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☞ Details: University of Wisconsin System Staffing

(FORM UPDATED: 08/11/2010)

## WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

### 2003-04

(session year)

### Joint

(Assembly, Senate or Joint)

### Committee on Audit...

## COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

## INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)  
(**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)  
(**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Stefanie Rose (LRB) (November 2012)

## Senate

### Record of Committee Proceedings

#### Joint Legislative Audit Committee

##### **Proposed Review of Administrative Expenditures and Staffing in the University of Wisconsin System**

January 27, 2003 Referred to Joint committee on Audit.

February 5, 2003 PUBLIC HEARING HELD

Present: (10) Senators Roessler, Cowles, Darling, George, Hansen. Representatives Jeskewitz, Kaufert, Kerkman, Cullen, Pocan.

Absent: (0) None.

##### Appearances for

- None.

##### Appearances against

- None.

##### Appearances for Information Only

- Janice Mueller, State Auditor, Legislative Audit Bureau
- Katharine Lyall, President, University of Wisconsin System
- Debbie Durcan, Vice President of Finance, University of Wisconsin System

##### Registrations for

- None.

##### Registrations against

- None.

February 5, 2004 EXECUTIVE SESSION

Present: (10) Senators Roessler, Cowles, Darling, George, Hansen. Representatives Jeskewitz, Kaufert, Kerkman, Cullen, Pocan.

Absent: (0) None.

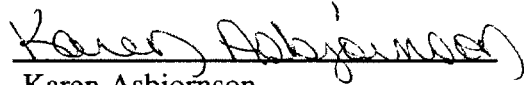
Moved by Representative Jeskewitz, seconded by Representative Kerkman that **Proposed Review of Administrative Expenditures and Staffing in the University of Wisconsin System** be approved

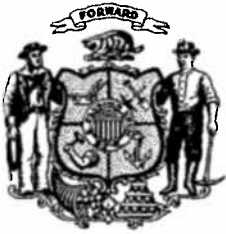
according to the scope statement prepared by the Legislative Audit Bureau.

Ayes: (10) Senators Roessler, Cowles, Darling, George, Hansen. Representatives Jeskewitz, Kaufert, Kerkman, Cullen, Pocan.

Noes: (0) None.

ADOPTION RECOMMENDED, Ayes 10, Noes 0

  
Karen Asbjornson  
Committee Clerk

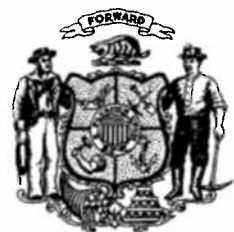


**The following document was too large to scan into the committee record. The cover and table of contents, if available, have been scanned for your convenience.**

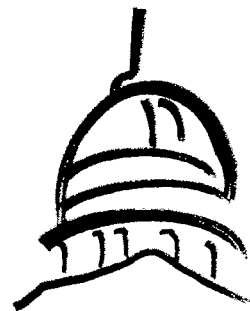
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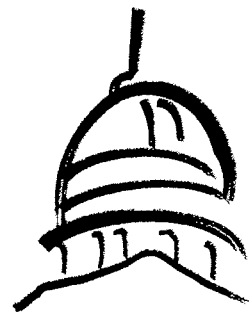
# *University of Wisconsin Tuition*



*Informational  
Paper 37*

*Wisconsin Legislative Fiscal Bureau  
January, 2003*

# *University of Wisconsin Tuition*



*Prepared by  
John Stott*

*Wisconsin Legislative Fiscal Bureau  
One East Main, Suite 301  
Madison, WI 53703*



# University of Wisconsin Tuition

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## Introduction

The Board of Regents of the University of Wisconsin System is delegated the authority to set tuition under s. 36.27 of the statutes. The statutes permit the Regents to set separate rates for state residents and nonresidents and also for different classes of students, extension courses, summer sessions and special programs. While the Board sets specific tuition levels, the process that determines tuition levels also involves the executive and legislative branches. This paper describes that process, as well as the recent history of tuition increases, comparative statistics, recent policy developments and other tuition-related issues.

The policy of charging tuition at a public university reflects a consensus that there are personal or private benefits for the individual student, as well as public benefits that justify government investment in higher education. As a matter of public policy, it is difficult to assess the appropriate balance between the public and private benefits of higher education when determining what portion of the students' educational cost should be borne by the students themselves. Other factors that may be considered in setting tuition include: whether or not students are paying their fair share; how tuition levels compare to those of similar institutions in other states; and whether the amount of the state subsidy is consistent with the perceived priority of public education in the larger context of the state's needs.

## Tuition and the Budget Process

Typically, the process of determining tuition

levels begins at the time the UW System proposes its biennial budget request. Under current practice, most requests for new funding reflect a sharing of costs between student fees and state general purpose revenues (GPR). Because this cost-sharing is not statutory, the Regents are free to propose changes in the ratio of fees to GPR and have done so in prior budgets. However, in recent years it has been the policy of the Regents to request a GPR/Fee ratio of 65%/35% for most items. The Governor and Legislature may either approve or alter the ratio requested by the Regents as part of the biennial budget process. If the proposed GPR/Fee split for instructional items is contained in the biennial budget act, the Legislature and Governor have in essence confirmed the Regents policy. Alternatively, if a higher or lower proportion of instructional initiatives were funded from fee revenues, the tuition levels would then be changed from that proposed by the Regents.

Budget deliberations typically focus on: (1) the amount of revenue to be generated from tuition; (2) the percentages of instructional costs to be paid by students; (3) levels of tuition; and (4) comparisons with other universities or states. Because the Regents have been explicitly delegated the authority to set specific tuition levels, the tuition schedule only implicitly enters into the budget discussions and is not set by statute. However, exceptions to this practice have occurred in the 1999-01 and the 2001-03 state budgets and in the 2001-03 budget adjustment act. In the 1999-01 state budget (1999 Act 9), the Legislature provided \$28 million GPR in 2000-01 to the University to fund a one-year freeze in resident undergraduate tuition. The 2001-03 state budget (2001 Act 16) required the

UW Board of Regents to impose a 5% tuition increase for non-resident undergraduates during each year of the 2001-03 biennium. The 2001-03 budget adjustment act (2001 Act 109) limited the 2002-03 academic year tuition increase for resident undergraduates to 8%.

In the past, the Legislature's primary role in the tuition setting process was to establish the appropriation level for "academic student fees" (tuition) which, until 1997-98, was the upper limit on the amount of tuition revenues that could be expended. While more revenues could be generated, expenditure of these additional revenues required approval by the Secretary of the Department of Administration and the Joint Committee on Finance under a 14-day passive review process. A provision in the 1997-99 state budget (1997 Act 27) expanded the Regents' authority to expend tuition and fee revenues beginning with the 1997-98 academic year. Under that provision, the Regents were permitted to expend up to 104% of the amount appropriated by the Legislature in the first year of a biennium and up to 107% of the amount appropriated in the second year of a biennium. The University was also allowed to expend tuition revenues that were budgeted, but not expended in the prior year.

The Legislature's oversight role with regard to tuition levels was further diminished by a provision in 1999 Act 9 which changed the appropriation for tuition and fee revenues from an annual, sum certain to a continuing appropriation. This means that the University may expend all monies received under the appropriation without limit and without the prior approval of the Legislature or the Joint Committee on Finance as is required for a sum certain appropriation. Act 9 did include statutory language aimed at limiting tuition increases for resident undergraduate students. The Board of Regents is prohibited from increasing tuition for these students beyond an amount sufficient to fund all of the following: (a) in an odd-numbered year, the highest amount shown

in the appropriation schedule for the tuition appropriation for that year in the Joint Finance Committee version of the budget bill, the engrossed budget bill or the enrolled budget bill; (b) in an even-numbered year, the amount shown in the appropriation schedule for the tuition appropriation; (c) the approved recommendations of the Secretary of Employment Relations for compensation and fringe benefits for classified and unclassified staff; (d) the projected loss in revenue caused by a change in the number of enrolled undergraduate, graduate, resident and nonresident students from the previous year; (e) state-imposed costs not covered by GPR as determined by the Board; (f) distance education, intersession and nontraditional courses; and (g) differential tuition that is approved by the Board but not included in the amount in the appropriation schedule for the tuition appropriation. The Board is required to report its determination of state-imposed costs under (e) to the Secretary of Administration beginning on December 15, 2000 and annually thereafter. The Board is also required to report, annually by December 15, on the amount by which expenditures from the tuition revenue appropriation in the previous fiscal year exceeded the amount shown in the appropriation schedule, the purposes for which the additional revenues were spent, and the amount spent for each purpose. In 2001-02, expenditures in the academic student fee appropriation exceeded the amount in the appropriation schedule by \$65.4 million; these expenditures included \$41.2 million in compensation related expenditures, \$10.2 million in enrollment related funding, \$3.2 million in utility expenditures, and \$10.8 in encumbrances and carryover balances from 2000-01.

The appropriation for tuition reflects other revenue items in addition to revenues derived from the academic tuition schedule (91.1% of the appropriation). These additional items include: summer school fees (4.6%); off-campus degree programs (2.0%); special fees for law students, master's level business students, non-resident



undergraduates at Madison and other special fee programs (0.7%); and the application fee (0.5%). In addition, the UW System budgets a certain amount of tuition and fee revenues for use of the tuition flexibility authority (0.6%). Due to these other types of fees, a 5% increase in the appropriation expenditure level would not necessarily translate into an average 5% academic year tuition increase.

Once a systemwide tuition revenue target is calculated, the University determines tuition for the different classes of students, which differ by resident status and academic level. Tuition increases often vary from one class to another: for example, resident undergraduates may experience a 7% increase, while tuition for nonresident graduate students could increase by 12.5% for the same academic year. The amount of tuition revenues appropriated is then allocated to the institutions based on their prior year budgets and any additional funding provided by the Legislature. For each institution, an estimate is made of the anticipated full-time equivalent (FTE) students by student class based on enrollment management targets and tuition revenues expected to be generated by the FTEs. The enrollment management targets are set by the Regents, with the cooperation of each campus, and are the basis for most internal budget decisions. In preparing the final tuition schedule, the Regents have the authority to alter the relative proportion of the burden borne by a particular class of students.

Beginning in 1996-97, subject to approval by the Board of Regents, campuses have been permitted to charge differential tuition rates for certain programs or students. These differential tuition rates, which may be proposed for an entire institution or by program within an institution, are usually charged for programs for which there is strong demand or particularly high operating costs. For example, students enrolled in UW-Madison's Doctorate of Pharmacy program pay a higher tuition rate than graduate students in other programs. The additional tuition revenues are used

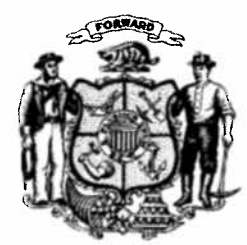
to offset increased costs associated with the implementation of the program. Since the policy was implemented, the Board of Regents has approved differential tuition initiatives at the doctoral campuses and eight of the four-year campuses. In addition, the Board approved a differential tuition initiative for the UW Colleges to gradually increase their tuition rates to 87% of the tuition charged at the comprehensive institutions. While this goal was reached in 1999-00, a new differential tuition initiative, begun in 2001-02, was implemented to reduce the tuition gap between the Colleges and the comprehensive institutions to less than \$300 per academic year; this goal was achieved in 2002-03.

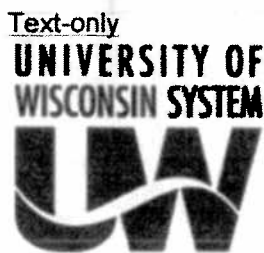
Typically, student fees only support the "instructional" portion of the UW budget. Instructional costs are calculated using a cost accounting system which includes faculty salaries and fringe benefits, supplies and services, administration, libraries and student services and support costs. Faculty salaries comprise the largest portion of these expenditures. In those instances where a faculty or staff member performs research as part of their educational responsibilities, only those costs directly related to instruction are included in the cost pool for setting tuition. Exceptions to this occurred when nonstatutory provisions in the 1997-99, 1999-01 and 2001-03 state budgets allowed the University to use tuition revenues to support the unfunded portion of the compensation plan for faculty and academic staff for those biennia. Consequently, a portion of the noninstructional cost of the salary increases for these employees was paid solely from tuition and fee revenues.

While the percentage of costs paid by students reflects the ratio of tuition revenues to GPR in the instructional budget, the actual percentage of costs paid in the form of tuition varies significantly among different types of students. In 2001-02, most undergraduate nonresident students paid between 127% and 172% of their instructional costs, thus



# WISCONSIN STATE LEGISLATURE





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Aug. 19, 2004

## University of Wisconsin System Board of Regents August 2004 Meeting News Summary

### Regents: Wisconsin must reinvest in UW System

#### Board unanimously approves 2005-07 budget request

MADISON - Signaling the dire need for restored quality and increased access to the University of Wisconsin System, the Board of Regents on Thursday (Aug. 19) unanimously approved its 2005-07 operating budget and capital budget requests to the state.

The operating budget request totals an annual average increase of \$105.8 million over the biennium. The request includes an average 7.2 percent in state support each year.



UW System Board of Regents

"When it comes to success, the state and the university are increasingly joined at the hip," said incoming UW System President Kevin Reilly. "In this budget, we request a modest reinvestment following the deepest cuts in the university's history."

The centerpiece of the [2005-07 operating budget request \[pdf\]](#) is a new initiative to increase access to higher education for students from low-income families. The plan would provide financial aid grants to students from families with incomes less than \$46,000 to cover any future tuition increases, dollar-for-dollar. The program would require an average annual increase of \$4.9 million in state support.

The operating budget also calls for funds to restore quality lost due to recent budget cuts. The plan, requiring an average annual increase of \$42.5 million in state support and fees, would allow the UW System to hire additional faculty to teach students and conduct research, and after six years, would result in an additional 1,000 graduates eligible to join Wisconsin's workforce.

Among other initiatives, the operating budget also includes a request for funding to recruit and retain faculty and staff. The request would allow the university to offer competitive compensation to its faculty and staff, who ended the last fiscal year 5.49 percent behind their peers.



Kevin Reilly, UW System President Select

An average increase of \$50.7 million annually would go toward meeting standard budget adjustments,

including rising costs for utilities, fringe benefits and debt service, none of which directly supports student instruction. Another average increase of \$3.6 million each year would go to support libraries and instructional technology.

In explaining the budget process, UW System President Katharine C. Lyall noted that Thursday's vote was the first step in a long chain of events, and was not a "tuition-setting step." Undergraduate tuition rates, which are determined by the state Legislature, will be made final after the 2005-07 state budget is set, likely in July 2005.

If the plan approved Thursday by the board is ultimately adopted by Gov. Jim Doyle and the state Legislature, undergraduate tuition would rise an average of 4.3 percent each year. Pay plans could add an additional 0.6 percent increase for each percent in salary increase approved by the Governor and Legislature.

The 2005-07 capital budget request [pdf] includes \$227 million in state supported borrowing over 20 years to complete construction and renovation projects across the system's 26 campuses. It also includes acceptance of \$88.8 million in gifts and grants for capital projects, and includes \$229.9 million in borrowing over 20 years that will be paid back with dollars generated by the university.

"Budgets are reflections of our core values; they are the most visible way that large, complex organizations like the UW System publicly signal their purposes, their goals, their accomplishments, and their needs," Lyall said. "It is our aspirations for our students and our state that drive this budget request and our continuing commitment to our public purpose as a public university."

The board approved the budgets after hearing testimony from students, faculty and staff, who told of the need to restore quality in the university's teaching, research and public service; and to improve access for students from low-income families.

- [View the 2005-07 biennial budget request presentation \[pdf\]](#)
- [View the 2005-07 Capital budget recommendations presentation and accompanying remarks \[pdf\]](#)
- [Read President Lyall's remarks on the budget request](#)

Padmanabhan Sudevan, professor of psychology at UW-Stevens Point, told the board that recruiting and retaining top faculty on campus is essential if the university is to effectively restore quality.

Sudevan testified about several faculty members who have chosen to leave the UW System to accept much more lucrative offers out of state.

"We need to concentrate on faculty to a greater extent than we have in the past few years," he said. "Without faculty, students do not benefit from the education they receive."

Jeff McKinnon, professor of biological sciences at UW-Whitewater, explained to the board the responsibilities of faculty members in today's teaching and research environment, noting that expectations far exceed current compensation levels.

[View McKinnon's Powerpoint \[pdf\]](#)

"When you don't pay people what they are paying at other institutions, you don't lose people at random. You lose your best people," McKinnon said. "The amount of money it takes for this investment is small compared to the returns."

Frank Emspak, an associate professor in the School for Workers at UW-Extension, also testified that UW staff are earning far less than what they



Padmanabhan Sudevan,  
Professor of Psychology, UW-  
Stevens Point

deserve for the professional skills they bring to the university.

"Access is more than simply being allowed in to the university," Emspak said. "Access also means access to a quality education."

More students are applying for, and receiving, financial aid, but the average awards have not kept pace with tuition increases, putting low-income students at considerable disadvantage, said David Woodward, financial aid officer at UW-River Falls.

"At the very least, the neediest students need to be held harmless from future increases in tuition and fees," Woodward said.

[View Woodward's presentation \[pdf\]](#)



David Woodward, Financial Aid Officer, UW-River Falls

Mark Keller, a non-traditional transfer student from UW-Stevens Point, testified about the importance of a high student-faculty ratio in assisting students in receiving a high-quality education.

Keller remarked that at UWSP, assignments that require students to practice their writing and critical-thinking skills are "becoming a thing of the past," as professors simply do not have the time to grade the written work of students who have increasingly larger class sizes.

"[I]t is important that we reverse this negative trend," Keller said. "As a student, I believe that the teaching staff should be the primary focus of this new budget."

[Read Keller's remarks](#)

Joe Weier, a non-traditional student from UW-Milwaukee, spoke of his personal experiences with reduced services and difficulty paying tuition as a result of the previous biennial budget cuts.



Mark Keller, student, UW-Stevens Point

Weier noted that he has experienced a decrease in both the amount of academic advising and access to the educational resources he needs to complete his coursework.

"[T]he fall 2004 term is the first semester that I will need to secure significant financial assistance to offset the sharp increases in tuition," Weier said. "My request is for the state of Wisconsin to reinvest state dollars in the UW System."

[Read Weier's remarks](#)

Brad Stafford, Student Government President at UW-Stout, spoke about the need to invest in educational technology and supporting resources to give students a quality education.

Stafford told the board that the laptop program at UW-Stout allowed him to overcome a learning disability and achieve success in the classroom. He noted that students involved in courses that utilize laptop and other educational technologies have a 10 percent higher chance of success than those students who are enrolled in courses that do not utilize these resources.



Joe Weier, student, UW-Milwaukee

"Funding technology is imperative for developing the graduates who will enter the 21<sup>st</sup> century workforce," Stafford said.

Mike Quieto, co-President of the UW-Madison Teaching Assistants Association (TAA), pointed out that he often switched his class and office hours to the weekends to better accommodate lower- and middle-income students who worked almost full time during the week. He noted that to be successful, students need more contact with faculty, supplemented by help from teaching assistants and other academic staff.

He charged the board to view this budget request as a demand, saying, "Start making demands, stand up and fight, show we are committed to higher education."

Bert Johnson, a student at the UW-Madison Law School, testified that the state budget process seems to pit different groups against one another, including students against faculty. Johnson said that politicizing this process was just a way to "pass the buck" to students who do not have a political identity at the Capitol.

"Raising tuition is not a solution," Johnson said.

Stephanie Hilton, president of the United Council of UW Students, noted that the organization's priorities for the 2005-07 budget request included full state funding for financial aid, minimal tuition increases, restoring faculty positions, competitive faculty salaries, maintaining services for students with disabilities, and the expansion of library and technology resources.



Stephanie Hilton, President,  
United Council

"Wisconsin's economy cannot survive without an educated workforce," Hilton said.

She also remarked that United Council and the New Voters Project are working to increase student voter turnout in the next election, in hopes of electing individuals who value and understand the importance of higher education funding for the future of Wisconsin.

Hilton thanked the regents and UW System staff for conducting an open biennial budget process, allowing diverse voices to be heard. Hilton finished her remarks by reciting a poem from Shel Silverstein, which made the point about the possible "Whatifs" that surround the budget process.

#### Read Hilton's remarks

Overall, the state has suffered in recent decades because budget constraints have forced the UW System to hold back from many activities it could be doing to further improve the state's economy, such as improving access for adult learners and increasing numbers of graduates, UW-Eau Claire Chancellor Donald Mash told the board.

"We have focused on other things, and that's bad for Wisconsin's future," Mash said, adding that the UW System stands for potential and possibilities. "This is about Wisconsin, and all that can still come with reasonable investment."

Following the testimony, regents discussed several options for moving the budget request forward, including modifying details about the budget initiatives and requesting that the funding be drawn from difference sources of support, but the resolution passed without amendment.



Donald Mash, Chancellor, UW-Eau  
Claire

Several regents spoke in support of the request, saying that while the board was asking the state to provide significant levels of funding in an uncertain economy, the request is what is required for quality and access throughout the UW System.

"Good K-12 schools cost money, good roads cost money, and good higher education costs money," said Regent Guy Gottschalk of Wisconsin Rapids. "I'm willing to pay more so that my grandson doesn't grow up in Wisconsin."

Regent Roger Axtell of Janesville agreed, saying he was reassured knowing that UW System chancellors were also supportive of the request.

"I don't think we should be afraid to ... say 'this is what we need,'" Axtell said.

Regent Jesus Salas of Milwaukee noted that he particularly favored approving the request for financial aid that provided for students from families in the two lowest-income levels, rather than just those from the lowest bracket.

Regent Peggy Rosenzweig said she understood that observers will have "sticker shock."

"This is a big ask, but I am persuaded that this is the right course," she said.

Regents initially voted 14-2 to pass the operating budget. In a show of solidarity, the board approved a motion by Regent Vice President David Walsh, who cast one of the no votes, that the vote be re-recorded as unanimous.

The budgets were largely developed with guidance from the Regents' study of the university's future, titled Charting A New Course for the UW System. The requests will be forwarded to the state Department of Administration next month.

### **Board honors departing leaders**

Katharine C. Lyall accepted an extended standing ovation following a resolution from the board on Thursday, when she participated in her last full board meeting as UW System President. She will retire at the end of the month.

Board members each took a turn reading a portion of a resolution in appreciation of Lyall's work as president, a position she held for 13 years.

Lyall imparted the board with several words of wisdom, underscoring the importance of the people who make the university the great institution it is, and noting the individuality of each campus and overall mission that makes the UW System so unique.



President Katharine C. Lyall

"Never lose faith in the ability of education to change lives," Lyall said. "I thank you all from the bottom of my heart for giving me this opportunity."

In September, Lyall, an economist, will begin a year's appointment as a visiting senior scholar at the Carnegie Foundation for the Advancement of Teaching in Palo Alto, Calif.

Regent Gerard Randall of Milwaukee introduced a resolution that the board passed to honor Nino Amato, who recently completed his service on the board as president of the Wisconsin Technical College System.

In thanking the board for the recognition, Amato said there were few in Wisconsin who don't respect the UW System and the state's technical colleges for their potential. He warned, however that costs are spiraling out of control and may eventually rob the state of its valuable educational systems.

"In truth, the Wisconsin Idea is becoming an empty promise," Amato said.

Amato also encouraged the board to work to reverse the trends of reduced funding for public higher education and when possible, to take strong actions, such as implementing a tuition freeze.

Also on Thursday, the board thanked former Chancellor Bill Messner for his leadership and service of the UW Colleges. Regent Elizabeth Burmaster noted that the UW Colleges grew by one-third during Messner's tenure, and said that Messner was a man of "great wit, charm and integrity."



Regent Nino Amato (left) and Regent Gerard A. Randall

Messner began his appointment as president at Mount Holyoke College in Massachusetts this week. The board on Thursday also unanimously passed a resolution to authorize a search for his replacement.

- [Read the resolution for President Lyall](#)
- [Read the resolution for Regent Amato](#)
- [Read the resolution for Chancellor Messner](#)

###

The Board of Regents will hold its next meeting September 9-10 in Van Hise Hall on the UW-Madison campus.

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University of Wisconsin Board of Regents Meeting  
1820 Van Hise Hall – 10:00 a.m.  
Thursday, August 19, 2004

**BOR Resolution of Appreciation – Comments by Nino Amato**

**(O) 608-441-5740 / [Ninoamato@earthlink.net](mailto:Ninoamato@earthlink.net)**

**On behalf of my Italian immigrant grand parents who instilled in each generation the need for a college education, I want to thank you for this opportunity to address today's meeting and reflect on the future of the University of Wisconsin and the Wisconsin Technical College Systems.**

**Given the seriousness of the many challenges we are facing in higher education; please allow me to skip the humor, the political poetry and the temptation to deal in nice platitudes, typically afforded by outgoing Regents.**

**There are very few people in Wisconsin that do not love and mutually respect the University of Wisconsin and the Wisconsin Technical College Systems. They love what these educational systems have been, and they love what our educational systems have the potential to be. But like so many students and families, citizens all across Wisconsin are worried that the current cost of tuition, books, room, board and student fees, are leading the state down a path that, if followed for much longer, will rob Wisconsin of what has made higher education in our state so special.**

**The foundation upon which Wisconsin's unique identity and progressive character was built – clean, open, responsible progressive government, outstanding public elementary and secondary schools and higher education institutions – needs our undivided attention.**

**The centerpiece of the noble Wisconsin Idea – that the boundaries of the state universities are the borders of the state itself – is now in truth, becoming an empty promise. At a time when the value of a college education is higher than ever, its cost is prohibitively expensive for too many. The University of Wisconsin is sadly becoming a "gated community" and an unacceptable number of young people and their families in our state are on the outside looking in. And for those students and families who are on the inside, we have tragically created unprecedented debt for them.**

**Given 2003-04 budget deal between UW System Leadership and the Governor's office that resulted in ~~double-digit tuition increases~~ totaling 37.5 percent, the future economic prosperity of Wisconsin's citizenry and the vast potential of our student population are being placed in potential economic jeopardy. We are now in grave danger of losing affordable, high quality and accessible higher education that make Wisconsin distinctive.**

Therefore, given limited state resources, both currently and projected into the future, it is clear that systems of higher education will need to be structurally changed to become more cost effective. The question isn't if this restructuring will occur in Wisconsin, but rather if Wisconsin will take the initiative now, to lead the needed reform.

To identify the needed changes to make the system of higher education in Wisconsin more cost efficient and effective, it is important to identify the areas where the system has evolved that are detrimental to the overall mission of the system. The mission of higher education in Wisconsin should be designed to provide superior education to students, to generate new knowledge of benefit to society, and to provide service to the citizens of the state. All of this must be done in a cost efficient manner and this will require new thinking about how higher education is configured and operated in our state.

Because entrenched interests will be threatened with a major reorganization of higher education in Wisconsin, strong action by the legislature will be required for needed reforms to occur. It can be expected that UW system staff will vigorously oppose any actions that will change the status quo. There will be calls to "privatize" the university, although this is simply a "code word" for even less oversight by the legislature. It will therefore be up to the legislature to not only make major structural changes in higher education, but to provide the oversight and direction needed to keep educational reform focused on student needs.

To start with, one of the major directives by the state legislature should be to reconstitute the Board of Regents and the Wisconsin Technical College System Board. This restructuring should include legislative representation from both political parties, increasing student and faculty representation, and geographical representation by congressional districts.

The State Legislature also needs to provide the Board of Regents with paid staff and a budget, separate and independent from system staff, that will allow for independent investigation and auditing of both systems to make certain that educational policies are being followed and that financial resources are being used wisely.

Whether we like it or not, systems of higher education will be reformed across America due to the fiscal crisis faced by states. It is not a question of if major change will occur, but when reform will take place. We all know it is possible to significantly reduce costs and improve the quality of education and research if hard decisions are made and a true restructuring of higher education in Wisconsin takes place. Those who benefit from the status quo will resist mightily, therefore it will take clear analysis and decisive and firm action on the part of the students we serve, the faculty who teach our students, and a bipartisan legislative effort in order for reforms to take place in our higher educational institutions.

**Why?** Because of the upward spiral of double digit tuition increases and the resulting attitude, such as “its-not-our-fault, besides we need to raise tuition to match our peers in the Big 10.”

**This attitude is not helping our cause for affordable education in Wisconsin. And this mentality needs to stop. And the “buck has to stop with the Board of Regents.”**

**As I look back on my 14 months on the Board of Regents and my leadership role on the Wisconsin Technical College System Board, I would encourage both educational systems to immediately recognize that an alarming shift is taking place in access to higher education in Wisconsin. As we all recently learned, fewer students from lower and middle income families are no longer able to participate in higher education because of the increasing cost of tuition and that recent data doesn't even include the tuition increases for 2003-04 and 05. This trend must be reversed if the economic well being of our state is to be ensured in the future.**

**As we all know, higher education has been the avenue to a better life for less privileged teenagers and adults. That promise of economic advancement to all potential students in the future must be the primary focus for the Board of Regents and the Wisconsin Technical College System. Therefore, an agreement must be forged to put educational purpose before partisan politics in order to improve the economic standing for all our citizens in Wisconsin.**

**According to the notable research by Professor Elizabeth Warren of Harvard, “many parents and students complain about the rising cost of a college education, but since nearly two-thirds of all parents' view a degree for their children as “absolutely essential,” universities can safely assume that families will find a way to pay ever increasing costs. And that is precisely what has happened. After adjusting for inflation, in-state tuition and fees at the average state university have nearly doubled in less than twenty-five years. To put that in perspective, the price of college has grown twice as fast as the average professor's salary, three times faster than the cost of food, and eight times faster than the cost of electricity.”**

**Tuition, room, board and student fees now cost more than \$12,000 a year at the University of Wisconsin.**

**Equally disturbing, whenever the problem of college costs are discussed, politicians and system staff typically focus on making more loans available to families. But is this the correct solution?**

**According to Professor Warren, “in 2001, over 5 million students had borrowed \$34 billion in federal student loans – more than triple the amount borrowed just ten years earlier. Student borrowing from lenders has grown even faster, increasing fivefold in just six years. Nor do college students bear the burden alone; parents are also going deep into debt to pay for their children's education. Every year, more**

**than a million families take out a second mortgage on their homes just to pay for educational expenses.”**

**As we should all know, offering our students and their families the ability to borrow more money does not reduce their costs. In fact, offering them more debt is like throwing rocks to a drowning person – it just makes things worse and it won't help.**

**And if you need validation, then just ask the families of Wisconsin who are sending or hoping to send their children to our universities and technical colleges.**

**So what is the solution?**

**It's now time for the Board of Regents and the WTC System to shake things up with a “freeze on tuition.” A multi-year freeze on tuition at all of our 26 university campuses, including the 16 Technical College Districts would prompt an intensive political discussion and debate on higher education priorities and would force our politicians and the rest of us to make choices that are in the best interest of our students.**

**If the BOR's, the WTCS, along with the Governor and the legislature, were truly committed to stopping tuition increases, the net effects would positively reverberate throughout Wisconsin and the higher educational community.**

**To be sure, the educational issues before us are complex, and a tuition freeze will force our elected officials to make some very tough choices. In the long run, however, it would refocus this debate on our mission – providing an affordable education for all citizens of Wisconsin, not just those who can come up with twelve or fifteen thousand dollars each year. And let's also keep in mind those families who are supporting two or more students annually.**

**If we do nothing, the current upward spiral cost of tuition is nothing more than a back door, “ex-facto” privatization of our higher educational systems in Wisconsin.**

**By their inherent nature, colleges and universities are like any other political organization in their desire for survival and for maintaining the status quo. Like true believers, it is no wonder that they can always justify the rising cost of tuition, student fees, room and board – and quickly shrug off their critics by simply saying “it's not our ~~fault~~ . . . our hands are tied.”**

**That attitude won't help our objective of providing greater access, high quality and affordable higher education nor will it help the students and their families who are struggling to find a way to pay for higher education.**

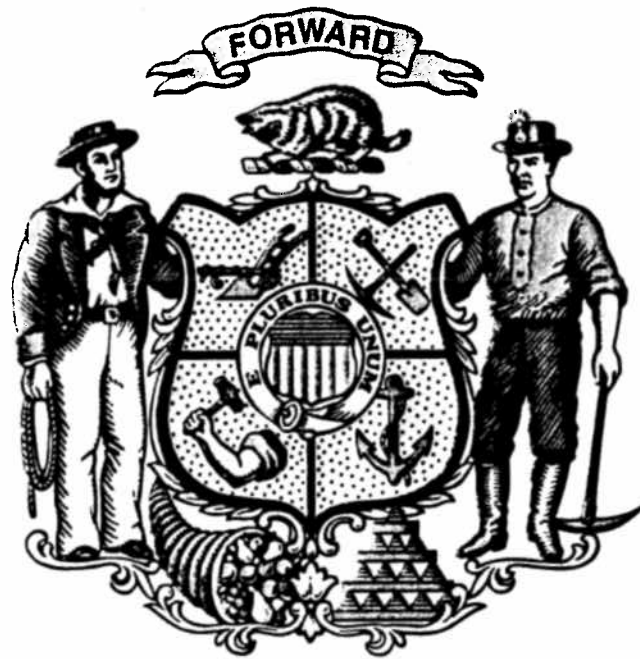
**People in Wisconsin, along with our elected officials, strongly believe it is more important to get a college education or an associate degree today than it was a generation ago, but it is financially a lot harder today to get one.**

**In conclusion, and in keeping with Wisconsin's progressive spirit that built the UW and WTC Systems, it's time to do the right things for our students and for their families. The time has come for the Board of Regents and the WTCSB to vote for a tuition freeze.**

**Through a homegrown grass roots initiative among students and their families, among faculty and academic staff and among Chancellors and District Presidents, it's time to go against the Governor's budget instructions and ask for state GPR support to be used for this tuition freeze, in order to protect and enhance Wisconsin's great educational institutions.**

**I'm proud of the University of Wisconsin and the Wisconsin Technical Colleges and as a product of both educational institutions; it's been a privilege and an honor to serve the students of both systems.**

**Thank you for allowing me this time and as a continuing member of the WTCSB, I look forward to working with everyone.**





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## NEWS RELEASE

FOR IMMEDIATE RELEASE  
August 19, 2004

Contact: Doug Bradley  
(608) 262-5061

### **UW System Board of Regents approves 2005-07 budget request**

MADISON – The University of Wisconsin System Board of Regents is asking for state funding for the 2005-07 biennium that will help its 26 campuses and UW-Extension begin to recover from the \$250 million in state budget cuts they took in the 2003-05 biennium, while providing more access and services for students.

After a lengthy meeting, during which the 17-member board heard testimony from faculty, students, chancellors and United Council, the board debated and passed a budget request that would seek an average annual increase of \$105.8 million in state tax dollars and student fees. Approximately half that amount would go toward meeting standard budget adjustments, including rising costs for utilities, fringe benefits and debt service, none of which directly supports student instruction.

The proposal would require a 7.2 percent increase in state support, coupled with a 4.3 percent annual tuition increase.

However, the request also would provide a major financial boost to students from low income families by essentially holding tuition at current levels for students whose families earn less than \$46,000 per year.

The budget request also provides funding to replenish faculty and staff positions needed to teach high-demand courses and majors, to meet technology needs, to rebuild paper and electronic library collections, and for special projects to enhance regional economies and provide more opportunities for returning adult students to gain access to university courses and programs.

“This is a budget built around student access and success,” said incoming UW System President Kevin Reilly. “It represents access for lower-income students, access for returning adult students, access to quality faculty and staff, access to libraries and technology, and access to better-paying jobs for graduates.

“It’s a Wisconsin Success budget,” he added, “because the state would be getting more high-income workers, who would in turn, contribute to the state’s economic base and to a richer and healthier quality of life.”



The board also approved a capital budget for the university that would require \$19 million annually in debt service to upgrade classrooms and laboratories and replace some academic facilities. Capital projects were approved for the UW Colleges, UW-Extension, UW-Stout, UW-Madison, UW-Oshkosh, UW-Platteville, UW-Whitewater, UW-Parkside, UW-Superior, UW-Stevens Point, UW-Milwaukee and UW-Green Bay.

Nearly half the projects approved will be paid for entirely or in part through gift funds and program revenue.

Regent President Toby E. Marcovich noted that the Regents were not acting "simply based on our own biases and interests, but considering these proposals on behalf of 160,000 students and their families, 30,000 employees and their families and more than half a million citizens of the state who depend directly or indirectly on the services and graduates of our university system."

UW System President Katharine C. Lyall said she was pleased with the budget request, noting that during the past 15 years, the university as a proportion of overall state spending has fallen from about 12 percent of overall state spending to roughly 8 percent of state spending.

"I think the Regents sent an important signal to our students and to our faculty and staff that they believe that erosion should end," Lyall said. "They signaled their recognition that our campuses are struggling to manage the deep budget cuts they have taken while maintaining their enrollments and commitment to students."

Lyall noted that the state's economy is turning around and that a reinvestment in the university system would pay important dividends to the people of the state.

"This budget will help us not only maintain educational quality, but also enable us to collaborate on projects to improve the Wisconsin economy and address state workforce shortages."

In line with budget guidelines issued by the Wisconsin Department of Administration, the UW System will formally forward its budget request by Sept. 15. That request will then be factored into the Governor's overall state budget proposal to be unveiled early next year.

UW-Eau Claire Chancellor Donald Mash addressed the board, noting that the state and the university made a policy decision 20 years ago to decrease enrollment in the UW System, and the result today is a state population that is below the national average in both personal income and the percent of adults with college degrees.

"We focused on other things and that's bad for Wisconsin's future," he said, adding that the UW System stands for potential and possibilities. "Support for the UW System can't be turned on and off like a faucet. If we lose it, it will be turned off forever. This budget request is about Wisconsin and all that can still come with reasonable investment."

#####

*More information can be found online at <http://www.wisconsin.edu>.*



Peterson-

August 26, 2004

Questions from Sue prompted by WSJ article comparing WI and MN college graduate retention and incomes.

U of Minnesota:

- GPR contribution to their budget? FY 2004 572.9 million (25.8% of their budget)
- GPR per capita? 126.80
- Undergraduate Resident Tuition in dollars?
- How many campuses? 4 (and 18 research centers...see attached)
- Student Retention? About 2/3 grads stay
- Total University Budget 03-04? Biennium: 1.2 billion (600 million)
- Degrees awarded? 11,5000 02-03 (41% graduate and prof. Degrees)

U of Wisconsin System:

- GPR contribution to their budget? FY 2004: 992 million (approx 27%)
- GPR per capita? 194.40
- Undergraduate Resident Tuition in dollars 03-04? 5,862
- How many campuses? 26 campuses (13 UW, 13 Colleges,) plus Extension which is provided by WI counties, conf centers (in Madison) and statewide UW offices
- Student Retention? Office of Policy and Research says that of WI residents who go to UW, about 82% stay after graduation but those from outstate who get degrees leave, and we don't draw well people from elsewhere w/degrees
- Total University Budget 03-04? 3.49 billion, 04-05: 3.8 billion
- Degrees awarded? 32,000 (info on percent of various degrees coming)

Chuck Pruitt - Regent  
Brent Smith -  
Godensew  
Kevin Reilly



# TWIN CITIES CAMPUS

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## Other University Locations

In addition to its campuses and collaborative center, the University of Minnesota has cutting-edge facilities and research centers throughout the state.

- [Cedar Creek Natural History Area, Bethel](#)
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- [Hormel Institute, Austin](#)
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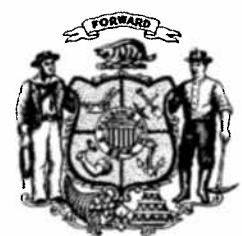
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Last modified on August 1, 2003





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*po  
politics*

September 3, 2004

*rec'd 9-8-04 JH*

TO: Members, Assembly Colleges and Universities Committee  
FROM: Kevin Reilly, President, University of Wisconsin System  
RE: August 31<sup>st</sup> Assembly Colleges Hearing

I am writing to provide some information on several concerns raised at the August 31<sup>st</sup> Colleges and Universities Committee meeting called to discuss the Wisconsin Technical College System (WTCS).

Please be aware that as the new president of the University of Wisconsin System, our collaboration and relationship with our WTCS colleagues are critical priorities for me. Also understand that facilitating credit transfer – and beyond that, increasing our output of college degree holders in Wisconsin – are backbones of the 2005-07 biennial budget, passed by the UW Board of Regents in August.

Many of you are aware that our board and the WTCS board have a joint committee working on these issues called COBE or *Committee on Baccalaureate Expansion*. No specific proposals have been finalized. However, I understand some Colleges and Universities Committee members expressed concern with the idea of a Center for Adult Access. Let me assure you that no such proposal is included in the UW System's 2005-'07 budget that is being forwarded to DOA. No such program proposals will proceed without the COBE group's agreement and then each proposal must be endorsed by both the WTCS and UW System boards. I will work closely with Interim President Clancy of the Wisconsin Technical College System on this joint effort to facilitate degree programs for working adults across Wisconsin.

\* Another issue that came up at the hearing related to student financial aid. The Regents are extremely concerned about the financial squeeze on low and moderate income families, created by recent tuition increases on our campuses which were necessitated by the \$250 million in GPR cuts that the university sustained during this biennium. As a consequence, the Regents passed a budget that would, in essence, freeze tuition for the biennium for students from families earning less than \$46,000 annually.

In addition, they chose to submit a budget that suggests tuition increases for the coming biennium at a very modest rate that would average, for example, \$200 annually for UW-Madison and UW-Milwaukee and less at the other campuses. This action was positively supported by our students and the press (see attached editorials).

\* At the same time, it is vital that the state fill the holes that exist in our student financial aid programs. We would be delighted to work with you on a study, or hearing, to examine the issues of tuition and financial aid in an effort to ensure that a college degree for any Wisconsin resident remains accessible and affordable.

I look forward to talking with each of you personally soon, and to working with you in the months ahead on matters of mutual concern. We are all united in believing that a strong and responsive public university system is critical to the state's future. Please don't hesitate to be in touch with me and my staff on these issues and others.

cc: Board of Regents  
Chancellors  
Cabinet

5/12/2004 10:26:05 AM

## **UW cutbacks have gone far enough**

### **Further slashing shortsighted**

**Doug Mell**

Leader-Telegram Staff

The UW Board of Regents had no choice but to raise tuition for 2004-05.

But Gov. Jim Doyle and the Legislature should do everything possible to make sure that tuition increases slow in the coming years and the state stops exacting large spending cuts from this vital state service.

A good place to start would be for Doyle's administration to tell UW officials to ignore recent directives to prepare budgets for the 2005-07 biennium that contain 10 percent spending cuts.

Even the Republicans, who are trying to sell a constitutional amendment to limit state and local spending, protect the UW System from those ill-advised controls.

The UW was forced to find \$250 million in spending cuts for 2003-05. Administrators obviously were not happy with that exercise but complied because the state faced a \$3.2 billion budget deficit.

Now UW administrators rightly say, with the state and national economies showing signs of renewed vigor, it is time to stop the bleeding. Some officials even are talking about expansion plans.

"We simply can't do the things the state

needs its public higher education to do without some reasonable investment," said UW-Eau Claire Chancellor Donald Mash.

Mash has been a good soldier in the effort to pare UW spending to help ease the state's budget crunch. But he and other chancellors have been sounding the warning that there is only so much that can be cut without seriously impairing the ability of the system to provide the state with a new generation of educated workers.

Chancellor Julius Erlenbach of UW-Superior this week told Wisconsin Public Radio that Doyle's order to submit budgets with 10 percent cuts surprised the group of chancellors because of the size of the reduction that already has been imposed on their schools.

Regent President Toby Marcovich agreed, saying a 10 percent reduction would be draconian.

The chancellors and Marcovich are right. The UW System had done enough to balance the state's budget. Spending from state tax dollars is down, tuition has gone up by double-digits in the last few years, enrollments have been limited and employees have gotten little or no pay raises.

Stephanie Hilton, president of United Council of UW Students, told the regents the board should ignore the governor's request for plans to cut funding.

"We feel the UW System has played by the rules for too long," Hilton said. "Refuse to let this happen again."

The Associated Press reported that Hilton's comments drew hearty applause from most board members, who did not



ndicate whether they would meet her  
challenge.)

Doyle has said that Wisconsin's economy  
needs a jump-start, and the UW System  
is a key player in that effort.

Now the system needs the resources to  
accomplish that goal.

— Doug Mell, managing editor

Why only for the rich?

An editorial  
June 14, 2004

They claim they had no other choice, but last week's action by the University of Wisconsin Board of Regents to raise tuition another 15.4 percent is another blow to the children of low- and middle-income families in our state.

The university is already experiencing a sad trend that allows fewer and fewer children from families with modest incomes to get a higher education.

Back in 1992, for example, 14.7 percent of the freshman class throughout the system came from families with incomes of \$30,000 a year or less. By 2002, that percentage had dropped to 11.2 percent.

And that was before last year's 18.2 percent tuition hike and now the 15.4 percent to be tacked on this coming fall. This latest increase translates to a \$700 hike for the Madison campus, bringing a year's tuition cost to \$5,524. That, of course, is just for starters. Room, board and books will push the total cost to more than \$13,000.

"If we keep raising tuition, we are going to lose a segment of our society," Regent Nino Amato, one of four who voted against the tuition hike, told his colleagues. "I know this is not an easy decision, but at what point do we make our case?"

That case has got to be made now and at the other end of State Street.

The powers-that-be in the State Capitol must find a way to give our university system the support it needs. The education of our children - whether they be rich or poor - has got to come first.

Both the Republican Legislature and the Democratic governor continually posture that taxes can't be raised. It's time to ask them: What is a \$700 tuition increase if not a tax on students and their families?

There's got to be a better way to support the university and the future of Wisconsin children than by jacking up tuition costs so much that they become affordable only by the rich.

"I don't think we should be balancing the budget on the backs of the students," said Superintendent of Public Instruction and Regent Elizabeth Darmaster.

She's absolutely right. We shouldn't.

Published: 6:42 AM 6/14/04

Original URL: <http://www.jsonline.com/news/editorials/jun04/237765.asp>

## Editorial: Keeping UW affordable

From the Journal Sentinel

Posted: June 19, 2004

The budget ax has whacked the University of Wisconsin hard. Tuition has soared. Faculty ranks have shrunk. The number of courses has fallen. But the most worrisome consequence of declining state support is a drop in enrollment of students from lower-income families. Policy-makers must focus especially on reversing that trend.

Yes, state aid has sunk too much. In 1973, the state picked up half of UW's costs. Now, it picks up less than 30%. The last state budget lowered support to the university system by \$250 million. In response, tuition jumped a whopping 18%, still not enough to cover \$100 million in lost aid.

No question, policy-makers must reverse course and step up aid to UW - aid that will pay for itself several times over in economic benefits to Wisconsin. But they must put special emphasis on ensuring that lack of income is no bar to talented young people desiring higher education here.

Back in 1992, 36% of UW freshmen hailed from families in the two lowest income quintiles. (A quintile is a fifth of all the state's families.) Ten years later, the share of students from those quintiles had fallen to 21%.

This alarming trend betrays the promise of America, which the UW System formerly helped meet: that young people could go as far as their talents take them, regardless of whether they were born into rags or riches. The fulfillment of this promise helps pump energy into America, and Wisconsin. The other side of the coin is that a decline in college graduates among lower-income people saps the state of energy. It also hurts UW's needed efforts to get the campuses to look more like the state. Young people of color are more likely than their peers to be poor.

UW officials recently released to the Board of Regents a report examining the pullback in the state's commitment to the system. The report recommends an increase in student financial aid and the adoption of a "hold harmless" program that would provide low-income students with grants to cover tuition increases. Policy-makers should enact these proposals.

The report warns, rightly, that the drop in state support is threatening the system's quality of education. Notably, the report doesn't just ask for more state aid. It offers several suggestions for efficiencies, such as streamlining "the overly burdensome and time-consuming capital building program process by modernizing statutes and procedures."

But the document points out that there's simply no way around the need to bolster state support

for the system. A spokesman notes that Gov. Jim Doyle is a strong supporter of the UW System. Now, Doyle must figure out how to put the state's money where his mouth is.

From the June 20, 2004, editions of the Milwaukee Journal Sentinel  
Get the Journal Sentinel delivered to your home. Subscribe now.



Posted June 24, 2004

## Editorial: UW needs far more support from state

At a time when a college education is more and more important in determining a person's prospects in life, Wisconsin is restricting the opportunities for a public university education, especially for lower income people.

This is the worst result of the \$250 million cut in funding for the university system and resulting increases in tuition for the University of Wisconsin System.

UW tuition rose an average of 18 percent this year, but even with this huge tuition increase to partially offset the decline in state aid, UW lost \$100 million from its budget.

In 1992, 36 percent of the incoming UW freshmen came from families in the lower 40 percent of household incomes. By 2003, the percentage had plummeted to 21 percent, according to a report UW issued this month.

These percentages are an indicator that the American dream, which holds that a person can rise as far as his talents and ambitions can carry him or her, is being compromised. And since minority households have lower average incomes it means a restricting of opportunities based not on abilities, but minority status.

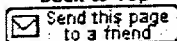
It's not just a loss to the individuals involved. The economic prosperity and quality of life in Wisconsin depends on its best and brightest, regardless of income, having an opportunity for a top-notch education.

And even those affluent enough to pay the higher tuitions have been negatively affected. The drop in revenue has meant the UW system has lost 670 faculty positions in the last 10 years. This means bigger classes, fewer class offerings, less individual attention to students and often an increase in the time and money it takes a student to complete college.

The financial cutbacks also come at a time when demand for a college education is rising and the costs of computers systems and other technology have soared.

Quite simply, Gov. Jim Doyle and the Legislature must find ways to provide more funding for the UW System in the coming years. Otherwise it may not continue to be one of the best public university systems in the country and one that provides ample opportunities for people of all incomes, ethnic groups and social classes.

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Posted July 17, 2004

## Editorial: State should boost student aid

### Issue

Recent reports show that the state's residents and its Legislature must remain watchful regarding the University of Wisconsin System's ever-rising tuition rates.

Rising college tuition costs

### Our view

First, the good news: While the sticker price for tuition and fees at four-year public universities has soared in the past decade, what most students actually pay has declined, according to a recent analysis by USA Today.

Financial aid must be increased to keep higher education affordable

"In fact, today's students have enjoyed the greatest improvement in college affordability since the GI bill," the newspaper reported.

Congress has adopted tax breaks that help middle-income families pay for college, and financial aid has increased. The result is that students are paying on average only about one-third of the listed tuition cost, USA Today found.

But you shouldn't waste too much time daydreaming about all the things you could buy if you no longer needed to set aside money for your kid's college fund.

Tuition at public colleges will likely rise another 10 percent for the 2004-2005 school year, The Associated Press reported last week. Cash-strapped states are expected to continue covering a dwindling percentage of the costs required to run their college systems. And the expanded pool of federal grants that has offset recent tuition increases may not grow much more.

Those trends are evident nationwide, but they demand especially close attention in Wisconsin, where a top-notch university education at a bargain-basement price has been considered a birthright. Only the University of Iowa charged new students less in tuition than UW-Madison among Big Ten conference schools last year, according to a recent study by the nonpartisan Wisconsin Taxpayers Alliance.

But the alliance also found troubling signs that the UW System may be starting to price students from poor families out of a college education. As the state wrestled with budget difficulties in recent years, the Legislature turned to the UW System for cuts. Undergraduate tuition and fees for Wisconsin residents rose nearly 27 percent from 1998-99 through 2002-03, the taxpayers alliance found.

Financial aid was increased to offset the tuition increases, but it hasn't kept pace, rising 16 percent. In turn, more students are taking out loans, and their debt load is increasing.

Those factors have apparently discouraged kids from Wisconsin's poorer families from enrolling in the state's university system. From 1992 to 2002, the percentage of new freshmen students with family incomes in the bottom two-fifths of Wisconsin families fell 11 percentage points to 29.3 percent. Conversely, the percentage of students with family incomes in the top two-fifths rose 10 percentage points.

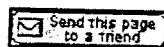
Wisconsin Taxpayers Alliance President Todd Berry advises that the state must increase financial aid if it hopes to keep college affordable.

That would be a wise investment. Growing the state's economy will require growing the number of its college graduates. We can't afford to price thousands of Wisconsin students out of a college education.

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**EDITORIAL**

# Principles guide UW budget plan

Those UW Regents have some nerve, don't they?

The state just dug out of a \$3.2 billion deficit in the current two-year budget, and projections are that it will face a deficit of millions of dollars in the next budget. Yet instead of taking the prudent road and making more tough cuts, the regents proposed increasing the next UW System budget by \$211 million.

Regent Roger Axtell of Janesville offers a compelling explanation.

First, state support for the UW System has fallen every year for nearly 20 years. The state used to pay 50 percent of costs, Axtell says. That has fallen to 27 percent. Until two years ago, the state offered about \$1 billion in support. But it made \$250 million in cuts in the current budget, making up part of the shortfall by raising tuition \$150 million. In other words, students and parents contributed \$150 million more to get \$100 million less in educational value.

What sort of value? Axtell says faculty was cut by 600, while the number of students in the system rose 6,000. Madison dropped 200 courses in letters and sci-

ence alone. Fewer options for required courses mean students might need longer to graduate. Library hours have been cut. Each advisor at UW-Milwaukee juggles 700 students.

Nontenured faculty—teaching assistants—lead 40 percent of classes, the highest level in history. Classes used to have a ratio of 22 students to one instructor, now, it's closer to 30 to one.

The system has lost three chancellors to significantly higher paying jobs. Several key faculty members have been lost at UW-Whitewater alone. Meanwhile, in the past 2½ years, faculty got a 1 percent raise and a \$250 "tip."

Second, the regents proposed another tuition increase of 4 percent. While no students or parents want to pay even more, the United Council of UW Students supports the proposed increase. Obviously, the student governing body sees the need.

Finally, Axtell evoked the state statute guiding regent duties to plead the case.

"I found that one of the key responsibilities of the board of regents is to preserve and enhance quality of education, and I said that in the past two years, we have not preserved and enhanced the quality. The quality has deteriorated."

Axtell's fellow regents obviously agreed that it's time to restore that quality. Incidentally, the proposal makes a priority of an engineering degree program at UW-Rock County. Gov. Jim Doyle vetoed a separate bill on the idea, saying he wanted regents to make it part of their regular budget request.

It will be up to Doyle and legislators to gauge whether the details in the budget proposal have merit. A.J. "Nino" Amato, outgoing regent and former president of the Wisconsin Technical College System Board, urged a freeze on tuition. He said less-privileged students are being frozen out of the market. Instead, he called for reform that would force elected officials to make tough choices: Sen. Robert Cowles, R-Green Bay already has said the regents weren't being realistic and that any budget increase will be problematic.

Maybe so. But don't fault the regents for sticking to principles spelled out in statutes. Instead, expect Doyle and lawmakers to balance the state's fiscal mess while keeping in mind that providing a quality, educated work force is imperative to retaining businesses that fuel our state's economy.

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## **Stephanie Hilton, President of United Council of UW Students Statement on UW System's 2005-07 Biennial Budget Request**

"The United Council of UW Students commends the Board of Regents for passing a fair and equitable biennial budget request for the UW System that calls for a 4.3 percent increase in tuition paired with a 7.2 percent increase in state funding. In the last state budget, the UW System was cut \$250 million; the largest in its history, coupled with 37 percent tuition increases. As a result, Wisconsin's families are being priced out of a college education when Wisconsin's economy most needs an educated workforce.

"Students look forward to working with the Board of Regents, UW System administrators, faculty and staff to protect our families from excessive tuition increases. We are confident that together we can restore the health and vitality of the UW System while respecting the financial burden on students.

"Finally, the Governor and Legislature must realize that the state budget cannot be balanced on the backs of students. Students around Wisconsin are mobilizing to elect citizens who understand the state's obligation to maintain an affordable and world-class institution. The people of Wisconsin need elected officials who champion funding for college to protect Wisconsin's future."

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*The United Council of UW Students is one of the nation's largest, oldest and most effective statewide student associations, representing approximately 145,000 students on 23 UW campuses.*