

June 5, 2006

Donald Mash  
Executive Senior Vice President  
University of Wisconsin System  
1730 Van Hise Hall  
1220 Linden Drive  
Madison, WI 53706

Dear Mr. Mash:

Enclosed please find a supplemental report that the Waukesha County Action Network (WCAN) has prepared in addition to what we submitted on January 30<sup>th</sup> of this year. Please share this information with the Regents so they may review it along with any other supporting documents they have received along this manner before the Thursday, June 8<sup>th</sup> education meeting.

This new report includes;

#### OVERVIEW

- July 2005 Governor Doyle veto's legislation for a merger of UW-Waukesha with UW-Milwaukee. Doyle directs President Reilly to not only study the merger but look broadly at the needs of the metro Milwaukee area.
- WCAN submits report on January 30<sup>th</sup> which is included with the initial report of January 31 "Waukesha Study" submitted to the Board of Regents.
- WCAN presents to the Education Committee of the Regents on March 9<sup>th</sup>, noting the need for more baccalaureate and graduate degrees especially in science and engineering, nursing, business and for research.

#### SUPPLEMENTAL REPORT

- There are no further public records other than the minutes of the March 9<sup>th</sup> Regents meeting highlighting the Waukesha Study Task Force.
- A University Center model was presented at a public forum co-hosted by WCAN and The Business Journal. This was a two page document that did not include any financial data or business strategies of how to integrate such a model. There were no models, financial data or business strategies demonstrating why a merger would or would not work.

- April 11, 2006 University Extension releases survey results supporting the need for undergraduate and graduate engineering courses.
- WCAN studied University Center models and found the dropout rates high. Navigation through the Center system is complex and so is the on-line “Wizard” system that was developed to facilitate use of system.
- May 24, 2006 Public Policy Forum released a report showing continued migration of jobs and income away from the metropolitan area.

It has been eight months since Governor Doyle asked the University Of Wisconsin Board Of Regents to study the merger of UW Waukesha and UW Milwaukee. No new evidence has been presented by the UW System staff regarding alternative budgets, success rates or drop out rates for students, or concrete alternatives for meeting business needs.

We ask that you share this report with the Regents prior to Thursday, June 8<sup>th</sup>. WCAN believes the regents should reject any recommendations at this time until a fiscal comparison and further data is submitted. If the University Center model can include maintaining the current mission of the UW-Waukesha campus, we believe a merger could do the same while enhancing well needed baccalaureate and graduate degrees and research.

Respectfully submitted,

A handwritten signature in cursive script that reads "Margaret Farrow". The signature is written in black ink and is positioned above the typed name and title.

Margaret Farrow  
Board President

University of Wisconsin Regents  
Study of UW Milwaukee-UW Waukesha Merger  
Waukesha County Action Network  
Supplemental Report  
June 5, 2006

## **Updated Situation**

In July of 2005 Governor Doyle directed the University of Wisconsin system to study higher education needs in metro Milwaukee. President Kevin Reilly's charge to the six member study committee was to identify ways to (1) increase the number of baccalaureate degree holders, while maintaining access and affordability; (2) increase graduate programs; and (3) create a research presence on the UW-Waukesha campus. The Waukesha County Action Network (WCAN) submitted a detailed report to the committee on January 30<sup>th</sup>. Waukesha County Executive Dan Vrakas and university staff also provided input into the study committee's "initial report" this one dated January 31, 2006. WCAN representatives and the County Executive presented their report to the Education Committee of the Regents on March 9<sup>th</sup>, stressing our objectives.

Unlike most other study committees, the university system website contains no additional information on the meetings of the study committee; reports or budget comparisons presented to the committee; nor any draft report for committee consideration. The last public record entry is are the minutes of the UW System Regents education minutes of the March 2006. On May 23, 2006 Don Mash, the University System Senior Vice President, spoke at a WCAN public forum in Waukesha and announced that the committee had rejected the merger alternative and instead recommended a "university center" concept. There is no record of the task force with the Waukesha Study showing a vote was made to reject the merger proposal. Attached is a two page paper entitled "university center background" which was presented by university staff at the forum. Also attached is a copy of the Milwaukee Journal Sentinel news story summarizing Dr. Mash's conclusions.

During the same period, the WCAN has continued to discuss the merger plan with members of the business community. Its representatives have contacted "university center" examples in other states. And WCAN has continued to monitor national higher education studies relevant to the Regent's decision on merging the University Center in Waukesha into the University of Wisconsin-Milwaukee. The following information is submitted to update and supplement the initial January 31 WCAN report.

## **Additional Data on Unmet Workforce Development Needs.**

Waukesha County's workforce needs are well known and its business clusters are well documented, including health care, printing, and manufacturing. Wisconsin is a manufacturing state and Waukesha County is a manufacturing county. The importance of the advanced technology manufacturing is reflected in Waukesha County's ranking as Wisconsin's top county in patent activity.

The need for additional university support in undergraduate and graduate engineering courses was confirmed in a survey summary presented by the University Extension to the April 11, 2006 Waukesha County Comprehensive Planning. The summary of issues includes the following comment: "shortage of people in the local area. Big shortage of engineers." Despite multiple reports over several years regarding these industry conditions, there has been no action by the University of Wisconsin system to better align its education programming with these unmet workforce development needs.

Based on an internet survey of the courses offered by the "university centers" used as models by UW system staff, there are no on-site engineering programs offered in any of the university center models in other states. In comparing the alternatives of merger and the "university center" concept, only the merger of UW Waukesha and UW Milwaukee addresses the needs of the important manufacturing industry in the region by providing expanded undergraduate and graduate programs.

## **Allocation of Scarce University Resources.**

Every business and family is acutely sensitive to the need to balance an affordable state tax structure with state government spending. As the UW staff has repeatedly emphasized, the UW needs additional public resources and must allocate scarce resources very carefully. WCAN agrees.

However, a comparison of the Wisconsin workforce suggests that today those resources are misplaced. According to the Committee on Baccalaureate Expansion (COBE) Report, Wisconsin ranks 9th in the country in the percentage of the workforce with a two year college degree. Wisconsin ranks #1 in spending per capita on two year colleges and #2 in spending per student at two year colleges.

In looking at the percentage of four year college graduates in the workforce, Wisconsin's ranking slips to 30th. At higher education levels, Wisconsin's ranking slips even further. The State Science and Technology Indicators report shows Wisconsin ranking 45th in the percentage of the workforce with a recent masters degree in science and engineering.

If Wisconsin's current economic muscle lies in the manufacturing industry, particularly modern advanced technology manufacturing, it would appear that greater resources

should be directed towards the undergraduate and graduate education in engineering. If Wisconsin future economic opportunities lie in biotechnology and biomedical technology, the needs are bachelors and advanced degrees in science.

Reallocating part of some two year college resources, such as the UW Waukesha campus, to providing four year and graduate degrees simply makes good business and economic sense. Wisconsin has an oversupply of two year college graduates and an undersupply of bachelors and graduate degrees. The economic impact of the over supply in Wisconsin of those with some college education was shown in a recent report of the Midwest Higher Education Consortium. The study looked at the difference in total personal income of those with some college education and those with a bachelor's degree in each Midwestern state in 2003. Wisconsin had the highest difference in income between the two education levels among the twelve Midwestern states.

### **Investigation of Alternatives to Meet Family and Business Needs.**

Since the interim January report, WCAN investigated the "models" of university centers from other states presented by the UW System staff. A reported criticism by users of the "university center" model was the difficulty that students experienced in applying and reapplying to the various university programs offered on a single campus. There is also reported confusion among students about the varying credit transfer and graduation requirements for the multiple colleges on a single campus. The result is a higher reported dropout rates for the "university center" model.

Although the "university center" concept already exists at some UW two year colleges, it was expected that the UW system staff would provide some comparison information on drop-out and success rates for that mode. No data has been presented, despite a request from WCAN.

The UW system and its two year colleges acknowledge existing difficulties and confusion among students regarding admission and graduation requirements. The UW Colleges have created an on-line "wizard" program to attempt to address student concerns. We would encourage the Regents to test the "wizard" system for themselves as they compare the simplicity of the merger proposal with the complexity of the "university center" concept.

There is also no budgetary information regarding the alternatives. On May 23, the UW system representatives indicated that the "University Center concept" would require an additional Director and several support staff. No cost estimates were given for those additional staff. The merger alternative would be expected to reduce the administrative cost as the UW Milwaukee fixed administrative costs are spread over a larger base of activities.

## **A Wake-up Call for Action in Metropolitan Milwaukee**

Since the original WCAN and Waukesha Study submission to the Regents on January 31, 2006, the metropolitan Milwaukee area has been the focus of a series of negative economic reports. The Forbes Magazine ranking for Milwaukee dropped significantly. In the monthly Bureau of Labor Statistics reports on job growth, the metropolitan area ranks 5<sup>th</sup> from the bottom with a reported loss of jobs over the past twelve months. And on May 24, 2006 the Milwaukee Public Policy Forum released a report that showed a continued migration of jobs and income away from the metropolitan area.

At the same time, there has been continued progress in the discussions of the Milwaukee 7, the regional economic development effort. The Waukesha business community wants to work with the University of Wisconsin-Milwaukee. The University of Wisconsin-Milwaukee wants to and has the ability to offer expanded programs in Waukesha County. It is disappointing to see the University of Wisconsin central administration block needed regional cooperation efforts in Metropolitan Milwaukee.

It has been eight months since Governor Doyle asked the University Of Wisconsin Board Of Regents to study the merger of UW Waukesha and UW Milwaukee. No new evidence has been presented by the UW System staff regarding alternative budgets; success rates or drop out rates for students; or concrete alternatives for meeting business needs.

Building a strong metro area research university would be a positive step towards reversing the troubling economic trends in the region. Expanding UW Milwaukee into the growing Waukesha market area would be a positive step for the growing regional cooperation efforts. The time has come to take action on the merger of UW Waukesha into UW Milwaukee.