

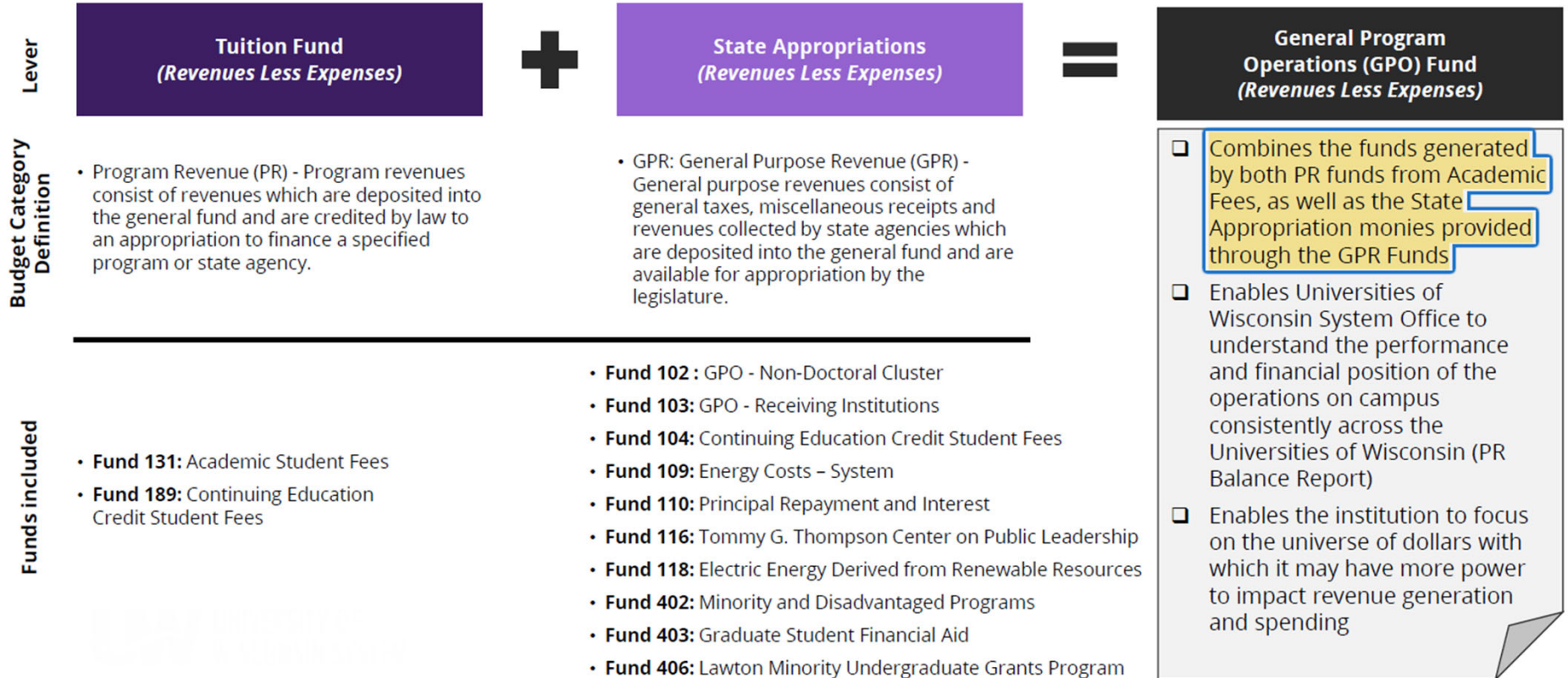


University of Wisconsin
Whitewater

Financial Update

09/23/2024

Structural Surplus/Deficit - System Definition



Fiscal Year 2023-24 - Actuals
Fiscal Year 2024-25 - Budget

Year-End Actuals 2023-24 / Budget 2024-25

GPR/Tuition (all)	Budget	Actuals	Variance
Revenues	123,706,935	134,426,709	10,719,774
Less: Expenses	135,350,713	131,321,273	4,029,440
Net Surplus (Deficit)	(11,643,778)	3,105,437	14,749,214

- Includes 102, 103, 131, 189 (system defined - structural surplus/deficit)
- Tuition revenue in excess of budget - \$6.0 million
- Work Force Development funding - \$1.0 million (received in May)
- Salary and Fringe savings - \$2.4 million
- Winther/Heide GPR allocation - \$2.2 million (budgeted cash use)
- Interest income in excess of budget - \$1.1 million
- Sales Credits increase - \$1.4 million
- Other - \$.6 million

Year-End Actuals 2023-24 / Budget 2024-25

GPR/Tuition (all)	Budget	Actuals	Variance	Budget 2024-25
Revenues	123,706,935	134,426,709	10,719,774	134,510,755
Less: Expenses	135,350,713	131,321,273	4,029,440	135,019,929
Net Surplus (Deficit)	(11,643,778)	3,105,437	14,749,214	(509,174)

- Budget revenue change:
 - Tuition increase of 4.5%
 - Enrollment budgeted for flat for main campus; slight increase Rock
- Budget expense change:
 - Pay plan and fringe benefits - \$1.4 million
 - Increased utilities allocation - \$1.7 million
 - Remove 27th payroll – (\$1.2) million
 - Winther/Heide GPR allocation – (\$2.2) million

Year-End Actuals 2023-24 / Budget 2024-25

Auxiliaries	Budget	Actuals	Variance
Revenues	51,089,148	56,302,171	5,213,023
Less: Expenses	51,699,122	52,806,444	(1,107,322)
Net Surplus (Deficit)	(609,974)	3,495,727	4,105,701

- Includes 128, 228
- Increased enrollment drives increases in auxiliaries and seg fee revenues and expenses

Year-End Actuals 2023-24 / Budget 2024-25

Auxiliaries	Budget	Actuals	Variance	Budget 2024-25
Revenues	51,089,148	56,302,171	5,213,023	55,193,750
Less: Expenses	51,699,122	52,806,444	(1,107,322)	58,162,584
Net Surplus (Deficit)	(609,974)	3,495,727	4,105,701	(2,968,834)

- Includes 128, 228
- Increased enrollment drives increases in auxiliaries and seg fee revenues and expenses
- Budget 2024-25 includes seg fee funded track and baseball turf replacement to be paid over 10 years

Year-End Actuals 2023-24 / Budget 2024-25

General Program	Budget	Actuals	Variance
Revenues	11,727,016	12,520,828	793,812
Less: Expenses	12,427,052	14,759,881	(2,332,829)
Net Surplus (Deficit)	(700,036)	(2,239,053)	(1,539,017)

- Includes IT Services, Camps/Conferences, Remedial
- Timing of purchases, underspend, and use of cash
 - \$1.4 million prior year PO rollover
 - 5 year IT services contract

Year-End Actuals 2023-24 / Budget 2024-25

General Program	Budget	Actuals	Variance	Budget 2024-25
Revenues	11,727,016	12,520,828	793,812	12,435,032
Less: Expenses	12,427,052	14,759,881	(2,332,829)	11,870,631
Net Surplus (Deficit)	(700,036)	(2,239,053)	(1,539,017)	564,401

- Includes IT Services, Camps/Conferences, Remedial
- Timing of purchases, underspend, and use of cash
 - \$1.4 million prior year PO rollover
 - 5 year IT services contract

Year-End Actuals 2023-24 / Budget 2024-25

Other UR/Indirects	Budget	Actuals	Variance
Revenues	477,598	500,062	22,464
Less: Expenses	797,748	620,817	176,931
Net Surplus (Deficit)	(320,150)	(120,755)	199,395

- Includes Grant Indirect Cost Reimbursements
- Fluctuates based on grants awarded
- Net deficit reflects use of cash

Year-End Actuals 2023-24 / Budget 2024-25

Other UR/Indirects	Budget	Actuals	Variance	Budget 2024-25
Revenues	477,598	500,062	22,464	440,100
Less: Expenses	797,748	620,817	176,931	652,732
Net Surplus (Deficit)	(320,150)	(120,755)	199,395	(212,632)

- Includes Grant Indirect Cost Reimbursements
- Fluctuates based on grants awarded
- Net deficit reflects use of cash

- Budget 2024-25 - CITEE grant moved to UW-Milwaukee

Year-End Actuals 2023-24 / Budget 2024-25

Total Unrestricted	Budget	Actuals	Variance
Revenues	187,000,697	203,749,770	10,347,775
Less: Expenses	200,274,635	199,508,415	(2,083,008)
Net Surplus (Deficit)	(13,273,938)	4,241,355	12,430,783

- Combined Unrestricted Budget and Actuals

Year-End Actuals 2023-24 / Budget 2024-25

Total Unrestricted	Budget	Actuals	Variance	Budget 2024-25
Revenues	187,000,697	203,749,770	10,347,775	202,579,637
Less: Expenses	200,274,635	199,508,415	(2,083,008)	205,705,876
Net Surplus (Deficit)	(13,273,938)	4,241,355	12,430,783	(3,126,239)

- Combined Unrestricted Budget and Actuals
- Budget - Net Deficit primarily use of cash for capital projects

REMINDER - Current Year Operations

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

FY24 Cash Reserves

Fund Group	Total Cash Balance End of Year	12% Reserve	Additional
GPR/Tuition	32,900,000	15,700,000	17,200,000
Auxiliary	24,800,000	6,400,000	18,400,000
Operations	5,000,000	1,800,000	3,200,000
Federal Student Aid	-		
Gifts, Grants, Contracts	-		
Other	1,400,000		1,400,000
Total	64,100,000	23,900,000	40,200,000

- State restricts reserves to 12%
- PR cash reporting prioritizes cash balances as other than reserves

FY24 Monthly Spend - With Debt Payments

Fund Group	Average Monthly Expense	Lowest Month	Highest Month
GPR/Tuition	12,400,000	7,700,000 August	17,700,000 January
Auxiliary	4,900,000	2,100,000 January	11,700,000 October
Operations	1,900,000	400,000 June	8,200,000 August
Federal Student Aid	4,200,000	300,000 July	25,400,000 January
Gifts, Grants, Contracts	1,300,000	500,000 November	2,200,000 January
Other	100,000	29,000 December	100,000 January
Total	24,800,000		

- \$9.2 million annual GPR debt
- \$10.0 million annual Auxiliary debt
- Month of January \$54.8 million
- Month of July \$12.5 million

FY24 Cash Reserves / Monthly Spend

Fund Group	Total Cash Balance End of Year	12% Reserve	Additional	Average Monthly Expense
GPR/Tuition	32,900,000	15,700,000	17,200,000	12,400,000
Auxiliary	24,800,000	6,400,000	18,400,000	4,900,000
Operations	5,000,000	1,800,000	3,200,000	1,900,000
Federal Student Aid	-			4,200,000
Gifts, Grants, Contracts	-			1,300,000
Other	1,400,000		1,400,000	100,000
Total	64,100,000	23,900,000	40,200,000	24,800,000

- State restricts reserves to 12%
- Reserves cover only 1 month of expense on average
- Total cash can cover 3 months of expense on average

Human Resources and Other

- ❖ Open Enrollment 09/30 – 10/25/24
 - Benefit Fair Oct 2nd
 - Benefit Enrollment Assistance Sessions
 - Life insurance changes
- ❖ Telecommuting Policy – forms filed by October 1st
- ❖ Bullying Policy – new mandatory training coming
- ❖ University Staff Paid Time Off - change to fiscal year
 - Transition period 01/01 – 06/30/25

Human Resources and Other

- ❖ Fair Labor Standards Act (FLSA) – January 2025
 - HR received preliminary list of employees impacted
 - Initial decision by November 1st

- ❖ ATP - Workday testing / training
 - UXT Testing in September and October
 - Training starts after January
 - Cut-over plan – impacts and early deadlines
 - Live Date – July 1, 2025

- ❖ Starin Road – temporary closure
 - October 7-18, M-F, 6am-6pm

Biennial Budget Request

- ❖ Approved by the Board of Regents
 - \$855,143,000 increase

- ❖ Initiatives include:
 - Salary payplan, merit and market
 - Financial aid funding
 - Student accessibility initiatives
 - Student success initiatives
 - GPR increase
 - Artificial intelligence

Biennial Budget Process

- ❖ November (even years) – Agency budgets submitted to governor
- ❖ February (odd years) – Governor's budget proposal
- ❖ March – Governor releases capital budget
- ❖ April to May – Joint Finance Committee adjusts governor's proposals
- ❖ June – Assembly and Senate act on budget
- ❖ July – Governor signs/vetoes budgets