
As amended and adopted by the Faculty Senate at its meeting on 5 December 2011
**FACULTY SENATE RESOLUTION ON DECLINING STATE BUDGET SUPPORT
FOR HIGHER EDUCATION IN THE STATE OF WISCONSIN**

Background

Given the grave concerns being expressed by the UW-Madison faculty and staff, and by our counterparts at other UW campuses, with respect to declining state budget support, and the expressed desire of Faculty Senate members to detail some of the major adverse impacts that budget reductions do and will have on our capacity to achieve our core missions, the University Committee offers the following resolution for the senate's consideration.

In much of the text below, we refer to general program revenue (GPR), which is funding provided by the state government that is derived from state taxes, and tuition, which is paid by students and families. These revenues are the universities infrastructure that pay for undergraduate education and support the core salaries of faculty and permanent staff that teach, research, and pursue the Wisconsin Idea through outreach and extension. As of 2010, GPR plus undergraduate tuition comprises 24% of the total budget for UW-Madison and serves as the basic support used to make UW-Madison a global teaching and research institution.

The resolution has two sets of WHEREAS clauses; the first set details the budget cuts of the past decade and the second set provides examples of adverse impacts, both present and future, if the fiscal crisis of the university is not addressed.

THE ADVERSE IMPACT OF BUDGET CUTS ON TUITION, ACCESS AND EDUCATIONAL QUALITY

WHEREAS GPR funding to UW-Madison (in 2010 adjusted dollars) has declined by 25% in the past decade, from \$370 million in 2001 to \$279 million in 2010; and

WHEREAS the 2011-2013 State Biennial Budget imposed another \$47.5 million cut, and another currently proposed \$25 million lapse adds to those cuts; and

WHEREAS, considering all of the above cuts, state GPR funding to UW-Madison has been reduced by a total of almost 45% in real terms since 2001; and

WHEREAS tuition increases have been the primary means to continue funding UW-Madison's core educational activities in the face of state budget cuts, tuition fees have increased 78% over the past decade, from \$5,044 per student per year in 2001 to \$8,987 per student per year in 2010 (in 2010 adjusted dollars); and

WHEREAS tuition increases at UW-Madison have shifted the burden of financing higher education directly onto students and their families, making access to higher education a financial challenge, especially given that average incomes in Wisconsin have stagnated over the past decade, increasing far more slowly than UW-Madison tuition; and

WHEREAS UW-Madison, nonetheless, remains a relatively low-tuition university compared to its peers, and gaining admission becomes more difficult as more Wisconsin students and families make Madison their top choice, leaving more prospective students and their families frustrated with declining access; and

WHEREAS UW-Madison now struggles to afford current teaching and learning resources, including laboratories, technologies, supplies and training, threatening the quality and availability of educational opportunities, which may both *increase* the time and cost required to complete university education and *decrease* students' career options; and

THE ADVERSE IMPACTS OF BUDGET CUTS ON INNOVATION, EXCELLENCE AND ECONOMIC PROSPERITY

WHEREAS over the past decade, UW-Madison has avoided even more drastic tuition increases mostly by falling behind peer institutions in salaries paid to faculty and staff (faculty salaries trail the average salary of peer institutions by about 16% for full professors); and

WHEREAS, far from being a resource drain, the UW-Madison is the equivalent of a major export industry for the state because each faculty member, on average, brings in 2.5 times their annual salary in research grants from government and private industry sources; and

WHEREAS declining salaries, benefits, and morale undercut our capacity to retain top level teachers-scholars and imperil UW-Madison's capability to leverage core state funds to create jobs, knowledge and demand for other economic goods and services; and

WHEREAS the health of Wisconsin's economy, and hence the creation and continuation of good jobs, depends on a skilled and educated work force as well as the university-supported research and innovation that produce new companies and help existing companies improve their performance;

NOW THEREFORE, BE IT RESOLVED that the Faculty Senate of the University of Wisconsin-Madison calls on the governor, state legislators, business leaders, university administrators, and other civil society organizations to cooperate in forging a *new social compact* to reinvigorate the shared financial and organizational commitment to sustaining top quality institutions of higher education in Wisconsin. This shared commitment is essential to the future vitality of Wisconsin's economy, the creation of better jobs for Wisconsin's students and workers, the emergence of new opportunities for business owners, and the overall well-being of all Wisconsin citizens;

THEREFORE, BE IT FURTHER RESOLVED that this *new social compact* must resolve a fundamental contradiction: UW-Madison and the UW System cannot sustain their core mission in the face of low and declining state support and state-mandated low tuition. The Faculty Senate of the University of Wisconsin-Madison hereby pledges to do its part to pursue fiscal, organizational and educational innovations that contribute to the compact, but these can only succeed if supported by a shared public and private effort, one in which the state commits to providing both financial support and flexibility to make such a compact work. This combined effort must build on Wisconsin's ideals of cooperation, hard work, and an open, transparent, democratic process.