19,529	\$9,764	\$5,425
UW-OSHKOSH			
<u>Resident</u>			
Undergraduate	\$4,387	\$2,194	\$1,097
<u>Nonresident</u>			
Undergraduate	\$14,433	\$7,217	\$3,608
Return to Wisconsin Program	\$10,852	\$5,426	\$2,713

TABLE B-2 (Continued)

UNIVERSITY OF WISCONSIN SYSTEM PROPOSED 2005-06 DIFFERENTIAL TUITION SCHEDULE (for semester rate, divide academic year by 2)

	2005-06		2006 SUMMER SESSION TUITION (a)
	ACADEMIC YEAR TUITION	SEMESTER TUITION	
UW-PLATTEVILLE			
<u>Nonresident</u>			
Undergraduate Tri-State Initiative	\$8,277	\$4,139	\$2,069
UW-STOUT			
<u>Resident</u>			
Undergraduate - Per Credit Tuition	\$158.16	\$158.16	\$158.16
Undergraduate - Plateau Tuition	\$4,491	\$2,245	\$1,123
Graduate - Per Credit Tuition	\$269.35	\$269.35	\$269.35
Graduate - Plateau Tuition	\$5,900	\$2,950	\$1,639
<u>Nonresident</u>			
Undergraduate - Per Credit Tuition	\$502.59	\$502.59	\$502.59
Undergraduate - Plateau Tuition	\$15,039	\$7,520	\$3,760
Graduate - Per Credit Tuition	\$500.43	\$500.43	\$500.43
Graduate - Plateau Tuition	\$17,041	\$8,520	\$4,734
UW-SUPERIOR			
<u>Resident</u>			
Undergraduate	\$4,427	\$2,214	\$1,107
<u>Nonresident</u>			
Undergraduate	\$14,473	\$7,237	\$3,618
UW-WHITEWATER			
<u>Resident</u>			
Undergraduate	\$4,427	\$2,213	\$1,107
<u>Nonresident</u>			
Undergraduate	\$14,825	\$7,412	\$3,706
Return to Wisconsin Program	\$11,118	\$5,559	\$2,780
UW COLLEGES			
<u>Resident</u>	\$3,977	\$1,989	\$994
<u>Nonresident</u>	\$12,677	\$6,339	\$3,169
RETURN TO WISCONSIN PROGRAM (c)	\$10,742	\$5,371	\$2,686

*The Board of Regents approved a phased per-credit tuition model for UW-Stout to accompany its mandatory laptop computer initiative. For 2005-06, all undergraduate students except returning Seniors will be assessed on a per-credit basis; new graduate students will also be assessed on a per-credit basis, while returning graduate students will continue under the previous plateau model.

(a) Represents tuition for a full-time summer session student, which is defined as half of the full-time academic year semester load.

(b) These per credit amounts are in addition to the regular per credit tuition for students taking courses in these disciplines.

(c) The amount for campuses without differentials. (Green Bay, Parkside, River Falls, and Stevens Point)

Tuition rates shown in this table have been rounded to the dollar. Campus fee schedules and student billing statements will include actual rates that will be within a dollar of these rates .

Appendix B provides descriptions of the differential tuition programs.

TABLE B-3

**UNIVERSITY OF WISCONSIN SYSTEM
RECOMMENDED 2006 SUMMER SESSION
TUITION SCHEDULE (a)**

	<u>2005 Tuition</u>	<u>Proposed 2006 Tuition</u>
UW-MADISON (b)		
<u>Resident</u>		
Undergraduate	\$1,314	\$1,405
Graduate	\$1,927	\$2,018
Business Masters	\$2,291	\$2,382
Law School	\$2,530	\$2,748
<u>Nonresident</u>		
Undergraduate	\$4,813	\$4,905
Graduate	\$5,745	\$5,836
Business Masters	\$6,151	\$6,242
Law School	\$6,585	\$7,051
UW-MILWAUKEE (b)		
<u>Resident</u>		
Undergraduate	\$1,285	\$1,374
Graduate	\$1,859	\$1,948
Business Masters	\$2,207	\$2,296
<u>Nonresident</u>		
Undergraduate	\$4,473	\$4,562
Graduate	\$5,450	\$5,539
Business Masters	\$5,816	\$5,905
UW COMPREHENSIVE UNIVERSITIES GENERAL RATES (b)		
<u>Resident</u>		
Undergraduate	\$1,000	\$1,069
Graduate (c)	\$1,484	\$1,561
Business Masters	\$1,638	\$1,715
<u>Nonresident</u>		
Undergraduate	\$3,512	\$3,581
Graduate (c)	\$4,431	\$4,508
Business Masters	\$4,592	\$4,669
UW COLLEGES		
<u>Resident</u>		
	\$925	\$994
<u>Nonresident</u>		
	\$3,100	\$3,169

- (a) The rates shown represent the tuition paid by a full-time summer session student, which is defined as one-half of the full-time semester load for the academic year.
- (b) Refer to Table B-2 for summer session tuition rates of differential tuition programs approved by the Board of Regents.
- (c) Graduate students at UW-Eau Claire, UW-Oshkosh, UW-Platteville, UW-River Falls, and UW-Superior pay tuition on a per credit basis.

Tuition rates shown in this table have been rounded to the dollar. Campus fee schedules and student billing statements will include actual rates that will be within a dollar of these rates.

TABLE B-4

**UNIVERSITY OF WISCONSIN SYSTEM
CONSOLIDATED SCHEDULE OF TUITION AND SEGREGATED FEES
2005-06 ACADEMIC YEAR
(Some Segregated Fees Rounded To The Nearest Dollar)**

	ACADEMIC TUITION			SEGREGATED FEES PAID BY ALL STUDENTS (a)	TOTAL TUITION AND FEES		
	Residents	Nonresidents	Minnesota Reciprocity		Residents	Nonresidents	Minnesota Reciprocity
<u>DOCTORAL UNIVERSITIES (b)</u>							
<u>Undergraduate</u>							
Madison	\$5,618	\$19,618	NA	\$662	\$6,280	\$20,280	NA
Milwaukee	\$5,494	\$18,246	NA	\$726	\$6,220	\$18,972	NA
<u>Graduate</u>							
Madison	\$8,072	\$23,342	NA	\$662	\$8,734	\$24,004	NA
Milwaukee	\$7,790	\$22,156	NA	\$726	\$8,516	\$22,882	NA
Law	\$10,992	\$28,204	NA	\$662	\$11,654	\$28,866	NA
Medicine	\$21,152	\$32,276	NA	\$662	\$21,814	\$32,938	NA
Veterinary Medicine	\$15,270	\$23,304	NA	\$662	\$15,932	\$23,966	NA
<u>COMPREHENSIVE UNIVERSITIES GENERAL RATE:</u>							
<u>Undergraduate</u>							
EAU CLAIRE	\$4,414	\$14,460	NA	\$600	\$5,013	\$15,059	NA
GREEN BAY	\$4,277	\$14,323	NA	\$1,148	\$5,425	\$15,471	NA
LA CROSSE	\$4,331	\$14,377	NA	\$742	\$5,073	\$15,119	NA
OSHKOSH	\$4,387	\$14,433	NA	\$590	\$4,977	\$15,023	NA
PARKSIDE	\$4,277	\$14,323	NA	\$720	\$4,997	\$15,043	NA
PLATTEVILLE	\$4,277	\$14,323	NA	\$704	\$4,981	\$15,027	NA
RIVER FALLS	\$4,277	\$14,323	NA	\$685	\$4,962	\$15,008	NA
STEVENS POINT	\$4,277	\$14,323	NA	\$651	\$4,928	\$14,974	NA
STOUT	\$4,491	\$15,039	NA	\$560	\$5,051	\$15,599	NA
SUPERIOR	\$4,427	\$14,473	NA	\$755	\$5,182	\$15,228	NA
WHITEWATER	\$4,427	\$14,825	NA	\$703	\$5,129	\$15,527	NA
<u>Graduate</u>							
EAU CLAIRE	\$5,619	\$16,229	NA	\$600	\$6,219	\$16,829	NA
GREEN BAY	\$5,619	\$16,229	NA	\$1,148	\$6,767	\$17,377	NA
LA CROSSE	\$5,673	\$16,283	NA	\$742	\$6,415	\$17,025	NA
OSHKOSH	\$5,619	\$16,229	NA	\$590	\$6,209	\$16,819	NA
PARKSIDE	\$5,619	\$16,229	NA	\$720	\$6,339	\$16,949	NA
PLATTEVILLE	\$5,619	\$16,229	NA	\$704	\$6,323	\$16,933	NA
RIVER FALLS	\$5,619	\$16,229	NA	\$685	\$6,304	\$16,914	NA
STEVENS POINT	\$5,619	\$16,229	NA	\$651	\$6,270	\$16,880	NA
STOUT	\$5,900	\$17,041	NA	\$560	\$6,460	\$17,600	NA
SUPERIOR	\$5,619	\$16,229	NA	\$755	\$6,374	\$16,984	NA
WHITEWATER	\$5,619	\$16,229	NA	\$703	\$6,322	\$16,932	NA
<u>UW COLLEGES</u>							
BARABOO/SAUK	\$3,977	\$12,677	NA	\$315	\$4,292	\$12,992	NA
BARRON	\$3,977	\$12,677	NA	\$253	\$4,230	\$12,930	NA
FOND DU LAC	\$3,977	\$12,677	NA	\$253	\$4,230	\$12,930	NA
FOX VALLEY	\$3,977	\$12,677	NA	\$216	\$4,193	\$12,893	NA
MANITOWOC	\$3,977	\$12,677	NA	\$207	\$4,184	\$12,884	NA
MARATHON	\$3,977	\$12,677	NA	\$220	\$4,197	\$12,897	NA
MARINETTE	\$3,977	\$12,677	NA	\$200	\$4,177	\$12,877	NA
MARSHFIELD/WOOD	\$3,977	\$12,677	NA	\$230	\$4,207	\$12,907	NA
RICHLAND	\$3,977	\$12,677	NA	\$272	\$4,249	\$12,949	NA
ROCK	\$3,977	\$12,677	NA	\$251	\$4,228	\$12,928	NA
SHEBOYGAN	\$3,977	\$12,677	NA	\$248	\$4,225	\$12,925	NA
WASHINGTON	\$3,977	\$12,677	NA	\$243	\$4,220	\$12,920	NA
WAUKESHA	\$3,977	\$12,677	NA	\$229	\$4,206	\$12,906	NA

(a) Excludes United Council of UW Student Government's Fee Assessment of \$4.00 (\$2.00 per semester).

(b) Plus the Board of Regents approved differential tuition rates found on Table B-2 for certain UW-Milwaukee academic programs.

N/A = data not available at this time. Academic tuition for Minnesota Reciprocity students will be incorporated into the 2005-06 Academic Fees/Tuition Schedule upon receipt of final Minnesota tuition information.

Tuition rates shown in this table have been rounded to the dollar. Campus fee schedules and student billing statements will include actual rates that will be within a dollar of these rates.

UW System Tuition Refund Policy and Schedule

Refunds shall be made in accordance with Section Q. Refunds/Withdrawals/Drops and Attachment C of the Financial and Administrative Policy F44.

Q. Refunds/Withdrawals/Drops

UW System institutions are responsible for complying with federal regulations governing participation in the student financial assistance programs authorized under Title IV of the Higher Education Act of 1965, as amended. To the extent that these regulations require a larger refund to federal funding sources than the amount specified by the refund policy stipulated below, the student will be responsible for the difference.

For refund, withdrawal, drop/adds and late payment purposes, the first session week is defined to end as of the close of regular business on Friday of the first full calendar week or, at the institution's option, after five class days.

Up to the end of the second session week (as institutionally defined) or the end of the 10th day of class, refunds for any credit reduction shall be at 100 percent (less the optional withdrawal fee). During the third and fourth session week, the refund shall be reduced to 50 percent and after the fourth session week, there shall be no refunds of tuition. At the institution's option, a flat add/drop fee as approved by the Vice President for Business and Finance may be assessed after the 100 percent refund period to cover administrative costs. The fee shall be deposited to Fund 128.

The burden of proof in determining the date of withdrawal/drop shall be on the student. The same refund schedule shall apply to both withdrawals and class drops. During the 100 percent refund period, a student who adds and drops credits of concurrently offered classes within the same session week shall be assessed additional fees or receive a refund based on the net result of those adds and drops. After the 100 percent refund period, students will be assessed for all adds and drops. If a part-time student only adds credits during the session week, the credits should be assessed at the full per-credit rate disregarding any previous refunds. Undergraduate students who take 12 through 18 credits and graduate students should not pay more than full-time student fees. Undergraduates who take more than 18 credits shall have the refund schedule applied to those credits which exceed the 18 credit plateau. Exceptions to this provision must have the prior approval of the Vice President for Business and Finance or designee.

In those instances in which a student can document nonattendance at the institution after having enrolled in one or more courses, the student shall be assessed fees equal to 20 percent of the original fees due, reduced to resident rates, plus the late payment fee.

The refund policy may be adjusted for differences in starting dates and session lengths. Exceptions may be made, at the institution's option, for changing sections within a course.

At the institution's option, a withdrawal fee not to exceed \$50.00 may be assessed during the first session week and up to \$100 during the second session week. The withdrawal fee shall be deposited to Fund 128 and used to support the fee collection operations and defray the cost of processing withdrawals.

ATTACHMENT C

REFUND AND PAYMENT SCHEDULES FOR WITHDRAWALS OR DROPS

SESSION LENGTH	REFUND SCHEDULE FOR WITHDRAWALS OR DROPS					PAYMENT SCHEDULE FOR WITHDRAWAL, CANCELLATION OF REGISTRATION OR DROPS WITHOUT PAYMENT OF FEES (Assessment for administrative costs)				
	Week of Session					Week of Session				
	Week 1	Week 2	Week 3	Week 4	Thereafter	Week 1	Week 2	Week 3	Week 4	Thereafter
12 weeks and over	100%	100%	50%	50%	None	None	None	50%	50%	100%
8 weeks thru 11 weeks	100%	50%	25%	None	None	None	50%	75%	100%	
5 weeks thru 7 weeks	100%	50%	None	None		None	50%	100%	100%	
3 weeks thru 4 weeks	100%	25%	None	None		None	75%	100%	100%	
2 weeks	100%	None				None	100%			

NOTE: For sessions of shorter duration, campuses should extend schedules appropriately.

Source: Financial Policy and Procedure Paper #44.

C. UW AUXILIARY OPERATIONS

Summary of Auxiliary Rate Increases

As approved by the Board of Regents in 1996, explanations of auxiliary rate increases will focus on those above the 3 year rolling average increase in Wisconsin per capita disposable income (4.7% for 2005-06). General increases across the system included the following:

- **Segregated fee rate increases average 8.84% (weighted average is 8.80%).**
Ten of the thirteen four-year institutions exceed the 4.7% threshold for the following reasons:
 - Student approved facility enhancements related to Student and Recreation Centers** at UW-Whitewater, UW-Oshkosh, UW-Superior, UW-Stevens Point, UW-Parkside, and UW-River Falls.
 - Other factors influencing segregated fee increases include higher costs associated with supply and expenses, utilities, and debt service.** Campuses experiencing these costs include UW-Madison, UW-La Crosse, UW-Parkside, UW-Platteville, UW-River Falls, UW-Stevens Point, UW-Stout, and UW-Superior. Table C-3 provides a more detailed explanation of all the segregated fee increases beyond the 4.7% threshold.
- **Segregated fee increases at the UW Colleges average 6.85%.**
Six of the thirteen Colleges exceed the 4.7% threshold, largely due to student activity funding requirements and program enhancements related to academic skill centers.
- **Room and Board rate increased at an average 5.09% (weighted average is 5.81%)**
Nine of the fourteen institutions exceed the 4.7% threshold, for reasons primarily attributed the following:
 - New and renovated residence halls and facility maintenance projects** at UW-Stout, UW-Milwaukee, UW-La Crosse, UW-Oshkosh, UW-River Falls, UW-Platteville, and UW-Stevens Point.
 - Higher costs associated with compensation, debt service, supply and expenses, and utilities caused higher room and board rates** at UW-Milwaukee, UW-Madison, and UW-Whitewater.

PROGRAM SUMMARY

Auxiliary operations are self-supporting programs whose primary purpose is to provide services to the students (e.g., residence halls, student centers/unions, student health clinics, bookstores) and whose secondary purpose is to provide services to staff (e.g., parking, clinics, conferences, printing and duplicating services), and occasionally to the general public. User fees, segregated fees, merchandise sales, and interest earnings generate revenues for auxiliary operations, and the operations are allowed to maintain reserves for new facilities, remodeling/additions, deferred maintenance, high cost equipment, debt service obligations, and to ensure adequate funding for current operations. Students participate in the programming and budgeting process through institutional Segregated University Fee Allocations Committees (SUFAC's).

Based on direction from the Business and Finance Committee of the Board of Regents, the increases in major auxiliary rates are subject to a reporting threshold equal to the 3-year rolling average change in Wisconsin Disposable Income Per Capita (**4.7% for 2005-06**). Institutions with rate increases below that threshold have reduced annual budget paperwork and those above must continue to provide detailed reporting on their rate increases. The threshold applies separately to the following major auxiliary categories: Segregated Fees (in total), Room and Board rates, Textbook Rental, and Apartment Rental rates. Table C-3 through C-7 includes an explanation of increases for those institutions above the **4.7% threshold**.

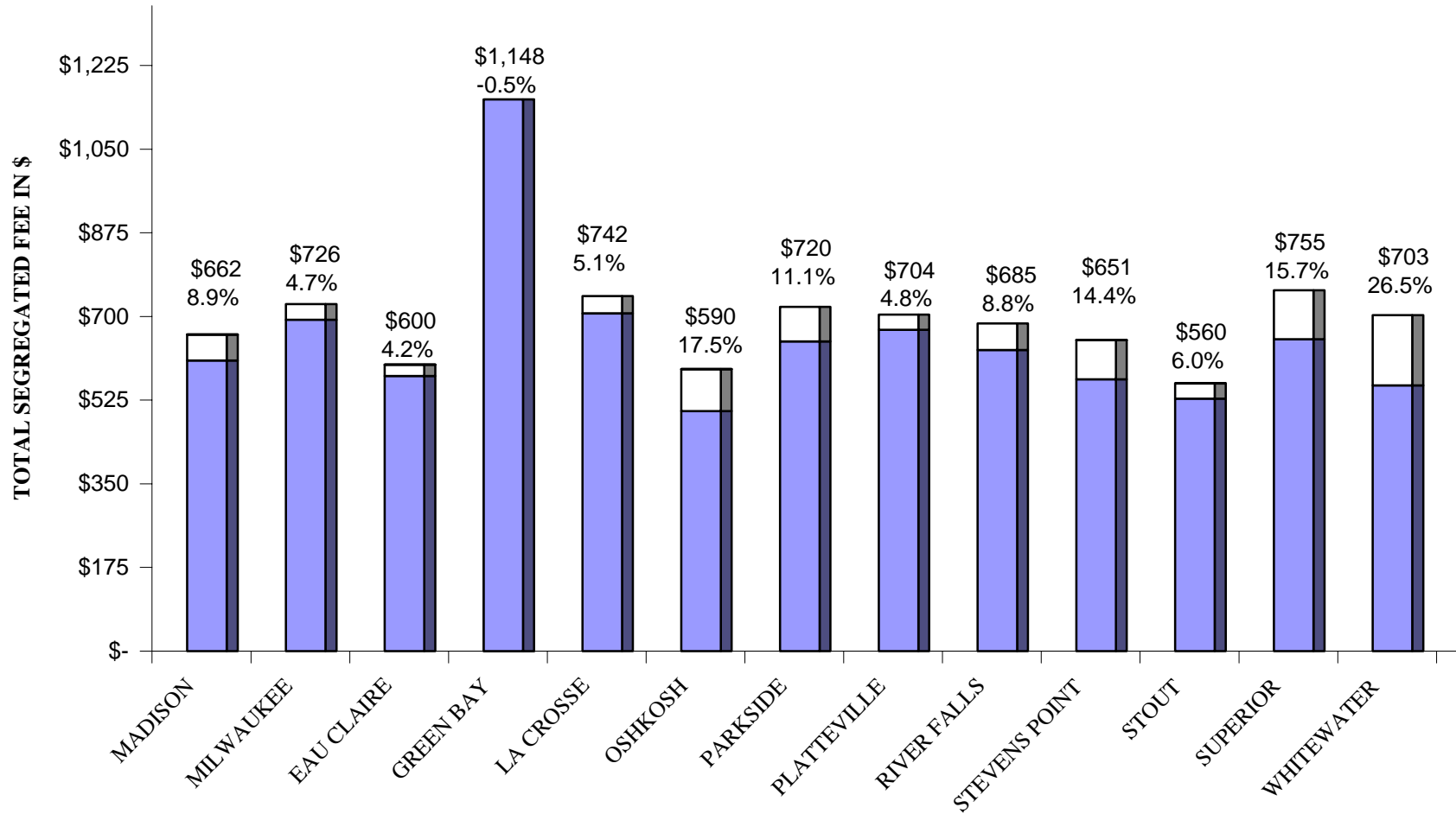
OPERATIONS HIGHLIGHTS

The 2005-06 auxiliary operations budget includes adjustments covering increased compensation, supplies and expenses, added health care costs, new services, and additional capital expenditures.

- Projected expenditures will **decrease 4.4% in 2005-06 to \$546.45 million**. The decrease is a result of transferring academic program revenue operations from auxiliary accounts (Fund 128) to other program revenue operating receipts (Fund 136). The transfer occurred to differentiate between self-supporting auxiliary operations and other ancillary activity highly related to instruction.
- Revenues from charges to students for segregated fees and room and board will increase by **\$17.16 million or 7.1%**. Auxiliary fee and rates are determined by the institutions in cooperation with the students, and reviewed and approved at the system level.
- The average segregated fee (excluding UW Colleges) is **\$711** with an average increase of **\$58 (8.8%)**; institution rate changes range from **-\$5.98 to \$147.08 (-0.5% to 26.5%)**. The UW Colleges average segregated fee is **\$241** with an average increase of **\$15.47 (6.9%)**; institution rate changes range from **-\$4.40 to \$40.84 (-2.0% to 19.5%)**. At a majority of the institutions, student initiated programs are the major reasons for the increases. Table C-1 shows the 2005-06 percent increase and total segregated fees by institution. Table C-3 explains the increases for those institutions above the **4.7% threshold**.
- The average room and board rate is **\$4,550** with an average increase of **\$220 (5.1%)**; institution rate changes range from **\$80 to \$366 (1.8% to 8.7%)**. For additional information see Table C-5.
- See Tables C-4 and C-7 for Textbook Rental and Apartment rates.

TABLE C-1

**UW SYSTEM AUXILIARY OPERATIONS
2005-06 ACADEMIC YEAR
DOCTORAL & COMPREHENSIVE
SEGREGATED FEES***



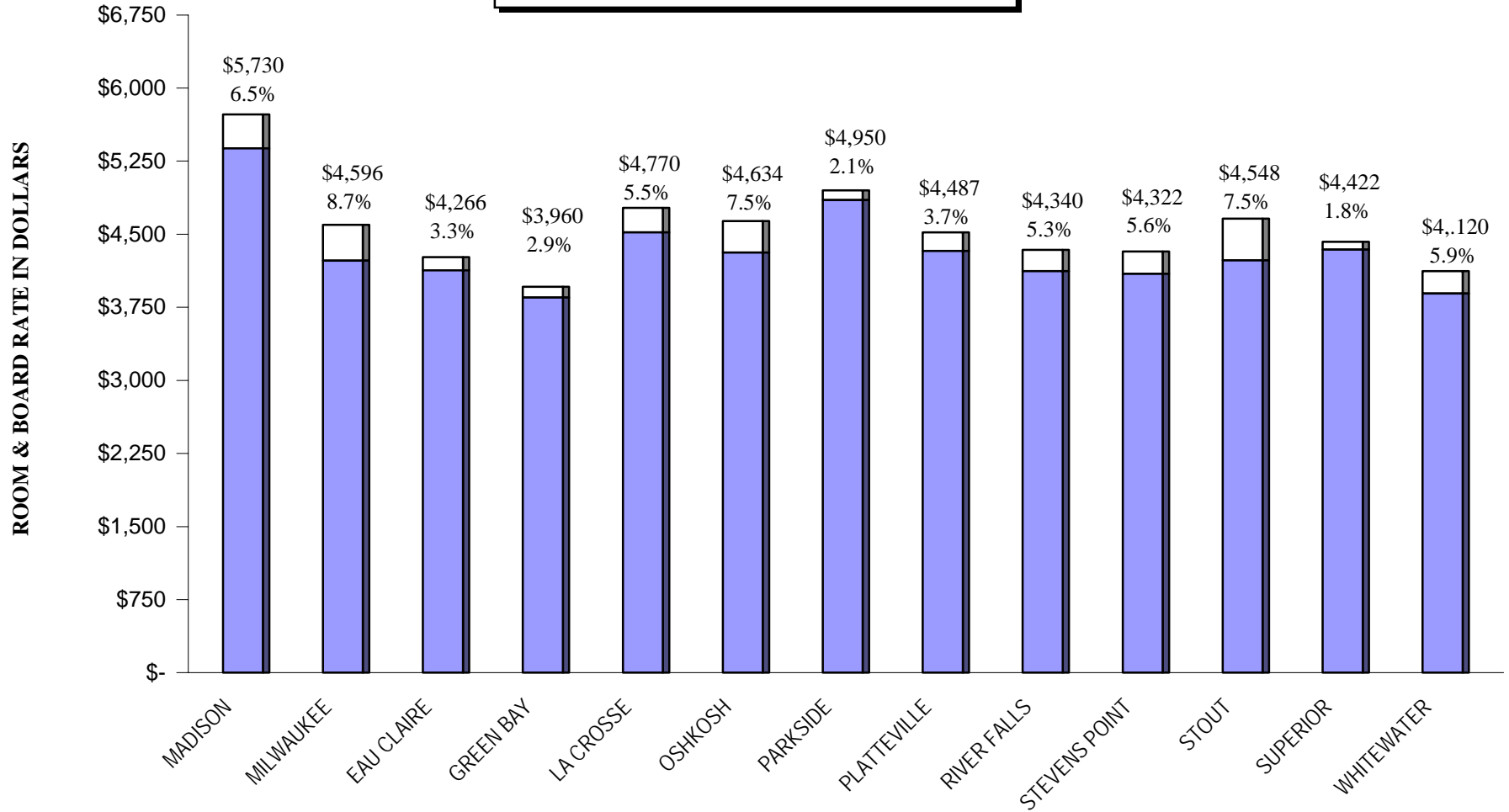
*For additional information, see Table C-3

■ 2004-05 RATE □ 2005-06 INCREASE

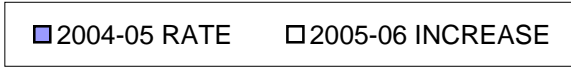
*Divide by 2 for semester rates

TABLE C-2

**UW SYSTEM AUXILIARY OPERATIONS
2005-06 ACADEMIC YEAR
DOCTORAL & COMPREHENSIVE
ROOM & BOARD RATES***



*For additional information, see Table C-5



*Divide by 2 for semester rates

TABLE C-3 (DETAIL)

UW SYSTEM AUXILIARY OPERATIONS 2005-06 ACADEMIC YEAR DOCTORAL & COMPREHENSIVE SEGREGATED FEES
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<u>INSTITUTION</u>	<u>2004-05 RATE</u>	<u>2005-06 RATE</u>	<u>INCREASE</u>	<u>% CHANGE</u>	<u>EXPLANATION OF CHANGES ABOVE THE 4.7 PERCENT THRESHOLD</u>
					*(%) indicates related segregated fee increases.
MADISON	\$608.00	\$662.00	\$54.00	8.9%	Segregated fees increased for Health Services (\$18.60), Transit (\$13.68), Student Union (\$9.96), Organized Activities (\$8.40), and Intramurals (\$4.52). The primary factors include a new transit contract with Madison Metro, higher energy costs, increased chargebacks for utility infrastructure costs, and modest increases in student initiated programs.
MILWAUKEE	\$693.00	\$725.60	\$32.60	4.7%	
EAU CLAIRE	\$575.50	\$599.50	\$24.00	4.2%	
GREEN BAY	\$1,154.00	\$1,148.02	-\$5.98	-0.5%	
LA CROSSE	\$706.19	\$742.47	\$36.28	5.1%	The Health Center (\$16.49), Student Union (\$7.89), and Recreation Center (\$6.74) contributed to the segregated fee increase. The Health Center increase is due to student initiated program expansion for counseling services, pay plan, and supply and expenses. Funding for the Student Union will increase to cover higher debt service costs through 2010. The Recreation Center fee rose as a result of higher compensation, supply and expenses, and utility costs.
OSHKOSH	\$502.00	\$590.00	\$88.00	17.5%	The new Recreation Center fee (\$91.49) will cover debt service costs related to a student approved \$21 million Recreation and Wellness Center. Two additional segregated fee increases of \$82 in 2006-07 and \$66 in 2007-08 are planned to support the Center's debt service and operational costs.
PARKSIDE	\$648.00	\$720.00	\$72.00	11.1%	Segregated fees changed in multiple areas: Student Union (\$96.95), Organized Activities (\$13.46), Transit (-\$52.46), and Health Services (\$5.40). The Student Union fee rose to cover the student approved expansion project, and it will continue increasing for the next two years to cover debt service and operating costs. The students increased Organized Activity funding because they felt past reductions had been too limiting on student organizations. The Transit change results from a new student bus pass (\$9.49) along with the elimination of student parking as a segregated fee (-\$61.95). The Health Service fee increased due to rising medication costs.
PLATTEVILLE	\$672.00	\$704.00	\$32.00	4.8%	The Pioneer Student Center fee increased \$26.00 as a result of student initiated services.

TABLE C-3 (CONTINUED)

**UW SYSTEM AUXILIARY OPERATIONS
2005-06 ACADEMIC YEAR
DOCTORAL & COMPREHENSIVE
SEGREGATED FEES**

<u>INSTITUTION</u>	<u>2004-05 RATE</u>	<u>2005-06 RATE</u>	<u>INCREASE</u>	<u>% CHANGE</u>	<u>EXPLANATION OF CHANGES ABOVE THE 4.7 PERCENT THRESHOLD</u>
					*(%) indicates related segregated fee increases.
RIVER FALLS	\$630.00	\$685.25	\$55.25	8.8%	Segregated fees increased for five components: Student Union (\$25.00), Recreation Center (\$15.00), Athletics (\$5.00), Organized Activities (\$5.12), and Municipal Services fee (\$5.13). The Students approved a higher Union fee to cover capital improvements. The Recreation Center fee is attributed to the new Health and Human Performance building, which is currently in the planning phase; the new recreation fee funds planning costs related to the new center. The Municipal Service account requires a funding increase to address past shortfalls.
STEVENS POINT	\$568.80	\$650.50	\$81.70	14.4%	Three operations contributed to the rise in segregated fees: the Student Union (\$50.00), Organized Activities (\$12.31), and Health Services (\$8.50). The Student Union fee is increasing at \$50.00 a year for the next three years to cover debt service and operating costs associated with the student approved \$16.7 million renovation project. The Organized Activities fee increase is a result of students granting additional funding for student organizations. Higher salary costs and depleted cash reserves drove the Health Service fee upward.
STOUT	\$528.24	\$559.68	\$31.44	6.0%	The Student Union (\$16.80), Health Services (\$4.32), and Organized Activities (\$4.08) increased segregated fees above the threshold. The Student Union increase is a result of bond refinancing with higher debt service costs and higher supply and expense costs. Health Service and Organized Activities rose as a result of increased supply and expenses.
SUPERIOR	\$652.34	\$754.56	\$102.22	15.7%	Four operations contributed to the increase in segregated fees: Student Center (\$80.00), Wessman Arena (\$10.00), Health Services (\$6.79) and Municipal Services (\$4.00). In December, 2004, students approved the Rothwell Student Center building project which increases the segregated fee by \$80 each year through 2010-2011 and an additional \$33 in 2011-2012. The Arena fee increase represents the final phase of fee increases related to facility enhancements. Health Services increased as a result of depleted cash reserves from previous budget attempts to hold down fee increases. The increased Municipal Service fee will replace depleted cash reserves from higher than expected charges in previous years.
WHITEWATER	\$555.64	\$702.72	\$147.08	26.5%	The University Center Addition/Remodeling Project, estimated at \$19,637,000, requires a fee increase of \$138.72 to cover debt service payments, maintenance, and new programming costs.

TABLE C-3 (CONTINUED)

<p>UW SYSTEM AUXILIARY OPERATIONS 2005-06 ACADEMIC YEAR UW COLLEGES SEGREGATED FEES</p>
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<u>INSTITUTIONS</u>	<u>2004-05 RATE</u>	<u>2005-06 RATE</u>	<u>INCREASE</u>	<u>% CHANGE</u>	<u>EXPLANATION OF CHANGES ABOVE THE 4.7 PERCENT THRESHOLD</u>
					*(\$) indicates related segregated fee increases.
BARABOO	\$281.20	\$315.32	\$34.12	12.1%	Segregated fees increased to support the campus art gallery (\$20.02) that was previously operated by a now retired faculty member pro bono. Funding also increased for the Academic Skills Center for additional services (\$5.80), and Athletics (\$3.96) for higher team travel expenses.
BARRON	\$237.70	\$252.80	\$15.10	6.4%	A higher segregated fee is the result of three factors: Student Center (\$6.00), Athletics (\$4.00), and Organized Activities (\$2.10). The Student Center fee increase is due to the loss of the technical colleges shared support, while Athletics increased as a result of higher team travel expenses. Organized Activities increased to support two new student organizations.
FOND DU LAC	\$245.60	\$253.12	\$7.52	3.1%	
FOX VALLEY	\$220.00	\$215.60	-\$4.40	-2.0%	
MANITOWOC	\$177.80	\$207.36	\$29.56	16.6%	Athletics (\$14.32), Student Activities (\$7.20), and the Academic Skills Center (\$3.00) caused higher segregated fees. The Athletics fee increased due to the addition of a women's basketball team. Student Activities increase is a result of additional support staff, and the Academic Skills Center expanded programming.
MARATHON	\$210.30	\$220.16	\$9.86	4.7%	
MARINETTE	\$168.00	\$200.40	\$32.40	19.3%	An Academic Skills Center fee (\$36.00) was added to provide students with tutoring services. The increase was partially off-set with reductions in Athletics (\$3.60).
MARSHFIELD	\$221.20	\$229.70	\$8.50	3.8%	
RICHLAND	\$254.60	\$272.30	\$17.70	7.0%	Theatre (\$7.00), Municipal Services (\$6.00), and Athletics (\$4.70) caused higher segregated fees. Higher costs related to production and services caused the increases on Theatre and Municipal Services, while the Athletics increase is a result of higher travel expenses.
ROCK	\$209.80	\$250.64	\$40.84	19.5%	Municipal Services (\$19.28), Academic Skills Center (\$11.00), Childcare (\$6.08), and Organized Activities (\$4.04) are increased fee areas. The Municipal Services increase is a result of using reserves to hold down segregated fees over the past several years. Higher supply costs, student initiated programming, and decreasing reserves caused the Academic Skills Center and Childcare increases. The Organized Activities fee increase was a result of students adding support for new student clubs.

TABLE C-3 (CONTINUED)

**UW SYSTEM AUXILIARY OPERATIONS
2005-06 ACADEMIC YEAR
UW COLLEGES
SEGREGATED FEES**

<u>INSTITUTIONS</u>	<u>2004-05 RATE</u>	<u>2005-06 RATE</u>	<u>INCREASE</u>	<u>% CHANGE</u>	<u>EXPLANATION OF CHANGES ABOVE THE 4.7 PERCENT THRESHOLD</u>
SHEBOYGAN	\$248.10	\$248.10	\$0.00	0.0%	
WASHINGTON	\$243.00	\$242.60	-\$0.40	-0.2%	
WAUKESHA	\$218.70	\$228.98	\$10.28	4.7%	

*(\$) indicates related segregated fee increases.

Note: UW Colleges campus' segregated fee rates can vary significantly from one year to the next due to the small student populations.

TABLE C-4

UW SYSTEM AUXILIARY OPERATIONS 2005-06 ACADEMIC YEAR TEXTBOOK RENTAL RATES

<u>INSTITUTIONS</u>	<u>2004-05 RATE</u>	<u>2005-06 RATE</u>	<u>INCREASE</u>	<u>PERCENT CHANGE</u>
EAU CLAIRE	\$154.00	\$161.00	\$7.00	4.55%
LA CROSSE	\$148.61	\$152.00	\$3.39	2.28%
PLATTEVILLE	\$136.00	\$140.00	\$4.00	2.94%
RIVER FALLS	\$118.00	\$118.00	\$0.00	0.00%
STEVENS POINT	\$130.80	\$130.80	\$0.00	0.00%
STOUT	\$128.88	\$134.88	\$6.00	4.66%
WHITEWATER	\$120.00	\$124.80	\$4.80	4.00%
<u>UW COLLEGES</u>				
BARRON	\$120.00	\$120.00	\$0.00	0.00%
RICHLAND	\$123.00	\$123.00	\$0.00	0.00%

INSTITUTIONS ABOVE 4.7 PERCENT THRESHOLD**INSTITUTIONS**

None of the institutions exceeded the 4.7 percent threshold.

TABLE C-5

**UW SYSTEM AUXILIARY OPERATIONS
2005-06 ACADEMIC YEAR
RESIDENCE HALLS AND MEAL PLANS***

	RESIDENCE HALLS (1)			MEAL PLANS (1)				TOTAL			
	04-05	05-06	INCREASE	04-05	05-06	INCREASE	TYPE	04-05	05-06	INCREASE	%
Madison	\$3,286	\$3,491	\$205	\$2,095	\$2,239	\$144	ALA CARTE	\$5,381	\$5,730	\$349	6.49%
Milwaukee	\$2,670	\$2,988	\$318	\$1,560	\$1,608	\$48	ALA CARTE - 1	\$4,230	\$4,596	\$366	8.65%
Eau Claire	\$2,480	\$2,540	\$60	\$1,650	\$1,726	\$76	ALA CARTE	\$4,130	\$4,266	\$136	3.29%
Green Bay (2)	\$2,700	\$2,810	\$110	\$1,150	\$1,150	\$0	ALA CARTE - 1	\$3,850	\$3,960	\$110	2.86%
La Crosse	\$2,530	\$2,720	\$190	\$1,990	\$2,050	\$60	14 MEALS	\$4,520	\$4,770	\$250	5.53%
Oshkosh	\$2,530	\$2,784	\$254	\$1,782	\$1,850	\$68	14 MEAL PLAN	\$4,312	\$4,634	\$322	7.47%
Parkside	\$3,250	\$3,250	\$0	\$1,600	\$1,700	\$100	ALA CARTE - 1	\$4,850	\$4,950	\$100	2.06%
Platteville	\$2,336	\$2,494	\$158	\$1,992	\$1,993	\$1	AVERAGE PLAN	\$4,328	\$4,487	\$159	3.67%
River Falls	\$2,394	\$2,550	\$156	\$1,726	\$1,790	\$64	14 MEALS	\$4,120	\$4,340	\$220	5.34%
Stevens Point	\$2,406	\$2,574	\$168	\$1,688	\$1,748	\$60	10 MEALS/ 200 pts	\$4,094	\$4,322	\$228	5.57%
Stout	\$2,500	\$2,790	\$290	\$1,732	\$1,758	\$26	POINT SYS - 3	\$4,232	\$4,548	\$316	7.47%
Superior	\$2,502	\$2,552	\$50	\$1,840	\$1,870	\$30	BLOCK PLAN	\$4,342	\$4,422	\$80	1.84%
Whitewater	\$2,332	\$2,440	\$108	\$1,560	\$1,680	\$120	14 MEALS	\$3,892	\$4,120	\$228	5.86%
System Avg's:	\$2,609	\$2,768	\$159	\$1,720	\$1,782	\$61		\$4,329	\$4,550	\$220	5.09%
Colleges (Marathon County)	\$2,388	\$2,479	\$91	\$1,224	\$1,273	\$49	10 - MEAL PLAN	\$3,612	\$3,752	\$140	3.88%

- Notes:**
- (1) Residence Hall rate is for double room and Meal Plan type above is for most popular meal plan or represents average spending per student for meals at each institution.
 - (2) Green Bay's room rate represents a four-student per apartment rate.
 - (3) For other Residence Hall and Meal Plan rates, please see Table C-6.

*Divide by 2 for semester rate.

TABLE C-5 (CONTINUED)

**EXPLANATIONS OF INCREASES IN 2005-06
RESIDENCE HALLS AND MEAL PLAN RATES
ABOVE THE 4.7 PERCENT THRESHOLD**

Increases due primarily to additions, maintenance, remodeling, and utilities increases.

Madison	Primary factors affecting room and board rates include higher energy costs, increased chargebacks for utility infrastructure costs, and substantially higher student food purchases.
Milwaukee	Rates increased for several factors. Salaries, fringe benefits, supplies, equipment, and utilities for continuing operations account for \$195 of the increase. Room and board rates increased \$75 for all students to support the Kenilworth housing project. A concerted effort to keep major facility maintenance projects on schedule also pushed residence hall rates higher by \$52. Meal plan rates rose by approximately \$48 to cover higher food and fringe benefit costs.
La Crosse	Room and board rates increased to build cash reserves for a future residence hall that will begin construction in 2005.
Oshkosh	Housing rates increased to cover costs associated with a \$12 million Taylor Hall renovation, and to build cash reserves for future residence life renovations.
Platteville	Room fees increased to support capital maintenance and purchase new furniture for a residence hall.
River Falls	Students and administrators recommended that the campus adopt an aggressive ten-year master plan that calls for replacing all of the current furniture and addressing deferred maintenance projects. This is the second year of the master plan. The master plan will require fee increases through 2010-11, but students have the ability to review the rate increases each year.
Stevens Point	Residence life increases are attributed to three factors: a lower occupancy level in 2005-06, phase 2 of a residential lighting project, and a mandatory fire alarm upgrade.
Stout	Proposed residence life fee increases will cover maintenance, capital improvements, and debt service costs related to the addition of a new residence hall. Debt service will result in 2% rate increases through fiscal year 2007. The maintenance and capital improvements will result in 8% rate increases for the next three years. Meal plan rates increased due to more participants who caused increased salary, fringe benefit, and supply and expense costs.
Whitewater	A higher meal plan participation rate will increase the cost per meal to the food contractor. Compensation, maintenance, and remodeling costs also factored into higher fees.

TABLE C-6

UW SYSTEM AUXILIARY OPERATIONS 2005-06 ACADEMIC YEAR OTHER RESIDENCE HALLS AND MEAL PLAN RATES*
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	<u>Single Room Rates</u>	<u>Other Room Rates</u>	<u>Other Board Plans</u>
Madison	\$4,187	Large Single \$4,476 Large Double \$3,586 Triple \$3,311	Base meal rate is \$1,225 and students may deposit any amount for purchase of food.
Milwaukee	\$3,740	Triple \$2,688 Large Single \$4,774 Large Double \$3,512	Plan 2 \$1,808 Plan 3 \$1,934 Plan 4 \$2,140 Plan 5 \$2,329 Plan 6 \$3,090
Eau Claire	\$3,605		Ten Meal \$1,719 Fourteen Meal \$1,916 Nineteen Meal \$2,198 Seven Meal + \$325 \$1,916 Seven Meal + \$150 \$2,198
Green Bay	\$4,020	Double Apartment \$3,740	
La Crosse	\$3,520		19 Meals + Points \$2,100 10 Meals + Points \$2,020 7 Meals + Points \$2,000 Block Plan \$450
Oshkosh	\$3,858		21 Meal \$2,000 145/120 block \$1,820 Titan Dollar \$2,025 90 block + \$100 Titan\$ \$1,130 90 block + \$720 Titan\$ \$1,990 All Access Plan \$2,260 235 Block Plan \$2,475 50 Block Plan \$600 25 Block Plan \$320
Parkside	\$3,690	Small Double \$2,820 Double (Univ. Apts.) \$3,160 Single (Univ. Apts.) \$3,690 Single (Ranger Hall) \$3,780	Plan 2 \$1,900 Plan 3 \$2,100 Plan 4 \$2,300
Platteville	\$3,428		19 Meals \$2,160 15 Meals \$2,072 14 Meals/week +\$50 \$2,132 10 Meals/week +\$100 \$2,098 110 Meals/sem +\$125 \$1,542 90 Meals/sem +\$100/sem \$1,214 175 meals + \$100/sem. \$2,164 150 Meals/sem +\$100/sem. \$2,060 50 Meals/sem \$604 50 Meals/sem +\$75/sem. \$724 75 Meals/sem +\$100/sem. \$1,028

TABLE C-6 (Continued)

UW SYSTEM AUXILIARY OPERATIONS 2005-06 ACADEMIC YEAR OTHER RESIDENCE HALLS AND MEAL PLAN RATES*
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	<u>Single Room Rates</u>	<u>Other Room Rates</u>		<u>Other Board Plans</u>
River Falls	\$3,250			10 Meal Plan \$1,720 19 Meal Plan \$1,850 Upper Option \$1,150 Take 5 Meal Plan \$1,664
Stevens Point	\$3,644			20 Meals + 20 Points \$1,748 7 Meals + 270 Points \$1,748 14 Meals + 100 Points \$1,748 All Points \$1,748 Off campus-50 Meal \$496
Stout	\$3,614			Plan 1 \$1,644 Plan 2 \$1,752 Plan 4 \$1,972 Tainter Plan 1 \$1,344 Tainter Plan 2 \$1,444 Tainter Plan 3 \$1,552 Tainter Plan 4 \$1,670
Superior	\$3,686	Large Single	\$4,156	
Whitewater	\$3,744	Large Single \$3,216 Triple \$2,200		7 Meals \$1,620 10 Meals \$1,650 19 Meals \$1,730 Full Point \$1,850 Mega Point \$2,050 100 Meal Block \$1,680
Colleges		Double - NTC	\$2,568	UW-14 \$1,337 UW-19 \$1,397 NTC-10 \$1,320 NTC-14 \$1,384 NTC-19 \$1,448

*Divide by 2 for semester rate.

TABLE C-7

UW SYSTEM AUXILIARY OPERATIONS 2005-06 APARTMENT MONTHLY RATES

	<u>2004-05</u>	<u>2005-06</u>	<u>2005-06 INCREASE</u>	<u>% INCREASE OVER 03-04</u>
<u>Student Apartments</u>				
<u>Madison (Eagle Heights)</u>				
One Bedroom	\$580	\$585	\$5	0.86%
Two Bedroom	\$660	\$665	\$5	0.76%
Three Bedroom	\$785	\$790	\$5	0.64%
Large 1 Bedroom	\$605	\$610	\$5	0.83%
Large 2 Bedroom	\$760	\$765	\$5	0.66%
Large 3 Bedroom	\$890	\$895	\$5	0.56%
Three Bedroom Townhouse	\$920	\$925	\$5	0.54%
<u>Madison (Harvey Street)</u>				
One Bedroom	\$579	\$525	-\$54	-9.32%
Two Bedroom	\$835	\$700	-\$135	-16.18%
<u>Milwaukee (Purin Hall)</u>				
Single (Academic Year)	\$398	\$442	\$44	11.11%
Double (Academic Year)	\$309	\$346	\$36	11.70%
<u>Faculty Apartments</u>				
<u>Madison</u>				
One Bedroom	\$715	\$720	\$5	0.70%
Two Bedroom	\$845	\$850	\$5	0.59%
Three Bedroom	\$930	\$935	\$5	0.54%

**EXPLANATIONS OF INCREASES IN THE 2005-06
APARTMENT RATES THAT ARE GREATER THAN 4.7%**

Madison	Madison's apartment rates did not exceed the threshold. In 2005-06, Madison's Harvey Street apartments will go from an academic year contract (9.5 months) to a 12 month lease.
Milwaukee	Milwaukee's rate increase beyond the 4.7% threshold results from several factors. Salaries, fringe benefits, supplies and equipment, and utility costs for continuing operations account for a portion of the increase, while the Kenilworth Housing Project impacted rates by assessing an additional \$75 to all room rates. A concerted effort to keep major facility maintenance projects on schedule also pushed residence hall rates higher. The rates shown for Purin Hall are presented on a monthly basis for comparison purposes. Rates for Purin Hall are based on an academic year (9.5 month) contract.

TABLE C-8

**UNIVERSITY OF WISCONSIN SYSTEM
AUXILIARY OPERATIONS BUDGET SUMMARY
(FUNDS 123, 128, 129, 528, AND 530)¹**

Table below shows the change in the source of revenue supporting the 2005-06 auxiliary operations (Source of Funds), and how the revenue will be expended (Expenditures).

<u>Source of Funds</u>	<u>2004-05</u>	<u>2005-06</u>	<u>Percent Change</u>
Receipts			
Segregated University Fee	\$93,497,408	\$100,229,363	7.2%
Room and Board	149,554,567	159,983,165	7.0%
Other Receipts	310,633,849	263,087,948	-15.3%
Interest Receipts	<u>2,167,980</u>	<u>1,820,726</u>	<u>-16.0%</u>
Total Receipts	\$555,853,804	\$525,121,202	-5.5%
Operating Contributions from Reserves ²	<u>15,969,007</u>	<u>21,326,765</u>	<u>33.6%</u>
Total	\$571,822,811	\$546,447,967	-4.4%
 <u>Expenditures</u>			
Operations³			
Salaries and Wages	\$197,120,806	\$158,208,343	-19.7%
Fringe Benefits	63,793,366	53,061,121	-16.8%
Supplies & Expenses	392,628,024	353,206,131	-10.0%
Sales Credits	(152,649,705)	(96,795,828)	-36.6%
Aids to Individuals/Special Purpose	11,437,549	12,557,084	9.8%
Capital	<u>34,936,179</u>	<u>26,280,015</u>	<u>-24.8%</u>
Sub-total	\$547,266,219	\$506,516,866	-7.4%
Debt Service	<u>24,556,592</u>	<u>39,931,101</u>	<u>62.6%</u>
Total	\$571,822,811	\$546,447,967	-4.4%

¹ Funds 123 - Debt Service, Fund 128 - Auxiliaries, Fund 129 - Stores, Fund 528 - Athletic Auxiliaries, and Fund 530 - Athletic Nonincome Sports. Does not include Physical Plant Service Departments (Fund 120) of \$2,075,700.

² Operating Contributions from Reserves shows the difference between Total Expenditures and Other Receipts, drawn from Auxiliary Reserve Balances. It also includes reserve funds being transferred to Fund 136 in 2005-06.

³ Amounts do not include unallocated spending authority for debt service of \$15,946,684 in 2004-05 and \$7,405,923 in 2005-06.

TABLE C-9
UNIVERSITY OF WISCONSIN SYSTEM
2005-06 ANNUAL BUDGET
AUXILIARY RESOURCES AND EXPENDITURES
BY INSTITUTION

	Revenues					Operating Contributions From Reserves (5)	Total Resources Required	Expenditures (1)		
	Segregated Fees	Room and Board	Other (2)	Interest	Subtotal			Fund 123	Funds 128 & 129 528 & 530	Total
MSN	\$24,286,200	\$39,988,600	\$135,982,800	\$830,200	\$201,087,800	\$16,336,432	\$217,424,232	\$19,631,500	\$197,792,732 (3)	\$217,424,232
MIL	18,123,300	13,776,649	28,872,585	70,300	60,842,834	\$1,716,584	\$62,559,418	3,709,322	58,850,096	62,559,418
EAU	5,401,346	12,104,320	6,715,131	200,000	24,420,797	\$1,725,038	\$26,145,835	1,439,884	24,705,951	26,145,835
GBY	5,363,586	1,569,328	14,416,670	79,065	21,428,649	(\$820,021)	\$20,608,628	481,127	20,127,501	20,608,628
LAC	7,131,596	12,749,591	9,509,622	29,857	29,420,666	(\$1,101,882)	\$28,318,784	952,359	27,366,425	28,318,784
OSH	5,420,738	14,429,040	12,805,994	26,598	32,682,370	\$941,150	\$33,623,520	3,818,041	29,805,479	33,623,520
PKS	3,035,990	3,614,518	3,127,909	22,273	9,800,690	\$76,840	\$9,877,530	1,434,931	8,442,599	9,877,530
PLT	4,051,348	10,240,898	5,083,470	20,840	19,396,556	\$760,556	\$20,157,112	1,503,134	18,653,978	20,157,112
RVF	4,290,439	9,268,220	5,183,602	70,490	18,812,751	\$132,401	\$18,945,152	1,120,367	17,824,785	18,945,152
STP	6,309,700	12,813,300	10,527,917	165,100	29,816,017	\$1,549,768	\$31,365,785	2,080,836	29,284,949	31,365,785
STO	4,907,175	12,051,274	5,703,829	41,884	22,704,162	(\$137,618)	\$22,566,544	1,890,287	20,676,257	22,566,544
SUP	1,595,995	2,247,873	3,584,843	45,107	7,473,818	(\$369,464)	\$7,104,354	158,395	6,945,959	7,104,354
WTW	8,247,472	14,555,030	12,288,539	117,485	35,208,526	\$457,894	\$35,666,420	1,573,970	34,092,450	35,666,420
COL	2,064,478	574,524	4,292,077	21,827	6,952,906	\$158,453	\$7,111,359	0	7,111,359	7,111,359
EXT	0	0	4,033,847	79,700	4,113,547	(\$99,366)	\$4,014,181	136,948	3,877,233	4,014,181
SYS/SA	0	0	959,113	0	959,113	0	\$959,113	0	959,113	959,113
TOTAL (4)	\$100,229,363	\$159,983,165	\$263,087,948	\$1,820,726	\$525,121,202	\$21,326,765	\$546,447,967	\$39,931,101	\$506,516,866	\$546,447,967

(1) Fund 123 - Debt Service, Fund 128 - Auxiliaries, Fund 129 - Stores, Fund 528 - Athletic Auxiliaries, and Fund 530 - Athletic Nonincome Sports.

(2) Includes transfers.

(3) Includes amounts for Athletics - Fund 528 (\$50,871,300) and Fund 530 (\$250,000).

(4) 2005-06 amounts do not include unallocated spending authority for debt service of \$7,405,923 in Fund 123 and \$2,075,700 in Fund 120 for Physical Plant Service Departments.

(5) Includes reserve funds being transferred to Fund 136

**D. 2005-06 REVISED ALLOCATION DECISION
RULES**

2005-06 REVISED BUDGET ALLOCATION DECISION RULES

Based on the Final Legislative Budget Recommendations (changes to the Governor's recommendation are shaded)

(Note that allocations for items not included in the final budget will be removed from this list of decision rules.)

Annual budget allocation decision rules are provided for those 2005-07 budget initiatives that affect first-year (2005-06) funding. Items that affect funding beginning in the second year will be addressed in the 2006-07 Annual Budget Decision Rules next spring.

Allocation methodologies for items that are new initiatives may be modified in 2006-07 if a year's experience provides more appropriate criteria.

I. ALLOCATION DECISION RULES FOR NEW FUNDING

A. NEW UW SYSTEM DECISION RULES

1. FACULTY RETENTION FUNDING

The Legislature recommended \$1,667,000 in 2005-06 in funding for retention of high demand faculty. Funding will be distributed to all UW System institutions, as faculty retention is a systemwide concern. Funding for faculty retention will be allocated based on each institution's proportion of UW System GPR/Fee faculty FTE.

2. LAWTON UNDERGRADUATE MINORITY RETENTION GRANT/ADVANCED OPPORTUNITY PROGRAM (AOP)

The Legislature recommended increasing the Lawton Grant by \$295,400 and the AOP by \$262,200 in 2005-06. The budget will also transfer \$1,842,100 PR to GPR for the Lawton Grant and \$1,650,000 PR to GPR for the AOP in 2005-06 to replace funding provided in 2003-05 from UW auxiliary reserves. Funding for 2005-06 will be allocated based on each institution's proportion of a three-year rolling average headcount of students of color.

3. UTILITIES

The Legislature recommended an increase of \$41,845,800 for utilities in 2005-06. The 2003-04 actual expenditures will be used as the basis for distributing base and new funding for utilities.

4. STUDENT TECHNOLOGY FEE

The 2005-07 biennial budget provided \$2,601,400 in 2005-06 in additional funding to all UW System institutions to meet student needs for instructional technology and information access. Allocation of this funding is proportional to 2004-05 combined academic year and summer session fee budgets excluding the student technology fee.

5. MHEC FUNDING

The Legislature recommended that \$40,000 GPR be provided annually to the University of Wisconsin's general program operations appropriation to help cover membership dues payments for the Midwest Higher Education Compact.

B. CAMPUS SPECIFIC FUNDING

Funding for institution specific items will be allocated to the designated institution based on gubernatorial and legislative intent.

1. ALZHEIMER'S RESEARCH FUNDING

The Legislature recommended \$1 million GPR in 2005-06 for state support of Alzheimer's research. This funding will be provided to UW-Madison.

2. UW-MILWAUKEE AND UW-WAUKESHA TASK FORCE

The Legislature recommended \$30,000 in 2005-06 for UW-Milwaukee to convene a task force to study and develop an implementation plan for transforming UW-Waukesha into a campus of UW-Milwaukee. This funding will be provided to UW-Milwaukee.

3. UW-PLATTEVILLE ROCK COUNTY ENGINEERING

The Legislature recommended \$378,300 GPR and \$203,700 PR annually and 5.0 FTE positions to fund an engineering program at UW-Rock County through a partnership with UW-Platteville. This funding will be provided to UW-Platteville.

4. UW-STEVENS POINT PAPER SCIENCE LAB

The Legislature recommended \$78,000 PR annually and 1.0 PR position from funds transferred from the DNR forestry account to support a lab manager position in the UW-Stevens Point paper science program. This funding will be provided to UW-Stevens Point.

5. AQUACULTURE DEMONSTRATION FACILITY

The Legislature recommended \$238,000 PR and 2.0 PR positions in 2005-06 and reallocated \$94,900 for salary and fringe benefit costs associated with the positions. In addition, \$256,500 in debt service authorization for Fund 155 was provided. This funding will be provided to UW-Superior.

6. UW-MADISON ADMINISTRATIVE REDUCTION

The Legislature recommended an additional \$500,000 GPR reduction to UW-Madison's largest general program operations appropriation to reduce administrative funding.

II. ALLOCATION DECISION RULES FOR EXISTING (BASE) FUNDING

A. LAWTON UNDERGRADUATE MINORITY RETENTION GRANT/ADVANCED OPPORTUNITY PROGRAM

Funding for 2005-06 will be allocated in the same manner as in prior years. Allocations will be based on each institution's proportion of a three-year rolling average headcount of students of color.

III. BASE REALLOCATION OF UW RESOURCES

The 2005-07 biennial budget includes an administrative budget reduction of \$15,000,000 GPR in 2005-06. The reduction will be allocated based on each institution's share of the

UW System's 2004-05 GPR/Fee budget excluding debt service, utilities, financial aid, separately budgeted academic tuition, and Extension credit programs. The Governor's budget also reduces the number of GPR positions in the UW System by 200 FTE in 2005-06. The Legislature reduced the number of positions to be eliminated in 2005-06 to 100 FTE.

In addition, the biennial budget requires a one time \$20 million savings from Asset Management and ongoing Enterprise Initiative savings of \$5,000,000 for procurement. \$10 million of the \$20 million one time savings amount will be allocated to UW Systemwide, for strategic systemwide asset management initiatives. The other \$10 million will be distributed on the basis of GPR/Fees (excluding debt service, utilities, financial aid, separately budgeted academic tuition, and Extension credit programs) on a one-time basis. The \$5 million of ongoing procurement savings will also be distributed on the basis of GPR/Fees (excluding debt service, utilities, financial aid, and Extension credit programs).

The Legislature recommended a \$15,000,000 GPR reduction in 2005-06 in addition to reductions included in the Governor's budget. They also stipulated that \$1,500,000 GPR annually would come from UW System Administration. The additional reduction will be allocated based on \$1,500,000 GPR directed at UW System Administration and the balance distributed to the institutions based on the GPR/Fee base (excluding debt service, utilities, financial aid, and Extension credit programs). The allocations of the Governor's reductions and the additional \$15,000,000 are summarized in the table below:

	\$20 Million Asset Management	\$5 Million Procurement Reduction	\$15 Million Administrative Reduction	Additional Joint Finance Reduction	2005-06 Budget Reductions Total	Percent of GPR/Fee Base
Madison	3,773,000	1,886,500	5,659,500	5,202,740	16,521,740	2.9%
Milwaukee	1,280,000	640,000	1,920,000	1,764,202	5,604,202	2.9%
Eau Claire	496,000	248,000	744,000	684,442	2,172,442	2.9%
Green Bay	241,000	120,500	361,500	332,338	1,055,338	2.9%
La Crosse	425,000	212,500	637,500	586,436	1,861,436	2.9%
Oshkosh	474,000	237,000	711,000	653,176	2,075,176	2.9%
Parkside	227,000	113,500	340,500	312,998	993,998	2.9%
Platteville	296,000	148,000	444,000	408,000	1,296,000	2.9%
River Falls	281,000	140,500	421,500	386,959	1,229,959	2.9%
Stevens Point	431,000	215,500	646,500	593,825	1,886,825	2.9%
Stout	387,000	193,500	580,500	533,302	1,694,302	2.9%
Superior	149,000	74,500	223,500	204,993	651,993	2.9%
Whitewater	440,000	220,000	660,000	606,213	1,926,213	2.9%
Colleges	375,000	187,500	562,500	517,636	1,642,636	2.9%
Extension	422,000	211,000	633,000	581,740	1,847,740	2.9%
System Admin	303,000	151,500	454,500	591,000	1,500,000	15.1%
Systemwide	<u>10,000,000</u>	<u>0</u>	<u>0</u>	<u>1,040,000</u>	<u>11,040,000</u>	<u>2.9%</u>
Total	20,000,000	5,000,000	15,000,000	15,000,000	55,000,000	3.6%

In addition, the Legislature recommended reducing each state agency's largest GPR appropriation by an amount equal to 2.3% of the agency's total GPR state operations appropriations. In 2005-06, the reduction for UW System would be \$17,117,400. The Legislature also stipulated that agencies can submit a request to the Joint Committee on Finance through the 13.10 process to supplement an appropriation up to the amount reduced in the 2.3% across-the-board reduction.

IV. ALLOCATION DECISION RULES FOR COMPENSATION

A. 2005-06 UNCLASSIFIED PAY PLAN

The 2005-07 unclassified pay plan has not yet been acted upon by the Joint Committee on Employment Relations (JCOER). Once JCOER has approved a pay plan increase, allocations will be made based on the approved October 2004 payroll base.

B. 2003-05 CLASSIFIED PAY PLAN ADJUSTMENTS

The 2005-07 nonrepresented classified pay plan has not yet been acted upon by JCOER. The 2005-06 allocations for permanent and project classified staff will be distributed to institutions at the nonrepresented pay plan rate, once JCOER has approved a pay plan increase. These allocations will be made based on the approved October 2004 payroll base.

**APPENDIX A. JOINT COMMITTEE ON FINANCE
2005-07 BIENNIAL BUDGET RECOMMENDATIONS**

UNIVERSITY OF WISCONSIN SYSTEM 2005-07 BIENNIAL BUDGET

	Legislative Recommendations								
	2005-06 <u>GPR</u>	2005-06 <u>Fee</u>	2005-06 <u>Total</u>	INCREASE	INCREASE	INCREASE	Biennial <u>GPR</u>	Biennial <u>Fee</u>	Biennial <u>Total</u>
				2006-07 <u>GPR</u>	2006-07 <u>Fee</u>	2006-07 <u>Total</u>			
I. Standard Budget Adjustments	49,562,500	35,914,500	85,477,000	(19,164,600)	28,233,900	9,069,300	79,960,400	100,062,900	180,023,300
a. Salaries and Fringe Benefits	20,363,500	16,616,600	36,980,100	0	0	0	40,727,000	33,233,200	73,960,200
b. 2005-07 Utilities Increases	25,149,300	16,696,500	41,845,800	(19,750,400)	26,571,900	6,821,500	30,548,200	59,964,900	90,513,100
c. Operation and Maintenance of 2005-07 New Facilities	0	0	0	0	0	0	0	0	0
d. Increases for Minority and Disadvantaged Financial Aid Programs	4,049,700	0	4,049,700	585,800	0	585,800	8,685,200	0	8,685,200
e. Maintaining Services for Students with Disabilities	0	0	0	0	0	0	0	0	0
f. Student Technology Fee	0	2,601,400	2,601,400	0	1,662,000	1,662,000	0	6,864,800	6,864,800
g. Removal of One-Time Fees	0	0	0	0	0	0	0	0	0
II. Access	0	0	0	0	0	0	0	0	0
a. Financial Aid (1st and 2nd Quintile)	0	0	0	0	0	0	0	0	0
III. Quality	378,300	203,700	582,000	500,000	0	500,000	1,256,600	407,400	1,664,000
a. Student Success for Economic Development	378,300	203,700	582,000	500,000	0	500,000	1,256,600	407,400	1,664,000
b. Libraries	0	0	0	0	0	0	0	0	0
c. Instructional Technologies	0	0	0	0	0	0	0	0	0
IV. Governor's Initiatives	(29,710,100)	0	(29,710,100)	16,391,800	0	16,391,800	(43,028,400)	0	(43,028,400)
a. Star Faculty Initiative	1,667,000	0	1,667,000	1,666,000	0	1,666,000	5,000,000	0	5,000,000
b. Alzheimer's Research	1,000,000	0	1,000,000	500,000	0	500,000	2,500,000	0	2,500,000
c. Domestic Partner Benefits	0	0	0	0	0	0	0	0	0
d. Debt Service Reestimate	7,517,300	0	7,517,300	(774,200)	0	(774,200)	14,260,400	0	14,260,400
e. Budget Efficiency Measures	(40,000,000)	0	(40,000,000)	15,000,000	0	15,000,000	(65,000,000)	0	(65,000,000)
f. State Lab of Hygiene	105,600	0	105,600	0	0	0	211,200	0	211,200
V. Joint Finance Initiatives	(15,064,400)	0	(15,064,400)	5,075,000	0	5,075,000	(25,053,800)	0	(25,053,800)
a. Automobile Allowance	(134,400)	0	(134,400)	0	0	0	(268,800)	0	(268,800)
b. UW-Milwaukee / UW-Waukesha Task Force	30,000	0	30,000	(30,000)	0	(30,000)	30,000	0	30,000
c. UW-Fox Valley Engineering	0	0	0	105,000	0	105,000	105,000	0	105,000
d. Additional Reallocation Requirements	(15,000,000)	0	(15,000,000)	5,000,000	0	5,000,000	(25,000,000)	0	(25,000,000)
e. MHEC	40,000	0	40,000	0	0	0	80,000	0	80,000
VI. Final Legislative Initiatives	(17,617,400)	0	(17,617,400)	(171,200)	0	(171,200)	(35,406,000)	0	(35,406,000)
a. 2.3% Across The Board Reduction	(17,117,400)	0	(17,117,400)	(171,200)	0	(171,200)	(34,406,000)	0	(34,406,000)
b. UW-Madison Reduction	(500,000)	0	(500,000)	0	0	0	(1,000,000)	0	(1,000,000)
TOTAL	(12,451,100)	36,118,200	23,667,100	2,631,000	28,233,900	30,864,900	(22,271,200)	100,470,300	78,199,100

- Joint Finance moved \$78,000 PR annually and 1.0 PR position from DNR to UW-Stevens Point for the Paper Science Lab.

- Joint Finance provided \$530,200 PR from tribal gaming revenue to support the Aquaculture Demonstration Facility. This is a reduction of \$150,000 PR from the level recommended by the Governor.

**APPENDIX B. SUMMARY OF DIFFERENTIAL,
PER CREDIT, AND SERVICE-BASED PRICING
TUITION PROGRAMS**

UW SYSTEM DIFFERENTIAL, PER CREDIT, AND SERVICE-BASED PRICING BY CAMPUS

DIFFERENTIAL TUITION

Institution	Tuition Program	Description	Pricing
UW-Madison	Doctor of Pharmacy Program	Implemented Fall 1997. Six year professional program, with the first two years in pre-pharmacy.	The Doctor of Pharmacy program was initially priced at \$6,050 in the Fall 1997-98.
UW-Milwaukee	Peck School of the Arts - Undergraduate	Implemented Fall 2004. Differential rate applies to all undergraduate courses provided by the Peck School of the Arts, with the exception of eight 100 level General Education Requirement courses. Will be reviewed, in consultation with student government, in 2007-08.	\$10 per credit in 2004-05, \$15 per credit in 2005-06, and \$20 per credit in 2006-07.
	College of Engineering and Applied Science – Undergraduate and Graduate	Implemented Fall 2004. Applies to all undergraduate and graduate courses provided by the college. Will be reviewed, in consultation with student government, in 2007-08.	\$5 per credit in 2004-05, \$10 per credit in 2005-06, \$15 per credit in 2006-07, and \$20 per credit in 2007-08.
	School of Business Administration – Undergraduate	Implemented Fall 2004. Differential rate applies to all 200 to 600 level courses provided by the School. Will be reviewed, in consultation with student government, in 2006-07	\$10 per credit in 2004-05, \$15 per credit in 2005-06 and \$20 per credit in 2006-07.
	College of Nursing – Undergraduate	Implemented Fall 2004. Applies to all undergraduates enrolled in clinical major courses within the College. Will be reviewed, in consultation with student government, following the 2005-06 academic year.	Differential of \$30 per credit applied to all 300 level courses in 2004-05, and to all 300 and 400 level courses beginning in 2005-06.
	Allied Health Programs - Graduate	Implemented in 1997. General tuition for Allied Health Graduate Programs was increased to help defray the costs of these health science programs.	Tuition was increased by 20% (10% in 1998-99 and an additional 10% in 1999-00)

DIFFERENTIAL TUITION (cont'd)

<p>UW-Eau Claire</p>	<p>Institution-wide Undergraduate Differential</p>	<p>Implemented in 1997. Funds opportunities such as faculty/student collaborative research, service-learning programs, internships, and freshman seminars/capstone courses.</p>	<p>Began at \$50 per semester in Fall 1997, and was increased to \$55 per semester in Spring 2003, \$60 per semester in Fall 2003, and \$65 per semester in Spring 2004. Beginning with the 2004-05 academic year, the differential will increase by 4.5% annually, rounded to the nearest half dollar, until the Student Senate directs otherwise. The 2005-06 differential is \$68.25 per semester.</p>
<p>UW-La Crosse</p>	<p>Allied Health – Undergraduate and Graduate</p>	<p>Implemented Fall 1997 to help defray costs for operating the undergraduate Occupational Therapy and Physician Assistant programs and the graduate Physical Therapy program.</p>	<p>Tuition increased by 20% (10% in 1997-98 and an additional 10% in 1998-99.)</p>
	<p>Academic Excellence Initiatives – Undergraduate and Graduate</p>	<p>Implemented Fall 2003 to provide direct financial support for undergraduate research, advising, diversity and international education.</p>	<p>Tuition increased by \$20 per semester in Fall 2003. The 2005-06 differential is \$26.80 per semester.</p>
<p>UW-Oshkosh</p>	<p>Oshkosh Personal Development Compact – Undergraduate</p>	<p>Implemented Fall 2003 to provide funding to enhance assessment, advising, co-curricular involvement and emotional adjustment and wellness. Heavy emphasis is placed on student retention, reduced time to graduation and increased graduation rates.</p>	<p>Undergraduate tuition increased \$25 per semester in 2003-04 and increased to \$55 per semester in 2004-05. The differential rate will remain at \$55 per semester through the 2006-07 academic year.</p>
<p>UW-Platteville</p>	<p>Regional Enrollment Plan – Undergraduate</p>	<p>Implemented Fall 2005. Offers differential tuition to new entering nonresident undergraduate students from Illinois and Iowa who enroll in fields that address the workforce needs of both new and established Wisconsin businesses.</p>	<p>Eligible students will be charged the resident tuition rate plus a premium of \$4,000 per year in 2005-06 and 2006-07. The initiative will be reviewed by the Board no later than Spring 2009.</p>

DIFFERENTIAL TUITION (cont'd)

UW-Stout	Access to Learning – Undergraduate and Graduate	Implemented Fall 1999. Differential tuition helps provide access to active learning principles which promote critical and creative thinking abilities in students.	Both residents and nonresidents pay the same differential tuition amount which equals five percent of undergraduate and graduate tuition.
UW-Superior	Academic Excellence – Undergraduate	Implemented Fall 2003 to provide funding for library initiatives with an immediate emphasis on the Jim Dan Hill library operation and support structure.	All undergraduate students are assessed an additional \$75 per semester. The differential fee is prorated for part-time students.
UW-Whitewater	Advising and Integrated Freshman Experience Program – Undergraduate	Implemented Fall 2003 to promote continual student success through a multilevel advising model and an integrated freshman experience program.	Undergraduate tuition increases by an additional amount equal to 3.5% of the resident undergraduate tuition rate.
UW Colleges	Gap Reduction Between Colleges and Comprehensives	Automatically increases tuition each year in order to reduce the resident tuition gap between the Comprehensive rate and the Colleges rate to no more than \$300	The 2005-06 UW Colleges tuition rate is \$3,977.
UW-Eau Claire UW-Green Bay UW-La Crosse UW-Oshkosh UW-Parkside UW River Falls UW-Stevens Point UW-Whitewater	Return to Wisconsin Program – Undergraduate	Implemented Fall 2004 and applies to undergraduate nonresident students who are the children and/or grandchildren of a specific institution’s qualifying alumni. The non-resident student must be a legal resident of a state other than Wisconsin or Minnesota.	The differential rate is equal to the nonresident tuition rate less 25%, but not less than the projected cost of a student’s education. The 2005-06 tuition rate is \$10,742 plus any campus differential rate (if applicable.)

PER CREDIT TUITION

UW-Stout	Per Credit Tuition - Undergraduate and Graduate Students	Implemented Fall 2002, simultaneously with UW-Stout’s laptop computer per credit user fee, in order to promote administrative simplicity, support for adult and part-time access, equity and infusing the digital environment into all aspects of campus life.	Per credit tuition has been phased in over four years for new freshmen. UW-Stout students enrolled when per credit tuition was implemented in 2002 have until 2008 to complete their degrees under the plateau system.
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SERVICE-BASED PRICING

UW-Madison	Evening MBA Program	The evening MBA program is designed only for adults with an undergraduate degree and several years of work experience. Flexible scheduling packages and full ancillary services are offered through this program.	This program was priced at \$9,164 in 2004-05.
UW-Milwaukee	Engineering Management Masters Program	Implemented Spring 2002 as a graduate level program offered jointly through the School of Business Administration and College of Engineering and Applied Science. This program's Friday afternoon / all day Saturday cohort structure is specifically tailored to meet the needs of working adults seeking new skills to enhance their careers.	Initially priced at \$25,500 which not only covers all costs of the program, but also contributes support to UW-Milwaukee campus initiatives.
UW-La Crosse	Certificate Program in Medical Dosimetry	Implemented Fall 2003 to serve existing Certified Radiation Therapists located in affiliate regional medical centers. The program is primarily web-based instruction with limited, resident, weekend intensive training.	Initially priced at \$400 per credit and meets all expenses of the program.
UW-River Falls	Master of Management	Implemented Fall 2000 as a means of providing continuing education to adult students in locations determined by student demand and using a combination of web-based and face to face delivery. Enrolled students have access to library materials, textbook acquisition, and career planning and advising.	Initially priced at \$325 per credit which covers all direct costs associated with the Master of Management program.
UW-Whitewater	Online Masters of Business Administration Program	Implemented as a service-based pricing program in the Fall of 2003. Provides additional support, online assessment, and training workshops to students in the online MBA program.	Initially priced at \$550 per credit in 2003-04, which is more than 200% of the resident graduate rate.