2013-15 Biennial Budget

Governor’s Recommended Budget
$181.4 Million
2013-15 Biennial Budget

Lease and Directed Moves

$1.7 Million
2013-15 Biennial Budget

Cost to Continue
$19.1 Million
2013-15 Biennial Budget

Debt Service Reestimate
$42.4 Million
2013-15 Biennial Budget

Compensation Reserve
Any pay plan and fringe benefits for FY13, FY14, and FY15
$89.4 Million
2013-15 Biennial Budget

New Initiatives
- WARM/TRIUMPH
- Carbone Funding
- Flexible Option
- Incentive Grants
- $28.7 Million
Outline of Discussion

- Overview of Economic Development Incentive Grant Program
  - Funding
  - Eligible Activities
  - Approval Process & Plan Development
  - Reporting Requirements
- Assembling a Workgroup
- Addressing WEDC Industry Cluster Needs
- Matching UW Institution Proposals with Eligible Activities
Overview of the Economic Development Incentive Grant Program

Incentive Grant Funding
- $20 million biennially in new GPR appropriations
  - $10 million annually
- Awards are not base building

Eligible Programs
- Economic Development Programs
- Development of an educated and skilled workforce
- Improving the affordability of postsecondary education

Reporting Requirements
- Annual report from the Board of Regents to the DOA secretary
  - Report includes program goals, results, and budget information by grant recipient
  - Report also includes systemwide summary of this information
Taking a Closer Look at Eligible Activities...

**Economic Development**
- Encourage growth & establishment of businesses in WI
- Includes creating and retaining jobs
- Programs must provide financial assistance, tax benefits, or direct services

**Development of an Educated & Skilled Workforce**
- Increasing # of degrees in high-demand fields
- Increasing internship & Co-op opportunities to students
- Increasing or enhancing research and development

**Improving Postsecondary Education Affordability**
- Reducing time to obtain a degree for resident undergraduate students
- Increasing opportunities for high school students to earn college credit
- Improving transfer of credit between higher education institutions
Creating the Economic Development Incentive Grant Plan

Within 90 days of the budget going into effect, the Board of Regents must submit a plan for approval to the DOA secretary for the Incentive Grant Program.

- Application procedures and procedures and criteria for awarding grants
- Plan to establish performance goals and accountability measures
- An plan to track and report program results
- An acknowledgement that amounts awarded are not base building
Annual Reporting Requirements

- Annual report must be submitted to the DOA Secretary from the Board of Regents – No specified date
- The results, goals, and budgets must be reported for each grant recipient
Steps Moving Forward...

Assembling a Workgroup

- Workgroup will consist of UW System Administration officials & representatives from UW Institutions
- Workgroup will begin discussing and creating the Incentive Grant plan as required by statute

Utilizing UW Institution Proposals

- UW Institutions submitted draft proposals
- Most proposals fit into one or more eligible category
- Proposals will likely need to be revised or updated as the Incentive Grant plan is developed
Addressing WEDC Industry Cluster Needs

Examples of WEDC Industry Clusters

- **UW Milwaukee: Water & Energy Initiatives**
  - Industry Clusters: Water Technology, Manufacturing, & Bio Sciences
  - Private Sector Partners: Johnson Controls Inc., Rockwell Automation, AO Smith, & Badger Meter

- **UW Oshkosh: Business Success Center**
  - Industry Clusters: Aero Sector & Manufacturing
  - Private Sector Partners: Rockford Area AeroSpace Network, Defense Alliance & Advanced Power & Energy Cluster

- **UW Stout: Project Kick-Start & Scale-Up**
  - Industry Clusters: Manufacturing, Agriculture & Bio Sciences
  - Private Sector Partners: Mensa Systems, Vibetech, & Cool Science
Eligible Grant Activities & UW Institution Proposals

Economic Development
- UW – La Crosse: Center for Entrepreneurship, Sustainability, & International Trade
- UW – Parkside: Empowering Entrepreneurs and Businesses

Skilled & Educated Workforce
- UW – Milwaukee: Energy & Water Proposals
- UW – Oshkosh & Green Bay: Engineering Technology

Improving Access and/or Affordability
- UW – Madison: Increasing Engineering & Business Graduates
- UW – Colleges: College Options

Some proposals may meet the criteria of more than one eligible category.
Questions and Discussion