

# Here's the information you requested. To continue receiving WISTAX research . . .

## Join the Wisconsin Taxpayers Alliance.

Now in its 8th decade, WISTAX is a nonprofit, nonpartisan organization dedicated to policy research and citizen education. WISTAX is Wisconsin's only statewide government watchdog. It is *the* independent source that the public, press and public officials look to for the truth about state and local government.

WISTAX cuts through political rhetoric to give you facts. Armed with WISTAX facts, Wisconsin voters can do their job—keep government honest, efficient and accountable.

## What are the benefits of WISTAX membership?

Sign up for one-year membership with WISTAX and keep yourself informed! Membership includes:

- 28 issues of our bimonthly newsletter—  
in-depth analysis of breaking news;
- 12 issues of our monthly magazine—read-  
able briefs on Wisconsin government;
- Annual tax guide;
- Reduced prices on special publications;
- Access to first-rate research staff.

**Your membership helps ensure responsible government for Wisconsin.**



### Wisconsin Taxpayers Alliance

401 North Lawn Avenue • Madison, WI 53704-5033  
Phone: 608.241.9789 Fax: 608.241.5807

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City/Zip: \_\_\_\_\_

I want to become an annual member of WISTAX (\$75 minimum)! I am contributing:

\$75 \_\_\_\_\_ \$100 \_\_\_\_\_ \$250 \_\_\_\_\_ \$500 \_\_\_\_\_ Other \$ \_\_\_\_\_

Payment enclosed     Visa/MC # \_\_\_\_\_ Exp. \_\_\_\_\_

Info Request



A monthly review of Wisconsin government, taxes and public finance

# The Wisconsin Taxpayer



## Also in this issue:

State Doesn't Tax Poor

Retirement Contribution Rates To Rise

Political Check-Off Programs Ranked

Federal Spending in Wisconsin Counties

## Technical Colleges in Wisconsin

*Wisconsin's technical colleges enrolled more than 63,000 FTE students in 2001-02. Per student operating expenditures rose 65.5%, or 5.2% per year, over the 10 years ending in 2001-02. While taxpayer support for technical colleges increased 83.2% over the 10 years studied, tuition rose less than 68%.*

**T**he first vocational, technical and adult education system in the nation was established in Wisconsin in 1911. Its purpose was to provide part-time educational opportunities for individuals not enrolled in secondary or post-secondary schools.

Originally run by public school systems or separate city-wide technical school districts, by 1965 the system had been transformed into a statewide organization of technical college districts overseen by a state board. In 1994, the system's name was changed to the Wisconsin Technical College System (WTCS).

WTCS has grown into a large public enterprise. In 2001-02, Wisconsin's 16 technical colleges had approximately 63,000 full-time equivalent (FTE) students, more than 10,000 FTE employees, and revenues totalling more than \$1.1 billion.

## State Among Leaders at Not Taxing Poor

Wisconsin's income tax system in 2002 was among the most generous for low-income families. According to the Center on Budget and Policy Priorities, Wisconsin was one of four states that relied heavily on individual income taxes for revenues, but had "negative" income taxes for poor families. The others were Massachusetts, New York and Maryland.

A single-parent family of three earning poverty-level wages (\$14,351) in Wisconsin received a state income tax credit of \$415 due to the state's Earned Income Tax Credit and other refundable state income tax credits

**Net State Inc. Taxes for Low-Income Families**  
Tax Year 2002

	Poverty Wages		Minimum Wage	
	1-Parent Fam. of 3	2-Parent Fam. of 4	1-Parent Fam. of 3	2-Parent Fam. of 4
Ill.	\$52	\$145	\$0	\$0
Iowa	0	63	0	0
Mich.	170	213	21	0
Minn.	-1,035	-1,447	-1,035	-1,035
Wis.	-415	-423	-580	-580

(see table). That ranked the state 8th best nationally. Minnesota was second with a credit of \$1,035. A single-parent family of three earning minimum wage (\$10,712 in Wisconsin) received an income tax credit of \$580, also 8th most generous. In Michigan, this family paid \$21 in income tax; in Illinois and Iowa, it paid zero. □

## Retirement Contribution Rates To Rise

Due to lower-than-expected investment returns and the effects of changes to the state retirement system in 1999, contribution rates to the system will rise in 2004. The increases, which range from 0.4 to 1.6 percentage points, will raise employee benefit costs for the state and participating local governments and schools in 2004. Most employers that use the system pay both the employer share and the employee share of retirement. In these cases, the entire increase will be passed on to the public employer. □

## Political Check-Off Programs Ranked

Wisconsin was one of 20 states with a "check-off" for political campaigns on its 2001 income tax form. In the Badger State, taxpayers could check a box to donate \$1 per taxpayer to help finance political campaigns. According to the Federation of Tax Administrators, the check-off was utilized on 9.1% of Wisconsin returns in 2001, 6th highest in the nation. However, the average contribution was only \$1.41, or 15th nationally. □

# The Wisconsin Taxpayer

July 2003 Vol. 71 No. 7

Publication Number USPS 688-800

Periodical postage paid

at Madison, Wisconsin

### Subscription Price:

One Year, \$12; Three Years, \$28

Published each month by the Wisconsin Taxpayers Alliance

### Postmaster:

Send address changes to *The Wisconsin Taxpayer*, 335 West Wilson Street, Madison, Wisconsin 53703-3694 phone: 608-255-4581 fax: 608-255-0642 e-mail: wistax@wistax.org website: www.wistax.org

### Officers and Board of Directors:

Dennis J. Kuester, Chair, Milwaukee; Dale R. Schuh, Vice Chair, Stevens Point; Jere D. McGaffey, Secretary-Treasurer, Milwaukee

M.D. Bugher, Madison; M.A. Cullen, Janesville; A.P. Diotte, Janesville; C.W. Knox, Jefferson; S.W. Orr, Jr., Wausau; R.J. O'Toole, Milwaukee; P.M. Platten, III, Green Bay; J.D. Quick, Manitowoc; J.B. Torinus, Jr., West Bend; W.T. Walker, Racine; J.B. Williams, Milwaukee; R.L. Fitzsimonds (*Emeritus*), Milwaukee

### Staff:

Todd A. Berry, President; Joan Bleifuhs; Sandy Denson; Melissa DoBas; Jo A. Egelhoff, Development Director; Dale J. Knapp, Research Director; Sandra Mumm, Business Manager; Beulah M. Poulter, Operations Director; Richard G. Sheil, Research Associate

The Wisconsin Taxpayers Alliance, founded in 1932, is the state's oldest and most respected private government-research organization. Through its publications, civic lectures and school talks, WISTAX aims to improve Wisconsin government through citizen education. Nonprofit, nonpartisan and independently funded, WISTAX is not affiliated with any group—national, state or local—and receives no government support.

# Technical Colleges in Wisconsin

*Continued from front cover*

## GOVERNANCE

WTCS operates under a system of shared governance between the WTCS Board and 16 individual district boards.

### State Board

The state board consists of 13 members. Ten are appointed by the governor: an employer representative; an employee representative; a farm representative; six public representatives; and a student member. Also on the WTCS board are the Secretary of the Department of Workforce Development, the State Superintendent of Public Instruction, and the President of the University of Wisconsin System Board of Regents.

By law, the board is responsible for planning and coordinating the system's programs and activities. Among other things, it certifies educational personnel, oversees programs and courses, sets fees, reviews and approves building plans, and distributes state aid.

### District Boards

There are 16 technical college districts in Wisconsin, with more than 75 main and satellite campuses (see map). Each district is governed by a nine-member board. Members are appointed, not elected, and must include: two employers; two employees; three public members; a school district administrator; and a state or local elected official.

Appointments to the boards are made by local committees comprised of county board chairs in 13 districts and school board presidents in three districts (Milwaukee, South-

Wisconsin's Technical College Districts



west and Fox Valley). Statutory duties of district boards include hiring staff, developing or eliminating programs (with WTCS board approval), developing an annual budget, setting a property tax levy, seeking grants, admitting students, purchasing, contracting and building maintenance.

## PROGRAMS

There are four main program areas at some or all of Wisconsin's technical colleges. Only three colleges (Madison, Milwaukee and Nicolet) offer two-year *college transfer* pro-

grams in which liberal arts credits can be transferred and applied to a baccalaureate degree at a four-year university. State law limits the size of these programs to no more than 25% of the total credit hours offered by the district.

*Associate degree* programs are two-year post high school programs. Specific course requirements are established by the WTCS board. Among the most popular associate degree programs are nursing, accounting, computer information services, marketing and criminal justice.

*Technical diplomas*, formerly called vocational diplomas, are granted in programs that can be completed in one to two years. They include various apprenticeship programs. Among the most popular are nursing assistant, farm business and production management, practical nursing, emergency medical technician, and medical assistant.

*Continuing education* programs are part-time programs comprised of vocational-adult, basic skills education, and community services. They include avocational or hobby courses and activities.

## ENROLLMENTS

The long-term fluctuations in the number of students enrolled in Wisconsin's technical colleges primarily reflect the state's economic conditions. During times of economic slowdown, enrollments rise as residents try to upgrade their skills for the next economic expansion.

The chart below shows FTE enrollments from 1977 through 2002. Enrollments rose significantly just prior to and during the recessions of the early 1980's and 1990's, and prior to the current economic slowdown. Conversely, enrollments fell during the economic expansions of the 1980's and 1990's.

### By District

Milwaukee Area Technical College is the state's largest technical college, enrolling more than 12,500 FTE students in 2001-02 (see table on page 5). Other large technical colleges are Madison (8,805), Fox Valley (5,314), Northeast (4,686) and Gateway (4,520).

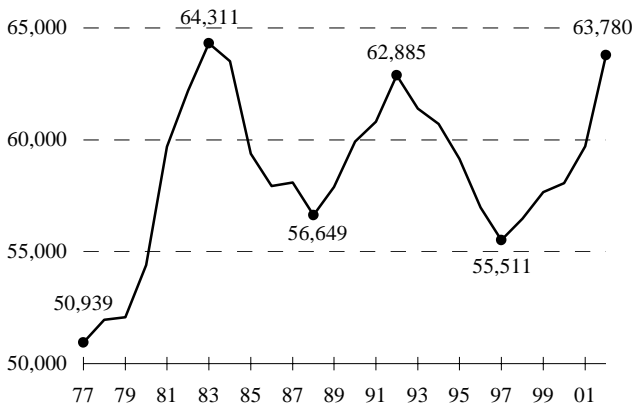
Relative to the resident population of the district, Western Wisconsin Technical College was the most used (FTE enrollment equal to 1.57% of population), followed by Nicolet (1.41%), Madison (1.34%) and Chippewa Valley (1.25%). Waukesha County (0.97%) was the least used. The statewide average was 1.18%.

If headcount is used to measure participation, Nicolet (12.8% of population) was the most used, followed by Fox Valley (12.6%) and Northeast (10.4%). Milwaukee (5.6%) was least used. The state average was 8.4%.

### By Program Area

The associate degree program is the largest of the four program areas. More than 37,000 FTE students, or 58.7% of the total, were working on an associate degree in 2001-

**Tech. College Enrollments Fluctuate, 1977 - 2002**  
Full-Time Equivalent Students by Academic Year



**Wisconsin Tech. College Enrollments**  
Full-Time Equivalent by Program, 2001-02 and 10-Year Change

	<b>College Transfer</b>		<b>Associate Degree</b>		<b>Technical Diploma</b>		<b>Continuing Education</b>		<b>Total</b>	
	10-Yr.		10-Yr.		10-Yr.		10-Yr.		10-Yr.	
	FTE	% Chg.	FTE	% Chg.	FTE	% Chg.	FTE	% Chg.	FTE	% Chg.
Blackhawk	0	na	1,173	10.9%	319	-66.4%	356	78.9%	1,848	-16.3%
Chippewa Valley	0	na	2,347	16.6	594	-24.8	575	-12.9	3,516	1.5
Fox Valley	0	na	3,344	15.8	753	-41.7	1,217	97.6	5,314	10.8
Gateway	0	na	2,903	26.2	528	-60.7	1,089	225.1	4,520	13.5
Indianhead	0	na	1,803	43.8	572	-45.2	516	56.8	2,891	10.1
Lakeshore	0	na	1,221	-1.1	278	-60.2	628	107.3	2,127	-4.9
Madison	2,370	26.5%	4,308	12.5	1,065	-17.9	1,062	-28.7	8,805	3.7
Mid-State	0	na	1,412	33.6	312	-65.2	311	114.5	2,035	-3.0
Milwaukee	2,560	9.3	6,135	-10.0	1,128	-53.0	2,681	38.2	12,504	-7.4
Moraine Park	0	na	1,814	0.6	744	-29.2	387	184.6	2,945	-1.5
Nicolet	314	9.0	492	24.9	124	-53.2	229	92.4	1,159	8.7
Northcentral	0	na	1,686	9.1	268	-64.3	686	216.1	2,640	5.1
Northeast	0	na	3,135	16.3	784	-38.4	767	22.7	4,686	2.0
Southwest	0	na	807	52.0	313	-33.8	251	12.1	1,371	11.6
Waukesha Co.	0	na	2,192	10.3	550	-48.4	897	71.5	3,639	1.8
Western	0	na	2,655	32.9	454	-64.6	671	181.9	3,780	7.4
<b>Total</b>	<b>5,244</b>	<b>16.4%</b>	<b>37,427</b>	<b>12.0%</b>	<b>8,786</b>	<b>-47.9%</b>	<b>12,323</b>	<b>52.2%</b>	<b>63,780</b>	<b>1.4%</b>

02. In Western, more than 70% of the students were in the associate degree program.

Continuing education was the second-largest program area, enrolling more than 12,300 FTE students, or 19.3% of the total. More than 60% took courses primarily related to basic skills education or courses for the visually or hearing impaired. In Lakeshore, continuing education comprised nearly 30% of FTE enrollments; in Madison and Moraine Park it was less than 15%.

The technical diploma area enrolled 8,786 students in 2001-02, or 13.8% of the total. Relative to total FTE enrollments, technical diplomas ranged from 9.0% of enrollments in Milwaukee to 25.3% in Moraine Park.

Enrollments in the college transfer programs comprised 26.9% of total enrollments in the Madison district; 20.5% in Milwaukee; and 27.1% in Nicolet.

### Ten-Year Changes

In the first five years following the 1991-92 peak, enrollments declined more than 7,300 students. Since 1997, they have risen 8,269 to their highest level since 1983.

Over the 10-year period studied, college transfer participation rose 16.4%, associate degree enrollments climbed 12.0% and continuing education was up 52.2%. However, the number of students studying in technical degree programs dropped by about half.

*By District.* While total enrollments were up 1.4% statewide over the 10 years, there was wide fluctuation among districts. The largest percentage growth was in Gateway, where student populations increased 13.5%. There, continuing education enrollments rose 225.1% and associate degree populations were up 26.2%, but technical diplomas declined more than 60%. Other

districts with more than a 10% increase in the number of students were Southwest (11.6%), Fox Valley (10.8%) and Indianhead (10.1%).

Five districts experienced enrollment declines. The largest percentage decline was in Blackhawk, where student populations dropped 16.3%. The decline was driven by a 66.4% reduction in the number of students working on technical diplomas. Other districts with enrollment declines were Milwaukee (-7.4%), Lakeshore (-4.9%), Mid-State (-3.0%) and Moraine Park (-1.5%).

## STAFFING

In 2001-02, Wisconsin's technical colleges employed 10,122 FTE staff. Teaching positions accounted for 47.6% of technical college staff. There was one teacher for every 13.2 students in 2001-02, with a range from 10.3 in Southwest to 16.8 in Northeast.

Administrators, supervisors and coordinators accounted for 5.2% of staff. In Northeast, this staffing category was only 2.6% of total FTE employees. In Fox Valley, it was 10.8%.

The smallest staffing category was specialists, comprising only 1.9% of technical college staff. In Gateway, specialists totalled

5.5% of all staff; in Milwaukee and Indianhead, they were less than 1%.

The "other staff" category, which totalled 45.3% of employees, is support staff, such as clerical, custodial and maintenance personnel. In 2001-02, 53.8% of Nicolet's staff were in this category, while less than 40% were in this staff group in Southwest and Gateway.

## Ten-Year Changes

While the number of FTE students increased 1.4% over the 10-year period ending in 2001-02, the total number of staff climbed 11.8%. The number of administrators, supervisors and coordinators increased 18.3%; other staff rose 12.6%; teachers rose 10.7%; and specialists were up 6.9%.

Because the number of teachers increased faster than the number of students, the average student-teacher ratio fell from 14.5 in 1991-92 to 13.2 in 2001-02. Student-teacher ratios fell in 11 of the 16 districts. The largest declines were in Milwaukee and Moraine Park, where ratios fell more than 20%. Student-teacher ratios rose over the 10 years in Chippewa Valley, Lakeshore, Fox Valley, Northeast and Indianhead.

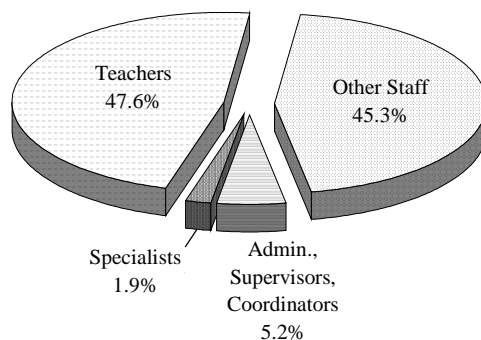
## REVENUES

Wisconsin's technical colleges are funded from several sources: local property taxes; state aids; federal revenues; program and materials fees; institutional (e.g., contract revenue); and other sources, such as debt proceeds and monies from fund balances. In 2001-02, total technical college revenues were \$1.14 billion, up 84.3% from 10 years earlier.

## Property Taxes

Technical colleges levied \$511.6 million in local property taxes in 2001-02. That was more than twice the amount levied in 1991-

**Teachers Less Than Half Tech. College Staff**  
2001-02 Full-Time Equivalents = 10,122



92 (\$251.2 million). The largest 10-year levy increases were in Northeast (up 158.0% to \$39.5 million) and Western (156.9%, \$24.0 million). Southwest (up 56.3% to \$8.9 million) and Milwaukee (67.9%, \$101.2 million) had the smallest.

On a per student basis, property tax revenues averaged \$8,021 in 2001-02, more than double the 1991-92 amount (see table below). Two districts levied more than \$10,000 per student: Waukesha County (\$12,692); and Nicolet (\$11,853).

Technical colleges have two property tax levies, one for operating expenses and one for debt service.

*Operating Levies.* A technical college's operating levy is capped by state law at \$1.50 per \$1,000 equalized property value. Rising property values from 1991 through 2001 have expanded the room most districts have un-

der the property tax limit. In 1991-92, 10 districts were at their operating levy limits, and Western was within one penny. By 2001-02, only Western, Southwest and Milwaukee were at this limit. The lowest 2001-02 rates were in Indianhead (\$1.087 per \$1,000 of equalized value) and Nicolet (\$1.179).

Despite the general decline in property tax rates, operating levies have risen significantly. Statewide, operating levies were 90.5% higher in 2001-02 than 10 years earlier. Over the same period, state personal income rose 70.6% and inflation was 30.0%.

Six technical college districts had levies that more than doubled over the 10 years. Nicolet (141.6%) had the largest increase in operating levy, followed by Chippewa Valley (116.8%), Madison (112.0%), Gateway (105.4%), Northeast (103.8%) and North Central (101.2%).

**Property Taxes Increasingly Used To Fund Tech. Colleges**  
Per FTE Student Revenues, 2001-02 and 10-Year Change

	Property Tax		State Aids		Student Fees		Other		Total	
	Amt.	10-Yr. % Chg.	Amt.	10-Yr. % Chg.	Amt.	10-Yr. % Chg.	Amt.	10-Yr. % Chg.	Amt.	10-Yr. % Chg.
Blackhawk	\$7,546	123.4%	\$2,334	41.3%	\$1,942	91.6%	\$3,536	123.4%	\$15,358	99.2%
Chippewa Valley	6,941	132.1	2,434	8.1	2,015	65.9	3,276	132.1	14,667	66.6
Fox Valley	7,803	95.7	2,703	51.2	1,943	57.1	7,871	95.7	20,320	62.2
Gateway	8,976	76.3	2,117	54.1	1,854	66.2	4,349	76.3	17,297	68.8
Indianhead	8,413	80.5	1,555	-11.7	2,652	91.8	4,462	80.5	17,082	62.6
Lakeshore	7,576	108.0	2,431	32.1	1,710	47.0	4,203	108.0	15,920	80.1
Madison	6,728	108.8	1,860	25.4	2,246	73.2	4,115	108.8	14,949	76.0
Mid-State	6,598	91.5	2,229	26.7	1,952	80.6	4,143	91.5	14,922	79.3
Milwaukee	8,097	81.3	2,905	36.5	1,928	61.7	6,194	81.3	19,124	75.8
Moraine Park	8,438	108.0	2,243	54.6	1,746	68.4	5,908	108.0	18,336	125.6
Nicolet	11,853	113.0	2,099	-4.7	2,058	70.0	4,947	113.0	20,957	86.6
Northcentral	7,493	127.5	2,913	46.0	1,829	59.8	6,615	127.5	18,850	88.6
Northeast	8,421	152.9	2,067	54.0	2,217	83.5	6,353	152.9	19,058	102.9
Southwest	6,483	40.0	3,119	21.0	1,906	67.0	6,023	40.0	17,531	44.5
Waukesha Co.	12,692	105.9	2,154	65.6	1,923	55.4	3,875	105.9	20,644	95.6
Western	6,339	139.2	3,871	55.9	2,012	81.0	7,276	139.2	19,497	131.9
Average *	\$8,021	100.8%	\$2,460	36.1%	\$2,015	69.0%	\$5,389	100.8%	\$17,885	81.7%

\*Weighted average based on number of FTE students.

Per student, operating levies climbed 87.9%. The largest per student increases were in Nicolet (122.2%), Blackhawk (117.3%), Chippewa Valley (113.5%) and Madison (104.4%).

*Debt Levies.* Debt levies, which are not limited by the \$1.50 property tax rate limit, rose faster than operating levies over the 10 years studied. Statewide, levies for debt rose 178.0%. In 1992, debt levies averaged 12.7% of total technical college property taxes. That percentage rose to 16.4% in 2002.

On a per student basis, debt levies averaged \$1,647, which was 174.1% higher than 10 years earlier. The largest increase was in Northeast, where the debt levy per student rose from \$145 in 1991-92 to \$2,058 in 2001-02 due largely to voter-approved building referenda.

relied on local property taxes for more than half their 2001-02 revenues.

### State Aids

State aids are provided to technical colleges in the form of unrestricted general aid and through categorical aids, which support specific programs. General aids, which represent about 85% of state dollars provided to technical colleges, are distributed through a formula that takes into account district costs, enrollment and property values. Districts with less equalized value per student have a greater share of their costs aided than districts with above-average values. State dollars to technical colleges totalled \$156.9 million, or 13.8% of total revenues.

Over the 10 years studied, state dollars to technical colleges rose 38.0%. Combined state and local tax dollars accounted for 58.6% of total revenues in 2001-02, about the same as the 58.9% in 1991-92.

State aids to technical colleges averaged \$2,460 per student in 2001-02. Indianhead received the least (\$1,555), while Western got the most (\$3,871).

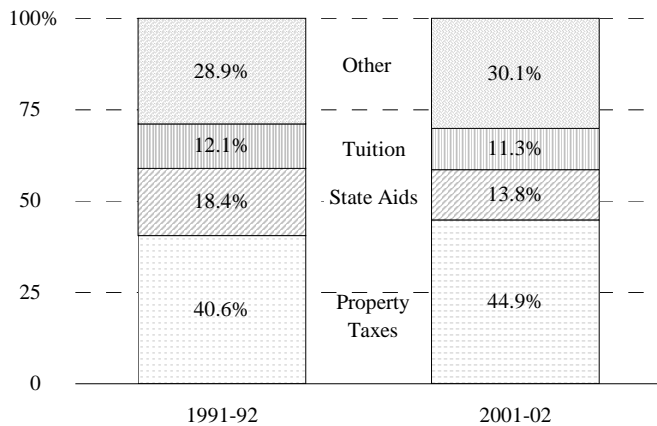
### Student Fees

Student fees, which include program and materials fees, were 11.3% of revenues in 2001-02. Ten years earlier, they averaged 12.1% of revenues. Per student, fees averaged \$2,015, up 69.0% from 1991-92. The per student fee amount in a particular district will depend on the share of nonresident students and program mix.

In 1975, the Wisconsin legislature established a statutory tuition policy for the WTCS board. Each year, the board sets separate resident tuition rates for post-secondary and vocational-adult courses (PV) and college transfer (CP) courses.

The resident tuition rates for PV courses must generate revenue of at least 14% of

**Tech. Colleges Increasingly Rely on Property Taxes**  
Revenue Shares, 1991-92 and 2001-02



*Share of Total Revenues.* Property taxes represented 44.9% of total technical college revenues in 2002 (see chart above). That was up from 40.6% in 1992. In Waukesha County, property taxes were more than 60% of total revenues, and more than 55% in Nicolet. These were the only districts that

**Wisconsin Tech. College Spending**  
Per FTE Student, 2001-02 and 10-Year Change

	<b>College Transfer</b>		<b>Assoc. Degree</b>		<b>Tech. Diploma</b>		<b>Continuing Ed.</b>	
	Amt.	% Chg.	Amt.	% Chg.	Amt.	% Chg.	Amt.	% Chg.
Blackhawk	na	na	\$10,355	95.5%	\$14,007	102.2%	\$10,423	124.6%
Chippewa Valley	na	na	9,357	73.2	13,470	53.0	9,261	36.2
Fox Valley	na	na	11,336	75.2	17,518	111.3	11,246	43.1
Gateway	na	na	11,359	49.7	17,441	108.9	9,855	26.0
Indianhead	na	na	10,554	61.1	14,052	60.7	10,287	97.6
Lakeshore	na	na	10,988	75.9	15,928	101.2	9,814	23.9
Madison	\$7,202	71.8%	10,731	64.0	15,565	68.3	9,385	107.4
Mid-State	na	na	9,972	73.3	14,089	113.4	9,426	76.9
Milwaukee	8,849	102.6	11,209	65.9	15,884	83.9	11,371	35.6
Moraine Park	na	na	10,993	87.3	12,169	61.3	10,313	27.4
Nicolet	12,580	78.4	14,735	77.1	20,747	113.1	14,837	88.5
Northcentral	na	na	11,146	71.2	15,039	71.1	10,306	39.4
Northeast	na	na	9,126	81.9	17,145	96.1	13,531	120.6
Southwest	na	na	10,420	49.2	13,029	29.0	10,609	76.3
Waukesha Co.	na	na	14,985	90.0	19,938	97.3	13,508	83.7
Western	na	na	9,438	59.5	16,257	139.6	8,741	66.7
Average*	\$8,328	86.4%	\$10,886	69.6%	\$15,678	87.3%	\$10,857	60.8%

\*Weighted average based on number of FTE students.

the statewide operational costs of the programs. For CP courses, that percentage is 31%. Out-of-state students pay 100% of program costs.

In 2001-02, tuition and fees averaged 26.4% of the cost of instruction. By comparison, undergraduate resident tuition in the UW system averaged 37.5% of instructional costs in 2001-02. It was 39.7% at UW Madison, 36.8% at the four-year comprehensive campuses, and 38.3% at the two-year UW colleges.

In 2001-02, resident tuition was set at \$64 per credit for PV programs and \$90 per credit for the CP program. While taxpayer support for technical colleges rose 83.2% over the 10 years studied, tuition rose 62.5% for nonresident PV, 64.5% for resident PV, 65.5% for nonresident CP and 67.3% for resident CP.

As a comparison, resident undergraduate tuition at UW Madison rose 83.4% from 1991-92 through 2001-02. At the state's four-year comprehensive campuses, resident tuition rose 75.7%. For nonresidents, tuition increased 128.1% at UW Madison and 112.4% at the comprehensive campuses.

### Other Revenues

Technical colleges also receive federal revenues, monies from contracting of services, and other miscellaneous revenues. In 2001-02, these funds were 30.1% of total revenues.

### SPENDING

Technical colleges are required to report their operating expenses each year by program area. On average, technical diplomas are the most expensive programs; college

transfer programs are the least expensive (see table on page 9).

### By Program Area

*Technical Diplomas.* On average, it cost technical colleges over \$15,000 per FTE technical diploma student. However, that

---

## Per student operating expenditures in Wisconsin technical colleges rose 65.5% over the 10-year period studied.

amount varied by district. At Moraine Park, expenditures were \$12,169 per student. In the Nicolet and Waukesha County districts, costs were near \$20,000 per student.

*Associate Degree.* The second-most costly program was the associate degree program. The statewide average cost for an associate degree was \$10,886. Four districts held costs under \$10,000 per student (Chippewa Valley, Mid-State, Northeast and Western). The most expensive associate programs were in Waukesha County (\$14,985) and Nicolet (\$14,735).

*Continuing Education.* Average costs for continuing education programs are about the same as for the associate degree program. The statewide average was \$10,857, but costs varied from \$8,741 in Western to more than \$13,000 in Nicolet, Northeast and Waukesha County.

*College Transfer.* The college transfer programs are the least expensive to administer, averaging \$8,328 in 2001-02. The programs in Madison and Milwaukee averaged less than \$9,000 per student. However, Nicolet spent more than \$12,500 per student on this program.

### Ten-Year Changes

Total operating expenditures rose 67.9% over the 10 years. On a per student basis,

they were up 65.5%. However, because costs vary by program area, variations in enrollments among the programs can affect the overall change. Thus, per student spending changes are examined by program area.

*Technical Diplomas.* While technical diploma programs are the most expensive, their costs also increased the most. On average, technical diploma program costs per student rose 87.3% over the 10 years ending in 2001-02. In Western, costs jumped nearly 140%, an average of 9.1% per year. In seven districts, costs in this program more than doubled.

In Southwest, operating costs increased only 29.0%. In Chippewa Valley, the rise was 53.0%.

*Associate Degree.* The per student operating costs of associate degree programs rose 69.6%. Increases ranged from less than 50% in Gateway and Southwest to 90% or more in Blackhawk and Waukesha County.

*Continuing Education.* Operating costs for continuing education programs rose the smallest percentage (60.8%). They more than doubled in three districts (Blackhawk, Madison and Northeast). The smallest 10-year rise was in Lakeshore, where per student costs were up 23.9%.

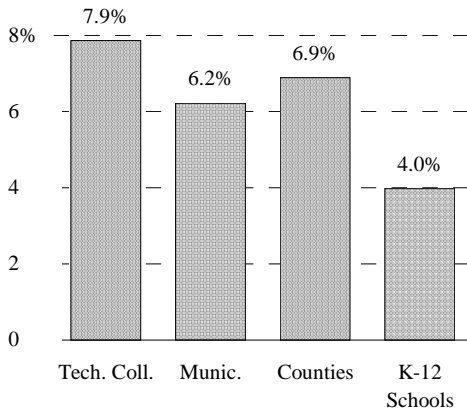
*College Transfer.* College transfer programs increased the second-highest percentage (86.4%). Per student costs in Milwaukee more than doubled, while those in Madison and Nicolet increased less than 80%.

## FUTURE ISSUES

State budget difficulties, public discontent over property taxes and the coming decline in the post-secondary age population all pose questions for higher education in Wisconsin, including technical colleges.

## Tech. College Levies Outpace Others

Avg. Annual Increase, 1997 - 2002



### Funding

One question relates to funding of technical colleges. In the past five years, technical college levies rose faster (7.9% per year) than those imposed by municipalities (6.2% per year), counties (6.9% per year) and school districts (4.0% per year). Of course, the smaller increase in school taxes is due principally to higher state aid to school districts and state-imposed revenue caps.

The use of the property tax to fund technical colleges has long been debated. Many people do not support using it to pay for such purposes. Some point to the state's relatively high property taxes (23% above U.S. average). Others suggest the property tax is best suited to funding local services to property, such as garbage pick-up and street maintenance.

Regardless of the reason, those opposed to technical college property taxes most often suggest some combination of higher tuition coupled with increased financial aid and greater state tax support, as an alternative. There is even occasional mention of earmarking the corporate income tax for technical college funding.

### Governance

One of the reasons that there is some opposition to a technical college levy is that

the boards that impose the tax are not elected. Invoking the notion of "taxation without representation," those advocating this point of view believe that, like municipalities, counties and school districts, technical college district boards should be elected by the voters.

Were the funding of technical colleges shifted to state taxes and tuition, that, too, would raise issues of governance. Should the local boards retain primary governing authority? Regardless, should greater authority be entrusted to a state governing board as is done with the UW regents? Or, should the state consider entrusting the making of statewide education policy to a unified governing board that would oversee both the UW System and WCTS?

### Coordination

Still another issue mentioned in the context of technical colleges concerns their ties, or lack thereof, to secondary schools and to the two-year UW colleges.

Some say the linkages between high schools and technical colleges need to be more seamless, so students wishing to earn a technical college degree could, to an even greater extent, begin that work before earning a high school diploma.

Others suggest that the two-year UW colleges and the technical colleges need to be combined into a single "community college-like" system to facilitate greater efficiency and less duplication. In some cities, the two institutions are located next to each other, e.g., Fond du Lac and Rice Lake. In three, technical colleges are offering college transfer courses that duplicate work of UW colleges. □

---

### DATA SOURCE

Wisconsin Technical College System, Legislative Fiscal Bureau, and WISTAX calculations.

## Federal Spending in Wisconsin Counties

Federal spending in Wisconsin totalled \$5,301 per person in 2002, ranking the state 49th nationally, according to a recent U.S. Census Bureau report. The Badger State ranked last in federal salaries and wages (\$315 per capita), 45th in procurements (\$347), 39th in retirement and disability (\$2,051), 35th in other direct payments (\$1,255) and 32nd in federal grants (\$1,333).

In Wisconsin, 44.0% of federal spending occurred in 14 counties, which represented less than one-third of the state's population. And, 38.0% of the spending was in just three counties (Milwaukee, Dane and Winnebago), which comprised 28.3% of the state's population.

Among Wisconsin's counties, Menominee (\$10,861) received the most federal dollars per capita, more than double the state average. Sawyer (\$8,181), Dane (\$7,664), Winnebago (\$7,520) and Monroe (\$7,481) completed the top five. Menominee and Sawyer have significant tribal populations.

As shown below, Calumet county (\$2,405) had the lowest amount of federal spending per capita in the state. Also among the bottom five were St. Croix (\$2,612), Washington (\$2,922), Dodge (\$2,998) and Waukesha (\$3,251).

The largest per capita federal expenditures on retirement and disability were in Washburn (\$3,552), Marquette (\$3,439) and Vilas (\$3,256) counties. Menominee (\$7,271) had more than five times the state average (\$1,333) in grants per capita. Dane (\$4,284) and Ashland (\$2,276) were also significantly above the state average.

The most federal procurements were in Winnebago county (\$3,895). Kewaunee (\$2,728), Marinette (\$2,125) and Sawyer (\$1,743) were the only other counties with procurements exceeding \$1,000 per capita.

A complete table of federal spending by Wisconsin counties is available at [www.wistax.org](http://www.wistax.org). □

### Per Capita Federal Spending Varies 2002 Fiscal Year, State Avg. = \$5,301

<u>Highest</u>		<u>Lowest</u>	
Menominee	\$10,861	Waukesha	\$3,251
Sawyer	8,181	Dodge	2,998
Dane	7,664	Washington	2,922
Winnebago	7,520	St. Croix	2,612
Monroe	7,481	Calumet	2,405

---

## Wisconsin Taxpayers Alliance

335 W. Wilson St., Madison, WI 53703-3694  
608.255.4581 • [www.wistax.org](http://www.wistax.org)

PERIODICALS  
USPS 688-800