



Representing Wayne State Faculty and Academic Staff

# NEWSBRIEFS

577-1750

aaupaft@wayne.edu

<http://home.msen.com/~aaupaft>

February, 2003

## Budget Worries: The Gathering Clouds

Charles J. Parrish

The Budget situation at Wayne State has become both clearer and cloudier in the last few months. There is no doubt that the situation is grim and that it will require a serious response.

During the gubernatorial primaries last year Senator John "Joe" Swartz sounded the alarm most clearly as he sought the Republican nomination. He was brave, or foolhardy, enough to say that there should be a moratorium on legislated tax cuts because of the looming \$2 billion shortfall in the state budget. Naturally, he was not nominated by the state Republican Party, whose leadership has supported an orgy of tax cutting during the Engler Administration.

As the candidates of both parties roamed the state seeking votes, their teeth rattling as their cars dodged from pothole to pothole, they steadfastly talked about various ways to deal with the state's problems in language that avoided the new four-letter word: "tax." (In political accounting you can miscount the number of letters in "tax" with ease.) Michigan is at the bottom of the list compared to other states in the condition of our roads, but candidates airily agreed that we would solve this by getting more

money from the Federal government (not exactly the tooth fairy these days). Now the partying is over and the hangover is here. Joe Swartz is back in Jackson practicing medicine, and Governor Granholm won the right to clean up the mess.

### A Hard Road

*"In its analyses, the Academic Senate Budget Committee has pointed to the considerable—and continually growing—administrative structure on both the academic and the administrative sides. Too many deans and deanlets, too many vice-presidents and associate and assistant veeps."*

This clean-up is not going to be easy for an inexperienced and term-limited Republican Legislature that is trying to grapple with the new realities. It will be espe-

cially difficult for political leaders who have just told the voters that they would never raise their taxes, while everybody with any experience and credibility in these matters concludes that we will eventually have to raise state revenue. Even the Governor has dutifully declared her opposition to tax increases to solve the state's problems. This may be a wise approach when you have to get support from the legislature's Republican leaders. She is required constitutionally to produce a balanced budget. With the economy in the ditch and tax revenues low, the only alternative is to cut the budget wherever she can.

con't on page 2

## Budget Worries: The Gathering Clouds con't from page 1

Her speech to the Legislature sounded the alarm. There are to be layoffs of state employees and cuts across the board. But, until the legislators hear from their constituents that they have had enough of bad roads and lousy public services, there will be little movement. The Governor has no choice but to cut through the fat that is left (already largely starved off by Engler) and into muscle and bone. When the voters get tired of third-world governmental services, the Legislature may address the issue. Delaying the scheduled income tax cut will be only a beginning step, and it will bring in just 25% or so of the shortfall in revenue. Passing a \$.05 increase in the gasoline tax would also provide some money for our roads, but the blood will have to flow before even these inadequate measures get the needed support in Lansing.

Higher education got relatively good treatment from the Engler Administration. The cut to higher education by Engler's last executive order was less than some expected. Many close observers of state politics assume that Governor Granholm's 1.5% cut in appropriations for public universities is but the beginning of several very lean years. Higher education must contend with well-entrenched interest groups competing for state dollars. Medicaid is supported by the welfare lobby and the medical-industrial complex (Medicaid dollars don't go directly to the beneficiaries, but to the providers of services). K-12 education has strong bi-partisan support and gets the relative protection of formula-funded budgets. There will be few cuts in the corrections budget so long as Michigan pursues a "lock-em-up-and-throw-away-the-key" approach to the drug problem. Higher education does not have the same kind of support, and the Governor has publicly voiced skepticism about whether universities have done enough in tightening their budgets at this point. She indicated that next year's higher education appropriation will be a leading candidate for cuts.

## Whither Wayne State?

Where does that leave Wayne State? President Reid has responded to the very lean budgets that we face by setting up several committees to advise him on how

to proceed. He has promised the Board of Governors that he will have a proposal shortly for how to deal with a precarious financial future. He established two committees to examine how the academic and the administrative sides of the university, respectively, could make savings. The academic committee had several faculty members appointed by the Provost, and the reports of these committees were submitted at the end of last semester. He now is consulting with another committee he has appointed to consider both reports.

Meanwhile, there has been no consultation with the Academic Senate's Policy Committee, the Senate's Budget Committee, or the AAUP-AFT. Thus, the President has chosen to fly solo in this matter. On the one hand, it is refreshing to see him take the full responsibility for the cuts that need to be made. On the other hand, a greater reliance on collegial governance—particularly on issues that can so deeply affect our academic quality—would give the process far more legitimacy than top-down decision-making.

The Academic Senate has been much concerned over the decimation of academic programs over the past two decades. When the state government was following a policy allowing higher tuition at public universities so that the legislature could spend money in other areas, President David Adamany adopted a short-sighted strategy of keeping tuition low, ostensibly to help the poorest students, but primarily aimed at pleasing the legislature and winning support for higher state appropriations for the university. His strategy was a failure—we never saw the hoped-for increase in our appropriations. Adamany found it politically advantageous to avoid acknowledging that the poorest students were eligible for financial aid that would cover tuition increases, making them far less vulnerable than he suggested. In the meantime, our tuition lagged well behind most other universities, leaving us at a level comparable to Ferris State. In effect, we have been trying to support a research university on the revenues of a four-year teaching college. The result has been the dramatic decline in

con't on page 3

the number of our tenured and tenure-track faculty, from over 1500 in the late 1970s to around 900 today.

If we had maintained our tuition increases at an average of the increases at other Michigan universities over the past 20 years, our budget would be over \$40 million higher! The dead hand of the previous administration is still clutching the university's throat.

## What Are We to Do?

The enormity of the task is not widely realized. President Reid's academic committee was asked to come up with cuts of up to \$16 million. This amount is equal to the size of the budget of the College of Liberal Arts, with its 200 or so faculty members. In its analyses, the Academic Senate Budget Committee has pointed to the considerable—and continually growing—administrative structure on both the academic and the administrative sides. Too many deans and deanlets, too many vice-presidents and associate and assistant veeps.

On the academic side, we can expect that cuts will affect a number of those who are on term contracts. The non-renewal of lecturers, the cutting of the number of part-time instructors, the leaving open of positions that are not presently filled, and other similar measures will be on the table. The union has long recognized the need for stability among the vulnerable lecturers, some of whom have been at the university for many years. To provide some protection, we negotiated multiple-year renewal contracts for lecturers, but we can still expect non-renewals in the face of the present crisis as deans try to protect the already-eroded core of the faculty.

Times are tough and are likely to continue to be so for the next several years. The University well may emerge from these present troubles as a considerably changed institution. You can be assured that the AAUP-AFT will do everything it can to defend the protections of the Collective Bargaining Agreement as the institution struggles to meet the financial problems that we are facing.

## AFT Weighs in on Affirmative Action Case

In keeping with past practice, the AFT has come out in strong support of affirmative action and policies that have as their goal diversity and access. At its executive council meeting in Florida last week, union leaders passed a resolution directing the AFT to file an amicus brief before the U.S. Supreme Court in support of the University of Michigan's affirmative action plan. Just before the AFT leaders took this action, the Bush administration announced its opposition to the policy. The AFT resolution notes that Michigan's policy adheres to the guidelines laid out in *University of California v. Bakke*, the Supreme Court decision that has shaped affirmative action policy in the United States since 1978 and which the AFT has endorsed. The "AFT believes that meaningful diversity in the student body in our nation's colleges and universities provides a richer educational environment for all students," the resolution states. It supports the UM policy, in which an applicant's race is considered as just one of many factors, but gets extra weight in order to help the university achieve its goal of a diverse student body.

## **Notice: Negotiated Pay Raise Effective March 1**

As part of the compensation package negotiated last fall between the university administration and the AAUP-AFT, faculty and academic staff will receive a 2% salary increase effective March 1. This across-the-board raise applies to the first \$96,000 of salary for 12-month employees and the first \$80,000 of salary for 9-month employees.

The total compensation package for this year amounts to 3.25%, the balance represented by the 0.50% bonus paid last fall and the 0.75% paid into the selective salary pool. For the second and third years' of the contract, raises will total 3% and 3.25% respectively.

These raises are contractual obligations and cannot be unilaterally rescinded, even in the midst of a budget crisis. The union is monitoring the ongoing emergency in state and university finances and, as outlined in this and previous issues of *Newsbriefs*, is recommending that budget cuts be focused on the administrative bloat that has grown so dramatically over the last two decades.

---

---

## **MEMBER-ONLY BENEFITS**

For more details, contact the AAUP-AFT Office @ 313-577-1750.

---

---

### **Wayne State University Chapter**

#### **AAUP-AFT**

5440 Cass, Suite 103  
Detroit, MI 48202-3680

#### **AAUP-AFT Executive Board**

*President*

Charles J. Parrish

*Vice President*

Naida Simon

*Secretary*

Susan Laliberte

*Treasurer*

Lothar Spang

*Joint Observer*

M.L. Liebler

*Joint Observer*

Allen Goodman

*Contract Implementation*

Anca Vlasopolos

*Grievance Coordinator*

Mary Cay Sengstock

*Information Coordinator*

Steve Babson

*Academic Staff Chair*

Barbara Jones