

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2003-04

(session year)

Assembly

(Assembly, Senate or Joint)

**Committee on
Colleges &
Universities
(AC-CU)**

(Form Updated: 11/20/2008)

COMMITTEE NOTICES ...

➤ Committee Reports ... CR
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** **03hr_AC-CU_Misc_pt07**



United Technical College Council
520 Hartwig Blvd Suite A
Johnson Creek, WI 53038

September 10, 2004

Representative Robin Kreibich, Chairperson
Assembly Committee on Colleges & Universities
State Capitol, Room 107 West
P O Box 8952
Madison, WI 53708

Dear Mr. Kreibich:

I attended your August 31, 2004, Assembly Colleges and Universities Committee meeting on the Future of the Wisconsin Technical College System (WTCS). The testimony and discussion that day focused, understandably, on just one component of the WTCS' mission: associate degree programs, credit transfer to the University of Wisconsin system, and possible "duplication" between the WTCS and UW.

A number of other extremely important and vital components of WTCS' mission were not touched upon at your hearing on August 31. In addition to providing associate degree programs, the WTCS offers a wide array of diploma programs, one to two years in length in such varying fields as auto mechanics, child care, cosmetology, machine maintenance, and welding, to name just a few. In addition, WTCS offers both youth and adult apprenticeship programs, provides basic adult literacy education, English as a Second Language instruction, and provides short-term certificate training (pre-employment and to employed workers). These additional components of WTCS' mission are central to what the system is and does, even though they do not generate associate degrees or associate degree credits, and the vast majority of students in these training programs are not attempting to transfer to the university system.

On behalf of the approximately 1,000 faculty and staff in four of the 16 districts represented by UTCC/WEAC, I felt it was important to remind committee members of these additional vital aspects of the WTCS' mission, as they have not been part of any of the discussions. UTCC/WEAC members believe these components make WTCS the unique system that it is, something far beyond simply a "junior college."

WTCS faculty and staff want to continue to serve the student populations in these areas with education and training that meets THEIR needs, as well as meet the needs of the associate degree students who may want to transfer credits.

Enclosed is a resolution adopted by the United Technical College Council (UTCC/WEAC) Representative Assembly this past March, stating UTCC's position that the WTCS must continue to serve all of its students by offering programs and courses that meet the needs of non-transferring students, as well as meet the needs of those seeking to transfer credits.

I urge you to please continue to understand and support all aspects of the WTCS' multi-faceted mission.

Sincerely,

Leigh Barker
UTCC Executive Director

Encl.



United Technical College Council
520 Hartwig Blvd Suite A
Johnson Creek, WI 53038

RESOLUTION
United Technical College Council/WEAC/NEA
Adopted March 27, 2004

Whereas the WTCS system has proposed to change current AAS degree general education courses to be taught at a baccalaureate level in order to facilitate the transfer of these credits to the UW System...and

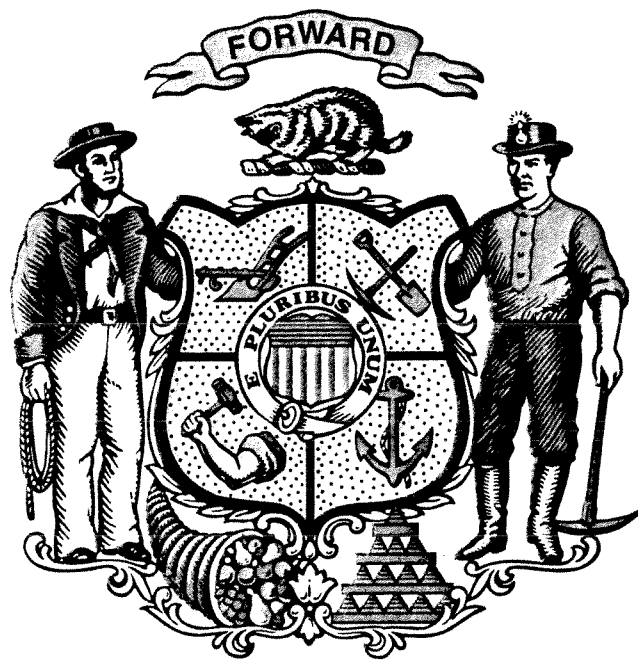
Whereas the vast majority of WTCS AAS degree graduates do not transfer to the UW System,

Be it resolved that the UTCC urge the WTCS to continue to serve the majority of AAS degree students who do not request transfer to the UW System;

Be it further resolved, that the UTCC urges the WTCS to offer appropriate level of instruction for general education courses to meet the needs of non-transferring students; and

Be it further resolved that the UTCC support the offering of general education courses at an appropriate level of instruction for those students seeking to transfer those credits to other institutions.

Adopted
UTCC Representative Assembly
March 27, 2004





Office of Planning and
Government Affairs

October 15, 2004

Mr. Patrick E. Fuller
Assembly Chief Clerk
17 West Main Street, Room 208
P.O. Box 7882
Madison, WI 53707-7882

Subject: Biennial Report 2002-2004

Dear Mr. Fuller:

Enclosed is the biennial report of the Medical College of Wisconsin, prepared according to the statutory requirement under section 13.106. This report covers the period ending June 30, 2004 for the Department of Family Medicine and contains information in the following areas:

- financial status of the family practice residency sites
- number of family practice residents choosing to practice in medically underserved areas of the state upon graduation
- number of graduates entering family practice as a career

Please feel free to contact me at 414-456-8217 if you have any questions or would like additional information.

Sincerely,

Kathryn A. Kuhn
Director of Government Affairs

Enclosure

Department of Family and Community Medicine
Medical College of Wisconsin

2004 Report to the Governor and Legislature

Line Item Support for Family Medicine

Introduction

The Department of Family and Community Medicine (DFCM) currently administers four Family Medicine residency programs in southeastern Wisconsin in partnership with four community hospital systems. St. Michael's Family Practice Residency program is supported by the Covenant Health Care system; the Waukesha Family Practice Residency program is supported by Waukesha Memorial Hospital and the ProHealth System; the Columbia-St. Mary's Family Practice Residency program is supported by the Columbia-St. Mary's system; and the Racine Family Practice Residency program is supported by the All Saints Health Care system in Racine, Wisconsin. The department has received line item state funding for over ten years with level funding since 1994 at an annualized amount of \$3,371,900. In 2000, the statutory language of this appropriation was changed to allow a portion of these funds to be used to support education of medical students. This has been immensely helpful and is beginning to pay off with increasing student interest in family medicine, which will be detailed later in this report.

In the last several years student interest, as measured by the percentage of United States medical school student seniors going into Family Medicine, has continued to decline. While the percentage of students at the Medical College of Wisconsin (MCW) going into Family Medicine has not declined as rapidly, it still has diminished significantly. In 1999 14.8% of our students chose Family Medicine, in 2000 11.1%, in 2001 15.5%, and in 2002 12.2%. These are compared to national averages which were 14.8% in 1999, 13.6% in 2000, 11.2% in 2001 and 10.5% in 2002. These data are also depicted in Table 1. In 2003 the number of students choosing Family Medicine increased to 40 or 19.8% based on NRMP registrant information. In fact, the 2003 MCW graduating class produced the second highest number of graduates going into family medicine residencies amongst all US allopathic medical schools. In 2004, the number declined to 27 or 14% but the national average declined to an all time low of 8.1% of U.S. graduating seniors. We believe that this decline is beyond our control and is reflective of increasing student indebtedness (\$116,000 on average) and concerns about specialty lifestyle.

Table 1

MCW Graduates
Number and Percentage That Choose Family Practice as a Specialty

Year	MCW Students	National - % - US Seniors
1998	34 (17.7%) of 192	16.0%
1999	29 (14.8%) of 196	14.8%
2000	22 (11.1%) of 198	13.6%
2001	30 (15.5%) of 192	11.2 %
2002	24 (12.2%) of 196	10.5%
2003	40 (19.8%) of 202	8.5%
2004	27 (14%of 192)	8.1%

Our relative success compared to the national average is due, in part, to the excellent exposure to Family Medicine in the undergraduate curriculum, most specifically in the third year clerkship, but also across all four years of the curriculum. This presence has been significantly enhanced over the past four years. While most of this educational effort is supported by college funds, clinical earnings, and federal grant support, the ability to utilize state dollars in the last two fiscal years to support educational programs for students has enabled us to improve the quality of these offerings which correlates well with the continued above average student interest in Family Medicine.

Over the last ten years 66%, or 237 of MCW residency graduates have chosen to enter practice in the state of Wisconsin, while 34% or 120 resident graduates have elected to move out of Wisconsin. Compared to the national figure of 40-45% in-state retention by most Family Medicine residency programs, we are significantly ahead of the national benchmark. In the last two years, 56% in 2003 and 44% in 2004 have elected to stay in the state of Wisconsin to practice. Over the past four years, 27 MCW residency graduates have entered practice in areas officially designated as medically underserved areas. The number of graduates entering practice in such areas averages seven new family physicians per year, but the proportion of the classes varies with class size. Given that the average family physician provides care for around 2,000 people on a continuing basis, some 54,000 people in underserved areas in Wisconsin are receiving care from a MCW Family Physician residency graduate. There are multiple factors involved in the recent trend. Students are concerned about potential incomes versus their school loan indebtedness. They are choosing specialties also based on perceived lifestyle (ease of call, night work, etc.) and hassle factors such as paperwork in practice. We believe this decline in U.S. student interest is a transitory phenomenon. We are taking steps to improve the attractiveness of our programs to Wisconsin residents or those individuals who have Wisconsin connections as detailed in the residency discussion section. This should improve the retention rate of graduates who plan to practice in this state in the future.

In the ensuing sections we will discuss our student educational programs, each residency program including the merger of the Columbia and St. Mary's programs into one, and the impact of our restructuring activities.

Medical Student Education at the Medical College of Wisconsin

The Department of Family and Community Medicine offers a required Third Year Clerkship for one month in the third year of medical school to all students. The students are placed in either one of our residency practices or they are assigned to private practices in southeast Wisconsin and on occasion in rural mid to northern Wisconsin communities. We have placed students in Wisconsin Rapids, Sturgeon Bay, Minocqua, Antigo, Elkhorn, West Bend, and LaFarge over the last several years. Eighty percent of the student's time is spent in the office and/or in the hospital with their supervising physicians. Twenty percent of the time is spent in problem-based learning groups and in learning community medicine principles. The problem-based learning sessions give students real patient cases in which they delineate learning problems and gather medical information about the case using electronic data sets and evidence based medicine. When this clerkship began, it pioneered the use of personal digital assistants (PDAs) to access medical information at the point-of-care and to record the content by diagnosis of what the students were seeing. This has now become a school-wide policy. The Family Medicine clerkship has been the number one rated clerkship in the third year at MCW for five years running. It provides more teaching contact in terms of faculty hours than any other clinical clerkship. The students' evaluations reveal that our residents, faculty, and voluntary community faculty earn the highest ratings compared to all other third year clerkships.

In the first two years of the medical school curriculum, department faculty are teaching medical interviewing with a new and innovative interviewing course. Mentoring experiences in which first year students shadow practitioners in their offices are also widely utilized. In the second year, students are taught history and physical basics. A medical information class has been converted into an evidence-based medicine class for first and second year students which we think will make a marked improvement in their education. In both this new course and the third year clerkship, students see that Family Medicine is on the cutting edge of information technology.

A number of fourth year electives are offered including community medicine, international medicine, and integrative medicine, and sub-internships are offered at several of our residency program sites. The international medicine rotation takes place in Belize and is co-sponsored with two other non-profit organizations that cover the operating expense of providing clinical service in rural Belize. We provide faculty as well as opportunities for residents and students to participate in this rotation. It is well documented in the literature that students and residents who participate in an international health

opportunity most often stay in the United States but choose to practice in an underserved area since they have learned principles of community medicine and service which they might not otherwise appreciate.

While total departmental expenditures for the predoctoral education program are \$870,041, the amount allocated for student education from the state line item for the coming year is \$133,849 dollars. Without this support, it would be harder for us to obtain federal grant support, which totaled \$450,000 over the last three years. We are in the second year of a second federal training grant with dollars totaling \$485,000 over three years. The dollars that have been spent from state appropriations have thus been multiplied by our ability to earn federal support, have enabled us to expand our offerings and have increased overall quality. We believe this has maintained student interest in Family Medicine at MCW which is significantly higher than the national average (MCW = 14% vs. National average = 8.1%).

Residency Education

Table 2 provides an aggregate list of program graduates' location from 1993-2004 designating them as in-state or out-of-state. The number of graduates varies from a low of 23 in 1994 to a high of 38 in 1997 with 31 graduates in 2002; 27 graduates in June 2003 and 18 in June 2004. If the number of positions increased at each program to a maximum educationally sustainable number, the department could train up to a total of 102 residents in four programs. This is comparable to 115 positions in 2000 and 2001. We offered a total of 78 positions for 2004-2005 because we do not think we can fill a larger number of positions with high quality candidates given the national decline in interest and the smaller national student applicant pool. The US senior applicant pool has fallen from 2,340 in 1997 to 1,185 in 2004 a decrease of almost 50% in the last seven years. When a training program does not fill its positions, students do not perceive it as a very successful program. This hurts recruiting. As a result, the number of positions in the national resident matching program has been reduced to approximately six first year positions in each of the four programs with two per year in the Family Medicine/Psychiatry program which is part of the Columbia-St. Mary's merged program. A brief progress report on each of the programs is delineated below.

Columbia-St. Mary's Residency Program

In 2001, the two programs run by Columbia St. Mary's system were combined due to a merger of Columbia and St. Mary's into one Columbia St. Mary's system. Both programs had struggled in recent years to differentiate themselves from other programs nationally, and to fill training slots. After more than a year of study and work, including recruitment of a new director, the combined program was entirely restructured in the summer of 2001. Since two programs were becoming one, there was a downsizing of faculty from 16 to 11. While there was a decrease in the total number of positions, the combined program is larger than either single previous program. The merged program has the capacity to expand from its current six positions per year to at least

ten if the applicant pool increased significantly. A new family practice center comprised of 20,000+ square feet located at North Avenue and Humboldt Avenue was outfitted and moved into in 2003 just eight blocks from St. Mary's Hospital. This new family practice center has significantly more capacity, space, and accessibility than either of the old family practice centers combined. The program has restructured itself into two major tracks revolving around maternity care and community/international medicine. While the program has gone through reorganization pains, it is now perceived as one program by the hospitals, medical staffs, faculty, residents, and the community. It is becoming increasingly successful with an improved group of residents and is recognized for its strengths and for the commitment of resources that the Columbia-St. Mary's system has made to make the program merger successful.

St. Michael Residency Program

The St. Michael Residency Program had been static in terms of its faculty and its strategic plan for a number of years. In the spring of 2001, the program was restructured to focus on women's health and sports medicine in addition to increased education for residents in the family practice center. The hospital had just completed a \$1.5 million dollar renovation and in addition to the family practice center, the department placed its electronic medical records system in the new family practice center setting. The program restructuring involved a new strategic plan, a redefinition of jobs, and a restructuring of the faculty. The program was quite successful in the 2002 NRMP match filling five out of six first year positions; all of them MCW graduates and all of them highly qualified. In 2003 and 2004 two positions/year were filled in the Match. In May, 2004 Covenant announced that it would close the maternity care services at St. Michael's Hospital. Obstetric rotations and care now take place at St. Joseph's Hospital-a larger Covenant facility. The Covenant system reassures us that St. Michael's will remain a full service hospital. The program will redefine its strategic goals in an upcoming retreat.

Waukesha Family Practice Program

The Waukesha Family Practice Program has been one of the most successful in our system because of leadership, organization, a structured focus on obstetrics, and tremendous resource support by Waukesha Memorial Hospital. It continues to attract very qualified residents and fill each year in the NRMP match. It serves a Hispanic population, has an electronic medical records system supported by Waukesha Memorial Hospital, and does well at recruiting students from MCW, upper Midwestern states, and other locations across the country. A large number of its graduates over the last several years have stayed in the Waukesha area.

Racine Family Practice Program

The Racine Family Practice Program was relocated to Racine in 1999 from Kenosha. It was successfully restructured and has generally filled its resident numbers with both U.S. and international medical graduates. Negotiations with the All Saints Hospital system to restructure

the program, change leadership, and define its strategic plan took place in 2003 with the changes effective with the 2004 program year. The changes have produced the desired effect, with new faculty being recruited and a better quality of resident applicants entering the program. Despite their own changes in leadership, All Saints Health System has maintained and increased its commitment to the program, and we expect the program to continue to develop. The program recently received four years of full accreditation by American Council on Graduate Medical Education Residency Review Committee for Family Practice – a major improvement over previous two-year sequential accreditations. Since there has been no increase in state line item support over the last eight or nine years, it is impossible for DFCM to commit more resources to this program.

Issues for the Future

Since 1976, the Family Medicine Residency Programs at the Medical College of Wisconsin have graduated 591 family physicians, 489 of whom have chosen to practice in the state of Wisconsin. Currently, there are 11 counties in the state designated as Health Professional Shortage Areas (HPSAs) and 31 other areas in the state have HPSA designations. If the family physicians in the state of Wisconsin were taken away, most counties in the state would be health professional shortage areas and many areas within counties that did not qualify for this designation would also be HPSAs. Consequently, the state investment has made a significant difference in the health care of the people of the state of Wisconsin. A recent article in the *British Journal of General Practice* in 2001 by Barbara Starfield, a University Distinguished Professor in the John Hopkins School of Public Health in Baltimore, and Director of the John Hopkins University Primary Care Policy Center for underserved populations, indicates that each additional primary care physician reduces total mortality by 34 people per 100,000 in a state by state analysis. In addition, where there are family physicians, the number of people hospitalized for basic medical conditions decreases significantly. This is not true for general pediatrics nor for general internal medicine. More recently in the journal *Health Affairs*, Starfield quotes US studies showing that access to primary care results in better low birth-weight distributions, less delay in receiving preventive care, lower hospitalization rates and reduced use of emergency rooms. Additional data indicates that adults in the United States with a primary care physician rather than a specialist as their personal physician had 1/3 lower health care costs and were 1/5 less likely to die than comparative persons who saw only a specialist or did not see any physician at all. Consequently, the value of family physicians to the people whether it be rural, suburban, or inner city has been well demonstrated.

Currently Family Medicine, and indeed all of primary care, is in significant crisis. It is not only Family Medicine that has seen a decline in student interest; this has also occurred in general pediatrics, primary care internal medicine, and medicine/pediatrics training. This is partly due to such factors as students' increasing debt, averaging over \$116,000 per student, that primary care pay is one-fourth to one-

half of what many sub-specialists make, and that the ability to maintain a viable practice has been severely challenged. The dilemma for the Department of Family and Community Medicine is to make Family Medicine attractive through our teaching and role modeling efforts, and to fully support residency programs despite the fact that our hospital partners are also seeing a decline in their levels of graduate medical education support. With static funding for the last ten years, DFCM is now only able to support four programs with the merger of the Columbia-St. Mary's program instead of five programs. This means there are fewer slots for residency training than were available five years ago. In addition the hospitals are being squeezed because the federal rate for indirect medical education funding has been slowly decreasing. This reduced the average hospital residency training program allocation by \$100,000 - \$150,000 per year. The Governor's 2002-2004 budget eliminated the state Medicaid indirect medical education support which further reduced hospital support for graduate medical education by anywhere from \$50,000 to \$150,000 per hospital partner in this affiliated system. Thus, there are several converging influences - declining student interest, declining graduate medical education support from federal and state sources, declining clinical income from the practices, and a static level of state funding for ten years. All of these factors make continued support of the same size system virtually impossible.

In addition to educating physicians, the four residency programs have a significant community impact in southeastern Wisconsin. In the past year, there were 25,760 individual patients who made over 85,181 clinic visits to the four programs. The programs in aggregate delivered 585 babies. Fifty percent of all patients were enrolled in government low-income programs. In addition to primary and preventative care, the programs provide services such as: colonoscopy, obstetrical ultrasound, joint injections, flexible sigmoidoscopy, casting and splinting, minor surgical procedures, and many others. Each program has developed community involvement. The department supports and initiates improvements in quality, access, measurement of patient satisfaction, and improvement in childhood immunizations rates in all programs. The department residents and faculty support a student run free clinic on Saturday mornings sponsored with Columbia-St. Mary's in the Columbia St. Mary's Family Health Center. Consequently, the impact of the programs cannot be measured just in residency graduates or in the number of students educated, but also has to be measured in services rendered to individual patients, their families, and as an entry point into the health care system at large.

The DFCM department budget has been in deficit the last three years. Secretarial staff positions have not been filled and faculty positions are being eliminated or not filled. Despite all this, the department continues to place the highest priority on resident education, medical student education, community outreach through the Center for Healthy Communities, plus research/scholarship, in that order.

Recommendation

The Department of Family and Community Medicine is most appreciative to the State of Wisconsin for its support of Family Medicine education. The DFCM has a strong commitment to excellence and is continually improving the quality of education and service it offers. However, it is increasingly difficult to support adequate numbers of faculty and residency positions given the level of funding and a health care system in crisis. Improvements in quality and attractiveness of programs to produce an increase in the number of family physicians for Wisconsin cannot occur without incremental base funding for these critical health education programs.

Table 2

<p style="text-align: center;"> Medical College of Wisconsin Department of Family and Community Medicine Family Medicine Residency Programs 1993-2004 PROGRAM GRADUATES Practice Location Summary </p>			
Year	Total Number of Graduates with Known Intentions	Annual Number and Percentage That Entered Practice or Extended Training in Wisconsin	Rolling Five Year Average of Wisconsin Retention
1993	26	23 (88%)	N/A
1994	23	20 (87%)	N/A
1995	28	22 (79%)	N/A
1996	24	12 (50%)	N/A
1997	38	30 (79%)	77%
1998	35	26 (74%)	74%
1999	35	24 (69%)	71%
2000	37	23 (62%)	68%
2001	35	18 (51%)	67%
2002	31	16 (52%)	62%
2003	27	15 (56%)	58%
2004	18	8 (44%)	54%
Totals	357	237 (66%)	160 of 256* (63%)

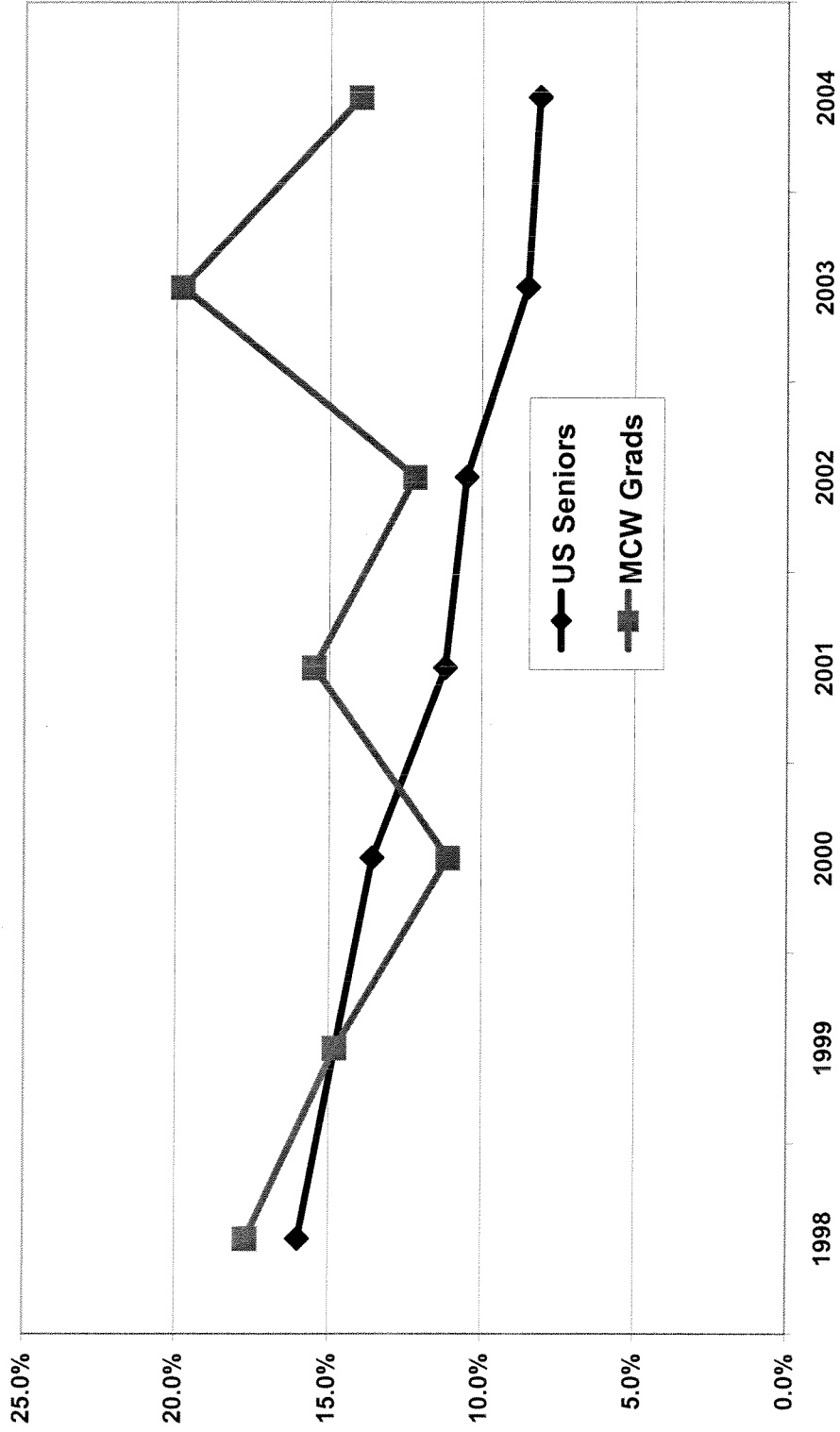
*1997-2004 graduates combined

Table 3

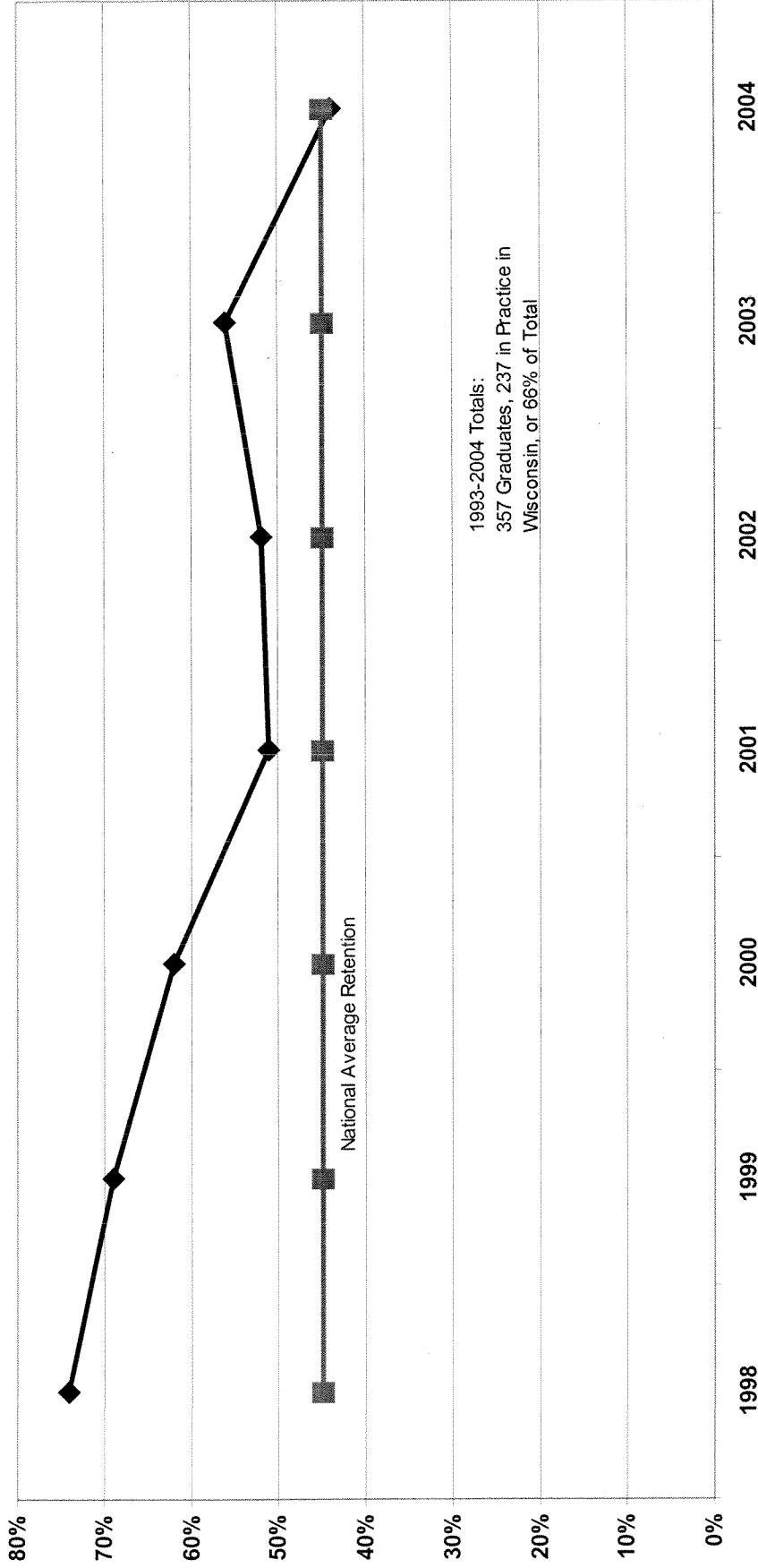
State Funding Allocation Distribution

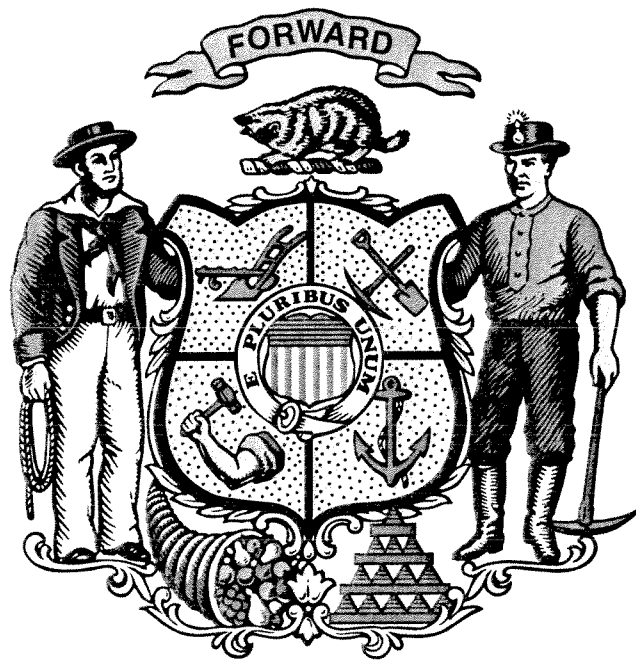
	FY03	FY04	Total Biennium	%
Direct Residency Support	\$2,474,478	\$2,322,056	\$4,796,534	63.5%
Indirect Program Support and Program Administration	\$503,039	\$549,770	\$1,052,809	29.5%
Residency IS Support	\$270,291	\$342,789	\$613,080	5.1%
Pre-doctoral and other	\$124,092	\$157,285	\$281,377	1.9%
Totals	\$3,371,900	\$3,371,900	\$6,743,800	100%

Medical School Graduates Entering Family Medicine
1998- 2004



**MCW Residency Graduates Entering Practice in the State of Wisconsin
1998 - 2004**







DEC 02 2004

Mailing address:
Office of the State Treasurer
P.O. Box 7871
Madison, WI 53707-7871

College Savings Program Board

Phone (608) 264-7899
Fax: (608) 266-2647
E-mail: edvest@ost.state.wi.us
Internet: <http://edvest.state.wi.us>

November 30, 2004

Patrick Fuller, Assembly Chief Clerk
17 W. Main Street, Room 208
Madison, Wisconsin 53703

SUBJECT: EDVEST College Savings Program Annual Report

Dear Mr. Fuller:

We are pleased to submit the EDVEST College Savings Program Annual Report for the 2003-2004 Fiscal Year ending June 30, 2004. This seventh annual report includes summaries of an actuarial valuation and a program audit as well as discussion of the key developments in the program over the past fiscal year. The program experienced continued significant growth and success in FY04. As of June 30, we were meeting the college savings needs of nearly 180,000 families nationwide with over \$1.1 billion in assets under management.

The most significant event of the year for the program was New York Attorney General Elliot Spitzer's widespread investigation into trading practices in the mutual fund industry. Strong Capital Management, Inc. which serves as EdVest's program manager was named in the investigation and reached a settlement with regulators in May 2004. In response to the mutual fund investigations, the Board and the Department of Administration hired an independent consultant to recommend four mutual fund options from companies other than Strong, and worked with Strong to make them available as part of the EdVest program. Beginning December 15, 2003 EdVest participants were able to select among the Vanguard Stock Index portfolio, Vanguard Balanced portfolio, Legg Mason Aggressive portfolio and Robert W. Baird Bond portfolio in addition to six Strong portfolios. From December 15, 2003 to June 30, 2004 assets in the four popular new investment options grew to \$143.4 million.

The College Savings Program Board and EDVEST staff look forward to continued growth with quality service to participants in this exciting program. If you have any questions regarding the EDVEST Annual Report, please contact Marty Olle at 264-7886.

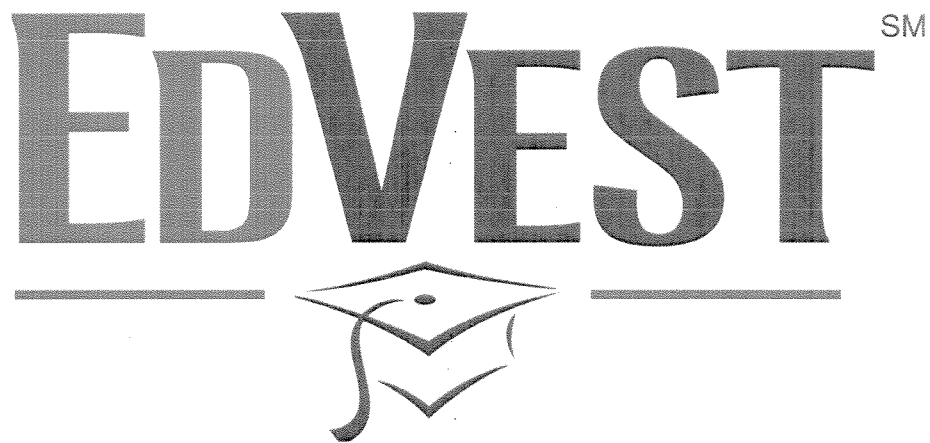
Sincerely,

Senator Alberta Darling
Chair, College Savings Program Board

State Treasurer Jack C. Voight
Vice-Chair, College Savings Program Board



tomorrow's scholarSM
college savings plan



EDVEST College Savings Program
Annual Report for Fiscal Year 2003-2004

Covering the Period July 1, 2003 – June 30, 2004

Prepared by:

**College Savings Program Board
Office of the State Treasurer
November, 2004**

INTRODUCTION

Sections 14.63 (10)(a) and 14.64 (5), Wis. Stats., require the annual submission of a report to the Governor and the appropriate standing committees of the Legislature on the College Tuition and Expenses Program and the College Savings Program, together known as the EDVEST College Savings Program. They were created by 1995 Wisconsin Act 403 and amended by 1999 Wisconsin Act 44, 2001 Wisconsin Act 7 and 2003 Wisconsin Act 289. The law also requires the Office of the State Treasurer to include in the report any recommendations for changes to the program that the department determines necessary to meet the department's obligations under the law. This report includes the following information:

- Brief history of the program
- Description of the College Savings Program Board and membership
- A review and summary of key developments in the program's seventh full year of operations, state fiscal year 2003-04.
- A summary of program activity to June 30, 2004.
- Investment performance to June 30, 2004.
- Summary of an actuarial valuation report prepared by the firm of Milliman USA, Inc.
- Summary of an audit report prepared by the firm of PricewaterhouseCoopers, LLP.
- Recommendations for improvements to the program.

HISTORY OF THE PROGRAM

Initial Launch -- On June 6, 1996 state legislation was signed into law authorizing the creation of the EdVest Wisconsin College Savings Program and providing a loan for start-up costs. The program was initially managed by the Department of Administration. It began operations July 1, 1997 offering a conservative bond-based "tuition unit" investment with state and federal tax benefits to participating families. Investment services were provided by the State Investment Board. Shortly after the program launch, the Internal Revenue Service published proposed rules for "Section 529" college savings programs, defining the parameters that states could operate within.

A 1999-2001 biennial budget provision authorized the transfer of the program to the Office of the State Treasurer for ongoing operations. The move was completed in November 1999 with no interruption of service to program participants.

2001 Expansion and "Re-Launch" -- Additional state legislation was passed in the spring of 2000 [1999 Wisconsin Act 44] authorizing the EDVEST program to expand in several key areas and creating a board to oversee the expansion. The "Act 44" provisions allowed EDVEST to utilize all of the scope and flexibility of a "Section 529" program. The legislation provided broader eligibility and coverage, allowed a higher maximum contribution limit, created a new state tax deduction for parents, expanded the number of investment options, eliminated the residency requirement and established protection of eligibility for state financial aid to program participants. It directed the state to contract with a private firm to provide investment and other services for the new program.

The State Department of Administration issued a Request for Proposals for broad financial services related to the expansion of the EDVEST program. At the conclusion of a national search, Strong Capital Management of Menomonee Falls, Wisconsin was selected as the EDVEST program manager. A second partnership was developed with American Express, to offer a slightly reconfigured "tomorrow's scholar" version of the program through its financial advisors nationwide. After a period of intense planning and development, as well as passage of state legislation to formally provide the trust fund structure necessary for operation [2001 Wisconsin Act 7] the EDVEST program was re-launched in May 2001.

An extensive marketing and public relations campaign was implemented by Strong to raise public awareness of the revised program and educate the public regarding its new provisions. The EDVEST website, administered by Strong, was completely revised with a new address, www.EdVest.com and has received several national awards.

In May 2001 six new market-based investment options administered by Strong were made available to program participants, as well as the original "Tuition Unit" option offered through the State Investment Board. The expanded investment choices and other flexibility offered through the revised program proved to be immediately attractive to the public, as demonstrated in the program activity discussion later in this report.

The growing array of college savings vehicles available to families, as well as the complexity of investment decision-making in general, led the Board to develop a distribution plan for EDVEST involving the financial professional community. In addition to direct enrollment through Strong, participants have the option of enrolling through financial advisors, planners, brokers, banks and credit unions, who may charge commissions or fees for their services. Financial professionals desiring to offer EDVEST to their clients sign a selling agreement with Strong. Investors working through one of these professionals have several payment options available.

Tuition Unit Phase-out -- In 2002, a decision was reached to phase out the original "tuition unit" investment option. Public interest in this option was dwindling and the underlying bonds produced record-low investment yields for new "unit" purchases. Also, tuition units had always been complex for investors and were significantly less flexible than the newer investment options offered through the program. Tuition unit sales were suspended on December 20, 2002.

Tuition unit account owners were given the option of holding their units until maturity if desired, or transferring units to one of the other investment options at a favorable conversion rate. Of the 2,800 tuition unit accounts established by December 2002, over half of the account owners elected to convert to one of the program's newer investment options. By June 30, 2004 tuition unit assets under management dropped from a high of \$15.4 million to \$9.0 million. Recordkeeping and account maintenance of the remaining tuition unit accounts were contracted out to Strong. Strong's extended hours of availability and ability to quickly generate account distribution checks upon request were a customer service improvement. The State of Wisconsin Investment Board continues to provide investment services for the tuition unit portfolio.

Stable Value Portfolio -- By 2002, increasing stock market volatility prompted the program to consider adding a new investment option for EDVEST participants.

Nationally, there was growing interest among 529 programs in Stable Value funds, which offer growth comparable to bond funds, liquidity for withdrawals, safety of principal and low management fees. In May 2002 the program contracted with actuarial firm Milliman USA, Inc. for an analysis of conservative investment options for EDVEST. The consultants recommended adding a Stable Value fund option to the program, and following a period of development, the Stable Value Portfolio was launched December 2, 2002. By June 30, 2004 investments in the portfolio exceeded \$26.8 million.

COLLEGE SAVINGS PROGRAM BOARD

The College Savings Program Board has administrative and oversight authority for the EDVEST expansions provided in 1999 Wisconsin Act 44. It consists of five *ex-officio* members including the State Treasurer, the President of the Board of Regents of the University of Wisconsin system, the Chairperson of the State Investment Board, President of the Wisconsin Association of Independent Colleges and Universities, President of the Wisconsin Technical College System, and six public members. The *ex-officio* members may appoint designees to serve in their place. Except for the initial members, public members are appointed by the Governor for 4-year terms. Members as of June 30, 2004 include:

Name	Affiliation	Address	Term Expires
Paul C. Adamski	Public Member	Stevens Point	May 1, 2005
Jeff Plale	Public Member	South Milwaukee	May 1, 2007
J. Michael Clumpner	Public Member	Sturgeon Bay	May 1, 2005
Alberta Darling	Public Member	River Hills	May 1, 2005
James A. Senty	State Investment Board	LaCrosse	Ex-Officio
Bill Oemichen	Public Member	New Glarus	May 1, 2007
L. Anne Reid	Wisconsin Technical College System Board	West Bend	Ex-Officio
Toby Marcovich	UW Board of Regents	Superior	Ex-Officio
Jack C. Voight	State Treasurer	Appleton	Ex-Officio
Rolf Wegenke	WI Assn. Of Independent Colleges and Universities	Madison	Ex-Officio
Michael D. Wolff	Public Member	Madison	May 1, 2003

The board promulgated rules to administer the expansion of the EDVEST program, oversee the investment and distribution of program funds, ensure that the program continues to meet federal requirements for a "Section 529 qualified tuition program" and seek guidance from federal entities as necessary to ensure proper administration of the EdVest program.

The board has adopted the following mission statement: "Promote educational opportunities for Wisconsin residents by removing financial barriers through a structured, tax-advantaged program allowing families and individuals to save for future higher education expenses."

Board meeting notices, agendas, meeting minutes and other board news can be found on the State Treasurer's Office website at: <http://edvest.state.wi.us/home/>

KEY DEVELOPMENTS THIS YEAR

Program Growth -- In September 2003, total assets under management for EdVest and tomorrow's scholar reached the \$1 billion milestone. With this impressive growth, Wisconsin's program became the eighth-largest college savings program nationwide.

Mutual Fund Industry Investigations -- Also in September, the New York Attorney General launched a widespread investigation of trading practices in the mutual fund industry. To date, this investigation has resulted in settlements with 11 fund companies, 2 insurance companies and various brokerage and management companies totaling over \$2.5 billion in fines and penalties and refunds to investors. A number of the "Section 529" college savings programs were affected, when the investment companies providing services to the programs became targets of the investigation. Strong Financial Corp. and several Strong Funds were accused of participating in market timing arrangements with a hedge fund. One of the funds in question, the Strong Growth Fund, is part of several EdVest and tomorrow's scholar investment portfolios.

Strong cooperated fully with state and federal regulators with respect to their separate inquiries into these matters and a \$175 million settlement was announced in May 2004. As part of the agreement, Richard Strong resigned as chairman, chief executive and investment officer and chairman of the Strong Funds board and the company will set new standards for board independence as well as make other structural reforms. The College Savings Program Board's legal counsel will monitor the settlement distribution to ensure appropriate reimbursement to program participants if it is determined that Strong's actions adversely affected investors in the EdVest or tomorrow's scholar programs.

American Express Expands Selection of Advisor-Sold 529 Plans -- When the tomorrow's scholar program was launched in May 2001 it was the only 529 college savings program sold through the national network of American Express Financial Advisors. In October 2003 American Express began offering eight other 529 programs to its clients, to provide more flexibility and more local options.

Additional EdVest Investment Options Offered From Three Companies -- In response to the mutual fund crisis described above, the board and the Department of Administration hired an independent consultant to recommend four mutual funds from companies other than Strong, and worked with Strong to make them available as part of the EdVest program. Beginning December 15, 2003 EdVest participants were able to select among the Vanguard Stock Index portfolio, Vanguard Balanced portfolio, Legg Mason Aggressive portfolio or Robert W. Baird Bond portfolio in addition to six Strong portfolios. From December 15, 2003 to June 30, 2004 assets in the four popular new investment options grew to \$143.4 million.

EdVest Pricing Structure Improved -- When the EdVest program was re-launched in May, 2001 a simple "one price fits all" pricing structure was chosen. At that time,

annual fees paid by all investors totaled 1.25%. The fee was reduced to 1.15% in late 2002. In December 2003 when new investment options were added, the board approved a new fee structure that varies according to the actual costs of the investment option selected. The new structure ranges from a low of 0.45% annually for the passively-managed Vanguard Stock Index portfolio to a high of 1.3% for the actively-managed Strong Aggressive portfolio. The new fee structure allows investors to select an option based on cost as well as type of investment.

The board also approved eliminating the \$10 EdVest enrollment fee at its February 2004 meeting.

State Tax Deduction Expanded – The popular state tax deduction for contributions to an EdVest or tomorrow's scholar account was expanded this year. 2003 Wisconsin Act 289 was signed into law April 20, 2004 and takes effect beginning with the 2004 tax year. Now -- in addition to parents and grandparents -- aunts, uncles and great-grandparents can deduct from taxable state income up to \$3,000 per year per child. To be eligible for the deduction, the contributions must be made by December 31 each calendar year.

Wells Fargo Offers to Purchase Strong – In May 2004 Wells Fargo announced the intent to purchase the asset management businesses from Strong Financial Corporation (SFC). Affiliated companies of SFC serve as program manager for the EdVest and Tomorrow's Scholar programs for the State of Wisconsin. The sale of Strong must be approved by the Strong Fund's Board of Directors, its fund shareholders, shareholders of Strong Financial Corporation, and the Wells Fargo Funds® Board of Trustees. The sale will be reviewed by the federal Securities and Exchange Commission under federal Securities Law before it is considered final. This process is expected to be completed near the end of December 2004.

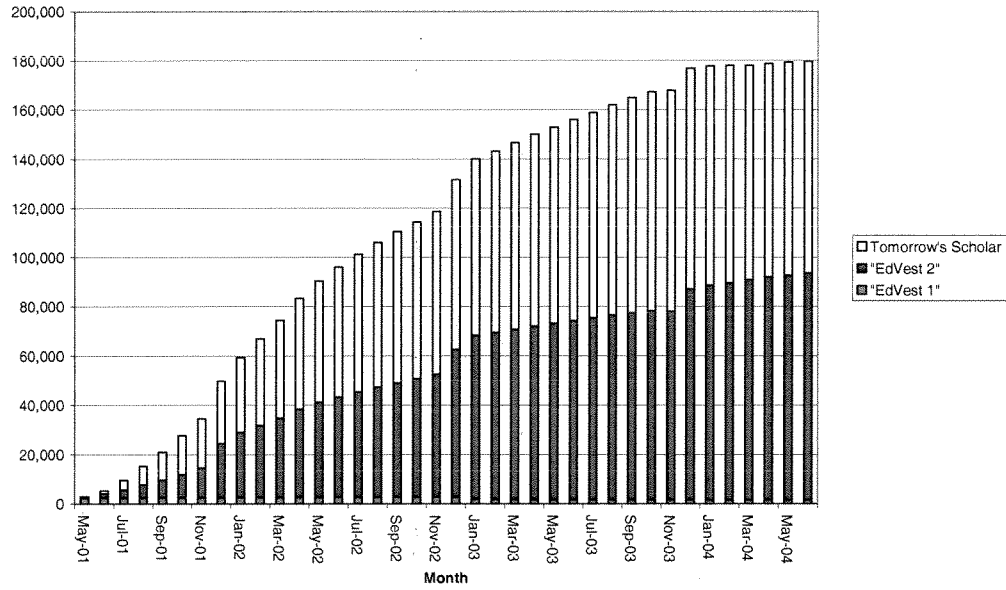
The Wisconsin Department of Administration has authority to allow the existing Strong contracts to be assigned to a new owner of the company or a different party. The Department evaluated its options relating to the contracts and program vendors and had not reached any decisions as of early November.

The stated goals of the College Savings Program Board are to achieve a smooth transition, to continue to offer participants a range of investment options that meet their needs, and provide the highest-quality service at the lowest possible cost.

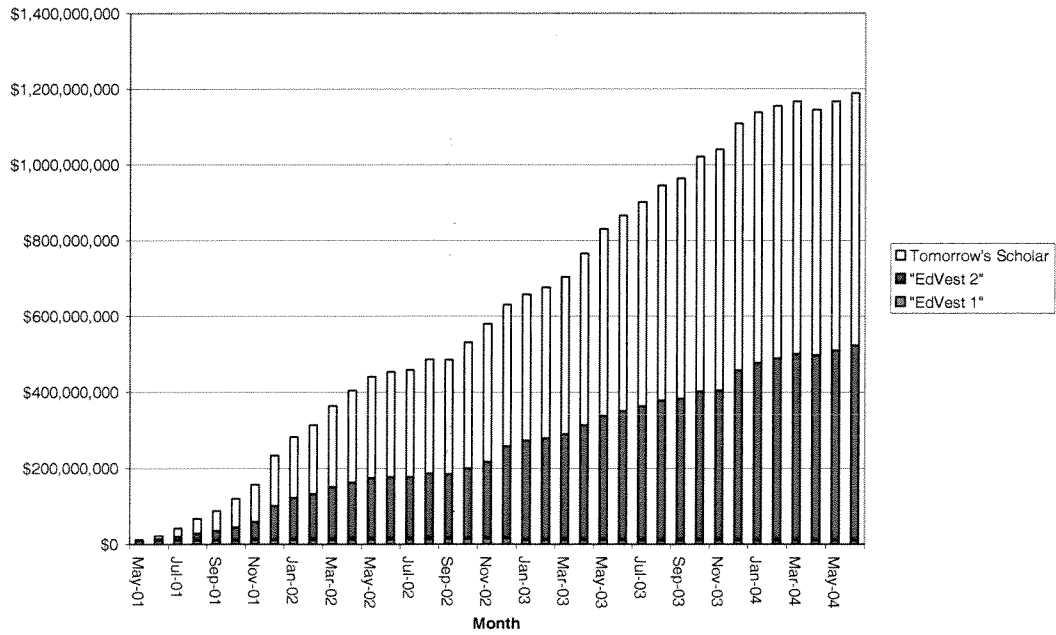
PROGRAM ACTIVITY

EDVEST program activity for the fiscal year is summarized in the following graphs. The original "tuition unit" investments are labeled "EDVEST 1." The expanded program managed by Strong is "EDVEST 2." Tomorrow's Scholar, which is co-managed by Strong and American Express, is sold exclusively through American Express Financial Advisors nationwide and account activity is primarily outside of Wisconsin. Although the mutual fund industry probe reduced the program growth rate somewhat compared with prior years, as of June 30, 2004 there were a total of 179,807 accounts and investment assets totaled \$1,188,592,683. Compared with figures from June 30, 2003 this was a 15.3% increase in the number of accounts and a 37.3% increase in assets under management.

EdVest College Savings Program -- Total Cumulative Number of Accounts



EdVest College Savings Program -- Cumulative Total Assets



INVESTMENT PERFORMANCE

The portfolios available through Wisconsin's college savings programs are designed to help investors pursue their own goals of growth and income as they invest to pay for a college education. While all of the portfolios are intended to provide a degree of attractive diversification by investing in different proportions of conservative, moderate, and aggressive investments, each is designed to accommodate investors' specific investment goals and tolerance for risk.

For the one-year period ending June 30, 2004, all of the Tomorrow's Scholar and direct-sold EdVest portfolios posted gains, ranging from moderate to strong. The most aggressive EdVest portfolio posted a 20.58% gain. Two of the EdVest all-bond portfolios [the B and C-share classes] posted losses of less than one percent for the period. Overall, the portfolios' performance was driven by their allocation to equity funds. More aggressive portfolios with larger positions in stock funds produced stronger results, and those with smaller percentages of assets devoted to stock funds posted weaker returns this year. This trend reflected a market environment that, while given to some volatility, was generally positive for equities.

The second half of calendar year 2003 exhibited an improving economic environment. Stocks benefited from this environment, continuing their recovery - after a three-year bear market - that had begun earlier in 2003. Corporate bonds also benefited from the improving outlook for the economy and corporate earnings, enjoying significant levels of price appreciation. For the first two quarters of 2004, however, stocks overall posted only modest gains.

EdVest College Savings Plan Portfolio Performance Summary as of June 30, 2004

	Portfolio Performance		Benchmark Performance	
	1-Year	Inception*	1-Year	Inception*
Direct				
EdVest Aggressive	21.04%	0.03%	19.49%	0.85%
EdVest Moderate	16.19%	1.73%	14.17%	2.10%
EdVest Balanced	11.08%	2.88%	10.14%	3.24%
EdVest Bond	0.36%	3.69%	0.45%	5.69%
EdVest Stable Value	2.19%	2.29%	-0.37%	3.33%
Legg Mason Aggressive	N/A	10.00%	N/A	6.64%
Vanguard Stock Index	18.04%	-2.33%	19.10%	-1.25%
Vanguard Balanced	N/A	3.90%	N/A	3.75%
Baird Bond	N/A	0.40%	N/A	0.47%

	Portfolio Performance		Benchmark Performance	
	1-Year	Inception*	1-Year	Inception*
A Share				
EdVest Aggressive - A	20.58%	-0.32%	19.49%	0.85%
EdVest Moderate - A	15.65%	1.32%	14.17%	2.10%
EdVest Balanced - A	10.59%	2.37%	10.14%	3.24%
EdVest Bond - A	0.00%	3.15%	0.45%	5.69%
EdVest Stable Value - A	1.79%	1.98%	-0.37%	3.33%
Legg Mason Aggressive - A	N/A	9.70%	N/A	6.64%
Vanguard Stock Index - A	17.69%	-2.70%	19.10%	-1.25%

Vanguard Balanced - A	N/A	3.70%	N/A	3.75%
Baird Bond - A	N/A	0.20%	N/A	0.47%

B Share	1-Year	Inception*	1-Year	Inception*
EdVest Aggressive - B	19.98%	-0.87%	19.49%	0.85%
EdVest Moderate - B	15.06%	0.76%	14.17%	2.10%
EdVest Balanced - B	9.98%	1.82%	10.14%	3.24%
EdVest Bond - B	-0.55%	2.58%	0.45%	5.69%
EdVest Stable Value - B	1.23%	1.57%	-0.37%	3.33%
Legg Mason Aggressive - B	N/A	9.30%	N/A	6.64%
Vanguard Stock Index - B	17.05%	-3.11%	19.10%	-1.25%
Vanguard Balanced - B	N/A	3.40%	N/A	3.75%
Baird Bond - B	N/A	-0.20%	N/A	0.47%

C Share	1-Year	Inception*	1-Year	Inception*
EdVest Aggressive - C	19.73%	-0.94%	19.49%	0.85%
EdVest Moderate - C	14.75%	0.60%	14.17%	2.10%
EdVest Balanced - C	9.79%	1.70%	10.14%	3.24%
EdVest Bond - C	-0.73%	2.55%	0.45%	5.69%
EdVest Stable Value - C	1.03%	1.42%	-0.37%	3.33%
Legg Mason Aggressive - C	N/A	9.30%	N/A	6.64%
Vanguard Stock Index - C	16.82%	-2.97%	19.10%	-1.25%
Vanguard Balanced - C	N/A	3.30%	N/A	3.75%
Baird Bond - C	N/A	-0.10%	N/A	0.47%

Aggressive Benchmark:	80% Russell 3000, 10% MSCI EAFE, 10% Lehman Brothers U.S. Aggregate Bond
Moderate Benchmark:	70% Russell 3000, 30% Lehman Brothers U.S. Aggregate Bond
Balanced Benchmark:	50% Russell 3000, 5% 91-day Treasury Bill, 45% Lehman Brothers U.S. Aggregate Bond
Bond Benchmark:	85% Lehman Brothers U.S. Aggregate Bond, 15% 91-day Treasury Bill
Stable Value Benchmark:	Lehman Brothers U.S. Intermediate Government/Credit less BBB Bond
Stock Index Benchmark:	S&P 500 Index

Performance is net of all portfolio expenses, and does not include the effect of applicable sales charges.

* The date first offered by the EdVest program. Vanguard, Baird and Legg Mason portfolios 12/03. Stable Value portfolio 12/02. All others 5/01.

EdVest Tuition Units

Investment returns for the tuition unit investment option varied between 0.69% – 5.16% depending on the date of purchase and the year in which the unit matures. Tuition units sales were discontinued after December 20, 2002.

**Tomorrow's Scholar College Savings Plan
Portfolio Performance Summary as of June 30, 2004**

	Portfolio Performance		Benchmark Performance	
	1-Year	Inception*	1-Year	Inception*
A Share				
ts 90% equity - A	18.32%	-1.00%	19.49%	0.79%
ts 75% equity - A	15.38%	0.41%	15.76%	1.83%
ts 60% equity - A	12.11%	1.45%	12.12%	2.80%
ts 50% equity - A	9.83%	1.57%	10.14%	3.23%
ts 35% equity - A	7.28%	2.83%	7.15%	4.20%
ts 20% equity - A	4.74%	3.22%	4.25%	4.86%

	Portfolio Performance		Benchmark Performance	
	1-Year	Inception*	1-Year	Inception*
B Share				
ts 90% equity - B	17.39%	-1.56%	19.49%	0.79%
ts 75% equity - B	14.48%	-0.13%	15.76%	1.83%
ts 60% equity - B	11.16%	0.82%	12.12%	2.80%
ts 50% equity - B	9.09%	1.01%	10.14%	3.23%
ts 35% equity - B	6.57%	2.22%	7.15%	4.20%
ts 20% equity - B	4.12%	2.67%	4.25%	4.86%

	Portfolio Performance		Benchmark Performance	
	1-Year	Inception*	1-Year	Inception*
C Share				
ts 90% equity - C	17.41%	-1.59%	19.49%	0.79%
ts 75% equity - C	14.40%	-0.22%	15.76%	1.83%
ts 60% equity - C	11.28%	0.82%	12.12%	2.80%
ts 50% equity - C	8.99%	0.95%	10.14%	3.23%
ts 35% equity - C	6.47%	2.16%	7.15%	4.20%
ts 20% equity - C	4.03%	2.61%	4.25%	4.86%

90% equity Benchmark

80% Russell 3000, 10% MSCI EAFE, and 10% Lehman Brothers U.S. Aggregate Bond

75% equity Benchmark

70% Russell 3000, 5% MSCI EAFE, and 25% Lehman Brothers U.S. Aggregate Bond

60% equity Benchmark

60% Russell 3000 and 40% Lehman Brothers U.S. Aggregate Bond

50% equity Benchmark

50% Russell 3000, 5% 91-Day T-Bill, and 45% Lehman Brothers U.S. Aggregate Bond

35% equity Benchmark

35% Russell 3000, 5% 91-Day T-Bill, and 60% Lehman Brothers U.S. Aggregate Bond

20% equity Benchmark

20% Russell 3000, 10% 91-Day T-Bill, and 70% Lehman Brothers U.S. Aggregate Bond

Performance is net of all portfolio expenses, and does not include the effect of applicable sales charges.

* The date first offered by the Tomorrow's Scholar program, 5/01.

ACTUARIAL VALUATION REPORT

A summary of the actuarial valuation report prepared by Milliman USA, Inc. dated October 21, 2004 is attached to this report. The report addresses the original Tuition Unit portion of the program, concluding that the program's Tuition Trust Fund had adequate assets to meet future investment commitments and an actuarial surplus of \$450,000 as of June 30, 2004.

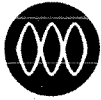
PRICEWATERHOUSECOOPERS AUDIT

A summary of the annual audit of the EDVEST and tomorrow's scholar programs, conducted by PricewaterhouseCoopers, is attached. The audit identified no problems or irregularities in the accounting administration of the program. The complete audit report will be posted on the State Treasurer's Office website:
<http://edvest.state.wi.us/home/>

RECOMMENDED PROGRAM IMPROVEMENTS

The two budget appropriations for the program's administrative expenses are classified as Segregated Fund "annual" appropriations. Under this classification, if any significant unexpected expense is encountered during a biennium, the program must submit a request for additional budget authority to the Legislative Joint Committee on Finance. A request must be submitted even if adequate revenues are on hand to cover the expense. The committee generally meets quarterly, but depending on timing it may take up to six months before the request is considered by the committee.

The Board strongly recommends that the program's administrative appropriations, s.20.585(2)(s) and (tm), be converted to "continuing" appropriations. Under this classification, requests for emergency additional budget authority can be acted upon by the Department of Administration, presumably in less time than under current procedures.


Milliman
Consultants and Actuaries

 1550 Liberty Ridge Drive, Suite 200
 Wayne, PA 19087-5572
 Tel +1 610 687.5644
 Fax +1 610.687.4236
 www.milliman.com

October 21, 2004

 Mr. Marty Olle
 EdVest Wisconsin Program Manager
 Office of the State Treasurer
 1 S. Pinckney Street, 5th Floor
 Madison, WI 53707

Dear Mr. Olle:

As you requested, we have completed our actuarial valuation of the EdVest Wisconsin Tuition Unit Program as of June 30, 2004. As part of this valuation, we calculated the actuarial present value of the obligations for tuition units purchased through June 30, 2004. The results are summarized below.

	<u>Present Value of Obligations for Future Payments</u>	<u>Market Value of Assets</u>	<u>Surplus/ (Deficiency)</u>
	(Amounts in Thousands)		
Tuition Units	\$10,781		
Administrative Expenses	349		
Total	\$11,130	\$11,580	\$450

The Actuarial Valuation Report dated October 21, 2004 describes the assumptions on which the valuation was based.

As of December 20, 2002 tuition units are no longer available for purchase through the program. Current program policy allows account owners to either hold the units to maturity or convert the account balance to one of the other investment options available through the program.

Respectfully submitted,

MILLIMAN, INC.

Alan H. Perry, ASA, CFA

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Report of Independent Auditors

To the Members of the Wisconsin College Savings Program Board:

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments in securities, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of EdVest Aggressive Portfolio, EdVest Balanced Portfolio, EdVest Bond Portfolio, EdVest Moderate Portfolio, Baird Bond Portfolio, Legg Mason Aggressive Portfolio, Vanguard Balanced Portfolio, Vanguard Stock Index Portfolio, and EdVest Stable Value Portfolio (the "Portfolios") at June 30, 2004, and the results of each of their operations, the changes in each of their net assets and their financial highlights for the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Portfolios' management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PricewaterhouseCoopers LLP

October 8, 2004

Report of Independent Auditors

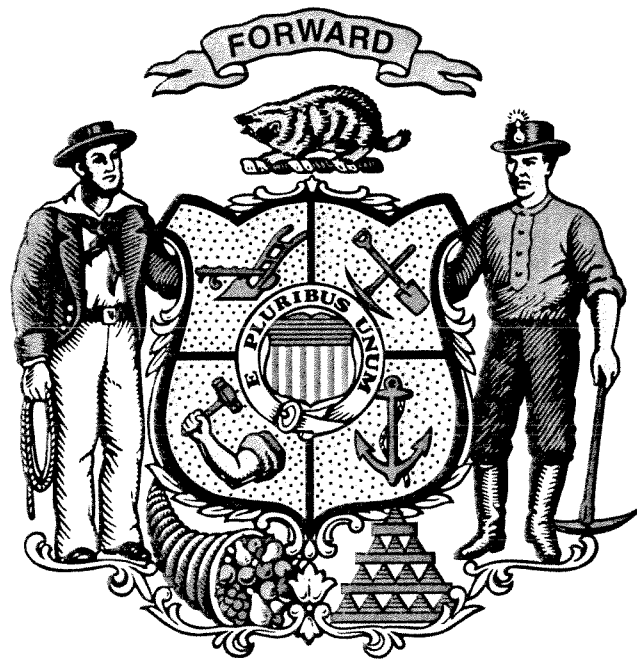
To the Members of the Wisconsin College Savings Program Board

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments in securities, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of tomorrow's scholar 20% Equity Portfolio, tomorrow's scholar 35% Equity Portfolio, tomorrow's scholar 50% Equity Portfolio, tomorrow's scholar 60% Equity Portfolio, tomorrow's scholar 75% Equity Portfolio and tomorrow's scholar 90% Equity Portfolio (the "Portfolios") at June 30, 2004, and the results of each of their operations, the changes in each of their net assets and their financial highlights for the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Portfolios' management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PricewaterhouseCoopers LLP

October 8, 2004



WISCONSIN
TECHNICAL COLLEGE
SYSTEM

DEC 08 2004

December 7, 2004

Mr. Robert J. Marchant
Chief Clerk, Senate
17 West Main, Room 421
P.O. Box 7882
Madison, WI 53707-7882

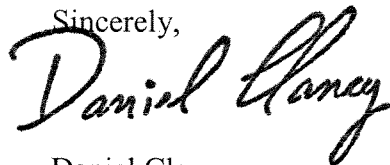
Mr. Patrick E. Fuller
Chief Clerk, Assembly
17 West Main, Room 208
P.O. Box 8952
Madison, WI 53708-8952

Gentlemen:

This letter certifies that all sixteen Wisconsin Technical Colleges have provided sexual assault and harassment orientation, material and information to students as required under state statute 38.12(11) for the 2004-2005 school year.

Individual college letters assuring compliance are on file in our office at this time. If you have any questions or need additional information, please contact Linda Fahey, System Equal Opportunity Officer, of my staff at 267-2479.

Sincerely,

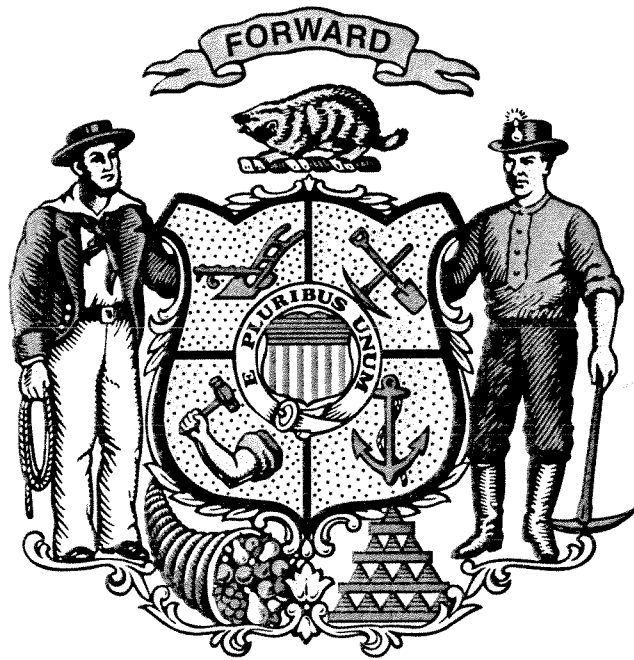


Daniel Clancy
Interim President

DC:LF

Daniel Clancy, Interim President

345 West Washington Avenue, Second Floor P.O. Box 7874 Madison, Wisconsin 53707-7874
Telephone: 608.266.1207 TTY: 608.267.2483 Fax: 608.266.1690
e-mail: info@wtcsystem.org www.wtcsystem.org www.witechcolleges.com





Vice President for Finance

1752 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706
(608) 262-1311
(608) 262-3985 Fax
website: <http://www.uwsa.edu>

DEC 16 2004

December 13, 2004

Mr. Robert Marchant, Senate Chief Clerk
17 W. Main, Room 401
Madison, Wisconsin 53702

Mr. Pat Fuller, Assembly Chief Clerk
17 W. Main, Room 208
Madison, Wisconsin 53702

Dear Messrs. Marchant and Fuller:

The 1999-2001 State of Wisconsin Biennial Budget, 1999 Wisconsin Act 9, included a provision to change the University of Wisconsin System's appropriation for tuition and fee revenues (Academic Student Fees, Fund 131) from an annual, sum certain appropriation to a continuing appropriation.

Wisconsin Act 9 required the Board of Regents to report annually, beginning on December 15, 2000, the amount by which actual expenditures in the previous fiscal year, in this case, 2003-04, exceeded the amount in the schedule for that appropriation in the previous fiscal year. That report, including the purposes for which the additional revenues were spent and the amount spent for each purpose, is attached. The Board of Regents approved this report for submission at its December 10, 2004 meeting.

Please contact Lynn Paulson at (608) 263-7481, if you have any questions related to this report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Deborah A. Durcan'.

Deborah A. Durcan
Vice President for Finance

cc: President Kevin Reilly
Associate Vice President Freda Harris
Associate Vice President Doug Hendrix
Assistant Vice President Lynn Paulson
DOA Education Team Leader Bob Hanle
DOA Analyst R. J. Binau
LFB Analyst John Stott

2003-04 UW SYSTEM
REPORT ON CONTINUING APPROPRIATION
AUTHORITY

BUSINESS AND FINANCE COMMITTEE

RESOLUTION

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the 2003-04 Continuing Appropriation Report for submission to the Legislature.

UNIVERSITY OF WISCONSIN SYSTEM 2003-04 CONTINUING APPROPRIATION REPORT

BACKGROUND

The 1999-2001 State of Wisconsin Biennial Budget, 1999 Wisconsin Act 9, included a provision to change the appropriation for tuition and fee revenues (Academic Student Fees, Fund 131) from an annual, sum certain to a continuing appropriation, which would allow the UW System to expend all monies received as tuition.

Wisconsin Act 9 required the Board of Regents to report annually, beginning on December 15, 2000, the amount by which actual expenditures in the previous fiscal year, in this case 2003-04, exceeded the amount in the schedule for that appropriation in the previous fiscal year. The report should include the purposes for which the additional revenues were spent and the amount spent for each purpose.

REQUESTED ACTION

Approval of the following resolution:

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the Continuing Appropriation Report for submission to the Legislature.

DISCUSSION

The 1999-2001 State of Wisconsin Biennial Budget, 1999 Wisconsin Act 9, included a provision to change the appropriation for tuition and fee revenues (Academic Student Fees, Fund 131) from an annual, sum certain to a continuing appropriation, which would allow the UW System to expend tuition revenues as received.

Wisconsin Act 9 required the Board of Regents to report annually, beginning on December 15, 2000, the amount by which actual expenditures in the previous fiscal year, in this case 2003-04, exceeded the amount in the schedule for that appropriation in the previous fiscal year. The report should include the purposes for which the additional revenues were spent and the amount spent for each purpose. This is the fifth such report. The first report was provided to the Board of Regents on December 7, 2000.

2003-04 expenditures in the Academic Student Fee appropriation for the University of Wisconsin System were \$704,767,674. The amount printed in the schedule, 2003 Wisconsin Act 33, s. 20.285 (1)(im) for 2003-04 for Academic Student Fees, was \$667,024,900. The difference was \$37,742,774, which consists of expenditures in the following major categories:

Fiscal Year 2002-03 Encumbrances	\$9,047,641
Fee Share of the Utility Shortfall	\$1,546,283
Fringe Benefits/Health Insurance	\$3,142,827
Delayed 2001-03 Pay Plan for Classified Staff	\$3,772,886
Enrollment Related Expenditures	\$20,233,137
Total	\$37,742,774

Fiscal Year 2002-03 Encumbrances

During the 2002-03 fiscal year \$9,047,641 in tuition dollars were encumbered but not spent. The actual expenditures occurred during the 2003-04 fiscal year.

Fee Share of the Utility Shortfall

Utility costs exceeded budgeted amounts during the 2003-04 fiscal year. The fee share of the additional costs was \$1,546,283.

Fringe Benefits/Health Insurance

The fee share of fringe benefit increases due to the delayed 2001-03 Classified Pay Plan and health insurance increases were unknown at the time the Chapter 20 Statutory Fee level was set for the 2003-05 biennium. The fee share of the additional costs was \$3,142,827 in 2003-04.

Delayed 2001-03 Pay Plan for Classified Staff

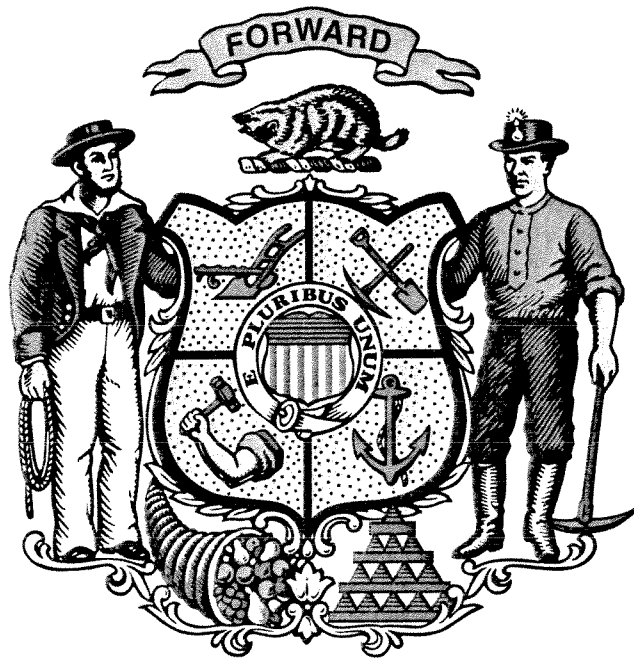
The Joint Committee on Employee Relations' approved 2001-03 contractual increases and parity adjustments for Classified staff were unknown at the time the Chapter 20 Statutory Fee level was set for the 2003-05 biennium. The fee share of the increases paid out in 2003-04 was \$3,772,886.

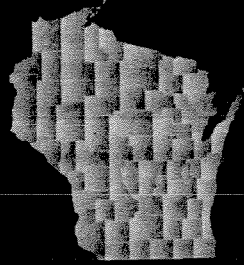
Enrollment Related Funding

UW System institutions received additional tuition revenues due to higher than expected enrollments. Expenditures totaling \$12,175,187 were made in order to serve these additional students. Self-supporting academic programs grew at several institutions, resulting in additional revenues and expenditures totaling \$8,057,950. Examples include UW-Madison's credit outreach, UW-Platteville's distance learning, UW-Stout customized instruction, UW-Whitewater's online MBA, and UW-Milwaukee's eBusiness, executive MBA, and other academic programs.

RELATED REGENT POLICY

None.







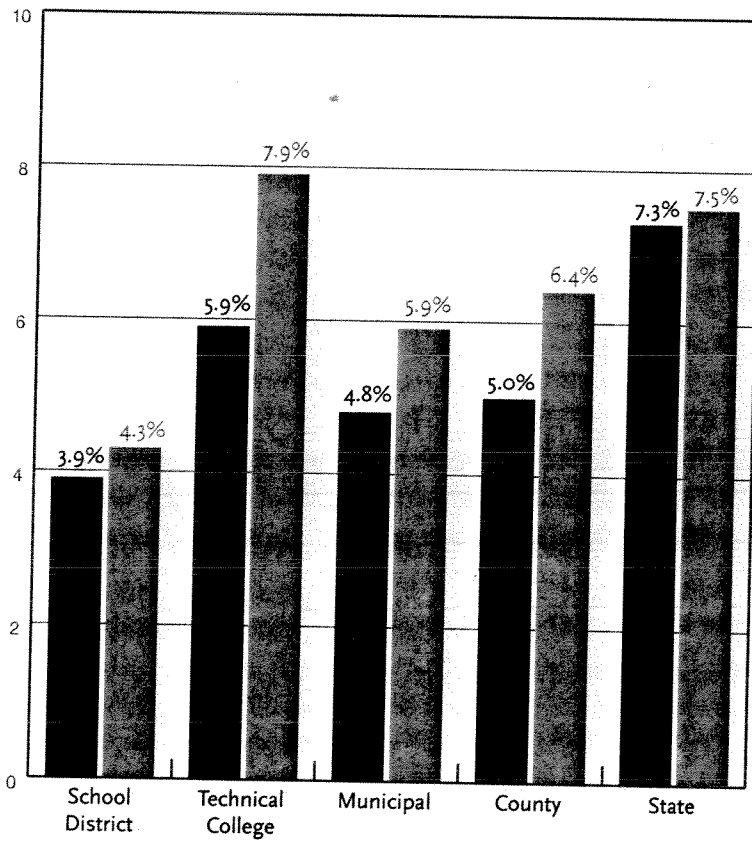
Municipal Taxpayer's
Commission Report
Spring 2004

Controlling Wisconsin's Property Taxes

Gross Property Tax Levies

ONE-YEAR AND FIVE-YEAR AVERAGE* PERCENT CHANGES

KEY:  five-year average
 one year



*One-year (2001-02 to 2002-03), five-year (1997-98 to 2002-03)

Speaker Gard Appoints Task Force

In an effort to get a handle on the increasing cost of Wisconsin's Technical College System on local property taxpayers, Assembly Speaker John Gard appointed a Speaker's Task Force in the Spring of 2003 to formulate a report to the Legislature on ways to reduce the burden on local property taxpayers. State Representatives Garey Bies and Sue Jeskewitz served as the Co-Chairs of the Task Force.

The funding mechanism for the system is broken — it must be addressed and fixed by the Legislature in order to prevent further property tax increases at the local level. The property tax is the largest source of revenue for the System. In 1992-93 the tech school levy was 9.4% and today it is 17% — something must be done to control the spiraling cost of the system to the property taxpayer.

The Wisconsin Technical College System has accounted for the largest increase in local property taxes — a greater increase than K-12 education, municipal or county budgets.

- Since 1990 the levy for the System has increase 117%
- FTE students over that same period have held steady at 60,000 — just recently moving up to 64,000.
- State aid has dropped from 25% in 1997 to 17% today.
- The System accounts for the largest increase in local property taxes.
- In 1992-93 the tech school levy was 9.4% today it is 17%.
- Over the last 5 years the tech college's increased property taxes an average of 7.9%/year — more than any other major taxing unit.
- In 2003 the tech colleges raised property taxes 5.9% from \$511.6 million to \$541.9 million.

Task Force Recommendations

CREDIT TRANSFER

1. Require by statute that up to 25 credits of general education courses shall automatically transfer between WTCS and UWS institutions.
2. Require the UWS and the WTCS to accelerate development of their own systemwide uniform curricula.
3. Require that the UWS and WTCS continue and accelerate the negotiation of articulation agreements. Require establishment of an articulation agreement for each program that exists in both systems. Utilize the Joint Administrative Committee on Academic Programs (JACAP) to identify which programs exist in both systems. Agreements should be developed at the department level.
4. Prioritize the programs for which articulation agreements will be developed based on "student flow" and economic development needs.
5. Establish a timeline for the development of articulation agreements.
6. In articulation agreements, include the option for students to "test out" of courses.
7. Direct the UWS and WTCS to promulgate rules establishing a procedure to appeal a decision of the receiving institution denying credit for a course taken at the other institution. The rules shall provide that decisions made pursuant to the process are final, notwithstanding s. 36.09 (4), Stats., the UWS faculty governance statute.

DUPLICATION

Request a performance audit by the Legislative Audit Bureau, examining whether there is duplication between the UWS and the WTCS in physical facilities or programs, in accordance with the attached scope statement.

DISTRICT BOARDS

1. Maintain the current method of appointing members of technical college district boards.
2. Amend s. 38.08 (1) (a) 1. and 2., Stats., relating to the composition of technical college district boards, as follows:
38.08 (1) (A) 1. A DISTRICT BOARD SHALL ADMINISTER THE DISTRICT, ~~SHALL REFLECT THE DIVERSE MAKEUP OF THE DISTRICT,~~ AND SHALL BE COMPOSED OF 9 MEMBERS WHO ARE RESIDENTS OF THE DISTRICT, INCLUDING 2 EMPLOYERS, 2 EMPLOYEES, 3 ADDITIONAL MEMBERS, A SCHOOL DISTRICT ADMINISTRATOR, AS DEFINED UNDER S. 115.001 (8), AND ONE ELECTED OFFICIAL WHO HOLDS A STATE OR LOCAL OFFICE, AS DEFINED IN S. 5.02. THE BOARD SHALL BY RULE DEFINE "EMPLOYER" AND "EMPLOYEE" FOR THE PURPOSE OF THIS SUBDIVISION.
2. The employer and employee members of the district board shall be representative of the various businesses and industries in the district. The school district administrator shall be employed by the school board of a school district located in the district. Of the 3 additional members, no more than 2 may be employers, no more than 2 may be employees, no more than 3 may be school district administrators and no more than 3 may be elected officials. No 2 members of the district board may be officials of the same governmental unit nor may any district board member be a member of the school board that employs the school district administrator member.
3. Require the president of each technical college to make an annual presentation on the technical college district budget to each county board in the technical college district.

FUNDING

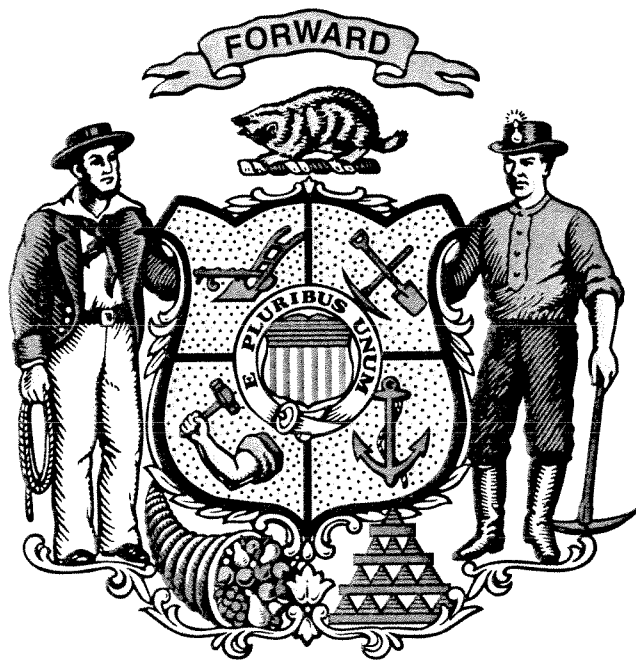
1. The Legislature and WTCS should work towards establishing a funding formula for the WTCS under which an equal share of funding is derived from each of the three funding sources: student tuition; property taxes levied by the local technical college districts; and state aid. The Legislature should ensure

that as tuition levels increase, financial aid is made available to ensure access to the WTCS by needy students. The Legislature should also consider whether the exemption from program fees for vocational adult courses for persons aged 62 years and older is appropriate. [s. 38.24 (1m) (b), Stats.]

2. The Legislature and the WTCS should strive to maintain:
 - (a) the current high level of flexibility and local control within the WTCS which enables local technical college districts to respond quickly to local needs; and (b) general parity of programs offered by technical college districts throughout the state.
3. The WTCS should make greater efforts to ensure that technical colleges recover 100% of costs for contract courses they provide and should consider whether all technical colleges should be required to recover 100% or more of instructional costs for community service courses.

STATE BOARD AUTHORITY

The WTCS Board, with the assistance of the WTCS Office staff, should undertake a self-assessment of its role and operations. The Board should identify changes that could be made to increase its responsibility and to increase accountability of the Board and the technical college system to the taxpayers. The analysis should also address the specific topics and questions set forth below. The Board should submit a report of its self-assessment and a plan of action addressing the Task Force's concerns to the Legislature within six months.



Educational Attainment by State, 2000

	Rank Percent of Population 25 years and over with Associate Degree
North Dakota	1
New Hampshire	2
Hawaii	3
Washington	4
Wyoming	5
Utah	6
Vermont	7
Minnesota	8
Wisconsin	9
Iowa	10
Maine	11
Nebraska	12
Idaho	13
Massachusetts	14
Alaska	15
New York	16
Puerto Rico	17
South Dakota	18
California	19
Florida	20
Michigan	21
Colorado	22
Rhode Island	23
North Carolina	24
Arizona	25
South Carolina	26
Oregon	27
Connecticut	28
Delaware	29
Nevada	30
Illinois	31
Ohio	32
New Mexico	33
Pennsylvania	34
Montana	35
Kansas	36
Indiana	37
Mississippi	38
Virginia	39
Oklahoma	40
Alabama	41
Maryland	42
New Jersey	43
Texas	44
Georgia	45
Missouri	46
Kentucky	47
Tennessee	48
West Virginia	49
Arkansas	50
Louisiana	51
District of Columbia	52

	Rank Percent of Population 25 years and over with BA or higher
District of Columbia	1
Massachusetts	2
Colorado	3
Maryland	4
Connecticut	5
New Jersey	6
Virginia	7
Vermont	8
New Hampshire	9
Washington	10
Minnesota	11
New York	12
California	13
Hawaii	14
Utah	15
Illinois	16
Kansas	17
Rhode Island	18
Oregon	19
Delaware	20
Alaska	21
Montana	22
Georgia	23
Nebraska	24
Arizona	25
New Mexico	26
Texas	27
Maine	28
North Carolina	29
Wisconsin	30
Pennsylvania	31
Florida	32
North Dakota	33
Wyoming	34
Michigan	35
Idaho	36
Missouri	37
South Dakota	38
Iowa	39
Ohio	40
South Carolina	41
Oklahoma	42
Tennessee	43
Indiana	44
Alabama	45
Louisiana	46
Puerto Rico	47
Nevada	48
Kentucky	49
Mississippi	50
Arkansas	51
West Virginia	52

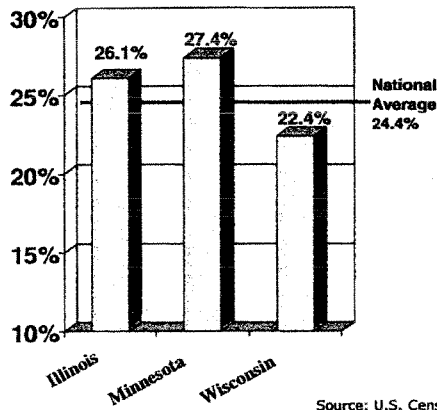
Table 1
Undergraduate Enrollments
in the WTCS and the UW System by Age
2002-03

		Age of Students	
		Less than 25	25 or older
WTCS	AAS	45,260	60,047
	AA/AS	9,356	5,319
	Total	54,616	65,366
UW System	UW Colleges	9,776	2,677
	Four-year	110,477	16,193
	Total	120,253	18,870

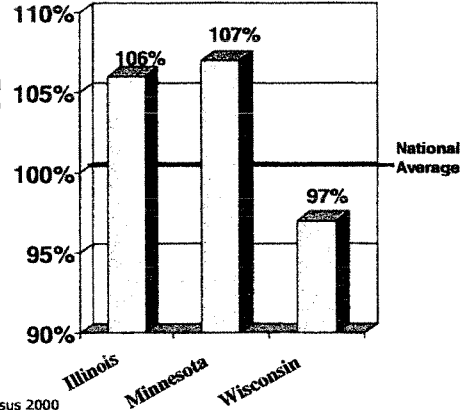
Source: Total Headcount by Institution by Age and Classification, 2002-03, Student Statistics Reports, Office of Policy Analysis and Research, University of Wisconsin System Administration: Madison.; Special Tabulation, Program Enrollment by Age, 2002-03, Client Reporting System, Wisconsin Technical College System Office, State of Wisconsin: Madison.

Wisconsin Must Better Utilize its Technical College System to Help Produce More Bachelors Degree Holders in the State

Percentage of Adult Population (25 & Older) with a Bachelors Degree or Higher



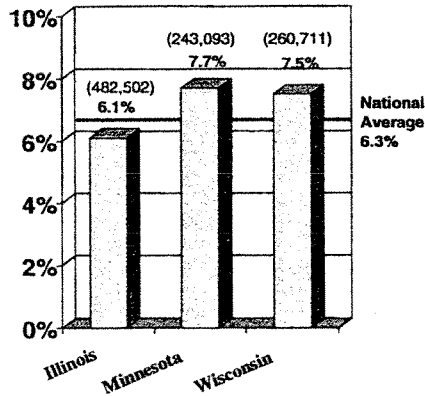
Per Capita Eamed Income as a Percentage of the National Average



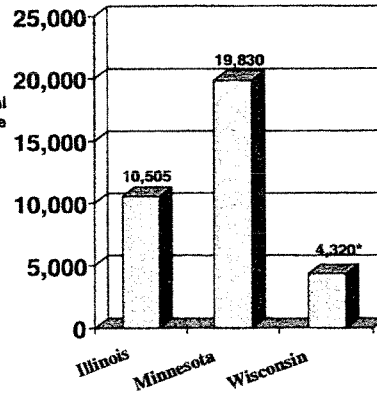
Source: U.S. Census 2000

Percent of Adult Population (25 & Older) with an Associate Degree as Compared to the Number of Students Transferring from Technical, Community and Two-Year Colleges to Four-Year State Colleges and Universities, 2000-01

Percent of Associate Degrees



Number of Transfers



*Of this number, 2,290 were WTCS transfers

Source: U.S. Census 2000

ISSUE

Current sources of state, federal, institutional and other student financial assistance provide inadequate aid for WTCS students to fund their current educational costs. Ten years ago, the average need-based financial aid awards funded 40% of WTCS student aid recipients' education costs. In 2003-04, the average need-based financial aid award funded 36.1% of WTCS student education costs. As shown in Table 2, WTCS students have the greatest unmet financial need of Wisconsin postsecondary students.

Table 2
Average Cost of Education
Compared to Total Need-based Financial Assistance
(2002-03)

	Independent Colleges and Universities	Tribal Colleges	UW System	WTC System
Average Total Cost	\$21,554	\$7,886	\$10,911	\$9,404
Average Family Contribution	\$7,674	\$625	\$3,670	\$2,631
% of Total Cost	35.6%	7.90%	33.6%	30.0%
Average Need-Based Assistance	\$9,232	\$5,236	\$5,290	\$3,393
% of Total Cost	42.8%	66.4%	48.5%	36.1%
Average Unmet Need	\$4,648	\$2,025	\$1,951	\$3,380
% of Total Cost	21.6%	25.7%	17.9%	35.9%

Source: Wisconsin Higher Educational Aids Board Report #04-03, 2/27/04.

Significant unmet financial need for WTCS students who need this assistance the most suggests WTCS students are more likely to incur greater debt, work multiple jobs and take fewer classes at one time, which further reduces their eligibility for financial aid, prolongs the time to graduation and decreases the likelihood that they will complete training or graduate.

State funding for the WTCS WHEG program has not met the demand for aid in several years. As a result, grant applications cannot be processed and eligible students are denied assistance. In 2003-04, WTCS WHEG funds were fully awarded as of September 2003. WTCS colleges are estimating that 2004-05 WHEG funding will be fully awarded by the end of August 2004 – the start of the academic year. As a result, only limited, if any, WHEG funds would be available for new students enrolling in WTCS programs in the spring semester and it is unlikely that all eligible fall applicants will receive awards.

Program requirements, as well as funding levels, limit WTCS student access to state need-based financial assistance. WTCS students taking less than 6 credits a semester are not eligible for state financial aid programs. Moreover, approximately 50% of WTCS students enrolled in liberal arts transfer, associate degree and one- and two-year technical diploma courses are ineligible for state student financial assistance because they have not enrolled as “program students.”

UW New Freshmen by Family Income

Don't include tuition increases for 2003-04/2004-05 30+%

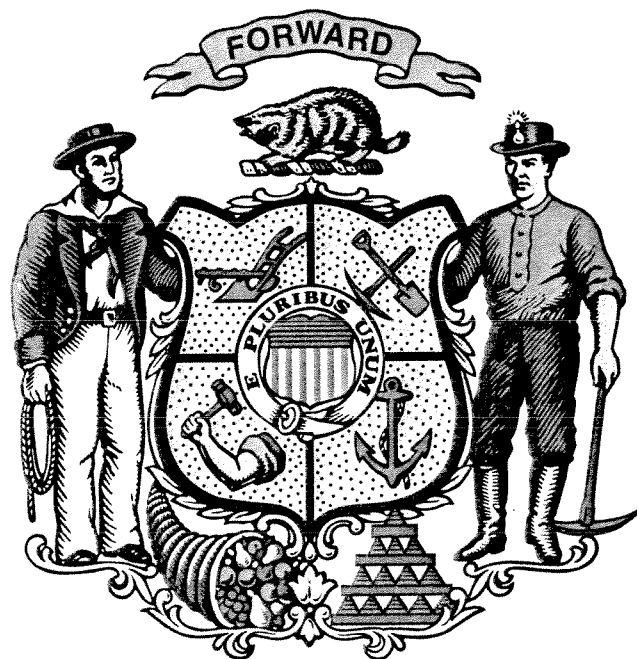
Wisconsin Family Income Quintile	1992	1996	2000	2002	
Low (<\$30,000)	14.7%	14.6%	13.0%	11.2%	< 2.5%
Low-Medium (\$30,000-\$46,000)	21.9%	22.1%	21.1%	19.9%	< 2.0%
Medium (\$46,000-\$61,000)	24.9%	23.4%	24.7%	22.4%	< 2.5%
Medium-High (\$61,000-\$83,000)	20.5%	18.0%	20.8%	22.8%	> 2.5%
High (>\$83,000)	18.1%	21.9%	20.5%	23.8%	> 5.7%

Sources: ACT, Inc. and U.S. Census Bureau

\$17,000 - Average Student Debt After 4 Yrs.

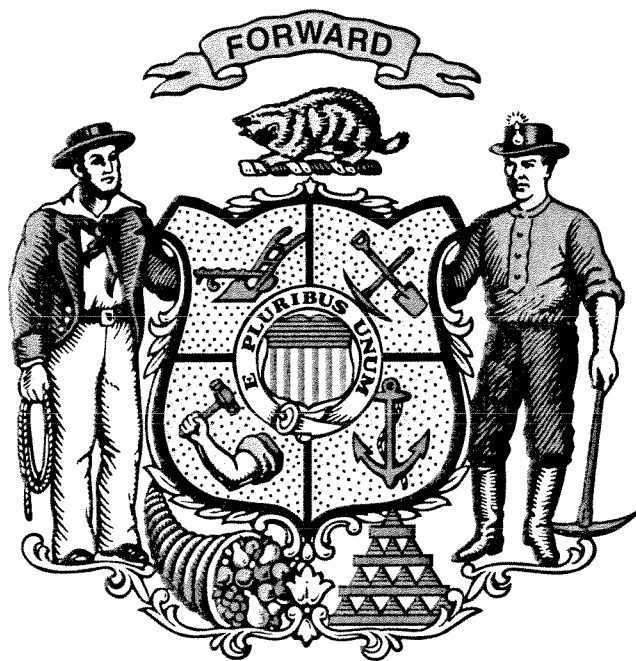
TABLE 1
Major WTCS Revenue Sources
(in millions)

Year	PROPERTY TAX (1.5 Levy and Debt Levy)		STATE AID (General and Categorical)		LEARNER FEES (Tuition, Material Fees, Other)		TOTAL REVENUE (Property Tax, State Aid, Learner Fees)	
	Amount	5-Year % Change	Amount	5-Year % Change	Amount	5-Year % Change	Amount	5-Year % Change
1979-80	\$117.5	60.9%	\$ 53.5	27.7%	\$ 21.9	11.4%	\$192.9	
1984-85	177.8	61.7%	71.4	33.5%	39.2	79.0%	288.4	49.5%
1989-90	214.6	56.0%	98.2	37.5%	70.3	79.3%	383.1	32.8%
1994-95	310.6	44.7%	123.9	26.2%	84.4	20.1%	518.9	35.4%
1999-00	430.1	38.5%	130.1	5.0%	109.3	29.5%	669.5	29.0%
2000-01	466.4	8.4%	140.7	8.1%	114.9	5.1%	722.0	7.8%
2001-02	511.6	9.7%	139.3	-1.0%	128.5	11.8%	779.4	8.0%
2002-03	541.9	5.9%	137.3	-1.4%	137.3	6.8%	816.5	4.8%
2003-04	565.3	4.3%	136.3	-0.7%	145.5	6.0%	847.1	3.7%



Gail Bergman
Sharon Wilhelm
here from
UW System
on credit transfer
issues

4/17 Scott



(b) Transfers of any handgun between firearms dealers or between wholesalers and dealers.

(c) Transfers of any handgun to law enforcement or armed services agencies.

(3) Any person who intentionally violates sub. (2), (2e), (2f) or (2j) shall be fined not less than \$500 nor more than \$10,000 and may be imprisoned for not more than 9 months.

History: 1975 c. 167; 1991 a. 11; 1993 a. 16, 195, 196; 1995 a. 71, 77, 159, 306.
Cross Reference: See also ch. Jus 10, Wis. adm. code.

175.37 Warning whenever transferring a firearm.

(1) Upon the retail commercial sale or retail commercial transfer of any firearm, the seller or transferor shall provide to the buyer or transferee the following written warning in block letters not less than one-fourth inch in height: "IF YOU LEAVE A LOADED FIREARM WITHIN THE REACH OR EASY ACCESS OF A CHILD YOU MAY BE FINED OR IMPRISONED OR BOTH IF THE CHILD IMPROPERLY DISCHARGES, POSSESSES OR EXHIBITS THE FIREARM."

(2) Any person who violates sub. (1) may be fined not more than \$500 or imprisoned for not more than 30 days or both.

History: 1991 a. 139.

175.38 Enforcement of video gambling law. (1) In this section, "law enforcement officer" has the meaning given in s. 165.85 (2) (c) but does not include a special agent of the department of revenue.

(2) Notwithstanding s. 945.041, no law enforcement officer may investigate violations of or otherwise enforce s. 945.03 (2m) or 945.04 (2m).

(3) No law enforcement officer may investigate violations of or otherwise enforce s. 945.05 (1m) unless he or she reasonably believes that the video gambling machine involved may be used in connection with a violation of ch. 945 other than a violation of s. 945.03 (2m) or 945.04 (2m).

History: 2003 a. 33.

175.40 Arrests, assistance. (1) In this section:

(a) "Highway" has the meaning specified in s. 340.01 (22).

(b) "Intersection" has the meaning specified in s. 340.01 (25).

(bn) "Law enforcement officer" has the meaning specified in s. 165.85 (2) (c).

(c) "Peace officer" has the meaning specified in s. 939.22 (22), but also includes any tribal law enforcement officer who is empowered to act under s. 165.92 (2) (a).

(2) For purposes of civil and criminal liability, any peace officer may, when in fresh pursuit, follow anywhere in the state and arrest any person for the violation of any law or ordinance the officer is authorized to enforce.

(3) For purposes of civil and criminal liability, any peace officer outside his or her territorial jurisdiction acting under sub. (2) is considered to be acting in an official capacity while in fresh pursuit under sub. (2), making an arrest under sub. (2) or transporting a person arrested under sub. (2).

(4) A peace officer whose boundary is a highway may enforce any law or ordinance that he or she is otherwise authorized to enforce by arrest or issuance of a citation on the entire width of such a highway and on the entire intersection of such a highway and a highway located in an adjacent jurisdiction. This subsection does not extend an officer's jurisdiction outside the boundaries of this state.

(5) (a) For any county having a population of 500,000 or more, if any law enforcement officer has territorial jurisdiction that is wholly or partially within that county and has authority to arrest a person within the officer's territorial jurisdiction, the officer may arrest that person anywhere in the county.

(b) A law enforcement officer specified in par. (a) has the additional arrest authority under this subsection only if the officer's

law enforcement agency has adopted policies under par. (d) and the officer complies with those policies.

(c) A law enforcement agency in the jurisdiction where a person is arrested under par. (a) is immune from liability for the acts or omissions of any officer of a different law enforcement agency exercising authority under par. (a).

(d) In order to allow its officers to exercise authority under par. (a), a law enforcement agency for a municipality or county must adopt and implement written policies regarding the arrest authority under this subsection, including at least all of the following:

1. Investigations conducted in another jurisdiction.

2. Arrests made in another jurisdiction if the crime is observed by a law enforcement officer.

3. Arrests made in another jurisdiction if the crime is not observed by a law enforcement officer.

4. Notification to and cooperation with the law enforcement agency of another jurisdiction regarding investigations conducted and arrests made in the other jurisdiction.

(e) The authority under this subsection is in addition to any other arrest authority, including authority granted under any charter.

(6) (a) A peace officer outside of his or her territorial jurisdiction may arrest a person or provide aid or assistance anywhere in the state if the criteria under subs. 1. to 3. are met:

1. The officer is on duty and on official business.

2. The officer is taking action that he or she would be authorized to take under the same circumstances in his or her territorial jurisdiction.

3. The officer is acting to respond to any of the following:

a. An emergency situation that poses a significant threat to life or of bodily harm.

b. Acts that the officer believes, on reasonable grounds, constitute a felony.

(b) A peace officer specified in par. (a) has the additional arrest and other authority under this subsection only if the peace officer's supervisory agency has adopted policies under par. (d) and the officer complies with those policies.

(c) For purposes of civil and criminal liability, any peace officer outside of his or her territorial jurisdiction acting under par. (a) is considered to be acting in an official capacity.

(d) In order to allow a peace officer to exercise authority under par. (a), the peace officer's supervisory agency must adopt and implement written policies regarding the arrest and other authority under this subsection, including at least a policy on notification to and cooperation with the law enforcement agency of another jurisdiction regarding arrests made and other actions taken in the other jurisdiction.

(7) (a) In this subsection:

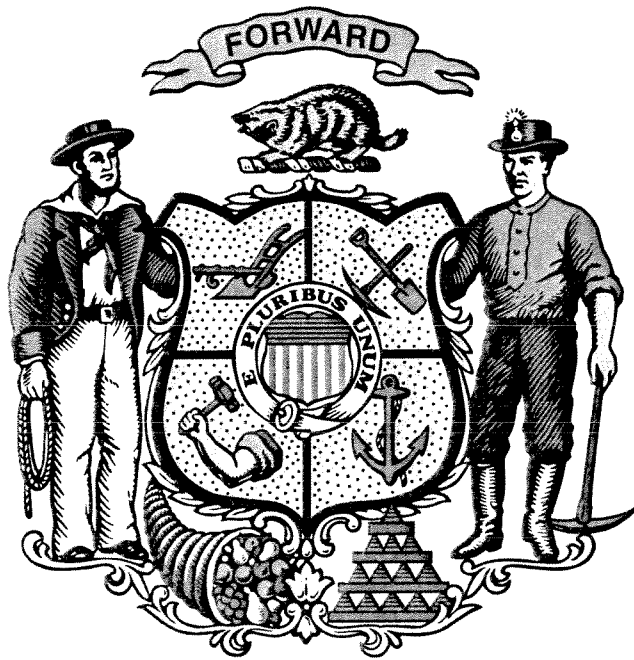
1. "Federal law enforcement officer" means a person employed full-time by the federal government who may make an arrest with or without a warrant for a violation of the U.S. Code and who may carry a firearm in the performance of the person's duties.

2. "Wisconsin law enforcement agency" has the meaning given in s. 175.46 (1) (f).

3. "Wisconsin law enforcement officer" has the meaning given in s. 175.46 (1) (g).

(b) A federal law enforcement officer, while engaged in the performance of official duties, may do any of the following anywhere in the state:

1. Make an arrest for a violation of state law or render aid or assistance if the officer has reasonable grounds for believing that a felony has been or is being committed in his or her presence and has reasonable grounds for believing that the person to be arrested has committed the felony.



Unofficial Text (See Printed Volume). Current through date and Register shown on Title Page.

Chapter UWS 18

CONDUCT ON UNIVERSITY LANDS

UWS 18.01	Jurisdiction.
UWS 18.02	Definitions.
UWS 18.03	Law enforcement.
UWS 18.04	Traffic rules.
UWS 18.05	Parking rules.

UWS 18.06	Conduct on university lands.
UWS 18.07	Penalties.
UWS 18.09	Institutional regulations.
UWS 18.10	Additional statutory provisions regulating conduct on university lands.

UWS 18.01 Jurisdiction. These rules shall regulate conduct on all lands subject to the control of the board of regents of the university of Wisconsin system.

History: Cr. Register, March, 1976, No. 243, eff. 4-1-76.

UWS 18.02 Definitions. For purposes of this chapter:

(1) The "chief administrative officer" means the chancellor of an institution or dean of a campus or their designees.

(2) "Lands" means all real property owned by, leased by, or otherwise subject to the control of the board of regents.

(3) "Board of regents" or "board" means the board of regents of the university of Wisconsin system.

(4) "Building" means any structure, including stadia, on university lands.

(5) "Discharge pollutants into storm sewers" means placing pollutants or water containing pollutants into any storm sewer on or serving university lands.

(6) "Discharge pollutants to storm water" means placing pollutants onto university lands so that they are carried by storm water to waters of the state.

(7) "Pollutants" has the meaning described in s. 283.01 (13), Stats.

History: Cr. Register, March, 1976, No. 243, eff. 4-1-76; cr. (5) to (7), Register, September, 1996, No. 489, eff. 10-1-96; correction in (7) made under s. 13.93 (2m) (b) 7., Stats., Register, April, 2001, No. 544.

UWS 18.03 Law enforcement. (1) The board may designate peace officers who are authorized to enforce these rules and regulations and to police all lands under the control of the board. These officers shall have all the powers provided in s. 36.11 (2), Stats., except where such powers are specifically limited or modified by the board. These officers may accept concurrent appointments as deputy sheriffs.

(2) Uniformed peace officers shall be identified by an appropriate shield or badge bearing the word "Police" and a number or name plate, which shall be conspicuously worn when enforcing this chapter. Peace officers assigned to non-uniformed duties shall identify themselves with an appropriate badge or police identification card when enforcing this chapter.

(3) Parking attendants are authorized to enforce the parking regulations in s. UWS 18.05.

History: Cr. Register, March, 1976, No. 243, eff. 4-1-76; am. (2), Register, November, 1991, No. 431, eff. 12-1-91; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., Register, November, 1991, No. 431.

UWS 18.04 Traffic rules. (1) No person may operate any motor vehicle (self-propelled vehicle) on any roadway under the control of the board without a valid and current operator's license issued under ch. 343, Stats., except a person exempt under the provisions of s. 343.05, Stats.

(2) No person may operate any motor vehicle on any roadway under the control of the regents unless the same has been properly registered as provided by ch. 341, Stats., unless exempt under the provisions of s. 341.05, Stats.

(3) All provisions of ch. 346, Stats., entitled "Rules of the Road," which are applicable to highways as defined in s. 340.01 (22), Stats., and which are not in conflict with any specific provisions

of these regulations, are hereby adopted for the regulation of all vehicular traffic, including bicycles, on all roadways, including those off-street areas designated as parking facilities, under the control of the board and are intended to apply with the same force and effect. All traffic shall obey the posted signs approved by the chief administrative officer regulating such traffic.

(4) All provisions of ch. 347, Stats., entitled "Equipment of Vehicles" which are applicable to highways as defined in s. 340.01 (22), Stats., are hereby adopted for the regulation of all vehicular traffic on the roadways under the control of the board and are intended to apply with the same force and effect, except those provisions of ch. 347, Stats., which conflict with specific provisions of these regulations.

(5) The chief administrative officer may require the registration of all student, faculty, or staff motor vehicles or bicycles on lands under said officer's jurisdiction and may limit or prohibit their use in designated areas during designated hours. Any person who violates institutional regulations promulgated under this subsection may be fined up to \$25.

History: Cr. Register, March, 1976, No. 243, eff. 4-1-76; corrections made under s. 13.93 (2m) (b) 7., Stats., Register, November, 1991, No. 431.

UWS 18.05 Parking rules. (1) Parking is prohibited at all times on roads, drives and fire lanes traversing university lands, except that the chief administrative officer is authorized to establish parking areas, parking limits, and methods of parking on the lands under said officer's jurisdiction, and may designate parking areas for specific groups at specific times, providing such areas are properly posted as parking areas. Parking in university parking facilities may be restricted or prohibited as required for reasons of maintenance and snow removal.

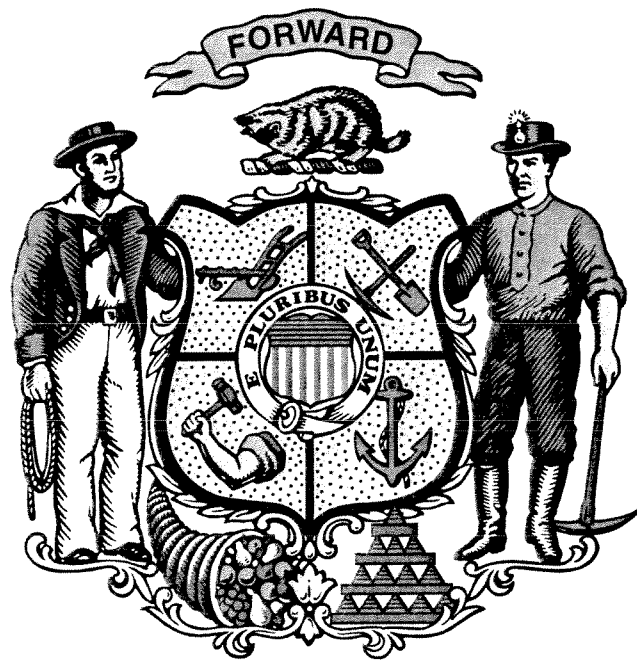
(2) Except as provided in sub. (3), parking in university parking areas shall be prohibited during posted times to persons other than those specifically assigned to those areas. Motor vehicles so assigned to any parking areas shall be identified by a valid parking permit affixed to the vehicle in a manner prescribed by the chief administrative officer.

(3) (a) In order to provide parking in university parking facilities for patrons of public university events, motor vehicles may be permitted to park in facilities designated for this purpose by the chief administrative officer. Public events parking shall be for a limited time only, not exceeding 12 hours continuously, and appropriate fees may be established. Otherwise valid permits are voidable during this period.

(b) The chief administrative officer may establish visitor parking lots and set appropriate fees for parking in those lots.

(c) Unrestricted and unassigned parking areas for students, faculty, staff and visitors may be established by the chief administrative officer.

(4) (a) Parking shall be prohibited at all times in areas which must be kept clear for the passage of fire apparatus. These areas shall be designated by standard signs reading "Fire Zone, No Parking at Any Time, Day or Night" or "Fire Lane, No Parking at Any Time, Day or Night."



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