

TECHNICAL COLLEGE SYSTEM BOARD

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY13 Adjusted Base	FY14 Recommended	% Change Over FY13	FY15 Recommended	% Change Over FY14
GPR	108,247,300	108,286,200	0.0	113,292,700	4.6
PR-F	32,841,400	32,620,400	-0.7	32,622,000	0.0
PR-O	2,145,400	1,544,800	-28.0	1,546,600	0.1
PR-S	3,061,200	3,039,800	-0.7	3,039,800	0.0
TOTAL	146,295,300	145,491,200	-0.5	150,501,100	3.4

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY13 Adjusted Base	FY14 Recommended	FTE Change Over FY13	FY15 Recommended	FTE Change Over FY14
GPR	23.25	23.25	0.00	23.25	0.00
PR-F	28.75	28.75	0.00	28.75	0.00
PR-O	11.00	6.00	-5.00	6.00	0.00
TOTAL	63.00	58.00	-5.00	58.00	0.00

AGENCY DESCRIPTION

The system board is the coordinating agency for the state technical college system. The Governor appoints 10 members of the 13-member board, with the advice and consent of the Senate. Three additional members, the State Superintendent of Public Instruction, a member of the Board of Regents and the secretary of the Department of Workforce Development, serve in an ex officio capacity. The board appoints a system president to administer the agency. Two divisions administer the agency's programs. The board establishes statewide policies and standards for the educational programs and services provided by the 16 technical college districts that cover the entire state. Each nine-member, locally-appointed district board is responsible for the direct operation of its respective school and programs and for hiring a district president. In addition, the Educational Approval Board, which regulates the operation of for-profit postsecondary schools in Wisconsin, is attached to the agency for administrative purposes.

MISSION

The mission of the system is to enable eligible people to acquire the occupational skills training necessary for full participation in the workforce by stressing job training and retraining, and recognizing the rapidly changing educational needs of the citizens of the state to keep current with the demands of the workplace.

Technical College System Board

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Technical College System

Goal: Expand the pool of skilled workers in the state's labor force.

Objective/Activity: Increase employment by graduates within six months of technical college graduation through targeted outreach efforts to employers.

Objective/Activity: Increase the number of minority students who graduate.

Goal: Increase access to technical and career education through the use of leading-edge instructional technology and techniques.

Objective/Activity: Increase the number of opportunities for technical college students to enroll in distance education offerings.

Goal: Increase postsecondary educational opportunities for young adults and working adults in Wisconsin.

Objective/Activity: Increase the number of technical college students successfully transferring to University of Wisconsin System institutions.

Objective/Activity: Increase the number of credits earned by nontraditional college-age technical college students enrolled in associate degree programs.

Program 2: Educational Approval Board

Goal: Ensure that Wisconsin residents who attend a private postsecondary school, college or university receive a quality education.

Objective/Activity: Conduct a comprehensive school visit at least once every three years.

PERFORMANCE MEASURES

2011 AND 2012 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2011	Actual 2011	Goal 2012	Actual 2012
1.	Percentage of prior-year graduates employed within six months of graduation.	90%	88%	90%	N/A ¹
1.	Number of minority students who graduate.	3,000	3,465	3,050	3,703
1.	Number of credits earned by students enrolled in distance education offerings.	440,000	437,814	450,000	448,087
1.	Number of students successfully transferring to University of Wisconsin System institutions.	3,100	3,816	3,150	3,724 ²
1.	Number of associate degree credits earned by students age 24 and older.	600,000	750,759	600,000	716,722 ²

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Prog. No.	Performance Measure	Goal 2011	Actual 2011	Goal 2012	Actual 2012
2.	Percentage of approved schools where site visits were performed.	30%	5% ³	30%	3% ³

Note: Based on fiscal year.

¹Survey data available January 2013.

²Estimated as of September 14, 2012.

³School visits were reduced due to budgetary and staffing constraints and an increase in applications.

2013, 2014 AND 2015 GOALS

Prog. No.	Performance Measure	Goal 2013¹	Goal 2014	Goal 2015
1.	Percentage of prior-year graduates employed within six months of graduation.	90%	90%	90%
1.	Number of minority students who graduate.	3,100	3,700	3,700
1.	Number of credits earned by students enrolled in distance education offerings.	460,000	450,000	450,000
1.	Number of students successfully transferring to University of Wisconsin System institutions.	3,150	3,700	3,700
1.	Number of associate degree credits earned by students age 24 and older.	600,000	700,000	700,000
2.	Percentage of approved schools where site visits were performed.	30%	5%	5%

Note: Based on fiscal year.

¹Goals for 2013 have been revised.

TECHNICAL COLLEGE SYSTEM BOARD

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Performance Funding for Technical Colleges
2. Increase State Aid
3. Grants to District Boards
4. Technical College District Tax Levy Changes
5. Repeal Operating Rate Limits for Technical Colleges
6. Wisconsin GI Bill Tuition Remission
7. Core Credit Transfer
8. Transfer Educational Approval Board
9. Permanent GPR Reductions
10. Standard Budget Adjustments

ITEMS NOT APPROVED

11. Wisconsin Skills Link
12. Adult Pathways
13. Youth Pathways
14. State Aid Performance Funding
15. State Aid Performance Positions
16. Technical College District Capital Projects
17. Educational Approval Board Position and Expenditure Authority
18. Educational Approval Board Legal Services

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**Table 1
Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY12	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
GENERAL PURPOSE REVENUE	\$106,427.8	\$108,247.3	\$144,442.6	\$164,484.6	\$108,286.2	\$113,292.7
State Operations	2,750.6	2,824.0	3,019.3	3,061.3	2,862.9	2,869.4
Local Assistance	100,368.5	101,171.2	137,171.2	157,171.2	101,171.2	110,423.3
Aids to Ind. & Org.	3,308.6	4,252.1	4,252.1	4,252.1	4,252.1	0.0
FEDERAL REVENUE (1)	\$27,915.4	\$32,841.4	\$32,659.6	\$32,661.2	\$32,620.4	\$32,622.0
State Operations	2,811.5	3,617.1	3,435.3	3,436.9	3,396.1	3,397.7
Local Assistance	23,940.8	28,424.3	28,424.3	28,424.3	28,424.3	28,424.3
Aids to Ind. & Org.	1,163.1	800.0	800.0	800.0	800.0	800.0
PROGRAM REVENUE (2)	\$4,215.4	\$5,206.6	\$5,346.7	\$5,348.5	\$4,584.6	\$4,586.4
State Operations	2,290.7	1,763.7	1,903.8	1,905.6	1,210.4	1,212.2
Local Assistance	1,233.7	2,750.0	2,750.0	2,750.0	2,750.0	2,750.0
Aids to Ind. & Org.	691.0	692.9	692.9	692.9	624.2	624.2
TOTALS - ANNUAL	\$138,558.6	\$146,295.3	\$182,448.9	\$202,494.3	\$145,491.2	\$150,501.1
State Operations	7,852.9	8,204.8	8,358.4	8,403.8	7,469.4	7,479.3
Local Assistance	125,543.0	132,345.5	168,345.5	188,345.5	132,345.5	141,597.6
Aids to Ind. & Org.	5,162.7	5,745.0	5,745.0	5,745.0	5,676.3	1,424.2

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

**Table 2
Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
GENERAL PURPOSE REVENUE	23.25	25.25	25.25	23.25	23.25
FEDERAL REVENUE (1)	28.75	28.75	28.75	28.75	28.75
PROGRAM REVENUE (2)	11.00	12.50	12.50	6.00	6.00
TOTALS - ANNUAL	63.00	66.50	66.50	58.00	58.00

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(4) All positions are State Operations unless otherwise specified

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**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY12	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
1. Technical college system	\$137,996.0	\$145,714.9	\$181,731.8	\$201,777.2	\$145,491.2	\$150,501.1
2. Educational approval board	\$562.5	\$580.4	\$717.1	\$717.1	\$0.0	\$0.0
TOTALS	\$138,558.6	\$146,295.3	\$182,448.9	\$202,494.3	\$145,491.2	\$150,501.1

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
1. Technical college system	58.00	60.00	60.00	58.00	58.00
2. Educational approval board	5.00	6.50	6.50	0.00	0.00
TOTALS	63.00	66.50	66.50	58.00	58.00

(4) All positions are State Operations unless otherwise specified

Technical College System Board

1. Performance Funding for Technical Colleges

The Governor recommends phasing out the general state aid formula based on property tax equalization and replacing it with a performance-based formula to be established and administered by the board. An increasing percentage of the formula funding will be allocated to each technical college district based on annual measured outcomes on the following criteria: student job placement rates in jobs related to student's program of study; number of degrees and certificates awarded in high-demand fields; number of programs with industry-validated curriculum; transition of adult students from basic education to skills training; participation in dual enrollment programs; and workforce training provided to businesses and individuals. The Governor recommends phasing in the performance formula by distributing 10 percent of state aid based on performance in FY15; 20 percent in FY16; 30 percent in FY17; 40 percent in FY18; 50 percent in FY19; and 100 percent in FY20 at which point the property tax equalization formula will be eliminated.

2. Increase State Aid

Source of Funds	Agency Request				Governor's Recommendations			
	FY14		FY15		FY14		FY15	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	5,000,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	5,000,000	0.00

The Governor recommends increasing funding in the board's general state aid appropriation.

3. Grants to District Boards

The Governor recommends consolidating categorical grant appropriations into one program administered by the board to provide flexibility to the board in allocating funding for grants and activities or initiatives to meet performance criteria (see Item #1). The Governor also recommends requiring the board to submit an annual report to the secretary of the Department of Administration that specifies how grant dollars will be distributed to district boards and the programs the dollars will fund. The following appropriations will be repealed and funding will be rolled into the new appropriation in FY15: s. 20.292(1)(b), (c), (ce), (ch), (dc), (dd), (de), (dm), (e), (ef), (eg), (eh), (em), (fc), (fg) and (fm).

4. Technical College District Tax Levy Changes

The Governor recommends permitting technical college district board operational levies to be increased by the greater of 0 percent or the increase in equalized value due to net new construction, less improvements removed, in municipalities wholly located within a technical college district. The Governor also recommends allowing the technical college district board to carry forward unused levy capacity up to 0.5 percent of the actual levy in the prior year, subject to approval by a minimum three-fourths vote of the technical college district board. The Governor further recommends requiring the district board to adopt a resolution and hold a districtwide referendum in order to exceed the limit. See Shared Revenue and Tax Relief, Item #6.

5. Repeal Operating Rate Limits for Technical Colleges

The Governor recommends repealing operating rate limits for property taxes levied for general program operations by technical college districts in order to promote consistency in property tax limitations. See Shared Revenue and Tax Relief, Item #7.

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6. Wisconsin GI Bill Tuition Remission

The Governor recommends revising the residency requirements for tuition remission under the Wisconsin G.I. Bill to make the standards more comparable to those for other state veterans benefits. The Governor also recommends eliminating an arbitrary time limit for spouses of veterans who were disabled or killed in the line of duty to use educational benefits. The Governor further recommends requiring veterans who are receiving tuition remission benefits to maintain a 2.0 grade point average, which is consistent with the requirements for other state and federal higher education programs. See University of Wisconsin System, Item #4.

7. Core Credit Transfer

The Governor recommends requiring the board and the Board of Regents of the University of Wisconsin System to enter into an agreement that ensures that no less than 30 credit hours of core general undergraduate courses must transfer between institutions without loss of credit toward graduation or completion of a specific course of study. The Governor also recommends that the association representing independent colleges and universities, and representatives from the tribal colleges be permitted to enter into and implement the 30 core credit agreement. The Governor further recommends that the board report annually on the agreement to the Governor and Legislature. See University of Wisconsin System, Item #2.

8. Transfer Educational Approval Board

Source of Funds	Agency Request				Governor's Recommendations			
	FY14		FY15		FY14		FY15	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	-585,400	-5.00	-585,400	-5.00
TOTAL	0	0.00	0	0.00	-585,400	-5.00	-585,400	-5.00

The Governor recommends transferring the Educational Approval Board from the Technical College System Board to the Department of Safety and Professional Services to achieve greater efficiencies. See Department of Safety and Professional Services, Item #1.

9. Permanent GPR Reductions

Source of Funds	Agency Request				Governor's Recommendations			
	FY14		FY15		FY14		FY15	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-15,200	0.00	-15,200	0.00	-15,200	0.00	-15,200	0.00
TOTAL	-15,200	0.00	-15,200	0.00	-15,200	0.00	-15,200	0.00

The Governor recommends reducing funding to create additional efficiencies and balance the budget.

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10. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendations			
	FY14		FY15		FY14		FY15	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	54,100	0.00	60,600	0.00	54,100	0.00	60,600	0.00
PR-F	-181,800	0.00	-180,200	0.00	-221,000	0.00	-219,400	0.00
PR-O	29,800	0.00	31,600	0.00	-15,200	0.00	-13,400	0.00
PR-S	-21,400	0.00	-21,400	0.00	-21,400	0.00	-21,400	0.00
TOTAL	-119,300	0.00	-109,400	0.00	-203,500	0.00	-193,600	0.00

The Governor recommends adjusting the board's base budget for: (a) full funding of continuing position salaries and fringe benefits (-\$215,300 in each year) and (b) full funding of lease and directed moves costs (\$11,800 in FY14 and \$21,700 in FY15).

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Technical College System Board.

Decision Item	Source of Funds	FY14		FY15	
		Dollars	Positions	Dollars	Positions
11. Wisconsin Skills Link	GPR	20,000,000	0.00	40,000,000	0.00
12. Adult Pathways	GPR	10,000,000	0.00	10,000,000	0.00
13. Youth Pathways	GPR	4,000,000	0.00	4,000,000	0.00
14. State Aid Performance Funding	GPR	2,000,000	0.00	2,000,000	0.00
15. State Aid Performance Positions	GPR	156,400	2.00	191,900	2.00
16. Technical College District Capital Projects	GPR	0	0.00	0	0.00
17. Educational Approval Board Position and Expenditure Authority	PR-O	73,800	1.50	73,800	1.50
18. Educational Approval Board Legal Services	PR-O	57,900	0.00	57,900	0.00
TOTAL OF ITEMS NOT APPROVED	GPR	36,156,400	2.00	56,191,900	2.00
	PR-O	131,700	1.50	131,700	1.50

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