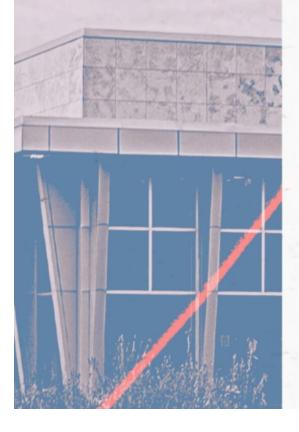
THE CHRONICLE OF HIGHER EDUCATION

Wisconsin's Warning for Higher Ed

Leaders have put off making tough decisions about their public colleges for decades. The options have only grown more difficult.







By Erin Gretzinger JANUARY 8, 2024

eclining enrollments. Changing demographics. Tightening budgets. And, above all, an "evolving student marketplace."

All these elements led Jay O. Rothman, president of the University of Wisconsin system, to announce in October that the system was closing one two-year campus and ending in-person instruction at two others. More closures may be on the horizon, as Rothman <u>ordered</u> university leaders to examine the financial viability of the remaining 10 two-year campuses.

"It's time for us to realign our branch campuses to current market realities and prepare for the future," Rothman said in a <u>statement</u> that day. "The status quo is not sustainable."

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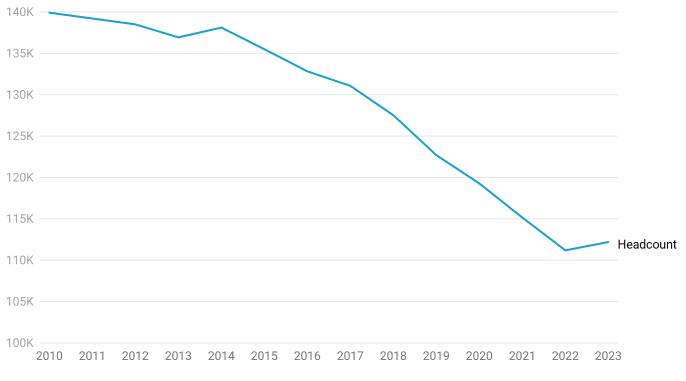
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Questions about the status quo of higher education are on the minds of college presidents, professors, and politicians nationwide. The demographic cliff is here, forcing consolidations at K-12 schools as the numbers of anticipated high-school graduates, and therefore college students, are set to plateau in just a few short years. The share of high-school graduates who go to college has also <u>dropped</u>, especially in Wisconsin, where the <u>college-participation rate</u> is lower than the U.S. average and in neighboring states.

Excluding the flagship in Madison, <u>enrollments</u> at Wisconsin's 12 four-year and 13 two-year public colleges sank from a high of nearly 140,000 students in 2010 to 111,195 in the fall of 2022. A <u>report</u> from last spring predicted that overall enrollment minus the flagship would drop to just over 95,000 by 2030.

A Long-Term Slide

Enrollment at the University of Wisconsin system's two-year and four-year campuses -- shown here minus the flagship in Madison -- has trended downward since 2010.



Headcounts are for the fall of each year.

This past fall, for the <u>first time</u> since 2014, enrollments across the system were up by 1.1 percent, or around 1,700 students. However, the picture remained bleak at the system's two-year colleges, which are small feeder campuses located mostly in rural areas. Enrollment at two-year campuses declined from a peak of 13,095 students in 2010 to 5,075 in 2022 — a drop of over 60 percent. Across the two-year campuses, enrollment <u>fell</u> by 4 percent this past fall, or nearly 200 students.

Such a decline — at a time when systemwide enrollment increased — is proof to Rothman, a longtime business leader with no prior higher-education experience,

Source: U. of Wisconsin system • Get the data • Created with Datawrapper

that two-year offerings are "not what the market is looking for."

"These closures may be the canary in the coal mine for branch campuses in other areas of the country."

"We need to be consumer-driven in our marketplace," Rothman told *The Chronicle*. "The market was telling us that our two-year branch campuses were not as attractive to prospective students as they were 20 or 30 years ago, that the model has changed, and we have to evolve."

What's happening in Wisconsin has set off alarm bells about what's to come nationwide. "These closures may be the canary in the coal mine for branch campuses in other areas of the country as we move toward the second half of the decade," said Thomas L. Harnisch, vice president for government relations at the State Higher Education Executive Officers Association.

Wisconsin has acute challenges that may sound familiar elsewhere: a lack of coordination that's led to many campuses with overlapping markets; <u>meddling</u> by state politicians; a <u>long record</u> of state disinvestment that has left public four-year colleges among the <u>lowest funded in the nation</u>; and a business model buckling under strain, with 10 out of 13 four-year universities projecting structural deficits. But Wisconsin also bears other, more distinct factors, like its decade-long tuition freeze and an uncommon arrangement of separate systems for two-year and technical colleges. Today, half of the two-year campuses are less than 15 miles from a technical college.

The closures — unusual among public colleges — have become evidence to many that Wisconsin has run out of time. The state has a decades-long pattern of evading difficult decisions, only to make hasty concessions at the 11th hour without a longterm plan. What the future will look like in Wisconsin remains unclear as parties continue to clash over the problems that led to this moment. The viability of the state's two-year campuses remains an open question, as does the sustainability of its higher-education infrastructure.

"The big lesson here for Wisconsin is it is never convenient to take a step back and rethink our investment in public higher education," said Steve Wildeck, a former vice chancellor for administration and finance for the system's two-year campuses. "It's never convenient, but it is absolutely critical that we do so."

he roots of Wisconsin's difficulties date to more than a century ago. In the early 1900s, postsecondary education courses sprouted up in communities across the state. As vehicles for realizing the "Wisconsin Idea" — the principle that education and its benefits should be accessible everywhere — the classes evolved into a network of two-year colleges by the mid-1960s. Over a similar period, Wisconsin founded a technical-education system, the country's first, in 1911. By 1965, a robust web of technical colleges was being run by state-level and local-level boards.

The evolution of higher education in Wisconsin had effectively resulted in several separate, largely uncoordinated systems: one for the technical colleges, another for the two-year colleges that fell under a four-year university system centered around the flagship in Madison, and a different system of four-year regional campuses that largely started out as teachers' colleges.

As early as the 1940s, Wisconsin politicians began to question the increasingly complex and expensive structure. While the state explored several paths that would be brought up time and time again over the years, opposition from highereducation leaders stifled most attempts at reform. One option that was shot down repeatedly was a proposal to merge the two-year colleges with the technical colleges to mirror <u>California's up-and-coming community colleges</u>. Another unsuccessful recommendation was to consolidate the two-year campuses under the management of nearby four-year institutions. The most ambitious plans proposed mergers of all or most of the state's education institutions.

Nothing stuck.

"It was predestined just by the way the damn thing was structured," recalled Frank J. Pelisek, a former president of the Wisconsin Board of Regents, in an oral history about failed efforts to coordinate the systems. "The Legislature was groping around for some way to try to resolve the competitiveness, and rather than make the tough decisions, they just dumped it off to somebody else."

By 1970s, the debate had reached a boiling point. The newly elected Democratic governor, Patrick J. Lucey, had deemed higher education "the worst-run program in the state." Lucey proposed a sweeping merger of the state's two separate four-year comprehensive systems, along with the two-year colleges and other branch campuses, while leaving the technical colleges as a separate entity.

Lucey's proposal quickly gained traction, spurred in part by a desire to politically protect the flagship in Madison amid widespread unrest during the Vietnam War. In October 1971, the merger passed by one vote. Often called a "shotgun wedding," the arrangement alarmed higher-education leaders because it was a political proposal that lacked a long-term vision to integrate separate institutions with different locations, missions, and governing structures. Fully completing the merger involved 15 years of internal power squabbles.

"It was a much more complex process than I had anticipated," Lucey said in an oral-history interview. "I thought you could pass a bill and hocus pocus next day you'd have merger."

Although it was in some respects an unwelcome union, the fledgling system survived times of hardship throughout the decades, according to Patricia Brady, a former general counsel for the university system who wrote a book on its history. The last time a campus closed was in the 1980s, when steep enrollment drops sealed the fate of a two-year campus in Medford, Wis., which had a population of just a couple thousand residents. While conversations about closing other campuses would come up from time to time, Brady said the system refrained from taking action. "It was so painful to close one two-year campus," she said, "so it made everybody even more reluctant to contemplate closing a four-year campus or any other two-years."

Yet about half a century later, Raymond W. Cross found himself grappling with the merged system cemented in 1971 — and pondering solutions nearly identical to the plans that were proposed and scuttled decades earlier.

Cross, who became president of the university system in 2014, quickly realized that the state's two-year colleges were projected to suffer heavy enrollment losses. He first tried to stabilize the campuses by centralizing administrative services under regional offices and pouring a couple million dollars into marketing efforts. "I think that had some impact," Cross recalled, "but it obviously didn't change the trajectory."

As enrollment continued to plummet, the idea of a merger entered the picture. While the state had repeatedly chosen to stay the course on separate technical- and two-year-college systems, Cross thought — in light of demographic and enrollment realities — it was time to establish a more traditional community-college model, in which technical training and liberal-arts courses would be offered through a single system. The merger gained early support with legislators, but the plan faced the same fate it had met earlier. When representatives took the nascent idea back to the technical colleges, the merger fell apart before it even got off the ground. "That was not something I could control. That had to be done by law," Cross said. "So what I could control — what we could control as a system — was merging [the two-year colleges] with the four-year institutions."

Cross's <u>plan</u> converted the state's 13 two-year colleges into branch campuses by placing them under the management of four-year universities in close proximity. Other states have made <u>similar</u> moves in recent years. <u>Georgia</u> and <u>Pennsylvania</u> consolidated administrative and programmatic offerings at several campuses to create joint institutions with new names. Connecticut and Maine combined multiple institutions under unified accreditations.

In addition to wanting to shore up the two-year campuses' enrollment and the system's finances, Cross thought combining the two- and four-year institutions would create new degrees that would be "in harmony" with local businesses' needs and smooth transfer pathways between campuses.

"That was, we thought, our best option for keeping them open," Cross said.

any communities with two-year branch campuses say the consolidation actually made their situation worse.

That includes Richland Center, a town of about 5,000 in southern Wisconsin, and the site of UW-Platteville at Richland — the two-year campus Rothman officially closed in October after ending in-person instruction last spring. Between 2014 and 2017, enrollment at Richland sank from 567 to 273 students. While there was an increase to 366 students in 2018 (which included online enrollments that were previously counted separately), enrollment plummeted after Cross's consolidation plan, to just 60 in 2022 — an 84-percent drop.

Richland's advocates say the system's reorganization was the reason for the rapid enrollment decline. Since its 2014 peak, Richland lost a dean, its own dedicated recruiter, a majority of its faculty members, and its international program, among other resources and services. Students and counselors said that after the 2018 consolidation, recruiters from Platteville wouldn't mention Richland as an option. "Everyone actually already kind of thought it was closed," said Shaun Murphy-Lopez, a former county board member who advocated for the campus.

The outcomes of the 2018 consolidation were not a surprise to Wildeck, the former chief financial officer for the two-year colleges, who was concerned about the plan from the outset. In keeping with old habits, Wildeck said the two-year colleges' leadership and the communities with campuses were notified of the consolidation plan just 24 hours in advance. "The decision was made. A public announcement was made. The board action was taken — while the system was still discovering the consequences of what it had done," he said.

Echoing the concerns about the 1971 merger, Wildeck said there was no template to integrate the four- and two-year colleges. He thinks most of the universities were themselves struggling too much to really invest in branch campuses, and the consolidation created an incentive for four-year campuses to recruit students who may have otherwise chosen two-year branches. "If you look at every indicator at those two-year campuses since 2018," he said, "they've been in a free fall."

That's not what Cross had envisioned. While some colleges, such as Green Bay, with its three branch campuses, have embraced the one-university, multiple-campuses model, Cross acknowledges that collaboration between the two- and four-year campuses didn't come to fruition across the system. However, he also believes that some two-year campuses, like the one in Richland Center, were "on the threshold of failure even when this effort started."

A Steep Drop for Branch Campuses

Wisconsin's two-year campuses have seen their collective enrollment decline by 34 percent since 2018.

Campus	2022	2021	2020	2019	2018
UW-Milwaukee at Washington County	285	332	387	500	605
UW-Milwaukee at Waukesha County	708	790	1,049	1,221	1,542
UW-Eau Claire- Barron County	463	455	401	423	454
UW-Green Bay, Manitowoc Campus	404	373	341	287	237
UW-Green Bay, Marinette Campus	213	242	240	215	203
UW-Green Bay, Sheboygan Campus	435	440	447	411	381
UW-Oshkosh Fond du Lac	252	258	281	394	444
UW-Oshkosh Fox Cities	563	605	714	925	1,134
UW-Platteville Baraboo Sauk County	210	179	216	225	360
UW-Platteville Richland	0	60	75	108	159
UW-Stevens Point at Marshfield	283	344	346	395	431
UW-Stevens Point at Wausau	364	404	531	536	587
UW-Whitewater at Rock County	696	593	644	771	862
TOTAL	4,876	5,075	5,672	6,411	7,399

Source: U. of Wisconsin system • Get the data • Created with Datawrapper

Not all former system administrators agree about the inevitability. Richard Barnhouse, a former associate vice chancellor of the two-year campuses who is now president of Waukesha County Technical College, said "almost nothing" was done to change the two-year colleges' trajectory. "Fifteen years ago, this could have been avoided," Barnhouse, who managed enrollment for the two-year institutions, said of the closures. "It may have meant the systematic and orderly merger of stuff ... but there could have been a logical, thoughtful, and careful process."

The loss of the two-year campuses, which dually serve as community hubs in rural areas, is already being felt. Emily Lund, who enrolled at Richland in 2021, could look onto the campus from the top of a hill on land that has been in her family for eight generations. While no one had farmed it in decades, Lund hoped to change that with the help of what she was learning at Richland.

With 35 cattle, a flock of chickens, a couple of goats, and a horse, Lund cultivated her farm while taking classes full time. Sometimes her agricultural challenges made their way into the classroom: When one of her calves got sick, her professor scrapped lab plans for the day and instead had the class test fecal samples to determine how to help the animal.

"I wish they'd see the campuses as a spot for students to start their future instead of just another place to either make or lose money," Lund said. "I didn't grow up in agriculture, so this little two-year branch campus was my start into being the next person that's going to feed the people around my community."

Without the Richland campus as an option this fall, Lund enrolled at the flagship in Madison and now drives over three hours a day, five days a week to attend class. She wakes up early to do chores on the farm before heading to Madison. By the time she arrives home, checks on the animals, and finishes her homework, she's lucky to be in bed before midnight.

"You can't really change anything at this point of what happened to the Richland campus," she said. "We can just hope that it'll prevent other campuses from closing in the future."

nother campus saw what was happening 130 miles away in Richland Center and tried to get ahead of a similar fate.

Last fall Washington County convened an 11-person higher-education committee to "find a solution for the declining prospects" of its two-year campus, which, after the 2018 consolidation, was called UW-Milwaukee at Washington County. The group, made up mostly of local business leaders, looked at a host of metrics and found that the campus had lost its "raison d'être" and "joie de vivre," citing steep budget cuts and the consolidation as the driving factors behind "accelerated" enrollment declines. "Long and short," the report said, "the consolidation has not worked well."

The group saw one way forward: a merger with Moraine Park Technical College, located just four miles away. The committee argued that a merger made practical sense to pool resources between the two campuses, with a clear avenue already paved for their integration. An April 2022 decision by the UW system's regents allowed all technical colleges to offer associate degrees in the liberal arts — a policy change that the university system had warned would intensify competition and put two-year colleges at <u>"risk of closure."</u> Washington County's report found exactly that, noting "head-to-head competition" between the county's two highereducation institutions.

"It was obvious to us that some kind of consolidation had to happen," said John

Torinus, a co-chairman of the task force. "And what we came up with was a community-college concept."

While the Washington County board overwhelmingly approved a resolution endorsing the merger, Moraine Park Technical College did not. Bonnie Baerwald, Moraine Park's president, <u>felt strongly</u> that a merger wasn't necessary: The college didn't need additional facilities, nor more employees. "There's usually a strategic need to partner in a merger situation," Baerwald told *The Chronicle*. "Our populations that we serve are much different, and so it didn't make sense for me to continue down the path of a joint pilot for merger conversations."

Despite Moraine Park's opposition, the Republican-controlled Legislature <u>approved over \$3 million</u> for the merger in the state's biennial budget. But Tony Evers, the Democratic governor, <u>vetoed</u> the measure. "I object to the Legislature singling out only one of our state's branch campuses when many campuses are facing challenges, in part due to the Legislature's repeated failure to provide an adequate level of funding," Evers <u>wrote</u> in a veto message.

After Evers's veto, a group of administrators and faculty members from the university in Milwaukee came out with their own <u>report</u>, recommending against a technical-college merger in favor of the "full integration" of the main and branch campuses, including a common course catalog and a streamlined admissions process.

"If closings are a reactive measure to factors that systems claim are beyond their control, that's a cop-out."

That report, released in August, seemed to finally settle how to help the campus. Just two months later, Rothman announced that in-person instruction at Washington County and another two-year campus in Fond du Lac would end in the spring of 2024.

The abrupt announcement didn't come with a plan for where tenured faculty members will land and what support for tuition or other costs will be available to students forced to move. Some critics also question why Rothman decided to close their campus when it didn't even have the lowest enrollment among the two-year campuses — especially after the effort to find a solution for Washington County.

"You know that you're struggling, but nobody gives any parameters to say like, 'Well, okay, if you make these targets, we'll be fine. If you don't make these targets, we could close,'" said Tricia Wessel, a faculty member at the Washington County campus. "Everybody just kind of toes the line of like, 'No, there's no closers.'"

It's reflective of a broader concern: How were the decisions made, and what do they mean for the future of higher education in the state?

"If closings are a reactive measure to factors that systems claim are beyond their control, that's a cop-out," said Wildeck, the former chief financial officer of the colleges. "If closings are the result of a thoughtful plan that said, 'This is where the state needs to go, because these places are either needed or not needed for the state and its communities to achieve their goals,' that's a completely different equation."

"The problem," he added, "is there is no such plan."

ny solution will depend on navigating what has come to look like immovable forces — the competing interests of the four-year institutions and technical colleges, and the state's policymakers.

Several former system officials have called for the development of a comprehensive

plan for the future of public higher education in the state. That includes Wildeck, Cross, and Tommy Thompson, a former Republican governor who served as university system president before Rothman. "It's time to convene a commission to examine how public-university and technical-college opportunities are offered across the state and make recommendations to provide those opportunities broadly and more efficiently," Thompson wrote in an <u>opinion essay</u> last summer, citing a longtime lack of coordination between the two systems and his own unrealized <u>proposal</u> to merge some technical and two-year colleges.

Morna Foy, president of the Wisconsin Technical College System, disagrees. Foy said her system "could not have been better designed in 1911 to meet the challenges of what's coming," pointing to its community-based governance and property-tax funding structures as the key to helping it nimbly respond to local needs and fulfill the core mission of preparing the state's work force. State support also helps. While Wisconsin's four-year institutions rank among the lowest in the nation for state appropriations, the technical-college system is among the higher-funded two-year-college systems in the country, according to 2022 data analyzed by the Wisconsin Policy Forum.

As for the demographic cliff, Foy said the technical colleges aren't reliant on the decreasing number of high-school graduates since the system offers a "broader portfolio" of programs. Recent increases in the colleges' enrollment is further evidence to Foy that the system will be just fine as is. "I know that the university is talking a lot about how they want to change and what they need to change," Foy told *The Chronicle*. "But I see that as a separate conversation because the outcomes of our students and of our institutions have been nothing but positive, and that's been true for over a century."

Technical-college leaders who spoke with *The Chronicle* were cool to an official merger with the two-year campuses. Absorbing the two-year campuses, however,

seemed more acceptable.

Foy said the technical-college system has the space, funding, faculty, and programs to serve additional students without a merger, and it is already equipped to reach rural areas with 16 colleges and about 50 locations. Barnhouse said his location in Waukesha could "easily" take on hundreds of more students. "We could do that in the fall," he added, "so we wouldn't need to formally merge because we already offer all the programs, and we could do it at no cost."

Rothman told *The Chronicle* that he didn't think the state's challenges could be solved with a merger, especially because the technical colleges are not granting many associate degrees in the liberal arts despite their power to do so. Instead, the university system is exploring new purposes for the two-year campuses, like adding four-year- and graduate-degree options, upskilling and reskilling opportunities, dual-enrollment expansions, or "navigation centers" for prospective students looking for postsecondary-education guidance.

In interviews with *The Chronicle*, several Republican legislators said if system officials won't tackle questions about competition, duplication, and governing structures on their own, the lawmakers might start the process of re-examining higher education in the state.

Rob Hutton, a Republican state senator who chairs the Legislature's Committee on Universities and Revenue, thinks the state should develop a larger "blueprint" for higher education that analyzes the overlap between the two systems, possibilities for more collaboration, and whether there are simply too many educational institutions. "I don't think any question should be off the table, including questions of, 'Does it make sense to have two systems?'" Hutton said. "I don't certainly have that answer today, and I don't know necessarily anybody does, but we should start by asking the question." The discussion should also bring people together across the political spectrum, he said: "This has been a nonpartisan concern, because this is not unique to any party or unique to any community."

Other Republican representatives agreed that structural changes should be considered while taking aim at university's administrative costs and denying that underfunding is part of the system's woes. "You look at the waste in the university systems today, and it's mind-blowing," said Duey Stroebel, who helped secure funding for the unsuccessful merger with Moraine Park Technical College. "It's about time that they right-size and understand that their mission is to provide a cost-effective education to its students."

It remains unclear how the university system and the Legislature would come together for a blue-ribbon commission at a particularly tense moment in their relationship following a <u>narrowly passed</u> deal to realign diversity, equity, and inclusion positions in exchange for \$800 million in funding withheld by Republicans — to say nothing of the <u>firing</u> of a university chancellor for porn videos.

While both systems seem poised to fight any official merger, the external pressures and closures appear to be pushing the institutions toward greater collaboration. It's most apparent in efforts to improve the state's messy transfer system — technicalcollege students transfer to private or out-of-state institutions more frequently than they do to Wisconsin's public universities. (Foy and Rothman said more collaboration has led to increased articulation agreements between the systems.)

While it is too soon to tell if the new agreements will bolster in-state transfers, the attitude shift at least feels tangible in Washington County. In December, Moraine Park Technical College and UW-Milwaukee leadership <u>unveiled</u> a plan to expand collaborative efforts and improve higher-education opportunities in the region,

including ongoing conversations about facility needs, joint marketing efforts, and a potential university center.

"We've always struggled a little bit with our four-year public partners," Baerwald told *The Chronicle*. But "now that there's limited students to enroll, I think our fouryear partners are recognizing us as a strategic partner to really be a feeder solution for their campus enrollments."

Even as more efforts to coordinate take shape, undercurrents of separate agendas and competition between the systems continue to fester. What will ultimately change depends on who comes to the table and what questions they're willing to consider.

"If we get together and plan on this, we can avoid major disruption or catastrophe," said Barnhouse, of Waukesha County Technical College. "We've got an opportunity to redefine what higher education looks like in the State of Wisconsin, but it's going to take backbone and it's going to take leadership that I have not seen in a couple of decades."

We welcome your thoughts and questions about this article. Please <u>email the editors</u> or <u>submit a letter</u> for publication.



POLITICAL INFLUENCE & ACTIVISM

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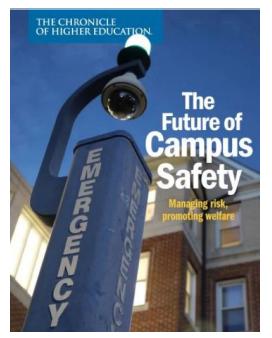


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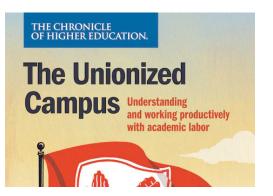


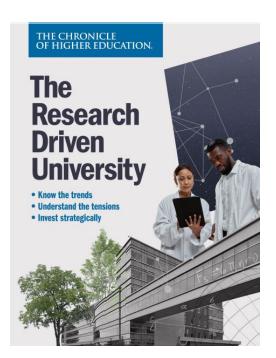
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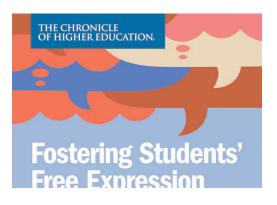


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