

**University of Wisconsin Board of Regents Meeting
1820 Van Hise Hall – 10:00 a.m.
Thursday, August 19, 2004**

BOR Resolution of Appreciation – Comments by Nino Amato

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On behalf of my Italian immigrant grand parents who instilled in each generation the need for a college education, I want to thank you for this opportunity to address today's meeting and reflect on the future of the University of Wisconsin and the Wisconsin Technical College Systems.

Given the seriousness of the many challenges we are facing in higher education; please allow me to skip the humor, the political poetry and the temptation to deal in nice platitudes, typically afforded by outgoing Regents.

There are very few people in Wisconsin that do not love and mutually respect the University of Wisconsin and the Wisconsin Technical College Systems. They love what these educational systems have been, and they love what our educational systems have the potential to be. But like so many students and families, citizens all across Wisconsin are worried that the current cost of tuition, books, room, board and student fees, are leading the state down a path that, if followed for much longer, will rob Wisconsin of what has made higher education in our state so special.

The foundation upon which Wisconsin's unique identity and progressive character was built – clean, open, responsible progressive government, outstanding public elementary and secondary schools and higher education institutions – needs our undivided attention.

The centerpiece of the noble Wisconsin Idea – that the boundaries of the state universities are the borders of the state itself – is now in truth, becoming an empty promise. At a time when the value of a college education is higher than ever, its cost is prohibitively expensive for too many. The University of Wisconsin is sadly becoming a “gated community” and an unacceptable number of young people and their families in our state are on the outside looking in. And for those students and families who are on the inside, we have tragically created unprecedented debt for them.

Given 2003-04 budget deal between UW System Leadership and the Governor's office that resulted in double-digit tuition increases totaling 37.5 percent, the future economic prosperity of Wisconsin's citizenry and the vast potential of our student population are being placed in potential economic jeopardy. We are now in grave danger of losing affordable, high quality and accessible higher education that make Wisconsin distinctive.

Why? Because of the upward spiral of double digit tuition increases and the resulting attitude, such as “its-not-our-fault, besides we need to raise tuition to match our peers in the Big 10.”

This attitude is not helping our cause for affordable education in Wisconsin. And this mentality needs to stop. And the “buck has to stop with the Board of Regents.”

As I look back on my 14 months on the Board of Regents and my leadership role on the Wisconsin Technical College System Board, I would encourage both educational systems to immediately recognize that an alarming shift is taking place in access to higher education in Wisconsin. As we all recently learned, fewer students from lower and middle income families are no longer able to participate in higher education because of the increasing cost of tuition and that recent data doesn’t even include the tuition increases for 2003-04 and 05. This trend must be reversed if the economic well being of our state is to be ensured in the future.

As we all know, higher education has been the avenue to a better life for less privileged teenagers and adults. That promise of economic advancement to all potential students in the future must be the primary focus for the Board of Regents and the Wisconsin Technical College System. Therefore, an agreement must be forged to put educational purpose before partisan politics in order to improve the economic standing for all our citizens in Wisconsin.

According to the notable research by Professor Elizabeth Warren of Harvard, “many parents and students complain about the rising cost of a college education, but since nearly two-thirds of all parents’ view a degree for their children as “absolutely essential,” universities can safely assume that families will find a way to pay ever increasing costs. And that is precisely what has happened. After adjusting for inflation, in-state tuition and fees at the average state university have nearly doubled in less than twenty-five years. To put that in perspective, the price of college has grown twice as fast as the average professor’s salary, three times faster than the cost of food, and eight times faster than the cost of electricity.”

Tuition, room, board and student fees now cost more than \$12,000 a year at the University of Wisconsin.

Equally disturbing, whenever the problem of college costs are discussed, politicians and system staff typically focus on making more loans available to families. But is this the correct solution?

According to Professor Warren, “in 2001, over 5 million students had borrowed \$34 billion in federal student loans – more than triple the amount borrowed just ten years earlier. Student borrowing from lenders has grown even faster, increasing fivefold in just six years. Nor do college students bear the burden alone; parents are also going deep into debt to pay for their children’s education. Every year, more

than a million families take out a second mortgage on their homes just to pay for educational expenses.”

As we should all know, offering our students and their families the ability to borrow more money does not reduce their costs. In fact, offering them more debt is like throwing rocks to a drowning person – it just makes things worse and it won't help.

And if you need validation, then just ask the families of Wisconsin who are sending or hoping to send their children to our universities and technical colleges.

So what is the solution?

It's now time for the Board of Regents and the WTC System to shake things up with a “freeze on tuition.” A multi-year freeze on tuition at all of our 26 university campuses, including the 16 Technical College Districts would prompt an intensive political discussion and debate on higher education priorities and would force our politicians and the rest of us to make choices that are in the best interest of our students.

If the BOR's, the WTCS, along with the Governor and the legislature, were truly committed to stopping tuition increases, the net effects would positively reverberate throughout Wisconsin and the higher educational community.

To be sure, the educational issues before us are complex, and a tuition freeze will force our elected officials to make some very tough choices. In the long run, however, it would refocus this debate on our mission – providing an affordable education for all citizens of Wisconsin, not just those who can come up with twelve or fifteen thousand dollars each year. And let's also keep in mind those families who are supporting two or more students annually.

If we do nothing, the current upward spiral cost of tuition is nothing more than a back door, “ex-facto” privatization of our higher educational systems in Wisconsin.

By their inherent nature, colleges and universities are like any other political organization in their desire for survival and for maintaining the status quo. Like true believers, it is no wonder that they can always justify the rising cost of tuition, student fees, room and board – and quickly shrug off their critics by simply saying “it's not our fault . . . our hands are tied.”

That attitude won't help our objective of providing greater access, high quality and affordable higher education nor will it help the students and their families who are struggling to find a way to pay for higher education.

People in Wisconsin, along with our elected officials, strongly believe it is more important to get a college education or an associate degree today than it was a generation ago, but it is financially a lot harder today to get one.

Therefore, given limited state resources, both currently and projected into the future, it is clear that systems of higher education will need to be structurally changed to become more cost effective. The question isn't if this restructuring will occur in Wisconsin, but rather if Wisconsin will take the initiative now, to lead the needed reform.

To identify the needed changes to make the system of higher education in Wisconsin more cost efficient and effective, it is important to identify the areas where the system has evolved that are detrimental to the overall mission of the system. The mission of higher education in Wisconsin should be designed to provide superior education to students, to generate new knowledge of benefit to society, and to provide service to the citizens of the state. All of this must be done in a cost efficient manner and this will require new thinking about how higher education is configured and operated in our state.

Because entrenched interests will be threatened with a major reorganization of higher education in Wisconsin, strong action by the legislature will be required for needed reforms to occur. It can be expected that UW system staff will vigorously oppose any actions that will change the status quo. There will be calls to "privatize" the university, although this is simply a "code word" for even less oversight by the legislature. It will therefore be up to the legislature to not only make major structural changes in higher education, but to provide the oversight and direction needed to keep educational reform focused on student needs.

To start with, one of the major directives by the state legislature should be to reconstitute the Board of Regents and the Wisconsin Technical College System Board. This restructuring should include legislative representation from both political parties, increasing student and faculty representation, and geographical representation by congressional districts.

The State Legislature also needs to provide the Board of Regents with paid staff and a budget, separate and independent from system staff, that will allow for independent investigation and auditing of both systems to make certain that educational policies are being followed and that financial resources are being used wisely.

Whether we like it or not, systems of higher education will be reformed across America due to the fiscal crisis faced by states. It is not a question of if major change will occur, but when reform will take place. We all know it is possible to significantly reduce costs and improve the quality of education and research if hard decisions are made and a true restructuring of higher education in Wisconsin takes place. Those who benefit from the status quo will resist mightily, therefore it will take clear analysis and decisive and firm action on the part of the students we serve, the faculty who teach our students, and a bipartisan legislative effort in order for reforms to take place in our higher educational institutions.

In conclusion, and in keeping with Wisconsin's progressive spirit that built the UW and WTC Systems, it's time to do the right things for our students and for their families. The time has come for the Board of Regents and the WTCSB to vote for a tuition freeze.

Through a homegrown grass roots initiative among students and their families, among faculty and academic staff and among Chancellors and District Presidents, it's time to go against the Governor's budget instructions and ask for state GPR support to be used for this tuition freeze, in order to protect and enhance Wisconsin's great educational institutions.

I'm proud of the University of Wisconsin and the Wisconsin Technical Colleges and as a product of both educational institutions; it's been a privilege and an honor to serve the students of both systems.

Thank you for allowing me this time and as a continuing member of the WTCSB, I look forward to working with everyone.