
Wisconsin Legislative Council

MINUTES



STUDY COMMITTEE ON THE FUTURE OF THE UNIVERSITY OF WISCONSIN SYSTEM

Room 412 East, State Capitol
Madison, WI
August 29, 2024
10:00 a.m. – 2:34 p.m.

CALL TO ORDER AND ROLL CALL

Chair Nedweski called the meeting to order and determined that a quorum was present.

COMMITTEE MEMBERS PRESENT: Rep. Amanda Nedweski, Chair; Sen. Cory Tomczyk, Vice Chair; Rep. Alex Joers; Sen. Chris Larson; and Public Members Scott Beightol, Shauna Froelich, William Hsu, Peter Kies, Cecelia Klingele, James Langdon, Jerome Lippert, Ananth Seshadri, S. Mark Tyler, Kurt Bauer, and Robert Venable.

COMMITTEE MEMBERS EXCUSED: Public Members Robert Atwell, Jerome Lippert, Betsy Morgan, and Janice Mueller.

COUNCIL STAFF PRESENT: Scott Grosz and Katie Bender-Olson, Principal Attorneys; and Emily Hicks, Staff Attorney.

APPEARANCE: Jason Stein, President, and Mark Sommerhauser, Communications Director/Policy Researcher, Wisconsin Policy Forum.

APPROVAL OF THE MINUTES OF THE AUGUST 8, 2024 MEETING

Mr. Beightol moved to approve the meeting minutes from August 8, 2024. The motion was seconded by Mr. Venable and the committee approved them by unanimous consent.

DESCRIPTION OF DISTRIBUTED MATERIALS BY LEGISLATIVE COUNCIL STAFF

Scott Grosz described materials distributed to committee members from the University of Wisconsin (UW) and speaker Jason Stein, as well as Memo No. 1, *Information Requested by Chairperson on Specified Topics*, written by the Wisconsin Legislative Council staff.

PRESENTATION BY JASON STEIN, PRESIDENT, WISCONSIN POLICY FORUM

Jason Stein, President of the Wisconsin Policy Forum, presented to committee members regarding higher education governance and referenced work done by the organization in its December 2020 report: *"Falling Behind? The State of Wisconsin's Public Colleges and Universities."* Mr. Stein noted highlights from the report, including declining college enrollment and participation rates, constrained revenues from tuition and state funding, the temporary nature of federal pandemic aid, and the different approach to higher education governance in Wisconsin compared to other states. He also described how governance systems must balance independence against accountability, and noted that governance approaches among the states range from governing boards with broad powers to coordinating boards with little role in personnel and institutional operations.

Mr. Stein stated that Wisconsin's highly centralized governance system is unusual because the Board of Regents governs all four-year institutions and two-year campuses. He highlighted examples of governance from other states, including Michigan, Minnesota, Indiana, Illinois, North Carolina, and Florida, but noted there is no single form of successful governance of public research universities. Mr. Stein commented that Wisconsin's system for debt financing and capital projects is also unusual because higher educational entities in other states have borrowing authority and manage their own construction projects, unlike the UW System institutions. He also summarized Governor Walker's unsuccessful 2011 and 2015 proposals to change UW governance by creating a public authority.

Committee members posed questions and offered comments following the presentation. Members raised the following topics: successful models for public research institutions, UW's decline in research rankings, different metrics for measuring state funding levels, bonding authority for UW, evidence that consolidated board governance may result in lower state support for higher education institutions, and Florida's change to university governance in the early 2000's.

CONTINUED DESCRIPTION OF MATERIALS BY LEGISLATIVE COUNCIL STAFF

Following the presentation, Scott Grosz continued summarizing materials distributed to committee members prior to the meeting. He summarized information gleaned from documents and reports submitted by UW and conversations with UW System staff regarding the allocation of general purpose revenue (GPR) among the institutions. Mr. Grosz noted that GPR allocations among the institutions trace back to levels in place following merger in the 1970's. Base funding for each institution is calculated using prior year allocation levels, incremental increases and decreases in utility costs, benefits, financial aid, recognition of other specific costs, allocation of certain restricted appropriations, and outcomes-based funding. As a result of this allocation process, disparities exist between institutions in per full-time equivalent (FTE) student funding levels, including the per FTE financial aid funding they receive. Committee members then discussed the system for allocating GPR funding among campuses and UW System administration and related topics.

DISCUSSION OF COMMITTEE ASSIGNMENT

Chair Nedweski informed members that the National Center for Higher Education Management Systems (NCHEMS) will present at the September meeting, then opened discussion on the committee's charge. Members commented regarding progress on eliminating structural deficits and about differences between UW-Madison and other UW System institutions, and proposed a review of program offerings and the creation of a specific committee to discuss shared governance.

Mr. Langdon distributed a written proposal for UW System reorganization and reform to other members. The plan proposes the following: (1) establishing UW-Madison as a separate state agency named the "University of Wisconsin"; (2) refocusing the UW System on overseeing and supporting UW-Milwaukee and the 11 other comprehensive universities; (3) creating a Higher Education Coordinating Council for the UW System and technical college system; (4) amending Board of Regents membership to include four legislators and the Department of Administration secretary; and (5) providing UW-Madison with limited bonding authority.

Members thanked Mr. Langdon for submitting a detailed proposal from which to initiate committee discussions. They provided comments regarding the proposal, including advantages and drawbacks of separating UW-Madison from other UW institutions as a separate state agency or public authority. Committee members noted potential issues arising from separation of UW-Madison from the system, including duplication of efforts between institutions, affiliation of UW-Extension with UW-Madison, continued collaboration and shared services between UW-Madison and other campuses, and the impact on state funding.

PLANS FOR FUTURE MEETINGS

The next study committee meeting is scheduled for September 26.

ADJOURNMENT

The meeting adjourned at 2:34 p.m.

KBO:jal