

UNIVERSITY OF WISCONSIN SYSTEM

WAUKESHA STUDY

Second Report

June 8, 2006

Introduction

In 2005 intense discussion took place in the Waukesha community and the State Legislature regarding the needs and opportunities for developing the emerging knowledge economy in the County. One proposed means for promoting development, which was enacted by the Legislature, but vetoed by the Governor, was to merge UW-Waukesha, a two-year campus of the UW Colleges, into UW-Milwaukee. Responding to the Governor's charge that the University of Wisconsin System Board of Regents review the matter, UW System President Kevin Reilly requested that Regent Michael Spector, then-Interim Chancellor Margaret Cleek of the UW Colleges, Chancellor Carlos Santiago of UW-Milwaukee and UW System Executive Senior Vice President Donald Mash review the issues raised by the Governor in direct consultation with a broad range of leaders in the Milwaukee-Waukesha metropolitan community. President Reilly charged Dr. Mash with convening the Waukesha Study Steering Group and directing study activities.

In September 2005 Dr. Mash convened the Waukesha Study Steering Group to initiate a process of inquiry and consultation with political, economic, and education leaders of Waukesha County regarding the higher education needs of the area and the role that the UW System could play. In requesting an opportunity to consult with local leaders, Dr. Mash affirmed the purpose of the Study:

We are attempting to look at this matter broadly in order to prepare information for the Board of Regents' review and discussion. The UW System wants to determine how best to provide more course offerings, degree programs, research capacity and service in Waukesha and to do so as effectively and efficiently as possible. Succeeding at this will add value to the County, the Milwaukee metropolitan area, and the state.

Study Approach

To ensure that the goals of the community would be clearly understood by University of Wisconsin System leaders and that due diligence would be exercised in making any changes to the UW institutional organization, Dr. Mash initiated an approach to identify the higher education needs and expectations of the Waukesha community. If the needs and expectations, and perhaps a vision for the future, could be articulated by community leaders with some level of consensus, it would guide the response of the UW System. The complexity of institutional change in public higher education and the challenge of delivering more programs and services in response to the needs and expectations expressed by Waukesha leaders for immediate results are challenges in and of themselves. Therefore, the vision must of necessity look both to long-term transformation, with *intermediary* steps to achieve broad goals, and to short-term change, with *immediate* steps to respond to the urgent needs and expectations expressed by Waukesha leadership. This change management process must be undertaken while maintaining the gateway mission of UW-Waukesha, which continues to receive strong support.

Continuation of the Study Process

Following submission of the Initial Report to UW System President Kevin Reilly on January 31, 2006¹ and consideration of the matter by the Education Committee of the Board of Regents at its meeting on March 8, 2006, Dr. Mash directed a review of the various possibilities available to expand educational programming and to develop research-based business opportunities in Waukesha County. The options included: (1) institutional merger of the UW-Waukesha into UW-Milwaukee; (2) creation of a new, stand-alone four-year campus; and (3) creation of a regional university center at Waukesha. The review focused upon three essential criteria: cost-effectiveness, timeliness for delivering results, and opportunities for innovation and excellence.

While the study of longer-term options proceeded, activities proceeded to immediately marshal resources that could meet the needs identified by Waukesha leaders. In response to the needs cited by the Waukesha County Action Network (WCAN) representatives at the March 8 Regents' meeting for expanded degree opportunities in engineering, information technology, sales and marketing, general business, and nursing, an inventory of existing programs offered throughout the UW System was conducted, which identified sixteen degree programs that are immediately available to residents of the County.² The programs are offered by an array of institutions, including UW-Milwaukee, UW-Platteville, UW-Stout, UW-Whitewater and Carroll College. Customized instruction is also available on a contract basis through UW-Milwaukee and UW-Extension.

The proposed Adult Student Initiative of the UW Colleges and UW-Extension³ will focus its immediate efforts in Waukesha, beginning in fall 2006. This initiative builds upon the market studies conducted by UW Colleges and UW-Extension to identify baccalaureate degree needs in the state. It is a plan to identify potential students, recruit and advise them for specific degree programs, and conduct assessment of prior learning to advance students toward degree completion. The initiative planners have identified degrees most in demand throughout the state and compiled a comprehensive inventory of degrees available, indicating the methods of access (classroom instruction, Internet, etc.) UW-Waukesha will be a first site for implementation of the initiative. Expansion of these services is included in the preliminary budget request of the UW System for the 2007-09 biennium.

Throughout the course of the broad continuing discussion regarding UW programs in Waukesha County that followed from the March 2006 Regents' meeting, distinct issues were often combined into single conversations. However, each of the following questions requires specific attention and solutions:

¹ Available at: <http://www.wisconsin.edu/waukesha>.

² See Appendix 3 "Available Program Inventory".

³ See Appendix 4, "Adult Student Initiative: A System Priority", presented to the UW System Board of Regents, February 9, 2006.

- How to increase the availability of baccalaureate and graduate degree programs in Waukesha
 - How to deliver the programs in a timely and convenient way to expand access
 - How to maintain access to higher education through the existing gateways
 - How to expand opportunity in the UW System in the most cost-effective manner
- How to help develop UW-Milwaukee's role as a regional research university in the seven-county region of southeastern Wisconsin
- How to help alleviate UW-Milwaukee's space constraints in Milwaukee
- How to provide "tax equity" in Waukesha County

The growth and development of Waukesha County is distinct in the state. It is the third most populous county (360,767 residents in 2000) with the second highest equalized property value.⁴ It is no longer a primarily rural county. There are over 12,000 employers in Waukesha County employing more than 218,000 workers. Unlike most of the other counties in which two-year campuses of the UW Colleges are located, manufacturing (26%), services (25%), and retail trade (16%) represent the largest employment sectors in Waukesha County.⁵

While the buildings and grounds of the existing campus of UW-Waukesha are a critically important asset in building UW educational programs, the planning vision extends beyond the physical limits of this campus. Constantly changing technology makes it possible to offer convenient access to higher education, especially to working adults, and challenges us to envision the virtual university that is a 21st century update of the Wisconsin Idea. The pursuit of learning must extend to anywhere in Waukesha County, as well as the seven-county region of southeastern Wisconsin. Collaborations with other institutions of higher education, beginning with UW-Milwaukee and including Waukesha County Technical College, Carroll College, other UW campuses, high schools, business and non-profit environments are being considered for program delivery. This approach would lessen the fiscal load on UW-Milwaukee and the UW System.

There is a strong base from which to work to expand degree opportunities. In addition to the UW transfer curriculum that has been in place at UW-Waukesha for forty years (and which includes an articulated curriculum agreement with UW-Milwaukee to track students to the engineering program), the Waukesha County Technical College has two-plus-two agreements for baccalaureate degree programs with UW-Milwaukee and Marquette University in engineering. The challenge will be to bring the third and fourth years of instruction from UW-Milwaukee and other schools to appropriately equipped instructional facilities in Waukesha County. At this point, the laboratories of WCTC are the most promising asset for this expansion.

⁴ Cited by County Executive Dan Vrakas at the "Making the Grade" Higher Education Forum, May 23, 2006; <http://www.waukeshacounty.gov/cm/About%20Waukesha.html>

⁵ See: <http://www.waukeshacounty.gov/cm/About%20Waukesha.html>.

A UNIVERSITY CENTER APPROACH

A university center does not grant degrees; it is a framework which facilitates the presence of degree-granting institutions in a particular location so that they can deliver their programs in the most accessible manner possible to local residents. The model avoids sunken-investments in new programs (unless documented through diligent market analysis), can phase programs in and out of a particular location, according to market demand and student satisfaction, and can be “nimble”, taking advantage of the increasing variety of program delivery modes: traditional classrooms, virtual on-line instruction, on-site instruction in the workplace, hybrid instruction, variable session length, week-end and cohort program instruction.

The desired closer alliance between UW-Milwaukee and UW-Waukesha will position Waukesha for success in the knowledge economy of the 21st century. It will allow UW-Waukesha to serve the county’s citizens by increasing access to a locally delivered baccalaureate degree, while also helping UW-Milwaukee to progress in its mission of increasing the number of baccalaureate and graduate degree holders in Southeastern Wisconsin.

UW-Milwaukee is already a major presence in Waukesha. Approximately 56% of UW-Waukesha students transfer to UW-Milwaukee while substantial numbers of UW-Milwaukee students are Waukesha County residents (over 3400 in 2003-04). The University also offers three options for majors and two minors for baccalaureate degrees in Waukesha through the UW-Milwaukee College Connection—a program that currently enrolls 235 students and has graduated 65 students. In addition, the UW-Milwaukee MBA program in Waukesha enrolls 32 students. Business and government leaders in Waukesha have asked for baccalaureate and graduate degree programs in business and engineering, programs UW-Milwaukee is prepared to offer in partnership with UW-Waukesha and Waukesha County Technical College.

The recommended option for immediately increasing the availability of higher education opportunities for four-year degrees in Waukesha County, delivered by UW-Milwaukee, other institutions of the University of Wisconsin System, and private colleges and universities, is the university center approach. The approach would build upon the foundational programs currently delivered by UW-Waukesha and the Waukesha County Technical College, to provide a broad array of programs specifically targeted to local needs in a way that is both cost-effective and nimble. UW-Milwaukee pioneered this approach with the development of the three bachelor-degree completion programs (Organizational Administration, Communication, and Information Resources) currently offered on the UW-Waukesha campus. Both UW-Milwaukee and UW-Whitewater have an established history of offering the MBA program at alternative sites, including the UW-Waukesha campus. The university center approach would build on the access mission of the UW Colleges, expand it with additional advising and counseling services offered through UW Extension (especially targeted to returning adult students), and

deliver a broad range of educational programs to meet local needs at the lowest possible cost.⁶

The critical success factors for a university center approach include: (1) flexible programming with collaborating institutions committed to offering their degrees with instructional quality standards equal to those of the home campus; (2) continuous marketing and student satisfaction studies (including assessment) to align program delivery with changing needs; and (3) high-level administration and coordination to broker program delivery (academic scheduling, facility management, support services), administer contractual arrangements, maintain communication among educational institutions and community stakeholders, and monitor program quality.

In the last two decades, the university center solution has evolved in several directions: (1) continued collaborative model, with expansion of program array and construction of dedicated facilities (e.g., Macomb University Center in Michigan, the University Center of Lake County, Illinois); (2) evolution of the center into an autonomous 4-year or comprehensive university campus (University of Houston-Victoria and St. Petersburg College); or (3) dissolution of the collaborating coalition due to lack of program demand or conflicts among the collaborators (Tulsa). The flexibility of the university center approach allows the operation of any one center to be custom-tailored to suit the needs of the region in which it is located and to evolve through time. A governing structure that includes representatives from higher education and business and local communities ensures that “form follows function”. In this regard, the university center approach can serve as an intermediary step to an institutional merger or other organizational structure that will contribute to the long-term vitality of Waukesha County.

A staff visit to the University Center of Lake County, Illinois⁷ in May 2006 revealed its values as an instructive model for developing a university center in Waukesha. There are socio-demographic similarities between Lake County and Waukesha County; the Illinois center was created under the sponsorship of the University of Illinois and receives its operating budget from the State of Illinois. The community College of Lake County (CLC), which is funded through the property tax levy, contributed financially to the establishment of the two sites of the University Center (in Waukegan and on land adjacent to the main CLC campus in Grayslake). Lake County also contributed to the capital construction costs of the Grayslake building. However, the center’s annual operational budget of approximately \$2.6 million is funded by the state as a line item in the Illinois Board of Higher Education budget.

According to Keith Sanders, who was Executive Director of the Illinois Board of Higher Education at the time the University Center of Lake County was created, the center was established "at less than half the costs that the state would bear if we were to create a new, full-fledged university." In 1999 Dr. Sanders and his Illinois colleagues endorsed it “as a state-of-the-art model for providing low-cost, high-quality, relevant, and convenient

⁶ See Appendix 2 for more detailed description of a university center operation.

⁷ See: <http://www.ucenter.org>.

programs of instruction."⁸ Dr. Sanders continues to be enthusiastic about the approach, which ensures a broader array of program offerings than could be provided by any one university, is cost-effective and adaptable to the fast-changing needs of current and future economic development.⁹

The university center approach offers an opportunity to use the extensive, cutting-edge technological resources of the UW Extension to create the University of the 21st century that is not bound by bricks, mortar or physical location. By building upon the collaborative arrangements that both UW Colleges and UW-Extension have with UW-Milwaukee and other four-year institutions across the UW System, the university center approach to program delivery could dramatically increase access to educational programs from multiple institutions. By drawing upon the strengths of existing degree programs, the university center operation can channel efforts into developing seamless service to stakeholders and pedagogical innovations that serve place-bound students, especially working adults. The flexible structure of the university center approach makes it adaptable to changing needs and opportunities, whether they are for bachelor or graduate degrees or specialized, non-credit training and continuing education.

Because the university center is an administrative framework that facilitates the delivery of programs developed by several higher education institutions, it can be an ideal setting for innovation, particularly if it is endowed with operating flexibilities in personnel and budgetary matters (including capital construction), as outlined by the UW Board of Regents in their 2004 report, "Charting a New Course for the UW System."¹⁰ To the extent that it can bring together two or more institutions to create an essentially "new" product through synergies of collaboration, the university center model represents an "equity alliance," as described by Dyer et al., which they found to be most productive in collaborations involving people.¹¹ Innovative dimensions can be multiplied when the partnership is cross-sectoral, with a center governing board that includes business and community representatives, a goal advanced by the Board of Regents in its "Charting a New Course for the UW System" report.¹²

If the university center approach in Waukesha were to be formalized, it would require a governing board that includes representatives from higher education (education program providers), the public sector (budgetary support), and the business community (employers) and promotes responsiveness to the changing needs of the service area, with a director responsible for the day-to-day operations. Within this framework, creative forms of administrative organization (e.g., public-private partnerships, non-profit

⁸ Quoted in *The Chronicle of Higher Education*, Vol. 45, Issue 21, (January 29, 1999): A40.

⁹ Personal telephone conversation with Jane Crisler, May 4, 2006. Dr. Sanders is familiar with the University of Wisconsin System, having served as Chancellor of UW-Stevens Point and UWSA Vice President.

¹⁰ University of Wisconsin Board of Regents. "Charting a New Course for the UW System." Summer 2004. Available at: <http://www.uwsa.edu/bor/archive/study/report.htm>. See especially Section Five.

¹¹ Dyer, Jeffrey, et al., "When to Ally and When to Acquire." *Harvard Business Review*, Jul/Aug 2004, Vol. 82, Issue 7/8, p108-115

¹² *Op. cit.*, Section Four, Recommendation 9.

corporations) might be developed that would provide opportunities for innovation and growth (e.g., in capital construction, procurement, and hiring).¹³

INSTITUTIONAL MERGER OF UW-WAUKESHA INTO UW-MILWAUKEE

In considering the cost advantages of institutional merger, several questions need to be resolved, requiring much more due diligence. Identifying the value to be added to the existing institutions is important, because they have distinct missions. As a campus of the UW Colleges, UW-Waukesha offers the first two years of baccalaureate education and is one of the thirteen transfer institutions of the UW System; as a doctoral campus, UW-Milwaukee offers baccalaureate and graduate programs, and has an increasing focus on research. There is also the question of how best to utilize the UW System's diminished budgetary capacity which has seriously eroded every institution's ability to fulfill its mission. Within that budgetary context, institutional merger might compromise the missions of both UW-Waukesha and UW-Milwaukee, as scarce resources would be spread too thinly to serve both, given the needs and expectations of Waukesha leadership. Under the leadership of Chancellor Santiago, UW-Milwaukee is realigning resources (reduced by \$10 million in the 2005-07 biennium) to support the Research Growth Initiative, an endeavor that has been endorsed by the UW System Administration.

In reviewing cost-effective solutions, the up-front cost of institutional merger must be considered carefully after additional analysis that remains to be done. The exact terms of the merger must be identified so that financial costs can be determined, taking into account the following:

- Separating UW-Waukesha from the UW Colleges/UW Extension would remove the campus from the most cost-effective institution and transfer it to one with higher costs.
- Administrative overhead costs at UW-Milwaukee are higher than the UW Colleges/UW Extension.¹⁴
- Faculty and staff salaries of UW-Milwaukee are higher than those of the UW Colleges. If UW-Waukesha faculty and staff were transferred to UW-Milwaukee, additional costs would be incurred in effecting salary equity.
- Institutional merger in and of itself would not promote research/intellectual transfer activities. UW-Milwaukee requires access to additional facilities, which is a capital budget question. (See discussion of "Research/Intellectual Property Transfer" below.)

Without a specific model (or models) to detail the shape, goals, and structure of an institutional merger, it is impossible currently to calculate either the cost of a merger or the potential savings to be achieved. Considering just the first step in such a restructuring—the transfer of the operations of the UW-Waukesha campus from the UW

¹³ See, for example, the Governing Board of the University Center of Lake County, <http://www.ucenter.org/gb.html>.

¹⁴ As a percentage of General Purpose Operating funds (Funds 101,103 and 104) in the FY06 Redbook, UW-Milwaukee is 8.64% of General Program Operations; UWC/UW Extension is 6.20%.

Colleges to UW-Milwaukee for administration—there is little evidence that savings would be achieved. This is because “back office support” for the areas of business services, human resources, information technology and student records on the UW-Waukesha campus is provided through the UW Colleges central office in Madison. There would be no identifiable information technology savings, since both UW-Waukesha (through the UW Colleges) and UW-Milwaukee use essentially the same software products, purchased through State contract. Almost all current staffing at UW-Waukesha is directly supportive of students, faculty, or the facility itself. The only potential administrative staffing reductions on campus that could be achieved might be partial reductions to university relations (currently 2.82 FTE total) and business services (currently 4.5 FTE total).

CREATION OF A NEW FOUR-YEAR UNIVERSITY

In estimating the costs of establishing a new, stand-alone four-year university at Waukesha, the example of UW-Green Bay might serve as a model; its 5348 students enrolled in fall 2005 is approximately equal to a combination of the 2000 students currently enrolled at UW-Waukesha and the 3400 Waukesha residents who attend UW-Milwaukee. (UW-Green Bay was created in 1965 through the expansion of the two-year UW campus in Green Bay.) The Fiscal 2006 operating budget of UW-Green Bay is \$75 million, with approximately 564 FTE staff. Of that total, approximately \$35 million is general program operations, funded through GPR and tuition revenue.

The existing UW-Waukesha facility of 258,000 square feet would need to be expanded considerably, probably at a capital cost in excess of \$50 million. (As a campus of the UW Colleges, UW-Waukesha does not have an auxiliary reserve to fund construction of residence halls or other student service or athletic facilities.) At a time when the state is struggling with a structural budget deficit, a new investment of this magnitude is unlikely, especially given the programmatic needs that have been created throughout the System by past budget reductions.

In the mid-1990s, when the Illinois Board of Higher Education considered options for meeting demand for public higher education in Lake County (a county with a demographic and socioeconomic profile similar to that of Waukesha County), it faced a choice between (1) creating a new campus of the University of Illinois and (2) establishing a consortial programming framework that would be cost-effective and flexible. According to Dr. Charles V. Evans, Assistant Vice President of Academic Affairs and Director of Outreach and Public Service of the University of Illinois, if the choice had been considered in the 1970s, the outcome would probably have been the establishment of a new University of Illinois campus at an initial cost of \$250-300 million, with an annual operating budget of approximately \$40 million. That magnitude of expenditure was “unacceptable” in the 1990s and made the new model of consortial program delivery that would initially cost approximately \$30 million and then require an annual operating budget of approximately \$5 million the obvious choice.¹⁵ (See further discussion above under “Pursuing a University Center Approach”.)

¹⁵ Personal telephone conversation with Jane Crisler, April 25, 2006.

Creating the first new campus of the University of Wisconsin in over 40 years would be an exciting challenge and opportunity for innovation. The many conditions of higher education that have changed since UW-Green Bay and UW-Parkside were established in 1965—in architecture, technology, student learning and public expectations—would make the creation of a new campus an opportunity to showcase the UW of the 21st century. Limiting the opportunity would be the availability of public funding, statutory and policy requirements, and concerns of other UW campuses (especially UW-Milwaukee and UW-Whitewater) about the effect such a campus would have on their operations and investments.

RESEARCH/INTELLECTUAL PROPERTY TRANSFER

Waukesha County ownership of the UW-Waukesha grounds and buildings offers a unique opportunity to develop the research and intellectual property transfer activities in Waukesha if community and government leaders who have publicly espoused these goals translate their advocacy into local and/or legislative support. They can secure additional resources for land and buildings that can advance UW-Milwaukee's research mission and presence in Waukesha and help to develop UW-Milwaukee's stature and capacity as a major research university within the seven-county region. A portion of the UW-Waukesha campus could be designated as the site for a new building(s) that would house UW-Milwaukee programs, such as engineering and/or research activities, in the same way as public/private partnerships have funded special facilities for engineering education (delivered by UW-Platteville) at UW-Rock County and UW-Fox Valley on land owned by the host county.

University of Wisconsin System and Waukesha leaders are in agreement regarding the need to act in an expeditious manner and together face the challenge of how to fund capital construction in Waukesha that could be used by UW-Milwaukee. Continued County financing of capital construction (as is the case with facilities housing UW Colleges programs) and/or private funds would ensure the shortest construction time. State funding through the State Building Commission would add state support to the County, but would require a longer time-frame for project approval and allocation of bonding authority. In any case, expanded square footage of new facilities would also require allocation of new GPR to support the maintenance and operation costs of new buildings and the programs they house. Additional budgetary support and creative forms of partnership are essential to such development, since the diminished GPR allocations to the UW System preclude funding of new initiatives from the current budget.

Conclusion

In its Initial Report, the Waukesha Study Steering Group concluded that to meet the multi-faceted challenges facing the UW System, the State of Wisconsin, and Waukesha County, a staged process is essential:

Using feedback from new initiatives and continuing consultation with stakeholders in the public and private sectors, UW leaders can develop the institutional infrastructure in an evolutionary way that most effectively facilitates emerging service needs and opportunities. For example, an immediate step could be increased service to the Waukesha area by existing UW institutions, accomplished through focusing of resources and/or cost-recovery program financing. An intermediary step might be to create a “university center” as a collaborative organizational model. Based upon these experiences, institutional merger of UW-Waukesha into UW-Milwaukee could be evaluated according to its functional utility at a later point in time.

By adopting a comprehensive strategic approach to institutional development, the UW System can build models that are custom-tailored to meet public needs and are adaptive. The evolutionary approach also allows due diligence to be performed in considering changes to institutional structure, so that decision-making is both informed and the University System responsibly stewards the resources entrusted to it by the public. The approach also aligns university program development with the available resource base of public and private support.¹⁶

The Steering Group recognizes that institutional merger is a complicated matter that requires continued due diligence to inform decision-making by the Board of Regents. The Steering Group continues to endorse the university center approach as the solution that will (1) meet immediate needs in a timely way, (2) be a flexible administrative framework for innovation, (3) be cost-effective in minimizing administrative overhead, (4) most effectively connect the programs and operations of the UW System to the community of Waukesha, and (5) provide a progressive transition to a more permanent organizational structure, such as a merger or other solution.

While administration of the center would initially be housed on the UW-Waukesha campus and its facilities would be used to deliver additional instruction on a “space-available” basis after the transfer curriculum has been scheduled, center programming would not be limited to this location. Initial operation will result from the re-focusing of program resources to serve adult students in Waukesha. Additional start-up funding will be needed to fully serve the potential in Waukesha. UW System Administration will ensure that the Board of Regents receives regular updates on the center operation, including an analytical annual report.

Because of the special role that UW-Milwaukee plays and can develop in serving the seven-county region of southeastern Wisconsin, it must be pre-eminent in the activities facilitated by the center. It is essential that the strategic plans of UW-Milwaukee, the UW Colleges and UW-Extension, Waukesha County, and the Milwaukee Seven be developed in concert, especially as we examine in depth the possibility of a merger of UW-Waukesha into UW-Milwaukee.

¹⁶ *Op. cit.*, p. 10.

Public financing of higher education in Waukesha is a primary concern to Waukesha County elected officials, who seek relief from property tax support of the UW-Waukesha campus. This is a serious issue which must be addressed in broader discussion, because (1) it has implications for the State budget and the University of Wisconsin System more generally, and (2) it involves choices regarding services to be delivered and state budget priorities. The \$1.5 million annual support for the campus from the Waukesha County tax levy¹⁷ would need to be replaced by state GPR funds or through a private endowment of approximately \$30 million.

NEXT STEPS

Given the urgency to expand and strengthen delivery of baccalaureate and graduate programs in Waukesha and to advance research/technology transfer activities which will promote economic development in the region, the following charts the course, short-term and longer-term:

(1) Utilize a university center approach in Waukesha with UW-Milwaukee and other partners, to begin immediately to meet the identified program needs.

(2) Employ a director to administer a university center approach effective July 1, 2006 who will coordinate and administer program delivery; further assess community needs and program operations; coordinate communication among center partners; and contribute to long-term planning. The director will work with an advisory committee, composed of leaders from higher education and the community, on program development and operation.

(3) Pursue the construction of a building on the UW-Waukesha campus for the use of UW-Milwaukee for research and other activity. Facility planning would be informed in part by the assessment of programs delivered using the university center approach and by concurrent longer term planning undertaken by the UW-Milwaukee and the UW Colleges/UW-Extension (see 4 and 5 below).

(4) The Chancellor of UW-Milwaukee and the Chancellor of UW Colleges/UW-Extension will continue to develop long-term solutions to fulfilling the needs and opportunities of Waukesha County. Next steps will be:

- **UW-Milwaukee and UW-Colleges/UW-Extension will continue planning activities, along with local elected officials and other community leaders, leading to an enhanced UW-Milwaukee presence on the Waukesha campus.**
- **The two institutions will develop an appropriate and cost-effective business model to provide selected four-year degree and graduate programs directly to the citizens of the Waukesha County.**

¹⁷ Cited by County Executive Dan Vrakas at the “Making the Grade” Higher Education Forum, May 23, 2006.

- Efforts will be made to identify the appropriate mechanisms that will lead to the creation of a research infrastructure in Waukesha, tailored to the County's current and emerging needs. UW-Milwaukee will play an enhanced role as it develops into a regional research center.
- Determine the most effective governance model to oversee new initiatives, including the possibility of a merger of the two campuses, using detailed financial analysis comparing merger with any alternative model(s).

(5) Examination of critical questions by the Commission on the Future of the UW Colleges (otherwise referenced as a "Blue Ribbon Panel"):

- What are the immediate needs of our local counties? How can the Colleges better serve the needs of their communities?
- Should the Colleges serve as "exclusive" freshman-sophomore campuses (gateways) to the UW System while the comprehensives concentrate on upper division and graduate instruction?
- Should the Colleges be approved to offer selective baccalaureate degrees in areas that meet local demand of place-bound students and where the faculty expertise exists to do so? In essence, should we expand our degree/program offerings, and if so, in which areas and at what level(s) (AA, BS, BA, certificates, institutes, etc.)?
- Is the university center approach a model that would serve our local citizens well? At what campus locations might the university center model be most effective?
- How can the relationship between UW-Extension and the UW Colleges add value to the citizens of the State of Wisconsin?
- What is our relationship to the Wisconsin Technical Colleges and their mission? What should that relationship be?

While the Commission on the Future of the UW Colleges is a state-wide initiative that will complete its work at the end of 2006, the shorter-term, focused efforts to expand UW-Milwaukee activity in Waukesha is a priority that will be immediately addressed (See (4) above).

Chancellor Santiago of UW-Milwaukee and Chancellor Wilson of the UW Colleges /UW-Extension will communicate to the Board regarding their planning activities. They will make their first report at the August 2006 meeting of the Education Committee of the Board of Regents.

APPENDIX 1

Waukesha Study Steering Group (effective June 1, 2006)

University of Wisconsin System Regent Michael Spector
Executive Senior Vice President Don Mash, UW System (chair)
Chancellor David Wilson, UW Colleges and UW Extension
Vice Chancellor and Provost Margaret Cleek, UW Colleges
Vice Chancellor Marv Van Kekerix, UW Extension
Chancellor Carlos Santiago, UW-Milwaukee
Vice Chancellor and Provost Rita Cheng, UW-Milwaukee
Campus Executive Officer and Dean Patrick Schmitt, UW-Waukesha
Jane Crisler, UW-Waukesha (staff)

APPENDIX 2

University Center Background

What is a “University Center”?

“University center” is a generic term for the collaborative arrangement between two-year and four-year institutions to deliver more degree opportunities (for baccalaureate and graduate degrees) in areas of geographic accessibility. The guiding concept of the university center is cost-effective and convenient delivery of post-secondary instruction. As described here, it does not include mechanisms or facilities to promote research. There are various models for university centers. Most build upon the platform of two-year campuses that are the gateway to baccalaureate education, an approach that has proven to be a practical and cost-effective means for meeting increased demand.

How does a university center work?

Two-year campuses are generally chosen for the site of a university center because their mission of community accessibility located them in geographically convenient sites and they have services such as computer labs, libraries, and student centers that can provide academic support. Their role as a “gateway” to the baccalaureate degree serves as an enrollment “funnel” to expanded markets for four-year and graduate degrees. At least in the initial phases of university center development, the physical facilities of the two-year campuses can be used for advanced instruction and, in some cases, their instructional and support staff can also be hired to support the upper-division and graduate curricula. At some locations in the country consortia of collaborating institutions have rented or built facilities in downtown or other locations convenient to new student markets.

The critical success factors for a university center include: (1) flexible programming with collaborating institutions committed to offering their degrees with instructional quality standards equal to those of the home campus; (2) continuous marketing and student satisfaction studies (including assessment) to align program delivery with changing needs; and (3) high-level administration and coordination to broker program delivery (academic scheduling, facility management, support services), administer contractual arrangements, maintain communication among educational institutions and community stakeholders, and monitor program quality.

The university center concept became popular in the 1980s. In the last two decades, the model has evolved in several directions: (1) continued collaborative model, with expansion of program array and construction of dedicated facilities (e.g., Macomb University Center in Michigan, the University Center of Lake County, Illinois); (2) evolution of the center into an autonomous 4-year or comprehensive university campus (University of Houston-Victoria and St. Petersburg College); or (3) dissolution of the collaborating coalition due to lack of program demand or conflicts among the collaborators (Tulsa).

What are the advantages of this approach?

The university center model has become a popular solution to increased demand for baccalaureate education, especially programs that are related to changing and/or increased demands of economic development, because the model is market-driven and can deliver existing programs to new constituencies without requiring costly and time-consuming academic program development or accreditation reviews. The university center does not grant degrees; it is a framework which facilitates the presence of degree-granting institutions in a particular location so that they can deliver their programs in the most accessible manner possible to local residents. The model avoids sunken-investments in new programs (unless documented through diligent market analysis) and can phase programs in and out of a particular location, according to market demand and student satisfaction, and it can be “nimble”, taking advantage of the increasing variety of program delivery modes: traditional classrooms, virtual on-line instruction, on-site instruction in the workplace, hybrid instruction, variable session length, week-end and cohort program instruction.

What are the challenges?

The ever-changing dynamic of the program array requires sustained commitment from institutional program providers and budgetary support for center administration. The center must have a clearly defined administrative and governance structure, though it need not be extensive (e.g., the University Center at Macomb Community College serves 3,000 students in over 30 programs with three professional staff, two administrative assistants, and three facility support staff). A framework for negotiating arrangements among collaborating institutions and local employers is essential, because the most popular programs offered through university centers are directly connected to workforce needs: business, computer science, information technology and education. The changing nature of the program array requires flexible instructional space that can be used for a variety of disciplines. More specialized instructional facilities, such as laboratories, are generally constructed in partnership with a collaborating institution (business or educational) after long-term program demand has been confirmed through careful study and negotiation. Delivering instruction in the workplace is also a way of customizing instruction and taking advantage of the technology available in business environments.

Every university center operates with an array of contracts that spell out all aspects of each program to be delivered and the responsibilities of each and all parties. Facility and equipment costs, student services (especially advising), faculty support and all aspects of the academic program operation must be specifically addressed. Though the model is economical, it requires some start-up funding and capital funding might eventually be required, depending upon the evolution of program offerings.

Existing Models

A list of models across the United States appears below and many are described by Albert Lorenzo in his chapter on “The University Center; A Collaborative Approach to

Baccalaureate Degrees” in *The Community College Baccalaureate* by Floyd et al. The situation in Wisconsin is unique, because the state does not have a community college system. Several campuses of the University of Wisconsin Colleges (UWC) have created functional university centers through collaborative agreements with other UW institutions. (See: <http://www.uwc.edu/transfer/collaborative.asp> for a complete listing of the collaborative degree programs.) For example: UW-Fond du Lac hosts 5 UW institutions offering 7 bachelor degree programs; UW-Fox Valley hosts 3 institutions offering 4 degree programs. UW-Marshfield/Wood County (UW-MWC) and UW-Marathon County (UW-MC) in Wausau partner with UW-Stevens Point to create The UW Central Wisconsin Connection which is a joint-admissions agreement among the three campuses. Through collaboration, three UW-SP bachelor degree programs are offered on the UW-M/WC and UW-MC campuses and faculty of the two UWC campuses can be appointed by UW-SP to teach upper division courses on the two-year campus.

National Models

Auraria Higher Education Center (Colorado) <http://www.ahec.edu>

Des Moines Higher Education Collaborative. (Iowa) <http://www.dmhec.com>

Franklin University Community College Alliance (Michigan-virtual program)
<http://cca.franklin.edu>

Greenville Higher Education Center (South Carolina) <http://www.ghec.org>

Loraine County Community College University Partnership (Ohio)
http://www.lorainccc.edu/LCCC/Academic/University_Partnership

Macomb University Center (Michigan) <http://www.macomb.cc.mi.us/UnivCtr>

North Harris Montgomery Community College District University Center (Texas)
<http://www.tuc.edu>

The Universities Center at Dallas (Texas) <http://www.ucddowntown.org>

University Center of Lake County (Illinois) <http://www.ucenter.org>

University Center Rochester (Minnesota) <http://www.roch.edu>

University of Maryland/Universities at Shady Grove. <http://www.shadygrove.umd.edu>

USDSU Sioux Falls (South Dakota) <http://www.usdsu.org>

APPENDIX 3

WAUKESHA POST-SECONDARY EDUCATION
Needs Identified by WCAN (2/23/2006)

AVAILABLE PROGRAM INVENTORY

Jane Crisler Draft 4/26/06

Engineering

UW-Waukesha has pre-engineering articulation agreement that aligns first two years of baccalaureate with UW-Milwaukee engineering program

WCTC has pre-engineering articulation agreements with Marquette University (targets underserved populations) and UWM

M.S. in Engineering (on-line) (UW-Platteville)

(<http://www.uwplatt.edu/disted/degrees/eng/index.html>)

Information Technology

B.S. in Information Resources offered at UW-Waukesha (UW-Milwaukee)

(<http://www.uwm.edu/Dept/SOIS/academics/bsir.htm>)

M.S. in Technology Management (on-line) (UW-Stout)

(<http://www.uwstout.edu/programs/mstm/deo/>)

Sales and Marketing

B.A. in Organizational Administration (with business minor) offered at UW-Waukesha (UW-Milwaukee) (<http://www.uwm.edu/Dept/BAOA/>)

B.S. in Business Administration (on-line) (UW-Platteville)

(<http://www.uwplatt.edu/disted/degrees/bsad/index.html>)

B.S. in Management (on-line) (UW-Stout) (<http://www.uwstout.edu/programs/bsm/>)

M.B.A. UW-Milwaukee and UW-Whitewater offered in person on the UW-Waukesha campus (<http://www.uwm.edu/Dept/Business/programs/mba/waukesha.html>) and (<http://academics.uww.edu/business/acadprog/mba.html>)

M.B.A. (all emphases) (on-line) (UW-Whitewater) (<http://onlinemba.uww.edu/>)

UW-Whitewater on-line B.B.A. completion program (stacks on UWC associate degree) approved by UWSA and HLC

UW-Milwaukee customized executive instruction available

(<http://www.uwm.edu/Dept/Business/execprograms/>)

General Business

Online Graduate Certificate in State and Local Taxation (UW-Milwaukee)

The UWM School of Business offers opportunities for advanced learning and research through the:

Bostrom Center for Entrepreneurship

(<http://www.uwm.edu/Dept/Business/research/bcbcie/bbsit.htm>)

Center for Technology Innovation

(<http://www.uwm.edu/Dept/Business/research/cti/index.html>)

Research Alliance Program for Behavioral and Biological Studies in Information Technology (BBS.IT)

(<http://www.uwm.edu/Dept/Business/research/bcbcie/bbsit.htm>)

Consortium for Innovative Manufacturing and Operations Management (CIMOM)

(<http://www.uwm.edu/Dept/Business/research/bcbcie/cimom.htm>)

International Business Center

(<http://www.uwm.edu/Dept/Business/research/ibc/index.html>)

Nursing

B.S.N Carroll College transfer program with UW-Waukesha works well

WCTC has nursing articulation agreement with Marquette (targets underserved populations)

B.S. in Nursing (CNP) for Wisconsin RNs (UW-Eau Claire, Green Bay, Madison, Oshkosh & Milwaukee) (<http://learn.wisconsin.edu/cnp/>)

B.S.N. (accelerated on-line) (UW-Oshkosh)

(<http://www.uwosh.edu/colleges/con/accelerated.php>)

Ph.D. in Nursing: Online Option (UW-Milwaukee)

(http://cfprod.imt.uwm.edu/nursing/academics/doctor_online.cfm)

Collaborative Online Gerontology Certificate program (OGC) (on-line) (Collaborative Resources, UW-Eau Claire, UW-Green Bay, UW-La Crosse, UW-Madison, UW-Milwaukee, UW-Parkside, UW-Stevens Point, UW-Stout , UW-Superior)

(<http://learn.wisconsin.edu/gerontology/>)

Graduate Programs

M.S. in Hospitality and Tourism; Online Concentration in Administration (UW-Stout)

(<http://www.uwstout.edu/programs/msht/intro.html>)

M.S. in Vocational Rehabilitation (on-line concentration in rehabilitation counseling)

(UW-Stout) (<http://www.uwstout.edu/programs/msvr/online.html>)

M.S. in Criminal Justice (on-line) (UW-Platteville)

(<http://www.uwplatt.edu/disted/degrees/cj/index.html>)

M.S. in Project Management (on-line) (UW-Platteville)

(<http://www.uwplatt.edu/disted/degrees/pm/index.html>)

Adult Student Initiative: A System Priority

“We need to do all that we can to put the University of Wisconsin within the reach of every state citizen.”

The University’s Growth Agenda: A Vision for the Future

Kevin P. Reilly, President

UW System Board of Regents, Thursday, February 9, 2006

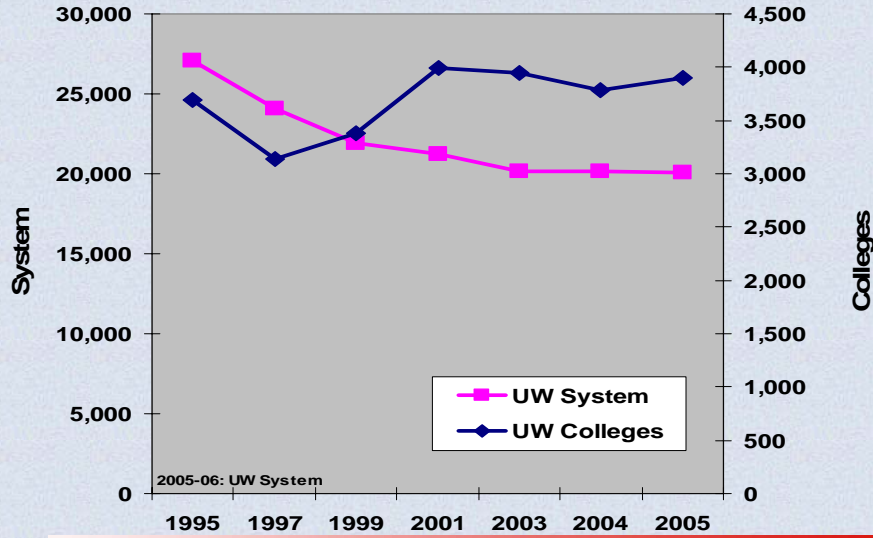
Critical State Need for Baccalaureate Completion

Wisconsin . . .

- Is 5% behind nearby states in number of adult baccalaureate degree holders – 72,000 people
- Has a lower average family income
- Suffers in economic vitality
- Has a competitive disadvantage in the knowledge economy

There is a documented need to attract adults with an associate degree or substantial college credit to UW System campuses to complete a bachelor’s degree.

Enrollment of Non-Traditional Students



Adult Student Initiative:
Positive Considerations

- Wisconsin has a high level of associate degree completion, we have a substantial learner market
- Needed undergraduate degrees exist face-to-face
- Some distance-accessible degrees already exist
- Some utility capabilities already exist
- Other states have been successful
- We have the competencies to do this
- The UW brand is strong, competitive
- CAEL is consulting for us

Wisconsin Population Age 18 and Older - 30% with some college or Associate degree



Potential Market: N=1,198,886



Extremely or very interested in enrolling in a *degree* program in the next year **and** claim to be extremely or very likely to enroll. *Market Size Estimate = 60,860*

Stopped without completing degree. *Market Size Estimate = 18,329*

Increasing Baccalaureate Degree Work Group (IBDWG)

Colleges –

- [Wava Haney](#)
- [Christa James-Byrne](#)
- [Andrew Keogh](#)
- [Diane Pillard](#)
- [Barbara Stinson](#)

Extension –

- [Mary T. Crave](#)
- [Mary S. Grant](#)
- [Ann Keim](#)
- [Kris McGrew](#)
- [Lee Zaborowski](#)

Identify/Locate Potential Students

- **Three studies** have been completed that provide demographic information regarding potential markets for the UW Colleges and UW-Extension
- **Work with comprehensive campuses** that have identified niche
- UW Colleges can provide complete lists of all **students who earned associate degrees** through the Colleges

Recruit/Advise/Prior Learning Assessment

- UW-Extension and UW Colleges should lead an aggressive, **statewide informational campaign** to stimulate awareness and promote interest in higher education
- UW Help and UW Colleges Online will continue to provide **toll-free phone advising, e-mail advising, the Help Online Web site, and electronic application for admission**
- The UW System needs to move into the mainstream of use of **prior learning assessment (PLA)**

Enroll/Support Students

- The UW Colleges will continue to employ a **liberal admission criterion**
- The full range of **academic support services** will continue to be available both face-to-face and online through the UW Colleges and UW-Extension
- UW Colleges and UW-Extension personnel will **work collaboratively to assist students**

Develop Programs/AA&S/BA/BS

- Enhance the ability of students to **access** the UW Colleges AA&S degree and general education core **courses**
- Expand the number of accessible **baccalaureate degrees available statewide**
- The UW Colleges, as a degree-granting institution, will put into place a **2+1+1 model**
- Additional UW-Colleges **2+1+1 and 2+2 models**

Delivery

- The UW Colleges and UW-Extension will play a leadership role in the development of **alternative delivery formats**
- The UW Colleges and UW-Extension will play a leadership role in the development of **accelerated and convenient schedule structures**
- The UW Colleges and UW-Extension will take into account **learning styles** of generational market segments

Assessment

- UW Colleges will engage students in long-term **longitudinal studies**
- **Measure the increase** in baccalaureate degree
- Studies by the UW Colleges and UW-Extension will be conducted to **identify emerging and unmet needs**

Fastest Growing Occupations in Wisconsin Requiring at Least a Bachelor's Degree *

- Computer systems analysts
- General and operations managers
- Accountants and auditors
- Secondary school teachers
- Elementary school teachers
- Special education teachers
- Computer software engineers, applications
- Network systems and data communications analysts
- Network and computer systems administrators
- Medical and health services managers
- Sales managers
- Computer and information systems managers
- Child, family, and school social workers
- Financial managers
- Public relations specialists
- Management analysts
- Physical therapists
- Computer software engineers, systems software
- Loan officers
- Graphic designers
- Insurance sales agents
- Recreation workers
- Occupational therapists
- Training and development specialists
- Rehabilitation counselors
- Kindergarten teachers, except special education

* U.S. Department of Labor