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February 15, 2011

Governor Scott Walker  
115 East Capitol  
Madison, WI 53702

Dear Governor Walker:

We recognize that the State's fiscal condition will force you and all elected officials to make many tough decisions in the next biennial budget. We do not yet know what you have in mind for the University of Wisconsin System, but it has come to our attention that elements of your proposed 2011-13 biennial budget might remove UW-Madison from the UW System. As leaders of the UW System and long-time Wisconsinites who care deeply about the welfare of all UW campuses, we want to express strong concerns about this significant restructuring, especially without broad consultation and careful deliberation.

Over several decades, UW System regents, presidents, and chancellors have argued for greater administrative flexibility. That effort has intensified in recent years, as the State of Wisconsin struggles to maintain its financial commitment to higher education. We continue to believe that **statutory change is necessary to let all UW campuses reduce costs, generate more non-State revenue, and use limited resources more efficiently.** These changes should provide UW-Madison with all the flexibility it wants and needs, while helping **all UW campuses** manage the same challenges.

In the last 40 years as part of the UW System, UW-Madison has clearly thrived, rising to become one of the world's great research and teaching institutions. The historical evidence shows that the UW System with UW-Madison in it has been good for UW-Madison and good for the rest of the System.

If changes are proposed that establish UW-Madison as a separate, self-contained institution with its own governance board separate from the Board of Regents, we would return to a two-tiered system the state abandoned 40 years ago for good reasons. Those competing systems gave rise to wasteful duplication, unnecessary competition, and conflicts. This resulted in higher costs to taxpayers and confusion for the State's elected leaders who had to weigh competing requests.

## University of Wisconsin Students

All 182,000 UW students – including 41,000 at UW-Madison – benefit from a single, integrated system of higher education in Wisconsin. They apply for admission through a **single application process** that opens the door to multiple campuses. More than ever, those students demand that we offer the opportunity for a smooth, **seamless transfer** from one campus to another – the opportunity to start at one UW campus but graduate from another. They want **online degrees** that draw upon the combined expertise of faculty members from multiple campuses.

Under our unified governance structure, we have addressed these needs while avoiding the duplication and competition that existed before merger, providing the right mix of academic opportunities across a variety of campuses that vary in selectivity, price and specialization. We have maintained a relatively **lean academic program** array, **reduced the number of credits** that students pay for, **expanded enrollment**, created **new collaborative degrees**, and **simplified the transfer process**. These and other achievements would be difficult to reach through bilateral negotiations between competing governing bodies.

Our **military veterans** represent a fast-growing segment of the student body, and our Wisconsin GI Bill offers some of the most generous educational benefits in the nation. Full funding for that program was never provided by the State, but we've been able to distribute the UW's share of those costs across all campuses. In this way, campuses like UW-Milwaukee are not penalized for welcoming more returning veterans. This is an especially critical issue right now, when changes to the Federal GI Bill may expose our campuses to even greater financial risk.

## Regional Comprehensive Campuses

**Seven out of ten UW students enroll at the 11 regional comprehensive campuses** distributed across the regions of the state. At each of these campuses, our faculty and staff have worked hard to establish strong reputations for academic quality, and the direct link to UW-Madison has reinforced those well-earned reputations.

The overarching “UW brand” helps all these campuses successfully compete for faculty, outside grants, and an appropriate level of out-of-state students whose higher tuition subsidizes the cost for Wisconsin resident students. These campuses also serve as economic and civic anchors for their communities.

In other states where a two-tiered model prevails, the regional comprehensive campuses enjoy neither the same positive reputations, nor the same levels of public support. In such states, there is minimal cooperation among faculty members and researchers across the boundaries that separate comprehensive campuses from the flagship.

## **University of Wisconsin-Extension**

Placing UW-Extension in a system separate from UW-Madison would unravel a mainstay of our unique Wisconsin Idea – the serious effort to leverage knowledge and ideas developed at all UW campuses to improve life in every county. County governments and citizens in all 72 counties value Extension and its connection to specialized research at multiple UW System campuses, including UW-Madison. They have a great sense of ownership in their local Cooperative Extension programs, and they see UW-Extension faculty as reliable sources of unbiased information – trusted neighbors who can readily draw upon all the campuses to be responsive to local community needs.

If UW-Extension is placed in a separate system from UW-Madison, our local county educators would be cut off from the greatest concentration of research expertise. On the other hand, if UW-Extension becomes another sub-unit of UW-Madison, it would sever valuable connections to regional comprehensive campuses and submerge the outreach networks in the politics of academic disciplines on the UW-Madison campus. Neither of these outcomes would be beneficial to anybody.

## **UW-Milwaukee**

If UW-Madison were to be separated from the UW System, this would leave UW-Milwaukee as the sole doctoral campus in a largely comprehensive regional system. That would not help its efforts to become a major metropolitan research university. There is nothing to be gained for UW-Milwaukee by separating UW-Madison from the statewide system, but there is much to be lost. Given the importance of UWM in solving the myriad problems of the City of Milwaukee and the region's economic importance to the state, Wisconsin cannot afford to have it weakened this way.

## **UW-Madison**

Chancellor Biddy Martin has made a compelling case for the “New Badger Partnership.” Her efforts over the past year have advanced the discussion about UW flexibility and autonomy. Chancellor Martin has repeatedly indicated – to the Board of Regents, to the media, and to her own campus stakeholders – that she is not advocating for UW-Madison to be removed from the system. Rather, she has effectively argued that her campus be given the flexibilities it needs to thrive in the 21<sup>st</sup> century.

**It is not necessary to spin the UW-Madison campus off from the System as a whole for it to have all the flexibility it wants and needs.**

That is not to say that everything should be the same going forward. The UW System as a whole needs additional flexibilities. Within a unified governance structure, UW-Madison can benefit from new managerial efficiencies without becoming a separate system destined to compete with the other UW campuses. That wasteful competition – over naming rights, state funds, personnel, new facilities, and other resources – will start immediately, and will grow over time.

## **The People of Wisconsin**

There are clear danger signals at public flagship universities in other states that are sometimes cited as models. Tuition at those stand-alone flagships is typically much higher, and taxpaying state citizens are squeezed out by non-resident students. The proportion of students from wealthy families increases, and access for working-class families declines.

While providing greater tuition-setting authority for all UW campuses, we must guard against any hasty change that encourages one institution to become an exclusive, highly priced institution that is increasingly out of reach for Wisconsin residents.

As we discussed with our Board of Regents last week, any discussion about the “price” of college entails a complex analysis of “net costs” relative to family incomes. Instead of further complicating that effort by allowing separate governing boards to pursue independent pricing strategies, we should continue to look at tuition and enrollment on a statewide basis through the lens of a unified governance structure that serves the interests of all UW students and all Wisconsin taxpayers.

With new statutory authority over tuition and pricing, all UW campuses can work together to preserve access and affordability. Even under the very limited authority now granted to the UW System Board of Regents, we’ve already moved to “stratify” tuition levels more broadly than ever before, allowing UW-Madison tuition to rise by 32 percent over the past four years, while holding tuition flat at the two-year UW Colleges over the same timeframe.

We stand ready to work with you, State Legislators, and the UW-Madison campus to give it all the flexibilities it needs to thrive as a 21<sup>st</sup> century research and teaching gem. We ask that you not take any precipitous action in the budget to de-merge the University of Wisconsin System, which has worked so well for the people of this state for so many years. The strength of the Wisconsin Idea has been **all** of the UW institutions serving the needs of **all** Wisconsin citizens **together** in a way that makes the whole more than the sum of its parts.

There are many ways to proceed that protect the interests of all UW stakeholders, including those who support UW-Madison’s New Badger Partnership. Attached is a plan to do that, developed with all the Chancellors, which President Reilly sent you with his letter of Feb. 8, 2011. This plan clearly identifies the specific Wisconsin statutes that should be amended to provide the needed flexibilities to all UW campuses, and we have added new information about flexibilities that could be administratively delegated to UW without legislative action. The UW Regents and Chancellors as a group support this approach.

We would be more than happy to talk with you at any time about very specific flexibilities that all campuses need, in appropriate proportion to their scale, to thrive in the 21<sup>st</sup> century as part of a vibrant UW System that is both cost efficient and educationally effective.

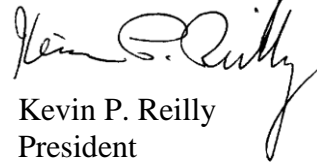
Respectfully Submitted,



Charles Pruitt  
President  
UW Board of Regents



Michael Spector  
Vice President  
UW Board of Regents



Kevin P. Reilly  
President  
UW System

cc: Board of Regents  
Chancellors

# A flexible UW is a strong UW

*Transforming UW campuses into nimble, efficient engines of economic growth*

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## **Wisconsin Leaders Call for Bold Action to Strengthen UW**

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Wisconsin business leaders have long argued that over regulation chokes innovation and undermines entrepreneurship in the private sector. The same is true for Wisconsin's public institutions of higher education.

Colleges and universities across the nation compete intensely for faculty, staff, and students, as well as government grants and private gifts. Today, University of Wisconsin System campuses compete on a tilted playing field, hampered by outdated laws and burdensome State bureaucracy.

**To compete more effectively, the UW campuses need new statutory flexibility in the following areas:**

- **Budgeting**
- **Tuition/Pricing**
- **Human Resources**
- **Capital Planning and Construction**
- **Financial Management**
- **Purchasing/Procurement**

Leaders from around the state have endorsed this idea of providing UW campuses with greater autonomy. The *Milwaukee Journal Sentinel* editorial board observed that:

*“Greater autonomy should come in exchange for certain promises, including a pledge by the UW to increase the number of undergraduate degrees conferred and to boost research, especially in Milwaukee, the heart of Wisconsin's industrial base. A more efficient university system bolstered by a more reliable stream of state funding would benefit everyone in Wisconsin if the result was more graduates, more research and increased connections and a stronger alignment between UW and the state's job base.”*

In a formal resolution, the **Wisconsin Higher Education Business Roundtable** board of directors encouraged Governor Walker and members of the Wisconsin Legislature to allow the UW to adopt new, more efficient business practices:

*“Let UW manage education-related building projects in ways that maximize efficiency, adopting practices that more closely mirror those used in the private sector provided*

*they reduce time-to-completion and acknowledge the role of non-State funds in UW building projects. Allow the UW to participate in higher-education purchasing consortia, and let the state benefit from consortium savings where the UW can negotiate better prices....*

*“Expand the UW’s ability to address both access and educational quality when setting tuition prices...The UW should have the ability to add value to the college experience by introducing new features and value-added programs focused on higher retention, better graduation rates, or hands-on research/internship experiences, even when the State lacks the resources to fund these vital workforce development initiatives with taxpayer support.*

*“Redesign compensation authority to let UW use existing resources wisely to address competitive challenges, recognizing that UW operates in a global marketplace and competes for talent differently than other state agencies.”*

Citing the “urgency” of the UW’s situation, members of the **Competitive University Workforce Commission** recommended:

*“The Board [of Regents] should seek greater flexibility and freedom to manage operations. Savings realized from flexibility could be redirected by the UW System to address high priority needs. Some examples include: Flexibilities in the capital budget process to allow for greater speed in project completion and reduced costs; Additional procurement delegation to the Board of Regents; and Management of facilities, utilities, telecommunications, and fringes, with savings accruing to the UW System.”*

Authors of the **“Be Bold: Wisconsin Prosperity Strategy”** say the State of Wisconsin should:

*“Provide UW System with greater flexibility to adopt modern business practices that encourage innovation and make the best use of scarce dollars. In purchasing, contracting, construction and other areas, allow UW management to drive overhead down and productivity up. ...Maintain university accountability and transparency without stifling innovation.”*

UW campuses have worked diligently to help the State compete in the global economy. Enrollment at UW System campuses has surged to all-time highs, with nearly 182,000 students. The number of degrees conferred has also reached a new record. At the same time, the UW remains a world leader in innovation and scientific research. Discoveries emerging from UW campuses yield important benefits for human health, environmental sustainability, and economic growth.

UW campuses are poised to help Wisconsin improve economic output and create new jobs, with ambitious strategic plans. However, the global economic downturn has further undermined the State’s ability to support UW’s economic development strategies. This means that the State will not be able to consistently provide an adequate share of the resources UW

campuses need to prepare more graduates for the workforce and translate UW research into new private-sector jobs.

Faced with these realities, Wisconsin's public universities need to employ more efficient business practices that make better use of scarce dollars. **Only the Governor and the Legislature have the power to let the UW operate more like an efficient business.**

UW leaders want to work with the Governor and the Legislature to create a new framework – one that will let institutions of higher education move forward more nimbly and efficiently while remaining accountable to students and taxpayers. Unleashing UW institutions from inefficient government regulations will allow local institutions to employ new operational flexibility, utilizing proven business strategies to address emerging local and regional needs.

## **Budgeting**

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Currently, general-purpose revenue (GPR) dollars and other funds are allocated to the UW System in earmarked “silos,” providing campuses little/no ability to move funds among appropriations, or the flexibility to reprioritize available funds in one area to address emerging needs in another. This limits the tools that Chancellors may use to “manage to the bottom line.”

**The State should replace this model with one that provides a “GPR block grant” from the state, in lieu of specific line-item funding earmarked for utilities, debt service, pay plan, health insurance, and new initiatives.**

A statutory change in the State's appropriation structure would be needed, allowing individual institutions to use GPR, fees, and other program revenue funds for any appropriate university purpose. Institutions would retain additional revenues from institution-specific tuition increases and from new enrollment growth.

In return, Chancellors and institutions would be accountable for meeting specific goals, such as producing more graduates and closing achievement gaps. This approach shifts the UW System and its institutions closer to a philosophy of “full operational budgeting,” as is done at most private businesses, including private colleges. Financial reports and audits would continue to provide a public accounting of all expenditures and revenues.

In tandem with other new administrative flexibilities, Chancellors and their campus leadership teams could use this new budgeting approach to employ cost-saving measures – rather than being subjected to measures made uniformly across all State agencies.

UW institutions could reallocate funding among all activities to address institutional priorities and adjust to emerging regional needs. Chancellors and business officers would have a strong incentive to make operational decisions that maximize efficiency. For example, savings from utilities, fringe benefits, and other areas could be used to fund core academic operations, technology transfer, educational services for small businesses, competitive compensation

adjustments for UW faculty/staff, debt service for new facilities, financial aid, or other UW campus priorities.

***To provide this flexibility to the UW, lawmakers must amend Wisconsin Statutes 20.285***

## **Tuition/Pricing**

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Wisconsin Statutes grant tuition revenue generating authority to the UW System Board of Regents, but the law also restricts the use of these funds.

The UW can currently set tuition for resident undergraduate students to fund specific activities approved by the Legislature, and to cover state-imposed costs. The UW can adjust tuition to provide partial funding for faculty/staff pay increases, but only if approved by the Office of State Employee Relations and the Legislature.

Without legislative approval, UW institutions cannot generate new tuition revenues for initiatives that enhance educational quality, improve student services, boost retention rates, increase graduation rates, or provide more hands-on research/internship experiences. Inclusion of initiatives that enhance the quality of undergraduate education would ensure that students continue to receive a world-class education at all UW System campuses.

**The UW System should have full authority to set tuition, removing the statutory limitations related to resident undergraduates.** This change, along with removing multiple tuition appropriations (Funds 122, 131, 186, and 189), would improve the budgeting and planning process for all UW campuses.

At a time when taxpayers are reeling from the economic downturn, these changes would provide UW campuses with greater flexibility to meet the needs of students and employers alike, while maintaining high levels of academic quality. Tuition dollars could be combined with the GPR block grant (mentioned above) to provide the resources needed for enhanced student support, higher retention/graduation rates, better job preparedness, and other activities focused on economic development and job creation, as well as competitive compensation challenges.

With this new flexibility, the Board of Regents would be responsible for developing policies and guidelines to ensure that UW institutions remain affordable for Wisconsin citizens. Tuition would be benchmarked against established peer groups. At the same time, this tuition flexibility would allow individual institutions to generate funding for unique value-added services and programs, establish niches within the higher-education marketplace (e.g., polytechnic or liberal arts focus), or implement new pricing models.

The UW System and its institutions are very concerned about affordability and access. Reasonable, predictable changes in tuition, coupled with need-based financial aid, will ensure access for those who might not otherwise be able to attend. Other programs, such as those

focused on helping students complete their degrees faster, with fewer paid credits, will also preserve affordable access to a high-quality UW degree.

**To provide these flexibilities to the UW, lawmakers must amend *Wisconsin Statutes 36.27: 20.285; and 36.27(1)(am)*.**

## Human Resources

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Today, UW faculty and academic staff employees are governed by the same laws that govern virtually all other State employees. Titles, pay ranges, pay plans, benefit plans, and other human resources decisions are now made by the Office of State Employment Relations, and are generally applied uniformly across all agencies, ignoring UW campuses' unique need to compete in a global market for human capital.

Statutory change is needed to delegate OSER's current authority to the UW. **The University of Wisconsin should have the ability to establish its own unclassified human resources policies with respect to hiring, compensation, titling, furloughs, benefits, and other areas.**

Each UW institution's human resources staff would be responsible for managing Board of Regents policies related to unclassified titling and compensation, including salary ranges, the rationale for setting salaries within those ranges, and situations where exceptions are necessary to address market needs. This would go a long way toward improving hiring and retention, while reducing turnover costs.

**The UW institutions should be able to determine benefits that are offered to UW faculty and staff, with the ability to opt-in or opt-out of state-procured benefit programs.** UW institutions could evaluate the costs and benefits of regionalized health insurance options, ensuring competitive rates and better response to regional needs. UW System institutions could purchase insurance through University consortia, if those plans offered comparable benefits at lower costs, and UW System could determine the appropriate level of benefits for part time employees.

**By delegating authority to the local UW institution to administer the classified hiring process, the UW campuses could streamline hiring processes and increase productivity by filling vacant positions more quickly.** Local classified staffing authority, used in compliance with Federal and State laws, would allow projects to be completed on deadline.

The Legislature established a \$12,000 limit on "overload" pay for university faculty members in the 1970s, and that cap remains in effect today. This constrains faculty creativity and entrepreneurship by removing the incentive to pursue outside funding for projects that have the potential to employ others, give students hands-on research experience, and benefit the local economy. Each UW System institution must track dual employment situations against this cap, which is administratively difficult and resource-intensive. Removal of this cap will free staff

resources for other duties and allow UW System institutions to hire the most talented and qualified individuals available, regardless of their status with another state agency or authority.

**To provide these flexibilities to the UW, lawmakers must amend Wisconsin Statutes 16.417(2)(a); 36.09(1)(i) and (j); 111.815(1); 230.04(9); 230.09; 230.10; and 230.12.**

**Even without statutory changes, the following human resources management flexibilities could be delegated to UW System institutions by OSER/DOA:**

- Authority for classified to unclassified position conversion approval
- Authority for UW System institutions to develop Classified staffing guidelines
- Authority to develop guidelines for managing affirmative action issues in UW System
- Allow UW System institutions to develop their own system for tracking hiring for people with disabilities
- UW System institutions authority to audit affirmative action programs by source other than OSER, DOA

## **Capital Planning and Construction**

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Currently, the UW System comprises approximately 65 percent of the State-owned facilities and capital building program. In the FY 2009-11 Capital Budget, approximately \$963 million was approved for 31 major construction projects and approximately \$110 million for capital maintenance projects. About one-third of these projects were funded by taxpayer supported bonds. These project costs could be reduced significantly by streamlining the planning, design, and approval processes, and by placing the responsibility and accountability closer to the users – typically those who are also paying for the project.

Adopting best practices used by private-sector builders and universities in other states, the UW would be responsible for its own facilities and save money by significantly reducing the time it takes to complete a project and reducing the cost of management. The University would reduce the non-construction “soft costs” of projects by making design and management fees more competitive. The University would utilize private sector project management teams to reduce administrative costs.

Unlike most other State capital projects, most UW facilities are funded by university-generated revenue and gifts, not State taxpayer funds.

There is no other state in which a state agency similar to the Department of Administrative manages all university capital projects. This added layer of bureaucracy delays projects and inflates costs. Other states differentiate between state facilities and university facilities primarily because the design, construction, and purpose of university facilities is unlike state

facilities. Universities plan and design facilities tailored to meet national academic standards and student life needs.

**State statutes should be amended to make the UW System Board of Regents responsible for the UW's capital assets and real estate including bonding, construction and maintenance of buildings, and utilities.** Individual institutions would become responsible for planning and managing capital projects. From block-grant base funding and revenue generated on campus, institutions would determine funds allocated to capital projects. Institutions would have the ability to self-perform and contract for some projects. This would also reduce or eliminate competition for projects among campuses.

Alternative delivery methods to fit the project scope would reduce construction costs. Staff at UW System and the institutions closer to the projects and constituents would manage capital projects. This would not duplicate DOA services because staffing levels are based on the scope and budget of projects. Transition of responsibility would occur gradually; existing projects would continue under DOA and new projects would begin under UW's new authority.

Currently, the State issues General Obligation (G.O.) bonds for all major UW building projects, even those that are repaid by university-generated revenue. By authorizing the Board of Regents to issue Revenue Bonds, the state would reduce its overall debt substantially.

***To provide these flexibilities to the UW, lawmakers must amend Wisconsin Statutes 13.48; 16.84; 16.848; 16.85; 16.855; 16.87; and 36.11.***

**Even without statutory changes, other building process improvements could be delegated to UW System institutions by DOA.**

- The UW System is requesting responsibility for selection and contracting architectural and engineering services and project management. The Division of State Facilities would retain responsibility for construction bidding/contract(s) negotiation, construction supervision and inspection, and construction contract(s) administration. Specifically, this proposal requests dividing capital projects into two distinct and logical components and clarifying which agency has responsibility for each function.
- The UW System is also seeking delegation of leasing space. This would better align responsibility for securing leased space by having the role performed by the user group which has the strongest understanding of both programmatic needs and funding sources associated with space requests.

## Financial Management

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Under current law, UW institutions cannot manage their own finances and investments. The State invests all revenues, and UW institutions are credited for interest earnings on certain funds. The state keeps investment earnings on most program revenue funds, while statutes restrict the UW to managing and investing only gifts and trust funds.

**The UW should have statutory authority to manage and invest its block grant from the state in addition to all other funds collected by campuses, including auxiliaries, tuition income, gifts, grants, and contract revenue.** This would include the ability to develop cash management and investment policies based upon industry standards and best practices, and the authority to develop vendor payment terms that maximize cash flow. Increased income from locally-managed investments would help offset State GPR reductions.

With this change, UW institutions would have improved cash flow, and could develop cash management policies based on higher education standards that maximize revenues and minimize expenses. UW System Administration could utilize its existing structure for Trust Fund holdings to manage other accounts, as well as the State of Wisconsin Investment Board (SWIB) for investing cash. This would allow UW institutions to generate more of their own revenues and reduce the need for additional GPR support in the future.

***To provide these flexibilities to the UW, lawmakers must amend Wisconsin Statutes 16.401; 34.045(2); 36.11(11) and (29).***

## Purchasing and Procurement

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All University of Wisconsin System institutions must adhere to strict laws and regulations that govern the procurement of goods and services. These laws apply uniformly to all State agencies, ignoring the specialized needs of UW campuses and prohibiting the use of other purchasing tools that could enhance UW operations and reduce costs.

Acknowledging the unique demands of higher education and scientific research, **the UW institutions should be granted statutory authority to develop more refined procurement policies and practices.** UW System Administration would work together with the campuses to design and implement procurement rules based on “best practices,” and institutions would be delegated the authority to make local purchasing decisions based upon those new policies.

UW System Administration would assist institutions upon request, or when they determine that collective purchasing would be advantageous. Regular reviews and public reports would ensure compliance and preserve transparency, and provide an opportunity to measure achievements against established institutional goals (e.g., MBE purchasing).

This would result in significant changes. For the first time, the UW would have the authority to:

- Use higher education purchasing consortia to obtain better pricing/service for UW campuses – in some cases opening up new opportunities for all State agencies to participate in the same contracts and realize additional savings.
- Establish realistic bidding thresholds, replacing existing dollar-level thresholds that have been in place since 1994, and aligning bidding thresholds with those established by the Federal government.
- Grant waivers from the bidding process when there is no competitive market for the good or service provided.
- Exercise greater flexibility in awarding contracts to small, minority-, and women-owned businesses.
- Develop regional or local vendor networks for multiple campuses in a geographic region that could offer improved delivery and competitive pricing.
- Use less expensive travel options, letting University employees, athletic teams, and sponsored groups seek the lowest cost vendor for travel.
- Make exceptions for goods and services purchased with outside funds and extramural contracts, facilitating faster research and attracting talented research faculty.
- Relax restrictions on sole-source procurement and engage in cooperative purchasing.

***To provide these flexibilities to the UW, lawmakers must revise Wisconsin Statutes 16.70; 16.71; 16.72; 16.73; 16.75; 16.76; 16.705; 16.754; 16.753; 16.765; 20.916; and 36.11.***

**Even without statutory changes, the following purchasing management flexibilities could be delegated to UW System institutions by DOA.**

Within 16.71(1) the Department of Administration may delegate to UW System institutions the authority to purchase, by MOU, the following:

- Authority to manage the UW System’s purchasing for either all purchases or for categories related to supporting the University’s mission of education, instruction and research. The UW would still have to comply with bidding limits as set by statutes.
- Ability to determine when it’s in the best interest of the university to be exempted from mandatory contracts. Currently, we can apply for an exemption but the process is lengthy and cumbersome.
- Authority to enter into Higher Education Consortium Agreements without prior approval.

## Next steps

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If these statutory changes are included in the Governor's 2011-13 biennial budget:

- Chancellors will coordinate efforts with local business and community leaders to build public support for efforts to transform campuses into nimble, efficient engines of economic growth.
- UW representatives and third-party advocates will contact legislators via letters, phone and email, to build support for new statutory changes.
- The UW will seek support from campus student, faculty, and staff organizations.
- Letters to the editor, op-ed columns, and editorial board visits will be used to inform local opinion leaders.