



Representing UW-Madison Faculty.
Strengthening Wisconsin.

*** MEMORANDUM ***

To: Members, Joint Finance Committee

From: Michael Bernard-Donals, PROFS President
Eric Sandgren, Chair, PROFS Board of Directors

Re: **Thursday Joint Finance Agenda, Compensation Reserves: Please include adequate funding to provide a strong pay plan for UW faculty and staff**

Date: June 14, 2021

On behalf of PROFS, representing the UW-Madison faculty, we encourage the Joint Finance Committee to include funding in the state's Compensation Reserves that will allow the state to provide a strong pay plan for UW faculty and staff. A strong pay plan is needed to remain competitive with our peer universities.

There are many reasons for the state to make sure UW faculty and staff are paid competitively. First and foremost, state residents have access to a world-class institution of higher education. UW-Madison students consistently express high levels of satisfaction with the educations they receive, and they give their professors high marks in surveys.

The Wisconsin Idea, the historic partnership between the university and the state, is alive and well today as faculty work with people throughout the state to enhance our quality of life. The UW is a major innovator, producing thousands of patents and spinoff companies employing thousands of Wisconsinites. UW-Madison brings in large sums of federal and private research funds each year.

The UW plays a large role in driving the state's economy. UW-Madison and its affiliates have a \$30.8 billion annual economic impact on Wisconsin. That comprises about 9% of the state's economy, with 232,057 workers in Wisconsin holding jobs generated by UW-Madison's spending, research, contracts, students, visitors, startups, and partnerships. (NorthStar Economics Report, February 2021)

Unfortunately, UW faculty salaries have consistently lagged behind our peers over the years. Aware that our faculty have been underpaid, other universities have aggressively recruited our faculty.

After considering how UW faculty and staff salaries compare with peer institutions, the UW Board of Regents requested a 2%/2.5% pay plan for the 2021-23 biennium. According to the Legislative Fiscal Bureau, the Governor's budget included funding to pay for a 2%/2% pay plan for all state employees, including UW faculty and staff.

In recent weeks, we have all learned that our economy is picking up steam and the state now is anticipating much more revenue than it previously expected. Other states are taking action to reward their employees. Virginia, for example is moving ahead with a 5% salary increase for state employees, including university faculty and staff.

Once again, we encourage the committee to make sure there is adequate funding in the Compensation Reserves to provide UW faculty and staff with a strong pay plan. Thank you for considering the views of the UW-Madison faculty.