



STATE OF WISCONSIN  
**Legislative Audit Bureau**  
NONPARTISAN • INDEPENDENT • ACCURATE

Report 24-22  
December 2024

# University of Wisconsin System

## FY 2023-24



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# University of Wisconsin System

## FY 2023-24



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## Opinions Published Separately

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The financial statements and our unmodified opinions on them are included in the University of Wisconsin System's *2024 Annual Financial Report*.





STATE OF WISCONSIN

# Legislative Audit Bureau

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State Auditor

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December 20, 2024

Senator Eric Wimberger and  
Representative Robert Wittke, Co-chairpersons  
Joint Legislative Audit Committee  
State Capitol  
Madison, Wisconsin 53702

Dear Senator Wimberger and Representative Wittke:

As required by s. 13.94 (1) (t), Wis. Stats., we have completed a financial audit of the University of Wisconsin (UW) System, which rebranded itself as the Universities of Wisconsin. We have provided unmodified opinions on UW System's fiscal year (FY) 2023-24 financial statements, including the aggregate discretely presented component units. These financial statements and our audit opinions on them are included in UW System's *2024 Annual Financial Report*, which may be found on UW System's website.


On the basis of generally accepted accounting principles, UW System's net position was \$6.7 billion as of June 30, 2024. UW System revenues were \$7.0 billion, including \$1.6 billion in revenue from Student Tuition and Fees. UW System expenses totaled \$6.6 billion in FY 2023-24, including \$4.2 billion for Total Salary and Fringe Benefits. We provide additional information on the number and salaries of certain types of UW employees.

We reviewed UW System's FY 2023-24 *Report on Program Revenue Balances by Institution and Level of Commitment*, which was approved by the Board of Regents in December 2024. On a budgetary basis, UW System's total program revenue balance was \$1.6 billion as of June 30, 2024. Of that amount, \$1.1 billion was from unrestricted sources, such as tuition and auxiliary operations. Unrestricted program revenue balances declined 1.4 percent in FY 2023-24 although balances increased at seven UW institutions. Spending plans are prepared for certain types of program revenue when balances exceed 12.0 percent of expenses. Since the inception of program revenue balance reporting in FY 2013-14 and through FY 2023-24, UW institutions have prepared 480 spending plans, including 42 spending plans for FY 2023-24.

The Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters, which is required by *Government Auditing Standards*, begins on page 39.

We appreciate the courtesy and cooperation extended to by UW System Administration staff during the audit.

Respectfully submitted,

  
Joe Chrisman  
State Auditor

JC/SH/ss





## Introduction

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The University of Wisconsin (UW) System, which rebranded itself as the Universities of Wisconsin, provided postsecondary academic education for approximately 163,000 students as of fall 2023. As of June 30, 2024, UW System had 13 four-year universities, 9 in-person two-year branch campuses associated with a university, and UW System Administration. Each of the 13 universities awards bachelor's and master's degrees, and several also confer doctoral degrees. The branch campuses offer general education associate degrees and course credits that transfer to other degree-granting universities. UW System Administration consists of the UW System President's staff who assist the Board of Regents in establishing and monitoring systemwide policies, financial planning for the system, and maintaining fiscal control.

Under s. 15.91, Wis. Stats., the Board of Regents members include:

- 14 citizen members;
- 2 student members, one of whom is a nontraditional student;
- the State Superintendent of Public Instruction; and
- the President of the Wisconsin Technical College System Board, or his or her designee.

***The Board of Regents establishes policies to govern UW institutions.***

Citizen and student members are appointed by the Governor and confirmed by the Senate. Citizen members are appointed for staggered seven-year terms, and student members are appointed for two-year terms. At least one citizen member must reside in each of the State's congressional districts. The 18-member Board of Regents, shown in

Appendix 1, establishes policies to govern UW institutions. The Board is responsible for appointing the UW System President and the chancellors of each of the 13 four-year universities. The UW System President and the chancellors of each UW institution are responsible for implementing policies established by the Board of Regents. Each chancellor is responsible for the institution's operations, including financial administration.

***We provided our unmodified audit opinions on UW System's financial statements for the year ended June 30, 2024.***

As required by s. 13.94 (1) (t), Wis. Stats., we have completed a financial audit of UW System and issued unmodified audit opinions on UW System's financial statements for the year ended June 30, 2024. We provided our independent auditor's report to UW System Administration for inclusion in UW System's *2024 Annual Financial Report*. UW System's financial statements were prepared using generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and include the financial activity of all UW institutions. UW System Administration has determined that UW institution foundations are component units of UW System. As a result, the financial statements of these component units are presented in UW System's *2024 Annual Financial Report*. As a state agency, UW System's financial information is also included in the State's Annual Comprehensive Financial Report (ACFR), which is available on the Department of Administration's website. We also issued an Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters, which is required by *Government Auditing Standards* and begins on page 39.

## Revenues

***Student Tuition and Fees accounted for 22.9 percent of UW System's total revenue in FY 2023-24.***

As shown in Table 1, UW System revenues were \$7.0 billion in fiscal year (FY) 2023-24 and \$6.3 billion in FY 2022-23. During FY 2023-24, UW System's largest revenue was Student Tuition and Fees, which includes tuition and other academic student fees. The \$1.6 billion in Student Tuition and Fees collected by UW System in FY 2023-24 was 22.9 percent of its total revenue. From FY 2022-23 through FY 2023-24, revenue from Student Tuition and Fees reported in UW System's financial statements increased by 4.5 percent. This increase is due, in part, to increases in tuition and fees approved by the Board in March 2023 and a 1.1 percent increase in UW System's total enrollment during fall 2023.

Table 1

**UW System Revenue<sup>1</sup>**  
(in millions)

Financial Statement Account	FY 2022-23	FY 2023-24	Percentage Change
Student Tuition and Fees <sup>2</sup>	\$1,523.8	\$1,592.7	4.5%
Grants and Contracts	1,400.2	1,556.1	11.1
State Appropriations <sup>3</sup>	1,026.4	1,135.1	10.6
Gifts	512.3	567.9	10.9
Other Operating Revenue	466.5	468.8	0.5
Sales and Services of Auxiliary Enterprises <sup>2</sup>	444.8	470.5	5.8
Sales and Services of Educational Activities	377.8	439.2	16.3
Capital Appropriations	206.2	183.0	(11.3)
Net Investment Income/(Loss)	56.2	170.8	203.9
Federal Pell Grants	140.9	159.9	13.5
Capital Grants and Gifts	15.9	85.8	439.6
Other Nonoperating Revenue	81.5	59.8	(26.6)
Sales and Services to UW Hospital and Clinics Authority	52.7	56.3	6.8
Coronavirus Federal Grants and Aid	26.3	24.9	(5.3)
Additions to Permanent Endowment	5.4	2.9	(46.3)
Student Loan Interest Income and Fees	2.2	2.2	–
<b>Total</b>	<b>\$6,339.1</b>	<b>\$6,975.9</b>	<b>10.0</b>

<sup>1</sup> On a GAAP basis.

<sup>2</sup> Excludes scholarships and fellowships applied to student accounts.

<sup>3</sup> Excludes general purpose revenue (GPR) appropriated to UW System for debt service payments.

Grants and Contracts totaled \$1.6 billion in FY 2023-24 and accounted for 22.3 percent of UW System's total revenue, and included amounts from federal agencies, other state agencies, Wisconsin municipalities, and other nonfederal entities. From FY 2022-23 through FY 2023-24, Grants and Contracts increased by \$155.9 million, or by 11.1 percent.

**State Appropriations  
totaled \$1.1 billion  
FY 2023-24.**

Except for general purpose revenue (GPR) appropriated to UW System for its debt service payments, the GPR that UW System received was reported on UW System's financial statements as State Appropriations. In FY 2023-24, State Appropriations totaled \$1.1 billion and accounted for 16.3 percent of total revenues. From FY 2022-23 through FY 2023-24, State Appropriations increased by \$108.7 million, or by 10.6 percent.

UW System reported Gifts revenue totaling \$567.9 million during FY 2023-24, which was an increase of 10.9 percent compared to the prior year. In addition, Capital Grants and Gifts revenue, which is related to private funding received for construction projects, increased \$69.9 million during FY 2023-24 largely due to receipt of private funds for a new computer science academic facility at UW-Madison.

***Certain revenues pertaining to student activities increased during FY 2023-24.***

UW System also reported further increases during FY 2023-24 in several other revenue accounts pertaining to student activities, including:

- Sales and Services of Auxiliary Enterprises, which included revenue received for services such as student housing and food service, totaled \$470.5 million and increased by 5.8 percent from FY 2022-23 to FY 2023-24;
- Sales and Services of Educational Activities, which included revenue received from the sales of goods or services that were incidental to the primary function of UW System, such as textbook rentals, laboratory fees, scientific and literary publications, and public service programs, totaled \$439.2 million and increased by 16.3 percent from FY 2022-23 to FY 2023-24; and
- Other Operating Revenue, which included revenue from intercollegiate athletics, student health services, child care centers, and certain administrative services, totaled \$468.8 million and increased by 0.5 percent from FY 2022-23 to FY 2023-24.

## **Expenses**

***From FY 2022-23 to FY 2023-24, salaries expense for UW employees increased 8.1 percent.***

As shown in Table 2, UW System expenses increased from \$6.4 billion in FY 2022-23 to \$6.6 billion in FY 2023-24, or by 3.7 percent. Total Salary and Fringe Benefits was UW System's largest expense and totaled \$4.2 billion, or 63.6 percent of its total expenses in FY 2023-24. From FY 2022-23 to FY 2023-24, salaries expense for UW employees increased 8.1 percent and totaled \$3.2 billion. The increase in salaries expense is attributable, in part, to general wage adjustments, and an increase in the number of employees. Additional information on UW institution salaries is included in the following chapter.

Table 2

**UW System Expenses<sup>1</sup>**  
(in millions)

Financial Statement Account	FY 2022-23	FY 2023-24	Percentage Change
Salaries	\$2,918.2	\$3,155.8	8.1%
Fringe Benefits	1,006.8	1,119.0	11.1
Fringe Benefits Related to Noncash Pension and OPEB	198.5	(48.1)	(124.2)
<b>Total Salary and Fringe Benefits</b>	<b>4,123.5</b>	<b>4,226.7</b>	<b>2.5</b>
Supplies and Services	1,461.7	1,513.8	3.6
Depreciation and Amortization	440.6	475.9	8.0
Scholarships and Fellowships	192.7	205.7	6.7
Transfer to State Agencies	99.0	113.8	14.9
Interest Expense on Capital Asset-Related Debt	59.9	53.2	(11.2)
Other Operating Expenses	18.7	41.7	123.0
Loss on Disposal of Capital Assets	1.7	1.9	11.8
<b>Total</b>	<b>\$6,397.8</b>	<b>\$6,632.7</b>	<b>3.7</b>

<sup>1</sup> On a GAAP basis.

From FY 2022-23 to FY 2023-24, Fringe Benefits Related to Noncash Pension and Other Postemployment Benefits (OPEB) decreased by \$246.6 million, or by 124.2 percent. UW System's pension expense decreased primarily because of a reduction in the net pension liability reported for FY 2023-24 due to an increase in the value of the investments of the Wisconsin Retirement System (WRS) from December 2022 to December 2023. As a participating employer in the WRS, UW System is required to report its proportionate share of the net pension asset or liability. We described the net pension liability of the WRS in report 24-12. UW System also participates in three OPEB programs: Retiree Health Insurance, Retiree Life Insurance, and the Supplemental Health Insurance Conversion Credit program. We described these programs in report 24-10, report 24-14, and report 24-17, respectively.

***During FY 2023-24, Supplies and Services expenses totaled \$1.5 billion.***

Other significant UW System expenses included those related to the purchase of supplies and services, depreciation and amortization on capital assets, and scholarships and fellowships. In FY 2023-24, Supplies and Services expenses totaled \$1.5 billion and represented 22.7 percent of total expenses. Scholarships and Fellowships expenses increased by \$13.0 million, or 6.7 percent, in FY 2023-24.

## Debt Service Costs

As it does for other state agencies, the State of Wisconsin issues debt on behalf of UW System. The proceeds of this debt are used to acquire or build facilities and other capital assets. Debt on academic facilities is repaid using GPR appropriated to UW System for that purpose. Debt on other facilities, such as residence halls, is repaid using program revenue generated by payments from users of these facilities.

In FY 2023-24, GPR-funded debt service payments totaled \$197.7 million, and program revenue-funded debt service payments totaled \$159.6 million. As of June 30, 2024, outstanding GPR-funded debt totaled \$1.5 billion, and outstanding program revenue-funded debt totaled \$1.4 billion.

## Cash and Net Position

UW System maintains cash balances to pay operational costs, such as employee salaries, as they come due and to make incremental payments for long-range projects, such as the construction of new facilities and the performance of other strategic initiatives. UW System, as part of the State's General Fund, invests cash balances in the State Investment Fund (SIF). We described the SIF and its investment performance in report 24-21. As of June 30, 2024, UW System reported cash of \$1.5 billion, which was a decrease of 2.3 percent from the cash reported as of June 30, 2023.

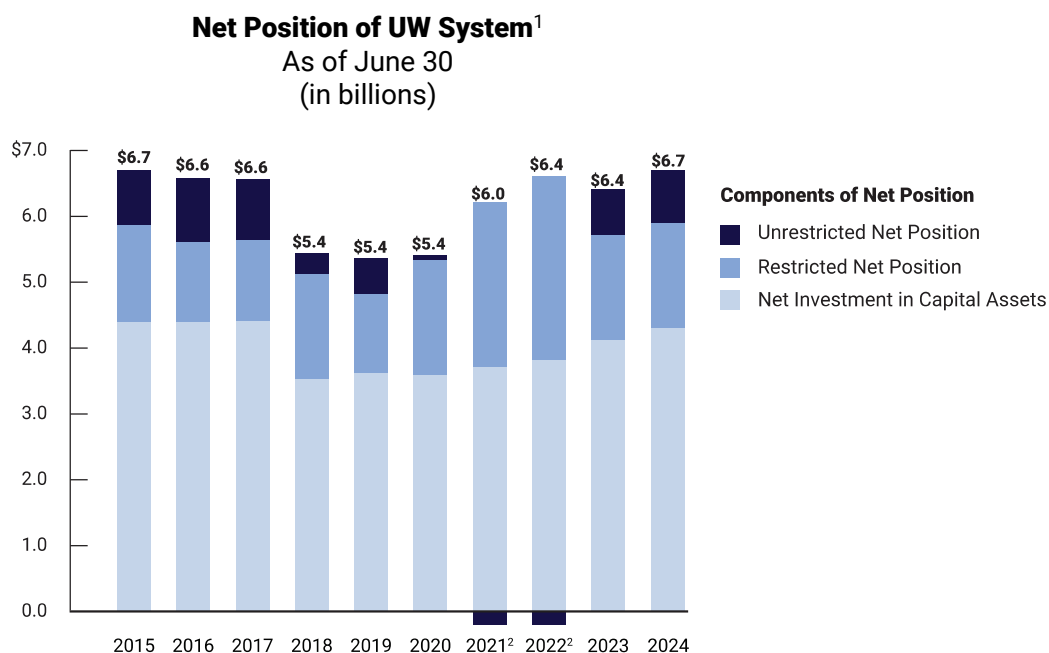
***As of June 30, 2024, UW-Madison had short-term investments totaling \$695.6 million in which its excess cash balances are invested by SWIB outside of the SIF.***

As permitted by s. 36.11 (11m), Wis. Stats., the UW System Office of Trust Funds invests certain excess gift and grant revenue balances in short-term investments outside of the SIF, with the goal to obtain higher investment returns. As of June 30, 2024, these investments for UW-Madison totaled \$695.6 million. The State of Wisconsin Investment Board (SWIB) is the investment manager, and oversight of the investment portfolio included an Investment Committee comprised largely of UW System and UW-Madison officials and an external investment consultant. The investment return for FY 2023-24 was 7.7 percent. In October 2024, UW-Milwaukee also transferred \$10.0 million in funds from the SIF to be invested in this separate investment account, which we described in report 24-21.

***UW System's net position was \$6.7 billion as of June 30, 2024.***

Net position provides a measure of overall financial condition. On a GAAP basis, UW System's net position was \$6.7 billion as of June 30, 2024, and \$6.4 billion as of June 30, 2023, as shown in Figure 1. In addition, the consolidated net assets of the related UW institution foundations, which is reported separately, totaled \$6.4 billion as of June 30, 2024, and \$5.7 billion as of June 30, 2023. Although these assets are held for the benefit of UW institutions, UW institutions do not exercise full control over the use of these assets.

Figure 1



<sup>1</sup> On a GAAP basis.

<sup>2</sup> Unrestricted net position was a negative \$155.5 million as of June 30, 2021, and negative \$205.7 million as of June 30, 2022, restated, due to the reporting of pension and OPEB activities.

On UW System's financial statements, net position was presented in three components: Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position. Net Investment in Capital Assets, which was the largest component of UW System's net position, represents capital assets, such as buildings and equipment, less accumulated depreciation, and less any related outstanding program revenue-funded debt needed to purchase or construct these capital assets. Net Investment in Capital Assets was \$4.3 billion as of June 30, 2024 and \$4.1 billion as of June 30, 2023.

Restricted Net Position represents amounts that have an external restriction on their use. As of June 30, 2024, the majority of UW System's Restricted Net Position related to amounts that were restricted for endowment funds, gifts, nonfederal grants and contracts, and federal student loans. UW System's Restricted Net Position remained largely unchanged at \$1.6 billion as of June 30, 2024.

***On a GAAP basis,  
UW System's Unrestricted  
Net Position was  
\$846.2 million as of  
June 30, 2024.***

Unrestricted Net Position represents any remaining amounts not otherwise included in Net Investment in Capital Assets or Restricted Net Position. When Unrestricted Net Position is positive, UW System Administration indicated that most of it will be used for academic and research programs and initiatives, and capital programs. On a GAAP basis, Unrestricted Net Position increased from \$726.0 million as of June 30, 2023, to \$846.2 million as of June 30, 2024.

## Information Technology Systems

UW System began an enterprise resource planning effort in 2019, and the Board of Regents approved the Administrative Transformation Program (ATP) in October 2020. The project is anticipated to develop a new, integrated cloud-based enterprise resource planning system to replace the current payroll system (Human Resource System) and the current financial system (Shared Financial System). The estimated \$212.0 million in costs for the project are anticipated to be primarily funded using program revenue sources, including funding from UW-Madison and UW System Administration program revenue balances, which are described in a later chapter.

*UW System plans to implement new information systems in July 2025.*

UW System originally proposed a two-phased implementation approach, which included implementation at UW-Madison in July 2024 followed by a separate implementation at other UW institutions in July 2026. The implementation plan was revised in May 2021 to fully implement the new system at all UW institutions in July 2024. To ensure the integrity and readiness of all UW institutions to implement the new system, in October 2023 the Board of Regents approved a revised implementation date of July 2025. The project is currently in the testing phase.

■ ■ ■ ■



## Number and Salaries of UW Employees

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As noted, total salaries and fringe benefits was UW System's largest expense category in FY 2023-24. Therefore, we determined the extent to which the number and salaries of certain types of UW employees changed from May 2022 to May 2024. The total number of full- and part-time academic staff, faculty, limited appointees, and University staff increased from 33,530 in May 2022 to 35,323 in May 2024 (5.3 percent). In May 2024, UW institutions employed 20,194 academic staff, which was 10.1 percent more than they had employed two years earlier. The median annualized salaries paid to full-time staff over this two-year period increased from \$65,000 to \$71,000 (9.2 percent) for academic staff, from \$89,100 to \$96,500 (8.3 percent) for faculty, and from \$115,900 to \$129,500 (11.7 percent) for limited appointees.

### Number of UW Employees

UW employs individuals in several types of positions, including:

- academic staff, who are professional and administrative employees with duties primarily associated with higher education institutions or their administration, including approximately 30.0 percent of whom have instructional duties;
- University staff, who work in a variety of positions that support UW's operations, such as custodians and electricians, and were formerly known as classified staff;
- faculty, who are professors, associate professors, assistant professors, or instructors, as well as

**12 › NUMBER AND SALARIES OF UW EMPLOYEES**

academic staff designated as faculty by the chancellor and faculty of a given UW institution; and

- limited appointees, who are specially appointed to designated administrative positions and serve at the pleasure of the authorized officials who made the appointments. Employees whose limited appointments end may be able transfer to other positions they hold concurrent to their limited appointments, such as faculty or academic staff positions.

We used UW’s payroll data to determine the numbers of full- and part-time UW employees as of the pay periods that ended on May 7, 2022, and May 18, 2024. We selected these two pay periods because the numbers of UW employees declined considerably in subsequent pay periods and the summer months, when many faculty and academic staff remain UW employees but are not on the payroll because they have nine-month appointments. To provide greater context for salaries expense, our analysis is based on the numbers of UW employees paid in May 2022 and May 2024 rather than the number of authorized UW positions.

***From May 2022 to May 2024, the number of UW employees increased by 5.3 percent.***

As shown in Table 3, the number of UW employees increased from 33,530 in May 2022 to 35,323 in May 2024 (5.3 percent). In May 2024, 57.2 percent of employees were academic staff. UW System Administration indicated the increase in the numbers of academic staff occurred, in part, because over time it shifted certain classified staff positions that became vacant to academic staff positions.

Table 3

**Number of UW Employees, by Type<sup>1</sup>**

Type	May 2022 <sup>2</sup>	May 2024 <sup>3</sup>	Percentage Change
Academic Staff	18,340	20,194	10.1%
University Staff	8,079	7,882	(2.4)
Faculty	5,446	5,437	(0.2)
Limited Appointees	1,665	1,810	8.7
<b>Total</b>	<b>33,530</b>	<b>35,323</b>	<b>5.3</b>

<sup>1</sup> Based on UW payroll data, including full- and part-time employees.

<sup>2</sup> Based on the pay period that ended on May 7, 2022.

<sup>3</sup> Based on the pay period that ended on May 18, 2024.

***From May 2022 to May 2024, the total number of academic staff increased by 10.1 percent.***

As shown in Table 4, the total number of academic staff increased from 18,340 in May 2022 to 20,194 in May 2024 (10.1 percent). UW-Madison employed 13,058 academic staff in May 2024, which was 64.7 percent of all UW academic staff and a 15.6 percent increase since May 2022. Over the two-year period, the number of academic staff increased at nine UW institutions, decreased at four UW institutions, and remained the same at one UW institution.

Table 4

**Number of Academic Staff, by UW Institution<sup>1</sup>**

UW Institution	May 2022 <sup>2</sup>	May 2024 <sup>3</sup>	Percentage Change
Eau Claire	518	576	11.2%
Green Bay	442	467	5.7
La Crosse	564	564	0.0
Madison	11,298	13,058	15.6
Milwaukee	1,872	1,969	5.2
Oshkosh	724	537	(25.8)
Parkside	225	205	(8.9)
Platteville	414	365	(11.8)
River Falls	355	362	2.0
Stevens Point	421	512	21.6
Stout	435	469	7.8
Superior	194	193	(0.5)
Whitewater	529	532	0.6
System Administration	349	385	10.3
<b>Total</b>	<b>18,340</b>	<b>20,194</b>	<b>10.1</b>

<sup>1</sup> Based on UW payroll data, including full- and part-time employees.

<sup>2</sup> Based on the pay period that ended on May 7, 2022.

<sup>3</sup> Based on the pay period that ended on May 18, 2024.

***From May 2022 to May 2024, the total number of faculty decreased by 0.2 percent.***

As shown in Table 5, the total number of faculty decreased from 5,446 in May 2022 to 5,437 in May 2024 (0.2 percent). UW-Madison employed 2,244 faculty in May 2024, which was 41.3 percent of all faculty and an increase of 3.2 percent since May 2022. Over the two-year period, the number of faculty decreased at 10 UW institutions and increased at 3 UW institutions. UW System Administration does not employ faculty.

Table 5

**Number of Faculty, by UW Institution<sup>1</sup>**

UW Institution	May 2022 <sup>2</sup>	May 2024 <sup>3</sup>	Percentage Change
Eau Claire	347	338	(2.6%)
Green Bay	179	187	4.5
La Crosse	356	350	(1.7)
Madison	2,175	2,244	3.2
Milwaukee	645	638	(1.1)
Oshkosh	294	277	(5.8)
Parkside	128	122	(4.7)
Platteville	213	202	(5.2)
River Falls	177	179	1.1
Stevens Point	270	266	(1.5)
Stout	230	213	(7.4)
Superior	84	75	(10.7)
Whitewater	348	346	(0.6)
System Administration	0	0	0.0
<b>Total</b>	<b>5,446</b>	<b>5,437</b>	<b>(0.2)</b>

<sup>1</sup> Based on UW payroll data, including full- and part-time employees.

<sup>2</sup> Based on the pay period that ended on May 7, 2022.

<sup>3</sup> Based on the pay period that ended on May 18, 2024.

***From May 2022 to May 2024, the total number of limited appointees increased by 8.7 percent.***

As shown in Table 6, the total number of limited appointees increased from 1,665 in May 2022 to 1,810 in May 2024 (8.7 percent). UW-Madison employed 775 limited appointees in May 2024, which was 42.8 percent of all UW limited appointees and an increase of 7.6 percent since May 2022. Over the two-year period, the number of limited appointees increased at 10 UW institutions and decreased at 4 UW institutions.

Table 6

**Number of Limited Appointees, by UW Institution<sup>1</sup>**

UW Institution	May 2022 <sup>2</sup>	May 2024 <sup>3</sup>	Percentage Change
Eau Claire	119	116	(2.5)%
Green Bay	74	88	18.9
La Crosse	50	69	38.0
Madison	720	775	7.6
Milwaukee	157	165	5.1
Oshkosh	92	87	(5.4)
Parkside	38	37	(2.6)
Platteville	48	52	8.3
River Falls	50	63	26.0
Stevens Point	90	108	20.0
Stout	62	78	25.8
Superior	39	47	20.5
Whitewater	51	56	9.8
System Administration	75	69	(8.0)
<b>Total</b>	<b>1,665</b>	<b>1,810</b>	<b>8.7</b>

<sup>1</sup> Based on UW payroll data, including full- and part-time employees.

<sup>2</sup> Based on the pay period that ended on May 7, 2022.

<sup>3</sup> Based on the pay period that ended on May 18, 2024.

**Salaries of UW Employees**

We used UW’s payroll data to determine the amounts paid to certain full-time UW employees during the pay periods that ended on May 7, 2022, and on May 18, 2024, and annualized these amounts. We did so because the numbers and types of UW’s employees change throughout a given fiscal year, as do the salaries paid to them, which makes it appropriate to analyze employee salaries based on a given pay period. Our analysis excludes lump-sum payments, such as payments made for merit-based bonuses or housing stipends, and part-time employees such as student employees. We also excluded University staff whose amounts earned represented approximately 13.0 percent of all salaries paid to UW employees in FY 2023-24.

From May 2022 to May 2024, eligible UW employees were approved by the Joint Committee on Employment Relations to receive two general wage adjustments of 2.0 percent in FY 2022-23 and 4.0 percent in FY 2023-24.

## Academic Staff

Based on our analysis, we determined the median annualized salaries of academic staff. One-half of the annualized salaries were above the median, and one-half were below the median.

***From May 2022 to May 2024, the median annualized salary of all full-time academic staff increased by 9.2 percent.***

As shown in Table 7, the median annualized salary of all full-time academic staff increased from \$65,000 in May 2022 to \$71,000 in May 2024 (9.2 percent). In May 2024, the median annualized salary at a given UW institution ranged from a high of \$77,700 at UW System Administration to a low of \$54,200 at UW-Stout. The average annualized salary of all full-time academic staff in May 2024 was \$76,600.

Table 7

### Annualized Median Salaries for Full-Time Academic Staff, by UW Institution<sup>1</sup>

UW Institution	May 2022 <sup>2</sup>	May 2024 <sup>3</sup>	Percentage Change
Eau Claire	\$57,200	\$60,000	4.9%
Green Bay	53,000	57,200	7.9
La Crosse	52,800	55,300	4.7
Madison	69,600	77,400	11.2
Milwaukee	60,200	63,900	6.1
Oshkosh	53,000	57,600	8.7
Parkside	53,500	57,600	7.7
Platteville	51,300	54,900	7.0
River Falls	54,100	56,300	4.1
Stevens Point	53,500	55,100	3.0
Stout	52,800	54,200	2.7
Superior	49,100	54,600	11.2
Whitewater	55,100	59,000	7.1
System Administration	73,300	77,700	6.0
Overall	\$65,000	\$71,000	9.2%

<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 7, 2022.

<sup>3</sup> Based on the pay period that ended on May 18, 2024.

Table 8 shows the lowest and highest annualized salaries of full-time academic staff in May 2024. Among all UW institutions, the lowest annualized salary was \$28,200 at UW-Milwaukee, and the highest was \$443,300 at UW-Madison.

Table 8  
**Lowest and Highest Annualized Salaries for Full-Time Academic Staff, by UW Institution<sup>1</sup>**  
 May 2024<sup>2</sup>

UW Institution	Lowest Salary	Highest Salary
Eau Claire	\$35,400	\$114,100
Green Bay	29,900	128,000
La Crosse	35,600	142,000
Madison	36,500	443,300
Milwaukee	28,200	184,800
Oshkosh	37,300	116,600
Parkside	35,000	107,600
Platteville	30,000	129,800
River Falls	39,200	101,300
Stevens Point	32,200	126,400
Stout	33,100	107,200
Superior	38,700	98,600
Whitewater	32,600	123,000
System Administration	41,600	202,600

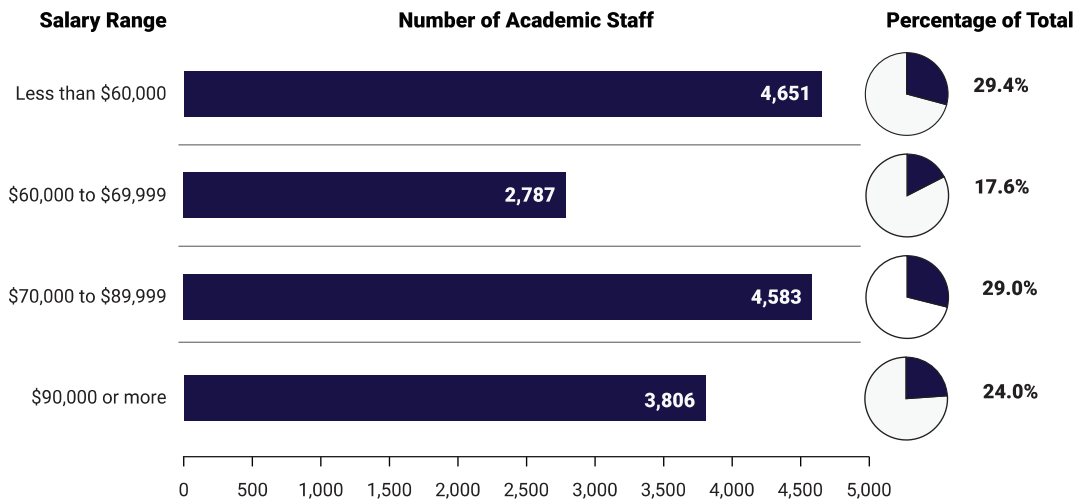
<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 18, 2024.

As shown in Figure 2, 29.4 percent of full-time academic staff had annualized salaries that were less than \$60,000 in May 2024, while 24.0 percent had annualized salaries of \$90,000 or more.

Figure 2

**Annualized Salary Ranges for Full-Time Academic Staff<sup>1</sup>**  
 May 2024<sup>2</sup>



**Total: 15,827**

<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 18, 2024.

**Faculty**

***From May 2022 to May 2024, the median annualized salary of all full-time faculty increased by 8.3 percent.***

As shown in Table 9, the median annualized salary of all full-time faculty increased from \$89,100 in May 2022 to \$96,500 in May 2024 (8.3 percent). In May 2024, the median annualized salary at a given UW institution ranged from a high of \$153,200 at UW-Madison to a low of \$66,000 at UW-Superior. The average annualized salary of all full-time faculty in May 2024 was \$118,200. UW System Administration does not employ faculty.



Table 9

**Annualized Median Salaries for Full-Time Faculty, by UW Institution<sup>1</sup>**

UW Institution	May 2022 <sup>2</sup>	May 2024 <sup>3</sup>	Percentage Change
Eau Claire	\$77,700	\$82,500	6.2%
Green Bay	65,400	69,800	6.7
La Crosse	70,300	73,600	4.7
Madison	140,600	153,200	9.0
Milwaukee	89,100	93,200	4.6
Oshkosh	69,200	77,600	12.1
Parkside	66,100	70,500	6.7
Platteville	71,100	75,200	5.8
River Falls	74,700	79,000	5.8
Stevens Point	66,300	70,500	6.3
Stout	73,500	77,700	5.7
Superior	62,300	66,000	5.9
Whitewater	70,300	75,200	7.0
Overall	\$89,100	\$96,500	8.3%

<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 7, 2022.

<sup>3</sup> Based on the pay period that ended on May 18, 2024.

Table 10 shows the lowest and highest annualized salaries of full-time faculty in May 2024. Among all UW institutions, the lowest annualized salary was \$48,300 at UW-Platteville, and the highest was \$644,000 at UW-Madison.

Table 10

**Lowest and Highest Annualized Salaries for Full-Time Faculty, by UW Institution<sup>1</sup>**  
 May 2024<sup>2</sup>

UW Institution	Lowest Salary	Highest Salary
Eau Claire	\$52,000	\$161,200
Green Bay	55,000	148,000
La Crosse	53,000	154,500
Madison	56,300	644,000
Milwaukee	49,600	292,300
Oshkosh	55,000	222,000
Parkside	57,500	142,300
Platteville	48,300	160,000
River Falls	57,000	178,700
Stevens Point	51,100	142,200
Stout	57,400	114,700
Superior	55,200	112,900
Whitewater	52,000	178,200

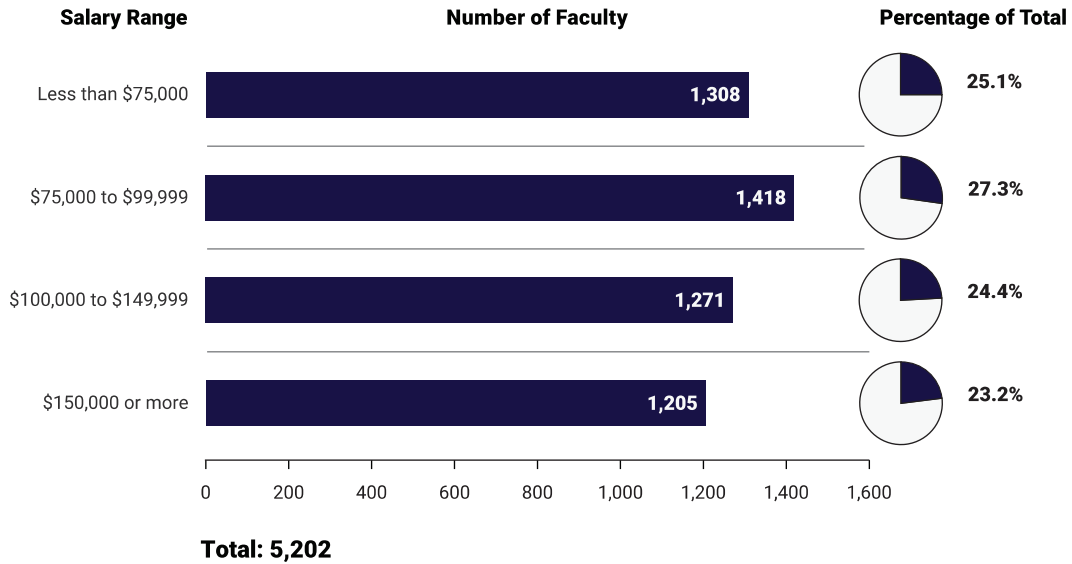
<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 18, 2024.

As shown in Figure 3, 25.1 percent of full-time faculty had annualized salaries that were less than \$75,000 in May 2024, while 23.2 percent had annualized salaries of \$150,000 or more.

Figure 3

**Annualized Salary Ranges for Full-Time Faculty<sup>1</sup>**  
 May 2024<sup>2</sup>



<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 18, 2024.

**Limited Appointees**

***From May 2022 to May 2024, the median annualized salary of all full-time limited appointees increased by 11.7 percent.***

As shown in Table 11, the median annualized salary of all full-time limited appointees increased from \$115,900 in May 2022 to \$129,500 in May 2024 (11.7 percent). In May 2024, the median annualized salary at a given UW institution ranged from a high of \$150,000 at UW-Madison to a low of \$86,800 at UW-Superior. We also determined that the average annualized salary of all full-time limited appointees in May 2024 was \$146,200.

Table 11

**Annualized Median Salaries for Full-Time Limited Appointees, by UW Institution<sup>1</sup>**

UW Institution	May 2022 <sup>2</sup>	May 2024 <sup>3</sup>	Percentage Change
Eau Claire	\$ 94,400	\$ 97,100	2.9%
Green Bay	96,000	100,000	4.2
La Crosse	104,100	100,800	(3.2)
Madison	127,600	150,000	17.6
Milwaukee	113,800	128,200	12.7
Oshkosh	91,200	97,900	7.3
Parkside	103,200	99,100	(4.0)
Platteville	103,500	108,700	5.0
River Falls	93,900	90,200	(3.9)
Stevens Point	89,800	91,900	2.3
Stout	95,500	101,200	6.0
Superior	86,400	86,800	0.5
Whitewater	115,600	124,200	7.4
System Administration	129,500	141,400	9.2
Overall	\$115,900	\$129,500	11.7%

<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 7, 2022.

<sup>3</sup> Based on the pay period that ended on May 18, 2024.

Table 12 shows the lowest and highest annualized salaries of full-time limited appointees in May 2024. Among all UW institutions, the lowest annualized salary was \$25,000 at UW-Platteville, and the highest was \$3.0 million at UW-Madison. With the exception of UW-Madison and UW-La Crosse, the highest annualized salary shown is that of the chancellor. In May 2024, the UW-Madison chancellor's annualized salary was \$795,600, and the UW-La Crosse chancellor's position was vacant.

Table 12

**Lowest and Highest Annualized Salaries for Full-Time Limited Appointees,  
by UW Institution<sup>1</sup>**  
May 2024<sup>2</sup>

UW Institution	Lowest Salary	Highest Salary
Eau Claire	\$36,200	\$ 296,700
Green Bay	34,300	271,100
La Crosse	42,000	273,200
Madison	40,000	3,000,000 <sup>3</sup>
Milwaukee	33,300	479,600
Oshkosh	33,000	298,500
Parkside	40,000	265,000
Platteville	25,000	275,600
River Falls	46,800	296,000
Stevens Point	30,000	281,400
Stout	44,000	292,700
Superior	36,000	287,100
Whitewater	75,600	275,600
System Administration	83,000	572,000

<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 18, 2024.

<sup>3</sup> This salary was paid to the head coach of the UW football team.

In July 2024, the Board of Regents increased the salaries for eight chancellors, effective on June 30, 2024. UW System Administration indicated these increases will help to make salaries competitive with those paid to chancellors at peer institutions of higher education. As a result:

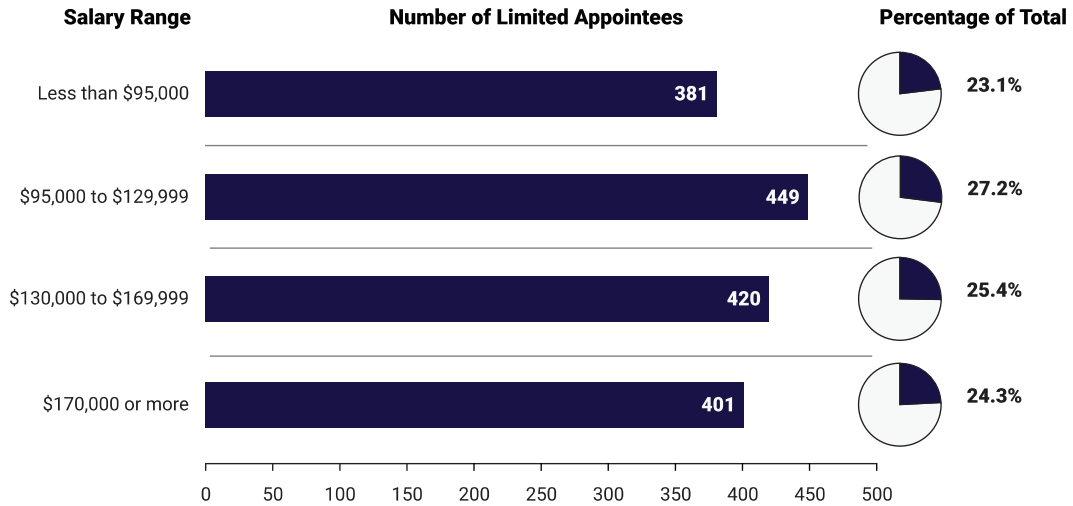
- UW-Madison’s chancellor received a 10.0 percent salary increase;
- the UW-Green Bay, UW-Platteville, UW-Stevens Point, and UW-Whitewater chancellors each received a 5.0 percent salary increase; and
- the UW-Parkside, UW-Stout, and UW-Superior chancellors each received a 2.0 percent salary increase.

24 » NUMBER AND SALARIES OF UW EMPLOYEES

As shown in Figure 4, 23.1 percent of full-time limited appointees had annualized salaries that were less than \$95,000 in May 2024, while 24.3 percent had annualized salaries of \$170,000 or more.

Figure 4

**Annualized Salary Ranges for Full-Time Limited Appointees<sup>1</sup>**  
May 2024<sup>2</sup>



**Total: 1,651**

<sup>1</sup> Based on UW payroll data.

<sup>2</sup> Based on the pay period that ended on May 18, 2024.



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## Program Revenue Balances Reporting

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UW System receives program revenue from sources such as tuition; auxiliary operations, which include fees charged for student housing and food service; federal revenue; and gifts. Board of Regents policy requires UW System Administration to annually report fiscal year-end program revenue balances to the Board of Regents. We performed a limited review of the FY 2023-24 *Report on Program Revenue Balances by Institution and Level of Commitment* (program revenue balances report), which was approved by the Board of Regents in December 2024. We found that unrestricted program revenue balances as of June 30, 2024, were \$1.1 billion on a budgetary basis, or 1.4 percent less than they were as of June 30, 2023. Unrestricted program revenue balances increased at 7 of the 14 UW institutions as of June 30, 2024. The 14 UW institutions prepared a total of 42 spending plans, and 3 savings plans were required by three UW institutions.

### **Program Revenue Balances as of June 30, 2024**

***UW System Administration annually reports program revenue balances to the Board of Regents in its program revenue balances report.***

As required by Board of Regents policy, UW System Administration annually reports program revenue balances to the Board of Regents in its program revenue balances report. UW System receives program revenue from sources such as tuition; auxiliary operations, which include fees charged for student housing and food service; federal revenue; and gifts. Program revenue balances are reported for four restricted program revenue sources: gifts, nonfederal grants and contracts, federal grants and contracts, and other restricted program revenue sources. Program revenue balances are reported for five program revenue sources that do not have restrictions on their use (unrestricted): tuition, auxiliary operations, general operations, federal indirect cost reimbursement, and other unrestricted program revenue sources. Tuition balances support the academic mission such as faculty salaries, academic or research

software, and student advising. Auxiliary operations are managed as self-sufficient activities and include a number of disparate activities related to goods or services to students, staff, and faculty for a directly related fee.

Based on recommendations we made in report 20-7, and beginning in FY 2020-21, UW System Administration modified reporting of auxiliary operations program revenue balances to require UW institutions to categorize only positive balances within auxiliary operations. The tables and figures within this report consistently report negative auxiliary operations program balances removed for FY 2020-21 through FY 2023-24. As a result, these amounts differ from the amounts shown in UW System's program revenue balances report. In FY 2023-24, UW System reported a negative program revenue balance in tuition for an institution and categorized this negative balance in its report. We have also shown the negative tuition balance in the tables and figures within this report and footnoted the amounts, where applicable.

In FY 2020-21, and in response to a second recommendation in report 20-7, UW System Administration also began reporting with auxiliary operations those funds that were set aside for debt service related to auxiliary operations. In prior years, UW System Administration reported these funds with other unrestricted program revenue.

***On a budgetary basis,  
UW System's total program  
revenue balance was  
\$1.6 billion as of  
June 30, 2024.***

On a budgetary basis, UW System's total program revenue balance as of June 30, 2024, was \$1.6 billion of which \$1.1 billion was unrestricted, as shown in Table 13. The total program revenue balance decreased from \$1,596.9 million as of June 30, 2023, to \$1,582.9 million as of June 30, 2024, or by 0.9 percent. Unrestricted program revenue balances as of June 30, 2024, were \$1,081.3 million, or 1.4 percent less than they were as of June 30, 2023.



Table 13

**UW System Total Program Revenue Balance<sup>1</sup>**  
 As of June 30  
 (in millions)

	Restricted <sup>2</sup>	Unrestricted <sup>3,4</sup>	Total	Percentage Change
2020	\$452.6	\$ 773.2	\$1,225.8	(8.2)%
2021	509.8	977.3	1,487.1	21.3 <sup>5</sup>
2022	531.1	1,105.9	1,637.0	10.1 <sup>5</sup>
2023	500.4	1,096.5	1,596.9	(2.4)
2024	501.6	1,081.3 <sup>6</sup>	1,582.9	(0.9)

<sup>1</sup> On a budgetary basis.

<sup>2</sup> Includes four program revenue sources that have restrictions on their use: gifts, nonfederal grants and contracts, federal grants and contracts, and other restricted program revenue sources.

<sup>3</sup> Includes five program revenue sources that do not have restrictions on their use: tuition, auxiliary operations, general operations, federal indirect cost reimbursement, and other unrestricted program revenue sources.

<sup>4</sup> Since FY 2020-21, unrestricted program revenue balances are shown with negative balances removed, except for tuition program revenue.

<sup>5</sup> The total program revenue balance increased in this year, in part, due to \$517.9 million in federal funding allocated to UW System by the Higher Education Emergency Relief Fund between March 2020 and June 2021 to assist with the public health emergency.

<sup>6</sup> This includes a \$6.2 million negative tuition program revenue balance reported by UW-Oshkosh as of June 30, 2024.

**Unrestricted Program Revenue Balances**

***From June 30, 2023, to June 30, 2024, unrestricted program revenue balances increased at seven UW institutions and declined at seven UW institutions.***

Unrestricted program revenue balances vary by institution. As shown in Table 14, UW institution unrestricted program revenue balances ranged from \$1.1 million at UW-Oshkosh to \$486.9 million at UW-Madison as of June 30, 2024. From June 30, 2023, to June 30, 2024, unrestricted program revenue balances increased at 7 of 14 UW institutions and declined at 7 UW institutions. Appendix 2 shows each UW institution’s annual program revenue balances from June 30, 2014, through June 30, 2024.

Table 14

**Unrestricted Program Revenue Balances, by Institution**<sup>1,2</sup>  
As of June 30<sup>3,4</sup>  
(in millions)

Institution	2020	2021	2022	2023	2024	Percentage Change from 2023 to 2024
La Crosse	\$ 29.8	\$ 35.8	\$ 36.0	\$ 43.7	\$ 51.1	16.7%
Platteville	18.7	24.8	28.0	23.6	27.3	15.8
Systemwide <sup>5</sup>	88.8	120.8	82.4	101.5	111.3	9.7
Eau Claire	52.4	68.4	63.9	60.3	65.8	9.1
Whitewater	24.7	45.4	61.0	59.8	64.1	7.2
Green Bay	32.5	39.9	46.0	39.8	41.4	4.1
Superior	8.6	12.4	14.1	12.1	12.5	3.3
Madison	325.2	361.7	469.9	496.7	486.9	(2.0)
Stevens Point	17.9	43.3	58.2	58.2	54.7	(6.0)
Parkside	12.0	16.8	17.3	9.3	8.7	(6.7)
Milwaukee	105.0	123.9	141.3	127.6	110.4	(13.5)
River Falls	18.6	30.0	34.8	27.5	23.7	(14.0)
Stout	10.3	22.0	32.7	28.8	22.3	(22.6)
Oshkosh	20.5	32.1	20.3	7.6	1.1 <sup>6</sup>	(85.3)
System Administration <sup>7</sup>	8.2	-	-	-	-	-
<b>Total</b>	<b>\$773.2</b>	<b>\$977.3</b>	<b>\$1,105.9</b>	<b>\$1,096.5</b>	<b>\$1,081.3</b>	<b>(1.4)</b>

<sup>1</sup> On a budgetary basis.

<sup>2</sup> Includes five program revenue sources that do not have restrictions on their use: tuition, auxiliary operations, general operations, federal indirect cost reimbursement, and other unrestricted program revenue sources.

<sup>3</sup> As adjusted by allocations to UW institutions from UW Systemwide accounts.

<sup>4</sup> Reflects unrestricted program revenue balances with negative balances removed. This includes negative division-level auxiliary balances and other negative balances in other program revenue sources.

<sup>5</sup> Accounts maintained by UW System Administration for the benefit of all UW institutions.

<sup>6</sup> This includes a negative \$6.2 million tuition program revenue balance reported by UW-Oshkosh as of June 30, 2024.

<sup>7</sup> The UW System Administration business unit was consolidated into Systemwide in FY 2020-21.

The largest percentage increase in unrestricted program revenue balances as of June 30, 2024, was at UW-La Crosse, which reported an increase of 16.7 percent. The largest dollar increase in unrestricted program revenue balances was at Systemwide where the balance increased by \$9.8 million (9.7 percent) from June 30, 2023, to June 30, 2024. Systemwide resources are maintained by UW System Administration for the benefit of all UW institutions.

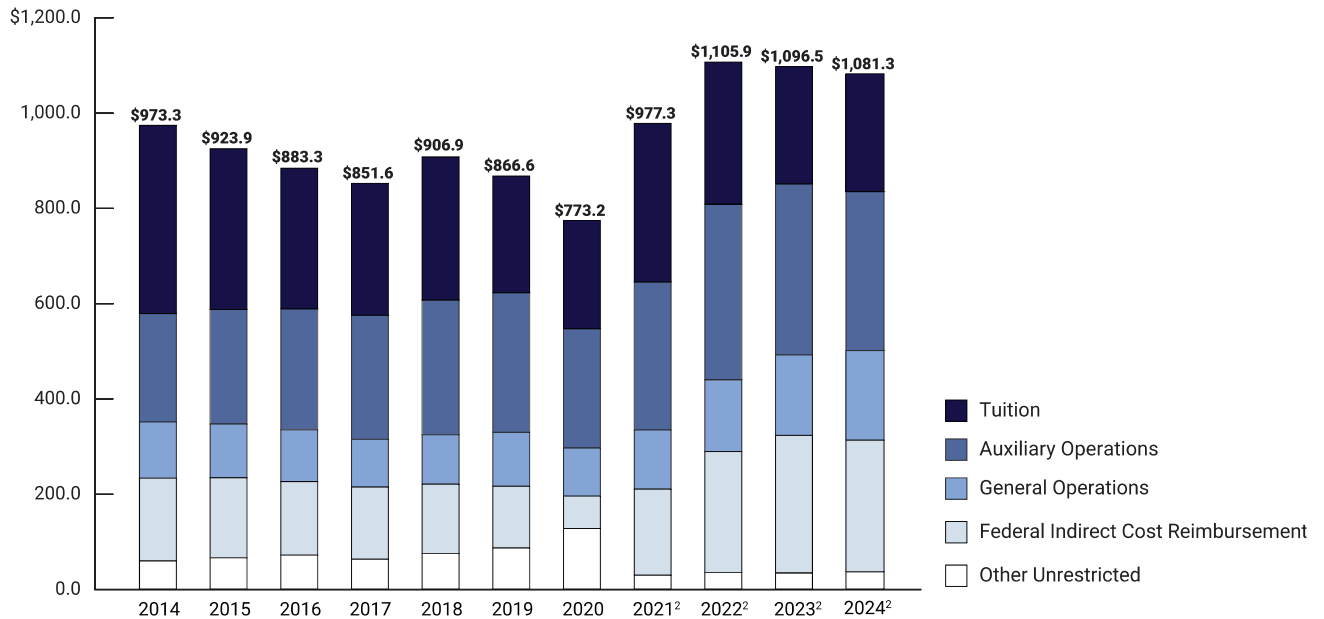
## Program Revenue Sources

**Unrestricted program revenue balances were \$1,081.3 million as of June 30, 2024.**

As shown in Figure 5, unrestricted program revenue balances declined slightly from \$1,096.5 million as of June 30, 2023, to \$1,081.3 million as of June 30, 2024. A decline in auxiliary program revenue balances of 6.9 percent and a decline in indirect cost reimbursement program revenue balances of 4.2 percent was partially offset by an increase in tuition program revenue balances (0.3 percent) and general operations program revenue balances (11.4 percent).

Figure 5

**Unrestricted Program Revenue Balances, by Program Revenue Source<sup>1,2</sup>**  
As of June 30  
(in millions)



<sup>1</sup> On a budgetary basis.

<sup>2</sup> As a result of a change to Board of Regents policies, the amounts since June 30, 2021 exclude division level auxiliary operations balances that were negative at year-end. We also excluded other negative program revenue balances, except those for tuition program revenues. As a result, the total includes a \$6.2 million negative tuition program revenue balance reported by UW Oshkosh as of June 30, 2024. In addition, debt service payments prior to June 30, 2021, were reported as other unrestricted and subsequently are reported in auxiliary operations.

**According to UW System enrollment data, systemwide enrollment increased slightly in each of the last two years.**

Tuition program revenue balances had declined in recent years, in part, from declining enrollment at most UW institutions. For example, based on UW System enrollment data, systemwide enrollment declined by 19,000 students, or by 10.6 percent, from 2013 through 2022. However, based on UW enrollment data, enrollment increased 1.1 percent in fall 2023 and increased 1.2 percent in fall 2024.

**30 › PROGRAM REVENUE BALANCES REPORTING**

*The Board of Regents approved tuition rate increases for fall 2023 and fall 2024.*

Between 2014 and 2021, the Board of Regents had been prohibited from increasing resident undergraduate tuition. In March 2023 and March 2024, the Board of Regents approved tuition and fee increases. According to UW System Administration, the approved tuition and fee increases were anticipated to be an average of 4.9 percent for a resident undergraduate student beginning in fall 2023 and 4.4 percent for fall 2024. In addition to slight enrollment increases and resident undergraduate tuition increases, tuition program revenue balances at certain UW institutions also benefited from changes enacted in 2023 Wisconsin Act 103, which permitted UW System to retain Minnesota reciprocity funding instead of transferring it to the State’s General Fund.

*UW System total tuition program revenue balances increased 0.3 percent during FY 2023-24.*

As shown in Table 15, total tuition program revenue balances increased 0.3 percent during FY 2023-24, which included increases at all UW institutions except UW-Eau Claire, UW-Milwaukee, UW-Oshkosh, UW-Parkside, and UW-River Falls.

Table 15

**Tuition Program Revenue Balances, by Institution<sup>1</sup>**  
As of June 30<sup>2</sup>  
(in millions)

Institution	2020	2021	2022	2023	2024	Percentage Change from 2023 to 2024
Platteville	\$ 7.8	\$ 10.2	\$ 9.5	\$ 6.0	\$ 10.9	81.7%
Superior	4.9	7.8	7.9	6.4	7.7	20.3
La Crosse	4.8	11.6	12.0	11.1	12.9	16.2
Systemwide <sup>3</sup>	64.3	73.6	24.2	33.1	37.0	11.8
Stevens Point	7.1	15.1	20.8	18.9	20.9	10.6
Whitewater	2.9	18.9	30.2	29.8	32.9	10.4
Stout	(0.1)	5.6	9.1	6.6	7.1	7.8
Green Bay	12.3	16.1	14.9	7.7	8.1	5.2
Madison	50.1	55.9	50.6	52.7	53.1	0.8
Parkside	8.7	11.2	10.8	4.9	4.9	0.0
Milwaukee	29.1	46.0	47.8	33.7	30.3	(10.1)
Eau Claire	15.1	25.7	26.7	22.1	19.5	(11.8)
River Falls	9.5	15.4	17.0	9.9	8.3	(16.2)
Oshkosh	10.8	20.1	16.8	3.8	(6.2) <sup>4</sup>	(262.2)
<b>Total</b>	<b>\$227.3</b>	<b>\$333.2</b>	<b>\$298.3</b>	<b>\$246.7</b>	<b>\$247.4</b>	<b>0.3</b>

<sup>1</sup> On a budgetary basis.

<sup>2</sup> As adjusted by allocations to UW institutions from UW Systemwide accounts.

<sup>3</sup> Accounts maintained by UW System Administration for the benefit of all UW institutions. Includes amounts reported prior to FY 2020-21 that were separately reported in the UW System Administration business unit.

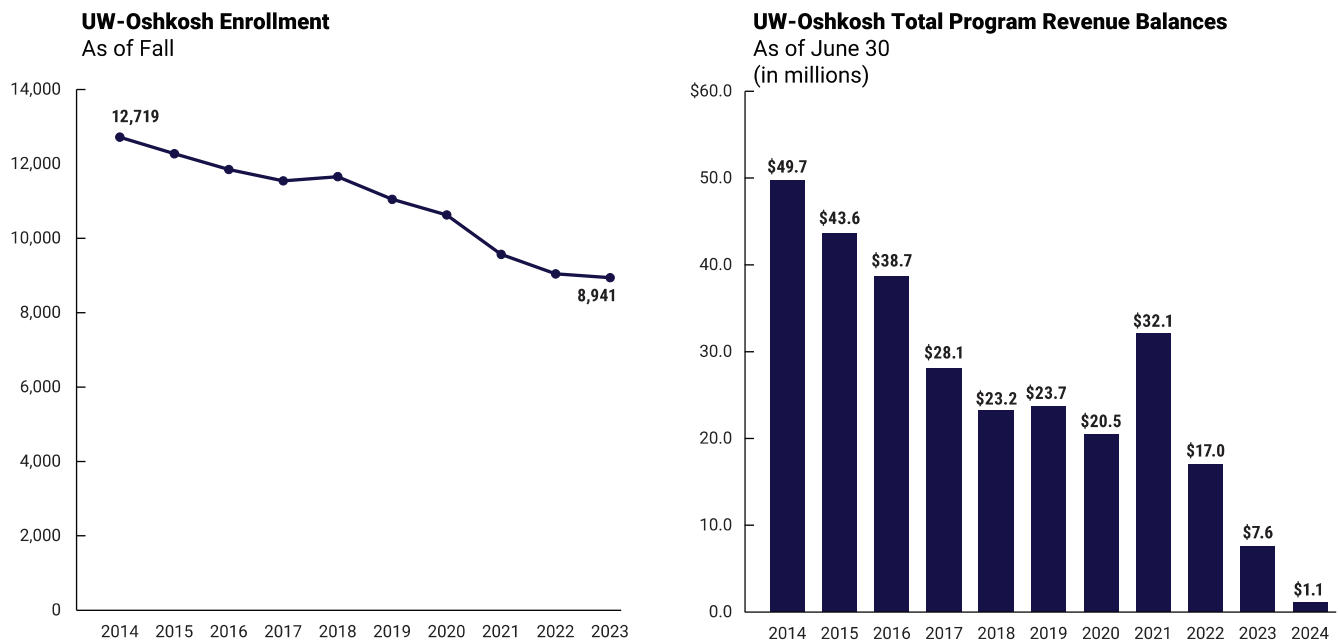
<sup>4</sup> UW-Oshkosh reported a \$6.2 million negative balance and, as a result, had no tuition program revenue balances as of June 30, 2024.

As was shown in Table 15, UW-Oshkosh had exhausted its tuition program revenue balance at the end of FY 2023-24 and reported a negative balance of \$6.2 million. To address the negative balance, and as required by Board of Regents policy, UW-Oshkosh submitted a savings plan that referenced implementation of its realignment plan, including the use of furloughs and a voluntary employee retirement program to reduce expenses. UW-Oshkosh also ended in-person instruction at the UW-Oshkosh Fond du Lac campus in June 2024 and plans to close the UW-Oshkosh Fox Cities campus in June 2025.

As shown in Figure 6, UW-Oshkosh’s total unrestricted program revenue balance had steadily declined since 2014 similar to its enrollment.

Figure 6

**Unrestricted Program Revenue Balances for UW-Oshkosh<sup>1</sup>**



<sup>1</sup> On a budgetary basis, excludes negative program revenue balances reported since June 30, 2021, in program revenue balances other than tuition program revenue. The total includes a negative \$6.2 million tuition program revenue balance reported for UW-Oshkosh as of June 30, 2024.

Five other UW institutions also developed realignment plans based on projections that a deficit existed at the time the FY 2024-25 budget was developed. According to UW System Administration, these institutions anticipate that the deficits will be resolved by June 30, 2026. According to updated FY 2024-25 budget projections presented to the Board of Regents in December 2024, three of the five institutions that submitted

realignment plans noted improvements in the deficits each had projected for tuition program revenues.

In addition, in June 2023 UW System Administration contracted with a consultant at a cost of \$2.8 million to evaluate the financial health of each UW institution, except UW-Madison. Results of the review for UW System Administration were presented to the Board of Regents in December 2024.

## **Levels of Commitment for Program Revenue Balances**

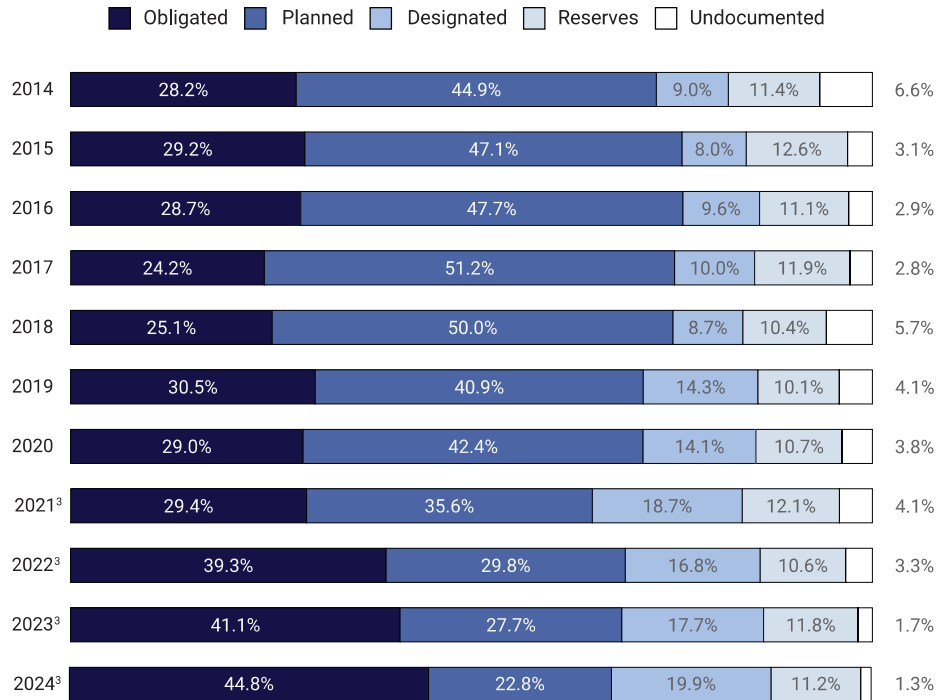
*Program revenue balances are categorized according to the level of commitment for which funds are to be used.*

Board of Regents policy requires that reported year-end unrestricted balances be categorized according to the level of commitment for which funds are to be used. “Obligated” balances are firm commitments that cannot be easily redistributed, such as encumbrances or signed contracts. “Planned” balances are less committed than obligated balances and are held for a specific purpose as authorized by a chancellor or designee, such as planned financial aid that has not yet been awarded. “Designated” balances are held for purposes related to the original funding source for which there is no documentation or plan. Designated balances include, for example, funds for general operations that often accumulate in advance of known expenses for future years, such as study abroad and athletic camps. “Reserves” are amounts approved in writing by the chancellor or authorized authority to be held for contingencies, such as unexpected enrollment declines, and are based on a dollar value or percentage of revenue. “Undocumented” balances do not have an obligation or plan and may be used for any purpose because there are no funding source requirements.

The percentage of the total unrestricted program revenue balance in each category has fluctuated since UW System Administration prepared the first program revenue balances report for FY 2013-14, as shown in Figure 7. For example, the unrestricted program revenue balance categorized as obligated has ranged from 24.2 percent to 44.8 percent of the total unrestricted program revenue balance from June 30, 2014, through June 30, 2024. The unrestricted program revenue balance categorized as reserved has ranged from a low of 10.1 percent as of June 30, 2019, to a high of 12.6 percent as of June 30, 2015. Appendix 3 shows each UW institution’s program revenue balance by level of commitment and total program revenue balances as of June 30, 2024.

Figure 7

**Unrestricted Program Revenue Balances, by Level of Commitment<sup>1,2</sup>**  
As of June 30



<sup>1</sup> As reported in UW System's reports on program revenue balances by institution and level of commitment.

<sup>2</sup> Includes balances from tuition, auxiliary operations, general operations, federal indirect cost reimbursement, and other unrestricted program revenue.

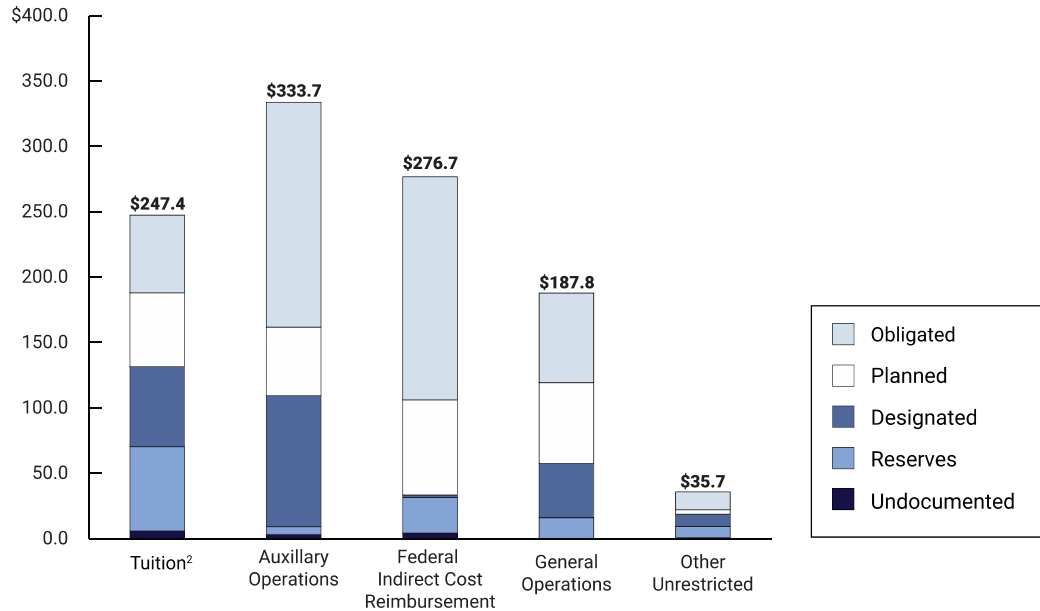
<sup>3</sup> We excluded negative program revenue balances except those for tuition.

***Overall, reserves accounted for 11.2 percent of the total program revenue balances as of June 30, 2024.***

The level of commitment varies by program revenue source, as shown in Figure 8. Most of the auxiliary operations were categorized as obligated or designated. All program revenue sources included balances categorized as reserves. Overall, reserves accounted for 11.2 percent of the total balances as of June 30, 2024. The highest percentage categorized as reserves for a fund source was 26.0 percent for tuition. Auxiliary operations had the lowest percentage categorized as reserves at 1.7 percent.

Figure 8

**Program Revenue Commitments, by Program Revenue Source<sup>1</sup>**  
 As of June 30, 2024  
 (in millions)



<sup>1</sup> As reported in UW System’s FY 2023-24 Report on Program Revenue Balances by Institution and Level of Commitment.

<sup>2</sup> Total reflects unrestricted program revenue balances with negative balances removed, except tuition program revenue for which a negative \$6.2 million for UW-Oshkosh was reported as undocumented.

## UW Institution Spending and Savings Plans

Board of Regents policy requires institutions with positive balances in excess of 12.0 percent of fiscal year expenditures for tuition, auxiliary operations, and other unrestricted program revenue sources to provide a detailed spending plan and additional information for those balances. These detailed spending plans must include the total dollar amounts held, the total amounts set aside for specific upcoming projects by level of commitment, and the time frame for spending completion. These spending plans are included in the annual program revenue balances report.

Since the inception of program revenue balance reporting in FY 2013-14 and through FY 2023-24, UW institutions have prepared 480 spending plans. UW institutions prepared the most spending plans for auxiliary program revenue balances totaling 149, including seven UW institutions reporting a spending plan for auxiliary program revenue balances each year from FY 2013-14 through FY 2023-24. On average, UW institutions prepared 44 spending plans annually. The number of plans prepared ranged from 39 for FY 2019-20 to 50 for FY 2013-14.



As shown in Table 16, the FY 2023-24 program revenue balances report included 42 detailed spending plans for unrestricted balances that exceeded the 12.0 percent limit. All 14 UW institutions submitted a detailed spending plan for at least one unrestricted program revenue source. This included 5 institutions that were required to submit one for each unrestricted program revenue source—UW-Eau Claire, UW-Platteville, UW-Stevens Point, UW-Superior, and UW-Whitewater—5 institutions that were required to submit spending plans for three unrestricted revenue sources, and 3 institutions that were required to submit spending plans for two unrestricted program revenue sources. UW-Madison was required to submit a spending plan for only one unrestricted program revenue source (auxiliary operations).

Table 16

**Required Spending Plans, by Institution**  
FY 2022-23 to FY 2023-24

Spending plan required <sup>1</sup>
 Savings plan required <sup>2</sup>
 No spending plan required

Institution	Tuition		Auxiliary Operations		General Operations		Other Unrestricted Program Revenue	
	2023 <sup>3</sup>	2024 <sup>4</sup>	2023 <sup>3</sup>	2024 <sup>4</sup>	2023 <sup>3</sup>	2024 <sup>4</sup>	2023 <sup>3</sup>	2024 <sup>4</sup>
Eau Claire	■	■	■	■	■	■	■	■
Green Bay	■	■	■	■	■	■	■	■
La Crosse	■	■	■	■	■	■	■	■
Madison	■	■	■	■	■	■	■	■
Milwaukee	■	■	■	■	■	■	■	■
Oshkosh	■	■	■	■	■	■	■	■
Parkside	■	■	■	■	■	■	■	■
Platteville	■	■	■	■	■	■	■	■
River Falls	■	■	■	■	■	■	■	■
Stevens Point	■	■	■	■	■	■	■	■
Stout	■	■	■	■	■	■	■	■
Superior	■	■	■	■	■	■	■	■
Systemwide <sup>5</sup>	■	■	■	■	■	■	■	■
Whitewater	■	■	■	■	■	■	■	■

<sup>1</sup> Required when the ratio of the balance to total expenditures exceeds 12.0 percent. For auxiliary operations, the 12.0 percent calculation is made prior to removing any division-level negative balances.

<sup>2</sup> Required when the balance in tuition or auxiliary operations is negative. There were no required savings plans for FY 2022-23.

<sup>3</sup> As reported in UW System’s FY 2022-23 *Report on Program Revenue Balances by Institution and Level of Commitment*.

<sup>4</sup> As reported in UW System’s FY 2023-24 *Report on Program Revenue Balances by Institution and Level of Commitment*.

<sup>5</sup> Accounts maintained by UW System Administration for the benefit of all UW institutions.

**36 › PROGRAM REVENUE BALANCES REPORTING**

Board of Regents policy also requires each institution with a negative balance in tuition or auxiliary operations to submit a savings plan on how and when it will eliminate the negative balance. Three institutions were required to submit a savings plan in FY 2023-24. As noted, UW-Oshkosh completed a savings plan for its negative tuition program revenue balance. UW-Parkside and UW-Stout each reported negative balances that were less than \$1.0 million in auxiliary operations and that the negative balances were temporary in nature.

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# Auditor's Report

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## Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters

Senator Eric Wimberger and  
Representative Robert Wittke, Co-chairpersons  
Joint Legislative Audit Committee

Members of the University of Wisconsin Board of Regents, and  
Mr. Jay O. Rothman, President  
University of Wisconsin System

We have audited the financial statements and the related notes of the University of Wisconsin (UW) System, which rebranded itself as the Universities of Wisconsin, and its aggregate discretely presented component units as of and for the years ended June 30, 2024, and June 30, 2023. We have issued our report thereon dated December 18, 2024. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, which is issued by the Comptroller General of the United States. The financial statements and related auditor's opinion have been included in UW System's *2024 Annual Financial Report*.

Our report includes a reference to other auditors who audited the financial statements of certain discretely presented component units as described in our report on UW System's financial statements. While the financial statements of the certain discretely presented component units were audited in accordance with auditing standards generally accepted in the United States of America, they were not audited in accordance with *Government Auditing Standards*. Accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with those component units.

### Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audits of the financial statements, we considered UW System's internal control as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UW System's internal control. Accordingly, we do not express an opinion on the effectiveness of UW System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent misstatements or to detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of UW System's financial statements will not be prevented or that a material misstatement will not be detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the financial statements of UW System are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be used when considering UW System's internal control and compliance. The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of UW System's internal control or on compliance. Accordingly, this report is not suitable for any other purpose.

LEGISLATIVE AUDIT BUREAU



December 18, 2024

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## Appendices

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## Appendix 1

### **Members of the UW System Board of Regents**

November 2024

Member	Term
Angela Adams	May 2022 to May 2029
Desmond Adongo	May 2024 to May 2026
Amy Blumenfeld Bogost	May 2020 to May 2027
Evan Brenkus	May 2023 to May 2025
Héctor Colón	May 2020 to May 2025
Haben Goitom	March 2024 to May 2028
Jim Kreuser	May 2023 to May 2030
Edmund Manydeeds III	May 2019 to May 2026
Timothy Nixon	May 2024 to May 2031
Cris Peterson	May 2018 to May 2025
Joan Prince	May 2023 to May 2030
Ashok Rai	May 2021 to May 2028
Jack Salzwedel	May 2024 to May 2031
Amy Traynor	March 2024 to May 2029
Mark Tyler	Ex-officio
Jill Underly	Ex-officio
Karen Walsh	May 2019 to May 2026
Kyle M. Weatherly	May 2020 to May 2027



Appendix 2

**Unrestricted Program Revenue Balances Since Inception, Totals by Institution<sup>1,2</sup>**

As of June 30<sup>3</sup>  
(in millions)

Institution	2014	2015	2016	2017	2018	2019	2020	2021 <sup>4</sup>	2022 <sup>4</sup>	2023 <sup>4</sup>	2024 <sup>4</sup>
Colleges <sup>5</sup>	\$ 25.5	\$ 25.7	\$ 26.1	\$ 22.9	\$ 22.0	\$ 30.7	-	-	-	-	-
Eau Claire	50.3	39.2	43.0	48.1	52.3	52.1	\$ 52.4	\$ 68.4	\$ 63.9	\$ 60.3	\$ 65.8
Extension <sup>5</sup>	27.1	26.0	24.5	22.5	25.4	19.5	-	-	-	-	-
Green Bay	22.2	20.6	20.7	20.6	22.8	28.6	32.5	39.9	46.0	39.8	41.4
La Crosse	76.2	62.5	30.7	29.4	35.3	32.5	29.8	35.8	36.0	43.7	51.1
Madison	386.5	377.3	369.4	336.7	353.6	364.5	325.2	361.7	469.9	496.7	486.9
Milwaukee	84.2	65.1	81.9	88.4	97.2	103.1	105.0	123.9	141.3	127.6	110.4
Oshkosh <sup>6</sup>	49.7	43.6	38.8	28.2	23.2	23.7	20.5	32.1	20.3	7.6	1.1
Parkside	9.1	10.8	14.9	14.2	14.7	14.9	12.0	16.8	17.3	9.3	8.7
Platteville	22.7	25.6	32.3	32.2	33.3	28.5	18.7	24.8	28.0	23.6	27.3
River Falls	19.7	22.2	19.5	21.7	22.3	22.5	18.6	30.0	34.8	27.5	23.7
Stevens Point	39.9	33.5	37.6	22.9	21.7	17.3	17.9	43.3	58.2	58.2	54.7
Stout	11.9	14.1	20.4	25.4	28.6	22.1	10.3	22.0	32.7	28.8	22.3
Superior	(1.9)	2.0	7.7	7.4	7.6	7.7	8.6	12.4	14.1	12.1	12.5
System Administration	11.7	8.7	10.1	11.5	10.2	(5.4)	8.2	-	-	-	-
Systemwide <sup>7</sup>	92.9	105.3	59.6	78.5	101.8	76.3	88.8	120.8	82.4	101.5	111.3
Whitewater	45.6	41.7	46.1	41.0	34.9	28.0	24.7	45.4	61.0	59.8	64.1
<b>Total</b>	<b>\$973.3</b>	<b>\$923.9</b>	<b>\$883.3</b>	<b>\$851.6</b>	<b>\$906.9</b>	<b>\$866.6</b>	<b>\$773.2</b>	<b>\$977.3</b>	<b>\$1,105.9</b>	<b>\$1,096.5</b>	<b>\$1,081.3</b>

<sup>1</sup> On a budgetary basis.

<sup>2</sup> Program revenue sources that do not have restrictions on their use include tuition, auxiliary operations, general operations, federal indirect cost reimbursement, and other unrestricted program revenue sources.

<sup>3</sup> As adjusted by allocations to UW institutions from UW Systemwide accounts.

<sup>4</sup> Total reflects unrestricted program revenues balances with negative division-level auxiliary balances removed. Without removing these negative auxiliary balances, the program revenue balances for FY 2020-21 were \$962.4 million, for FY 2021-22 were \$1,088.0 million, for FY 2022-23 were \$1,081.6 million, and for FY 2023-24 were \$1,063.0 million.

<sup>5</sup> Beginning for the FY 2019-20 program revenue balances reports, UW Colleges and UW-Extension are not reported as separate institutions because, as part of the UW System restructuring, UW Colleges' campuses have become branch campuses to certain four-year institutions and UW-Extension units have transitioned to either UW-Madison or UW System Administration.

<sup>6</sup> In addition to removing any negative auxiliary program revenue balances, the overall total reflects the removal of other negative balances, including those related to general operations, federal indirect funds, and other unrestricted funds for FY 2021-22; negative balances related to general operations and federal indirect funds for FY 2022-23. The total includes a \$6.2 million negative tuition program revenue balance reported by UW-Oshkosh as of June 30, 2024.

<sup>7</sup> Accounts maintained by UW System Administration for the benefit of all UW institutions.



Appendix 3

**Summary of UW System Unrestricted Program Revenue Balances by Level of Commitment<sup>1</sup>**  
 FY 2023-24 Ending Program Revenue Balance

Institution	Obligated	Planned	Designated	Reserves	Undocumented (Discretionary)	Total
Madison	\$ 356,904,424	\$ 39,000,000	\$ 68,550,393	\$ 22,402,484	-	\$ 486,857,301
Administration	19,601,233	43,003,361	45,594,283	2,970,041	\$ 160,205	111,329,123
Milwaukee	19,418,577	23,877,921	32,945,263	34,169,634	-	110,411,395
Eau Claire	20,784,100	23,677,841	17,795,561	2,949,652	579,113	65,786,267
Whitewater	13,146,420	22,587,597	9,004,430	17,066,709	2,268,820	64,073,976
Stevens Point	8,982,553	17,163,154	4,587,368	16,701,599	7,315,384	54,750,058
La Crosse	9,856,862	32,911,872	1,821,818	6,461,017	-	51,051,569
Green Bay	6,042,667	7,289,410	16,975,123	6,881,262	4,260,261	41,448,723
Platteville	5,223,833	3,824,823	11,565,557	3,000,000	3,718,758	27,332,971
River Falls	9,583,233	13,402,081	4,102	680,000	-	23,669,416
Stout	6,237,931	9,249,074	775,657	5,567,062	426,035	22,255,759
Superior	2,616,589	5,273,358	557,211	2,515,000	1,552,916	12,515,074
Parkside	5,222,059	3,031,070	198,600	-	241,837	8,693,566
Oshkosh	609,846	2,464,316	4,130,900	111,364	(6,199,600) <sup>2</sup>	1,116,826
<b>Total</b>	<b>\$484,230,327</b>	<b>\$246,755,878</b>	<b>\$214,506,266</b>	<b>\$121,475,824</b>	<b>\$14,323,729</b>	<b>\$1,081,292,024</b>
	44.8%	22.8%	19.9%	11.2%	1.3%	100.0%

<sup>1</sup> As reported in Appendix 7 of UW System's FY 2023-24 Report on Program Revenue Balances by Institution and Level of Commitment.

<sup>2</sup> In FY 2023-24, UW System reported a negative program revenue balance in tuition for an institution and categorized this negative balance in its report as Undocumented.