



GROWTH AGENDA FOR WISCONSIN

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UW System Operating Budget: Preserving Quality

The UW System works with the Department of Administration (DOA) to determine the level of funding needed to maintain the university's current operations. This is sometimes referred to as "cost-to-continue", and accounts for the increased costs of items needed to maintain ongoing operations.

Why is it important for the state to fund the UW System's Cost-to-Continue?

Adequate funding for the UW's cost-to-continue ensures the university will have adequate resources to maintain the current quality of instruction, research, and public service. These funds do not authorize any new programming within the university, but rather, ensure the UW can meet its basic commitments to educate students, compensate employees, and pay for utilities, among other responsibilities.

What is the UW System's Cost-to-Continue?

The majority of these items are standard budget adjustments and items related to pay plan and fringe benefit increases previously approved by the Joint Committee on Employment Relations (JCOER). Estimated utility costs for new buildings and funding for maintenance of the UW-Madison co-generation plant are also included. The Governor's Budget also includes inflation factors, calculated by DOA, to fully reflect anticipated utility and debt service cost increases for the 2007-09 biennium.

Items included in the UW's cost-to-continue amount include:

- Utility costs for new and expanded facilities; projected increases for existing facilities; debt service, operating and maintenance costs of the co-generation plant at UW-Madison; and debt service on authorized bonds;
- Maintaining JCOER-approved 2005-07 pay plan levels for current unclassified and classified staff;
- Full funding of fringe benefit cost increases, including health insurance, through June 2006;
- Smith-Lever Pay Plan increases for positions within the UW's Cooperative Extension that are jointly funded by state, federal and county funds;
- Increases for Minority and Disadvantaged Financial Aid Programs to keep up with anticipated 2007-09 increases in graduate and undergraduate tuition rates;
- Student Technology Fee Increases, equivalent to a percentage of tuition, which fund a variety of initiatives to provide students with information resources; and
- Undergraduate and Graduate Application Fee Increases, which would increase for the first time since 1998 to defray the cost of processing applications.

Estimated ongoing 2007-09 cost: \$107.3 million (\$82.3 million GPR / \$25 million Fees)

For more information: Contact UW System Communications and External Relations, 608-263-5512