
Government Relations Update

July, 2009

Dear Colleagues,

The state legislature has passed the state budget before July 1st, the first time since 1977! As you know, this was not an easy budget, especially when one considers the declining economy, the \$6.6 billion deficit, and an unemployment rate of 8.9 percent in our state.

The hurt in this budget will affect the UW System and every person in this state. For a summary of budget impacts to the UW Colleges and UW-Extension, please see the list at the end of this note.

To all of you who contacted state legislators and advocated for the UW Colleges and UW – Extension, I send a big thank you. We made a huge difference educating state legislators about who we are, what we do, and the tremendous contributions we make in our communities throughout the state. We were able to forestall additional cuts as a result of your testimonies at Joint Finance Committee hearings, letters, emails and phone calls. I am sure of this.

An amendment to expand the collaborative engineering degree with UW-Platteville to UW-Washington County and UW-Sheboygan was well-received by many state legislators. They appreciated our successful model and in-state job opportunities. Unfortunately, even with a positive track record, the amendment did not prevail primarily because of the state's current economy. Thank you to our Board of Visitors, third party stakeholders and all who advocated for this proposal.

In April, Chancellor David Wilson held a legislative breakfast briefing, hosted by Representative Hixson and Senator Vinehout. The chancellor spoke about *Creating Sustainable Jobs in a Challenging Economy*. The briefing was a huge success with 40 legislators and staff attending. We also hosted two State Capitol events highlighting our innovation and economic development programs. These events helped to inform legislators, staff, and the public about the important work we do around the state.

It is not too soon to begin planning for future advocacy events. Let me know if you need support in any of your legislative activities or coordinating your events for political effectiveness on the county level. If you wish to brainstorm about best ways to communicate to elected officials, please feel free to call me or Mary MacKendrick.

Although the budget season has passed for now, it is important to consistently communicate our value with elected officials, stakeholders, and partners. In this way, we build a strong foundation for our future work.

Rosemary Potter
Director of Government Relations

Budget Impacts

The 2009-11 state biennial budget cuts to the UW-Colleges and UW-Extension are as follows:

Base budget reductions: UW Colleges and UW-Extension's base budgets will be reduced by \$5.1 million and \$7.1 million respectively.

One percent across-the-board reduction: The reduction does not apply to federal, gift or tuition funds. UW Colleges and UW-Extension's share of the reduction is \$733,490 and \$712,716 for general-purpose revenue (GPR) funds. The one percent across-the-board cut for program revenue (PR) for UW Colleges and UW-Extension is \$251,384 and \$245,864 respectively.

Auxiliary reserves (monies from non-academic sources) transfer: The UW Colleges and UW-Extension's share of the \$23.25 million in program revenue from UW System transferred to the Wisconsin Higher Education Grant Program (WHEG) is \$308,600 and \$1.7 million, respectively.

Two percent pay plan repeal: The June 2009 pay plan increases were rescinded for all unclassified and non-represented classified staff. The impact on the UW Colleges and UW-Extension is \$804,003 and \$892,960 less funding, respectively.

State employee furloughs: Sixteen furlough days during the 2009-11 biennium represent a cut exceeding \$30 million annually for the UW System. UW Colleges and UW-Extension will return approximately \$1.10 million and \$1.27 million in GPR to the state annually as a result of the furloughs.

Other budget impacts for the UW Colleges and UW-Extension:

Domestic partnership retirement and group insurance benefits were approved as proposed by the governor for all state employees, including UW faculty and academic staff. These will be effective January 1, 2010.

Collective bargaining: The governor's recommendation was approved, giving faculty and academic staff the right to vote to bargain collectively over wages, hours, and conditions of employment. A partial veto by the governor removed the provision that would allow the Wisconsin Employment Relations Commission to assign faculty and staff to a collective bargaining unit.

Undocumented immigrants: Children whose parents are undocumented and who attend Wisconsin high schools for at least three years and graduate or receive a high school graduation equivalency declaration from Wisconsin and fulfill other qualifications will now be eligible for resident tuition rates at UW System campuses and Wisconsin technical colleges.

UW System employees are able to enter into contracts up to \$250,000 with research companies who do business with any UW System institution upon approval of the Board of Regents rather than the attorney general. The previous cap was \$75,000.

Need-based financial aid for UW System students: \$17.3 million. Together with higher federal aid, this will protect students from tuition increases if they have need and come from families earning up to the state's median family income of \$60,000/year.

Wisconsin GI Bill: Requires veterans to use federal education benefits before using the state tuition and free remission program.

Contract labor: The following was vetoed by the Governor:

A provision that would require each agency to provide, as part of its biennial budget request, the

number of contracted positions funded using base resources; base level funding provided to support contracted positions; the amount of funding requested for contracted positions; and the number of state-funded positions that would be required to perform the services under any new contract funding request. It also includes prohibition on contract hiring when hiring freezes or mandatory furloughs have been instituted. And, it requires that agencies review their service contract practices for private personnel and report their findings on how they will achieve savings of one percent for the 2009-11 biennium. A report is due by Jan. 1, 2010 to the Joint Finance Committee.

In his veto message, Gov. Doyle stated that he will be creating a centralized review process with aid from the newly formed Division of Legal Services, the State Bureau of Procurement and the Office of State Employment Relations.

UW Colleges Tuition Frozen at 2006 Rates (Board of Regents meeting – July, 2009)