

**Analysis regarding the incorporation of the “Principles for the New Badger Partnership” into the Governor’s Proposed Budget Bill**  
**(March 2, 2011)**

A group including representatives from the University Committee, the Academic Staff Executive Committee, Associated Students of Madison, labor unions and the Council for Non-represented Classified Staff set forth a document entitled “Principles for the New Badger Partnership.” The UW-Madison administration, in reviewing the Principles against the Governor’s proposed budget bill, prepared the following summary, which identifies the provisions of the proposed bill that are consistent with each Principle as noted below.

**Governance**

These principles are critical to maintaining a pre-eminent teaching and research enterprise at UW-Madison, allowing us to retain and enhance the diversity of the university community and to maintain high-quality higher education for the citizens of the state. The following are essential:

1. Shared governance, as articulated in Chapter 36.09 of the current state statutes, must be preserved.

***The bill that has been introduced preserves shared governance, as articulated in Chapter 36.09. See Senate Bill 27 §§ 37.03(3) [faculty], 37.03(4) [academic staff], and 37.03(5) [students].***

2. University employees not covered by Chapter 36.09, including represented and non-represented classified, have the ability to advise the university administration.

***The bill that has been introduced mirrors the provisions in current Chapter 36 which grant statutory governance rights to faculty, academic staff and students. The bill does not alter the current mechanism under which these groups currently advise the University administration.***

3. Academic freedom must be protected.

***The bill maintains protections for academic freedom that currently exist. See § 37.03(3) granting shared governance to faculty and primary responsibility for academic and educational activities. The bill also transfers the application of all current policies, including Faculty Policies and Procedures which addresses academic freedom. (see § 9152(1)(h)) In addition, while the university will continue to be subject to oversight by the Legislative Audit Bureau, § 13.94(1) of the bill specifically prohibits audits of issues related to academic freedom.***

4. Legislation that in any way infringes on the right of university faculty, staff and students to teach, conduct research or engage in service on topics of their own choosing is unacceptable.

***The bill does not alter existing protections for these rights. Again, the bill transfers the application of all current policies, including Faculty Policies and Procedures. See § 9152(1)(h).***

5. Terms of faculty employment including faculty control over hiring and tenure as articulated in Chapter 36.09(4) and 36.13 of the current state statutes, must be preserved.

***The bill preserves faculty control over hiring and tenure as currently articulated in Chapter 36. See §§ 37.03(3), 37.13. In addition, the bill transfers the application of all current policies, including Faculty Policies and Procedures.***

6. Terms of academic staff employment, including appointments and procedural guarantees as stated in Chapter 36.09(4m) and 36.15, must be preserved.

***The bill preserves academic staff employment, including appointments and procedural guarantees as currently outlined in §§ 36.09(4m) and 36.15. See §§ 37.03(4) and 37.15. In addition, the bill transfers the application of all current policies, including Academic Staff Policies and Procedures. See § 9152(1)(h).***

7. Terms of student participation in governance, including consultation with the chancellor on disposition of segregated fees, as articulated in Chapter 36.09(5), must be preserved.

***The bill preserves student participation in governance as articulated in § 36.09(5). See § 37.03(5).***

8. The existing right of university faculty, staff and student employees to be represented by unions must not be infringed.

***All provisions in the budget bill regarding collective bargaining are subject to the results of the legislative process regarding the pending Special Session Budget Repair Bill. However, the language of the budget bill preserves the current collective bargaining rights, through amendments to Chapter 111 of the Wisconsin Statutes, for employees that are subject to the State Employment Labor Relations Act -- classified employees at UW-Madison will continue to have collective bargaining rights consistent with their peers at state agencies.***

***For employees covered under the Faculty and Academic Staff Labor Relations Act, the potential for maintenance of existing collective bargaining rights under***

***state law is unclear. The budget bill as is currently proposed does not contain provisions to include UW-Madison faculty and academic staff in FASLRA. It is believed that this occurred due to anticipation that the budget repair bill, which repeals FASLRA, would pass. If the budget repair bill passes, current collective bargaining rights under FASLRA will be eliminated. If the budget repair bill does not pass, there would be an opportunity to attempt to introduce amendments to the budget bill.***

9. All university employees must have the right to due process. Structures for external arbitration and external oversight for classified employees must be consistent with those articulated in Chapter 230.44 and Chapter 230 Subchapters III and IV.

***The bill transfers all of the University's employees to the university on the effective date of the bill, making them university employees rather than employees of an Executive branch agency, consistent with the designation of the University as a public authority. The bill preserves faculty procedural due process rights in § 37.13(5) and in Faculty Policies and Procedures which are transferred under the bill. Academic staff maintains due process under § 37.15 and in Academic Staff Policies and Procedures which are transferred under the bill. Under the bill, classified staff retains the specific procedural protections under the current Chapter 230 of the Statutes until July 1, 2012. After July 1, 2012, the bill maintains procedural guarantees requiring just cause and due notice and hearing prior to dismissal for all classified service employees who achieved permanent status in class and who became employees of the University before July 1, 2012. See § 37.19). The bill directs the university to develop and implement a personnel system beginning July 1, 2012 with the active participation of the faculty and academic staff under §§ 37.03(3) and (4) and to provide for the transfer of classified civil service employees to the university personnel system. See §§ 37.11(1g) and 9512 (1)(d).***

10. Partnership agreements with private entities must protect intellectual property rights of the university, and of university faculty, staff, and students. Such agreements must not infringe on academic freedom.

***As noted in response to #3 above, the bill maintains protections for academic freedom. There are no provisions in the bill that alter current protections for intellectual property rights for the university, university faculty, staff and students.***

### **Finances**

These are the core principles of financial flexibility:

11. Continued state funding of the state's traditional share of cost-to-continue is essential to the existence and success of UW-Madison.

***The bill provides for the University to continue receiving significant state funding, albeit under a revised structure. Currently, UW-Madison's funding flows through the Board of Regents. The Board of Regents receives state money through many appropriation lines, limiting how the money may be spent when passed through to UW-Madison. The bill allows UW-Madison to receive its funding directly from the state, largely through a single, unencumbered "block grant." See § 20.280(1)(a). The bill identifies several other small appropriation lines directly to UW-Madison, including lines related to our energy costs (§ 20.280(1)(c)) and debt service (§§ 20.280(1)(d) and (kd)).***

12. The university must be allowed to retain money saved, without threat of seizure, for its own purposes.

***Currently, all funds received by UW-Madison, regardless of source, are considered "state funds" to be deposited in the State Treasury. The bill would allow non-state moneys received by UW-Madison—tuition, fees, program revenue, gifts, grants and donations—to no longer be considered "state funds," and to no longer be subject to seizure. The bill authorizes UW-Madison to transfer gifts, grants and donations to the University of Wisconsin Foundation or to administer the funds internally. See §§ 37.11 (1)(d) and (11); §§ 37.29(1) and (5). The bill would require UW-Madison to deposit tuition, fees, and program revenue into the Local Government Pooled Investment Fund, but authorizes UW-Madison to retain full control over those funds and to receive all interest accrued. See §§ 25.50 (1)(d) and (3m); see also § 37.11(11) (allowing the Board of Trustees to invest surplus funds and retain interest earned).***

13. Higher education must be affordable and accessible to all the families of Wisconsin. The university must provide need based financial aid, and provide it largely as grants in order that students of modest means in good academic standing may successfully complete their degrees in a timely manner.

***The bill does not prevent the continuation of prior and ongoing efforts to help make education affordable and accessible. It does provide more flexibility to the university and its board of trustees to address the issue for UW-Madison directly. The bill authorizes the board of trustees to set and manage tuition rates for UW-Madison. See § 37.27(1). Under the bill, current tuition policies and procedures would remain in effect until changed by the Board of Trustees or July 1, 2013, whichever occurs earlier. See § 37.27(4).***

***The bill provides that the Board of Trustees may "[m]ake grants to students from funds budgeted to or controlled by the university and formulate policies and adopt rules for the grants." (§ 37.11(6)(a)). The bill also continues UW-Madison's participation in existing statutory grant programs (minority and disadvantaged graduate students (§ 37.25(14)), programs for minority and disadvantaged students (§ 37.25(14m)), Wisconsin Higher Education Grant***

***Program (§ 20.235(1)(fe); § 39.435(8)), and the Lawton Grant Program (§ 37.34), among others). The bill also maintains the Physician and Health Care Provider Loan Assistance Programs (§§ 37.60 and 37.61), the State License Plate Scholarship Program (§ 37.44) and the Academic Excellence Higher Education Scholarship Program (§ 39.41), among others.***

14. Employee benefits currently provided by the state must continue to be available to eligible university employees. The university has the right to provide other benefits to any university employee.

***The bill includes the University of Wisconsin-Madison as a “state agency” for all Employee Trust Fund purposes. See §§ 40.02(54)(hm) and (57). Accordingly, the bill maintains existing benefits for UW-Madison employees, including but not limited to: health insurance; retirement benefits; sick leave conversion; income continuation insurance; and long term disability insurance.***

***The bill requires the UW-Madison Board of Trustees to develop and implement its own personnel system via a method that incorporates the principles of shared governance currently in existence at UW-Madison and no later than July 1, 2012. See §§ 37.11(1g) and 9152 (1)(d). Unlike the existing structure, the bill does not limit UW-Madison in the benefits or compensation it could offer employees. (Compare existing § 36.09(1)(j) with proposed § 37.03).***

15. The university will ensure fairness and equity in employment practices and salaries, including for instance prevailing wage for construction projects.

***The bill continues UW-Madison’s commitment to fair employment practices. Please see responses above to 5, 8, 9 and 14. The bill includes UW-Madison in the state’s long-term building program, and all building projects, regardless of source of funds, continue to be subject to Building Commission approval. See § 16.85(10).***

#### **Internal University Processes for Deliberation on the New Badger Partnership**

Proposals arising from the New Badger Partnership initiative will be vetted by appropriate university groups. These groups will include, but are not limited to: University Academic Planning Council, school/college academic planning councils, University Committee, Faculty Senate, Academic Staff Executive Committee, Academic Staff Assembly, Associated Students of Madison, Council for Non-represented Classified Staff, and employee unions.

***Participation by each of these groups will be critical to implementing the provisions of the budget bill if passed.***