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## WISCONSIN LEGISLATIVE COUNCIL

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### REVIEW OF WISCONSIN TECHNICAL COLLEGE SYSTEM FUNDING AND GOVERNANCE

Room 411 South  
State Capitol

September 18, 2014  
9:00 a.m. – 11:50 a.m.

[The following is a summary of the September 18, 2014 meeting of the Study Committee on the Review of Wisconsin Technical College System Funding and Governance. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at <http://www.legis.state.wi.us/lc>.]

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#### Call to Order and Roll Call

Chair Nygren called the committee to order. The roll was called and a quorum was determined to be present.

COMMITTEE MEMBERS PRESENT: Rep. John Nygren, Chair; Sen. Shelia Harsdorf, Vice Chair; Sen. Jennifer Shilling; Reps. Debra Kolste, Cory Mason, and Thomas Weatherston; and Public Members Bruce Barker, Dan Conroy, David Dull, Stephen Kohler, Susan May, Joseph Sheehan, David Stark, Dennis Treu, and Mark Tyler.

COMMITTEE MEMBER EXCUSED: Public Member Allen Buechel.

COUNCIL STAFF PRESENT: Dan Schmidt, Principal Analyst; and Mary Matthias, Principal Attorney.

APPEARANCES: Dave Loppnow, Program Supervisor, and Christa Pugh, Fiscal Analyst, Legislative Fiscal Bureau (LFB); Aims McGuiness, Senior Associate, National Center for Higher Education Management Systems, Boulder, Colorado; Pauline Jaske, President and CEO, Fairway Transit Inc., Pewaukee, and Chair, Waukesha County Technical College District Board; John Mielke, President,

Associated Builders and Contractors of Wisconsin, Madison; and Nate Ristow, Legislative Liaison, and John Koskinen, Chief Economist, Department of Revenue.

### **Approval of the Minutes of the July 24, 2014 Meeting**

*Representative Weatherston moved, seconded by Representative Kolste, to approve the minutes of the July 24, 2014 meeting. The motion passed on a voice vote.*

### **Presentations by Invited Speakers**

Links to PowerPoint presentations and written materials provided by the invited speakers may be found on the committee's website [<http://docs.legis.wisconsin.gov/misc/lc/study/2014/1190/>].

#### **Christa Pugh, Fiscal Analyst, and Dave Loppnow, Program Supervisor, LFB**

Ms. Pugh described her memorandum dated September 11, 2014, regarding the increase in the Wisconsin Technical College debt levy from fiscal years 2004-05 to 2013-14.

Ms. Pugh and Mr. Loppnow then responded to committee questions regarding the memorandum.

#### **Aims McGuiness, Senior Associate, National Center for Higher Education Management Systems, Boulder, Colorado**

Mr. McGuiness began his presentation by stating that the Wisconsin Technical College System (WTCS) has a very good reputation throughout the country. He presented the committee with a paper titled *Community and Technical College Governance* and summarized the current state of community and technical colleges in the United States.

Mr. McGuiness emphasized that comprehensive educational services must be available in every region of a state to constitute a strong community or technical college system. He discussed the basic questions states face when providing community or technical college services. He described the origins of community and technical colleges and emphasized the importance of a centralized board to providing adequate services. He explained the various patterns of community and technical college system governance and gave several examples of states employing each type. He described the different patterns of state and local funding for community and technical colleges and provided examples. He concluded his remarks by discussing current and future trends in community and technical college systems.

Mr. McGuiness responded to committee member questions regarding funding models, general governance, and state versus local control.

**Pauline Jaske, President and CEO, Fairway Transit Inc., Pewaukee, and Chair, Waukesha County Technical College District Board**

Ms. Jaske discussed the strengths and weaknesses of current WTCS governance as it relates to the Waukesha Technical College District. She stated she was concerned that a policy requiring elected boards would result in a loss of expertise to the system. Board members with whom she had spoken indicated that they would not run for the board election. She discussed the importance of the training provided by the technical colleges to small businesses. She expressed concern for the local districts' bond ratings, if the ability to levy local tax is lost. She closed by stating that the current system functions well and is in no need of change.

**John Mielke, President, Associated Builders and Contractors of Wisconsin, Madison**

Mr. Mielke described the Associated Builders and Contractors of Wisconsin (ABC), stating that ABC represents 60,000 individuals with the typical member employing 15 to 25 people and generating \$2 to \$5 million in annual revenue. Mr. Mielke discussed the importance of the apprenticeship program to ABC members and its connection to the WTCS mission. He described the following challenges to the current apprenticeship program:

- Limited WTCS institution involvement.
- Limited ability for ABC to effect classroom outcomes.
- Difficulty in locating adequate instructors.
- Cost issues related to the full-time equivalent pricing model.

Mr. Mielke recommended that the WTCS institutions who participate in the apprenticeship program make changes to the current credit pricing models, permit increased professional influence on classroom outcomes and generally simplify the administration of apprenticeship programs within the WTCS. He further stated that the new performance-based funding model should recognize industry credentialing for apprentices.

Mr. Mielke responded to committee questions regarding the ABC apprenticeship program as it relates to the WTCS.

**Nate Ristow, Legislative Liaison, and John Koskinen, Chief Economist, Department of Revenue**

Mr. Ristow introduced himself and Mr. Koskinen. Mr. Koskinen gave a brief history of the property tax and its relationship to technical colleges in Wisconsin. He discussed the historic policies and exemptions that have culminated in the current property tax system. He compared the WTCS state and local funding sources to those of other Midwestern states, both prior to and after the fiscal year 2013 move to the WTCS performance-based funding model.

Mr. Ristow responded to committee questions regarding his presentation.

### **Other Business**

Representative Nygren stated that the committee has been given a lot to think about in its initial meetings and that he would be in communication regarding future meetings.

### **Adjournment**

The meeting was adjourned at 11:50 a.m.

DWS:ksm