



September 21, 2007

Legislators Debate Cuts to UW Budget, Higher Payment for Benefits, Less Sick Leave, Domestic Partner Benefits

PROFS fights for faculty benefits and budget support. Faculty are asked to contact conference committee members.

A conference committee of eight legislative leaders has been meeting since late July to iron out the differences between the Senate and Assembly versions of the 2007-09 budget for state agencies, including the UW. Some in the Legislature are advocating for passing just a K-12 education budget and not passing a budget for the rest of state government, including the UW. Without a new budget for 2007-09, the UW would have to absorb its costs-to continue of \$122 million. This would translate to approximately a 6 ½ percent budget cut for schools and colleges.

The Senate Budget for the UW System

The Senate version of the budget is similar to the Governor's budget and to the budget that was approved by the Joint Committee on Finance. It contains:

- \$10 million for the faculty Retention and Recruitment Fund.
- \$122 million for costs-to-continue (increases in utilities and fringe benefits and the full year cost of the April 2007 salary increase of 2.25%).
- Increases in financial aid of \$26.4 million for WHEG-UW and \$2.1 million for Lawton/AOP.
- \$29.4 million for the Growth Agenda (mostly for the other UW schools; a small amount for the Schools of Nursing).

The Assembly Budget for the UW System - Major Cuts to Costs-to-Continue

The Assembly put together a completely different budget that makes major cuts to the UW. Included in the Assembly budget:

- Cuts of \$96 million to the base, plus other specific cuts almost negate the \$122 million costs-to-continue. (See page 2 for specifics.)
- Reduction of the \$10 million faculty Retention and Recruitment fund to \$6 million with a cap of 60% for the amount going to UW-Madison and UW-Milwaukee.
- A cap on tuition increases of 4% for the next four years.
- The UW Growth Agenda with some substitution of state funding for tuition.

The Assembly budget also reduces benefits.

- Sick leave would be reduced to six days a year for all new state employees (this includes faculty).
- Employee payment of the Wisconsin Retirement System would increase to 5% of salary. (It is now 0 %.)
- Employee payment of health insurance would be a minimum of 10% of the total cost of the plan. (Now it is 6% on average.)

The increases in faculty payment of retirement and health insurance would amount to a pay decrease for most faculty. The above three changes are not in the Senate version of the budget.

The Assembly cut specific items from the Joint Finance-Senate budget. Cuts included:

- \$26.4 million, the new money for WHEG-UW financial aid, is left out.
- The new Islet Transplantation funding was cut; the new cancer research money was

reduced; the Physicians Rural Practice Loan program money was left out.

- \$5.3 million (the \$2.1 million new money plus some from the base) is cut from the Lawton/AOP financial aid program.
- \$11.6 million new money for the Veterans loan program is cut.

In addition, the Assembly budget makes the following cuts from the ongoing UW base budget:

- \$4 million from the base of the UW Law School.
- \$6.4 million from the base of UW System administration along with 17.5 positions.
- \$2 million from UW relations.
- All base state funding from Public TV/Radio (\$8.1 M); UW-Extension School for workers (\$932,000); Havens Center (\$131,700).

The \$96 million in cuts, that together with the smaller cuts negate the costs-to-continue, are specified to come from the following UW System programs each year, but seriously affect UW-Madison:

- General program operations \$36 M (-5% of base)
- Area health education centers \$114,700 (-10% of base)
- Energy costs \$5.4 M (-5% of base)
- Educational technology \$659,400 (-10% of base)
- School of Business \$163,000 (-10% of base)
- Grants for Study Abroad \$500,000 (-50% of base)
- Dept. of Family Medicine & Practice \$448,000 (-5% of base)
- State Laboratory of Hygiene \$437,200 (-5% of base)
- Veterinary Diagnostic Lab \$219,300 (-5% of base)
- UW System Administration \$1.8 M (-20% of base)
- Minority & disadvantaged programs \$2.14M (-20% of base)

Policy Items in the Budgets

Domestic partner benefits in the Governor's budget, was taken out by Joint Finance and put back

in the Senate version. It is not in the Assembly version of the budget. PROFS had mounted a major campaign in the last two years for domestic partner benefits. Collective bargaining rights for UW faculty and staff is in the Senate budget.

Healthy Wisconsin, the proposed state universal health insurance program, which was inserted in the budget by the Senate, is not in favor with the Assembly. This is a major area of disagreement between the two groups. PROFS has not formed a position on this plan.

Contact the Conference Committee

Faculty are asked to contact members of the conference committee, especially the Assembly members and urge them to fully fund the UW's costs-to-continue for the UW. Loss of the costs-to-continue could result in department budget cuts of up to 6 1/2 percent. Please do not use university email accounts for lobbying.

- Co-chair Senate Majority Leader Judy Robson-D (email Sen.Robson@legis.state.wi.us)
- Senator Russ Decker-D, Co-chair, Joint Finance (email Sen.Decker@legis.state.wi.us)
- Senator Robert Jauch-D, member, Joint Finance (email Sen.Jauch@legis.state.wi.us)
- Senate Minority Leader Scott Fitzgerald-R (email Sen.Fitzgerald@legis.state.wi.us)
- Co-chair Assembly Speaker Michael Huebsch-R (email Rep.Huebsch@legis.state.wi.us)
- Rep. Kitty Rhoades-R, Co-chair, Joint Finance (email Rep.Rhoades@legis.state.wi.us)
- Assembly Majority Leader Rep. Jeff Fitzgerald-R (email Rep.Fitzgerald@legis.state.wi.us)
- Assembly Minority Leader Rep. James Kreuser-D (email Rep.Kreuser@legis.state.wi.us)

PROFS, Inc. PAYROLL DEDUCTION

NAME OF EMPLOYEE _____

In order to activate your deduction, the payroll department requires the following:

1) The last four digits of your Social Security Number _____ AND

2) Your Date of Birth _____

I hereby authorize the University of Wisconsin to deduct from my salary each month of the academic year (September through May payrolls) a voluntary contribution to PROFS, Inc. of 1/10 of one percent of my gross salary for that month. This authorization will remain in effect each year until a notice of cancellation is received by the UW-Madison Payroll Office.

Signature _____

This authorization should be forwarded to 258 Bascom Hall