

# FACT SHEET

## UW-Stevens Point Budget Balance

### The Big Picture

UW-Stevens Point had \$214 million in revenue in FY12. On June 30, 2012, the university had approximately \$32 million in balances, which represents approximately 15 percent of the fiscal year's revenue. The balances are roughly divided into six categories: Tuition, Auxiliary Enterprises, General Operations, Federal Grants and Special Projects, Extension Student Fees and other funds.

A balance in an account does not necessarily mean there is a surplus. The figures from June 30, 2012, are a snapshot of what is in an account on a given day. Throughout the year, deposits and expenditures are made. Accordingly, the account balances change almost daily.

To put the balances in perspective, the Composite Financial Index (CFI) is often used to measure the financial strength of colleges and universities. The Higher Learning Commission (HLC), UW-Stevens Point's accrediting agency, requires that institutions of higher education maintain a CFI in the range of 1 to 3. Falling below a CFI of one results in a financial review of the institution by HLC. A score greater than or equal to 1.5 indicates the institution is financially responsible. As of June 30, 2012, UW-Stevens Point's CFI was 1.7.

### ◆ Tuition

Balance on June 30, 2012, \$10,727,959.

Tuition balances have been used for items such as student service programs, salary equity adjustments and investments in UW-Stevens Point's infrastructure.

A detailed breakdown of FY13 expenditures from tuition balances is available on the opposite side of this sheet.

### ◆ Auxiliary Enterprises

Balance on June 30, 2012, \$13,810,569.

Auxiliary Enterprise accounts fall into two basic categories: auxiliary and non-auxiliary self-supporting operations. Auxiliary operations include Housing, Dining, University Store and Parking. Examples of non-auxiliary self-supporting operations include Textbook Rental, Athletics, Student Organizations, International Programs, Information Technology/Telephone Support, Counseling Services, Surplus Sales, and Printing and Design.

On June 30, 2012, there were approximately 1,100 Program Revenue accounts across the campus. The smallest account balance was \$2.43 in the Waste Management 481 Course Fee account, and the largest account balance, \$5,595,219 was in Housing.

Most of the balances have specific identified uses. For example, \$4.9 million of Housing's balance was used for debt service on The Suites and other residence hall renovations projects. The remainder will be used for capital improvements such as the residence hall renovation project currently underway. An additional \$2.23 million is allocated for specific projects in the Campus Master Plan such as a new parking ramp and renovation of the DeBot Dining Center.

### ◆ General Operations

Balance on June 30, 2012, \$3,193,722.

General Operations accounts are designated for self-supporting operations that are academically related such as the Suzuki program, the Water Testing Lab, Remedial Math Lab, the Environmental Education Center, the Tutoring/Learning Center and Athletics camps.

On June 30, 2012, UW-Stevens Point had approximately 370 General Operations accounts across the campus. The smallest account balance was \$5.78 in the Physics Department's Wisconsin

Association of Physics Teachers account. The largest balance of \$424,393 was in the Water Testing Lab account. The average balance of the 370 accounts is \$8,632.

The purchase of new laboratory equipment in areas benefitting student research and community needs accounts for \$1.3 million of the General Operations balances. Some balances were used to purchase modern computer equipment such as laptops for faculty and staff. Other funds are reserved for athletic facility improvements and replacement of athletic equipment.

### ◆ Federal Grants and Special Projects

Balance on June 30, 2012, \$2,946,274.

Federal Grants and Special Projects accounts are restricted funds. They are distributed on a cost-reimbursement basis. Federal Grant and Special Project funds are awarded to the university by the federal government to be administered and expended in accordance with the provisions of the federal grant or contract. Almost every federal grant also includes federal indirect cost charges, which are funds used by the university to administer federal grants. In FY11, UW-Stevens Point submitted 44 federal grant proposals totaling \$1.7 million, which were eventually funded.

### ◆ Extension Student Fees

Balance on June 30, 2012, \$904,552.

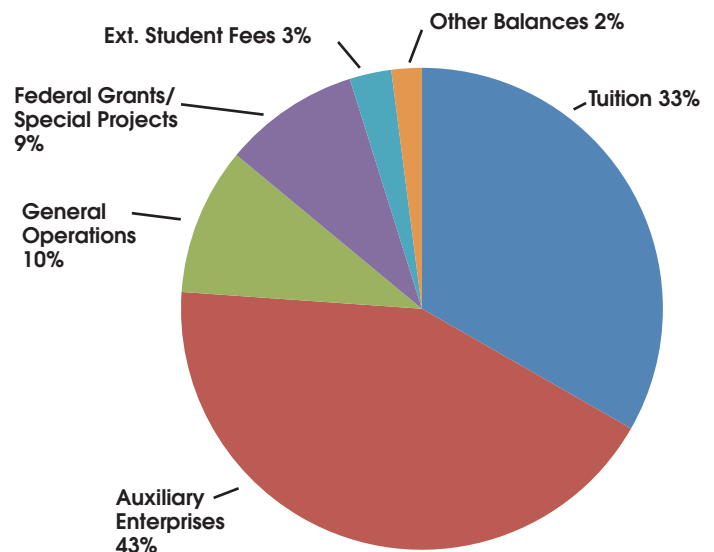
Extension Student Fees are the tuition revenue generated by Continuing Education courses for which students earn credit. These funds are used to pay the costs of instruction as well as for new program development. Because these programs are typically aimed at nontraditional and place-bound students, new initiatives often operate at a loss initially before becoming self-sustaining.

### ◆ Other Balances

Balance on June 30, 2012, \$657,043.

All but \$1,147 of the remaining balance is in restricted accounts, meaning the funds may only be used only for a specific purpose. Examples of restricted accounts include non-federal grants, scholarships, financial aid and student loans.

### Total Balances: \$32.2 million



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## UW-Stevens Point Tuition Reserve



### Tuition reserves at UW-Stevens Point

UW-Stevens Point generated \$57 million in tuition in FY12. On June 30, 2012, UW-Stevens Point had \$10.7 million in tuition reserves, which represents 2.6 percent of the \$414 million in total tuition reserves throughout the UW System.

### The need for reserves

Reserves are necessary because as state support has dwindled and become less predictable, UW-Stevens Point has become increasingly reliant on tuition, which can fluctuate dramatically from year to year. For example, if UW-Stevens Point enrolls 150 fewer students in a given year, the university loses more than \$1 million in tuition and fees alone.

### The use of tuition reserves

UW-Stevens Point is committed to sound and responsible management practices. UW-Stevens Point has been using tuition dollars for items such as student needs, salary equity adjustments and investment in our infrastructure.



### FY13 expenditures from tuition reserves:

Transfer to Fund 102 for FY12 operating costs	\$1,817,162
UW System assessed FY13 budget lapse	\$821,434
Additional 296 course sections	\$790,000
FY13 salary equity adjustments	\$250,000
UW System assessed FY13 Common Systems (annually)	\$500,000
UW System assessed FY13 HRS Service Center (annually)	\$430,927
Treehaven capital improvements	\$200,000
New Admissions/Enrollment Management software	\$199,755
Disability accommodations	\$150,000
FY13 First-Year Seminars	\$125,865
Two counseling positions added due to student demand and enrollment growth	\$110,000
Operating budgets increase	\$108,901
Office of State Employment Relations assessment (annually)	\$65,000
IT investments	\$56,040
Pointers on a Path program (student retention)	\$52,500
Winter commencement	\$39,399
City of Stevens Point storm water utility assessment (annually)	\$22,760
UW System assessment for emeritus chancellors on other campuses (annually)	\$18,734
WIAC assessment	\$8,599
Science building pre-design additional costs	\$5,490

### Total to date

**\$5,772,566**



University of Wisconsin  
**Stevens Point**