



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

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Joint Committee on Finance

Paper #782

### Rock County Engineering Initiative (UW System)

[LFB 2005-07 Budget Summary: Page 500, #11]

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#### CURRENT LAW

In 2004-05, the adjusted base budget for the UW System totals approximately \$3,822.0 million, of which \$976.6 million or 25.6% funded from state, general purpose revenues. Approximately 75% of the University's GPR adjusted base budget is provided under an appropriation for general program operations for University education, research, and public service.

Annually in June or July, the UW Board of Regents approves budget allocations to the 26 campuses in the UW System based on past allocations, targeted budget initiatives, planned enrollment changes, and planned programmatic changes. In 2004-05, UW-Platteville's total budget allocation from all fund sources is approximately \$82.4 million, of which \$50.9 million is derived from GPR and fee revenues.

#### GOVERNOR

Provide \$582,000 GPR with 5.0 positions starting in 2006-07 and require the Board of Regents to allocate this funding for the UW-Rock County engineering initiative.

#### DISCUSSION POINTS

1. The UW System currently offers undergraduate engineering programs at UW-Madison, UW-Milwaukee, UW-Platteville, and UW-Stout. Under 2001 Act 16, UW-Platteville was provided with \$295,000 GPR starting in 2002-03 to fund delivery of undergraduate engineering education to the Fox River Valley in cooperation with UW-Oshkosh, UW-Fox Valley, and area employers. Under the arrangement, UW-Oshkosh provides upper level non-engineering courses to

students in the program, and UW-Fox Valley provides space for on-site instruction as well as general education courses for freshman and sophomore students.

2. UW-Platteville, UW-Rock County, and Janesville-Beloit area employers have sought to deliver engineering programs locally through a similar engineering program delivery arrangement as that provided in the Fox Valley area. The 2003-05 budget as passed by the Legislature and a subsequent separate bill would have provided \$378,300 GPR and \$203,700 PR with 5.0 GPR positions starting in 2004-05 for UW-Platteville to provide engineering instruction at UW-Rock County. These prior efforts to provide additional funding for the program were vetoed by the Governor.

3. In the current legislative session, Assembly Substitute Amendment 1 to Assembly Bill 53 would provide an increase of \$378,300 GPR with 5.0 FTE positions starting in 2005-06 for UW-Platteville to provide engineering instruction at UW-Rock County. ASA 1 to AB 53 passed the Assembly on April 7, 2005, and was immediately messaged. The bill was referred to the Senate Committee on Higher Education and Tourism on April 8, 2005.

4. The UW System included a request for funding the engineering initiative at UW-Rock County in their 2005-07 agency budget request as part of their faculty retention and student access initiative. The Governor has recommended funding for the program in the 2005-07 budget bill with \$582,000 GPR and 5.0 positions starting in 2006-07.

5. AB 100 would fully fund the engineering program costs with GPR funds, rather than offset a portion of the engineering program's estimated costs through new tuition revenue from the expanded enrollment in the new program. As an alternative, the Committee could provide funding for the engineering program at UW-Rock County as provided under ASA 1 to AB 53, with \$378,300 GPR and \$203,700 PR with 5.0 GPR positions starting in 2005-06. The total funding and positions would provide the estimated cost of providing engineering degree programs at UW-Rock County for approximately 200 students.

6. Given the timing of the 2005-07 budget bill, it may be difficult for UW-Platteville to have faculty in place to fully start the engineering program at UW-Rock County by the fall of 2005. As a result, the Committee could provide \$378,300 GPR and \$203,700 PR with 5.0 GPR positions starting in 2006-07. This alternative would give the campuses time to hire academic staff and develop the engineering program by the fall of 2006.

## **ALTERNATIVES**

1. Approve the Governor's recommendation.
2. Modify the Governor's recommendation by \$378,300 GPR in 2005-06 and -\$203,700 GPR in 2006-07 and \$203,700 PR annually, and specify that the 5.0 positions would start in 2005-06. The alternative would be the same as AB 53, as passed by the Assembly.

<u>Alternative 2</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
<b>2005-07 FUNDING</b> (Change to Bill)	\$174,600	\$407,400	\$582,000

3. Modify the Governor's recommendation and delete \$203,700 GPR and provide \$203,700 PR in 2006-07.

<u>Alternative 3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
<b>2005-07 FUNDING</b> (Change to Bill)	- \$203,700	\$203,700	\$0

4. Delete the provision.

<u>Alternative 4</u>	<u>GPR</u>
<b>2005-07 FUNDING</b> (Change to Bill)	- \$582,000
<b>2006-07 POSITIONS</b> (Change to Bill)	- 5.0

Prepared by: John Stott