



University of Wisconsin
Whitewater

Financial Update

Addressing the Budgeted Deficit

11/13/2023

Tuition/GPR Pool

❖ Focus on the Central Tuition/GPR Pool

- Fund 102 GPO
- Fund 103 GPO – Rock County
- Fund 402 Minority and Disadvantaged Programs
- Fund 131 Non-revenue Generating
- Fund 131 Differential Tuition Pool (Institution wide)

Tuition/GPR Pool - Financial Results

- ❖ 2022-23 Actual Results \$(3.85 million) loss
 - Used \$4.21 million reserves including carryover funds
- ❖ 06/30/23 Cash reserves - \$16.44 million
 - Central tuition - \$14.63 million
 - Rock County - \$1.80 million

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- ❖ 2023-24 Budgeted Deficit \$(8.89 million)
 - ❖ 2023-24 Forecast Deficit \$(2.97 million)

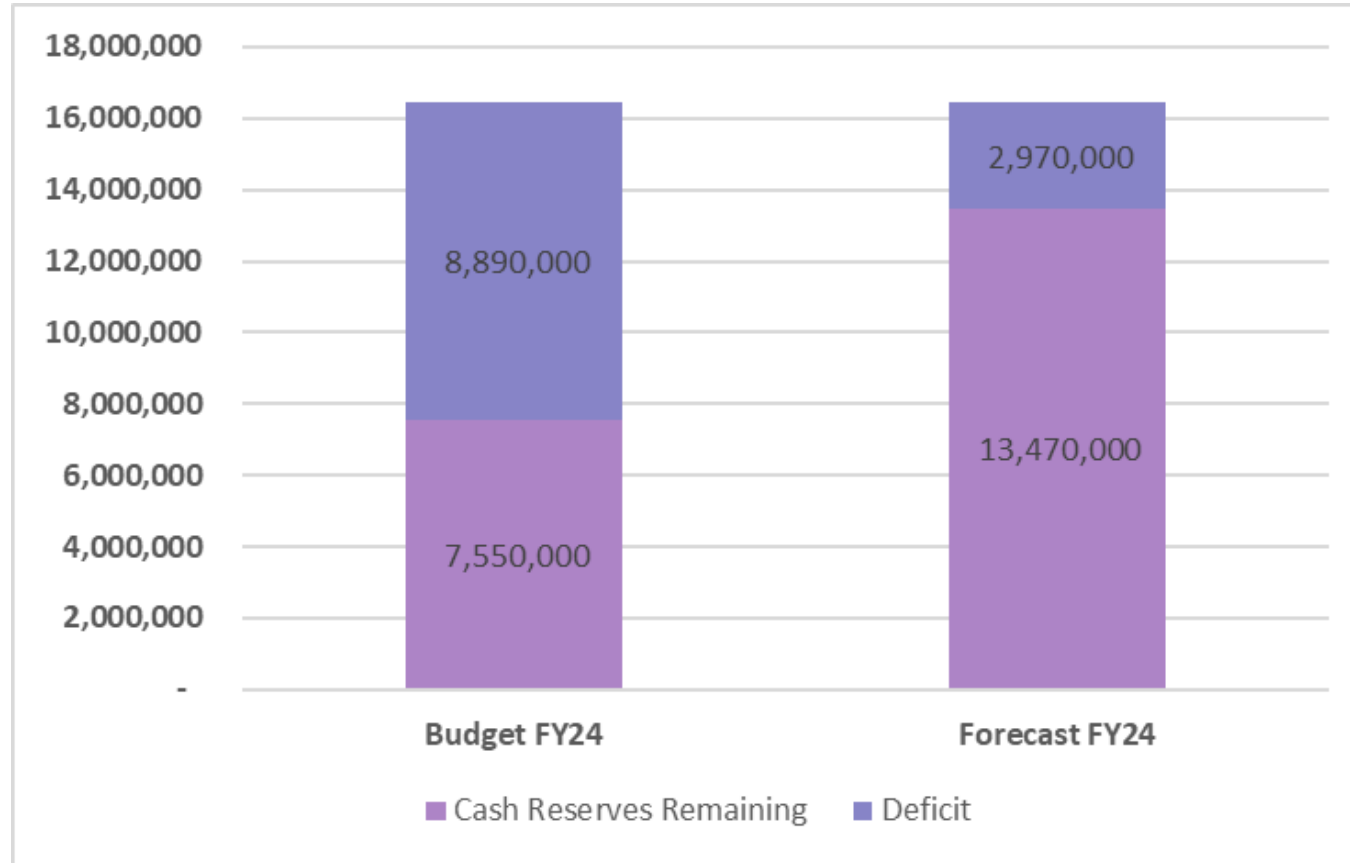
Tuition/GPR Pool - Financial Results

❖ 2023-24 Forecast Assumptions

- Tuition revenue from increased enrollment
- DEI budget reduction
- 4% pay plan approved as of 07/01/23
- 27th pay period
- Estimated \$3.6 million in salary / fringe savings
- Utility cost overage covered by system
- Supply over spend – may include 1x costs or timing
(ex: subscriptions, software license, equipment purchases)

Cash Reserve Impact

\$16,440,000 at 06/30/23x



Current Year Operations

- ❖ Salary savings can not be used for non-salary expenses
- ❖ Non-salary expenses can not be used for salaries
- ❖ Review of vacant positions
- ❖ Use Federal work study dollars first
- ❖ Do not spend budget just to use up your funding
- ❖ Student retention needs to continue improving

Fiscal Year 2024-25 Annual Budget

2024-25 Budget

- ❖ 2024-25 Budget Deficit to be addressed
 - \$(3.14 million)
- ❖ Assumptions included
 - \$3.0 million salary and fringe savings
 - \$2.9 million additional tuition revenue from enrollment growth
- ❖ Still have unknowns
 - Tuition rate increase
 - Utilities allocation from system

2024-25 Budget Approach

❖ Create a Budget Model that reflects actual operations

❖ Revenues

- Increased enrollment / retention
- Rate increases
- New revenue streams

❖ Expenses

- Verify revenues and expenses are in correct departments
- Efficiencies
- Reductions (controlled spending)

2024-25 Budget Approach

- ❖ Continued review of vacant positions
 - Fill necessary positions
 - Remove and/or reallocate
- ❖ Federal work study used first
 - \$170,000 of Federal funds not used last year
- ❖ Reinvest reserves with positive return on investment
 - 1x expenses
 - Support strategic initiatives

2024-25 Budget Approach

- ❖ Grants and donations
 - Offset existing expenses
 - Add new expenses with positive return
- ❖ Budget Reduction Plan due to System by 06/30/24
 - System Goal - \$0 deficit by 2027-28
 - UW-W Challenge - \$0 deficit by 2025-26

