

PRESS RELEASE

FOR IMMEDIATE RELEASE FOR FURTHER INFORMATION CONTACT: Sen. Steve Nass (608) 266-2635 February 6, 2020

UW System Bungles Two Building Projects – Cost overruns of \$33.3 million Nass: Most recent example of mounting fiscal management issues in the system.

Senator Steve Nass (R-Whitewater), Vice-Chairman of the Senate Universities, Technical Colleges, Children and Families Committee, expressed concern with news that the UW System has bungled the management of two building projects on the UW-Madison campus and will be seeking an additional \$33.3 million to address the cost overruns. The two projects are: (1) The Babcock Hall Dairy Plant and Center for Dairy Research Addition, and (2) The Meat Science and Muscle Biology Laboratory Project.

"The two projects had been previously budgeted for \$96.4 million and will now cost at least \$129.7 million. A 34.5% increase for poor project management and cost overruns simply can't be condoned. These are not isolated circumstances and the Board of Regents is partially at fault for failing to provide proper oversight of building projects," Nass said.

Nass noted that UW System Administration is proposing filling the gap by shifting \$6.8 million in existing general fund bonding, utilizing \$7.5 million in gift dollars from reserves and slushing over \$18.4 million in cash from reserves. These changes will need both the approval of the UW System Board of Regents and the State Building Commission.

"While some campuses in the UW System are facing serious operational budgeting challenges, System administrators easily found over \$33 million sitting around to address poor management on these projects at UW-Madison. These are the same administrators demanding the ability to sock families with higher tuition and fees starting in fall 2021," Nass said.

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