

1997-98 Budget Report



University of Wisconsin
MILWAUKEE

Office of Budgets, Institutional Research and
Space Management

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University of Wisconsin - Milwaukee
1997-98 Budget Report
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University of Wisconsin - Milwaukee 1997-98 Budget Report

Introduction to Executive Summary

The Legislature's long delay in approving the 1997-99 biennial budget will make this a memorable budget year for many people. The slow rate of growth in state support, partial funding of the classified pay plan, and high tuition increases were troublesome aspects of the state budget. Despite these issues, the state budget did include reasonable increases in the pay plan, additional funding for academic programs in the School of Allied Health Professions, and new funding for instructional technology and distance education. In the context of the recent past, the state budget for UWS was better than average.

Despite the turmoil at the state level, this was a relatively quiet budget year at UWM. In planning for this budget, there was considerable discussion of the financial stresses experienced by the schools and colleges. Over the past few years there have been successive base budget reallocations and reductions caused first by Quality Reinvestment Program (QRP) and then by enrollment declines. Mindful of these financial stresses, university leadership made a conscious decision to minimize base budget reallocations among operating divisions. For the first time in several years, there were no mandatory across-the-board budget decrements required in the budget development process. Instead, the university emphasized internal reallocation and redirection of resources within divisions to as a means of implementing the UWM strategic plan. To implement this strategy, some important issues such as additional base budget funding for general assignment classroom maintenance were deferred until next year and budgets for these activities were developed from temporary, one-time funding sources.

To reflect the strategy used to develop this budget and to enhance communications within the university about budget issues, several major changes were made to the format of this report. We simplified some schedules, eliminated others, and consolidated the notes to reduce redundancy. After the executive summary, we have included a new section on the financial climate and structural budget problems facing UWM. This section is intended to place the budget into context and to initiate a broader discussion of our budget problems and strategies for dealing with them. Since the university emphasized internal reallocations within divisions, we have included a new schedule that documents the internal reallocations reported by each division. In developing this budget, we emphasized the documentation and timely implementation of one-time budget transfers. As a result of this effort, we have been able to prepare a new schedule that documents not only base budget adjustments but also one-time budget transfers to each division. This summary schedule provides a complete statement of the financial resources available to each division from all funding sources, including decrements for required salary savings and carry forward balances from the prior fiscal year. If you have questions about the budget or comments on this report, please contact the Office of Budgets, Institutional Research and Space Management.

Executive Summary

This Executive Summary discusses changes in four areas of the budget: State Program Funds, Other Funds, Auxiliary Operations and Internal Base Reallocations within the divisions. The summary schedules in the body of the report fill in the details for each division.

STATE PROGRAM FUNDS

The 1997-98 UWM State Program Funds budget of \$148,661,500 is more than the 1996-97 budget by \$7,161,400 (5%). The changes are as follows:

Compensation

Funding of 1997-98 Unclassified Pay Plan (4%)	2,518,800
Funding of 1997-98 Graduate Assistant Pay Plan	254,300
Funding of 1997-98 Classified Pay Plan (2%)	442,600
Fringe Benefit Cost Increases	3,582,900
Other	<u>138,200</u>
Subtotal - Compensation	<u>6,936,800</u>

Non-Compensation

Fee Revenue Contingency Return	315,700
Allied Health - Occupational/Physical Therapy Programs	120,000
Pre-college Programs	88,000
Institute for Excellence in Urban Education	75,000
Student Technology Fee Revenue Increase	61,800
Business Education Fees	800
Enrollment Target Adjustment	(354,500)
UW System General Budget Reduction	(48,800)
UW System Institutional Assessment	(33,000)
Fleet Vehicle Cost Reduction	(400)
Subtotal - Non-Compensation	<u>224,600</u>
Total	<u>7,161,400</u>

Compensation

The 1997-99 Compensation Plan as approved by JCOER is as follows:

	<u>1997-98</u>	<u>1998-99</u>
Faculty & Academic Staff	4%	4.5%
Represented Classified	3%	3.5%
Nonrepresented Classified	3%	3%

The Non-represented Classified pay plan also provides for an additional 1% annual discretionary Performance Recognition Award plus a 0.5% selective Performance Recognition Award for 1998-99.

The Legislature provided full funding for the Faculty and Academic Staff pay plan by granting 104% tuition spending authority for the first year and 103% in the second year plus additional GPR funding (\$4,000,000 System wide) in the second year.

The Legislature did not fund the entire Represented and Nonrepresented Classified pay plan. It funded only about 2%. UWM will have to reallocate resources to fund the difference. For the biennium the total shortfall would be approximately \$558,000, of which \$220,000 is for 1997-98 and \$338,000 is for 1998-99. However, if State revenues are greater than expected, the Joint Finance Committee has until June 1998 to deposit up to \$20 million into the compensation reserve to partially fund this shortfall. If this additional deposit is made, UWM's shortfall will still be about \$305,000 for the biennium.

The budget passed by the Legislature also required the Board of Regents to remit all or part of resident graduate tuition for employed graduate assistants with appointments equal to at least 33% of a full-time equivalent position. UWM completed negotiations with the Graduate Assistants' union during November of 1997 which resulted in reduced compensation in return for the remission of in-state tuition. Pending ratification by the Legislature and the Governor, the contract should become effective during the second semester of the 1997-98 academic year. Implementation of this contract will result in reduced tuition revenues and reduced salary expenses for UWM. These reductions are not reflected in the Redbook budget of UWM. Internal reallocations will be made to affected schools and colleges.

Fringe benefits for UWM State Program Funds are budgeted to be \$30,704,500 for 1997-98. This represents an increase of \$3,582,900 or 13.2%. UW System allocates fringes from its pool of funds based on historical experience. While a budget increase, this is a technical adjustment as fringe benefits can only be used for these types of payments (any budget surplus in this line reverts to the State; in turn, the State funds any shortfall).

Other Budget Changes

UW System has released \$315,700 from the Fee Revenue Contingency that was originally established in 1993-94.

The \$120,000 allocation for the Occupational and Physical Therapy programs in the School of Allied Health Professions will be increased for 1998-99 by \$570,000 for a total allocation of \$690,000, plus \$237,000 of fringe benefits.

The Division of Student Academic Development received an allocation of \$88,000 to expand pre-college programs for minority and disadvantaged students.

The School of Education has received annual funding of \$75,000 to engage in research, public service and educational activities pertaining to issues in urban public education.

Fund 115, Distance Education/Informational Technology was established during the budget process. However, the Legislature has required UW System to hold the funds centrally until the

Joint Finance Committee approves its plan for distribution. UWM expects to receive about \$62,600 for 1998-99.

The UW System reduced UWM's Fall 1997 FTE enrollment target from 16,147 to 15,942. Of this 205 FTE reduction, 125 FTE were deducted from our enrollment base in 1996-97. This 80 FTE reduction (\$4,431/FTE) resulted in an enrollment base adjustment of \$354,500 for 1997-98. This reduction was funded by modest budget reductions in several schools and colleges that failed to meet their enrollment targets and by reductions in the Enrollment Contingency account. A similar 80 FTE reduction is expected for 1998-99.

The biennial budget required a budget reduction to the general program operations of UW System of \$389,300 in 1997-98 and an additional \$94,700 in 1998-99. UWM's share of this reduction is \$48,800 and \$11,900, respectively, which is funded by the Enrollment Contingency account.

The UW System institutional adjustment of \$33,000 adjusts the UWM budget for 1996-97 post-lock adjustments to a base which reflects continuing UW System budget commitments.

As a result of the above actions and as detailed in Note 6, the Enrollment Contingency account has been reduced from \$1,209,000 to \$995,000.

Academic Fees

Resident undergraduate academic fees increased by \$208 or 7.9%. This compares with an increase of 5.0% in 1996-97. The total academic fee revenue budget has increased by 7.6% in order to fully fund the faculty and academic staff Pay Plan.

OTHER FUNDS

The Legislature reduced the budget of UW Extension by \$2,000,000 for 1997-98. Accordingly, the UWM Extension GPR support was reduced \$68,600 versus annual reductions of \$113,000 in the previous two fiscal years. The UWM Extension GPR budget for 1997-98 is \$1,769,200.

Changes in other state funds are summarized below:

Utilities & Heating (Fund 109)	267,100
Debt Service (Fund 110)	1,354,100
Advanced Opportunity Program (Fund 403)	(26,100)
Minority Retention Grants (Fund 406)	57,800
Total - Other State Funds	<u>1,652,900</u>

Since funding for GPR utilities and heating and debt service is considered a sum sufficient appropriation, the budget increases will not have an impact on UW-Milwaukee.

UW System changed the methodology for allocating GPR debt to a percentage based on an institution's proportion of 1995-96 actual expenditures to the system total. UWM's share of the total UW System allocation of \$72,549,800 is \$9,504,024 (13.1%).

The total System-wide allocation for the Advanced Opportunity Program has increased by 3.5% for 1997-98 and 3.4% for 1998-99. Likewise, the total allocation for Minority Retention Grants has increase by 10% for 1997-98 and 9.1% for 1998-99. UW System distributes these funds to each institution based on a three-year rolling average head count of minority students.

AUXILIARY OPERATIONS

UWM's segregated fees increased from \$460.90 in 1996-97 to \$478.50 in 1997-98. This represents an increase of \$17.60 (3.8%) for the academic year. Significant increases were in three areas. First, an increase of \$3.75 (8.8%) was initiated and approved by students for programs and services in Athletics. Second, the Student Health fee increased by \$3.50 (8.8%). In prior years this department received only modest fee increases. This is the first year of significant fee increases that will be needed to maintain reserve levels sufficient to support operating costs. Third, a new non-allocable fee was initiated by the Klotsche Center to purchase equipment in the current and future years and to accumulate a down payment for a future addition. The remainder of the increase covers the cost of compensation increases and inflation. Several departments, Women's Transit, Women's Center, Student Bus Pass and the Union maintained fees at the prior year's level. One department, Transit, decreased it's 1997-98 fees by \$3.40 (69%). This revenue will be replaced by an increased contribution from Parking in the amount of \$124,600.

Residence Life room rates will increase by an average of 3.5% for 1996-97. Dining Services has increased the minimum level of participation in their meal plans to match the current and expected level of usage. The actual changes in costs that the residents will experience will be determined by the rise in wholesale food prices, estimated to increase by 2% to 3%.

Various capital projects planned for 1997-98 include:

Union (various projects)	921,100
Residence Life (including architectural fees - Sandburg East)	500,000
Transit (includes UPARK lot upgrade)	1,191,900
Other (including non-auxiliary programs)	805,400
Total	<u>3,418,400</u>

INTERNAL BASE REALLOCATIONS

Every school, college and division was required during this budget building process to reallocate resources to meet the objectives of the Strategic Plan implemented by Chancellor Schroeder during June of 1996. These reallocations totaled \$5,591,000 for general program operation funds and \$881,000 for program revenue funds. It was anticipated that these reallocations would minimize the number of inter-divisional allocations. It should also be noted that major divisional allocations were made from the Vice Chancellor's holding accounts and the Enrollment Contingency account.

Appendix C has a summary of the internal base reallocations.

Understanding the Financial Climate and The Structural Problem in the UWM Budget

Introduction

This narrative provides members of the university community with an assessment of the financial climate in which UWM operates and the structural budget problems induced by this climate. The structural problem in the budget is a recurring, imbedded characteristic of the process that is inherent in both the public policy choices and the budgeting decisions that UWM, UWS and the State of Wisconsin have made. These issues provide an important context for understanding and interpreting the budget.

Historical Perspective

Since the end of the World War II and the establishment of the GI Bill, public funding for higher education has generally followed the overall economy. Funding was tight when the economy was slow and recovered when the economy rebounded. In the 1990s this pattern has changed. While funding was tight at the beginning of the 1990s when the economy was slow, the US is now in the longest period of sustained economic expansion since the end of World War II. Despite general economic prosperity, funding for higher education in Wisconsin remains tight.

The financial climate for higher education in Wisconsin is not as harsh as the financial climate in many other states. The UW System has not seen draconian budget reductions, canceled capital outlay projects, general salary reductions, or rapid down sizing of the faculty and staff. Nevertheless, prisons, social services, and tax relief have all been assigned a higher public priority in Wisconsin than maintenance of traditional levels of taxpayer support for post secondary education. In the face of these public priorities, Wisconsin is beginning to adopt a funding model for higher education based on higher tuition/higher financial aid/lower taxpayer support. This funding model has already been adopted as public policy in many other states with similar priorities. This shift is evidenced by the large increases in tuition that are reflected in this budget. In this new climate, the percentage of total state resources allocated to the UWS is declining. Prior to the 1990s, the UW System (UWS) typically received more than 12 percent of total state tax-dollar appropriations. During the 1990s this percentage has declined to less than 9 percent. While the total appropriation to UWS is rising due to increasing tax revenues and increased tuition, the UWS share of tax-dollar appropriations is falling and the rate of growth in state GPR allocations to the UWS has slowed substantially. Conditions in Wisconsin are not unique. Nationally, appropriations of tax dollars to higher education declined from \$9.74 per \$1,000 in personal income in 1990 to \$7.65 per \$1,000 in personal income in 1997. One scholar has suggested that if current trends continue, Wisconsin will allocate its last state tax dollar for the support for higher education in 2032. While this pessimistic projection may be unrealistic, the financial stress being experienced in our budget is real.

We have moved from a financial climate in which change within the university occurred primarily through budget growth and additions to the program array into a new and fundamentally different financial climate. In this new climate, change occurs primarily through internal budget reallocation, entrepreneurial revenue generation, and substitution within the program array. This fundamental change in our operating environment has created a structural budget problem at

UWM that is evidenced by the continuing need to make significant base budget reallocations that are frequently experienced by departments as budget reductions.

Understanding the Budget Problem

This changed climate places new demands both on the budget and on the budgeting process. Close examination of the overall state program funds budget – once the pay plan and fringe benefits are added – shows that our overall budget is increasing. The financial pressures we face stem not so much from absolute budget reductions as from the slow rate of growth in our state program funds budget. The current growth rate in state program is much less than the growth rate required to fund both inflation in our operating costs and beneficial change within the university. Thus, we face the necessity of internal reallocations that are required to fund unavoidable inflationary cost increases and operational changes such as the expanded use of technology. These reallocations are occurring at every level within the university. From the perspective of academic and administrative units, these reallocations are budget reductions because resources allocated to the department or division must be returned for reallocation or must be reallocated internally. But from an external perspective, someone looking at our budget would see modest growth in overall resources – once increases for pay plan and associated fringe benefits are included. Both perspectives are accurate.

This structural budget problem has been exacerbated by enrollment related budget reductions in our state program funds totaling \$1.2 million. The FY97-8 budget includes the second of three budget reduction installments (\$354,400). The final installment (\$354,400) will be included in the FY98-9 budget. Even with these modest budget reductions, our overall budget increased when pay plan and fringe benefits are included. When these budget reductions have been completed and we reach our enrollment target, we will reduce the pressure on our budget somewhat. However, we will still not have a growth rate in state program funds that will be sufficient to cover both inflation and necessary operational changes. To operate comfortably, UWM would need \$1.5 to \$2.0 million in additional state program funds in each fiscal year. If the pay plan were to be fully funded, then this amount of additional funding would permit us to increase S&E budgets for inflation and fund beneficial change such as the expanded use of technology without the need for major base budget reallocations. Absent these new funds, we have a structural problem in the budget – each year we will need to identify between \$1.5 and \$2.0 million dollars in new, unrestricted revenue or base budget reallocations of unrestricted funds. If the pay plan were not to be fully funded, then even more new revenues or base reallocations would be needed. Since the financial pressures in the budget are structural they will recur each year. Effective solutions to this structural problem will require structural changes – either the restoration of traditional levels of public financial support or significant changes in the way we operate.

Unfunded and Partially Funded Initiatives

A characteristic of the new financial climate is the prevalence of unfunded initiatives. In this decade, the state has not funded the expansion of physical plant services at UWM even though the campus has opened three new buildings. Since most of the operational costs for these facilities were not funded, the campus had to reallocate base budgets to cover these costs. In a similar manner, QRP also required the university to reallocate base budgets. While these reallocations

are not budget reductions when viewed at the university level, from the perspective of faculty and staff members, these reallocations require budget reductions that affect operations. In this biennium, the pay plan for faculty and academic staff was not fully funded and the resulting budget deficit is being covered by increasing tuition. The classified pay plan was also partially funded and the UWS was not permitted to cover this portion of pay plan by increasing tuition. Thus, UWM is being required to base reallocate over \$500,000 in this biennium to cover this portion of the resulting budget deficit. The prevalence of unfunded and partially funded initiatives that the campus is required to fund from base budget reallocations adds stress to the budgeting process.

Other Required Internal Reallocations

UWM received additional state program funds in the 1997-99 biennium for an expanded Occupational Therapy program and a new Physical Therapy program developed in conjunction with UW – La Crosse. This was the only significant new academic program funded in the UW System during the biennium. While these funds include new resources that will total \$928,000 when fully implemented, we were required to match these new allocations with internal base and one-time reallocations totaling over \$260,000. New state GPR allocations for instructional technology and distance education were also linked to demonstrated internal reallocations to support these statewide priorities. The trend toward required internal reallocations that match all or part of GPR additions appears unlikely to change and contributes to the structural problem in the budget.

Increasing Restrictions on the Use of Funds

The number of restricted allocations is also increasing. For example, new funds for Instructional Technology and Distance Education have been restricted by the legislature to specific purposes. Similar restrictions apply to many other initiatives (e.g., class / lab modernization, the undergraduate initiative). These restrictions constrain the administration's ability to redirect resources based on local as opposed to system or statewide priorities. These restricted allocations have increased to more than 16% of the state general funds budget adding yet another subtle source of stress in the budget development process.

Increments = Decrements

In the current financial climate, the central tendency of the budget process is for increments to equal decrements. Almost without exception, the incremental allocations in this budget have been balanced by corresponding decrements somewhere else in the budget. Even where new state program funds have been provided, these allocations have been accompanied by requirements that we reallocate matching funds. While decrements remain unpopular within the University community, this relationship has not deterred deans, division directors, program chairs and faculty committees from asking for additional resources during the budget development process. In the current financial climate, the balanced nature of increments and decrements appears unlikely to change. In the absence of \$1.5 to \$2.0 million in new funding each year, requests for major budget allocations are also calls for major budget decrements somewhere else in the budget. This underlying tendency adds stress to the budgeting process.

Increased Emphasis on Business and Financial Issues

In the current financial climate, UWM is being pressured to find a new balance between traditional academic issues and the underlying business realities of revenue generation, cost control, and productivity growth. The increased emphasis on business and financial issues has resulted in the introduction of market factors directly into the budget process. The explicit adoption of enrollment targets for each school and college and the financial penalties associated with falling below these targeted enrollments exemplify these market factors. The establishment of the “bulls-eye” tuition revenue target by UWS is another example of the increasing emphasis on business and financial issues. Under this policy, tuition revenue for each campus is treated by UWS as if it is program revenue essentially making each campus a “tub on its own bottom” with respect to these revenues. If UWM fails to collect the full amount of tuition revenue budget by UWS, then we experience an immediate budget reduction. For the campus, this is an annual enrollment target that is stated in terms of revenue generation rather than FTE students and it represents another market force that has been added to the budget process.

Differential Impact of Budget Problems

Tight budgets are not experienced uniformly across the university. Many units that depend upon program revenues may not experience budget constraints or may experience budget problems to a lesser degree than those programs supported primarily by state program funds. Most of these units are auxiliaries or support services funded from user charges and segregated fees. Thus UWM is --and will increasingly be -- placed in a situation where its primary academic programs experience greater fiscal stress than its secondary auxiliary operations. In developing the FY97-8 budget, UWM tried to limit these disparities by controlling the growth of segregated fees and user charges.

Since the capacity to raise private funds varies significantly among programs, a successful major gift campaign will not ameliorate budget stress uniformly across programs. The academic units that are successful in attracting private financial support will experience less fiscal stress than programs that are unsuccessful. While private support may ameliorate fiscal stress, it is unlikely that any program at UWM can generate sufficient private support to completely overcome the structural conditions affecting our budget. Similar circumstances will apply to individual faculty members within academic programs. Those entrepreneurial faculty members who are successful in generating significant private support for their personal research, scholarship, creative expression or artistic performance will not experience fiscal stress to the same degree as faculty members who are less successful in the search for private support.

Diminished Capacity to Reward or Protect Programs

Tight budgets reduce our capacity to reward programs for increasing enrollments or to protect programs with reduced enrollments from enrollment-related budget reductions. Under these circumstances faculty in programs that have increased enrollments without additional resources may feel that “No good deed goes unpunished at UWM!” because the university fails to reward their efforts with an increased budget. Similarly, faculty in programs with reduced enrollments – most of whom are making significant changes to enhance enrollment – may also feel that their good deeds are unrecognized because they are punished repeatedly by successive

enrollment-related budget reductions. Similar circumstances prevail for administrative units. Under our current financial circumstances, university leadership has a much diminished capacity to reward or to protect programs while developing a balanced budget. This is another symptom of the structural nature of our budget problem.

The Current Rate of Tuition and Fee Increases Is Not sustainable in the Long Run

Over the long term, no organization can sustain price increases that are many times greater than the rate of inflation. While UWS sets rates for the entire system, current tuition and fee increases evidence a structural budget problem for UWS as well as for UWM. Balancing our current budget is predicated on tuition increases that are almost four times the rate of inflation in the prices of other consumer goods and services. Tuition increases in the next fiscal year will be similar. UWM's auxiliary and segregated fee budgets are predicated on price increases two times the rate of inflation. Similar increases in these fees are also planned for next year. At this rate, tuition will double within the next decade.

While the UWS argues that these increases are justified by low tuition rates compared to other states, we cannot continue to raise tuition at this rate and maintain our relative position compared to our peers. Moreover, from the perspective of our students, neither the quality of a UWM degree nor the student's return on their investment in a college education will double during the next decade. Thus, rapid tuition and fee increases undermine UWM's status as the best higher education value for money education provider in Southeast Wisconsin.

Given the population of students UWM serves and the competitive nature of the higher education market in Southeast Wisconsin, we may not be well served by a UWS strategy that sacrifices value from the student's perspective in order to gain replacement revenues. As clearly as any other indicator, these non-sustainable growth rates in tuition, segregated fees, and user charges highlight the structural nature of our budget problem.

Replacement Revenue Will Not Resolve the Structural Problem in the Budget

Public universities in other states that have faced similar budget problems in the 1990's have tried to replace lost state financial support by raising additional revenues. Strategies for doing this have included 1) rapid increases in tuition and student fees of all types, 2) aggressive marketing of the institution and its programs, 3) increases in program revenue (grants & contracts, and fee for service programs), and 4) major fund raising campaigns to increase private support. UWM has already undertaken strategies 1, 2, and 3 and is planning a major gift campaign. While these strategies have been helpful at other public universities, they have proven unsuccessful in resolving structural problems such as the one faced by UWM. At some point, tuition and fee increases lead to lower enrollments or to political backlash and legislative price controls on tuition and fees. To understand why other sources of replacement revenue fail to solve the problem, consider the implications for a private gift campaign.

To resolve the structural budget problem with replacement revenue, UWM would need at least \$1.5 to \$2.0 million in new revenue each year. These funds would need to be unrestricted so that we could determine how these new moneys would be allocated each year. In order to avoid depleting the endowment's principle, a prudent spending plan would also be necessary. The

endowment would also need to recover the cost of fundraising and investment administration. Given these constraints, an endowment of between \$30 and \$40 million would be needed to generate \$1.5 to \$2.0 million each year on a consistent basis. To resolve the structural budget problem, we would need to raise an additional \$30 to \$40 million in endowment support the second year and in each successive year and these amounts would have to increase at the rate of inflation in the general economy. Even if the fund raising strategy were to be based on annual fund giving rather than endowments, the growth rate for annual, unrestricted giving in excess of the cost of fund raising must be \$1.5 to \$2.0 million/year. No public university of our size has been successful in generating unrestricted private support at this rate. Given the experience of other public universities, neither of these scenarios offers a credible option for resolving the structural problem in the budget.

Private support can play a significant role in providing marginal resources above and beyond the existing resource base for academic programs. Thus, UWM should seek to maximize new revenues from private sources. Members of the university community should, however, have realistic expectations for the outcome of a successful major gift campaign. Raising a \$100 million endowment will help some programs sustain or enhance their quality but will neither eliminate nor significantly reduce the need to reallocate 1% to 2% of the state program funds budget annually.

A similar analysis applies to increases in sponsored grant and contract activity or other fee for service programs such as non-credit outreach. Consider a recent grant submitted by a UWM faculty member to the NSF. The request is for about \$1.3 million in extramural support with about \$350,000 in indirect costs flowing to UWM over three years. However UWM's required equipment match for this grant is about \$300,000. Moreover, UWM will return 10% of the indirect costs, about \$35,000 in this case, to the Principle Investigator as an incentive to increase extramural support. If the grant is approved, the university will be left with about \$15,000 over three years to cover the indirect costs associated with the research project. Many grants do not pay overhead costs and to some extent UWM subsidizes some of the indirect costs for every research grant because our negotiated reimbursement rate is less than our actual costs. By their very nature grant and contract activities generate restricted funds and are not sufficiently profitable to generate replacement revenues on the required scale.

Like philanthropic support, grant and contract activity can make a significant difference on the margin for those programs and/or individual faculty members who compete successfully for them. They also make sense financially for the university because they provide a good return rate on our investments for equipment matches and indirect costs. However, doubling or tripling our sponsored research and/or fee for service programming will neither eliminate nor significantly reduce the need for annual base budget reallocations of state program funds.

Given these underlying financial realities, other public colleges and universities in similar circumstances have been unsuccessful in replacing lost taxpayer support with unlimited increases in tuition and required fees, private gifts, increased grant and contract activity, or fee for service programs. It is unlikely that UWM will succeed where virtually everyone else has failed. UWM should continue to strive to increase extramural support since this will contribute on the margin to sustaining quality academic programs in the current financial climate. While these revenue

enhancement strategies will mitigate financial stress for successful programs and/or individual faculty, they will not solve the underlying structural problem in the budget.

A Structural Budget Problem Will Require Structural Solutions

The underlying structural problem in the budget is inherent in the fundamental public policy choices that define the current financial climate and budgeting process. Only structural solutions -- the restoration of traditional growth rates in state program funds or fundamental changes in our current operational practices -- offer any real promise of resolving this budget problem. Since the restoration of traditional levels of public support seems unlikely in the current financial climate, there appear to be few alternatives to fundamental changes that affect our current operational practices. Across the nation, thoughtful faculty members and administrators in many universities are addressing these structural changes because they face a similar financial climate and similar structural budget problems. These discussions are also occurring at both UWS and UWM and actions have begun to emerge from these deliberations. While the following list of actions is by no means complete, it does evidence thoughtful attention to the issues.

In adapting to this new financial climate the necessary structural changes will involve increased administrative productivity. The recent adoption of the procurement cards (ProCard) and the delegation of purchasing authority illustrate this type of structural adjustment. Strategies for improving administrative productivity also include the implementation of new administrative information systems. New management information systems that would improve productivity are under active review both by UWS and UWM. The adoption of these systems and the redesign of related business process offer great promise for increased in productivity. Structural changes might also entail fewer organizational units (divisions and departments) with flatter organizational structures and broader spans of control. The merger of several language departments in the College of Letters and Science is consistent with this approach. A redirection of resources from low demand/low productivity academic programs to high demand/high productivity academic programs is also a realistic approach to structural change. The Program Array Review now underway at UWM is a process for implementing this strategy. Fundamental changes in the way we deliver instruction -- changes that yield sustainable increases in faculty productivity while maintaining or enhancing the quality of student learning -- are also attainable and realistic options in the search for structural solutions. The emphasis being placed on instructional technology and the adoption of alternative pedagogues is consistent with this strategy. While this list is not exhaustive, it does demonstrate that UWM is beginning to make the necessary adjustments in its operations. Other strategies will no doubt emerge from the continuing dialogue on this campus and among the units of the UWS system. As these strategies yield structural changes in our operations, the pressures on the budget will decrease.

University Of Wisconsin - Milwaukee

1997-98 Budget Report

Introduction

The 1997-98 Budget Report for the University of Wisconsin - Milwaukee contains schedules and graphs which provide a broad view of campus funding. The document shows how UWM's resources have been organized into a spending plan reflecting educational priorities and public policy. This Budget Report is an important part of the complete campus record of budget planning and execution.

The Budget Report has undergone some modifications for this year. Included in the Executive Summary that precedes this report a new section entitled "Understanding the Financial Climate and Structural Problems in the UWM Budget" has been added. In order to make this report more meaningful several schedules have been deleted in Sections A and C and additional schedules have been added in Section B.

The University of Wisconsin - Milwaukee, like most nonprofit institutions, relies on a system of fund accounting to produce a record of its financial affairs. The basic premise of fund accounting is that funds are received for specific purposes, and are budgeted and spent accordingly. The operating budget reflects a plan of spending consistent with a legislatively derived and collegially confirmed sense of purpose. With careful reading, this report should convey an understanding of the UWM budget as a product of decisions intended to capture and reflect the campus mission and priorities in the allocation of funds.

To ensure that funds are spent as intended, the system of budgeting and accounting captures financial data in four major categories reflecting different aspects of accountability. Nearly all the schedules in the report incorporate one or more of these categories. A glossary is appended to the report to assist with any unfamiliar terms. The four major categories around which the schedules are built are:

1. Source of Funds - where the money comes from; to give accountability to the providers of university funding.
2. Use of Funds by Division - who spends the money; to give functional or programmatic accountability and control.
3. Use of Funds by Activity - why the money is spent; to give functional or programmatic accountability and control.
4. Use of Funds by Expenditure Classification - how the money is spent; to account for the kind of goods and services used.

Besides the categories just discussed, some tables incorporate all campus funds, while others focus on a portion of the funds, the State Program Funds. State Program Funds is a term that refers to the pool of operating funds that are generated from state tax appropriations for general operations, student academic fee income, and a portion of federal indirect cost reimbursement. This pool of funds for expenditure purposes is often referred to by numeric designations in the budgeting and accounting systems as Funds 101, 105, 114, 119, 177, and 402. State Program Funds should not be confused with General Purpose Revenue (GPR), which is a state tax supported funding source.

The report is arranged in five sections, A through E. Section A includes schedules and graphs showing the UWM budget at a summary level for each of the four major accountability categories discussed earlier. There are two sets of schedules, one for all funds (A1 - A3) and one for the State Program Funds (A4 - A7). All the schedules contain a year to year comparison of the 1996-97 and 1997-98 fiscal years and a "percentage of budget" column that corresponds to the graphs. Schedule A8 is included to show changes in all state appropriations. Schedule A9 is a summary of extramural funding. Schedule A10 provides a summary of program revenue funding.

Section B provides detailed information on the changes to the State Program Funds budget between the past and current fiscal year. The categories or types of changes referenced in the tables are defined in the glossary. The schedules are provided to show changes by division and type of change. Schedules B7 - B9 are new schedules that detail one time allocations made from Unit Wide and Academic Support accounts plus UW System Grants in addition to a division base allocation.

The schedules in Section C display information about the 1997-98 budget in more detail than Section A by organizing the accountability categories in various combinations. Schedule C7 outlines funding for UW-Extension integrated activities on the Milwaukee campus.

Section D focuses on the salary and position portion of the State Program Funds budget which is of special interest since compensation (salary and fringe benefits) represents 90% of the total State Program Funds budget.

Section E displays the budget and financial conditions of Auxiliary Operations units, which make a major contribution to the quality of campus life and represent a major budgeting and planning consideration.

Notes that support all the above Sections are located after Section E.

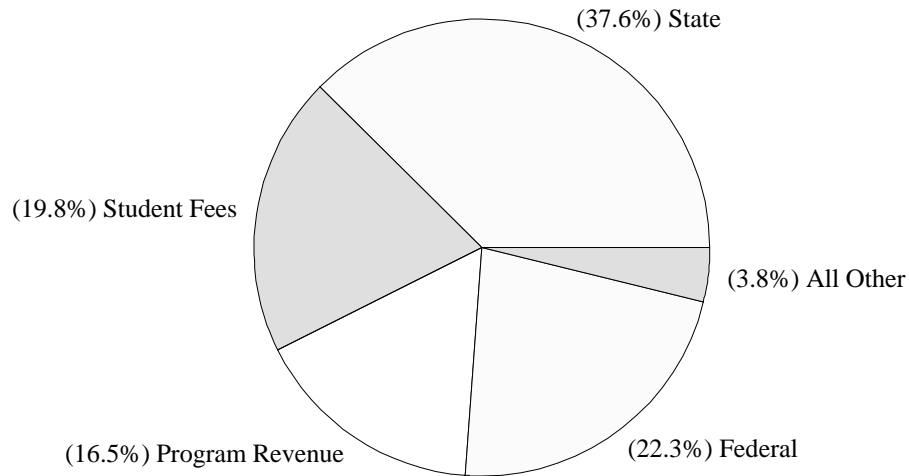
Appendix A, Glossary of Terms, is included after the schedules and notes to explain various budgeting and accounting terms. Appendix B lists the funds included in each of the following categories: State Program Funds, Other State Funds, Extramural Support Funds, and Program Revenue Funds. Appendix C contains the 1997-98 Budget Summary of Strategic Plan Reallocations.

The UW System Office of Budgets and Planning maintains a web site at <http://www.uwsa.edu/budplan/bp.htm> which contains pertinent system-wide information such as "The Biennial Budget Bulletin (Volume 5, Issue 3)." This bulletin contains a summary of the 1997-99 UW System Biennial Budget. This site will also provides on-line access to the Redbook Budget. A hard copy of the Redbook will also be available at the UWM Golda Meir Library.

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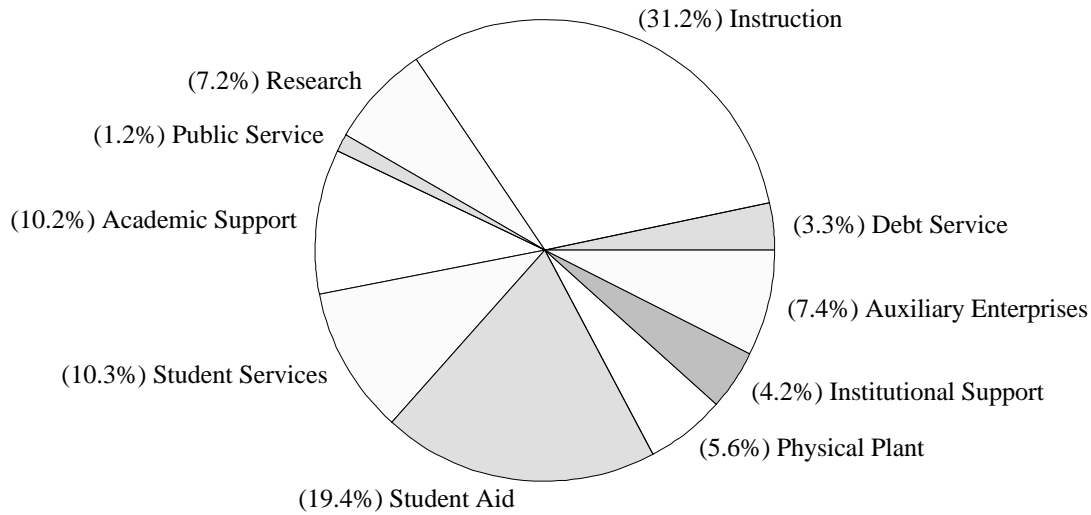
1997-98 Budget

Source of Funds - All Funds



	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
State General Purpose Revenue					
General Program	\$88,326,900	\$91,508,200	\$3,181,300	3.6%	31.9%
Other State Funds (Schedule A8)	14,464,900	16,133,900	1,669,000	11.5%	5.6%
	102,791,800	107,642,100	4,850,300	4.7%	37.6%
Operations Receipts					
Student Fee Income (Note 3)	52,691,500	56,671,600	3,980,100	7.6%	19.8%
Program Revenue Funds	44,962,000	47,202,600	2,240,600	5.0%	16.5%
Other Receipts	2,381,200	2,742,900	361,700	15.2%	1.0%
	100,034,700	106,617,100	6,582,400	6.6%	37.2%
Federal Aid, Grants & Contracts	63,323,100	63,974,700	651,600	1.0%	22.3%
Gift Fund Income	7,918,200	8,205,200	287,000	3.6%	2.9%
Total	<u>\$274,067,800</u>	<u>\$286,439,100</u>	<u>\$12,371,300</u>	<u>4.5%</u>	<u>100.0%</u>

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 1997-98 Budget
Use of Funds By Activity - All Funds

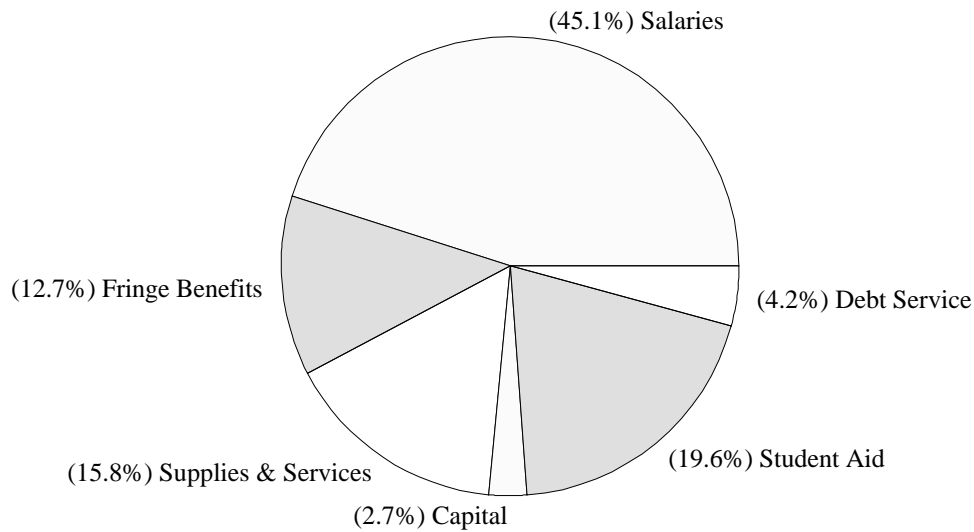


	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
Primary Programs					
Instruction	\$86,309,500	\$89,300,500	\$2,991,000	3.5%	31.2%
Research	18,935,200	20,559,900	1,624,700	8.6%	7.2%
Public Service	3,381,300	3,505,000	123,700	3.7%	1.2%
	108,626,000	113,365,400	4,739,400	4.4%	39.6%
Support Programs					
Academic Support	28,082,500	29,145,700	1,063,200	3.8%	10.2%
Student Services	26,385,200	29,634,500	3,249,300	12.3%	10.3%
Student Aid	54,835,900	55,508,500	672,600	1.2%	19.4%
Physical Plant	15,295,000	16,093,600	798,600	5.2%	5.6%
Institutional Support	11,564,600	11,971,500	406,900	3.5%	4.2%
	136,163,200	142,353,800	6,190,600	4.5%	49.7%
Education & General Expenditures	244,789,200	255,719,200	10,930,000	4.5%	89.3%
Auxiliary Enterprises	21,128,700	21,215,900	87,200	0.4%	7.4%
Debt Service on Academic Bldgs. (Note 2)	8,149,900	9,504,000	1,354,100	16.6%	3.3%
Total	\$274,067,800	\$286,439,100	\$12,371,300	4.5%	100.0%

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1997-98 Budget

Use of Funds By Major Expenditure - All Funds

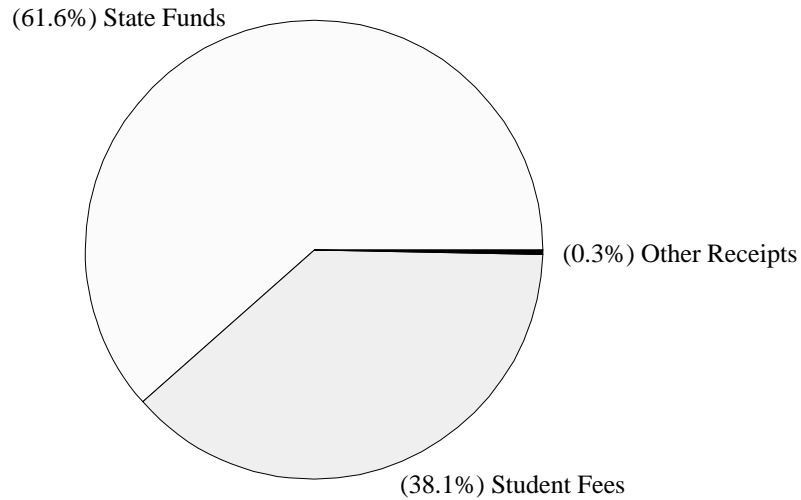


	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
Staff Compensation					
Unclassified Staff Salaries	\$89,711,200	\$93,247,900	\$3,536,700	3.9%	32.6%
Classified Staff Salaries	36,272,000	35,872,300	(399,700)	-1.1%	12.5%
Fringe Benefits (Note 1)	31,332,900	36,280,100	4,947,200	15.8%	12.7%
	157,316,100	165,400,300	8,084,200	5.1%	57.7%
Supplies, Services & Sales Credits					
Supplies & Services (Note 7)	57,802,700	63,340,500	5,537,800	9.6%	22.1%
Sales Credits	(17,211,300)	(18,179,700)	(968,400)	5.6%	-6.3%
	40,591,400	45,160,800	4,569,400	11.3%	15.8%
Capital (Note 7)	10,714,000	7,681,500	(3,032,500)	-28.3%	2.7%
Student Aid	54,848,500	56,242,000	1,393,500	2.5%	19.6%
Municipal Services	462,000	465,700	3,700	0.8%	0.2%
Debt Service (Note 2)					
On Academic Facilities	8,149,900	9,504,000	1,354,100	16.6%	3.3%
On Auxiliary Facilities	1,985,900	1,984,800	(1,100)	-0.1%	0.7%
	10,135,800	11,488,800	1,353,000	13.3%	4.0%
Total	\$274,067,800	\$286,439,100	\$12,371,300	4.5%	100.0%

University of Wisconsin - Milwaukee

1997-98 Budget

Source of Funds - State Program Funds*



	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
State General Purpose Revenue	\$88,326,900	\$91,508,200	\$3,181,300	3.6%	61.6%
Student Fee Income (Note 3)	52,691,500	56,671,600	3,980,100	7.6%	38.1%
Federal Indirect Cost Reimbursement	481,700	481,700	0	0.0%	0.3%
Total	\$141,500,100	\$148,661,500	\$7,161,400	5.1%	100.0%

* State Program Funds includes 101, 105, 114, 115, 119, 177, and 402.

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1997-98 Budget

Use of Funds By Division - State Program Funds

	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
Divisions					
Academic Units	\$93,872,800	\$96,892,900	\$3,020,100	3.2%	65.2%
General Educational Administration	1,863,800	1,921,000	57,200	3.1%	1.3%
Administrative Affairs	13,359,400	13,616,100	256,700	1.9%	9.2%
Student Affairs	4,149,000	4,288,200	139,200	3.4%	2.9%
Unit Wide:					
Compensation Related	27,610,800	31,484,000	3,873,200	14.0%	21.2%
Other	644,300	459,300	(185,000)	-28.7%	0.3%
Total	\$141,500,100	\$148,661,500	\$7,161,400	5.1%	100.0%

Academic Units

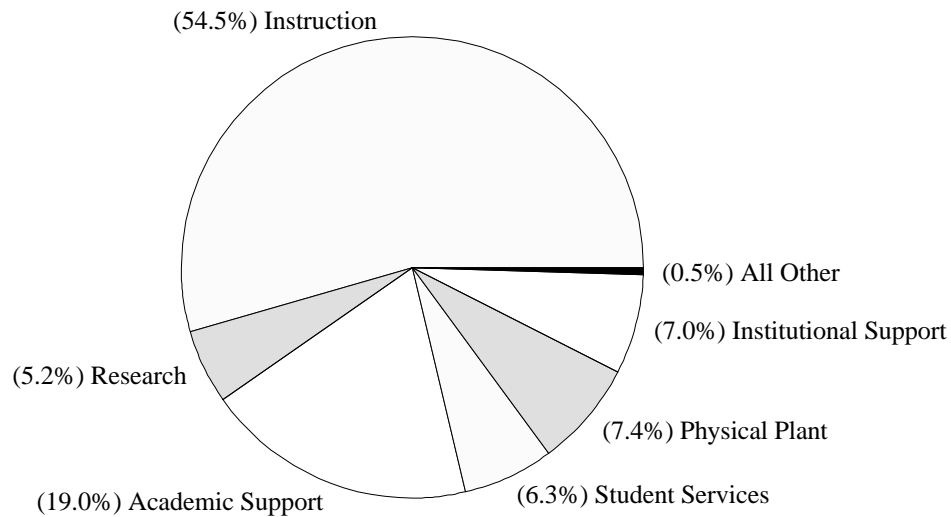
Academic Affairs - Vice Chancellor	548,000	619,200	71,200	13.0%	0.4%
Allied Health Professions	3,029,700	3,328,700	299,000	9.9%	2.2%
Architecture & Urban Planning	2,696,800	2,782,600	85,800	3.2%	1.9%
Business Administration	6,323,700	6,569,200	245,500	3.9%	4.4%
Education	5,652,800	5,929,800	277,000	4.9%	4.0%
Engineering & Applied Science	6,660,600	6,799,600	139,000	2.1%	4.6%
Fine Arts	6,491,500	6,739,600	248,100	3.8%	4.5%
Graduate School	4,295,900	4,392,600	96,700	2.3%	3.0%
Information Technology	4,847,500	5,009,100	161,600	3.3%	3.4%
Letters & Science	30,937,200	31,855,800	918,600	3.0%	21.4%
Library	6,682,700	6,769,300	86,600	1.3%	4.6%
Library & Information Science	659,400	695,800	36,400	5.5%	0.5%
Nursing	3,966,200	4,098,200	132,000	3.3%	2.8%
Social Welfare	1,951,300	2,035,900	84,600	4.3%	1.4%
Student Academic Development	1,499,400	1,665,200	165,800	11.1%	1.1%
Outreach & Continuing Education	573,400	589,600	16,200	2.8%	0.4%
Summer Session	3,499,700	3,569,400	69,700	2.0%	2.4%
Academic Support	3,557,000	3,443,300	(113,700)	-3.2%	2.3%
	93,872,800	96,892,900	3,020,100	3.2%	65.2%

Refer to Schedules B1-B6 for more detail and Note 1.

University of Wisconsin - Milwaukee

1997-98 Budget

Use of Funds By Activity - State Program Funds

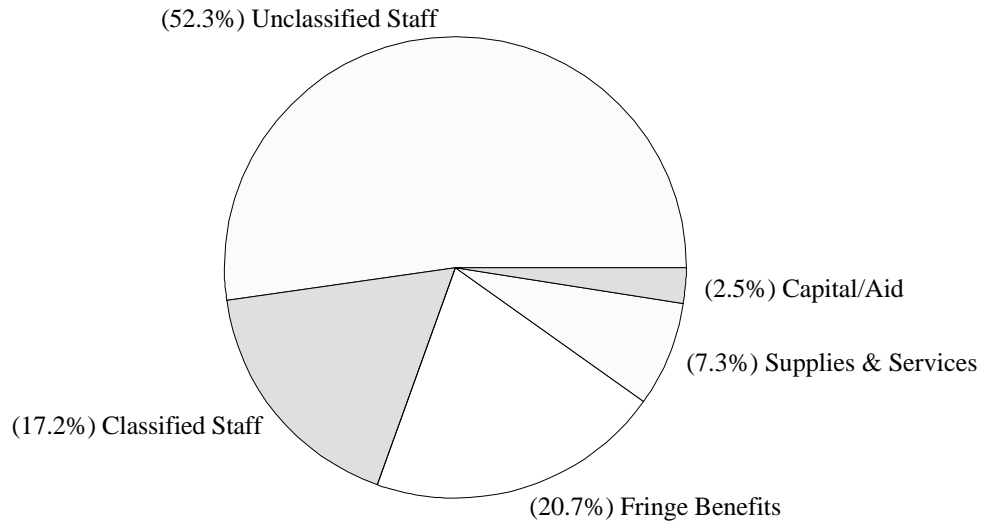


	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
Primary Programs					
Instruction	\$77,299,000	\$81,037,100	\$3,738,100	4.8%	54.5%
Research	7,478,500	7,772,200	293,700	3.9%	5.2%
Public Service	651,200	658,700	7,500	1.2%	0.4%
	85,428,700	89,468,000	4,039,300	4.7%	60.2%
Support Programs					
Academic Support	26,477,000	28,217,000	1,740,000	6.6%	19.0%
Student Services	8,883,900	9,430,300	546,400	6.2%	6.3%
Student Aid	40,100	40,100	0	0.0%	0.0%
Physical Plant	10,551,600	11,063,100	511,500	4.8%	7.4%
Institutional Support	10,037,200	10,359,700	322,500	3.2%	7.0%
	55,989,800	59,110,200	3,120,400	5.6%	39.8%
Education & General Expenditures	141,418,500	148,578,200	7,159,700	5.1%	99.9%
Auxiliary Enterprises	81,600	83,300	1,700	2.1%	0.1%
Total	\$141,500,100	\$148,661,500	\$7,161,400	5.1%	100.0%

University of Wisconsin - Milwaukee

1997-98 Budget

Use of Funds By Major Expenditure - State Program Funds



	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
Staff Compensation					
Unclassified Staff Salaries	\$74,364,800	\$77,727,000	\$3,362,200	4.5%	52.3%
Classified Staff Salaries	25,290,200	25,609,900	319,700	1.3%	17.2%
Fringe Benefits (Note 1)	27,121,600	30,704,500	3,582,900	13.2%	20.7%
	126,776,600	134,041,400	7,264,800	5.7%	90.2%
Supplies, Services & Sales Credits					
Supplies & Services (Note 7)	19,469,000	22,553,800	3,084,800	15.8%	15.2%
Sales Credits	(10,722,400)	(11,668,800)	(946,400)	8.8%	-7.8%
	8,746,600	10,885,000	2,138,400	24.4%	7.3%
Capital (Note 7)					
	5,936,800	3,695,000	(2,241,800)	-37.8%	2.5%
Student Aid					
	40,100	40,100	0	0.0%	0.0%
Total	\$141,500,100	\$148,661,500	\$7,161,400	5.1%	100.0%

University of Wisconsin - Milwaukee

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State Program Funds & Other State Funds

	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
State Program Funds (Note 1)					
GPO (101)					
Student Services	7,731,200	8,199,600	468,400	6.1%	5.0%
Institutional Support	10,037,200	10,359,700	322,500	3.2%	6.3%
Instruction	76,195,400	80,002,500	3,807,100	5.0%	48.5%
Research	7,122,700	7,442,800	320,100	4.5%	4.5%
Public Service	651,200	658,700	7,500	1.2%	0.4%
Academic Support	25,310,300	26,881,800	1,571,500	6.2%	16.3%
Physical Plant	7,947,800	8,407,700	459,900	5.8%	5.1%
Auxiliary Enterprises	81,600	83,300	1,700	2.1%	0.1%
Financial Aid	40,100	40,100	0	0.0%	0.0%
	135,117,500	142,076,200	6,958,700	5.2%	86.2%
Maintenance (105)	2,603,800	2,655,500	51,700	2.0%	1.6%
Laboratory Modernization (114)					
Instruction	674,800	674,800	0	0.0%	0.4%
Academic Support	586,800	588,800	2,000	0.3%	0.4%
	1,261,600	1,263,600	2,000	0.2%	0.8%
Distinguished Professors (119)	130,300	136,100	5,800	4.5%	0.1%
Strategic Plan for Business (177)	479,600	488,400	8,800	1.8%	0.3%
Minority & Disadvantaged Prog (402)	1,907,300	2,041,700	134,400	7.0%	1.2%
Subtotal State Program Funds	141,500,100	148,661,500	7,161,400	5.1%	90.2%
Other State Funds (Notes 2 & 5)					
UW Extension IIA Funds (GPR 104)					
Outreach & Continuing Education	\$1,682,700	\$1,603,400	(\$79,300)	-4.7%	1.0%
Other Divisions	155,200	165,600	10,400	6.7%	0.1%
	1,837,900	1,769,000	(68,900)	-3.7%	1.1%
Reimbursement from UW Extension	(1,837,900)	(1,769,000)	68,900	-3.7%	-1.1%
Student Aid (107)					
Fellowships	187,400	187,400	0	0.0%	0.1%
Student Loan Matching	117,900	117,900	0	0.0%	0.1%
	305,300	305,300	0	0.0%	0.2%
Utilities & Heating (109)	4,423,300	4,690,400	267,100	6.0%	2.8%
Debt Service (110)	8,149,900	9,504,000	1,354,100	16.6%	5.8%
Great Lakes Fish Study (Fund 181)	0	16,000	16,000	N/A	0.0%
Minority Student Aid Programs					
Advanced Opportunity Prog (403)	822,700	796,700	(26,000)	-3.2%	0.5%
Minority Retention Grants (406)	763,800	821,600	57,800	7.6%	0.5%
	1,586,500	1,618,300	31,800	2.0%	1.0%
Subtotal Other State Funds	14,465,000	16,134,000	1,669,000	11.5%	9.8%
Total	\$155,965,100	\$164,795,500	\$8,830,400	5.7%	100.0%

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Extramural Support

	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
Federal Aid, Grants & Contracts					
Federal Grants & Contracts (144)					
Instruction	\$2,983,900	\$2,489,600	(\$494,300)	-16.6%	3.3%
Research	5,837,700	6,165,100	327,400	5.6%	8.3%
Public Service	347,400	523,200	175,800	50.6%	0.7%
All Other	2,132,500	2,835,600	703,100	33.0%	3.8%
	11,301,500	12,013,500	712,000	6.3%	16.1%
Federal Aid to Students					
Work Study (145)	768,700	970,800	202,100	26.3%	1.3%
S. E. O. G. (146)	1,727,700	1,734,200	6,500	0.4%	2.3%
Perkins Loans (147)	2,480,300	2,698,700	218,400	8.8%	3.6%
Pell Grants (148)	5,400,000	5,400,000	0	0.0%	7.3%
Direct Student Loans (149)	41,500,000	41,000,000	(500,000)	N/A	55.1%
	51,876,700	51,803,700	(73,000)	-0.1%	69.6%
Nursing Loans (151, 152)	145,000	157,500	12,500	8.6%	0.2%
	63,323,200	63,974,700	651,500	1.0%	85.9%
Federal Indirect Costs (150)					
Research	1,408,200	1,701,500	293,300	20.8%	2.3%
Other Activities	491,200	559,800	68,600	14.0%	0.8%
	1,899,400	2,261,300	361,900	19.1%	3.0%
Gift Fund Income					
Non-Federal Gifts & Grants (133, 134)					
Instruction	2,203,500	1,541,500	(662,000)	-30.0%	2.1%
Research	3,704,700	4,449,200	744,500	20.1%	6.0%
Public Service	873,500	838,600	(34,900)	-4.0%	1.1%
All Other	1,033,300	1,217,500	184,200	17.8%	1.6%
	7,815,000	8,046,800	231,800	3.0%	10.8%
Trust Fund Income (161)	0	60,000	60,000	N/A	0.1%
Distinguished Professors Matching (182)	103,200	98,500	(4,700)	-4.6%	0.1%
	7,918,200	8,205,300	227,100	(0)	0
Total (Note 8)	\$73,140,800	\$74,441,300	\$1,300,500	1.8%	100.0%

University of Wisconsin - Milwaukee

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Program Revenue Funds

	1996-97	1997-98	Change Dollars	Change Percent	1997-98 % of Total
Auxiliary Enterprises & Other					
Program Revenue Accounts (Note 4)					
(Funds 123, 128, 137)					
Administrative Affairs	\$4,101,000	\$5,424,900	\$1,323,900	32.3%	11.5%
Student Affairs	32,406,800	32,848,900	442,100	1.4%	69.6%
All Other	5,078,600	5,104,100	25,500	0.5%	10.8%
	41,586,400	43,377,900	1,791,500	4.3%	91.9%
UW Extension IIA Funds (PR) (Note 5)					
(Fund 104, 132)					
Non-Credit Programming					
Engineering & Applied Science	5,005,200	5,405,900	400,700	8.0%	11.5%
Outreach & Continuing Education	3,495,700	3,929,600	433,900	12.4%	8.3%
All Other	990,500	695,600	(294,900)	-29.8%	1.5%
	9,491,400	10,031,100	539,700	5.7%	21.3%
Credit Programming					
	1,285,700	1,203,300	(82,400)	-6.4%	2.5%
	10,777,100	11,234,400	457,300	4.2%	23.8%
Reimbursement from UW Extension					
	(10,777,100)	(11,234,400)	(457,300)	4.2%	-23.8%
	0	0	0	0.0%	0.0%
Other Program Revenue					
(Fund 136)					
General Educational Administration	57,100	60,500	3,400	6.0%	0.1%
Administrative Affairs	41,300	37,500	(3,800)	-9.2%	0.1%
Student Affairs	391,400	386,300	(5,100)	-1.3%	0.8%
Allied Health	0	32,000	32,000	N/A	0.1%
Business Administration	400,000	420,000	20,000	5.0%	0.9%
Education	14,100	41,000	26,900	190.8%	0.1%
Engineering & Applied Science	85,000	97,100	12,100	14.2%	0.2%
Graduate School	140,500	124,100	(16,400)	-11.7%	0.3%
Letters & Science	1,174,300	1,478,500	304,200	25.9%	3.1%
Library	98,300	77,300	(21,000)	-21.4%	0.2%
Library & Information Science	65,200	65,700	500	0.8%	0.1%
Nursing	700	0	(700)	-100.0%	0.0%
Student Academic Development	252,000	343,400	91,400	36.3%	0.7%
Outreach & Continuing Education	538,600	494,200	(44,400)	-8.2%	1.0%
Summer Sessions	117,100	167,200	50,100	42.8%	0.4%
	3,375,600	3,824,800	449,200	13.3%	8.1%
Total	\$44,962,000	\$47,202,700	\$2,240,700	5.0%	100.0%

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Allocation - Summary

	1996-97 Base	Compensation Changes	Total Other Changes	1997-98 Budget
Divisions				
Academic Units	\$93,872,741	\$2,577,793	\$442,371	\$96,892,905
General Educational Administration	1,863,776	56,548	674	1,920,998
Administrative Affairs	13,359,368	256,757	0	13,616,125
Student Affairs	4,149,035	108,659	30,500	4,288,194
Unit Wide:			0	
Compensation Related	27,610,831	3,873,196	0	31,484,027
Other	644,383	63,870	(248,992)	459,261
Total (Note 1)	\$141,500,134	\$6,936,823	\$224,553	\$148,661,510

Academic Units

Academic Affairs - Vice Chancellor	573,850	17,501	27,867	619,218
Allied Health Professions	3,029,663	102,578	196,473	3,328,714
Architecture & Urban Planning	2,696,785	85,803	0	2,782,588
Business Administration	6,323,723	201,758	43,704	6,569,185
Education	5,652,760	197,833	79,214	5,929,807
Engineering & Applied Science	6,660,646	188,324	(49,400)	6,799,570
Fine Arts	6,491,463	205,665	42,500	6,739,628
Graduate School	4,295,958	96,650	0	4,392,608
Information Technology	4,847,475	100,081	61,572	5,009,128
Letters & Science	30,937,184	926,889	(8,342)	31,855,731
Library	6,682,662	86,670	0	6,769,332
Library & Information Science	659,427	30,379	6,000	695,806
Nursing	3,966,166	142,071	(10,000)	4,098,237
Social Welfare	1,951,267	66,562	18,085	2,035,914
Student Academic Development	1,499,428	42,779	123,000	1,665,207
Outreach & Continuing Education	573,407	16,196	0	589,603
Summer Session	3,499,744	69,627	0	3,569,371
Academic Support	3,531,133	427	(88,302)	3,443,258
	\$93,872,741	\$2,577,793	\$442,371	\$96,892,905

Related Schedules:

B2

B3

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Allocation - Compensation Detail

	Unclassified Increases	Classified Increases	Fringe Benefit Increases	Total
Divisions				
Academic Units	\$2,393,328	\$184,465		\$2,577,793
General Educational Administration	52,099	4,449		56,548
Administrative Affairs	62,290	194,467		256,757
Student Affairs	77,769	30,890		108,659
Unit Wide:				
Compensation Related	254,253	36,046	3,582,897	3,873,196
Other	5,307	58,563		63,870
Total (Note 1)	\$2,845,046	\$508,880	\$3,582,897	\$6,936,823
Academic Units				
Academic Affairs - Vice Chancellor	16,200	1,301		17,501
Allied Health Professions	97,571	5,007		102,578
Architecture & Urban Planning	83,297	2,506		85,803
Business Administration	197,199	4,559		201,758
Education	194,905	2,928		197,833
Engineering & Applied Science	179,127	9,197		188,324
Fine Arts	197,705	7,960		205,665
Graduate School	82,767	13,883		96,650
Information Technology	33,871	66,210		100,081
Letters & Science	890,793	36,096		926,889
Library	65,371	21,299		86,670
Library & Information Science	29,951	428		30,379
Nursing	138,373	3,698		142,071
Social Welfare	64,253	2,309		66,562
Student Academic Development	40,440	2,339		42,779
Outreach & Continuing Education	11,878	4,318		16,196
Summer Session	69,627	0		69,627
Academic Support	0	427		427
	\$2,393,328	\$184,465	\$0	\$2,577,793

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Allocation - Other Changes

	Program Changes	Transfers	Reallocations	Total
Divisions				
Academic Units	\$345,682	\$81,039	\$15,650	\$442,371
General Educational Administration	0	674	0	674
Administrative Affairs	0	0	0	0
Student Affairs	0	30,500	0	30,500
Unit Wide:				
Compensation Related	0	0	0	0
Other	(121,129)	(112,213)	(15,650)	(248,992)
Total (Note 1)	\$224,553	\$0	\$0	\$224,553

Academic Units

Academic Affairs - Vice Chancellor	0	27,867	0	27,867
Allied Health Professions	120,000	3,212	73,261	196,473
Architecture & Urban Planning	0	0	0	0
Business Administration	804	21,000	21,900	43,704
Education	75,000	4,214	0	79,214
Engineering & Applied Science	0	600	(50,000)	(49,400)
Fine Arts	0	0	42,500	42,500
Graduate School	0	0	0	0
Information Technology	0	28,572	33,000	61,572
Letters & Science	0	39,916	(48,258)	(8,342)
Library	0	0	0	0
Library & Information Science	0	0	6,000	6,000
Nursing	0	0	(10,000)	(10,000)
Social Welfare	0	18,085	0	18,085
Student Academic Development	88,000	35,000	0	123,000
Outreach & Continuing Education	0	0	0	0
Summer Session	0	0	0	0
Academic Support	61,878	(97,427)	(52,753)	(88,302)
	\$345,682	\$81,039	\$15,650	\$442,371

Related Schedules:

B4

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B6

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Allocation - Program Changes

	Program Allocations	Base Budget Cuts	Total
Divisions			
Academic Units	\$345,682	\$0	\$345,682
General Educational Administratn	0	0	0
Administrative Affairs	0	0	0
Student Affairs	0	0	0
Unit Wide:			0
Compensation Related	0	0	0
Other	315,664	(436,793)	(121,129)
Total (Note 1)	\$661,346	(\$436,793)	\$224,553

Academic Units

Academic Affairs - Vice Chancellor	0	0	0
Allied Health Professions	120,000	0	120,000
Architecture & Urban Planning	0	0	0
Business Administration	804	0	804
Education	75,000	0	75,000
Engineering & Applied Science	0	0	0
Fine Arts	0	0	0
Graduate School	0	0	0
Information Technology	0	0	0
Letters & Science	0	0	0
Library (1)	0	0	0
Library & Information Science	0	0	0
Nursing	0	0	0
Social Welfare	0	0	0
Student Academic Development	88,000	0	88,000
Outreach & Continuing Education	0	0	0
Summer Session	0	0	0
Academic Support	61,878	0	61,878
	<u>\$345,682</u>	<u>\$0</u>	<u>\$345,682</u>

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Allocation - Base Transfers

	Sources	Uses	Total
Divisions			
Academic Units	(100,511)	181,550	81,039
General Educational Administration	0	674	674
Administrative Affairs	0	0	0
Student Affairs	0	30,500	30,500
Unit Wide:			
Compensation Related	0	0	0
Other	(112,213)	0	(112,213)
Total (Note 1)	(212,724)	212,724	0
Academic Units			
Academic Affairs - Vice Chancellor	0	27,867	27,867
Allied Health Professions	0	3,212	3,212
Architecture & Urban Planning	0	0	0
Business Administration	0	21,000	21,000
Education	0	4,214	4,214
Engineering & Applied Science	0	600	600
Fine Arts	0	0	0
Graduate School	0	0	0
Information Technology	0	28,572	28,572
Letters & Science	(3,084)	43,000	39,916
Library	0	0	0
Library & Information Science	0	0	0
Nursing	0	0	0
Social Welfare	0	18,085	18,085
Student Academic Development	0	35,000	35,000
Outreach & Continuing Education	0	0	0
Summer Session	0	0	0
Academic Support	(97,427)	0	(97,427)
	(100,511)	181,550	81,039

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Allocation - Base Reallocations

	State Budget Cuts/Reallocations				Total
	Increments	Decrements	Enrollment Adjustments	Other	
Divisions					
Academic Units	\$0	\$0	(\$160,000)	\$175,650	\$15,650
General Educational Administration	0	0	0	0	0
Administrative Affairs	0	0	0	0	0
Student Affairs	0	0	0	0	0
Unit Wide:	0	0	0	0	0
Compensation Related	0	0	0	0	0
Other	0	0	160,000	(175,650)	(15,650)
Total (Note 1)	0	0	0	0	\$0
Academic Units					
Academic Affairs - Vice Chancellor	0	0	0	0	0
Allied Health Professions	0	0	0	73,261	73,261
Architecture & Urban Planning	0	0	0	0	0
Business Administration	0	0	0	21,900	21,900
Education	0	0	0	0	0
Engineering & Applied Science	0	0	(50,000)	0	(50,000)
Fine Arts	0	0	0	42,500	42,500
Graduate School	0	0	0	0	0
Information Technology	0	0	0	33,000	33,000
Letters & Science	0	0	(100,000)	51,742	(48,258)
Library	0	0	0	0	0
Library & Information Science	0	0	0	6,000	6,000
Nursing	0	0	(10,000)	0	(10,000)
Social Welfare	0	0	0	0	0
Student Academic Development	0	0	0	0	0
Outreach & Continuing Education	0	0	0	0	0
Summer Session	0	0	0	0	0
Academic Support	0	0	0	(52,753)	(52,753)
	0	0	(160,000)	175,650	\$15,650

University of Wisconsin--Milwaukee

1997-98 Budget

Total Allocations - Summary

	One Time Allocations				Total	1997-98 Base Budget	1997-98 Total Allocation
	Unit Wide (B98)	Academic Support (B97)	1996-97 Carryforward (Overdraft)	UW System Grants			
Divisions							
Academic Units	(\$1,138,548)	\$2,976,331	\$1,940,146	\$201,793	\$3,979,722	\$93,449,647	\$97,429,369
General Educational Administration	65,818	1,700	160,706		228,224	1,920,998	2,149,222
Administrative Affairs	76,688	0	25,707		102,395	13,616,125	13,718,520
Student Affairs	(49,127)	33,436	133,734		118,043	4,288,194	4,406,237
Total	(\$1,045,169)	\$3,011,467	\$2,260,293	\$201,793	\$4,428,384	\$113,274,964	\$117,703,348
Academic Units							
Academic Affairs - Vice Chancellor	(6,744)	171,936	5,349	20,483	191,024	619,218	810,242
Allied Health Professions	88,203	260,500	48,900	23,330	420,933	3,328,714	3,749,647
Architecture & Urban Planning	(20,348)	111,900	34,274	0	125,826	2,782,588	2,908,414
Business Administration	34,446	64,445	71,622	0	170,513	6,569,185	6,739,698
Education	131,228	171,500	92,170	11,978	406,876	5,929,807	6,336,683
Engineering & Applied Science	(15,976)	140,300	245,579	74,600	444,503	6,799,570	7,244,073
Fine Arts	(24,709)	145,490	321,679	11,624	454,084	6,739,628	7,193,712
Graduate School	14,074	26,843	141,269	0	182,186	4,392,608	4,574,794
Information Technology	(319,865)	1,306,212	179,824	0	1,166,171	5,009,128	6,175,299
Letters & Science	88,252	339,775	504,597	59,778	992,402	31,855,731	32,848,133
Library	(1,140,149)	110,833	55,296	0	(974,020)	6,769,332	5,795,312
Library & Information Science	21,622	22,500	(5,980)	0	38,142	695,806	733,948
Nursing	(52,894)	7,500	73,352	0	27,958	4,098,237	4,126,195
Social Welfare	53,685	35,000	112,369	0	201,054	2,035,914	2,236,968
Student Academic Development	2,742	61,597	117,998	0	182,337	1,665,207	1,847,544
Outreach & Continuing Education	7,885	0	(58,142)	0	(50,257)	589,603	539,346
Summer Session	0	0	(10)	0	(10)	3,569,371	3,569,361
	(1,138,548)	2,976,331	1,940,146	201,793	3,979,722	93,449,647	97,429,369
	B8	B9				B1	

Note: The above data represents firm allocations as of the preparation date of this report. Allocations made subsequent to this date are not included.

University of Wisconsin--Milwaukee

1997-98 Budget

One Time Allocations - Unit Wide (B98)

	Chancellor's Contingency	Loans (Note 1)	Faculty Promotions	Enrollment Contingency	Pay Plans	Salary Savings	Total
Divisions							
Academic Units	\$129,709	(\$1,340,000)	\$89,000	\$594,900	\$407,743	(\$1,019,900)	(\$1,138,548)
General Educational Administration	73,666	0	0	0	6,352	(14,200)	65,818
Administrative Affairs	6,120	(160,000)	0	300,000	184,068	(253,500)	76,688
Student Affairs	4,194	0	0	0	33,579	(86,900)	(49,127)
Total	\$213,689	(\$1,500,000)	\$89,000	\$894,900	\$631,742	(\$1,374,500)	(\$1,045,169)
Academic Units							
Academic Affairs - Vice Chancellor	0	0	0	0	3,356	(10,100)	(6,744)
Allied Health Professions	0	0	0	114,600	9,103	(35,500)	88,203
Architecture & Urban Planning	5,000	0	5,000	0	8,452	(38,800)	(20,348)
Business Administration	0	0	6,000	64,000	18,246	(53,800)	34,446
Education	23,000	0	3,000	166,900	13,528	(75,200)	131,228
Engineering & Applied Science	10,500	0	12,000	0	28,724	(67,200)	(15,976)
Fine Arts	0	0	7,000	0	16,191	(47,900)	(24,709)
Graduate School	43,139	0	3,000	0	27,035	(59,100)	14,074
Information Technology	0	(250,000)	0	0	63,835	(133,700)	(319,865)
Letters & Science	31,570	0	36,250	163,300	168,032	(310,900)	88,252
Library	0	(1,090,000)	0	0	29,551	(79,700)	(1,140,149)
Library & Information Science	0	0	0	27,600	922	(6,900)	21,622
Nursing	0	0	10,750	0	5,356	(69,000)	(52,894)
Social Welfare	0	0	6,000	58,500	6,585	(17,400)	53,685
Student Academic Development	7,500	0	0	0	2,842	(7,600)	2,742
Outreach & Continuing Education	9,000	0	0	0	5,985	(7,100)	7,885
Summer Session	0	0	0	0	0	0	0
	129,709	(1,340,000)	89,000	594,900	407,743	(1,019,900)	(1,138,548)

Note: The above data represents firm allocations as of the preparation date of this report. Allocations made subsequent to this date are not included.

University of Wisconsin--Milwaukee

1997-98 Budget

One Time Allocations - Academic Support (B97)

	Vice Chancellor's Contingency	Classroom/ Lab Modern.	Recruitment and Retention	Technology Fee	Enrollment Enhance.	Technology Initiative	Undergrad. Initiative	Total
Divisions								
Academic Units	\$525,679	\$1,271,638	\$41,945	\$783,594	\$127,000	\$186,475	\$40,000	\$2,976,331
General Educational Administration	0	0	0	0	1,700	0	0	1,700
Administrative Affairs	0	0	0	0	0	0	0	0
Student Affairs	0	0	0	33,436	0	0	0	33,436
Total	\$525,679	\$1,271,638	\$41,945	\$817,030	\$128,700	\$186,475	\$40,000	\$3,011,467
Academic Units								
Academic Affairs - Vice Chancellor	141,936	0	0	0	0	30,000	0	171,936
Allied Health Professions	2,500	140,000	7,500	36,500	52,000	22,000	0	260,500
Architecture & Urban Planning	25,400	86,500	0	0	0	0	0	111,900
Business Administration	0	0	29,445	0	35,000	0	0	64,445
Education	43,000	100,000	(4,000)	0	5,000	27,500	0	171,500
Engineering & Applied Science	12,300	128,000	0	0	0	0	0	140,300
Fine Arts	20,100	116,390	9,000	0	0	0	0	145,490
Graduate School	26,843	0	0	0	0	0	0	26,843
Information Technology	193,100	443,748	0	610,664	0	58,700	0	1,306,212
Letters & Science	17,000	257,000	0	0	0	25,775	40,000	339,775
Library	0	0	0	110,833	0	0	0	110,833
Library & Information Science	0	0	0	0	0	22,500	0	22,500
Nursing	7,500	0	0	0	0	0	0	7,500
Social Welfare	0	0	0	0	35,000	0	0	35,000
Student Academic Development	36,000	0	0	25,597	0	0	0	61,597
Outreach & Continuing Education	0	0	0	0	0	0	0	0
Summer Session	0	0	0	0	0	0	0	0
	525,679	1,271,638	41,945	783,594	127,000	186,475	40,000	2,976,331

Note: The above data represents firm allocations as of the preparation date of this report. Allocations made subsequent to this date are not included.

University of Wisconsin--Milwaukee
 1997-98 Budget
All Funds By Source and Activity

	State Program Funds	Other State Funds	Extramural Support	Program Revenue	Total
Primary Programs					
Instruction	\$81,037,100	\$0	\$4,037,200	\$4,226,300	\$89,300,600
Research	7,772,200	16,000	12,414,200	357,500	\$20,559,900
Public Service	658,700	0	1,390,900	1,455,400	\$3,505,000
	89,468,000	16,000	17,842,300	6,039,200	113,365,500
Support Programs					
Academic Support	28,217,000	0	183,300	745,300	29,145,600
Student Services	9,430,300	0	2,172,800	18,031,400	29,634,500
Student Aid	40,100	1,923,500	53,385,100	159,800	55,508,500
Physical Plant	11,063,100	4,690,400	213,500	126,600	16,093,600
Institutional Support	10,359,700	0	644,100	967,800	11,971,600
	59,110,200	6,613,900	56,598,800	20,030,900	142,353,800
Education & General Expenditures	148,578,200	6,629,900	74,441,100	26,070,100	255,719,300
Auxiliary Enterprises	83,300	0	0	21,132,500	21,215,800
Debt Service on Academic Buildings	0	9,504,000	0	0	9,504,000
Total	\$148,661,500	\$16,133,900	\$74,441,100	\$47,202,600	\$286,439,100

University of Wisconsin--Milwaukee

1997-98 Budget

All Funds by Source and Major Expenditure Classification

	State Program Funds	Other State Funds	Extramural Support	Program Revenue	Total
Staff Compensation					
Unclassified Staff Salaries	\$77,727,000	\$12,900	\$9,334,000	\$6,174,100	\$93,248,000
Classified Staff Salaries	25,609,900	(1,000)	931,900	9,331,500	\$35,872,300
Fringe Benefits	30,704,500	59,300	2,110,900	3,405,500	\$36,280,200
	134,041,400	71,200	12,376,800	18,911,100	165,400,500
Supplies, Services & Sales Credits					
Supplies & Services	22,553,800	5,583,100	6,201,700	29,001,800	63,340,400
Sales Credits	(11,668,800)	(892,700)	0	(5,618,200)	(18,179,700)
	10,885,000	4,690,400	6,201,700	23,383,600	45,160,700
Capital	3,695,000	0	1,578,100	2,408,400	7,681,500
Student Aid	40,100	1,868,300	54,171,300	162,200	56,241,900
Municipal Services	0	0	113,200	352,500	465,700
Debt Service					
On Academic Facilities	0	9,504,000	0	0	9,504,000
On Auxiliary Facilities	0	0	0	1,984,800	1,984,800
	0	9,504,000	0	1,984,800	11,488,800
Total	\$148,661,500	\$16,133,900	\$74,441,100	\$47,202,600	\$286,439,100

University of Wisconsin--Milwaukee

1997-98 Budget

All Funds By Activity & Major Expenditure Classification

	Total	Unclassified Staff	Classified Staff	Fringe Benefits	Supply & Expense	Capital Aids & Spec. Purp.
Primary Programs						
Instruction	\$89,300,600	\$57,620,800	\$4,631,500	\$17,329,300	\$8,586,200	\$1,132,800
Research	20,559,800	11,405,600	1,068,500	2,841,200	4,112,000	1,132,500
Public Service	3,505,100	1,664,400	183,200	423,200	1,165,200	69,100
	113,365,500	70,690,800	5,883,200	20,593,700	13,863,400	2,334,400
Support Programs						
Academic Support	29,145,700	11,494,300	7,772,300	5,720,500	1,057,900	3,100,700
Student Services	29,634,500	6,851,500	5,924,500	3,483,300	10,553,500	2,821,700
Student Aid	55,508,500	0	0	87,200	0	55,421,300
Physical Plant	16,093,600	434,900	6,641,500	2,685,000	6,200,600	131,600
Institutional Support	11,971,500	2,979,500	4,720,800	2,504,100	1,388,900	378,200
	142,353,800	21,760,200	25,059,100	14,480,100	19,200,900	61,853,500
Educ & Genrl Exp						
	255,719,300	92,451,000	30,942,300	35,073,800	33,064,300	64,187,900
Auxiliary Enterprises	21,215,800	796,900	4,929,900	1,206,200	12,096,400	2,186,400
Debt Serv on Acad Bldg	9,504,000	0	0	0	0	9,504,000
Total	\$286,439,100	\$93,247,900	\$35,872,200	\$36,280,000	\$45,160,700	\$75,878,300

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds By Division and Activity

	Division	Total	Instruction	Research	Public Service	Academic Support	Student Services	Student Aid	Auxiliary Enterprises	Physical Plant	Institutional Support
Divisions											
Academic Units	B05	\$96,893,000	\$63,380,400	\$6,204,700	\$521,200	\$22,123,700	\$3,459,400	\$0	\$57,800	\$181,400	\$964,400
General Educational Administratn	B01	1,920,900	114,500	0	17,000	153,400	0	0	0	0	1,636,000
Administrative Affairs	B02	13,616,100	178,800	31,900	9,600	16,000	12,800	0	25,500	8,317,900	5,023,600
Student Affairs	B03	4,288,200	0	0	0	0	4,105,300	40,100	0	0	142,800
Unit Wide	B98	31,943,300	17,363,300	1,535,600	110,900	5,923,900	1,852,900	0	0	2,563,800	2,592,900
Total		\$148,661,500	\$81,037,000	\$7,772,200	\$658,700	\$28,217,000	\$9,430,400	\$40,100	\$83,300	\$11,063,100	\$10,359,700
Academic Units											
Academic Affairs - Vice Chanc.	B05	619,200	54,200	0	0	0	0	0	0	0	565,000
Allied Health Professions	B10	3,328,700	2,617,700	0	0	613,300	0	0	0	97,700	0
Architecture & Urban Planning	B11	2,782,600	2,168,900	77,400	0	536,300	0	0	0	0	0
Business Administration	B12	6,569,300	5,344,200	254,500	0	970,600	0	0	0	0	0
Education	B17	5,929,700	4,853,700	157,900	13,600	904,500	0	0	0	0	0
Engineering & Applied Science	B19	6,799,500	5,234,300	676,300	0	787,100	101,800	0	0	0	0
Fine Arts	B21	6,739,700	5,725,500	0	36,300	977,900	0	0	0	0	0
Graduate School	B34	4,392,700	(14,200)	3,293,600	0	528,900	584,400	0	0	0	0
Information Technology	B40	5,009,200	198,600	230,300	145,300	2,518,800	1,375,300	0	57,800	83,700	399,400
Letters & Science	B48	31,855,700	28,399,300	1,303,000	173,900	1,979,500	0	0	0	0	0
Library	B50	6,769,300	0	0	0	6,769,300	0	0	0	0	0
Library & Information Science	B51	695,800	487,200	0	0	208,600	0	0	0	0	0
Nursing	B65	4,098,200	2,853,500	156,700	0	1,088,000	0	0	0	0	0
Social Welfare	B86	2,035,900	1,655,900	55,000	0	325,000	0	0	0	0	0
Student Academic Development	B88	1,665,200	438,200	0	0	0	1,227,000	0	0	0	0
Outreach & Continuing Education	B90	589,600	6,500	0	152,100	297,600	133,400	0	0	0	0
Summer Session	B94	3,569,400	3,569,400	0	0	0	0	0	0	0	0
Academic Support	B97	3,443,300	(212,500)	0	0	3,618,300	37,500	0	0	0	0
		96,893,000	63,380,400	6,204,700	521,200	22,123,700	3,459,400	0	57,800	181,400	964,400

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds By Division & Major Expenditure Classification

	Division	Total	Unclassified Staff	Classified Staff	Fringe Benefits	Supply & Expense	Sales Credits	Capital Aids & Spec. Purp.
Divisions								
Academic Units	B05	\$96,893,100	\$72,592,600	\$13,101,100	\$0	\$16,472,300	(\$8,655,800)	\$3,382,900
General Educational Administration	B01	1,921,000	1,335,300	392,500	0	273,700	(80,500)	0
Administrative Affairs	B02	13,616,100	1,663,500	10,130,700	0	4,551,300	(2,824,000)	94,600
Student Affairs	B03	4,288,100	2,192,800	1,729,400	0	382,800	(108,500)	91,600
Unit Wide	B98	31,943,200	(57,200)	256,200	30,704,400	873,800	0	166,000
Total		\$148,661,500	\$77,727,000	\$25,609,900	\$30,704,400	\$22,553,900	(\$11,668,800)	\$3,735,100

Academic Units

Academic Affairs - Vice Chanc.	B05	619,200	476,000	102,000	0	41,200	0	0
Allied Health Professions	B10	3,328,800	2,628,000	419,500	0	251,300	0	30,000
Architecture & Urban Planning	B11	2,782,600	2,459,600	164,400	0	158,600	0	0
Business Administration	B12	6,569,100	5,923,900	317,100	0	323,100	0	5,000
Education	B17	5,929,800	5,000,300	477,700	0	468,800	(17,000)	0
Engineering & Applied Science	B19	6,799,600	5,541,200	769,900	0	369,600	0	118,900
Fine Arts	B21	6,739,600	5,792,100	496,200	0	429,400	0	21,900
Graduate School	B34	4,392,600	3,121,100	866,900	0	389,600	0	15,000
Information Technology	B40	5,009,100	1,142,200	3,572,400	0	6,285,200	(6,275,100)	284,400
Letters & Science	B48	31,855,700	27,347,400	2,764,300	0	1,580,100	(20,000)	183,900
Library	B50	6,769,400	1,727,900	1,657,700	0	955,800	(19,700)	2,447,700
Library & Information Science	B51	695,900	615,300	47,400	0	33,200	0	0
Nursing	B65	4,098,200	3,543,000	294,700	0	250,500	0	10,000
Social Welfare	B86	2,035,900	1,738,000	150,300	0	151,100	(3,500)	0
Student Academic Development	B88	1,665,200	1,233,000	283,900	0	148,300	0	0
Outreach & Continuing Education	B90	589,700	331,000	351,700	0	2,001,000	(2,094,000)	0
Summer Session	B94	3,569,400	3,539,200	2,000	0	28,200	0	0
Academic Support	B97	3,443,300	433,400	363,000	0	2,607,300	(226,500)	266,100
		96,893,100	72,592,600	13,101,100	0	16,472,300	(8,655,800)	3,382,900

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds By Activity & Major Expenditure Classification

	Total	Salaries	Fringe Benefits	Supply & Expense	Sales Credits	Capital Aids & Spec. Purp.
Primary Programs						
Instruction	\$81,037,100	\$58,842,900	\$16,467,600	\$5,206,000	(\$22,000)	\$542,600
Research	7,772,300	5,510,900	1,564,600	661,800	0	35,000
Public Service	658,800	368,100	106,100	184,600	0	0
	89,468,200	64,721,900	18,138,300	6,052,400	(22,000)	577,600
Support Programs						
Academic Support	28,217,000	18,792,900	5,665,500	7,590,000	(6,802,800)	2,971,400
Student Services	9,430,200	5,629,300	1,849,900	2,078,000	(178,500)	51,500
Student Aid	40,100	0	0	0	0	40,100
Physical Plant	11,063,100	7,012,500	2,679,400	2,458,400	(1,156,800)	69,600
Institutional Support	10,359,600	7,180,300	2,371,400	4,291,700	(3,508,800)	25,000
	59,110,000	38,615,000	12,566,200	16,418,100	(11,646,900)	3,157,600
Educ & Genrl Exp	148,578,200	103,336,900	30,704,500	22,470,500	(11,668,900)	3,735,200
Auxiliary Enterprises	83,300	0	0	83,300	0	0
Total	\$148,661,500	\$103,336,900	\$30,704,500	\$22,553,800	(\$11,668,900)	\$3,735,200

University of Wisconsin--Milwaukee

1997-98 Budget

UW Extension Inter-Institutional Agreement

	General Purpose Revenues	Program Revenues	Total Revenues	FTE
Non-Credit Programming				
Allied Health Professions	\$0	\$115,000	\$115,000	0.00
Architecture & Urban Planning	10,300	67,100	77,400	0.00
Business Administration	62,900	3,500	66,400	1.50
Education	7,600	54,600	62,200	0.10
Engineering & Applied Science	10,100	5,405,900	5,416,000	18.10
Fine Arts	0	200,000	200,000	0.00
Letters & Science	0	59,100	59,100	0.15
Library & Information Science	0	25,000	25,000	0.00
Nursing	74,500	85,000	159,500	1.65
Social Welfare	0	0	0	0.00
Outreach & Continuing Education	1,603,600	3,738,600	5,342,200	58.15
	1,769,000	9,753,800	11,522,800	79.65
Credit Programming				
Student Affairs	0	10,000	10,000	0.00
Allied Health Professions	0	174,800	174,800	1.60
Architecture & Urban Planning	0	0	0	0.00
Education	0	346,000	346,000	2.90
Engineering & Applied Science	0	0	0	0.00
Fine Arts	0	0	0	0.00
Letters & Science	0	609,800	609,800	2.05
Library & Information Science	0	72,000	72,000	0.00
Nursing	0	0	0	0.00
Social Welfare	0	77,000	77,000	0.50
Outreach & Continuing Education	0	191,000	191,000	0.50
	0	1,480,600	1,480,600	7.55
Total (Note 5)	\$1,769,000	\$11,234,400	\$13,003,400	87.20

Related Schedules:

A8

A10

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Salaries - Summary

	Positions	Provisional	Total	FTE
Divisions				
Academic Units	\$71,824,500	\$13,868,900	\$85,693,400	1,769.79
General Educational Administration	1,575,800	151,900	1,727,700	37.18
Administrative Affairs	11,497,300	297,000	11,794,300	395.60
Student Affairs	3,851,900	70,400	3,922,300	113.33
Unit Wide (Note 9)	199,000	0	199,000	70.28
Total	<u>\$88,948,500</u>	<u>\$14,388,200</u>	<u>\$103,336,700</u>	<u>2,386.18</u>

Academic Units

Academic Affairs - Vice Chanc.	710,700	(132,700)	578,000	12.24
Allied Health Professions	3,082,400	(34,900)	3,047,500	71.38
Architecture & Urban Planning	2,285,300	338,700	2,624,000	53.35
Business Administration	5,488,200	752,900	6,241,100	104.55
Education	5,252,700	225,300	5,478,000	114.11
Engineering & Applied Science	5,796,700	514,300	6,311,000	103.06
Fine Arts	5,313,100	975,200	6,288,300	127.36
Graduate School	3,298,100	689,800	3,987,900	95.32
Information Technology	4,267,100	447,500	4,714,600	113.09
Letters & Science	24,806,900	5,304,800	30,111,700	694.14
Library	3,150,400	235,200	3,385,600	88.68
Library & Information Science	656,100	6,500	662,600	15.00
Nursing	3,816,600	21,100	3,837,700	80.18
Social Welfare	1,801,700	86,600	1,888,300	37.39
Student Academic Development	1,296,100	220,800	1,516,900	37.19
Outreach & Continuing Education	590,400	92,200	682,600	18.25
Summer Session	0	3,541,200	3,541,200	0.00
Academic Support	212,000	584,400	796,400	4.50
	<u>71,824,500</u>	<u>13,868,900</u>	<u>85,693,400</u>	<u>1,769.79</u>

Related Schedules:

D2

D4

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Salaries - Positions

	Unclassified		Classified		Total	
	Amount	FTE	Amount	FTE	Amount	FTE
Divisions						
Academic Units	\$60,388,300	1,116.57	\$11,436,500	409.88	\$71,824,800	1,526.45
General Educ Admin	1,221,300	23.18	354,500	14.00	1,575,800	37.18
Administrative Affairs	1,660,400	26.25	9,836,900	369.35	11,497,300	395.60
Student Affairs	2,176,600	50.53	1,675,300	62.80	3,851,900	113.33
Unit Wide	(57,200)	70.28	256,200	0.00	199,000	70.28
Total	\$65,389,400	1,286.81	\$23,559,400	856.03	\$88,948,800	2,142.84
Academic Units						
Acad Aff - Vice Ch	613,300	8.19	97,400	4.05	710,700	12.24
Allied Health Prof	2,713,700	55.00	368,700	14.38	3,082,400	69.38
Arch & Urban Planning	2,139,000	40.50	146,300	6.00	2,285,300	46.50
Business Administration	5,193,400	71.62	294,800	13.00	5,488,200	84.62
Education	4,816,000	91.88	436,700	17.75	5,252,700	109.63
Engr & Applied Science	5,166,900	77.09	629,800	22.30	5,796,700	99.39
Fine Arts	4,893,200	98.50	419,900	16.50	5,313,100	115.00
Graduate School	2,452,600	45.55	845,500	31.12	3,298,100	76.67
Information Technology	1,035,100	20.49	3,232,100	92.60	4,267,200	113.09
Letters & Science	22,227,700	416.63	2,579,200	103.00	24,806,900	519.63
Library	1,724,500	38.58	1,425,900	50.10	3,150,400	88.68
Library & Info Science	609,000	13.00	47,200	2.00	656,200	15.00
Nursing	3,580,400	70.58	236,300	9.60	3,816,700	80.18
Social Welfare	1,667,400	31.00	134,300	5.50	1,801,700	36.50
Student Academic Dev.	1,111,500	29.61	184,600	7.58	1,296,100	37.19
Outreach & Cont Educ	309,700	6.35	280,700	11.90	590,400	18.25
Summer Session	0	0.00	0	0.00	0	0.00
Academic Support	134,900	2.00	77,100	2.50	212,000	4.50
	60,388,300	1,116.57	11,436,500	409.88	71,824,800	1,526.45

Related Schedules: D3

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Salaries - Unclassified Positions

	<u>Faculty</u>		<u>Academic Staff</u>		<u>Limited Appts</u>		<u>Total</u>	
	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>
Divisions								
Academic Units	\$42,434,400	735.02	\$11,441,100	293.39	\$6,513,100	88.16	\$60,388,600	1,116.57
General Educ Admin	0	0.00	498,100	13.11	723,200	10.07	1,221,300	23.18
Administrative Affairs	0	0.00	322,000	7.00	1,338,400	19.25	1,660,400	26.25
Student Affairs	0	0.00	1,132,600	32.68	1,044,000	17.85	2,176,600	50.53
Unit Wide (Note 9)	0	0.00	(57,200)	70.28	0	0.00	(57,200)	70.28
Total	<u>\$42,434,400</u>	<u>735.02</u>	<u>\$13,336,600</u>	<u>416.46</u>	<u>\$9,618,700</u>	<u>135.33</u>	<u>\$65,389,700</u>	<u>1,286.81</u>
Academic Units								
Acad Aff - Vice Ch	45,700	0.62	130,700	1.70	436,900	5.87	613,300	8.19
Allied Health Prof	1,931,500	37.75	476,600	12.00	305,600	5.25	2,713,700	55.00
Arch & Urban Planning	1,661,500	31.00	232,000	6.50	245,500	3.00	2,139,000	40.50
Business Administration	3,926,700	50.26	678,800	14.72	587,900	6.64	5,193,400	71.62
Education	3,854,400	71.80	592,300	15.33	369,300	4.75	4,816,000	91.88
Engr & Applied Science	4,316,800	63.31	458,400	10.05	391,800	3.73	5,167,000	77.09
Fine Arts	3,864,600	73.00	729,500	21.50	299,200	4.00	4,893,300	98.50
Graduate School	584,800	7.73	1,071,500	27.11	796,300	10.71	2,452,600	45.55
Information Technology	0	0.00	644,800	14.49	390,300	6.00	1,035,100	20.49
Letters & Science	18,715,800	335.15	2,671,600	69.22	840,300	12.26	22,227,700	416.63
Library	0	0.00	1,295,600	32.58	428,900	6.00	1,724,500	38.58
Library & Info Science	392,500	9.00	59,400	2.00	157,100	2.00	609,000	13.00
Nursing	1,838,500	31.50	1,095,100	31.08	646,800	8.00	3,580,400	70.58
Social Welfare	1,270,600	23.50	210,200	5.00	186,700	2.50	1,667,500	31.00
Student Academic Developmer	0	0.00	836,200	24.11	275,300	5.50	1,111,500	29.61
Outreach & Cont Educ	31,000	0.40	206,200	5.00	72,500	0.95	309,700	6.35
Summer Session	0	0.00	0	0.00	0	0.00	0	0.00
Academic Support	0	0.00	52,200	1.00	82,700	1.00	134,900	2.00
	<u>42,434,400</u>	<u>735.02</u>	<u>11,441,100</u>	<u>293.39</u>	<u>6,513,100</u>	<u>88.16</u>	<u>60,388,600</u>	<u>1,116.57</u>

University of Wisconsin--Milwaukee

1997-98 Budget

State Program Funds Salaries - Provisional Salaries

	Additional Staff	Anticipated Savings	Graduate Assistants	Student Help	LTE and Other	Total	Graduate Assistants FTE
Divisions							
Academic Units	\$10,466,500	(\$4,492,000)	\$6,095,600	\$1,350,700	\$447,800	\$13,868,600	243.34
General Educ Admin	123,700	(9,800)	0	26,200	11,800	151,900	0.00
Administrative Affairs	3,100	(701,100)	0	200,700	794,300	297,000	0.00
Student Affairs	24,200	(109,200)	0	115,600	39,700	70,300	0.00
Unit Wide	0	0	0	0	0	0	0.00
Total	\$10,617,500	(\$5,312,100)	\$6,095,600	\$1,693,200	\$1,293,600	\$14,387,800	243.34

Academic Units

Acad Aff - Vice Ch	36,700	(174,100)	0	4,600	0	(132,800)	0.00
Allied Health Prof	116,600	(256,100)	50,800	14,100	39,700	(34,900)	2.00
Arch & Urban Planning	173,400	(20,000)	167,100	18,100	0	338,600	6.85
Business Administration	488,000	(299,300)	505,900	58,300	0	752,900	19.93
Education	330,300	(249,600)	103,600	31,000	10,000	225,300	4.48
Engr & Applied Science	778,200	(497,100)	93,100	0	140,100	514,300	3.67
Fine Arts	626,800	(7,200)	279,300	40,200	36,100	975,200	12.36
Graduate School	451,200	(311,000)	466,400	62,600	20,600	689,800	18.65
Information Technology	110,800	(3,700)	0	229,500	110,800	447,400	0.00
Letters & Science	954,400	(242,100)	4,407,500	142,400	42,600	5,304,800	174.51
Library	3,400	0	0	198,800	33,000	235,200	0.00
Library & Info Science	38,000	(31,700)	0	200	0	6,500	0.00
Nursing	316,200	(353,600)	0	58,500	0	21,100	0.00
Social Welfare	135,100	(86,500)	21,900	16,000	0	86,500	0.89
Student Academic Developmer	190,900	(69,400)	0	84,500	14,900	220,900	0.00
Outreach & Cont Educ	21,200	0	0	71,000	0	92,200	0.00
Summer Session	3,539,200	0	0	2,000	0	3,541,200	0.00
Academic Support	2,156,100	(1,890,600)	0	318,900	0	584,400	0.00
	10,466,500	(4,492,000)	6,095,600	1,350,700	447,800	13,868,600	243.34

University of Wisconsin--Milwaukee

1997-98 Budget

Auxiliary Enterprises - Changes in Reserves

	7/1/97 Estimated Net Working Capital	+ Contribution To Reserves	- Reserve/ Capital Expenditures	7/1/98 Estimated Net Working Capital
Administrative Affairs				
Fleet Services	\$85,300	\$23,500	\$0	\$108,800
Parking	2,824,200	208,900	(347,900)	2,685,200
Transit	1,539,100	(30,000)	(1,199,700)	309,400
Student UPASS	12,100	(200)	0	11,900
Business & Financial Services	36,400	1,800	0	38,200
	<u>4,497,100</u>	<u>204,000</u>	<u>(1,547,600)</u>	<u>3,153,500</u>
Student Affairs				
Auxiliary Services	24,300	10,000	(13,500)	20,800
Union	2,790,700	197,700	(1,856,300)	1,132,100
Dining Services	507,200	52,800	(55,000)	505,000
Bookstore	341,800	73,600	(44,000)	371,400
Residence Life	5,120,300	702,400	(1,270,000)	4,552,700
Athletics	(135,200)	76,100	0	(59,100)
Student Health	99,300	(193,700)	(21,600)	(116,000)
Student Organizations	22,100	26,700	(12,000)	36,800
Off Campus Housing	1,900	(3,000)	0	(1,100)
Child Care Center	71,800	1,000	0	72,800
Women's Center	7,700	(1,400)	0	6,300
Klotsche Center	(40,800)	130,800	(40,000)	50,000
	<u>8,811,100</u>	<u>1,073,000</u>	<u>(3,312,400)</u>	<u>6,571,700</u>
Other Units				
Municipal Services	10,600	(2,000)	0	8,600
Non-auxiliaries	934,900	292,800	(413,000)	814,700
	<u>945,500</u>	<u>290,800</u>	<u>(413,000)</u>	<u>823,300</u>
Total	<u>\$14,253,700</u>	<u>\$1,567,800</u>	<u>(\$5,273,000)</u>	<u>\$10,548,500</u>

University of Wisconsin--Milwaukee
 1997-98 Budget
 Auxiliary Enterprises Operating Budget

	Revenues			Expenditures**			Expenditures			Non-Operating Items			Contrib To Reserves
	Operating Revenues	Segregated Fees	Total Revenues	Cost of Goods Sold	Salaries	Fringe Benefits	Supplies & Services*	Debt Service	Total Expenditures	Interest	Transfers/ Extraordinary	Total	
Administrative Affairs													
Fleet Services	\$328,700	\$0	\$328,700	\$0	\$10,000	\$4,300	\$329,100	\$0	\$343,400	\$5,100	\$33,100	\$38,200	\$23,500
Parking	1,600,100	0	1,600,100	0	328,800	84,500	471,600	208,500	1,093,400	151,400	(449,200)	(297,800)	208,900
Transit	0	86,700	86,700	0	73,100	21,600	432,100	0	526,800	80,100	330,000	410,100	(30,000)
Student UPASS	6,600	1,266,800	1,273,400	0	5,600	500	1,271,100	0	1,277,200	3,600	0	3,600	(200)
Business & Financial Serv	957,200	0	957,200	0	625,000	177,200	155,000	0	957,200	1,800	0	1,800	1,800
	<u>2,892,600</u>	<u>1,353,500</u>	<u>4,246,100</u>	<u>0</u>	<u>1,042,500</u>	<u>288,100</u>	<u>2,658,900</u>	<u>208,500</u>	<u>4,198,000</u>	<u>242,000</u>	<u>(86,100)</u>	<u>155,900</u>	<u>204,000</u>
Student Affairs													
Auxiliary Services	582,100	0	582,100	0	388,900	115,000	72,200	0	576,100	4,000	0	4,000	10,000
Union	1,727,700	2,935,600	4,663,300	447,500	1,728,100	405,900	1,287,900	820,000	4,689,400	150,000	73,800	223,800	197,700
Dining Services	5,299,600	0	5,299,600	1,819,100	1,780,100	306,900	1,349,500	0	5,255,600	25,000	(16,200)	8,800	52,800
Bookstore	7,596,600	0	7,596,600	5,318,500	837,700	190,700	1,101,300	0	7,448,200	15,000	(89,800)	(74,800)	73,600
Residence Life	5,485,100	0	5,485,100	0	2,016,500	361,200	1,932,700	836,300	5,146,700	375,000	(11,000)	364,000	702,400
Athletics	490,200	1,882,000	2,372,200	0	902,800	291,200	1,099,100	0	2,293,100	(3,000)	0	(3,000)	76,100
Student Health	329,400	1,746,100	2,075,500	0	1,485,900	358,400	425,900	0	2,270,200	1,000	0	1,000	(193,700)
Student Organizations	60,000	468,800	528,800	0	97,400	23,700	383,000	0	504,100	2,000	0	2,000	26,700
Off Campus Housing	0	15,300	15,300	0	7,100	900	10,700	0	18,700	400	0	400	(3,000)
Child Care Center	1,599,200	325,000	1,924,200	0	1,466,700	244,500	215,800	0	1,927,000	3,800	0	3,800	1,000
Women's Center	0	96,000	96,000	0	65,000	13,100	19,800	0	97,900	500	0	500	(1,400)
Klotsche Center	0	129,800	129,800	0	0	0	0	0	0	1,000	0	1,000	130,800
	<u>23,169,900</u>	<u>7,598,600</u>	<u>30,768,500</u>	<u>7,585,100</u>	<u>10,776,200</u>	<u>2,311,500</u>	<u>7,897,900</u>	<u>1,656,300</u>	<u>30,227,000</u>	<u>574,700</u>	<u>(43,200)</u>	<u>531,500</u>	<u>1,073,000</u>
Other Units													
Municipal Services	0	113,200	113,200	0	0	0	117,800	0	117,800	2,600	0	2,600	(2,000)
Non-auxiliaries	7,742,800	0	7,742,800	0	1,471,400	322,500	5,605,200	120,000	7,519,100	25,700	43,400	69,100	292,800
	<u>7,742,800</u>	<u>113,200</u>	<u>7,856,000</u>	<u>0</u>	<u>1,471,400</u>	<u>322,500</u>	<u>5,723,000</u>	<u>120,000</u>	<u>7,636,900</u>	<u>28,300</u>	<u>43,400</u>	<u>71,700</u>	<u>290,800</u>
Total	<u>\$33,805,300</u>	<u>\$9,065,300</u>	<u>\$42,870,600</u>	<u>\$7,585,100</u>	<u>\$13,290,100</u>	<u>\$2,922,100</u>	<u>\$16,279,800</u>	<u>\$1,984,800</u>	<u>\$42,061,900</u>	<u>\$845,000</u>	<u>(\$85,900)</u>	<u>\$759,100</u>	<u>\$1,567,800</u>

* Supplies & Services includes aids to individuals.

** Expenditures are shown on an accrual basis of accounting which is used for internal management purposes.
 Total expenditure amounts vary from those in Schedule A11 which are shown on a cash basis of accounting.
 The amounts in Schedule A11 are used by UW System to develop the Red Book.

**University Of Wisconsin - Milwaukee
1997-98 Budget Report
Notes**

Note 1 - State Program Funds

The 1997-98 UWM State Program Funds budget of \$148,661,510 (Schedule B1) is more than the 1996-97 budget by \$7,161,376 (5%). The changes consist of the following elements:

<u>Compensation:</u> (Schedules B1 & B2)	<u>Amount</u>	<u>Percent of Total</u>
Salaries	\$3,353,926	46.8%
Fringe Benefits	3,582,897	50.0%
Total Compensation	<u>6,936,823</u>	<u>96.8%</u>
<u>Non- Compensation:</u> (Schedules B1 & B3)	224,553	3.2%
Total Increase	<u><u>\$7,161,376</u></u>	<u><u>100.0%</u></u>

The 1997-99 Compensation Plan as approved by JCOER is as follows:

	<u>1997-98</u>	<u>1998-99</u>
Faculty & Academic Staff	4%	4.5%
Represented Classified	3%	3.5%
Nonrepresented Classified	3%	3%

The Nonrepresented Classified pay plan also provides for an additional 1% annual discretionary Performance Recognition Award plus a 0.5% selective Performance Recognition Award for 1998-99.

The Legislature provided full funding for the Faculty and Academic Staff pay plan by granting 104% tuition spending authority for the first year and 103% in the second year plus additional GPR funding (\$4,000,000 System wide) in the second year.

The Legislature did not fund the entire Represented and Nonrepresented Classified pay plan. It funded only about 2%. UWM will have to reallocate resources to fund the difference. For the biennium the total shortfall would be approximately \$558,000, of which \$220,000 is for 1997-98. However, if State revenues are greater than expected, the Joint Finance Committee has until June 1998 to deposit up to \$20 million into the compensation reserve to partially fund this shortfall. If this additional deposit is made, UWM's shortfall will still be about \$305,000 for the biennium.

The 1997-98 Classified Pay Plan is allocated to the Unit Wide account (Schedule B2) and will be distributed, as customary, in the following year.

The budget passed by the Legislature also required the Board of Regents to remit all or part of resident graduate tuition for employed graduate assistants with appointments equal to at least 33% of a full-time equivalent position. UWM completed negotiations with the Graduate Assistants' union during November of 1997 which resulted in reduced compensation in return for the remission of in-state tuition. Pending ratification by the Legislature and the Governor, the contract should become effective during the second semester of the 1997-98 academic year. Implementation of this contract will result in reduced tuition revenues and reduced salary expenses for UWM. These reductions are not reflected in the Redbook

budget of UWM. Internal reallocations will be made to affected schools and colleges. The 1997-98 pay plan allocation of \$254,253 for Graduate Assistants has not yet been allocated to the schools and colleges, but has been retained in the Unit Wide account (Schedule B2).

Fringe benefits for UWM State Program Funds are budgeted to be \$30,704,455 for 1997-98. This represents an increase of \$3,582,897 or 13.2%. UW System allocates fringes from its pool of funds based on historical experience. While a budget increase, this is a technical adjustment as fringe benefits can only be used for these types of payments (any budget surplus in this line reverts to the State; in turn, the State funds any shortfall).

Non-compensation changes are as follows:

Program Allocations

Fee Revenue Contingency Return (Unit Wide/Enrollment Contingency)	\$315,664
Allied Health - Occupational/Physical Therapy Programs	120,000
Business Education Fees	804
Institute for Excellence in Urban Education	75,000
Pre-college Programs for Minority & Disadvantage Students	88,000
Student Technology Fee Revenue Increase (Admin. Affairs/Academic Support)	61,878
Subtotal Program Allocations (Schedule B4)	<u>661,346</u>

Base Budget Cuts (Unit Wide/Enrollment Contingency)

Enrollment Target Adjustment	(354,480)
UW System General Budget Reduction	(48,818)
Fleet Vehicle Cost Reduction	(383)
UW System Institutional Assessment	(33,112)
Subtotal Base Budget Cuts (Schedule B4)	<u>(436,793)</u>
Total (Schedule B3)	<u><u>\$224,553</u></u>

UW System has released \$315,664 from the Fee Revenue Contingency that was originally established in 1993-94.

The \$120,000 allocation for the School of Allied Health Professions is split equally between the Occupational and Physical Therapy programs.

The UW System reduced UWM's Fall 1997 FTE enrollment target from 16,147 to 15,942. Of this 205 FTE reduction, 125 FTE were deducted from our enrollment base in 1996-97. This 80 FTE reduction (\$4,431/FTE) resulted in an enrollment base adjustment of \$354,500 for 1997-98.

The biennial budget required a budget reduction to the general program operations of UW System of \$389,300 in 1997-98. UWM's share of this reduction is \$48,818.

The UW System institutional adjustment of \$33,112 decreases the UWM budget for 1996-97 post-lock adjustments to base which reflect continuing UW System budget commitments.

A summary of base transfers and reallocations follows:

Base Transfers Uses (Schedule B5)

ACADEMIC AFFAIRS:	
Instructional Improvement /Learning Technology Center	27,867
ALLIED HEALTH PROFESSIONS:	
Salary Differential	3,084
Other	128
BUSINESS ADMINISTRATION:	
Technology support position (50%)	21,000
EDUCATION:	
Recruitment/Retention Support	4,000
Other	214
ENGINEERING & APPLIED SCIENCE:	
Other	600
INFORMATION TECHNOLOGY:	
Instructional Improvement /Learning Technology Center	28,572
LETTERS & SCIENCE:	
Recruitment/Retention Support	43,000
SOCIAL WELFARE:	
Center for Addiction Studies	18,000
Other	85
STUDENT ACADEMIC DEVELOPMENT:	
SAC Interpreters & Proctors	35,000
GENERAL EDUCATIONAL ADMINISTRATION:	
Other	674
STUDENT AFFAIRS:	
Direct Assistance Center	15,000
Eliminate Testing Center Charges	15,500
TOTAL	<u><u>212,724</u></u>

Base Transfers Sources (Schedule B5)

UNIT WIDE HOLDING ACCOUNTS:	
Enrollment Contingency	110,939
Other	1,274
VICE CHANCELLOR'S HOLDING ACCOUNTS:	
General Contingent Account	35,000
Recruitment and Retention	47,000
Undergraduate Initiative	15,000
Other	427
LETTERS & SCIENCE	3,084
TOTAL	<u><u>212,724</u></u>

Base Reallocations Uses (Schedule B6)

ALLIED HEALTH PROFESSIONS:	
Retention Support	3,261
Occupational Therapy/S&E Support	5,000
Occupational Therapy/Grad. Assts.	55,000
Support for Clinical Lab Science	10,000
BUSINESS ADMINISTRATION:	
Salary Differential	21,900
FINE ARTS:	
Technology Support Position	35,000
Music Education Position	7,500
INFORMATION TECHNOLOGY:	
Classroom Support	33,000
LETTERS & SCIENCE:	
Salary Differential	42,750
Retention Support	8,992
LIBRARY & INFORMATION SCIENCE:	
Salary Compression	6,000
TOTAL	<u><u>228,403</u></u>

Base Reallocations Sources (Schedule B6)

UNIT WIDE HOLDING ACCOUNTS:	
Enrollment Contingency	175,650
VICE CHANCELLOR'S HOLDING ACCOUNTS:	
General Contingent Account	33,000
Recruitment and Retention	12,253
Other	7,500
TOTAL	<u><u>228,403</u></u>

Loans on Schedule B8 represent advances that were made in 1996-97, that will be re-paid in 1997-98.

Note 2 - Other State Funds

Changes to Other State Funds are as follows:

Utilities & Heating (Fund 109)	\$267,100
Debt Service (Fund 110)	1,354,100
Great Lakes Fish Study (Fund 181)	16,000
Advanced Opportunity Program (Fund 403)	(26,000)
Minority Retention Grants (Fund 406)	57,800
Total (Schedule A1 & A8)	<u><u>\$1,669,000</u></u>

Since funding for GPR utilities and heating and debt service is considered a sum sufficient appropriation, the budget increases will not have an impact on UW-Milwaukee program operations.

UW System changed the methodology for allocating GPR debt to a percentage based on an institution's proportion of 1995-96 actual expenditures to the system total. UWM's share of the total UW System allocation of \$72,549,800 is \$9,504,024 (13.1%).

The Great Lakes Fish Study fund is a new annual appropriation which allows the DNR to contract for a position at UWM to perform studies of Great Lakes fish.

The total System wide allocation for the Advanced Opportunity Program has increased by 3.5% for 1997-98. Likewise, the total allocation for Minority Retention Grants has increase by 10% for 1997-98. UW System distributes these funds to each institution based on a three year rolling average head count of minority students.

Note 3 - Student Fee Income

Resident undergraduate academic fees increased by \$208 or 7.9%. This compares with an increase of 5.0% in 1996-97. The total academic fee revenue budget has increased by 7.6% (Schedule A1) in order to fully fund the Faculty and Academic Staff Pay Plan.

Note 4 - Program Revenue Funds

Changes to Auxiliary Enterprises & Other Program Revenue Accounts by Fund are as follows:

Debt Service (Fund 123)	\$(1,100)
Auxiliary Enterprises & Other Self Supporting (Fund 128)	1,013,900
Auxiliary Capital Building Projects (Fund 137)	778,700
Total (Schedule A10)	<u><u>\$1,791,500</u></u>

Approximately \$805,000 of the Fund 128 increases are attributable to activities within Student Affairs. The increase in Fund 137 consists of increases in Administrative Affairs, primarily to upgrade a UPARK lot in the amount of \$1,140,000, and decreases for a Student Affairs project in the amount of \$361,000.

Note 5 - Unit-Wide Extension Inter-Institutional Agreement

The Unit-Wide Extension Inter-institutional Agreement budget (Fund 104 GPR and 132 PR) is offset in Unit-Wide to reflect the spending authority maintained by University of Wisconsin - Extension, and reported as part of the UW Extension budget. To provide an accurate picture of each division's total resources, both credit and non-credit outreach programs are fully budgeted as follows:

Other State Funds (Schedule A8 & C7)	\$1,769,000
Program Revenue Funds (Schedule A10 & C7)	11,234,400
Total (Schedule C7)	<u><u>\$13,003,400</u></u>

Since this activity is offset in the Unit-Wide account, the campus total does not reflect Extension activity. If this spending were included, the total UWM budget would be \$13 million higher.

Note 6 - Enrollment Contingency

A summary of the Unit Wide Enrollment Contingency account follows:

1996-97 Base Funds	1,209,200
Enrollment Target Adjustment (Schedule B4)	(354,480)
Enrollment Target Adjustment Offset (Schedule B6)	160,000
Base Transfers (Schedule B5)	(110,939)
Base Reallocations (Schedule B6)	(175,650)
Fee Revenue Contingency Return (Schedule B4)	315,664
UW System General Budget Reduction	(48,818)
Fleet Vehicle Cost Reduction	(383)
1997-98 Base Funds	<u>994,594</u>

Note 7 - Capitalization Limits

For 1997-98 the limits for capitalizing equipment have increased from \$1,000 to \$5,000. This is a major element in the increase in Supplies & Services and the decrease in Capital expenditures for the current budget year (Schedule A3).

Note 8 - Extramural Support (Schedule A9)

Fund 133, 144, and 150 budget amounts are projected by the Graduate School based on current activity and estimations of future levels. Due to an increase in amounts returned to principal investigators from 5% to 10 %, Fund 150 will show a significant increase for 1997-98.

Note 9 - Vacant Positions (Schedule D1)

UWM currently has about 70 FTE positions which are being held in the Unit Wide account to cover ad-hoc instructional positions and to provide for the expansion of or creation of new programs as conditions warrant.

Appendix A

University of Wisconsin - Milwaukee 1997-98 Budget Report Glossary of Terms

Academic Affairs - Consists of the Office of the Vice Chancellor and the Center for Improvement of Instruction and Learning Technology Center.

Academic Staff - General, instructional and academic support professional staff (other than faculty and classified staff, limited appointments, employees-in-training and student assistants) with duties and types of appointments primarily associated with higher education institutions and their administration.

Academic Support Division - Consists of Vice Chancellor's holding accounts and funds used to pay the Educational Communications Division & Library/Media Distribution for services provided to GPO (Fund 101) users and to provide matching or cost sharing funds. The Vice Chancellor's holding accounts include funding for classroom and lab modernization, recruitment and retention, technology fee, professional development, undergraduate education initiative and the business office for three schools.

Academic Units - All the campus units reporting to the Vice Chancellor. This includes all the schools and colleges, the Library, Information & Media Technology, Student Academic Development and the administrative and instructional support units in the Academic Affairs Division and the Vice Chancellor's holding accounts.

Activity - One of ten distinct functions or collections of services which comprise the University's operations. Activities used to distinguish parts of the total campus operations for program budgeting purposes are:

- a. **Student Services** - All activities established to provide for the student's social and cultural development, clinical counseling, career guidance, and placement services. Optional activities relating to preparatory or remedial skills or knowledge or required activities within the student services area that are not separately organized and/or budgeted are included in this activity.
- b. **Institutional Support** - Executive management, planning and programming, campus and community relations, general administrative services and general support services.
- c. **Instruction** - All activities through which a student may earn credit toward a degree or certificate granted by the University. Departmental research and scholarly activities, institutional governance assignments, and public service that are not separately budgeted are included in this activity.
- d. **Research** - All organized research & scholarly activities conducted within the institution and separately budgeted which are under the terms of a research contract or project, either funded by external agencies or funded as research from UWM's operating budget.
- e. **Public Service** - Service activities that produce benefits for individuals or groups living within the geographic service area of UWM.

- f. Academic Support - All activities that provide direct support to the primary academic missions of the University including libraries, learning resource centers, instructional computing, media, audiovisual services and other academic activities that support primary programs.
- g. Physical Plant - Facilities maintenance, operation and security activities.
- h. Auxiliary Enterprises - All activities that provide necessary and convenient services to students, faculty and staff. Examples are Bookstore, Union, Housing and Parking.
- i. Student Aid - All forms of financial aid assistance to students, such as scholarships, fellowships, grants and loans.
- j. Debt Service (Academic Units) - The costs of amortizing the principle and interest due on campus buildings and related contents.

Auxiliary Operations - An auxiliary operation or auxiliary enterprise is a self-supporting activity that exists to furnish goods and services to students, faculty or staff, and which charges a fee that is directly related, although not necessarily equal to the costs of service. The fund numbers are: 128 - Operations, 137 - Building Commission approved projects, and 123 - related Debt Service.

Base Reallocation - A decision to add, delete or modify some campus function that involves removing funding from one function and reinvesting it in another.

Base Transfer - A decision to reclassify some function and its funding in a different division or activity category without changing the nature of the function or its funding.

Capital - All payments for non-consumable equipment with a unit cost over \$5,000 plus all library books and some minor remodeling projects under \$30,000. The \$5,000 threshold became effective on July 1, 1997. Prior to the change the threshold was \$1,000.

Classified Salaries - Wages and compensation paid to personnel in permanent or provisional state and civil service positions, student help (other than graduate assistants) and limited term employees (LTE's).

Debt Service - The costs of amortizing the principle and interest due on campus buildings and related contents.

Educational & General (E&G) Programs - The term used to include all activities of the university, excluding Auxiliary Operations and Debt Service. It includes Restricted (e.g., Extramural Support) and Unrestricted (e.g., GPO) activities.

Faculty - All unclassified staff holding the rank of professor, associate professor, assistant professor or instructor in an academic department or its functional equivalent.

Federal Aid, Grants and Contracts - Money received from the federal government primarily for research and instruction projects (Fund 144), Perkins Loans (Fund 147), Work Study (Fund 145), Educational Opportunity Grants (Fund 146), Pell Grants (Fund 148), Direct Student Loans (Fund 149), and Nursing Loans (Funds 151 and 152).

Fringe Benefits - Money paid as the employer's contribution toward a number of employee benefit programs such as retirement, health insurance, unemployment compensation programs, social security and other elective insurance coverage.

General Education Administration - Includes six small units combined into one division for budget and accounting purposes: 1) Chancellor's Office, 2) Legal Affairs, 3) Office of Diversity/Compliance, 4) Secretary of the University, 5) University Relations, and 6) Development and Alumni Relations.

General Program Operations (GPO) - Money from several sources pooled together for budget and expenditure purposes. This is the largest single operational fund and includes a state appropriation of general purpose revenue (GPR - see below), student academic fee receipts, and a small portion of federal indirect cost reimbursement. Fund 101 designates GPO funds.

General Purpose Revenue (GPR) - Money received by the state from general tax collections, primarily income, sales and excise taxes, and appropriated for specific uses by the Legislature.

Gifts & Trust Fund Income - Money received from nonfederal gifts and grants (Funds 133 & 182), nonfederal loans (Fund 134) and trust funds (Fund 161). Expenditures are restricted according to the terms of the gift, grant, bequest, trust, or device to carry out the purposes for which it was made and received.

Information & Media Technologies - a new division that was formed during 1993-94 by merging Information Systems (formerly in Administrative Affairs), Computing Services, and Educational Communications.

Inter-institutional Agreement (IIA) - An agreement between two UW System institutions used to contract services between the two.

Limited Appointments - Appointments made at the pleasure of the dean, unit or division head. A person holding a limited appointment must also hold a concurrent or back-up faculty, academic staff or classified staff appointment.

Other State Funds - All state GPR appropriations other than State Program Funds. These include: Student Aid (Fund 107), Advanced Opportunity Programs (Fund 403), Utilities and Heating (Fund 109), principal repayment and interest on academic buildings and lease rental payments (Fund 110), Great Lakes Fish Study (Fund 181) and Lawton Minority Undergraduate Retention (Fund 406).

Program Revenue - Revenues collected and paid into a state general fund that are credited by law to an appropriation to finance a specified program (e.g., Extension continuing education).

Provisional Salaries - Money set aside to fund additional staff on a fixed term, ad hoc basis as well as graduate assistants, student help and classified limited term employees (LTE's).

Restricted Funds - Restricted funds are resources provided to an institution that have externally established limitations or stipulations placed on their use.

Salary Savings - The amount of funds expected to be saved due to employee turnover and vacant positions.

Sales Credits - Money earned by certain campus service departments from charges made for services provided to other offices and divisions.

Special Purposes - A class of major expenditure used for budgeted amounts relating to debt service and payments for municipal services.

State Program Funds - GPR appropriations that directly relate to program operations. These include General Program Operations (Fund 101), Facilities Maintenance (Fund 105), Laboratory Modernization (Fund 114), Distance Education/Instructional Technology (Fund 115) Distinguished Professor (Fund 119), Strategic Planning (Fund 177), and Minority and Disadvantaged Student Programs (Fund 402).

Student Aid - All payments of grants and loans to students to assist in covering the costs of their education.

Student Fee Income - Fees collected from students as nonresident tuition and instructional fees for degree credit instruction (Funds 131, 122, 186).

Supplies & Expense - All payments for "consumable" supplies and services including, for example, equipment purchases under \$5,000, office supplies, telephone service, copying costs, travel, training, printing and postage.

UW System Allocation - Funding provided by the UW System for designated purposes. The funding usually originates in a legislative budget action. Two categories of UW System allocations are:

- a. Program - Funding for specific programmatic purposes.
- b. Compensation Related - Funding for salaries and fringe benefits increases.

Unclassified Salaries - Wages and compensation paid to personnel in permanent or provisional non-civil service positions including faculty, academic staff, limited appointments and graduate assistants.

Unit-Wide - The organizational "home" for a collection of specialized campus wide accounts for classified compensation adjustments, fringe benefits, gifts and trusts, federal grants and contracts, debt service, required savings, Chancellor's contingency account and the enrollment contingency account.

Unrestricted Funds - Unrestricted funds are resources that have no limitations or stipulations placed on them by external agencies or donors.

Appendix B

University of Wisconsin - Milwaukee Composition of Funding Categories

State Program Funds

Fund 101	General Program Operations
Fund 105	Facilities Maintenance
Fund 114	Laboratory Modernization/General Computer Access
Fund 115**	Distance Education/Instructional Technology
Fund 119	Distinguished Professorships
Fund 177	Strategic Business Planning
Fund 402	Minority & Disadvantaged Program

Other State Funds

Fund 104	General Program Operations - Extension
Fund 107	Student Aid
Fund 109	Utilities And Heating
Fund 110	Debt Service - Academic Buildings
Fund 181**	Great Lakes Fish Study
Fund 403*	Advanced Opportunity Program
Fund 406	Lawton Minority Undergraduate Retention Grants

Extramural Support Funds

Fund 133	Non-Federal Gifts And Grants
Fund 134	Non-Federal Student Loan Funds
Fund 144	Federal Grants & Contracts
Fund 145	Federal Aid - Work Study
Fund 146	Federal Aid - Supplemental Educ. Opportunity Grants
Fund 147	Federal Aid - Student Loans (Perkins)
Fund 148	Federal Aid - Basic Educ. Opportunity Grants (Pell)
Fund 149	Federal Aid - Direct Student Loans
Fund 150	Federal Indirect Costs
Fund 151	Nursing Loans - Undergraduate
Fund 152	Nursing Loans - Graduate
Fund 161	Trust Fund Income
Fund 182	Distinguished Professorships - Matching Funds

Program Revenue Funds

Fund 120	Service Departments (Physical Plant Clearing Account)
Fund 123	Debt Service - Auxiliary Enterprises
Fund 128	Auxiliary Enterprises & Other Self-Supporting Activities
Fund 129	Internal Billings (Clearing Account)
Fund 132	Extension - Non-Credit
Fund 136	Other Operating Receipts
Fund 137	Auxiliary Capital Building Projects

* Also includes Minority Doctoral Student Loan funds.

** New fund for 1996-97.

Appendix C

University of Wisconsin - Milwaukee 1997--98 Budget Summary of Strategic Plan Reallocations (In Thousands)

	General Program Operations Funds			Program Revenue Funds		
	Total	On-Going	One Time	Total	On-Going	One Time
UWM Strategic Plan Reallocations						
1. Integrate the creation, dissemination, and application of knowledge.						
A. Advance UWM's stature as center of scholarly excellence & improve its position in the Carnegie ranking of Research II institutions.	1,324	733	591	0	0	0
B. Enhance the learning experiences of UWM students.	355	318	37	0	0	0
C. Expand UWM's urban mission and reinforce the university's commitment to enhancing the quality of life and economic base of the Milwaukee metro area & the state of Wisconsin.	461	416	45	231	201	30
Subtotal of Priority 1:	2,140	1,467	673	231	201	30
2. Stabilize enrollments & resources.	1,213	874	339	393	167	226
3. Expand technology.	1,702	820	882	14	0	14
4. Enhance the campus environment.	536	297	239	243	123	120
Total UWM Strategic Plan Reallocations	5,591	3,458	2,133	881	491	390
Divisions						
Administrative Affairs	586	374	212	243	123	120
Student Affairs	196	155	41	407	167	240
Academic Affairs	1,401	239	1,162	0	0	0
Allied Health Professions	89	82	7	0	0	0
Architecture & Urban Planning	24	24	0	0	0	0
Business Administration	301	301	0	0	0	0
Education	101	101	0	0	0	0
Engineering & Applied Science	250	48	202	0	0	0
Fine Arts	335	255	80	0	0	0
Graduate School	55	55	0	0	0	0
Information & Media Technologies	564	487	77	0	0	0
Letters & Science	1,025	825	200	0	0	0
Library	144	144	0	0	0	0
Library & Information Science	15	0	15	0	0	0
Nursing	379	261	118	231	201	30
Social Welfare	27	23	4	0	0	0
Student Academic Development	34	20	14	0	0	0
Outreach & Continuing Educ.	65	65	0	0	0	0
	5,591	3,459	2,132	881	491	390