

WISCAPE

Wisconsin Center for the
Advancement of Postsecondary Education

Outline and Notes from:
**The Merged University
of Wisconsin System:
Then and Now**

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U.W. System Merger: Then and Now
(Handout Sheet)

Donald E. Percy – WISCAPE – October 11, 2006

Key Background Documents for Cameo Insights

- Crisis Confronting University of Wisconsin, Regent T. Kronsage, Jr., Sept. **1925**
- Retrospect and Prospect: A Sense of Direction... President John C. Weaver, **1973**
- U.W. System Scope Reduction Report.... President John C. Weaver, **1975**
- Planning the Future/Together: The Wisconsin Direction.... Regents, **1986**
- UW System in the 21st Century.... Regents, **1996**
- Charting a New Course for the UW System... Regents, **2004**

Cameo Insights and Reflections*

1. Introductory Remarks and Caveats
2. Echoes from the Past (cameos from rough working notes)
3. Then and Now: What has changed?

* Digital copies of these three documents have been shared with WISCAPE

UWS Statistical Comparisons	<u>1973-74</u>	<u>2005-06</u>
Annual Budget (All Sources)	\$ 569.6M	\$ 4,130.2M
State GPR Funding	283.8M	991.4M
GPR as % of Total Budget	49.9%	24.0%
% of Total Cost of Instruction Paid by Resident Undergrad	24.5% (1976-77)	55.0% (2004-05)
Cost of Res. Undergrad Attending (Room ,Board, Incidentals, etc.)	\$ 4,900 (1985-6)	\$ 12,616 (2004-05)
UWS Economic Impact	\$ 1,705.7M**	\$ 12,391.1M
Fall Enrollment (FTE)	119,221	135,186
Fall Enrollment (Headcount)	133,303 (1972)	160,797 (2005)

** Estimated using current economic impact multiplier of 3 X 1973-74 UWS budget

WISCAPE PRESENTATION OUTLINE AND BACKGROUND TEXT

1. Introductory Remarks and Caveats

The road traveled...

This is a story about Wisconsin's public universities and their relationships;

- To the state, its elected/appointed officials and its citizens
- To the public good
- To each other
- To their internal constituencies (students, faculty, staff...and alumni)
- To political and fiscal realities

And for some, it's a story about the Four Horsemen of the Academic Apocalypse whose parallels to the familiar Pestilence, War, Famine, and Death are: Accountability, Productivity, Efficiency and Tenure Density

For others, it's a story about the failed understanding of the essence of academe itself: "Decent and useful anarchy," and "incubators of anxiety"

A story of national and International Interest in the latest "Wisconsin Idea": The merger of its public universities.

- Statewide faculty associations
- Public administration and legislative publications
- National educational associations (NASULG: Council on Academic Affairs – Coping with Government in the Governance of Universities)
- International (Taiwan Trip)

And, ultimately, it is a story about "faith in higher education, but resistance to its costs and thoughts.

Much of this story free focuses on the state's relationship to the university closest to the Capitol building - the Madison campus, thus to understand it fully one needs to balance Madison myopia with a statewide perspective.

Here, in cameo excerpts, is a set of snapshots of the pre-merger and post-merger journey.

PRELUDE TO MERGER

The University of Wisconsin in Madison was established in 1849 and soon thereafter, the first of state normal schools was established in Platteville.

Dating from 1895, “governors and legislators repeatedly sought means to assure coordinated planning between the two Boards of Regents through a single governing board, commission or other means.”

In 1915 Governor Phillips urged and the Legislature created a State Board of Education, it later increased its size but reduced its powers. It was eliminated in 1927 as a “board without a mission.”

Just prior to its elimination there was a major confrontation between the University and the state’s key budget entity, the Board of Public Affairs, triggered by its indifference to what the university felt were legitimate budget needs.

President Edward Birge was leaving office and it fell to UW Board President Theodore Kronshage, Jr. to sound the alarm. He did so with a manifesto which became the paradigm for university responses to fiscal “crises” for decades to follow. It was entitled, appropriately:

THE CRISIS CONFRONTING THE UNIVERSITY OF WISCONSIN: A PLAIN STORY OF FACT, ADDRESSED TO THE LEGISLATURE AND THE PEOPLE OF WISCONSIN

UW Board President Theodore Kronshage, Jr., 1925

Confronted with five years with no increase in state appropriations for operations and a ten year hold up of funds for capital needs (all this while enrollments continued to grow and a decision by the Board of Public Affairs to cut biennial requests for 1925-27, Regent Kronshage sent “seven powerful newspaper messages” to the people of Wisconsin. As reported in the Wisconsin Alumni Magazine April 1925 edition, report’s cover page consisted simply of the following hand-written note from University of Wisconsin President E. A. Birge who left the post in that year:

“If the financial measures now before the Legislature are enacted into law, they will not only prevent the development of the University, but they will also cripple it beyond recognition. No such recommendations have ever been made to any Wisconsin legislature during the first sixty years, nor, so far as I know, to any legislature in the group of states to which Wisconsin belongs.”

The report itself included statements such as:

- + “The fathers and mothers of the state look upon higher education at a birthright of their children...and the University is left with trying to teach 8,000 students in buildings designed to serve 4,000.

These boys and girls are the finest and most precious product of Wisconsin and deserve the best we can give them. Their future is the future of our state...and it is them for whom the university pleads.”

- + Wisconsin spends millions on luxuries ..the candy and chewing gum bill of the state alone would operate two universities...the people spend 4.5 times on soft drinks and sodas...and more than seven times for movies and similar amusements...eight times as much for rouge and lipsticks and articles of personal adornment.
- + Wisconsin’s neighbors spend millions on buildings
- + We are faced with cuts of \$1.5 million.
- + Do the people and Legislature of Wisconsin deliberately desire that their State University shall be crippled and degraded?
- + Do they wish their sons and daughters to be shut out from the privileges of higher education?
- + The University is nearly 50% self-supporting; one third of which is spent serving the people of the state in their own towns, cities and farms. The other two-thirds is spent on the campus, in educating your sons and daughters.
- + We have been called the Wisconsin Idea of state universities and Harvard President Eliot declared Wisconsin to be the “leading state university.
- + The university is forced to grow. The people of the state demand it! “

FADE TO 1945

Beginning in 1945, with increased enrollments following WW II, various study groups and individuals made proposals for increased inter-Board cooperation.

- 1947 Governor Knowland cited the duplicity of higher education boards as an overlapping, wasteful and haphazard system for which the cure was a single board of higher education.

He appointed a state Commission on Education to look into Wisconsin education “at all levels.” The Commission had no staff and solicited

substantial assistance from UW faculty working under the guidance and close scrutiny of President E. B. Fred.

This “high-level Committee on University Functions and Policies was headed by the widely respected Dean of L&S Mark Ingraham ...who was granted a leave of absence to work on the report. “

Given the Governor’s criticism and intent, the University Committee on Functions and Policies chose to address head-on the highly-charged question of a single higher education governing board. With considerable daring, the faculty committee concluded (in 1948) that “merger of the two systems, if done properly, promised the best results for the state as a whole.” (This would not be the last instance where UW-Madison faculty members had a direct role in the march to merger.)

The Committee considered three options before selecting one calling for “a single Board of Regents empowered to open and close campuses, a central administration for the merged system and a combined faculty.” This prescient report was received by the UW Board which spent but a few minutes criticizing it and filed it without endorsement or approval. “

- 1948 The Governor and the Commission liked the idea and agreed with the Commission’s report that “in the realm of higher education, there is great need for a closer integration of the state’s services.”

Two bills were introduced to effect a merger. Both University systems’ boards opposed them and the Legislature failed to support either bill...and then went on to do its own educational planning by authorizing Teachers College Regents to offer liberal arts degrees (B.A.) on all campuses. (Illustrative of legislative opportunism which would continue in future years!)

- 1951 After Governor Kohler’s effort to merge Milwaukee institutions failed, he proposed (1952) to integrate all 21 institutions into a single system... and mandated budget cuts until they complied. Again, the proposals and budget cuts for the most part were not enacted into law.

- 1955 Kohler made another push for integration and, in the debate surrounding the status of Milwaukee State Teachers College (eventually joined it to the UW extension center to create a new campus for the UW), a proposal for a broader Coordinating Committee for HE surfaced. UW faculty committee (Edmund Witte) fashioned a compromise proposal with different representation, the revised bill passed and CCHE was created.

1960's CCHE, lacking a natural constituency, was unable to contain inter-system competition. It did limit PhDs to UW-Madison. UW changed its name to a "System" (FHH) and two year university centers (UW/County joint support) began to appear.

All three governors during the 1960's (Nelson, Reynolds, and Knowles) were unhappy with university trends and developments. Almost single-handedly, UW Regent Debardeleben neutralized the CCHE at ever turn and the CCHE rendered itself irrelevant in the political battles on how to manage HE. Its Chair (former Governor Kohler) sought to restructure and strengthen the CCHE by appointing DPI Supt. Angus Rothwell as its Director.

The Legislature approved two new four year campuses for the UW System with missions broader than the WSU campuses. FHH won approval of PhDs for UW-Milwaukee. By 1969 the CCHE was declared a failed experiment and described as "effectively dead and waiting to be buried.)

A Knowles creation, the Kellett Commission had previously weighed in on the merger topic by calling for creation of a comprehensive state education board and merger of the two systems.

1970 Anti-war sentiment had emerged and was particularly evident on the Madison Campus. FHH resigned and WSU head Gene McPhee announced plans to retire. The stage was thus set for gubernatorial candidate Patrick Lucey to announce his plan to consolidate and simplify the HE structure in Wisconsin.

The plan was the creation of UW-Madison Professor David Adamany. Lucey asked both boards to delay appointments of Harrington and McPhee replacements until the new governor and legislature could consider his proposal.

Campus unrest effectively upstaged merger efforts and eight days before the gubernatorial election, the UW Regents appointed John Weaver as President of the UW System.

Immediately following Lucey's election, he encountered severe budget problems. In his university budget hearings there were calls for equity and end of fiscal discrimination against WSU institutions. Lucey hinted that his merger proposal might be included in his budget. He later announced he would support merger and that his choice to head it would be UW System's new president, John Weaver. Along the way, Stevens Point Chancellor Lee Dreyfus (a Governor in waiting) had declared his support for merger.

1971 On October 11, 1971, the merger bill was enacted into law by a single vote and July 1, 1973 was set as the final date for completion of the merger. The actual bill combining the two underlying statutes (Chapters 36 and 37) did not become law until July 9, 1974.

Looking back on this history, UW-Madison Professor Clara Penniman, a member of the Merger Implementation Study Committee, writing in the 125th Anniversary edition of the History of the University of Wisconsin-Madison, identified four recurring concerns or views that prompted governors and legislators alike to seek a better means of coordinating the two university systems.

- + Existing higher education was too expensive for the state and, left to its own devices, would continue to get moreso.
- + Coordination would reduce or eliminate overlapping and competitive academic program offerings.
- + Coordination would relieve the state's taxpayers of a too-heavy burden.
- + Neither governors nor legislators alone or together could secure needed coordination through their respective budget controls and oversight entities.

Unless otherwise noted, most quoted portions above were taken from the multi-volume University of Wisconsin History Series by Carstensen, Cronon and Jensenl.

Now, In a much more random fashion, let me give you my stream-of-consciousness list of System/State tensions, frictions and flashpoints as they existed at the time of merger and let you make your own then-and-now comparisons. For the most part, in some form, these existed from 1849 forward!

1. State GRP support vs State's say in university operations
2. Tenure and tenure-density
3. Faculty salaries and faculty workloads
4. Faculty activism, faculty behaviors and faculty political persuasions
5. Academic program proliferation, duplication and overlap
6. Campus autonomy, shared governance
7. Student activism, student behaviors, student organizations and segregated fee uses
8. Enrollment caps versus quality caps
9. Free speech, free-speech suppression and unpopular speakers

10. Use of university facilities, phones, and university purchasing practices
11. Research versus Instruction rather than research and instruction
12. Legislative audits, legislative fiscal bureau, legislative councils,
13. Public or private, privatization implications
14. Athletes, athletic teams and off campus behaviors of student athletes
15. Nonresident (out of state) students, tuition and tendencies
16. Law of Unanticipated Consequences on the Minds of UWS Watchers:
Merged budgets and statistics suddenly caused the merged UWS to be bigger in every respect...and this monolithic entity elicited still closer scrutiny, anxiety and impact.
17. Actions anywhere in the UW System which are perceived by one or more elected officials as inappropriate can generate an equal and opposite reaction – often overnight and in the form of a legislative press release and bill to squelch it...then, and only then, a written communication or phone call is made to the System or campus administration asking what they are going to do about it. Regretably, the legislators see as the quickest and most direct means to make their views a matter of record.

POST MERGER PERSPECTIVES

This perspective on the past is an essential prologue to understanding the further evolution of System-Campus-State relationships in the post-merger period and to assessing the extent to which the merged system:

1. Met and is meeting the clear and conflicting expectations which attended its creation and new ones which continuously emerge,
2. Enabled and is enabling public universities in this state to manage a significant survival which protects their quality, their accessibility and their ability to contribute effectively to the public good with reduced state support.

I approach the remainder of my task today knowing full well I cannot condense the contents of my working notes covering the thirty-five years of merger into the allotted 30-minute presentation timeframe of this lunch hour forum. I'll send a digital copy of my notes to the WISCAPE office if anyone's curiosity is piqued.

As indicated in the one-page forum handout, I describe the post-merger period with cameo excerpts and commentary on major pronouncements, decisions and publications which appeared at key junctures in System development and in System-State relations.

RETROSPECT AND PROSPECT: A SENSE OF DIRECTION - 1973

(A Report to the Board of Regents by UW System President John Weaver and Senior Vice Presidents Smith and Percy)

...to provide a framework, based on the foundation laid by the Merger Law, for strengthening and remodeling the University of Wisconsin System

Immediate Tasks

1. Consolidate two central staffs, assume former CCHE duties and design an effective statewide organization. Shift some central operations to campuses along with their budget support.
2. Harness the collective expertise and allegiance of fifteen chancellors to system policy and planning concerns without seriously eroding appropriate campus autonomy.
3. Consolidate Extension programs and Center System campus oversight.
4. Respond to special and immediate interests of Regent, state and other groups in areas such as Affirmative Action, Programs for Minority and Disadvantaged Students, educational services for correctional institutions, Veterinary Medicine, Legal Education and Economic Development.
5. Develop realistic, well-documented operating and capital biennial budget requests for the new System.
6. Develop integrated annual budgets from two separate and distinct previous processes, and convert budget staff detail documents into a single, computer-based system.
7. Work with the Merger Implementation Study Committee in designing a single statutory charter for the new System, replacing the then-current Chapters 36 and 37.

Longer Range Tasks

8. A temporary moratorium on new academic programs was instituted to allow time to develop responsible review and evaluation procedures, instruments and principles for setting system priorities.

9. Refined missions of universities, centers and university extension.
10. Designed long-range plans, assessment mechanism for departmental performance, faculty workload and other considerations.
11. Developed first biennial budget including background 4-year profiles of every academic department, a faculty activities survey, a rationale and methodology for resource allocation among the four clusters, detailed budget analysis papers, and required budget and staff reductions.
12. Developed and issued General Administrative Policy Papers and new intra-system and system-VTAE transfer policy.
13. Tested new collective faculty consultation mechanisms.

Commentary on Change

Each constituency (internal and external) sees the University System through different eyes. They may view “change” as constant, cleansing, catastrophic, or at best chaotic...inexorable, necessary, threatening or destructive....an indicator of progress or way to mask lack of progress. We are told we must change because society and its needs are changing, and at the same time, we are chastened to hold firm to the essence and independence of our universities.

Meaningful and beneficial change within the complex and fragile enterprise we know as a university should be the result of careful, thoughtful evolution rather than abrupt change for the sake of change...or borne of superficially beguiling, but often over-simplified and destructively motivated motivations.”

THE UW SYSTEM SCOPE REDUCTION REPORT – 1975

President Weaver’s Statement Transmitting His Report to the Board

Our unwavering confidence has been that public university education is a public good, and that the public investment in such endeavors is repaid to society many fold, and in countless ways

Context: At Governor Lucey’s request, UWS identified the costs and benefits of closing each campus in the newly-formed UW System; indicated that, if directed to do so by the Governor or Legislature, closings would begin with the two-year centers, proceed to the university cluster and then to the doctoral campuses.

Response: President Weaver’s report to the Regents on this report said “there is an ever-present danger of loss of perspective in attempting to deal with a question of this magnitude on short notice, and in an environment where current

economic distress can unduly and unwisely influence decisions concerning the longer-range public interest.

This report reflects our staff effort to speak truthfully, sensitively, responsibly and responsively to the difficult assignment. It is offered as a contribution toward informed public judgment. We do not attempt to hide our belief in the priceless cause of public higher education nor do we avoid our responsibility to answer the concerns that have been laid before us. Hopefully, it will provide solid foundation for rational public consideration and debate.

It is important to grasp the implications of an expectation that we meet the bulk of our program needs over the next decade exclusively through internal surgery. (My colleague Don Smith referred to this as the “cancer theory of growth.”)

To cover the cost of absorbing the \$19 million cost of inflation to our supplies budget in the current biennium, would require the closing of two of our smaller four-year universities or the entire fourteen campus Center System.

We face an almost desperately fateful choice, because of a few irrefutable facts:

1. Absent an artificial constraint, enrollments in the system will continue to grow for the next three biennia.
2. The UWS cannot provide education of quality for more students without appropriate compensating increases in resources.
3. I cannot provide educational opportunity for all of the Wisconsin citizens who would otherwise seek our services.

In the final analysis, while the list was leaked to the media with predictable reactions, no campus was closed and that particular sword was sheathed for the moment.

TOGETHER: THE WISCONSIN DIRECTION – 1986

A Plan to Shape the Future of the University of Wisconsin System
(Based on the December 1986 Regent Report on the Future of the U.W. System)

This plan emerged following the System’s response to a Legislative Audit of the U. W. System which assessed the extent to which merger had been fully achieved. The audit report noted that “in several respects the System was still a federation rather than an integrated system; recommended that Regents manage enrollments to match (available) resources and ensure quality, expand administration to extend oversight of institutions and complete merger into a fully integrated system”

“The 1986 plan included 20 recommendations for system-wide management, including: freshman admissions policy, institutional missions, program array, program review procedures, undergraduate credit transfer, assessment of quality and educational outcomes, and missions/status of UW Centers.

Recommendations were also directed to: fiscal effectiveness, enrollment management and tuition, women, disabled persons, resources for economic development, childcare, internal management, information systems and greater management flexibility.

President Shaw and the Regents articulated a clear set of enrollment caps for each campus (which were enforced for the next decade). This had the effect of raising state support per student throughout the system and yielded release of funding for new programs.

When enrollments rose in the late 1900’s, the Regents expected (or believed they had been promised) restoration of past unfunded enrollment increases. When a proposed “extra budget cut of \$100 million” (on top of the Governor’s 2001-2003 biennial budget cut), the Regents took steps to reduce enrollments and the Legislature relented in the final hours.

THE U. W. SYSTEM IN THE 21ST CENTURY – 1996

Context

The Regents website highlights key elements of this 1996 report in which the Board addressed seven challenges dealing with affordability, educational quality, instructional technology, accommodating increased enrollments, using state funding more effectively, maintain research/technology transfer leadership and partnering with K-12 schools and Technical Colleges.

Preserving and Enhancing Access to Quality: When faced with a choice between educational quality and access, the UW System must choose to maintain educational quality.

Tuition recommendations will reflect incentives and/or disincentives for reducing credits for graduation.

A four-year graduation contract will be an option at all universities by fall 1998.

Use of instructional and distance learning technology enhanced to remove barriers of time and place for students.

Partner with high schools for concurrent and advance placement programs for seniors.

UW Centers and UW Extension collaborate with comprehensive and doctoral institutions in delivery of upper-division and distance education courses at Center campuses

Keeping College Affordable for Students of All Ages and Circumstances:

Tuition increases should be moderate and predictable and state-funded financial aid should increase at a rate no less than tuition and also reflecting increases in the number of aid-eligible students.

Pre-college savings plans will be increasingly critical for families.

Creating New Knowledge & Fostering Career & Professional Development:

Each UWS institution should pursue partnerships with other UWS institutions, K-12 Districts, Wisconsin Technical College Districts, governmental agencies and the private sector to facilitate the pooling of talent and resources to meet the needs of Wisconsin citizens and employers for the 21st Century.

Provide flexibility in new program development

Request statutory authority to permit expenditure of program revenues to fund staff for credit outreach programs similar to that already granted for non-credit programs.

Invest in training of faculty and staff to utilize new instructional technologies in and out of the classroom

Create a non-stock, non-profit organization to generate \$25 million to support technology-based instructional and distance education innovation

Restructuring and Improving the Efficiency of the UW System:

UWS is already one of the most efficient university systems in the nation. It spends a larger portion of its budget on instruction and related activities in comparison with peer systems, while using a substantially lower portion of its budget for administrative costs (6.3% versus 10.8% for peer systems).

The following flexibilities are proposed:

1. Allow differential tuition rates among Comprehensive institutions and by program and flexibility in proposing nonresident tuition rates for students from neighboring states, provide they covers marginal costs.
2. Elimination of external (state) position control and position-reporting requirements.

3. Freedom to establish compensation levels and terms and conditions of employment for all unclassified staff.
4. Ability to issue revenue bonds for program revenue-funded projects.
5. Enhanced flexibilities in purchasing, personnel and financial management.

The concept and measurement of “productivity” be expanded to include the effectiveness of all institutions and instruction-related functions of the UWS.

Results: Fifty (50) specific recommendations were adopted and 47 were implemented, including six management flexibility items. Three of the management flexibility items were subsequently approved by the Legislature.

CHARTING A NEW COUSE FOR THE U.W. SYSTEM – 2004

A. Prologue: Key Developments during President Katharine Lyall’s Tenure

1. Enrollment Management---the systemwide set of enrollment caps/targets that were designed to ensure quality, statewide access, and accountability for outcomes. Campuses (and boards) have drifted away from EM in recent years, with the result that instructional support per student has plunged and quality is slipping.
2. Systemwide Policy Strategy was forged to align System Administration , Chancellors, and the BOR behind specific Systemwide initiatives, such as our Statewide Economic Summits and related economic development efforts including the Wis Technology Council was just one spinoff of these efforts.

These initiatives were effective ways of keeping the Board from micro-managing and providing a focus for individual campus initiatives; they also made governors and legislators nervous because there was a statewide policy agenda they didn't directly control.

3. Common Financial Accounts – In 2000, all campuses were finally operating on a common set of financial accounts/reporting, rather than a patched system. This may sound to some like a small thing, but actually improved equity in budget allocations, accountability for state dollars, and avoided UWS falling into the DOA financial accounting system which still doesn't work well, even for other agencies.

4. Management of de facto "privatization" trends -- State support dropped from 33% to 18% of UW-Madison's budget; GPR support per student dropped nearly 20% (-\$1,800) system-wide. System Administration encouraged and supported a number of campus-specific initiatives to generate new revenue: Platteville's Engineering Outreach Program (that enrolls Illinois students at favorable non-resident rates), joint engineering program offered by PLT at the two-year campus at Fox Valley, and enabling UW-LAX to raise tuition to cover self-funded financial aid for residents...are all examples.

A number of the stresses and strains that continue today, appeared to Dr. Lyall to reflect the strains of "privatization" trends of which elected representatives and the public remained blissfully ignorant. Questions continue to surface: What does it really mean to be a "public university" when you have to generate 80% of your total operating budget from private sources

5. Buffering vs Buffeting -- One of SA's functions is to buffer the campuses from political intrusion and to provide each campus some "space" to experiment with new approaches, both academic and financial. But SA has no natural constituency, yet failure to protect it, can lead to exposing campuses directly to individual manipulation and intrusion....or to a politically motivated/directed board.

B. Charting a New Course for the U.W. System - 2004

Motivated by a decade of static or declining state support, culminating with the largest base budget cut in history in the 2003-5 biennial budget, and after reluctantly raising tuition, this new plan began with an admission that instructional quality had, in fact, declined.

This was due to a de facto public policy decision and "grave error" by which Wisconsin shifted from a low-tuition, low-aid philosophy to a medium tuition, uncertain aid reality. UW-Madison Chancellor Wiley sent a wake-up call to Wisconsin citizens declaring state budget policies had left the base operating budgets of Wisconsin's public higher education systems in the worst condition since the Great Depression."

Key findings in the one-year study that yielded this plan included:

1. "There simply are no alternative revenue streams that can take the place of adequate, stable state support for our instructional missions.
2. Sustainable, stable state supported financial student financial aid is essential to avoid pricing lower income Wisconsin families out of higher education.

3. The Board needs authority to set and maintain competitive salaries, restore teaching positions and manage unclassified positions to attract staff for quality higher education.
4. Significant investments in informational technology are needed to transform higher education by making distance learning and online learning modalities more available.
5. Significant savings flowing from increased managerial flexibility in the way we do business in capital projects, procurement and risk management can help pay for these improvements

If Wisconsin can find ways to reinvest in its university system and afford it the flexibility to manage, the system can reinvent itself and chart a new course for Wisconsin in the new global information economy. Conversely, if it fails to do so, Wisconsin will sacrifice a world-class university system as a critical tool to reverse a course of economic and societal decline.

PRESENT TENSE OF THE MERGED SYSTEM

(President Kevin Reilly's Tenure to Date)

Nota Bene: I regret time did not permit development of more extensive notes on the current UWS Administration and Board actions and initiatives. The System website (uwsa.wisc.edu) has links to some of the key documents during President Reilly's tenure to date.

When the Regents approved the Charting the Future plan, the Board President said it would provide critical guidance to the new President of the UW System. Outgoing President Lyall expressed the hope that the plan would "open up new channels of constructive dialogue between the university system, the Governor and the Legislature.

Current UWS President Kevin Reilly thus began his tenure charged with responsibility for carrying out the Plan's 27 specific recommendations. He and his Executive VP came from within the System and were familiar with the challenges it faces.

I suspect both expected to make implementation of this plan a top priority. They quickly learned the accuracy of a Chinese philosopher's warning: "The plans are man's, the odds are God's."

In a February 2006 prelude to the upcoming biennial budget request, President Reilly set forth his vision for the future which he introduced by noting the National Center for Higher Education Management Systems placed Wisconsin among the five states with the most productive public university research sectors. Jones' organization also ranked Wisconsin among the top five states with the most

productive public baccalaureate and master's institutions, relative to their resources.

The key elements of the President's "vision" are reflected in the provisions and priorities of resultant 2007-9 biennial budget document.

Growth Agenda for Wisconsin in 2007-9 (Biennial Budget Request)

In a sense, every biennial budget proposal and annual budget document is a "key" document in the historical sense. This one is no exception.

It opens by noting in the last three biennia, "the UWS has reduced its ongoing base costs by \$ 225 million, and estimated 1000 tax-supported positions, while absorbing 3000 more students. We have been productive and efficient in managing these deep cuts. Now it's time to reinvest in the state's public university system." Its over-arching message is that the state should "reinvest in its public university system to graduate more students, attract more college graduates to Wisconsin and to help grow knowledge-economy jobs for Wisconsin.

1. Proposed tuition increase would be less than 2.5% over the biennium...the lowest requested in a quarter century.
2. Expand enrollments and meet state's need in educating more teachers, nurses, engineers and health care professionals.
3. Recruit more faculty and academic staff to work with larger numbers of students.
4. Improve student academic performance, retention and graduation rates across the System.
5. Build university's research capacity, particularly in Milwaukee and Chippewa Valley regions.
6. Wisconsin Covenant and adult student initiatives – "twin pillars of this budget request."

Achieving Excellence: UWS Accountability Report

Following Board approval of the biennial budget request, President Reilly presented the System's 2006 "Measuring Up" accountability report entitled "Achieving Excellence." This was the latest in a series of annual accountability reports prepared annually by President Lyall from 1993 forward. It reviews UWS performance relative to the six major accountability goals the System had set established for 2005-6.

3. Lessons Learned

Quotations

The art of progress is to preserve order amid change and to preserve change amid order (Alfred North Whitehead)

If you have always done it that way, it is probably wrong. (Charles Kettering)

In times of change, learners inherit the Earth, while the learned find themselves beautifully equipped to deal with a world that no longer exists. (Eric Hoffer)

Things do not change; we change (Henry David Thoreau)

Change does not necessarily assure progress, but progress implacably requires change. Education is essential to change, for education creates both new wants and the ability to satisfy them. (Henry Steele Commager)

Change is inevitable, except from vending machines (Anon.)

Breathing in, I receive the universe; breathing out, I release myself to the universe. Close attention to these processes reveals **everything changes, yet everything is the same.** (Zenblog)

Perspective

1. Before one attempts to distill “lessons learned” from history, s/he must first take into account the reality of totally random events which affect the course of history. Let me dispatch with them with recourse to a scientist named James Maxwell and his theory on “coefficients of conditional probabilities.”

When applied broader life circumstances, Maxwell’s theory holds that a relatively infinitesimal event, by virtue of its placement or occurrence at a particular point in time, can have a disproportionate effect on outcomes.

(Malcolm Gladwell’s “tipping point” comes to mind as a more recent application.)

At critical points in university-state relationships, singular events, which would otherwise have no longer-term broader consequences, effectively determined or significantly changed the course or outcome of a critical relationship issue. (Examples)

Tentative Conclusions

In 2. above, I enumerated the causes and expectations attending the created of the merged UW System based on Professor Penniman's summary from the UW history book series.

I followed her list with my random open-ended list of tensions, frictions and flashpoints which have persisted in one form or another from 1849 to date, and exhorted you to make your own then-and-now comparisons.

My conclusion is that "the more things change, the more they remain the same. Change is, of course, constant as are the forces resisting it. The snapshot outcomes of this equation we characterize as "current reality."

However, there is one change, declining state support for higher education, is relatively new and may prove to be a "tipping point." The question is which way will it tip? This phenomenon is well-described in two publications which I commend to you.

The first is System President Emerita Lyalls and Kathleen R. Sell in their 2005 book entitled The True Genius of America at Risk: Are We Losing our Public Universities to De Facto Privatization."

The second is a WISCAPE 2006 compendium of papers, presentations, charts, graphs and other useful resources entitled The Consequences of Declining State Support for Public Higher Education reprising its state and university relations forum series which commenced in 2001 and other activities including support for the research leading to publication of the Lyalls-Sell book.

At this point, I see this increasingly inexorable development an order-of-magnitude change in a class by itself as ultimately having the greatest effect on the course and character of (public) higher education.

Someone wrote that "higher education was a process of converting tangible resources into intangible ones." One of our tangible products lies in our ability to create new ideas and new solutions for society at large, only to find them later standing in line ahead of us for public support.

This ultimate irony is perhaps topped by another. In preparing for this presentation, I Googled the phrase “public good.” The first reference was to a website with the name The Public Good. When I clicked on the link, a single page appeared with this exact notation:

(The) Public good is under renovation.

Please come back soon.

Let us hope it will, and that the UW System will regain its rightful place as a part of it.