



Rebuilding the Economy; Expanding Opportunity

2021-23 Biennial Budget Initiative

Issue

Wisconsin Technical College System (WTCS) is Wisconsin's workforce and opportunity pipeline. Additional dedicated investment in Wisconsin's technical colleges is required to help re-start Wisconsin's economy by providing short-term credentials to meet Wisconsin's essential workforce needs, targeting adult basic education students who were excluded from receiving federal higher education pandemic assistance and are more likely to be under or unemployed and face multiple barriers to employment. In addition, greater educational opportunity and equity can be achieved by removing the artificial barrier that prevents 11 of Wisconsin's 16 technical colleges from offering Associate of Arts or Associate of Science degree programs.

Background

Providing Wisconsin's essential workforce.

Wisconsin's technical colleges provide education and training to Wisconsin's essential workers, which during the early days of the COVID pandemic included first responders such as police, fire, emergency medical technicians and paramedics, as well as those in health occupations, such as nurses, medical assistants and respiratory therapists. Despite the unprecedented disruptions caused by the COVID-19 pandemic, Wisconsin's technical colleges adapted instruction in real-time to assure a steady flow of skilled health care and first responders to work on the front lines of the COVID-19 outbreak. The majority of instruction and student services were temporarily shifted to online. Interim distancing protocols were put in place for labs and other face-to-face learning requirements, enabling over 3,000 essential health care professionals and first responders to graduate and enter Wisconsin's workforce in the spring and summer of 2020.

Restarting Wisconsin's economy; rebuilding our workforce.

The COVID-19 pandemic will have profound effects on Wisconsin's economy. Nationally, it is estimated that 42 percent of recent pandemic-related job layoffs will be permanent.¹ Economists believe these layoffs are accelerating a labor market shift that was already underway. As noted in a recent Wall Street Journal article, "The coronavirus pandemic is forcing

¹ Barrero, Jose Maria, Bloom, Nick and Steven J. Davis. [COVID-19 Is Also a Reallocation Shock](#). Becker Friedman Institute, University of Chicago, Working Paper no. 2020-59, May 2020.

the fastest reallocation of labor since World War II, with companies and governments mobilizing an army of idled workers into new activities that are urgently needed.”² Wisconsin’s technical colleges can immediately help Wisconsin workers find employment by accessing reskilling and retraining opportunities through short-term certificates (i.e., less than one year) in essential and well-paying fields such as healthcare, protective services, manufacturing, information technology, telecommunications, transportation and logistics.

The CARES Act underfunded two-year colleges and excluded ABE students and ELL learners.

WTCS serves some of the most economically distressed individuals, with many of students significantly impacted by the pandemic. However, the federal allocation formula for distributing higher education funding directly to colleges under the CARES Act disadvantaged two-year institutions such as WTCS with a large percentage of part-time students.³ WTCS colleges received \$20.1 million in Section 18004(1)(a) CARES Act funding that must be used for emergency student aid for WTCS students.^{4,5} However, the U.S. Department of Education required that students receiving the CARES emergency student aid are eligible to receive Title IV funding (i.e., federal financial aid). It is estimated that almost 36,000 WTCS adult basic education (ABE) and over 7,000 English language learning (ELL) students were excluded from receiving CARES Act emergency student aid because they were not Title IV eligible.⁶

Additional investment is needed.

Meeting Wisconsin’s essential workforce needs and helping those “left out” of federal CARES Act student emergency assistance (i.e., ABE and ELL students) with educational opportunities will require increased investment by WTCS colleges. These individuals face more challenges than others due to the pandemic, including loss of employment and childcare, and a lack of technology and broadband access with the move to virtual learning environments. Effectively serving these groups and helping them to overcome barriers requires WTCS colleges to provide intensive services and offer a diversity of educational delivery systems. For some students, this

² Bender, Ruth and Matthew Dalton, 2020. “Coronavirus Pandemic Compels Historic Labor Shift: Outbreak Reshapes Job Market as Some Sectors Shut Down, Others See Demand Surge,” [Wall Street Journal](#), 29 March 2020.

³ Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136). The formula for allocating Higher Education Emergency Relief (HEERF) funds was based on full-time equivalent (FTE) rather than student headcount. As a result, the 16 colleges of WTCS account for 42% of all undergraduate headcount enrollments in Wisconsin but received only 23% of Wisconsin’s CARES HEERF funding. An analysis of CARES Act HEERF funding data from the [Center for American Progress](#), found that while public four-year and two-year systems in Wisconsin had the same percentage of Wisconsin’s 2018-19 Pell Grant recipients (i.e., 39 percent), public four-years received 53 percent of Wisconsin’s CARES Act higher education funding, while public two-years received just 23 percent.

⁴ WTCS colleges received \$20.1 million in Higher Education Emergency Relief Funding (HEERF) aid under the federal CARES Act to cover institutional expenses related to the pandemic.

⁵ WTCS colleges received \$8.05 million from Wisconsin’s allocation of CARES Section 18001 funding. In addition, 9 WTCS colleges received \$1.1 million in CARES Section 18004(a)(2) funding and 1 WTCS college received \$15,000 in CARES Section 18004(a)(3) funding.

⁶ Among the requirements for Title IV eligibility is a high school degree, HSED or GED.

means providing more focused guidance and support (e.g., mental health services, childcare, etc.). For others, it means offering a diversity of educational models to accommodate different learning styles and life experiences (e.g., credit for prior learning, competency-based and blended options).

Expanding opportunity.

A healthy and growing Wisconsin economy requires a mix of educational attainment levels. WTCS, the University of Wisconsin (UWS) and the Wisconsin Association of Independent Colleges and Universities have joined together to establish a postsecondary attainment goal such that by 2027, 60 percent of Wisconsin's population aged 25 to 64 will have an educational credential beyond high school. As part of this, WTCS supports Wisconsin's continuing need for individuals to attain postsecondary credentials including baccalaureate and post-baccalaureate degrees. Currently only 5 of 16 WTCS colleges are approved to offer Associate of Arts or Associate of Science (AA/AS) degree programs: Chippewa Valley, Madison, Milwaukee, Nicolet and Western. Under Wis. Stat. 36.31(1), expanding beyond these five colleges requires the explicit approval of both the WTCS Board and UWS Board of Regents according to legislation passed in 1973.⁷

In the almost 50 years since this provision was enacted, the world has changed. This requirement is an anachronism: reflecting a time when Wisconsin distinguished its two public postsecondary systems by differentiating between the types of students each served. At the time, WTCS typically served older, returning students, pursuing degrees directly related to the workplace, while UWS tended to enroll younger students, seeking a more broad-based career preparation. Since then, students of all ages have become more demanding consumers, who want choice, flexibility and transferability in their post high school options.

AA/AS programs at WTCS campuses will never become the mainstay of technical college offerings. First, Wisconsin statutes have a firewall to prevent this: under Wis. Stat. 38.04(4)(c), courses offered under AA/AS programs cannot compose more than 25 percent of the courses approved to be offered by those technical colleges with AA/AS-programs.

In addition, the percent of AA/AS degrees awarded by the five colleges is significantly less than the percentages of applied associate degrees, and one- and two-year technical diplomas conferred by these colleges.

⁷ At that time of the enabling legislation (1973 Wisconsin Act 335) only 3 of Wisconsin's 16 technical colleges (i.e., Nicolet, Madison, Milwaukee) offered an AA/AS degree. Additional AA/AS degree programs were subsequently approved at two colleges: Chippewa Valley in 2007 and Western in 2008.

Percent of Credential Types Awarded in 2018-19

College	AA/AS Degree	Applied Associate Degree	Two-Year Technical Diploma	One-Year Technical Diploma	Short Term Technical Diploma	Totals
Chippewa Valley	0.4%	32%	2%	22%	44%	100%
Madison Area	9%	29%	1%	21%	40%	100%
Milwaukee Area	4%	42%	0%	25%	28%	100%
Nicolet Area	11%	22%	0%	22%	44%	100%
Western	1%	39%	3%	17%	40%	100%

Allowing the remaining WTCS institutions to offer an AA/AS program will not replace the opportunities currently offered by UWS institutions, as nothing requires students to complete the first two years of a four-year degree through a WTCS AA/AS program.

However, removing this requirement and allowing for the expansion of AA/AS programs to the remaining 11 WTCS colleges will help Wisconsin to:

- **Address unequal pathways to a four-year degree.** Currently students at only 5 WTCS colleges have the opportunity to enroll in a AA/AS program, while students at the remaining 11 — should they wish to transfer to a four-year institution — must navigate the intricacies of program-to-program articulation agreements between institutions, often losing credits in the process. Using estimates of each technical college district’s population, it is projected that 60 percent of Wisconsin’s population does not have access to this pathway to a four-year degree. Additionally, high school students in these 11 college districts would now have the same opportunity to earn AA/AS college credits as part of dual enrollment programs offered by WTCS, saving families money and shortening the time to college graduation.
- **Address other barriers to postsecondary opportunities.** Increasing WTCS AA/AS programs will further grow postsecondary opportunities for a wider population. Small class sizes, flexible schedules, readily available academic and support services, and other characteristics of Wisconsin’s technical colleges create learning environments that appeal to all students, including those hesitant to pursue postsecondary education. For these students, tech colleges can help them to overcome their reservations and enable them to successfully obtain additional credentials, including a baccalaureate degree.
- **Address unequal access to financial aid opportunities for students.** Students must be enrolled in an accredited degree program in order to be eligible for state and federal financial aid.⁸ Students attending the 11 WTCS colleges without an AA/AS program, but

⁸ Alternatively, they are also eligible for state and federal financial aid if they are enrolled in a program that leads to a certification, which leads to a job.

enrolled in introductory, pre-requisite courses with the intention of transferring on to a UWS institution, do not qualify for state and federal financial aid. This is especially problematic for student veterans who attend the 11 WTCS colleges. Because no accredited AA/AS degree is available on these campuses, veterans who may be taking pre-requisite courses as they transition back to civilian life on their path to a four-year degree are also unable to use their Wisconsin GI bill or federal veterans' educational benefits because they aren't enrolled in a federal Department of Veterans Affairs approved program. In another example, the UW-Madison's Badger Promise guarantees free tuition and segregated fees for Wisconsin residents whose parents did not graduate from a four-year college and who transfer to UW-Madison from partner schools, which include the five WTCS colleges with AA/AS programs. Eligible students receive grant/scholarship aid of up to two semesters of in-state tuition and segregated fees (currently \$10,534 for full-time enrollment). Those who have Federal Pell Grant eligibility at UW-Madison receive up to four semesters of in-state tuition and segregated fees (currently \$21,067 for full-time enrollment). WTCS students at the remaining 11 colleges without an AA/AS program do not have access to this opportunity.

- **Combat declining enrollments across all higher education sectors.** Expanding AA/AS programs to 11 more WTCS colleges will not “siphon off” potential students from Wisconsin's four-year institutions. These potential students can already attend a four-year program but — for a variety of reasons, including cost, family and work commitments — are currently choosing not to pursue a four-year degree. Instead, expanding WTCS AA/AS programs will engage a larger and more geographically diverse pool of non-traditional students, who typically begin their journey to a four-year degree close to home, family and community as they tend to be older, work full-time, attend school part-time and have families of their own. In addition to starting a baccalaureate degree, enrollment in a WTCS AA/AS program can also provide broader career exploration opportunities. For example, approximately 20 percent of students who initially enrolled in the AS program at Chippewa Valley between 2013 and 2017 switched out of the AS program to complete an (i.e., non AA/AS) occupational credential or enter an apprenticeship. Similarly, approximately 11 percent of the students who have enrolled in Nicolet's AA/AS programs since 2015, ended up graduating instead with an occupational credential or entering an apprenticeship program.
- **Expand educational opportunities for students of color and first-generation students.** Students of color are underrepresented at all levels of higher education. Although the percentage varies by campus, in 2018-19, 21 percent of students enrolled systemwide at WTCS colleges self-identified as persons of color. This compares with 18 percent of UWS domestic undergraduate students. The UWS percentage drops to 17.5 percent for juniors and seniors at UWS institutions. UWS transfer data from 2012-2016 (latest available) indicates WTCS is responsible for sending the second highest percentage of

undergraduate transfer students of color to the UWS. WTCS is only exceeded by the percentage of out-of-state students of color who transfer to UWS.

**Percentage of Students of Color Transferring to UW System
from Type of Sending Institution**

	2016	2015	2014	2013	2012
UW Colleges	15%	13%	13%	12%	12%
UW 4-year	15%	16%	16%	16%	17%
WTCS	28%	30%	33%	32%	30%
WI Private	6%	9%	9%	7%	9%
Out-of-State	35%	32%	29%	32%	32%
International	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%

Expanding the AA/AS program to the 11 WTCS colleges can also provide an additional transfer pathway to UWS for more first-generation college students. Using the latest enrollment figures available, WTCS enrolls over 60 percent more first-generation students than UWS. In 2019, 17,040 first-generation, first-time students enrolled in WTCS programs, while 10,578 first-generation freshmen entered a UWS institution in Fall of 2017.

Request

Greater direct investment in Wisconsin’s technical colleges is required to ensure Wisconsin’s essential workforce needs are met during the COVID-19 pandemic and to help re-start Wisconsin’s economy. Remove artificial barriers that allow and reinforce inequities in educational opportunity across the state.

Request \$12 million in GPR funding in 2021-22 and \$12 million in GPR funding for 2022-23 for a total of \$24 million for grants to district boards (Appropriation 20.292(1)(f)) to provide approximately 2,000 WTCS students each year of the biennium with education and academic support. The effort will target adult basic education students and English language learners enabling them to attain short-term credentials and help Wisconsin meet its workforce needs for essential occupations. Remove the statutory language that requires the WTCS Board and the UWS Board of Regents approve the expansion of Associate of Arts or Associate of Science degree programs at WTCS colleges.