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☛ Details: Joint session, Senate Committee on Higher Education and Tourism and Assembly Committee on Colleges and Universities, March 2, 2005

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WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on Colleges and Universities...

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INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

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(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

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

PREPARED COMMENTS

Phillip R. Certain, Dean

College of Letters & Science

University of Wisconsin—Madison

Before a Joint Session of the Senate Committee on Higher Education and Tourism and
the Assembly Committee on Colleges and Universities

Room 401 South, Wisconsin State Capitol

Thursday, May 6, 2004



COLLEGE OF
LETTERS & SCIENCE
University of Wisconsin-Madison
The Heart of a Great University

Good morning. My name is Phil Certain and I am the Dean of the College of Letters and Science at the University of Wisconsin-Madison. I want to thank you for the opportunity to appear before you today to share my experience and thoughts regarding the impact of the biennial budget on our college. I know that you have a long agenda today and I promise that I will keep my comments brief. I've prepared written testimony to provide greater detail on the points that I will make in my presentation.

1. Impact of budget cuts

To place my comments in context, the College of Letters & Science teaches the majority of undergraduate courses, is the third largest research unit, and constitutes a little more than half of UW-Madison. We have had many requests from the press and others for dramatic academic horror stories since we initially voiced our concerns over the biennial budget cut, which for our college meant the loss of 60 positions and at least \$5 million in fiscal resources even after the \$350 per semester tuition off-set.

It's not that simple.

There has been no apocalyptic implosion of our college, in large part because faculty, academic staff, and classified staff have worked hard to minimize the damage by setting priorities that protected:

1. departments that provide the largest share of our undergraduate classes
2. classes most often taken by first year students and those needed by graduating seniors
3. key classes, such as Chemistry 103, that are needed to enter or advance within a major
4. departments with significant external research funding capabilities
5. departments with strong graduate programs, particularly those ranked among the top programs nationally

We also are aware that the size of our college made it possible to diffuse the impact of losing some 200 course sections by absorbing students into the 3,500 course sections that

we were able to offer. Although the number of sections will sound like a lot to you, it becomes complicated on our end as we try to accommodate the needs of our college's 17,500 undergraduates along with large numbers of the 11,055 undergraduates in UW-Madison's other colleges, who need our mathematics, chemistry, English, and other courses to be admitted to their majors and to complete their degrees.¹

The lack of a highly visible catastrophic event does not mean that all is well. What we are seeing is the slow decay of a vital Wisconsin resource. The futures of the University of Wisconsin in Madison and the State of Wisconsin have been intertwined for more than 150 years. The people and the State of Wisconsin built the university through their public commitment to higher education. In return, the university has served the state by educating generations of Wisconsin students; providing faculty expertise to help solve policy, economic, social, and scientific problems; and by sharing cultural resources to benefit people in all walks of life.

The decline of the mutually dependent relationship between university and state threatens the well being of both partners today. As I noted earlier, the process that I am describing is not a highly visible cataclysmic event but rather is a slow and steady erosion of a significant state asset. The best analogy I can give you is the difference between seeing a car engine explode into flames, and the slow decline of a premium vehicle whose owner does not check or change the oil, or carry out those critical undercarriage flushes in Wisconsin weather. Both processes result in the loss of an investment but the second process is preventable. The second process also is subtle, making it possible to deny that the asset is endangered until irreparable damage has been done.

The slow decline that I am talking about is the cumulative impact of the failure to replace or develop new human and physical resources over the past several years. By this I mean:

- underfunding of maintenance and classroom upgrades and repairs
- the inability to replace faculty as they retire

¹ 2003-2004 Data Digest, p. 73

- the lack of resources to hire or retain the future academic leaders of the institution.

These may not seem like major problems they take a serious toll on the critical human and physical resources at the heart of our institutional infrastructure.

In 2002-2003 we minimized the damage from the combined budget and personnel cuts by:

- developing bare bones hiring priorities through an intensive strategic planning process. Our hires remain below optimal levels but we are able to hire in the most critical areas of need.
- carefully managing enrollment in Letters & Science's 3,500 courses to ensure that students were able to enroll in the courses that they needed. This meant holding sections so that first-year students had access, monitoring requests to open new sections to ensure that the highest areas of need were met first, and other actions.
- squeezing small numbers of extra students into classes
- increasing enrollments in mid-sized classes, pushing them closer to large classes
- allowing departments to adjust the selection of courses offered in a given semester in order to meet special needs or demand

We cannot keep this up indefinitely as individuals or as an institution.

- At some point obsolete or poorly maintained facilities become a safety issue. They also undermine our ability to secure the competitive grants that complement state funding.

**Letters & Science Faculty, Undergraduate Enrollments, and Credit Hours Taught
1993-94 through 2003-2004**

Year	Total FTEs, L&S Faculty Tenure Roster	L&S Undergraduate Enrollment	Total UW-Madison Undergraduate Enrollment	Total Undergraduate Credit Hours Taught By L&S	All Credit Hours Taught by L&S
1993-94	954.88	15,214	26,638	501,191	582,563
1994-95	933.8	14,962	26,207	494,412	573,046
1995-96	898.11	15,175	26,361	496,001	571,384
1996-97	862.09	15,781	26,910	517,959	589,560
1997-98	848.01	16,378	27,533	531,744	600,126
1998-99	840.11	16,699	27,808	540,704	605,700
1999-2000	820.62	17,127	28,270	538,606	601,842
2000-01	865.86	17,179	28,476	547,109	612,215
2001-02	896.46	17,520	28,788	558,210	625,280
2002-03	901.3	17,495	28,677	558,012	624,024
2003-2004	905.5	17,528	28,583	Not yet available	Not yet available

SOURCES: 1998-99 Data Digest, p. 2, 70; 2003-2004 Data Digest, p. 2, 79

- Turning small and mid-sized classes into large classes undermines undergraduate education, especially our efforts to create small-group intensive study and research experiences for undergraduates early in their education.
- Just as students are aware that they are paying more tuition for decreased quality, our faculty and staff are aware that they are assuming ever-greater work loads at no additional pay and with little hope of increased staffing.

2. Why it matters to you and your constituents

I'll talk about the financial impact in a moment. First, however, I want to talk about your constituents.

- The cuts that I have described affect the 3,270 Wisconsin freshman students who entered UW-Madison in fall 2003 and it will have an even greater impact on the students who follow them in fall 2004.² It also affects the 518 students who transferred to Madison in fall and those who will follow in the future. These students and their families are making sacrifices to secure an education. They deserve educational experiences and degrees of the traditional quality and value provided by our college. The steady erosion of state support, however, means that students are paying higher tuition at a time when the quality of their education is being undermined.
- On May 15, Letters & Science will award over 2,500 undergraduate degrees. Of these, 1,790 will be awarded to students from Wisconsin; over 800 of those students are from outside of Dane County – River Falls, Oshkosh, Eau Claire, Port Washington, Hudson, etc. In addition, many of the 950 students who list Madison as their hometown came to our campus from another part of the state. An erosion of the quality of the education that we deliver will, over

² Office of the Registrar, University of Wisconsin-Madison, "New Freshmen by Wisconsin High School from Which Admitted, Fall 2003-2004 (As of the End of the Sixth Week of Instruction)," p. 8; "Undergraduate InterSystem Transfers by University of Wisconsin College From Which Admitted, Fall 2003-2004," p. 1.

numbers of families and care providers who work with this rapidly growing segment of our population.

- Seth Pollack, another professor of psychology, works with over 4,000 Wisconsin families who have adopted children from overseas institutions. His work started with a call from a parent who had adopted a child from Eastern Europe and has expanded into a major research project based in Wisconsin and Minnesota.
- Steve Carpenter, a professor of zoology, and his colleagues in the Center for Limnology, are helping Wisconsin communities and lakeshore property owners to understand a myriad of issues related to water quality, lakeshore management, and other questions vital to Wisconsin's tourism industry and quality of life. Last year, the National Science Foundation awarded these scientists \$1.13 million for a multi-year "Comparative Study of a Suite of Lakes in Wisconsin," which will bring research spending to Wisconsin's lake regions as well as support faculty and student research.
- Monica McCauley, a professor of linguistics, is working in partnership with the Menominee nation that is preserving, documenting, and developing resources to teach the Menominee language. Last year, the National Science Foundation awarded this project \$300,000.

3. My hopes for the future

This is my last appearance as Dean of Letters and Science before a hearing of this type. I am retiring this year after 34 years as a professor and administrator on the UW-Madison campus.

I cannot deny that managing cuts in our state funding has been a challenging and stressful part of my job, particularly during the past two years. I am particularly proud of the faculty and staff in Letters & Science who have found ways to meet our budget and

personnel cuts while upholding our responsibilities to our undergraduate and graduate students.

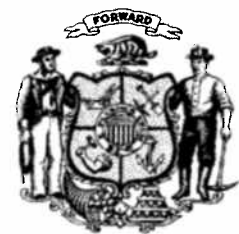
The decision to step down was not an easy one for me. Any adversity that I have faced has been balanced by the fact that I also have had the privilege of working with some of you and your colleagues to solve problems. I also have had the privilege of witnessing the deep loyalty that our faculty, students, and over 125,000 Wisconsin alumni feel toward our university, and sharing in the excitement of the learning and discovery that is part of daily life on our campus.

My years of experience make it possible for me to be cautiously optimistic. I believe that you appreciate the value of the University of Wisconsin as a state asset, and I also believe that it is possible to work together to solve the challenges of funding in tight fiscal times. I want to take this opportunity to urge you to work with the University of Wisconsin System and UW-Madison to rebuild and renew the solid working partnerships that will make it possible to exercise strong stewardship to preserve this resource for future generations. There is much at stake and it is essential that the university have your renewed support and cooperation beginning now. We have everything to gain and little to lose.

With that I will conclude my remarks. I thank you for your time this morning.



WISCONSIN STATE LEGISLATURE



Update: *CHARTING A NEW COURSE FOR THE UW SYSTEM*
Remarks for the Joint Higher Education Committee Meeting
Regent Guy A. Gottschalk, Chair
UW System Board of Regents
May 6, 2004

Good morning. Thank you, Senator Harsdorf and Representative Kreibich, for the invitation and the opportunity to discuss the University of Wisconsin in light of the state's tax and budget difficulties. We welcome a continuing dialogue as you and your colleagues wrestle with some difficult decisions.

As many of you know, the Board of Regents has been engaged in a year-long examination of the university called *Charting a New Course for the UW System*. I have chaired this study, and at times it has been a daunting task. Let me thank all of our collaborators – students, faculty, regents, chancellors, UW System officers, staff – and **legislators** – for all their hard work.

When we undertook this study last year, it was motivated by **three** key drivers:

1. A changing state fiscal environment

2. A growing market demand for our educational services, and
3. A rapidly-evolving technological and economic environment

We set some ambitious goals at that time, forming five working groups that included regents, chancellors, UW System leaders and key constituents to help chart our future course. Early on, we resolved that we must maintain our focus on students and what they need in order to attain a quality education in the UW System.

Just last month, the chairs of each of the working groups summarized the preliminary 2005-07 biennial budget recommendations that were emerging from their working group. Although the final report is still being drafted, there are some key points that we can share at this time:

- There are no substitutes for adequate, stable GPR support per student for the UW's instructional mission.
- New ideas can emerge – and be implemented – rather quickly. Our UW-Platteville differential tuition initiative designed to attract students from Iowa and Illinois, and our

substantial collaboration with the Wisconsin Technical College System to increase the number of baccalaureate degree holders in Wisconsin are just two examples of activities that are already underway.

- **Sustainable financial aids** are necessary to avoid pricing our lower income families out of higher education due to tuition increases.
- Increased support for diversity is necessary if we are to improve this aspect of the university experience and more closely mirror the state's citizenry.
- Increased support for building our infrastructure, particularly in information technology and libraries, is necessary if we are to maintain quality.
- The regents need the authority to set competitive salaries and exercise position control if we are to attract and retain the necessary, quality faculty and administrators.

- Legislative reform is needed to enable the UW and the state to achieve substantial cost savings in capital projects, procurement, risk management and in other areas, to help off-set necessary investments in other areas.

There are several consistent themes emerging from the study to connect the threads of access, quality and service to the state that include providing adequate financial aid and maintaining quality faculty and instruction.

Wisconsin has faced difficult budget situations in the past, but our leaders have always supported our public universities and the opportunities they present to Wisconsin citizens. I am reminded of how the GI Bill transformed the thousands of soldiers returning to America into the doctors, lawyers, teachers, pharmacists, engineers, business leaders and statesmen that built the country that you and I enjoy today. Without the GI Bill, we might very well have become another Russia. THIS is the kind of re-investment in public higher education that's needed here today,

even if on a much smaller scale, if Wisconsin is to move to the head of the pack among states in the global, knowledge economy.

Conversely, additional, large cuts to the UW's budget will result in fewer faculty and diminished enrollment opportunity. There is nowhere else for the money to come from. Again, we appreciate the difficulty that you and your colleagues face with the budget, but respectfully submit that balancing the budget on the back of the university again will have a severely adverse effect not only on the UW, but also on the State of Wisconsin. Personally, I would rather pay my fair share now than have my grandson grow up in "Wississippi".

We are at work now drafting the *Charting A New Course For the UW System* final report, and hope to have a final draft for regent approval in June.

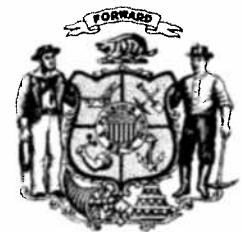
Thank you again for the opportunity to address your committees. I'll be happy to respond to questions you may have.

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WISCONSIN STATE LEGISLATURE



February 22, 2005

Senator Ted Kanavas
State Capitol
PO Box 7882
Madison, WI 53707

Representative Scott Jensen
State Capitol
PO Box 8952
Madison, WI 53708

Dear Senator Kanavas and Representative Jensen:

I very much appreciate the time you have spent considering the idea of transferring title of the UW-Waukesha campus to the State and merging its administration and programming with UW-Milwaukee. It is an exciting idea in which the business community, the metropolitan area, and taxpayers all win. The concept already is receiving broad support among leaders of both the Waukesha and Milwaukee business communities.

Allow me to state the case for the transfer. The explanation is lengthy but necessary because of the magnitude of the gains.

Administrative reorganization within the UW in 1964 separated the UW Centers from UW Extension and established the Center System as a distinct administrative unit. Higher education leaders recognized the need to create a new system of access for students interested in higher education but were unable to afford or were not academically ready for a traditional four-year college. Leaders were still following the "Wisconsin Idea" vision first set forth by UW President Charles Van Hise.

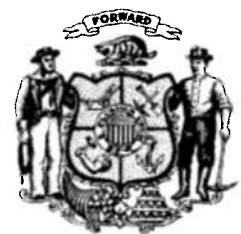
The campuses of the system were intended to serve only a limited base in smaller cities and rural communities. According to Tom Hefty, who was then a page in the legislature, the new system was in many ways aimed at "farm kids" who were unable to leave home to attend college full-time.

The Waukesha County Center of the University of Wisconsin (now UW-Waukesha) was created on July 1, 1965.

The uniqueness of the two-year centers was that they were created as a financial partnership between the Board of Regents and counties and/or cities in which they even reside because of their predominantly local mission. Unlike the four-year schools, each two-year campus (land and buildings) is owned by the local government and is responsible for their maintenance. State GPR and tuition pays for all academic expenses.



WISCONSIN STATE LEGISLATURE





**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

JIM DOYLE
GOVERNOR

MARC J. MAROTTA
SECRETARY

Office of the Secretary
Post Office Box 7864
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March 1, 2005

The Honorable Rob Kreibich
Wisconsin State Assembly
Room 107 West, State Capitol
Madison, WI 53702

Dear Representative Kreibich:

Knowing of your interest in the organizations specified under s. 20.505(4)(ba), I am writing to inform you of the Department's decision regarding the payment of the FY05 membership dues, as well as the fiscal constraints that led us to this decision.

As you may be aware, the funds available under s. 20.505(4)(ba) have been reduced considerably in recent years by legislative action. In FY02, a total of \$359,800 was provided in the appropriation under Chapter 20. However, as a result of 2001 Act 16 and Act 109, the appropriation was reduced to \$169,800 by FY03, a total reduction of \$190,000 or 53%. 2003 Act 33 appropriated the same level of funding in both FY04 and FY05 that was appropriated in FY03, or \$169,800.

While the amount of funds under s. 20.505(4)(ba) has declined, the total combined membership dues for the organizations specified in the statute have remained the same or have increased. The FY05 membership dues for the organizations combined total \$372,241. Given the shortfall in the amount of funds available under s. 20.505(4)(ba), the Department believes it cannot pay all of the FY05 membership dues in full.

Therefore, we have made a decision to pay the dues for the Council of Great Lakes Governors (\$30,000) and the Education Commission of the States (\$81,600). After factoring in the estimated expenses for committees created by Executive Order or law (\$12,000), the remaining funds (\$46,200) in s. 20.505(4)(ba) will be applied towards the membership dues for the Great Lakes Commission.

The following table illustrates the FY05 membership dues for the organizations under 20.505(4)(ba) and the corresponding payment decisions of the Department:

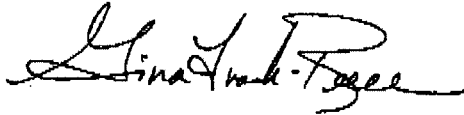
	<u>FY05 Membership Dues</u>	<u>Payment Decision</u>
Education Commission of the States	\$81,600	\$81,600
Great Lakes Commission	\$60,000	\$46,200
Council of Great Lakes Governors	\$30,000	\$30,000
Midwestern Higher Education Commission	\$82,500	\$0
Council of State Governments	<u>\$118,141</u>	<u>\$0</u>
TOTAL	\$372,241	\$157,800
Estimated EO Committee Expenses (FY05):		\$12,000
Chapter 20 Authority and FY05 Total Payment:		\$169,800

Representative Kreibich
March 1, 2005
Page 2 of 2

I realize the Department's decision may not entirely satisfy all of the interested parties, however, I hope that you can understand the need for us to make such a decision. The Department has the responsibility under s. 16.50(2) to administer its appropriations consistent with legislative intent and within the dollar amounts that are appropriated in Chapter 20. It is not that the Department does not value its membership in all the organizations under 20.505(4)(ba). Rather, the fiscal reality we face simply precludes us from paying all of the membership dues in full.

Thank you for your interest in this matter. Should you have any questions or wish to discuss it further, I may be reached at 266-1741.

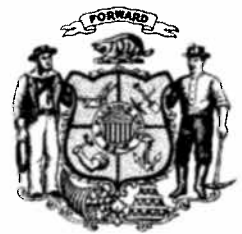
Sincerely,



Gina Frank-Reece
Deputy Secretary



WISCONSIN STATE LEGISLATURE



**Senate Committee on Higher Education and Tourism
Assembly Committee on Colleges and Universities
Joint Meeting, March 2, 2005**

**Testimony
Presented by
Daniel Clancy, President
Wisconsin Technical College System**

Thank you, President Reilly. I would also like to thank Senator Harsdorf and Representative Kreibich for extending an invitation to address both committees on higher education.

President Reilly has spoken to you about the ongoing efforts of the two systems to improve transfer opportunities for technical college students seeking to continue their education in the University of Wisconsin System.

The first five points of the transfer agreement President Reilly described dealt with the concrete steps to improve transfer from the WTCS to the UWS.

The sixth point of the transfer agreement called for creation of a joint committee appointed by the Board of Regents and the Technical College System Board.

This joint Committee on Baccalaureate Expansion was charged with taking a more comprehensive look at cost effective strategies to increase access to baccalaureate education in Wisconsin. I would like to provide an overview and update on the Committee's recommendations and on our plan to implement those recommendations.

When the Legislature established our two Systems in the early 1970s, the mission of the WTCS was to prepare its students for employment in occupations requiring less than a baccalaureate degree. Now, Wisconsin's economy is in transition. We are in the process of moving to a new knowledge-based economy in which success will depend on how well and how quickly we can put what we know to work. A key indicator of the new economy is the percentage of jobs requiring higher education.

You have already discussed how Wisconsin lags behind our neighboring states in terms of the number of residents with a baccalaureate degree. In 2000, Wisconsin ranked only 30th among the states in the percentage of the adult population with a baccalaureate degree and continues to lag far behind our neighboring states of Minnesota and Illinois. Just to match the national average, Wisconsin would need to add more than 72,000 additional college graduates to its population over the next ten years. President Reilly and I believe that as a result of COBE and the ongoing discussions taking place between our two Systems, Wisconsin's higher education institutions are positioned to meet this challenge.

The educational needs of Wisconsin's employers and its workforce are evolving and our postsecondary systems must respond to those needs. Success in today's labor market requires

continuing education and training, not just beyond high school, but over the course of a lifetime. While our technical college graduates readily find good paying jobs, increasingly they need and want access, not just to continuing education, but to baccalaureate education as well. I would like to assure the members of the committees that the WTCS focus remains on preparing our students to begin their careers. At the same time, we need to create more seamless pathways for our graduates into the UW System. We at the technical college system see COBE and implementation of the recommendations that it developed as playing a major role in helping Wisconsin develop the workforce our state will need.

COBE began its deliberations last Spring. The Committee's final report was completed in January 2005. Copies of the final report from COBE and the Executive Summary have been made available to you today.

I would like to point to some features of the COBE effort that have distinguished it from our other work on improving transfer. First, COBE was chaired by Regent Chuck Pruitt and WTCS Board President and Regent Brent Smith and four other Board members were part of the Committee. Second, the Committee included not only active involvement of members of the two governing boards but also System administrators, faculty, and students. Third, the Committee highlighted the need to develop strategies to serve groups that are currently under-represented in higher education—working age adults, students of color, and students from lower income families.

The recommendations from COBE are summarized on the back of the Executive Summary. These 13 recommendations fall in to three broad categories:

- A set of strategies that address some programmatic changes and collaborative ways of delivering instruction. These include new degree options for technical college graduates and additional opportunities for students to access baccalaureate education provided by UWS faculty at technical college campuses. These efforts should be driven by labor market demand. Our goal is to identify programs, degrees, and areas in which to expand services that will meet the needs of the state's employers as well as student demand. Some of the areas discussed include new or expanded programs and degrees in fields such as business, health care, and engineering. These programmatic strategies will be particularly important tools to increase access for place-bound, working adults—people with strong ties to their communities and who are most likely to remain in Wisconsin once they have gotten their baccalaureate degree.
- A second set of strategies that focus on increased outreach, counseling, and advising efforts for high school youth, young adults, and returning students; and
- A commitment to advocate jointly for increased state and federal financial aid to increase access to higher education for students from lower income families.

Finally, the report recommends the establishment of an implementation process to ensure that the two Systems continue to work together on these issues. President Reilly and I have already begun meeting to discuss that process. We have agreed to establish a steering committee

charged with overseeing implementation of the COBE recommendations and we have begun inventorying existing collaborative efforts between the state's technical colleges and UW System institutions.

A key suggestion coming out of COBE was that we should encourage technical colleges and UW campuses to pilot implementation of the recommendations. Our inventory will provide us with some baseline data to evaluate the pilot efforts. One of the key things we want to do by encouraging piloting of the recommendations is to be able to identify what works. That information should help both the WTCS and the UW System to target our resources to encourage further collaboration.

We recognize that none of the recommendations alone will be sufficient by themselves to dramatically increase the number of baccalaureate degree holders in Wisconsin. But, implementation of the proposals as a whole holds promise for increasing access to opportunities for higher education for Wisconsin's residents.

I want to emphasize that these strategies seek to:

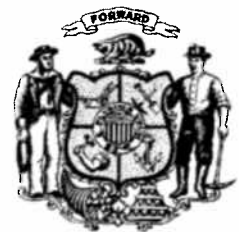
- expand access to diverse populations,
- provide market-driven solutions, and
- build the foundation for long-term commitment between the two Systems to increase access to educational opportunities.

We believe that none of the recommended strategies blurs the missions of the WTCS or the UWS. Instead, each contributes to improving our joint efforts to assist students in accessing the education they will need over their life times. And finally, these strategies focus on meeting the needs of our students, their employers, and the taxpayers of our state in the most cost efficient ways we can identify.

Again, thank you for the opportunity to address you today.



WISCONSIN STATE LEGISLATURE



Daniel M. Finley
County Executive

Waukesha COUNTY

DEPARTMENT OF COUNTY EXECUTIVE

Memo

TO: Honorable Members of the Senate Committee on Higher Education and Tourism
Honorable Members of the Assembly Committee on Colleges and Universities

FROM: Daniel Finley, Waukesha County Executive *D.F.*

SUBJECT: Sale of UW-Waukesha

DATE: March 2, 2005

I would respectfully ask the Wisconsin Legislature to consider allowing the UW-System to purchase the UW-Waukesha Campus from Waukesha County for \$1. I believe there have been some misconceptions about what my intention is in offering the sale of UW-Waukesha. I believe the transfer of the UW-Waukesha title would spur economic development by allowing for the expansion of four-year degree offerings, would create administrative efficiencies and savings, and would provide tax equity for Waukesha County property taxpayers.

The two-year campuses were created for the purpose of access and were intended to serve only a limited base in smaller cities and rural communities. According to Tom Hefty, who was then a page in the legislature, the new system was in many ways aimed at "farm kids" who were unable to leave home to attend college full-time. The Waukesha County Center of the University of Wisconsin (now UW-Waukesha) was created on July 1, 1965.

Since 1965, Waukesha County has evolved to become a largely urbanized county with the second highest equalized value in the State of Wisconsin. We are part of the Metro-Milwaukee area and the economies of Milwaukee and Waukesha Counties are intertwined. Numerous groups such as the UW-System and the business community have stated their desire to create more four-year degree holders in Wisconsin. I believe this is a worthy goal to pursue; however, it should be under the direction and expertise of the UW-System and not a county government.

Having two-year colleges offer four-year coursework and degrees result in property taxpayers for the first time sharing in the costs of baccalaureate education in Wisconsin. As they offer more and more four-year degree programs, that makes them equivalent to the 13 four-year campuses. I know property taxpayers in those counties will not start to subsidize their schools. This results in a statewide inequity in the funding of baccalaureate education.

As you discuss restructuring plans for the UW-System, I urge you to consider allowing a partnership and/or merger between UW-Milwaukee and UW-Waukesha in an effort to better serve the citizens of Metro-Milwaukee, which will ultimately accomplish the goal of gaining more baccalaureate degree holders in the State of Wisconsin.

Attached please find a more detailed description of and rationale for my proposal. Thank you for considering my comments. If you have any questions please don't hesitate to contact my office at 262.548.7902.

1320 Pewaukee Road • Room 320
Waukesha, Wisconsin 53188
Phone: (262) 548-7902 • Fax: (262) 896-8510
TDD: (262) 548-7903
www.waukeshacounty.gov

UW-Waukesha/UW-Milwaukee Proposal

The proposal to merge resources at UW-Waukesha and UW-Milwaukee is an exciting idea in which the business community, the metropolitan area, and taxpayers all win. The concept already is receiving broad support among leaders of both the Waukesha and Milwaukee business communities.

Administrative reorganization within the UW in 1964 separated the UW Centers from UW Extension and established the Center System as a distinct administrative unit. Higher education leaders recognized the need to create a new system of access for students interested in higher education but were unable to afford or were not academically ready for a traditional four-year college. Leaders were still following the "Wisconsin Idea" vision first set forth by UW President Charles Van Hise.

The campuses of the system were intended to serve only a limited base in smaller cities and rural communities. According to Tom Hefty, who was then a page in the legislature, the new system was in many ways aimed at "farm kids" who were unable to leave home to attend college full-time.

The Waukesha County Center of the University of Wisconsin (now UW-Waukesha) was created on July 1, 1965.

The uniqueness of the two-year centers was that they were created as a financial partnership between the Board of Regents and counties and/or cities in which they even reside because of their predominantly local mission. Unlike the four-year schools, each two-year campus (land and buildings) is owned by the local government and is responsible for their maintenance. State GPR and tuition pays for all academic expenses.

Waukesha County has always generously supported our campus because it serves as the gateway to higher education for our residents. We currently contribute about \$200,000 in annual maintenance needs and average \$1 million each year on capital expenditures.

As Waukesha County evolves over time and becomes more urbanized, the campus no longer serves a rural student body and about 25% of the students do not even reside in Waukesha County. The campus has an annual enrollment of about 2,200 for the fall semester, which makes it the largest of the two-year colleges. UW-Superior, the smallest of the four-year schools, has an enrollment of 2,900.

An even more significant change began several years ago when the UW System began to offer some baccalaureate level classes at many of the two-year campuses. This is arguably good for the students and the state but is nonetheless a fundamental shift in the educational mission of the "two-year" schools. In the case of Waukesha County, we view this as a change in the basic contract with the Board of Regents. The mission of access is being usurped by the state's desire to produce more baccalaureates to better support our economy.

Several two-year colleges have recently asked their county boards to consider the construction of dormitories. While most counties have chosen not to build them, it is yet another example of the UW System's desire to change the mission of the two-year campuses.

The UW Board of Regents and the Wisconsin Technical College System Board recently received a report from a joint UW-WTCS committee on ways to increase the number of

bachelor's degrees generated in Wisconsin. The committee consisted of board members, administrators, faculty and students. The committee had no local government representation in spite of then UW Colleges Chancellor Bill Messner's advocacy for the locals' inclusion.

The committee's charge was to find ways to produce more baccalaureate degree holders as a strategy to keep our workforce competitive in the 21st century economy. Wisconsin lags behind our neighboring states in this important statistic.

The report recommends offering baccalaureate degrees to students at WTCS schools and UW two-year College campuses. These are campuses that are all supported by local property taxpayers.

Perhaps Wisconsin's greatest competitive advantage in the never-ending quest to attract quality companies and employees is our educational system. Heaven knows it is not our weather or income tax.

Our higher education systems need distinct missions. The purposes for the four-year campuses are instruction and research. The two-year campuses purpose is access. And the technical colleges are charged with helping companies meet their workforce needs. We don't have junior or community colleges because a vocational-technical system places better emphasis on growing workers and companies. It's what Wisconsin businesses demand. Governor Thompson repeatedly offered customized job training programs at technical colleges to entice businesses to locate here.

Over the years, the educational missions of our systems have become blurred. This has resulted in unnecessary duplication and added costs.

Having two-year colleges offer four-year coursework and even degrees results in property taxpayers for the first time sharing in the costs of baccalaureate education in Wisconsin. As they offer more and more four-year degree programs, that makes them equivalent to the 13 four-year campuses. I know property taxpayers in those counties will not start to subsidize their schools. This results in a statewide inequity in the funding of baccalaureate education.

Waukesha County's bottom line is that it is time to transfer the title of UWW to the UW System. The mission of the school needs to change to better serve our state's economy, and that's important for Wisconsin businesses and residents. This conversion is not without precedent. In the late 1960's, the Green Bay Center became a four-year institution and the Centers at Racine and Kenosha became the base of the new UW-Parkside.

To be quite clear, Waukesha County feels higher education policy belongs in the hands of state officials. However, we offer for your consideration, exclusive of Waukesha County officials, an exciting idea regarding what the state can do with an unencumbered UW-Waukesha and new governance through the University of Wisconsin-Milwaukee.

UWM is poised for significant growth in its mission as a public research university. This growing research enterprise is of vital importance to the economy of Southeastern Wisconsin and state as a whole.

Unfortunately, the UWM campus is completely landlocked with no space for new or expanded facilities. It recently took them six years to get the approval for a project that did not

include any state funding to renovate one building. The neighborhood associations on the east side of Milwaukee have indicated they will aggressively challenge any future encroachments.

UWM's strongest enrollment growth derives from the western suburbs of Milwaukee and more than 50% of UWW's graduates continue their education at UWM. They would benefit from a more seamless link to UWM's undergraduate and graduate programs.

Not only would significant efficiencies and saving of public funds result from the combining of administrative functions, but also UWM could at last become the great urban center of higher learning and research for Wisconsin, and our economy would see an infusion of baccalaureate degree holders. This could all be accomplished without further intrusion into Milwaukee's east side neighborhoods.

Therefore, I respectfully ask you to introduce legislation or budget language that would include the following:

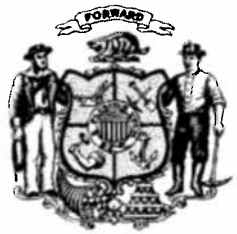
1. Authorize UWM to assume the administrative functions of UWW.
2. Create a pilot program that would provide charter campus status for the "University of Wisconsin-Milwaukee West" campus.
3. Assign title of UWW to the Board of Regents.

I am willing to propose to the Waukesha County Board of Supervisors that we transfer the title and continue the debt service for the life of all outstanding bonds but will not participate in the future financing of the campus. Waukesha County is also interested in a reversion clause in the title transfer that will return the 87 acre campus to the county should the Board of Regents ever decide to no longer use the campus for higher education purposes.

The health of our economy must be the state's top priority. The changes I've outlined will be a dramatic step forward for businesses, students and taxpayers. I stand ready to work with you on this historic advancement.



WISCONSIN STATE LEGISLATURE





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May 5, 2004

MEMORANDUM

TO: Larry Isaak

FROM: Dave Olien

**RE: DRAFT Fact Sheet
Exploration of California Compact**

The MHEC Executive Committee will consider at its next meeting whether MHEC on behalf of interested states and universities should explore development of a MHEC contract with California for states and institutions to either fill unused Midwestern campus student capacity or to increase enrollments by recruiting high achieving students from out-of-state as part of a Midwestern brain gain strategy.

Midwestern states have a history of successful innovation in terms of tuition reciprocity between states. Those reciprocal agreements to charge less than normal out-of-state tuition have expanded educational opportunity while providing important cost sharing opportunities for those participating Midwestern states.

Many Midwestern states are facing demographic challenges which make it imperative that they aggressively recruit out-of-state young people so they can both offer employers a stable work force and address issues resulting from a demographically aging population. Meanwhile, California faces a severe access crisis at the four year campus level. Students who wish to have a four year campus experience in the state will increasingly be forced to first attend the state's community colleges. California's challenge may represent opportunity for some Midwestern states.

In the last two years, Wisconsin and Kentucky have embraced strategies of aggressively recruiting out-of-state students to help meet state workforce needs. Both states; like many Midwestern states face an aging population with declining numbers of college age students. By attractively pricing out-of-state tuition, both states hope to attract students who will become permanent long term tax paying residents.

Kentucky has largely focused its attention on Illinois while Wisconsin is focusing on markets in Illinois and Iowa. By adjusting out-of-state student tuition in selected areas, Kentucky has successfully recruited over 2,000 Illinois residents to Murray State University alone. The University of Wisconsin System is aggressively recruiting Illinois and Iowa students who want to study engineering so the UW System can meet workforce requirements of Wisconsin's industries, boosting the state's brain gain efforts. Wisconsin will be adding 2,000 out of state students to its engineering program at UW-Platteville.

Both states have embraced the concept that higher education institutions can do creative things to help the state's overcome demographic challenges plus spur economic development benefits from increasing or stabilizing higher educational capacity. In Wisconsin, the new initiative will pump over \$25 million into the economy of southwestern Wisconsin economy as a result of the combination of hiring more faculty and staff, expanding campus housing and benefiting from the community spending of the additional students. The plan has won the strong support of both state and local elected officials.

Several Midwestern states have demographic challenges so severe that they will be forced to consider downsizing institutions. Given the condition of most state budgets, the prospects for additional tax dollars to subsidize shrinking in-state enrollments are bleak. Thus, unless institutions wish to contemplate significant

downsizing, innovative strategies are needed to stabilize enrollments. Likewise, states have very few tools available to effectively implement brain gain strategies. Downsizing of higher education institutions causes a further downward spiral in state and local economies and represents a policy of managing decline rather than attempting to aggressively and creatively use available state assets to rebuild faltering state economies.

Given the magnitude of the California challenge, individually the Midwestern states can not provide an attractive policy alternative to California officials. However, collectively, MHEC might on behalf of the Midwestern states offer enough combined critical mass of new educational opportunity that it could relieve California of a portion of its access challenge while at the same time helping the Midwest with its effort to address the issues it faces with an aging work force and declining numbers of taxpayers.

The MHEC survey of interest is designed to test the market for attempting a collaborative approach to California by participating Midwestern States. Important issues will need to be settled, not the least of which is reaching agreement on a correct market price for such a program. However if enough interest exists among MHEC states, MHEC would initiate discussions with California state government on behalf of participating states.

Principles which would guide development of a cooperative program would include:

- First, any expanded out of state access program cannot displace any in state students who would otherwise be admissible to the institution.
- Second, the initiative must be fiscally sound for participating institutions.
- Finally, the program must offer participating states tangible economic development benefits.

- ① cost savings
- ② stock exchange
- ③ return

infrastructure support

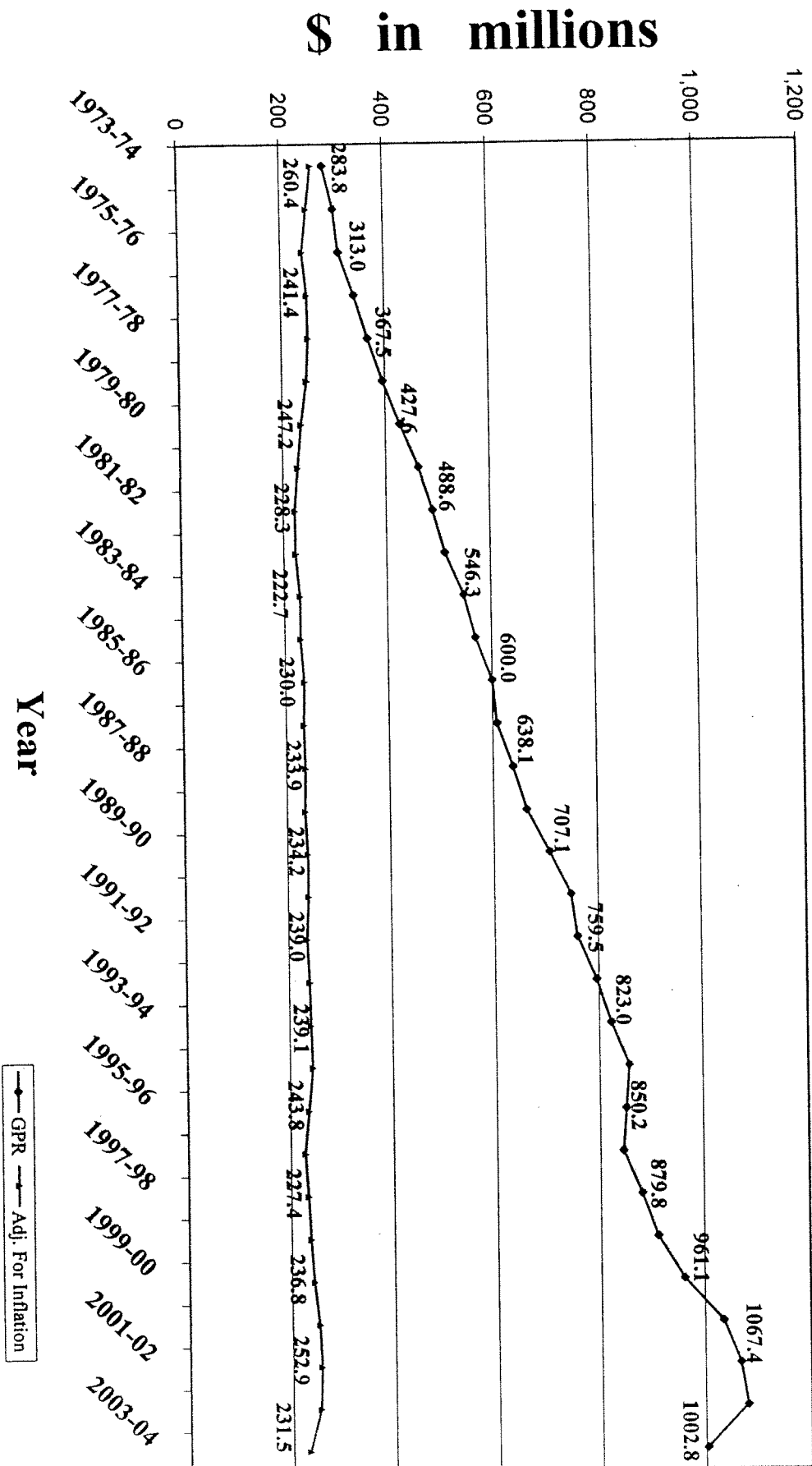
business processes

customer care

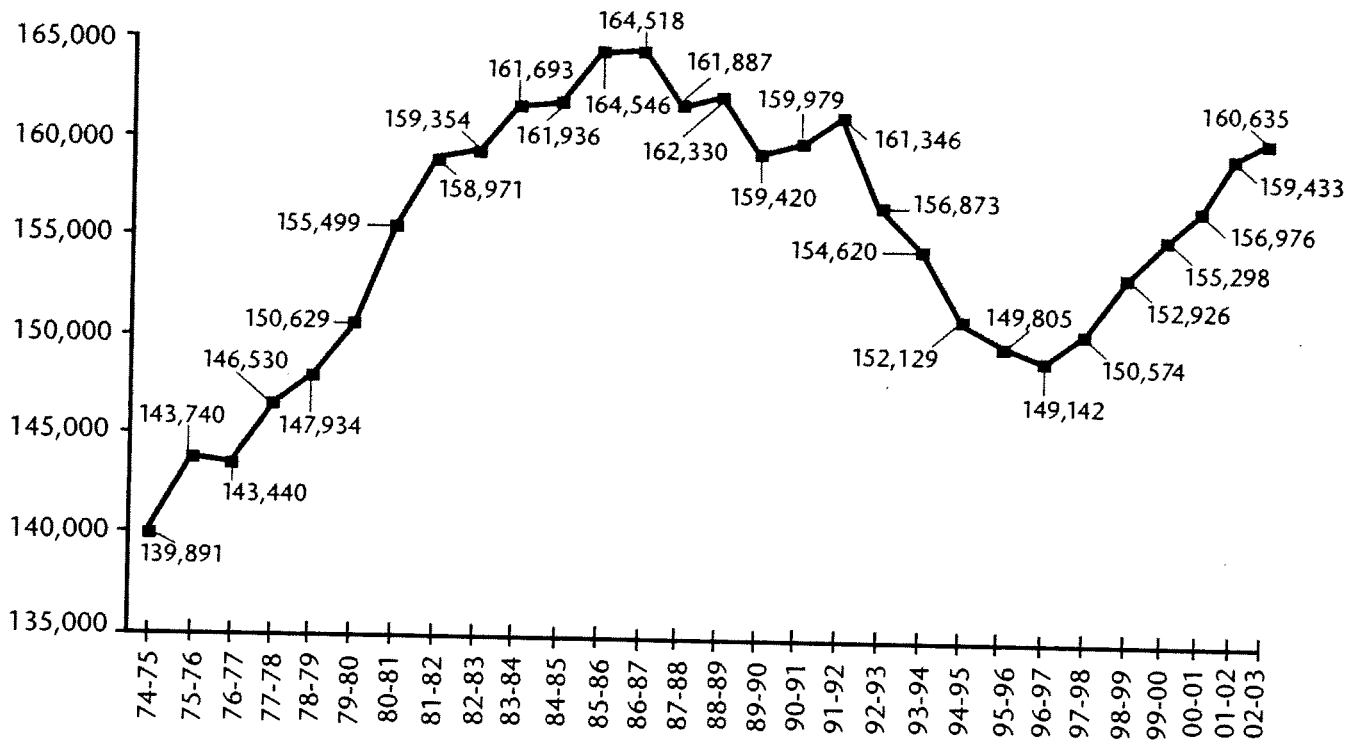
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UW System GPR Funding



UW System Total Headcount Enrollments



UW System Total FTE Enrollments

