



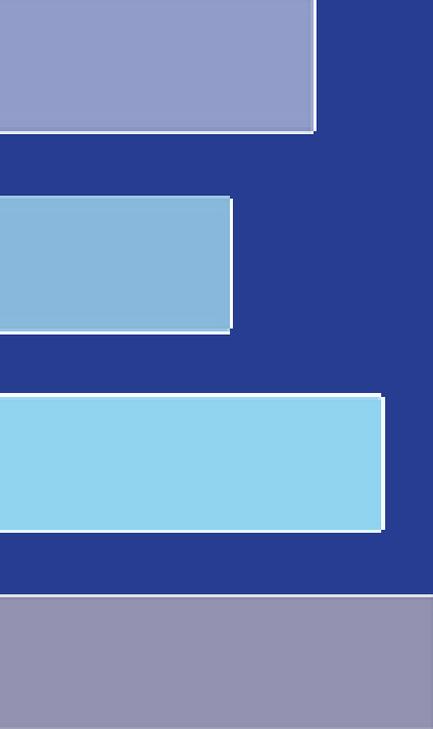
THE UNIVERSITIES OF WISCONSIN AND THEIR GOVERNANCE

August 2024

THE WISCONSIN POLICY FORUM

- Created through a merger of the Public Policy Forum of Milwaukee and the Wisconsin Taxpayers Alliance of Madison, the Forum has roots in this state stretching back to 1913.
- Our members include corporations like Northwestern Mutual and Johnson Controls, non-profits like the United Way, and local governments such as Washington County.
- Our higher education members include Marquette University, the Medical College of Wisconsin, Alverno College, UW-Madison, UW-Milwaukee, and others.
- We are non-partisan and do not advocate.

PRIORITIES IN HIGHER EDUCATION

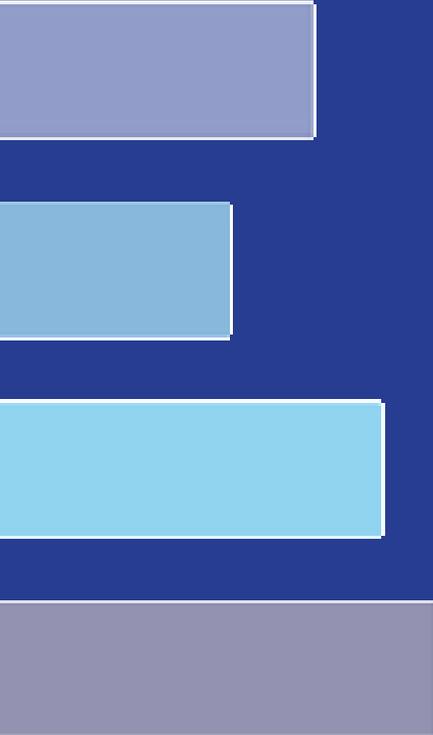
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- Workforce, skills, access, and opportunity
 - Research, innovation, and problem-solving
 - Attention to costs for families and taxpayers
 - UW is a major part of this picture, but not the whole

FALLING BEHIND?

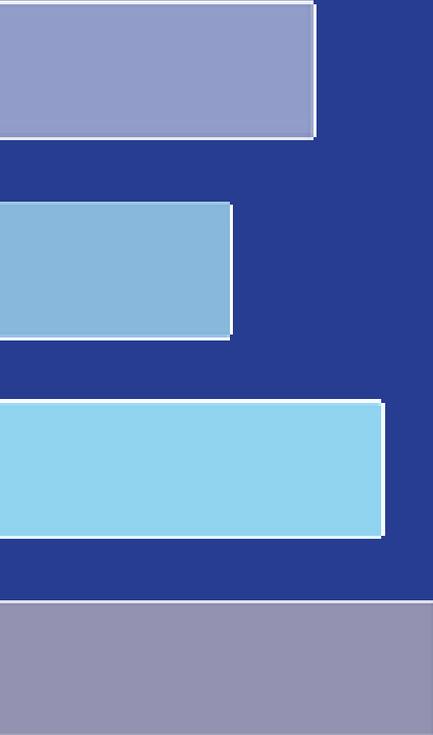
*The State of Wisconsin's Public
Universities and Colleges*



DECEMBER 2020 REPORT FINDINGS

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- Large enrollment declines since 2010 (30K+) and a drop in college enrollment rates after high school
 - Constrained revenues from state funding and tuition
 - Temporary nature of federal pandemic aid
 - Unusual approach to governance in Wisconsin
 - Ultimate conclusion: a reckoning was coming

GOVERNANCE VARIES ACROSS STATES

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- Ranges from consolidated university and college systems to independent campuses, with many variations
 - Statewide entities range from governing boards with broad powers and mandate to coordinating boards with little role in personnel and institutional operations
 - Requires balancing independence versus accountability; their pros and cons may shift over time
 - Governance in Wisconsin is highly centralized

A LOOK AT GOVERNANCE

Wisconsin Structure and Governance Stands Out
How This State Compares to Others in the Midwest

	Total 4-year institutions	Total 2-year institutions	Total R1 institutions	R1 Flagship(s):	
				In comprehensive statewide system?*	Share a governing board with all state four-year institutions?
Wisconsin	13	16**	2	Yes	Yes
Illinois	12	48	2	No	No
Indiana	13	16	2	No	No
Iowa	3	16	2	No	Yes
Kansas	7	26	2	No	Yes
Michigan	15	29	3	No	No
Minnesota	12	38	1	No	No
Missouri	13	17	1	No	No
Nebraska	7	7	1	No	No
North Dakota	6	5	0	--	Yes
Ohio	18	42	2	Yes	No
South Dakota	5	5	0	--	Yes

*Defined as a system including most or all four-year public universities **Includes only technical colleges due to recent merger

Sources: National Center for Education Statistics, Assn. of Governing Boards of Universities and Colleges, university websites

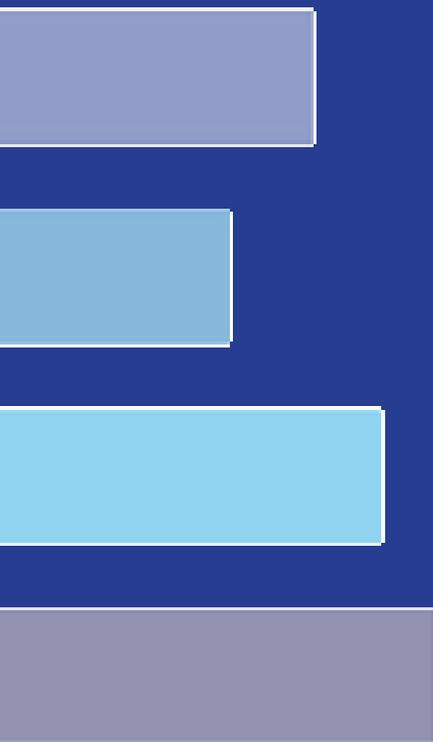
UNIVERSITIES OF WISCONSIN

- Created by the 1971 merger of the University of Wisconsin and Wisconsin State University System
- Unusual in combining two and four-year campuses
- As noted, governance in Wisconsin is highly centralized – the UW Board of Regents and President oversee chancellors, degrees, admission policies, budgeting, investments, properties, etc. (with some exceptions).

OTHER EXAMPLES NATIONALLY

- Illinois and Indiana have statewide coordinating bodies responsible for planning, coordination, and oversight, but not governance of individual institutions. Kansas Board of Regents is both governing and coordinating.
- Minnesota is in some ways similar to WI pre-UW merger, with University of Minnesota system and Minnesota State Colleges and Universities.
- University of NC-Chapel Hill and University of Fla.-Gainesville are part of comprehensive state systems but have local boards that share powers with statewide governing boards.
- Major universities in some states such as Michigan and Minnesota have constitutional authority; trustees of three Michigan universities are elected by voters. This is one way to balance independence and accountability.

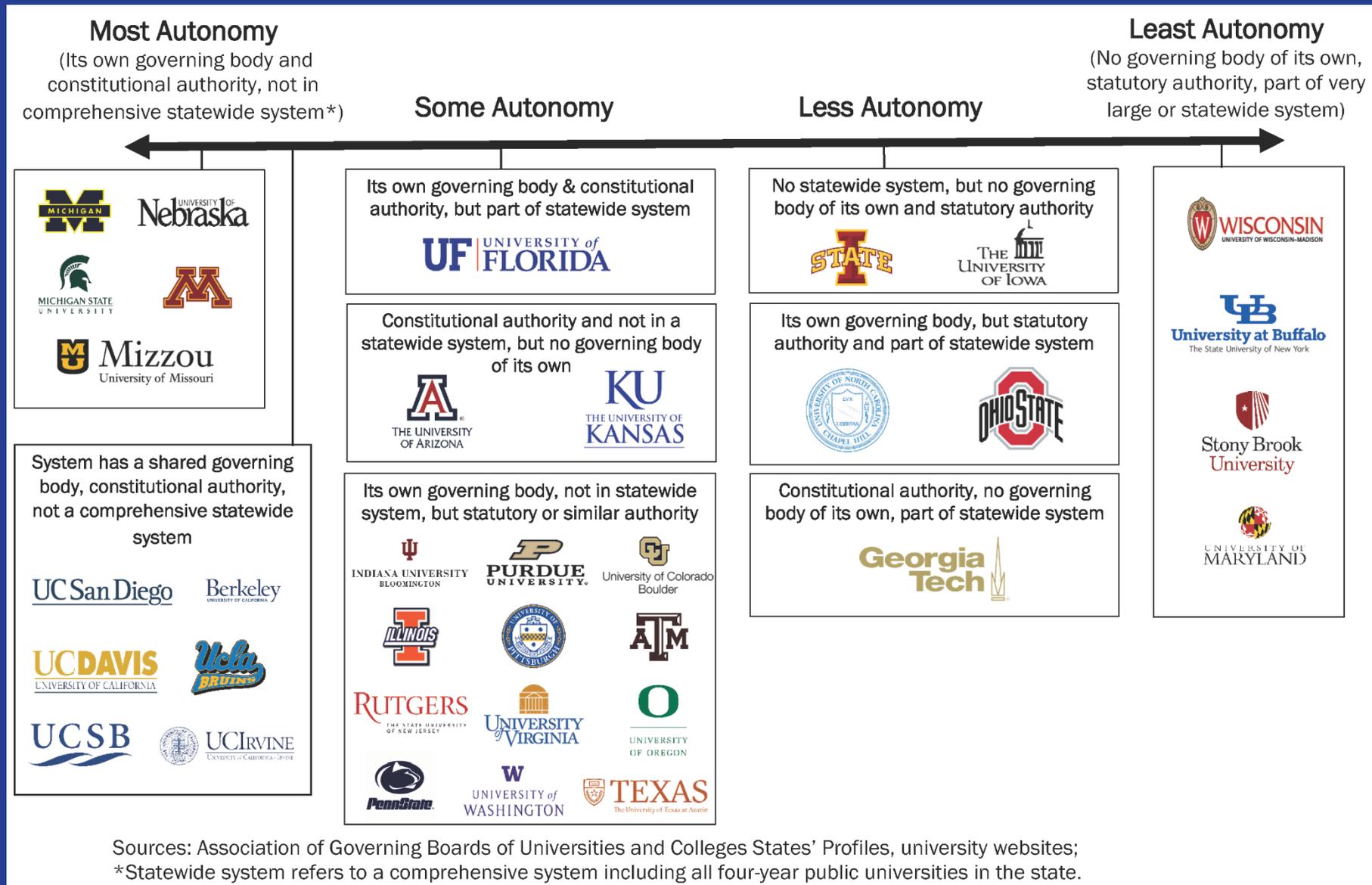
CAPITAL PROJECTS & DEBT FINANCING

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- Debt and capital projects for UW run through the state Building Commission with support from the state Department of Administration. Property sales and leasing also run through them.
 - All other states authorize at least some borrowing by a public university, university system, or higher education board or authority.
 - 2018 research found only Wisconsin has no public four-year higher education entity without a Moody's credit rating, and all other Big Ten institutions manage their own construction projects rather than relying on the state.

A CLOSER LOOK AT UW-MADISON

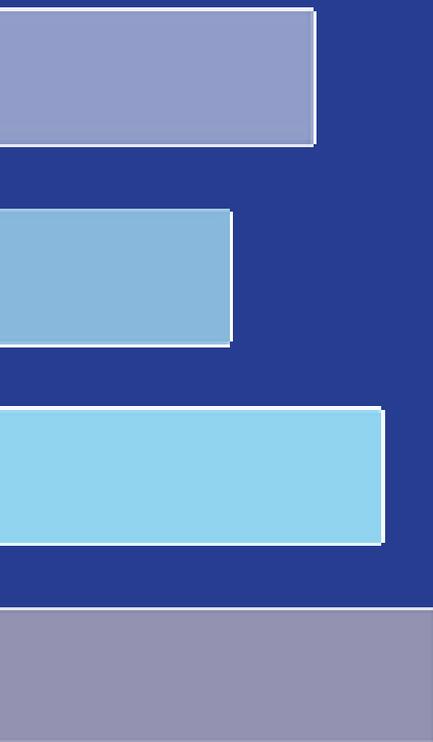
- We analyzed the 12 Midwest states and 35 public R1 peer universities. Worth noting – there are successful flagships under different models of governance.
- UW-Madison is part of a large statewide system governed by a single board that has statutory rather than constitutional authority. Most other states give greater autonomy to their flagship university in terms of governance.
- Comparisons are of course complicated and subject to interpretation.
- Maryland-College Park, Stony Brook University, University of Buffalo are all part of large state systems. Georgia Institute of Technology belongs to a statewide system with a larger board, but does have some constitutional authority.

COMPARING TOP PUBLIC RESEARCH INSTITUTIONS



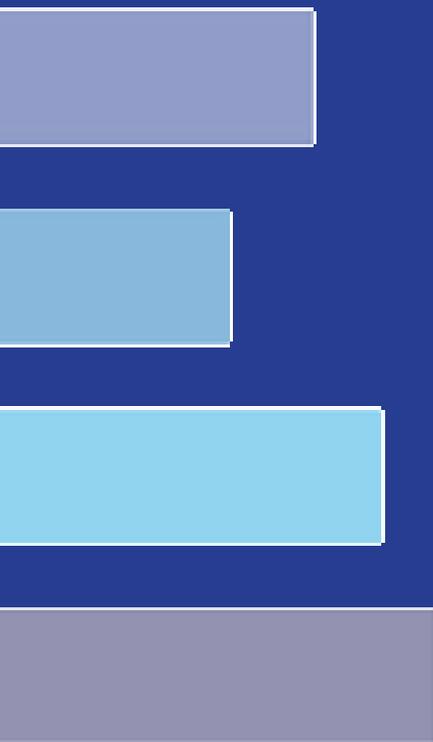
Sources: Association of Governing Boards of Universities and Colleges States' Profiles, university websites;
 *Statewide system refers to a comprehensive system including all four-year public universities in the state.

ANALYSIS OF GOVERNANCE

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- Greater independence may allow institutions to be more flexible and nimble.
 - Greater autonomy could also lead to unpopular outcomes such as faster tuition increases – though ultimately the Legislature would have oversight.
 - There is some evidence that consolidated boards such as the Board of Regents in Wisconsin are associated with lower state support for higher education.
 - There are relatively few recent examples of major governance changes – one example is Oregon, where lawmakers in 2012 created new governing boards for the University of Oregon and other universities.
 - Florida in the early 2000s made changes producing a statewide Board of Governors that oversees all 12 public four-year institutions but delegates some powers to local Boards of Trustees.

RECENT WISCONSIN PROPOSALS

- In 2011, Gov. Scott Walker proposed a budget that paired a significant funding cut with greater freedom for UW-Madison by spinning it off from the UW-System and creating a new public authority with its own governing board. Lawmakers removed the proposal from the budget.
- In 2015, Walker proposed in his budget making the entire UW System into a public authority. This plan would have provided more autonomy to the Board of Regents but once again did not make it out of committee.



THANK YOU!