

Report of the Compensation Committee on the Role of Academic Staff
in the Preparation of Budget Instructions¹

The process of writing budget instructions is shaped by the way the Governor and the legislature deal with the UW System budget. The legislature receives two recommendations for salaries for the UW System. At the end of January, the Governor responds to the Regents' proposal for catchup raises. But not until much later, perhaps as late as June, does the Department of Employment Relations propose the pay plan for state and university employees.

The UW System, however, must have a budget by 1 July. The System's office of Budget and Planning, therefore, begins working on their budget instructions in January. In most cases, the instructions they prepare are based on previous ones and do not involve new policy decisions. Embedded in the instructions may be important policy matters that establish general principles; the language permits some degree of modification and embellishment by individual campuses. System may, for instance, provide that a specific percentage of the monies available for salary increases should be used for across-the-board raises, allowing each campus to decide how to allocate the remainder, as between merit and across-the-board.

These System policies are developed by the President, the Vice Presidents, and, perhaps, the Regents. Often, decisions are made in consultation with campus officials. The President consults informally with the Chancellors, the Vice Presidents with the Vice Chancellors, the System budget office with the campus offices. Important decisions are made in this way. If academic staff is to influence this process it must be through the willingness of the administration to consult with representatives of the staff as questions arise. Vice Chancellor Cohen has told the Committee that he would feel obliged to bring such policy questions to staff representatives. Glenn Watts, Director of the UW-Madison Office of Budget, Planning, and

¹This report is in response to the Academic Staff Assembly's instruction to the Compensation Committee to study the way in which budget instructions at UW-Madison are prepared and to propose procedures that will allow the academic staff to participate in the formulation and review of budget instructions. The Assembly instructed the Committee as follows: "The Compensation and Economic Benefits Committee is instructed to study the procedures by which budget instructions related to legislatively mandated salary increases are formulated on the UW-Madison campus and to report recommendations for future procedures pursuant to the following resolution.

"**Resolved**, That the UW-Madison administration, in preparing budget instructions related to academic-staff salaries, shall seek the advice of ASEC and relevant Assembly committees, and that such budget instructions shall be presented to ASEC for its review before implementation."

Analysis, has expressed a willingness to keep staff representatives informed as the process develops.

In February System sends its budget instructions to the campuses. At this point, the UW-Madison Budget Office begins to prepare its instructions. Again, previous instructions serve as the basis and much of the new instructions are not new. But the critical function is to apply System's general instructions to the particular case of UW-Madison. Policy decisions derive from this effort to transform the general elements in the System instructions into specific guidelines. This crucial process involves Glenn Watts, who is largely in charge of the instruction writing, and the policy-making leadership of the UW-Madison. As issues or difficulties become apparent, Mr. Watts consults with others in the administration. Much of this consultation may be informal, may consist of conversation in the hallways or telephone calls. Mr. Watts may send individuals drafts for review. He must have very rapid responses; decisions must be prompt for he has little time in which to work. Especially difficult or important matters are brought before the University Administrative Committee, which serves as the Chancellor's "cabinet," for decision or review. No faculty or staff sit on this committee: it is purely administrative. In the past, however, major decisions have been taken to the Faculty Compensation Committee and the Academic Staff Committee for their approval.

On occasion, UW-Madison may disagree with System instructions, in which case UW-Madison will consult with System on the matter. For instance, in its February 1987 budget instructions System quoted from the Hayes/Hill recommendation for decompression raises: "The suggested general rule for decompression is that each individual who has held a title with satisfactory service for eight years or more should have a salary at least at the midpoint of the appropriate grade."² The UW-Madison instructions require that "in addition to years of experience, each employe must be evaluated with regard to both the quantity and quality of his service while in the position, as well as for internal equity with those in similar positions and other positions both in and outside of the Hayes/Hill structure."³

²"UW System Guideline to Distribute Catch-Up Salary Adjustments to Academic Staff Title and Salary Structure," February, 1987.

³UW-Madison Budget Instructions, 23 March 1987, Chapter 5.

This kind of interpretation of System instructions obviously has important effects on individual academic-staff members. Therefore, representatives of the academic staff must become part of the process by which such instructions are prepared. Once the instructions are completed, most or all of the policy decisions have been made and altering them is difficult if not impossible.

Glenn Watts and Vice Chancellor Cohen have expressed a willingness, in fact seem to welcome, participation by academic staff. Both are willing to include staff representatives in the distribution of drafts of instructions as they are prepared and to consult with these representatives whenever policy matters must be decided. A prime requisite for staff participation is that responses must be prompt. In many cases this will mean that it is impossible for representatives to consult colleagues in a deliberative forum. These representatives must be vested with authority and be willing to accept the responsibility to make fast decisions on behalf of their colleagues, decisions that may well have important consequences.

The Committee therefore recommends that:

1. The UW-Madison administration, in formulating budget instructions related to academic-staff salaries, shall seek the advice of ASEC and relevant Assembly committees, and that such budget instructions shall be presented to ASEC for its review before implementation.
2. Whenever policy questions arise that will affect academic staff, the UW-Madison administration will bring such matters to the attention of the designated staff representatives at the earliest possible time.
3. The chairs of ASEC and the Compensation Committee (or their designees) shall be the representatives of the Academic Staff during the instruction-writing process.
4. When time permits, staff representatives shall report and consult with ASEC, the Compensation Committee, and the Assembly. However, when decisions must be made on short notice, the representatives of the academic staff are empowered to speak authoritatively.
5. During the instruction-writing period, either the Vice Chancellor for Academic Affairs, the Associate Vice Chancellor, the Director of the Office of Budget and Analysis, or their designee, shall report weekly to ASEC.

These recommendations are made pursuant to the 15 November resolution of the

Assembly and to conform to the provisions of the statute granting governance rights to the academic staff.⁴ The language of the statute is remarkably broad, and places enormous responsibility on the institutions of shared governance. The statute is worth quoting in this context: "The Academic Staff members of each institution, subject to the responsibilities and powers of the board, the president and the chancellor and faculty of the institution, shall be active participants in the immediate governance of and policy development for the institution. *The academic staff members have the primary responsibility for the formulation and review, and shall be represented in the development, of all policies and procedures concerning academic staff members, including academic staff personnel matters.*"⁵ The academic staff members shall have the right to organize themselves in a manner they determine and to select their representatives to participate in institutional governance." This extraordinary language requires no less than that academic staff be an active participant in the formulation of budgets and instructions, and we believe that our recommendations meet the requirements of the statute.

⁴Chapter 36.09 (4m).

⁵Italics added.