



Legislative Fiscal Bureau

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August 16, 2016

TO: Representative Gordon Hintz
Room 109 North, State Capitol

FROM: Emily Pope, Fiscal Analyst

SUBJECT: UW System 2015-17 and Proposed 2017-19 Capital Budget Requests

At your request, I am providing information regarding capital projects that were included in the UW System Board of Regents' capital budget request for the 2015-17 biennium and the Board of Regents' proposed capital budget request for the 2017-19 biennium. The Board of Regents is scheduled to vote on the proposed capital budget request at its meeting on August 18.

The UW System Board of Regents' capital budget request for the 2015-17 biennium included thirty-one major projects, three utility improvement projects, and funding for classroom renovations and instructional technology improvements. Of these projects, twenty-two major projects, one utility improvement project, and funding for classroom renovations and instructional technology improvements were enumerated by the Legislature as part of the 2015-17 biennial budget. Of the nine major capital projects that the UW Board of Regents included in their 2015-17 capital budget request that were not enumerated by the 2015-17 biennial budget, seven have been included in the Regents' proposed capital budget request for the 2017-19 biennium.

The table below shows the seven capital projects that were included in both the UW System's capital budget request for 2015-17 and its proposed capital budget request for 2017-19. As shown in the table, the Regents requested a total of \$227.6 million in funding for the seven projects in their 2015-17 capital budget request. As proposed, the UW System's 2017-19 capital budget request would include \$257.3 million for those projects, or \$29.7 million more than was requested for the same projects in the UW System's 2015-17 capital budget request. While the projects shown in the table appear to be substantially similar as requested in the 2015-17 biennium and proposed in the 2017-19 biennium, it is possible that elements may have been added to one or more of the projects that may have increased the estimated cost of the project proposed for 2017-19 compared to the project as requested for 2015-17. In addition, it is not uncommon for the UW System to request an increase in a project's budget after it has been enumerated. It is possible that, had the Legislature enumerated any of the major projects shown in the table as part of the 2015-17 state building program, the UW System may have requested an increase in budget for that project at a later date.

**Capital Projects Included in the UW System's 2015-17 Capital Budget Request
and the Proposed 2017-19 Capital Budget Request**

<u>Institution</u>	<u>Project</u>	<u>Amount Requested for 2015-17</u>	<u>Amount Requested for 2017-19</u>	<u>Increase</u>
La Crosse	New Fieldhouse and New Soccer Support Facility	\$34,200,000	\$35,000,000	\$800,000
La Crosse	New Residence Hall	30,557,000	37,261,000	6,704,000
Milwaukee	Northwest Quadrant Renovation	60,240,000	69,073,000	8,833,000
Milwaukee	New Basketball Practice Facility	11,800,000	14,510,000	2,710,000
Parkside	Wyllie Hall Renovation	29,989,000	35,886,000	5,897,000
Platteville	Boebel Hall	19,703,000	23,772,000	4,069,000
Stevens Point	New Student Health and Recreation Center	<u>41,126,000</u>	<u>41,843,000</u>	<u>717,000</u>
Total		\$227,615,000	\$257,345,000	\$29,730,000

In addition to the major projects shown in the table above, the UW System's capital budget request for 2015-17 also included funding for a utility project at UW-Whitewater which was not enumerated as part of the 2015-17 state building program. The UW System's proposed 2017-19 capital budget request also includes funding for a utility project at UW-Whitewater; however, that utility project is the combination of what was initially intended to be a three-phase project and subsequently has a significantly larger budget than the project that was requested for 2015-17. According to the UW System's 2015-17 capital budget request, the UW System intended to request funding for utility improvements and upgrades at UW-Whitewater as part of its 2015-17, 2017-19, and 2019-21 capital budget requests. The total amount of general fund supported borrowing (GFSB) that would have been requested for these projects would have been \$11,535,000. This can be compared with the \$16,698,000 GFSB included for utility improvements and upgrades at UW-Whitewater in the UW System's proposed 2017-19 capital budget request.

I hope this information is helpful. Please contact me if you have additional questions.

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