

Wisconsin GrandSons of Liberty Position

Unelected Board Reform

Wisconsin Technical College District Board Accountability Shift

Technical College System at a glance:

1. There are 16 technical college districts in Wisconsin, with 49 campuses, and touching the lives of 304,000 students in 2014.
2. The student number equates to roughly 68,000 full time students as many are taking beneficial courses that do not necessarily lead to a degree. In 2014 28,314 degrees were awarded of all types.
3. The system operating budget is 1.1 billion dollars annually.
4. It is expected that going forward the need for a workforce that is technically educated will only increase.

Technical College System Governance:

1. The system is governed by a System Board comprised of 13 members, 10 of which are appointed by the governor and 3 are ex-officio members.
2. The 16 districts are locally governed by a District Board comprised of 9 members appointed by local appointment committees consisting of locally elected officials.
3. The 9 members include one elected official and a school district administrator.
4. District boards have accountability for the institution's finances, budgeting, levying taxes and direct operations such as appointing and working with the college president, strategic planning, hiring personnel, developing and offering programs and courses, and developing and maintaining facilities.
5. District board members each serve a 3- year term with 3 of the 9 positions filled every spring following system board guidelines covering the appointment process.

Identified Problems and Suggested Solutions:

1. The district boards represent a majority unelected unit of government with taxing authority and the control of spending 1.1 billion dollars annually.
2. A FOIA request in spring of 2016 for non-Milwaukee affidavits of eligibility forms required of all applicants to the 45 available board seats produced only two interested individuals, and most open seats were just reinstated. Many members have served over twenty years.
3. With such little interest in becoming a district board member, changing the appointed boards to elected boards does not seem to be a feasible solution.
4. One suggested solution would be to transfer the approval of operational budgets and the approval of the tax levy to five elected officials specific to each district.
5. The five-member financial board could consist of county board chairs of most populated counties within a district and if needed, mayors of largest cities. See appendix for example.
6. The existing district boards would continue to work with the colleges in developing a budget and proposed tax levy. The approval by the financial board would be the final step before the levy would be placed on the tax rolls.
7. The elected county and local officials are well equipped to appreciate the needs and resources of their communities. There would likely be synergy with the district boards.
8. The federal Workforce Innovation and Opportunity Act of 2014 as well as several Wisconsin initiatives on reporting to assure *Institutional Performance* of technical colleges will best be accomplished if the district boards can concentrate on these issues.

Overview: With a focus on the WTCS District Boards

The U.S. Constitution does not mention education and therefore leaves it to the constitutions of the various states. Wisconsin established the nation's first system of vocational, technical and adult education in 1911. By 1965 a statewide system was developed and Act 399 of 1993 changed the name of the system to the Wisconsin Technical College System (WTCS). In Wisconsin, the technical college system is established in state statutes chapter 38.02.

The WTCS System Board

The Technical College System is governed by a 13-member system board, which according to state statute determines the organization, plans, scope, and development of technical colleges. There are sixteen districts that make up the Wisconsin Technical College System, and each district has a 9-member district board. The system board also reviews and approves any proposals by district boards for land acquisition, additional or new facilities, and rentals and remodeling of existing facilities. The system board approves the qualification standards of educational personnel and courses of study offered in the district technical schools. The 13 member WTCS system board consists of: an employer, employee, farmer, student, six public members, the State Superintendent of Public Instruction, Secretary of Workforce Development and the President of the UW Board of Regents. The Governor appoints all the employer, employee, farmer, student and public members.

The WTCS District Boards

Currently all 144 district board members of the 16 districts are appointed by local appointment committees. 2011 Act 286 changed Milwaukee's district board composition to reflect the larger manufacturers of that community. Milwaukee area's appointment committee consists of the Milwaukee County Executive and the chairpersons of the Milwaukee, Ozaukee and Washington county boards. The remaining district appointment committees consist of the county board chairs of 13 of the districts and school board presidents of the Southwest and Fox Valley districts. [38.10(1) (a) & (b)] The duties of the district boards include hiring the district president, staff and teachers. The board also develops a capital building program within statutory limits, develops a budget and sets a property tax levy, also within statutory limits. The current system wide operational budget is 1.1 billion dollars. The district boards work with the system board on program development.

The board members of each district serve a 3 year term which is staggered so that every year three of the nine positions are open to be filled. This creates **48 open appointed positions each spring**. The System Board publishes the process required for the appointment of board members by the appointment committees. The process includes yearly notification and posting of open positions. The committee then is required to hold public meetings to include the community in the process. Each applicant is required to complete the "Affidavit of Qualifications for Wisconsin Technical College District Board Membership" form to be considered for a position. An open records request of the System Board to view all of the affidavits presented to all of the 15 appointment committees (not including Milwaukee) resulted in **only two affidavits**. This cannot be overstated. There were only two people who followed the required process to apply for one of the 45 open positions of the district boards. A search of each of the technical college website's listing of board members and bios reveals that as few as five new members were appointed and the majority of expiring positions were filled by reinstating the existing member. There have been recent bills introduced with the intent to require election of district

boards. However, with such little interest in becoming a board member, elected boards would seem to be not feasible. The qualifications of existing board members is not an issue.

With respect to the *appointed* boards with taxing authority as a governance model:

The current view appears to be:

It is the responsibility of government to provide the best services to the citizens of the state. The technical college system is too complex for the average elector to fully understand. Without a basic understanding of the system and the needs of the workforce, the electorate cannot possibly fill the positions on the various boards with people who are best qualified.

Supporting the current appointed board model:

(The following points are taken from an opinion paper “Local Board Governance of Wisconsin Technical Colleges” by Paul Gabriel, November 2014, found on the website of the Wisconsin Technical College District Boards Association).

1. Boards are representative because part of the appointment process takes place in public hearings conducted by elected officials.
2. Competitive applications and job interviews drive board selection.
3. 24% of all 2014-15 WTCS district board members are CEOs, business owners and company presidents.
4. College boards operate as openly, publicly and accountably as any other local and state government.
5. They also follow the same laws concerning open meetings, public records, public access and public input as all other forms of local government.
6. Appointed boards, by statute 38.01 (c) 1, maintain a diverse board representing women and minorities.
7. Every one of the Wisconsin technical colleges has a community-based advisory committee to guide the board.

The proposed view in favor of oversight by elected officials of spending and taxing is:

Any government entity that has the authority to tax should be made up of members that represent the people being taxed. This is a basic tenet of our republic. And the Wisconsin Technical College district board members collectively control the state’s largest taxing authority that is not directly elected by the citizens. An election brings issues to the forefront, and a healthy debate allows the citizens to vet the candidates. This would apply even if the responsibilities of elected officials included approval of spending and taxing prepared by non-elected boards. The argument in favor of shifting financial final approval to elected officials then becomes one of accountability and representation.

Supporting a need for change to a more accountable financial process:

1. With only two people applying for any of the 45 open positions in spring of 2016, it is obvious that the public is not sufficiently engaged to warrant election of boards.
2. Just because part of the appointment process would take place in a public hearing, there is no guarantee that public input will influence the appointment committee. There is also possibly no public hearing if there are no applicants. It would appear that the public is being bypassed in this process.
3. Creating a five-member entity specific to each district will place elected officials in the position necessary to assure constitutionally representative government.

4. 2013 Act 145 reduced the property tax, but it shifted the cost to state funding. The people are still paying for the college system through other forms of revenue. Be it federal, state or local taxes, the tax paying citizens are funding technical education.

History of the Technical College System in Wisconsin:

The following history is from "State of Wisconsin Blue Book" 2013-2014, Technical College System Pg 486-488.

- 1911 Chapter 616 Wisconsin was the first state to establish a system of state aid and support for industrial education.
- 1911 Chapter 347 set up apprenticeship agreements, and in Chapter 505 required employers to release 14 to 16 year olds for part-time attendance in continuation schools for apprentices if available.
- 1917 U.S. Congress passed Smith-Hughes Act which provided financial aid to states to help pay for teachers and staff.
- 1917 Chapter 494 Changed name of Wisconsin's State Board of Industrial Education to the State Board of Vocational Education with a new state director.
- 1961 Chapter 51 authorized the 2 year associate degree.
- 1963 federal Vocational Education Act helped with the building of new facilities.
- 1965 Chapter 292 required a system of vocational, technical and adult education districts covering the entire state by 1970. The name eventually became the Board of Vocational, Technical and Adult Education (VTAE).
- 1993 Wisconsin Act 399 changed the name to the Technical College System and designated the state board as the Technical College System Board.

Recent Legislation addressing funding and board selection:

- 2011 Act 286, changed the appointment committee of Milwaukee district from the district's school board presidents to a committee consisting of the Milwaukee County Executive and the chairpersons of Milwaukee, Ozaukee and Washington county boards. The law further defined the distribution attributes that the board had to have with respect to demographics and workforce representation.
- 2013 Act 145 providing property tax relief and shifting technical colleges from primarily local funding to primarily state funding. Local funding went from 68% to 33% and State funding went from 9% to 44%.
- March 2014 Legislature approved a "Joint Legislative Council Special Committee on the Review of Wisconsin Technical College System Funding and Governance". Representative Nygren chaired the committee, however it never began operation and dissolved.

Additional Information:

The 2007-08 legislature formed a Joint Legislative Audit Committee with the directive to examine and report on policies of the Wisconsin Technical College System. They reported their findings in a report titled: "An Evaluation-Personnel, Policies and Practice of the Wisconsin Technical College System". After this report was made public, there were many articles published using the findings.

The following are the highlights of the findings:

- WTCS employees earned an average of \$74,598 with MATC district employees averaging \$89,850. By comparison, U.W. 2 year college employees averaged \$52,552 in 2005.
- WTCS "Other post-employment benefits (OPEB) liabilities are largely unfunded (2005) and MATC district is most unfunded at \$228 million, based on actuarial estimates.

- Average base salaries of WTCS faculty are among the highest reported nationally.
- The salaries exceeded the average annual earnings of full-time faculty at the two-year U.W. Colleges by approximately \$22,000.

Constitutionality of unelected boards: (Wisconsin):

Wisconsin government delegates powers to handle specific areas under the state constitutions. However, unelected boards are created without representation of the populace. In making administrative law and taxing without input of electorate, they often assume powers not granted at federal and state levels. Thus all are disenfranchised.

Position of the Wisconsin GrandSons of Liberty:

A study of the functions of this unit of Wisconsin government, and the process that has been used in populating the 144 board positions, leads to questions of representation and accountability. The sixteen boards of the Wisconsin Technical College System, it would appear from the results of the 2007 report, have often operated without the required oversight of the System Board and especially of the appointment committees constituting the boards.

A further study of the process of appointment of the members of the 15 district boards, excluding the MATC board, strongly suggests that the rigorous process outlined by the WTCS System Board found in: “Manual for the Appointment of Wisconsin’s Technical College System District Board Members” for the selection of members of each of the technical college district boards is not being followed, possibly due to little interest by the citizens of the districts.

We agree with the WTCS District Boards Association that the local district boards drive a more local and rapid responsiveness. However, we support the concept of dividing the responsibilities of the governing bodies into two sets: *financial* and *institutional performance assurance*. The district boards would continue to develop a budget and a proposed tax levy. The final approval of operational budgets and the levying of property tax would be transferred to a defined five-member board of elected officials specific to each district. The remaining institutional performance assurance, being the most important function of district boards, would then become the primary responsibility of the existing technical college district boards.

In an effort to make the Technical College System more accountable and representative to the people of Wisconsin, we offer these suggestions:

- 2011 Act 286 is designed to address the Milwaukee Area Technical College board and requires time in order to assess its effectiveness. Therefore, Milwaukee Area would not be included in this proposal. It could be addressed separately.
- Creation of a five-member financial board specific to each district and composed of county chairs of largest counties with significant population within districts, and if needed, mayors of largest cities.
- Assign the financial responsibilities of school operational budget approval and approval of tax levy to the created financial board.
- Existing district boards would continue to prepare proposed operational budgets and proposed tax levy. They would then present these to the financial committees for approval.
- Assign the primary responsibility of institution performance of technical colleges to the existing district boards.
- Continue to employ the community-based advisory committees that every one of the technical colleges has, to guide the boards.

Proposed WTCS District Financial Board Members

Each of the districts, with the exclusion of Milwaukee Area Technical College district, shall establish a five-member District Financial board purposed with:

- Approving yearly budget of the respective technical college district,
- Approving and establishing local tax levy

The current nine-member technical college district boards will continue all their other current duties, and will function as advisory boards on the above responsibilities. Furthermore, the District Financial Boards shall consist of the defined elected officials within each district as follows:

Blackhawk Technical College District

- Green County Board Chair
- Rock County Board Chair
- Janesville City Mayor
- Beloit City Mayor
- Monroe City Mayor

Gateway Technical College District

- Racine County Board Chair
- Kenosha County Board Chair
- Walworth County Board Chair
- Racine City Mayor
- Kenosha City Mayor

Chippewa Valley Technical College District

- Clark County Board Chair
- Dunn County Board Chair
- Pierce County Board Chair
- Eau Claire County Board Chair
- Chippewa County Board Chair

Lakeshore Technical College District

- Manitowoc County Board Chair
- Sheboygan County Board Chair
- Manitowoc City Mayor
- Sheboygan City Mayor
- Two Rivers City Mayor

Fox Valley Technical College District

- Waupaca County Board Chair
- Outagamie County Board Chair
- Appleton City Mayor
- Little Chute City Mayor
- Menasha City Mayor

Madison Area Technical College

- Columbia County Board Chair
- Dane County Board Chair
- Jefferson County Board Chair
- Sauk County Board Chair
- Madison City Mayor

Mid-State Technical College District

- Portage County Board Chair
- Adams County Board Chair
- Wood County Board Chair
- Marshfield City Mayor
- Portage City Mayor

Moraine Park Technical College District

- Dodge County Board Chair
- Washington County Board Chair
- Green Lake County Board Chair
- Fon Du Lac County Board Chair
- West Bend City Mayor

Waukesha County Area Technical College District

- Waukesha County Board Chair
- Waukesha City Mayor
- New Berlin City Mayor
- Menomonee Falls City Mayor
- Brookfield City Mayor

Nicolet Area Technical College District

- Vilas County Board Chair
- Forest County Board Chair
- Oneida County Board Chair
- Rhinelander City Mayor
- Tomahawk City Mayor

Western Technical College District

- Vernon County Board Chair
- Juneau County Board Chair
- Trempealeau County Board Chair
- La Crosse County Board Chair
- Monroe County Board Chair

Northcentral Technical College District

- Menomonee County Board Chair
- Price County Board Chair
- Taylor County Board Chair
- Langlade County Board Chair
- Antigo City Mayor

Wisconsin Indianhead Technical College District

- St. Croix County Board Chair
- Douglas County Board Chair
- Ashland County Board Chair
- Barron County Board Chair
- Polk County Board Chair

Northeast Wisconsin Technical College District

- Brown County Board Chair
- Door County Board Chair
- Kewaunee County Board Chair
- Oconto County Board Chair
- Marinette County Board Chair

Southwest Wisconsin Technical College District

- Grant County Board Chair
- Lafayette County Board Chair
- Iowa County Board Chair
- Platteville City Mayor
- Prairie Du Chien City Mayor

