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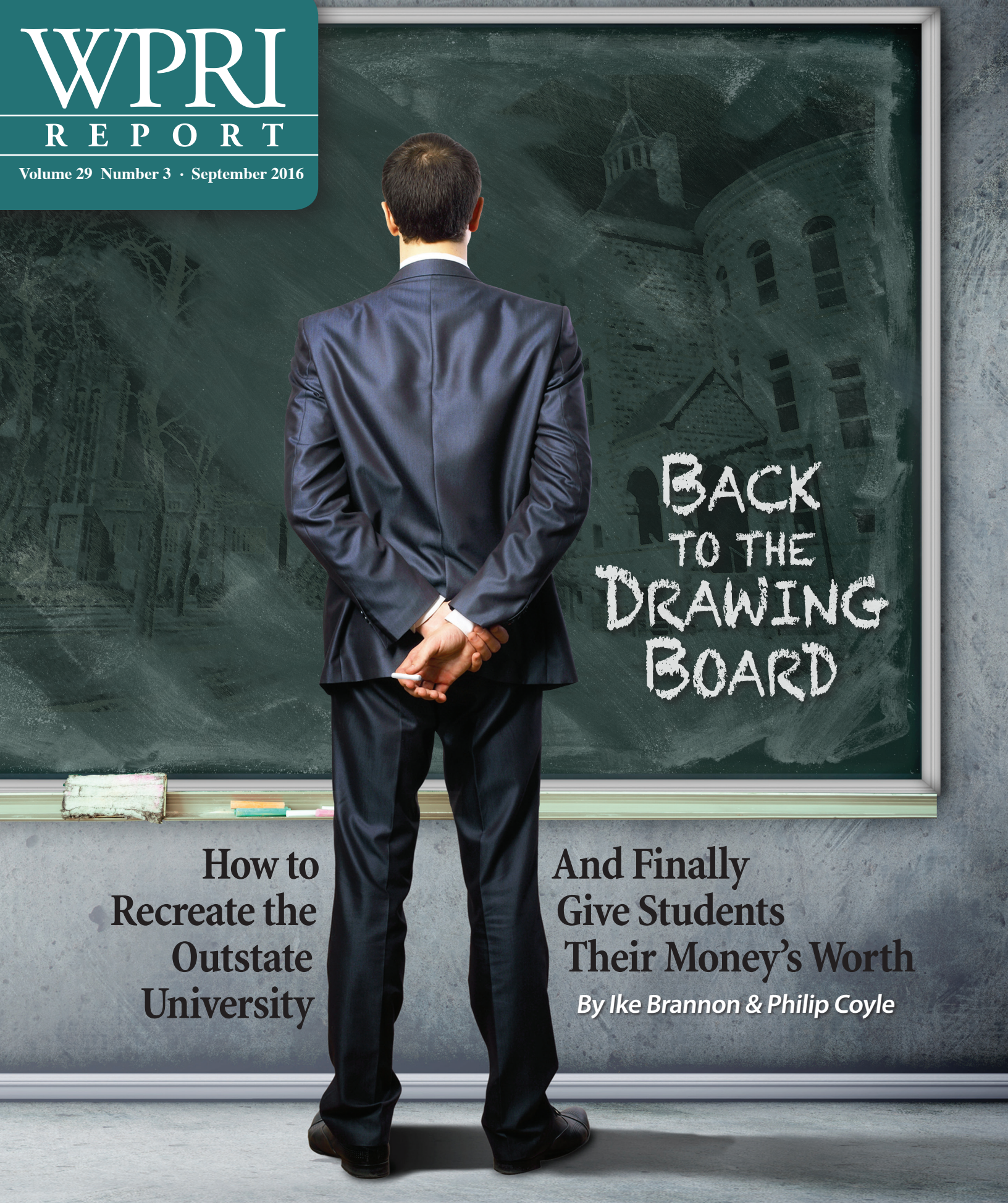

How to Recreate the Outstate University

And Finally Give Students Their Money's Worth

By Ike Brannon & Philip Coyle

President's Note

Approximately 25,000 kids — mostly Wisconsinites who went to high school here — left home and started their freshman year at a four-year UW campus earlier this fall, and I wish I could tell them the big dreams they carried with them will all come true.

Sadly, far too many will be left with nothing but big debts and lots of regret — especially the ones at campuses outside of Madison.

The truth is that less than two-thirds of kids who start school in the UW System typically graduate from a system school in six years. And the numbers at schools like UW-Parkside, UW-Superior and UW-Milwaukee are even lower. Kids who go to Madison fare the best, but, even there, enormously large numbers of students take far too long to graduate (only half of the kids at Madison now make it through in four years), and many end up regretting what they studied.

In fact, according to a survey of 2012-'13 graduates of the UW-Madison College of Letters and Science, only about half of recent graduates who did not go on to graduate school, if given the chance to "start over," would choose the same major.[i]

Something is very wrong here. So we asked former UW-Oshkosh Professor Ike Brannon and his colleagues at Capital Policy Analytics to take a closer look. As you'll see in the pages ahead, Brannon and co-author Philip Coyle pinpoint many of the key problems, including stunningly high drop-out rates, professors who aren't very productive, an expensive "arms race" of campus amenities and altogether too little emphasis on instruction. You'll be surprised at some of what they've found, including the attitudes of non-tenured instructional staff regarding tenure. But you will also be heartened, I think, at the possibilities for reform at our four-year universities, particularly those that aren't engaged in a lot of research.

Higher education is notoriously slow to change — which is why we're glad the report highlights one reform in particular: tying state funding to key metrics such as attrition and graduation rates, ratios of students to administrators and, ultimately, the success of graduates.

Most kids go to college nowadays. The recommendations in this report, if enacted, can help them leave with a degree instead of a lot of debt and unfulfilled promise.

– Mike Nichols

MISSION

About WPRI

The Wisconsin Policy Research Institute Inc., established in 1987, is a nonpartisan, not-for-profit institute working to engage and energize Wisconsinites and others in discussions and timely action on key public policy issues critical to the state's future, growth and prosperity. The institute's research and public education activities are directed to identify and promote public policies in Wisconsin that are fair, accountable and cost-effective.

Through original research and analysis and public opinion polling, the institute's work focuses on such issue arenas as state and local government tax policy and spending, including related program accountability, consequences and effectiveness. It also focuses on health care policy and service delivery; education; transportation and economic development; welfare and social services; and other issues that have or could have a significant impact on the quality of life and future of the state.

The institute is guided by the belief that competitive free markets, limited and efficient government, private initiative and personal responsibility are essential to our democratic way of life.

To find more information about the Wisconsin Policy Research Institute, ask questions and/or make comments, please go to ***www.wpri.org.***

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How to Recreate the Outstate University And Finally Give Students Their Money's Worth

By Ike Brannon and Philip Coyle

Executive Summary

The University of Wisconsin System is rightly considered one of the jewels of the state, providing a quality college education to tens of thousands of Wisconsinites every year. However, our universities do not perform all that well in several important aspects. Student attrition is unacceptably high, with a large proportion of students bailing out after their first year. The majority of students in the System fail to complete a four-year degree in four years. Many take longer than six – or fall by the wayside.

Having students take five, six or more years to complete an undergraduate degree represents a tremendous opportunity cost and a waste of resources. If someone who's fully capable of earning a college degree doesn't finish one, or never even starts, it represents an enormous loss for the state and a personal tragedy for the students, who will be limited in career options and earnings potential for the rest of their lives.

Our colleges right now spend a disproportionate amount of resources on matters that have a peripheral connection to actually educating students. The plethora of deans, associate deans, athletic department employees and the like takes resources away from what should be the primary mission: educating young men and women so they can lead fulfilling and productive lives.

Recognizing that political and bureaucratic inertia make it difficult to achieve major reforms in the UW System, we conducted a thought experiment that can serve as grist for the reform we so urgently need: What would an entirely new public university, created virtually from scratch, with none of the established strictures in place, look like?

For starters, it would have a curriculum that would steer students toward finishing in precisely four years. It would make summer school a part of the regular school calendar, and it would nudge students to spend a term abroad to expand their perspectives.

Professors would be judged more on their classroom performance than on their research agendas. Our new university would not aspire to become a Tier 1 research institution. A relatively small cohort of faculty, tasked with teaching upper-level classes in technical fields, would have research expectations and a lighter course load, but the rest of the faculty would be teaching more classes than is currently the case.

We would keep the liberal arts curriculum, but would scale back upper-level course offerings to some degree. We would also encourage humanities majors to acquire some modicum of instruction that would make them potentially more employable.

There would be a greater proportion of non-Ph.D.- holding instructional staff and more adjunct professors, with an emphasis on recruiting experienced men and women who can help students gain a practical understanding of their discipline. We would also encourage professors to use their education and training to engage more with the community. Tenure would exist, but it would protect intellectual freedom only. Professors who cannot perform adequately in the classroom would not be guaranteed jobs.

These days, the university is asked to do too many things. We advocate for a university with a singular focus: educating young men and women. There are few new schools being created these days for the simple reason that it can be very costly and complicated to do so. We recognize that, but at the same time hope we can begin the much-needed process of recreating universities built for a different time.

We recognize that the true promise of a new institution is the potential for experimentation. At least for the first few years, a new UW school would have fewer strictures in place, allowing creative administrators and entrepreneurial professors to try new things in order to engage students, boost graduation rates and improve the outcome for their graduates.

But with flexibility must come accountability. So we also recommend in the near term tying state funding for all schools to key metrics, including first-year attrition rates, graduation rates, ratios of students to administrators and, ultimately, employment success for graduates.

Introduction

Path dependence is a fancy way of saying that how we've done things in the past is a formidable constraint to changing things in the future. There are a lot of things that we do today not because they are the best way to do things now but because it's too costly, complicated or distressing to change.

The strictures of path dependence make it difficult to even discuss major changes to post-secondary education in the United States. American universities do many things right, of course. Our system is the envy of the world, and we attract over a million students each year from around the globe who would not otherwise have access to an education anywhere near the level they can obtain in the United States. It's not farfetched to argue that our universities are our best foreign export: Citizens of other countries spend tens of billions of dollars at U.S. colleges, which helps create millions of well-paid jobs in the United States. What's more, the goodwill engendered from having the elite of so many countries educated here is invaluable in myriad ways.

However, our current system is far from perfect, especially when it comes to the country's public universities. In the last few decades, the administrative costs of the typical public university have outpaced spending on education. Some schools spend more on administrative staff than on faculty as associate deans and compliance officers multiply and a culture of excessive caution makes it preferable to spend money on someone who can keep the school out of trouble or pacify an aggrieved stakeholder rather than add another history professor.

These skewed incentives have led to a college system in many states — including Wisconsin — that is much less effective than it could be. The non-flagship schools have high first-year attrition rates that seem impervious to change, and only a small minority of students actually finishes their bachelor's degrees in four years. Many who manage to graduate find that their degrees do not necessarily open up new careers or higher incomes.

In this report we ponder what our university system might look like if we were going to start from scratch. Obviously, taking an entire state's system of community colleges, comprehensive universities and research institutions and declaring a do-over is manifestly impossible, so we limited ourselves to contemplating how we might proceed if we were tasked with creating a single new public college for the University of Wisconsin System.

Shorn of the constraints effectively placed on our schools today, the new institution could spend more of its resources on instruction and less on administration, creature comforts and other services only tangentially related to the business of education.

Our hypothetical school would not jettison job protection for professors or give short shrift to the liberal arts, but it would make changes to how we award tenure and how we judge effective professors. It would also offer fewer extracurricular activities and eschew competitive sports. It would do more to help marginal students stay engaged with their college, so that fewer students would follow the path of least resistance and leave school when faced with academic or personal difficulties.

Most importantly, it would streamline the academic calendar to make it easier for students to finish in four years. It would offer a full array of entry-level classes in summer school and encourage students who fall behind to spend one or more summers in school. A credit-earning internship would be expected, and financial aid would decline after four years in school.

The state's universities do many things right, but decades of inertia have left them some distance away from being schools that spend their resources on what's best for the students. By re-imagining an entirely new campus, we hope we can spur the schools in the UW System to borrow some of our ideas or at least think harder about how they can change to better serve their students and the businesses that too often find them lacking.

Twenty years ago, this report's co-author Ike Brannon began a job as an assistant professor of economics at the University of Wisconsin-Oshkosh. Soon after he arrived on campus, his office neighbor, a sociologist, took him for a walk. Instead of meandering through the quad, however, he took him through the parking lot for commuter students. On a glorious autumn day, mere feet from empty picnic tables overlooking the Fox River and a two-minute walk from the student union, sat row upon row of cars and trucks with their owners eating lunch, alone, inside.

Brannon's colleague suggested that these students were simply unwilling to engage in the college community in any way, and that they represented a group of students who had a very high risk of dropping out. A college student spending nights and weekends among friends who are unburdened by homework will find it much easier to cut his or her losses after a troubled semester and drop out rather than talking to professors and coming up with a course correction.

These are students — academically capable but minimally engaged by the college — with few friends or peers in school. They are typically graduates of a high school that left them less than fully prepared for a university education, and our college system often fails to help them get through school. Improving the graduation rate of this cohort would go a long way toward improving the mediocre graduate rates of the majority of the UW System schools and help us get more out of our state's investment. We are not convinced we have all the answers for engaging and motivating such students in our study, but we kept this cohort in mind when contemplating our new UW System school.

Diagnosing the Problem: Attrition & Delayed Graduation Rates

While we typically think of college as a four-year process, a substantial proportion of students who start college fail to finish, and those who make it to the finish line more often than not take five or more years.

According to a 2012-'13 Information Memorandum[1] on retention and graduation, the average four-year graduation rate for the UW System has been below the national average of 32.8% for a while, with less than one-third of all students finishing at the same school where they started in four years. The variation of graduation rates within the system is quite high: Only 7.4% of UW-Parkside's incoming class of 2006 graduated from that institution in four years, for instance. Only a quarter of students at UW-Stevens Point typically graduate from there in four years. Even at UW-Madison, which admits the most academically capable students in the system, just over half of the students graduate in four years. UW-La Crosse is the only other UW System school with a four-year graduation rate above the national average.

Six-year graduation rates within the entire UW System are just under 60% for those who stay at the same school where they started, slightly above the national average of 56.6% but with a great deal of variation within the system. For instance, less than 30% of UW-Parkside students completed their degrees in six years or less, while nearly 82% of the UW-Madison students had graduated six years after entering. Among students who enrolled as freshmen in 2006, at only five of the 13 schools in the UW System were six-year graduation rates above the national average.

New Freshmen Enrolling Full Time in Fall 2006 Semester – Graduating at the Same UW Institution Within Four or Six Years

	4-Year Graduation Rate (%)	6-Year Graduation Rate (%)
UW-Eau Claire	26.3	65.5
UW-Green Bay	22.2	50.5
UW-La Crosse	36.2	69.8
UW-Madison	52.6	81.8
UW-Milwaukee	13.9	42.5
UW-Oshkosh	15.8	50.1
UW-Parkside	7.4	29.7
UW-Platteville	18.7	52.1
UW-River Falls	21.8	54.2
UW-Stevens Point	24.1	59.7
UW-Stout	18.2	52.5
UW-Superior	18.1	35.3
UW-Whitewater	29.9	58.3
UW System Total	**28.3**	**59.6**
U.S. National Average	**32.8**	**56.6**

Source: UW Information Memorandum

It is worth noting that the four- and six-year graduation rates at the same college understate the true number of incoming students who eventually get a college degree. This is because these rates fail to capture the students who transfer to another UW system school to finish their education. This omission is particularly misleading for two UW schools, Parkside and Green Bay, which service relatively populous areas of the state and have a disproportionately high proportion of local students who begin there and transfer elsewhere.

Among all freshmen who entered Parkside in the fall of 2006, for instance, approximately 35% graduated either from that school or from another UW school within six years — a slightly better picture but still a very troubling one. Even taking into

account students who transfer from one UW System school to another, less than two-thirds of those who started in the fall of 2006 graduated from any UW school within six years.

An even bigger problem is the alarmingly high proportion of students who drop out after their first year of college. Twenty percent of all incoming students leave before the start of their second year. At Madison this attrition rate is just 6%, but at Parkside and Superior, fully one-third of all freshmen do not return for a second year, and at Milwaukee the number exceeds 30%.

Graduation rates — both within the UW System and nationwide — are depressed by three factors. For starters, a sizeable proportion of students show up unprepared for the academic rigors of college. Erin Velez of the American Institute for Research argues that poor secondary school instruction is the main reason that students struggle to graduate in four years.[2] Madison's selectivity means it is largely (though by no means entirely) immune from this factor, but that's not true for the other schools in the system. This unfortunate reality is no fault of the UW System, but it also means the schools can do little to address it.

Percentage of New Freshmen Enrolling Full Time in Fall 2006 Semester – Graduating Within 6 Years from a UW Institution*

UW-Eau Claire	72.7
UW-Green Bay	60.2
UW-La Crosse	78.9
UW-Madison	83.8
UW-Milwaukee	48.6
UW-Oshkosh	59.4
UW-Parkside	34.9
UW-Platteville	60.1
UW-River Falls	58.0
UW-Stevens Point	68.1
UW-Stout	58.0
UW-Superior	42.3
UW-Whitewater	65.4
UW System Total	**65.6**

**Includes students who transfer to another school in the UW System*

Source: UW Information Memorandum

Remedial education should not be the business of our university system. It does not excel at such a task, although it finds itself obligated to provide such a service. In the 1990s, when co-author Brannon taught at UW-Oshkosh, the school offered a math class (10 sections of 30 students each year) for incoming freshmen that explored positive and negative numbers, exponents and operations with fractions — material most successful college students encounter in junior high in a class called pre-algebra. The attrition rate for students in this curriculum was stupendous — typically no more than 1% or 2% of these students ever finished a degree. Indiana University, the flagship university for the Hoosier State, offered a similar class with similar attrition rates. Students who start school in a class so atypical of the rigors of a college education find it enormously difficult to catch up. While every student with the ability to earn a college degree who fails to complete one is in some way a loss to society — and an enormous personal loss to that individual — the matriculation of hundreds of students who have, we know up front, an incredibly small chance of actually completing a degree is a questionable use of resources.

While some students fail because they are unprepared for college, another cause of low college graduation rates is under-matching, which occurs when students do not attend the best college to which they were admitted and instead choose a less selective alternative. Sometimes students under-match because they don't want to move far from home or because they are lured to a less-selective school by a generous financial aid package. William Bowen, Michael McPherson and Matthew Chingos argue[3] that well-off students with adequate preparation can be expected to graduate regardless of where they matriculate, in part because they infrequently under-match, attending colleges that have higher graduation rates. Also, their peer group is more likely to complete college. Low-income students, even well-qualified ones, often under-match and end up in colleges that have lower graduation rates, which reduces the odds that they will graduate. Peer effects matter greatly.

Over-matching occurs as well and can come with problems too. Some education economists suggest that affirmative action can result in minority students attending schools that are too rigorous for their capabilities, and that this is a reason that dropout rates for minority students exceed those of white students. Sometimes these students, who do have the aptitude for college, eventually arrive at a school with the right level of rigor. But that is not always the case.

Of course, some students struggle to finish because of financial reasons, too. A significant proportion of students attending school full time work 15 or more hours a week, the point at which working begins to impact academic performance and the probability of graduating. If students are obligated to work that many hours to pay for school, universities need to make sure they take advantage of all available financial aid and student loans. For those who work that much out of habit or the desire to maintain a lifestyle or because they think it will one day help their resume, we need to do a better job of encouraging a stronger focus on school.

The reality is that a University of Wisconsin education is affordable for practically everyone. A student who attends his

or her local community college for two years before moving to a state university will have a tuition total of $33,000 for four years. If their family income is below the median (or even not too much above it) they can count on a fair amount of financial aid from the federal government, the state and the school as well, not to mention subsidized student loans. While there are a number of college graduates with crippling student debt obligations, there is no reason for a UW graduate to be in that boat.

Sometimes a student's financial constraints push him or her to take less than a full load of classes to work and defer graduation, but too often such a delay is a deliberate decision made by a student who (perhaps correctly) perceives that life after college isn't as much fun. Other students change majors once or twice, drop classes that challenge or bore them, and default into an additional semester or two or three of school. Regardless of the cause, this outcome is usually a poor long-term decision for a student with a modicum of ability and intelligence, given that a college graduate can expect to earn much more after finishing college than as a part-time college student.

Those who tend to suffer the most from student debt are those who borrow to finance college and fail to finish. The answer to that is not to increase the subsidies to all students who attend college but to reduce student attrition and reform federal bankruptcy law to allow people with student debt they cannot hope to pay off to escape all debt when they file for bankruptcy,[4] and to give institutions a financial incentive to admit only students with a good chance of completing a degree and subsequently succeeding in the job market.

College can be a great way to help children of low-income households accede to the middle class, but the vast majority of the system's students are the children of the middle and upper classes. A dramatic reduction in tuition, a common prescription given for improving student retention, would actually be a regressive benefit — incredibly so, given the distribution of student aid — and would do little to address either income inequality or graduation rates. If anything it would likely exacerbate inequality.

A Four-Year Degree in Four Years

Regardless of the causes of low graduation rates at public universities, there are high opportunity costs — for the students who fail to finish, taxpayers and the economy.

The most important change we would recommend is that our hypothetical university would dedicate itself to encouraging students to finish in four years. One way to do so would be to change the structure of financial aid to make it more cost-effective to finish on time, make summer school a default choice for underclassmen and implement a standard credit-earning internship for upperclassmen. Besides allowing students to accumulate credits while studying elsewhere (often during the summer) there is great value in giving college students a global perspective and having them learn another language and/or culture. As it currently stands, the scions of the wealthy are the ones who avail themselves of the chance to go abroad. Our school would encourage all students to pursue a term in a job or school outside the United States.

When Brannon was at UW-Oshkosh, an alum donated $1 million to help finance a study abroad program for less-well-off students. Administrators prodded her to allow them to use the money for other purposes and ultimately reached an impasse when she refused. The money went to another school. It was a moment of maximum frustration for Brannon and many of his colleagues.

Colleges have to walk a precarious line: Students need to learn how to make their own decisions, of course, but they also need a modicum of protection for when their short-term decisions potentially have costly long-term ramifications. By changing the default rhythm of the four-year experience and helping students accumulate credits more quickly, we may be able to inexpensively boost four-year graduation rates.

Demand For College Is Growing

Over the past 30 years, the cost of attending college has grown rapidly. According to the College Board,[5] the average cost of a four-year public university, including tuition, fees, and room and board for the 1975-'76 term was $7,800, in today's dollars, and for 2015-'16 it was nearly $20,000, or 2.5 times what it cost 40 years ago. The cost of tuition, room and board, and books for a UW school is right at the national average, incidentally. For private universities, tuition increased an average of 170% over that 30-year period.

Why have universities gotten so expensive? For starters, the demand for a college education has gone up quite a bit. Nearly 3.9 million children were born in 1997, significantly higher than the birth cohorts for the incoming college classes of 1984-2004.[6] Each of those cohorts — the so-called "birth dearth" was 10% to 20% below the subsequent cohorts, which are known as the baby boom echo.

Tuition, Fees, Room & Board

(2015 Dollars)

	Public 4-year	% Change
1975-'76	$7,833	-
1980-'81	$7362	-6%
1985-'86	$8,543	16%
1990-'91	$9,286	9%
1995-'96	$10,552	14%
2000-'01	$11,655	10%
2005-'06	$14,797	27%
2010-'11	$17,710	20%
2015-'16	$19,548	27%

Source: The College Board, Annual Survey of Colleges; National Center for Education Statistics; The Integrated Postsecondary Education Data System

In Wisconsin the number of graduating high school seniors has fallen roughly 10% over the past 10 years, and in 2016 it achieved a nadir. However, the number should rebound over the next five years, according to the University of Wisconsin Applied Population Laboratory.[7] The decline in high school graduates has been made up for by more out-of-state students enrolling in Wisconsin schools and a greater proportion of high school graduates going on to college.

What's more, the returns to an investment in a college education have increased substantially over the last four decades both in time and money, further boosting the demand for a college education. Over a lifetime, the typical college graduate earns nearly $1 million more than his friend with only a high school degree. As a result, a higher proportion of high school graduates enroll in some sort of post-secondary educational institution than a generation ago, further boosting the demand for a college education. Nearly 70% of all high school graduates in 2015 enrolled in college, according to the Bureau of Labor Statistics.[8]

There are also many more older or nontraditional students enrolled in college these days. A growing number of Americans past their early 20s have come to realize the opportunity cost of not completing college and have returned to — or begun — a college education, often while working full time. Over one-fourth of all students attending a four-year college are older than 21, the typical age of a fourth year student.[9]

In the last 30 years, there has also been a marked increase in the number of foreign students matriculating at U.S. universities. The fall of the Iron Curtain, the marked increase in incomes in the developing world, and the growing awareness of the advantages of an American college education have caused foreign enrollment in U.S. colleges to skyrocket. There will be more than 1 million foreign students enrolled in U.S. universities in 2016-'17, which is more than a 10% increase over the number just two years ago.[10]

In many communities it has become almost a cultural norm to encourage high school graduates to attend college rather than enter the labor force immediately, partly because the premium placed on post-secondary education has increased in the last three decades. To some degree our country has become more egalitarian in recent years, and many small towns and rural communities have become more diligent about encouraging their children to pursue higher education.

Federal government subsidies to attend college have also gone up sharply over the last four decades. In 2011, the federal government spent $35 billion on Pell Grants, five times as much as three decades prior, in inflation-adjusted dollars. That has caused tuition to go up.

To understand the impact of such a demand increase, it helps to conceive of a simple supply and demand model. If a grandfather gives his granddaughter a $3,500 check for college, it indisputably makes it less expensive for her to go to college. However, if a million people receive such a check, then tuition is going to go up and will eat up some — or most — of that money.

The ineluctable problem in attempting to use financial aid to lower the effective cost of college — especially as other forces are increasing the demand for a college education — is that colleges have a supply curve that is relatively inelastic: That is, it is relatively costly to expand capacity in a significant way. A school can cheaply add a few students to campus. It can nudge some upperclassmen off campus to create more dorm space, put one or two more people into a few classes, and have the food service make a bit more food. However, to add a sizeable number of students to an incoming class would require more dorms as well as additional instructors, classrooms and lab space, for starters, and these would require a substantial investment. Many colleges have used their resources more intensively in the last two decades to try to take advantage of an increase in demand, but demand increases have outstripped supply.

When supply is relatively inelastic, increases in demand (including those caused by subsidies) tend to push up prices more than it pushes up quantity.

These days, universities find themselves in a more competitive environment. The Internet allows prospective students to easily research a vast quantity of schools, and the common application allows students to apply to a number of universities while only filling out one online application.

Declining Professor Productivity

Colleges must now work harder to compete to attract students — and they do so via the educational caliber they provide as well as via the amenities they offer. In many schools it is largely the latter.

It can be difficult to make a professor more productive. If the direct output that concerns us is student hours taught, then we could have professors teach more classes or bigger classes, but that's not been happening. Technology does improve the caliber of instruction. It can make it easier for faculty to keep in touch with students and get feedback from them, give them ancillary readings, or for students to do collaborative projects, for instance. But the majority of disciplines and classes are probably best taught in classrooms by live professors. Online courses or large lecture halls are practical for only a small suite of classes and topics.

Many colleges are improving productivity by having a greater proportion of teaching done by non-professors, who can be expected to teach more hours and bigger classes than professors. Graduate instructors, adjunct faculty and professional staff — ineligible for any tenure protections — now teach a majority of credit hours at many public colleges.

At the same time the teaching load for tenured and tenure-track professors remains low. At Madison it's not unusual for faculty to teach one or two classes a year. Some of these professors are scientists whose time is occupied by lab work that is supported by grants that cover their salary and research, but there are plenty of grant-less professors who scarcely encounter undergraduates.

While professors at the other UW schools may not be without classes to teach, their teaching loads have shrunk during the last few decades. At Oshkosh and most of the other regional campuses, most professors teach nine hours a week. For a new assistant professor teaching new classes and with research expectations, this amounts to a full week. But a full professor can do his job with a handful of hours of attention and effort outside the classroom.

Most regional schools have a nominal teaching load of four classes per semester, with a reduced load available for faculty who are actively doing research in their field. The reality has become that nearly everyone who feints at doing research merits a reduced teaching load. A talk at some regional conference, a white paper circulated on a web site, even an impressive-sounding research proposal can be deemed sufficient to get someone a reduced teaching load.

One reason commonly given for a reduced teaching load — and a perfectly valid one — is that it helps attract and retain new assistant professors. However, it's not necessary to induce full professors without a valid research agenda to remain in place, and the opportunity cost of having an experienced professor teaching fewer classes is high.

The Arms Race of Campus Amenities

Schools are, of course, spending more money to increase the creature comforts of life on a college campus, which these days can include state-of-the-art fitness centers and expansive gymnasiums, expanded food options in the cafeteria, and more robust entertainment options on campus. These investments certainly help attract students, but it's not clear that they help reduce attrition.

There is a potential downside to having a campus with every amenity. The famed economist John Muth (the father of the rational expectations theory of economics) once gave remarks at a ceremony celebrating the opening of a new campus building. He announced that improving amenities at a public university is always a terrible investment for a state, given that nicer amenities invariably incentivize students to remain on campus longer than necessary. His dean was not pleased with the remarks, naturally.

According to a dataset compiled by the Delta Project,[11] from the academic year1987-'88 until 2011-'12, universities and colleges collectively added 517,636 administrators and professional employees. The UW System added just over 4,000 administrators or professional staff members over that period, a 62% increase. The pace of administrative and support staff increase far outstripped growth in the student population. According to the UW Redbook, entering enrollment in the system was up about 10%.

Spending on things other than instruction has gotten way out of whack. We want to create a school where more resources are devoted to instruction than anything else. It is of course important to maintain and occasionally upgrade a school's physical plant, but the rise in non-faculty employees has become deleterious to the mission of providing an excellent and inexpensive college education.

UW College Staffing Changes 1987-2011

	Full-Time Administrators & Professional Staff* (1988)	Full-Time Administrators & Professional Staff* (2012)	Full-Time Faculty (1988)	Full-Time Faculty (2012)
UW-Eau Claire	174	302	521	454
UW-Green Bay	126	217	172	192
UW-La Crosse	135	266	402	428
UW-Madison	4,593	6,688	2,681	3,142
UW-Milwaukee	604	1,215	843	1,106
UW-Oshkosh	179	427	456	416
UW-Parkside	103	156	186	181
UW-Platteville	97	245	253	317
UW-River Falls	89	177	276	239
UW-Stevens Point	183	307	408	382
UW-Stout	173	306	365	331
UW-Superior	94	122	117	131
UW-Whitewater	173	277	436	439
UW-Colleges	91	224	366	313
UW System Total	**6,814**	**10,929**	**7,482**	**8,017**

Source: The Delta Cost Project

**Administrators and proffessional staff are defined as university staffers who neither teach nor conduct research.*

Athletics Spending by School

	Total Spending
UW-Eau Claire	$3,086,176
UW-Green Bay	$4,690,883
UW-La Crosse	$1,592,774
UW-Madison	$118,523,100
UW-Milwaukee	$10,119,021
UW-Oshkosh	$885,218
UW-Parkside	$1,924,768
UW-Platteville	$885,085
UW-River Falls	$1,762,340
UW-Stevens Point	$2,056,719
UW-Stout	$4,092,251
UW-Superior	$1,291,590
UW-Whitewater	$2,690,069
UW System Total	**$153,599,994**

STEM and the Liberal Arts

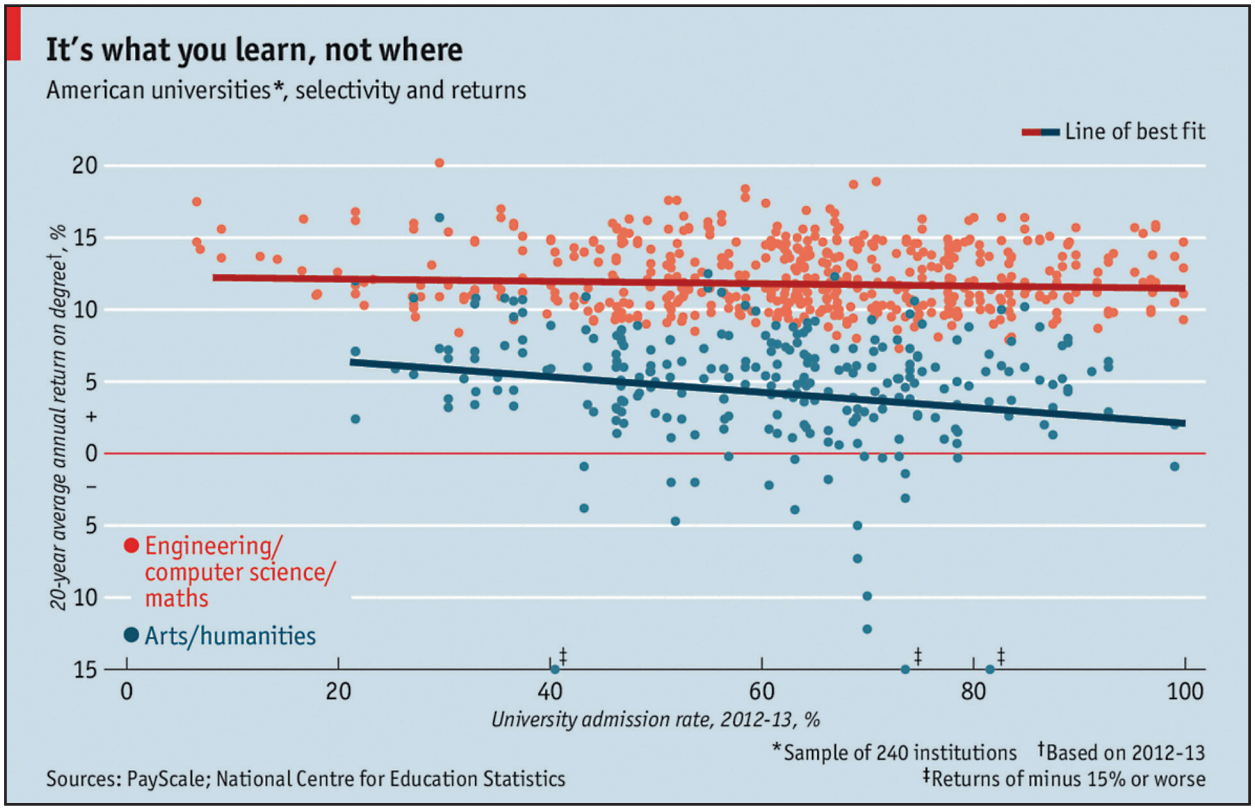
In the early 1990s, co-author Brannon did a study using a cohort of the National Longitudinal Survey — at the time a two-decade-long data set that followed thousands of college graduates during and after college. In the cohort studied, the major with the highest income at the time, surprisingly, was French. This result was of course completely unintuitive. At first we reasoned that since we had only a small cohort of French majors it must be that the sample wasn't necessarily representative. We also gave some thought to the notion that there was simply a shortage of people in the United States fluent in the language.

A further dive into the data gave us the truth: French majors had excellent college board scores and high GPAs and invariably went to graduate school soon after college. The reality was that French didn't necessarily convey on them a skill the market values, but that people who chose to study French were gifted in myriad ways and pursued a career plan that would ultimately result in their earning decent pay, regardless of what they chose to study as undergrads. It turns out that a modicum of smart, confident people want to live in Paris at some point, and they use their undergrad years to learn the language and graduate school to acquire tangible skills to help them earn enough money to do so.

These days STEM majors generally make more money than other graduates: According to PayScale,[12] a research firm that compiles starting and median salaries based on a number of characteristics, including college majors, 22 of the top 25 disciplines with regard to starting salaries fall under the STEM (Science, Technology, Engineering and Mathematics) umbrella. We don't want to push students into disciplines, but we would like to nudge them so as to ensure that they leave with a skill and a validation that they have a marketable skill.

There is still great value in a liberal arts education. While

Returns by Major



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employers may be more interested than before in graduates who have developed a refined skill set, such as those commonly associated with STEM majors, employers also greatly value skills such as creativity, communication and quick problem-solving, traits commonly associated with liberal arts degrees. Liberal arts education is certainly more diverse, allowing those students to provide unique insight into problems.

Brad Hipps, a former software developer of some renown, has said[13] that intelligent liberal arts majors can easily take advantages of online resources and teach themselves how to code, and that a liberal arts perspective proves to be very useful. There is an inherent creativity necessary to be proficient at writing code.

Earnings Potential by College Major

Rank	Major	Early Career Pay	Mid-Career Pay
1	Petroleum Engineering	$101,000	$168,000
2	Nuclear Engineering	$68,200	$121,000
3	Actuarial Mathematics	$58,800	$119,000
4	Chemical Engineering	$69,500	$118,000
5	Electronics & Communications Engineering	$65,000	$116,000
6	Computer Science (CS) & Engineering	$69,100	$115,000
7 (tie)	Electrical & Computer Engineering (ECE)	$67,000	$114,000
7 (tie)	Systems Engineering	$67,100	$114,000
9	Aeronautical Engineering	$65,100	$113,000
10 (tie)	Computer Engineering (CE)	$68,400	$109,000
10 (tie)	Mining Engineering	$71,500	$109,000
12 (tie)	Electrical Engineering (EE)	$66,500	$108,000
12 (tie)	Mechanical & Aeronautical Engineering	$61,100	$108,000
14 (tie)	Aerospace Engineering	$64,800	$107,000
14 (tie)	Computer Science (CS) & Mathematics	$62,900	$107,000
16 (tie)	Industrial Distribution	$58,100	$106,000
16 (tie)	Physics	$55,500	$106,000
18 (tie)	Computer Science (CS)	$63,100	$105,000
18 (tie)	Materials Science & Engineering	$64,600	$105,000
20 (tie)	Applied Mathematics	$55,800	$102,000
20 (tie)	Cognitive Science	$51,400	$102,000
20 (tie)	Government	$46,900	$102,000
20 (tie)	Mechanical Engineering (ME)	$62,500	$102,000
24 (tie)	Finance & Economics	$55,700	$101,000
24 (tie)	Physics & Mathematics	$50,900	$101,000
...	...	...	...
300 (tie)	Art Teacher Education	$33,800	$50,600
300 (tie)	Recreation & Leisure Studies	$38,700	$50,600
302	Bible Studies & Theology	$33,800	$50,400
303	Pastoral Ministry	$34,500	$49,600
304	Parks & Recreation Management	$37,100	$49,500
305	Horticulture	$35,400	$49,400
306	Human Development & Family Studies	$34,700	$48,500
307	Athletic Training	$35,900	$48,300
308	Therapeutic Recreation	$33,800	$48,000
309	Special Education	$35,500	$47,800
310	Biblical Studies	$34,900	$47,100
311	Social Work (SW)	$33,200	$45,700
312	Elementary Education	$34,300	$45,500
313	Youth Ministry	$32,200	$45,400
314	Human Services (HS)	$34,100	$43,400
315	Early Childhood & Elementary Education	$32,900	$42,300
316	Counseling	$32,300	$40,900
317 (tie)	Child & Family Studies	$30,900	$39,600
317 (tie)	Child Development	$31,500	$39,600
319	Early Childhood Education	$30,300	$38,000

Source: PayScale

Employment Security of Professors

At this point it is hard to see how a UW System school could be created that did not have a tenure system, given the political realities of the state. The problem with tenure is that its original intent, which is to protect the intellectual freedom of scholars and keep them from being fired for pursuing unpopular or controversial research agendas, has been supplanted by the notion that it should convey lifetime job protection. A labor economist would argue that the job protection has become a compensating differential that has been exploited by the state to some degree. Professors have entered into an implicit agreement to take on a job that pays them a lower wage than they could obtain elsewhere, and professors are fine with that because of the strong job protection that goes with it. The question that needs to be asked is whether that is a tradeoff that works for the UW System. It may be the case that reducing job protection — and at the same time keeping the intellectual protection that is the core of tenure — while raising faculty wages would be a cost-effective tradeoff for the university to make.

The University of Chicago economist Steven Levitt argues that a single school that foregoes tenure could benefit greatly from such a deviation. It would attract professors who place the least amount of value on job security and who, he believes, would be overwhelmingly capable. He suggests that the cost of foregoing job security for this one school, in terms of the higher wages necessary to attract the same caliber of professor with tenure, would be quite inexpensive and well worth the tradeoff for that school.

During Brannon's seven years at UW-Oshkosh, there was scarcely an academic department that didn't have to deal with a professor who was simply unable to effectively teach or unwilling to put forth the effort to do so. Hiding such professors is effectively impossible — they have to teach someone, and their students invariably resent their classes as a waste of their time and money, which they are.

To get a better understanding of the value that UW instructors place on tenure, we conducted a survey of approximately 3,000 full-time instructional staff in the system, which included nearly every instructor who had a reported full-time equivalent of at least 0.75. Of those contacted, 522 responded to our survey, a remarkably high response rate for such studies. In an effort to get a sense for how much instructors within the system but outside of the tenure track perceive tenure's value both to the school and to themselves, we chose to survey instructional staff members who teach within the UW System but are not eligible for tenure. Full-time instructional staff members have an excellent perspective on the performance of both tenured and non-tenured professors alike, but have a limited vested interest in the personal benefits that come along with tenure.

We asked the instructors 20 questions about their perception of tenure, their employment status and job security, their feelings about various changes to tenure, as well as their current positions with the university, along with a few other questions about their jobs. We employed the online survey company StatPac to do the survey.

In order to maintain the anonymity of our respondents, StatPac initially provided us with just the names of those who responded, to which we added publicly available information. We then returned the augmented data set to StatPac, which then added the survey responses while deleting all identifying information before returning the complete data set.

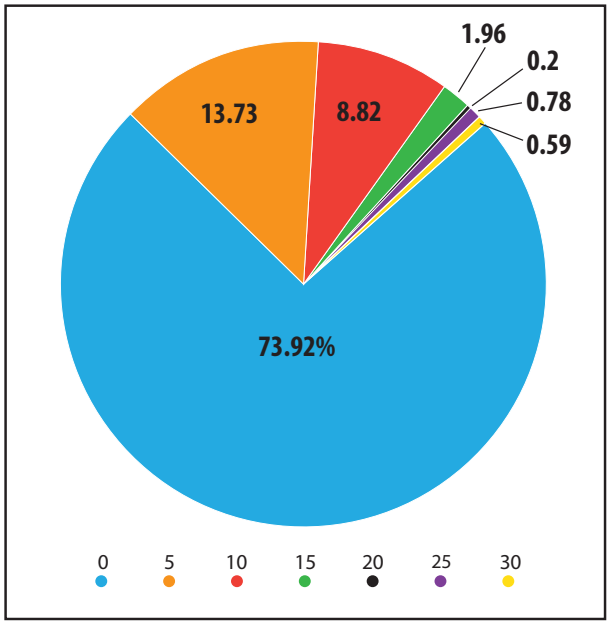
The average respondent in our sample had an income of $56,700, and the group was evenly split in education attainment between an M.A. and Ph.D. The average duration of their contracts was approximately 2.5 years, and most were highly confident that their contracts would be extended. The average respondent taught seven courses a year, and their class size averaged roughly 30 students.

We wanted to see what value our respondents place on receiving some version of tenure. This is different from asking tenured professors how much of a salary increase they would need to give up that protection. Here we were asking people teaching alongside tenured professors but without such job protections how much salary they would sacrifice, if anything, to receive tenure.

The answer is that respondents did not seem to put much weight on receiving tenure and its benefits. A total of 74% of respondents said they would not be willing to take any salary reduction, while 14% said they would take a salary cut of just 5%. The mean salary reduction people offered in exchange for tenure is approximately 2.25%. Given the mean income of the sample of $56,700, that suggests these respondents value tenure at $1,300 per annum.

Part of the dissonance between valuing tenure and being unwilling to give up much salary for it is that most non-ten-

Responses of Variable Tenure Offer



ure-track instructors perceive themselves as having strong job security already. Given that they teach more classes for lower pay, administrators see them as a cost-effective way to instruct students compared to a tenure-track professor. The proportion of classes taught by instructional staff across the country has grown steadily over the last few decades.

There's also a possibility that we have some sampling bias: We are not positive that our survey went to all new faculty staff, who (we presume) would have a lower sense of job security. A respondent who was a new instructor at a regional campus reached out to us to discuss the survey and said that his one complaint with his new job is that he was unclear about his status for the next year.

(For a more in-depth analysis on responses to our survey, see our previous report to see how those surveyed responded to questions about the merits of tenure and community interaction, the economy and the classroom.[14])

Reforms for a New UW University

To think about how to apply these observations in practice, we posited a simple question: What would we do if tasked with creating an entirely new public university, distinct from the University of Wisconsin System and free of its accumulated barnacles and constraints imposed by generations of well-meaning administrators?

Such a task would be, of course, much more complicated than what we describe in this report, but we have a few principles and practices that we consider essential to achieve our goal of providing a high-quality, inexpensive college education that succeeds in attracting quality students, retaining them in the school, and helping them graduate on time.

The new school we conceive of would not look like UW-Madison or UW-Milwaukee: It would not have graduate programs of any kind, or intercollegiate sports, or layers of provosts, deans, associate deans, program directors and the like. We envision a school that has fewer academics doing research and more concentrating on their jobs as teachers.

The justification for encouraging academic research at smaller universities is primarily that it helps academics stay on the cutting edge of their discipline. For some subjects this is a definite need, especially for those who teach upper-level science classes, but it is not the case for all of them. We would create a faculty where a relatively small proportion of faculty would be expected to publish. With this expectation comes a reduced teaching load. Their tenure decision would be judged in part on the caliber of their research but also on their teaching performance.

Many UW System schools currently offer a reduced teaching load to those who maintain some sort of a research agenda, but this bar tends to get set quite low and often encompasses a variety of ephemera that have only a loose connection to academic research. We would cap the proportion of research faculty at a fraction of the total faculty, and we would ask teachers who are not in that category to teach more and bigger classes.

Most of the faculty would have no research expectation. They would be judged solely on their teaching performance, and they would be expected to teach more classes. Research faculty who reduce or stop research would become teaching faculty and inherit a higher teaching load.

There would be a small research faculty with a teaching load of 3-3, meaning three classes per semester. It would be complemented with a larger non-research staff, teaching a 4-4 or 4-5 load. Regular post-tenure review with teeth should discern this.

The instructional staff would have a 5-5 or 5-6 teaching load, the latter of which would include a summer school class. Instructors would receive standard five-year contracts with renewal decided by 18 months before contract expiration.

There would also be more adjunct faculty teaching one or two classes. These would primarily be non-Ph.D.s with real world experience and not newly-minted Ph.D.s aspiring to full-time professorship.

Accordingly, the tenure decisions would place a greater emphasis on teaching performance, as would salary reviews. Tenure was never meant to function as a sinecure for professors. The right of a professor to maintain his job even if he fails to perform at an acceptable level costs the college, the students and even colleagues an unacceptable price.

Not only would there be a reduced emphasis on research when it came to tenure, but the decision would also look at what a professor does to serve the community. An earlier WPRI publication suggested that tenure and promotion decisions should consider the efforts of professors to engage in the community in one way or another, and we would like to reiterate this position.

For instance, Brannon's former UW-Oshkosh colleague Kevin McGee may have done more to bring honest, rigorous analysis to contentious Fox Cities policy debates, as well as to the state at large, than any other academic, whether by exposing shoddy state Department of Transportation studies used to justify road widenings, taking on the government's expansion of the Unfair Sales Act, or any of dozens of other spending decision being made without serious study. It's not an exaggeration to suggest that McGee may have saved the state and local governments more money than he was paid while at Oshkosh. While his deans often saw him as an irritant, his service to the local community should have merited an award and some sort of remuneration instead of the indifference and opprobrium it often engendered.

Our from-scratch UW school would also make a greater effort to get students to graduate in four years. This effort would include the following:

- ***A first-year curriculum that encompasses a summer term.***
- ***An emphasis on getting all students an internship for credit after their sophomore year.***
- ***An effort to encourage students to study abroad one term or more.***
- ***An elimination of remedial classes. Students who need such preparation would be directed to community college.***

There would be an embrace of a liberal arts curriculum but with a nudge for liberal arts majors to pursue a complementary, supporting minor in a STEM field as well. The development of "certificates" in certain specialties would help students who want to study liberal arts simultaneously obtain some sort of credential to augment their career pursuits.

This school should also be nimble enough to adjust to the market. If there is a sudden demand increase for people with geology degrees, we want to have a school that can quickly adjust to help students understand the new opportunities available and be able to offer the requisite classes to help students take advantage of this change.

President Obama has heaped praise — rightly so — on the importance of junior colleges in helping students acquire necessary skills and training. One reason for their success in achieving this — at least in Wisconsin — is that they are very much attuned to their market and can augment their curriculum on the fly to meet employer demand.

Four-year colleges have a mission that goes beyond the exigencies of the regional labor market, of course, but it behooves our colleges to maintain close connections to the large employers in their region and to work with them if it helps students obtain internships, employment or relevant skills for today's job market.

For instance, while Brannon was at the UW-Oshkosh, Kimberly-Clark officials approached the university about creating an MBA program that would be tailored for their employees, but open to all students. While the program should have been a slam dunk, it was met with a surprising degree of ambivalence from a variety of factions on campus, and it proved to be no small feat to overcome this ambivalence and get it up and running. Conversely, at the same time the Milwaukee Area Technical College managed to create a new program in conjunction with the various building trades in the area in less than six months.

Finally, there would be no intercollegiate sports. Sports at the Division III level help attract student athletes. At bigger schools, the student body rallies around the football, basketball and hockey teams, but these would not be cost-effective for our new school. The school's attraction would be its high on-time graduation rate.

Conclusion & Recommendations

Brannon departed Wisconsin in 2001 for what was originally to be a one-year, post-tenure sabbatical until other opportunities presented themselves. He left the institution with very fond feelings that remain today, having encountered brilliant professors who helped make the place a great intellectual experience. In his last few years there, he taught a group of talented students who worked hard and showed genuine curiosity and who have excelled since graduation. That group includes a CEO, a former White House economist, a COO of a Silicon Valley start-up, several prosperous small business owners, a successful author, and a bond trader with a highly impressive income.

Brannon's students were not a random distribution of students on the campus, however. As a rule, freshmen do not take economics, so Brannon never encountered the nearly one-third of each entering class who departed before their sophomore year. He also invariably taught the same classes as a couple of his senior colleagues who put forth little effort, required little from the students, and gave uniformly high marks for their acquiescence. After the students sorted themselves out, Brannon was left with the cohort that was genuinely curious and wanted to learn.

While UW-Madison attracts brilliant students from around the world, the regional universities also attract some bright, capable students as well, and those who are motivated can pursue a curriculum and teachers that challenge them. However, those who do not wish to be challenged can pursue that route without too much trouble. Those not clued into the academic milieu can get a substandard education if they are unlucky.

While a professor, Brannon sat on a committee that tried to address the low rate of student retention and the propensity for students to take more than four years to finish. The former seemed like an intractable problem given the available resources. The committee explored implementing a new program to target at-risk students, focusing recruiting efforts on non-traditional students — who had higher retention rates — and various other inexpensive band-aids before writing a memo and disbanding. No one seemed to think the longer matriculation presented a problem — at least from the school's perspective.

The longer Brannon was at the university, the more evident its faults became, despite the good it also managed to achieve. The school did an inadequate job of informing the students of various career paths after college, it wasn't good at keeping in touch with its alumni — often a good source of jobs for new students — and as an institution, it saw as intractable the problem of having a portion of the faculty in nearly every department fundamentally incapable of doing an acceptable job in the classroom.

Today Brannon believes the school is in a better spot than when he left 15 years ago. His most capable colleagues in the College of Letters and Sciences in the 1990s have become senior administrators, and they have made some hard choices that have helped them attract better professors and improve the educational experience. However, those same former colleagues report that there remain professors who have ceased being contributing members of the academy and who do not take their teaching duties seriously. There are still no real tools to address this.

What's more, some of the same problems the school faced in the 1990s remain. Students drop out at an alarming rate. Others who stay are in no hurry to finish, paying shockingly casual attention to academic performance. When such students do earn their degrees, they can face a steep path to a career or even merely a series of jobs.

There are two different, broad mistakes we can make at a college when it comes to admitting students. First, we can admit people who are not capable of succeeding. We make this mistake a lot, based on the high proportion of students who drop out after their first year of school. It's an expensive mistake as well — schools devote a lot of resources to providing remedial education and engaging students at risk of dropping out.

But if someone who's fully capable of earning a college degree doesn't finish one, or never even starts, it represents an enormous loss for the state and akin to a tragedy for the students, who will be limited in career options and earnings potential for the rest of their lives.

In our thought experiment of creating a new public university from scratch that better serves students and employers, we recommend a number of ways to address both problems: We would devote fewer resources to administration, sports, extracurricular activities, and remedial education and put more money into instruction. We would place a greater emphasis

on the teaching performance of professors in determining promotions and pay. We would also expect professors to teach more than is currently the custom, which would come with a commensurate increase in pay.

We would also develop a program that involved students being engaged with the school 12 months a year, whether via summer school, internships or participation in study abroad programs. We would also reduce the amount of financial aid available for full-time students after their fourth year. The UW System must focus on ways to encourage more students to graduate in four years, or even sooner.

We would maintain a liberal arts curriculum, but we would encourage those who decide to study a subject in the humanities to seek either a minor or some sort of certificate in a STEM field. To improve the effective productivity of professors, we would reduce somewhat the upper-level offerings in each discipline, creating larger classes at that level.

The true promise of a new institution is the potential for experimentation. At least for the first few years, a new UW school would have fewer strictures in place, allowing creative administrators and entrepreneurial professors to try new things in order to engage students, boost graduation rates and improve the outcome for their graduates.

But with flexibility must come accountability. We also recommend tying state funding for all schools to key metrics, including first-year attrition rates, four-year and six-year graduation rates, ratios of students to administrators and professional staff and, ultimately, employment success for graduates.

About the Authors

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Brannon

Coyle

Appendix

Regression Results

VARIABLES	(1) Model 1 *additional class*	(2) Model 2 *tenure offer*
salary	8.52e-06	1.12e-05
	(5.82e-06)	(1.45e-05)
expire	0.0603	
	(0.0707)	
students	0.322***	
	(0.0981)	
classes	-0.258**	
	(0.121)	
education	0.165**	0.0169
	(0.0772)	(0.127)
controversial subject		-1.233***
		(0.459)
duration		-0.420**
		(0.176)
contract extension		0.138
		(0.381)
Constant	2.369***	4.540**
	(0.723)	(1.904)
Observations	212	219
R-squared	0.171	0.075

Robust standard errors in parenthesis
*** p<0.01, ** p<0.05, * p<0.1

Summary Statistics

VARIABLES	(1) N*	(2) mean	(3) sd*	(4) min	(5) max
Salary	243	61,909	26,825	2,258	194,207
Duration	515	2.825	1.842	1	7
Expire	518	2.542	2.040	1	7
Education	498	4.038	2.040	1	7
Contract extension	514	4.461	1.020	1	6
Change classes	434	2.016	0.541	1	3
Change pay per class	436	2.009	0.383	1	3
Change duration	413	1.969	0.425	1	3
Change duties	418	1.682	0.491	1	3
Tenure offer	510	2.275	4.745	0	30
Classes	514	3.438	1.313	1	6
Students	513	3.517	1.429	1	6
Additional class	496	3.698	2.147	1	7
Controversial subject	516	1.938	0.753	1	3

*N= Number of responders; sd= Standard deviation

Appendix

	2015-16 BUDGET TOTAL	INSTRUCTION	RESEARCH	PUBLIC SERVICE	ACADEMIC SUPPORT	HOSPITALS	FARM OPERATIONS	STUDENT SERVICES	FINANCIAL AID	AUXILIARY ENTERPRISES	PHYSICAL PLANT	INSTIT'L SUPPORT	DBT SVC ON ACAD BLDGS
MSN	2,900,489,664	528,801,613	962,436,742	116,920,024	161,791,016	36,000,000	11,644,525	232,851,046	330,445,022	159,635,414	198,267,062	59,257,052	102,440,148
MIL	666,979,299	146,922,223	58,713,065	18,299,032	50,444,469	0	0	61,952,734	195,236,220	53,722,156	31,718,262	27,332,291	22,638,847
TOTAL	3,567,468,963	675,723,836	1,021,149,807	135,219,056	212,235,485	36,000,000	11,644,525	294,803,780	525,681,242	213,357,570	229,985,324	86,589,343	125,078,995
EAU	221,786,345	60,691,711	851,269	1,125,246	17,372,986	0	0	25,003,241	58,146,749	29,562,982	9,036,985	9,911,752	10,083,424
GBY	125,953,791	27,721,382	440,457	2,735,837	10,663,337	0	0	14,768,909	37,735,308	11,820,640	6,182,936	6,734,965	7,150,020
LAC	225,735,839	68,432,396	3,698,555	1,925,231	15,862,196	0	0	21,605,469	57,812,021	26,218,319	11,459,575	8,681,924	10,040,153
OSH	267,678,082	74,032,318	2,257,359	5,832,262	15,086,829	0	0	24,927,583	78,511,857	33,595,161	11,983,871	9,541,221	11,909,621
PKS	97,062,437	20,526,635	313,763	991,083	7,571,829	0	0	9,856,390	32,549,919	7,569,709	6,319,608	5,160,288	6,203,213
PLT	184,204,988	41,324,134	889,204	2,315,896	17,456,641	0	1,369,838	15,549,645	53,906,170	23,998,200	10,196,272	9,077,870	8,121,118
RVF	133,983,541	31,299,750	590,531	2,182,554	9,216,692	0	1,290,005	16,023,482	39,149,708	16,811,242	5,829,646	5,809,272	5,780,659
STP	221,822,403	47,063,179	4,113,580	9,502,363	12,022,889	0	0	22,773,391	64,409,479	30,819,044	10,537,396	12,077,841	8,503,241
STO	203,889,620	54,906,650	463,627	5,391,020	15,625,525	0	0	18,910,432	58,743,571	22,209,620	8,037,167	9,549,778	10,052,230
SUP	70,396,680	16,339,116	2,593,485	189,020	3,856,843	0	0	7,976,395	19,564,837	5,628,438	4,093,366	3,880,451	6,274,729
WTW	254,586,732	56,386,989	285,605	4,392,036	18,009,867	0	0	24,441,003	85,809,480	31,051,261	9,617,423	11,276,250	13,316,818
TOTAL	2,007,100,458	498,724,260	16,497,435	36,582,548	142,745,634	0	2,659,843	201,835,940	586,339,099	239,284,616	93,294,245	91,701,612	97,435,226
UWC	138,034,258	39,433,636	12,843	320,271	12,415,986	0	0	13,778,067	53,560,174	1,785,551	9,647,258	4,400,710	2,679,762
EXT	235,023,529	58,305,599	0	129,991,538	35,291,596	0	0	1,501,515	100,000	0	1,167,665	6,651,399	2,014,217
SA	13,305,284	0	0	0	0	0	0	0	0	0	0	13,305,284	0
SYS	98,494,988	31,961,945	673,239	150,871	13,052,632	0	0	1,252,654	6,442,818	0	9,847,598	35,113,231	0
TOTAL	6,059,427,480	1,304,149,276	1,038,333,324	302,264,284	415,741,333	36,000,000	14,304,368	513,171,956	1,172,123,333	454,427,737	343,942,090	237,761,579	227,208,200

Appendix

Variables and Their Meanings

Salary *– How much do you make?*

Duration *– What is the duration of your contract?*

1=Semester **2**=1 year **3**=2 years **4**=3 years **5**=4 years **6**=5 years **7**=Indefinite

Expiration *– When will your contract expire?*

1=Summer **2**=2016 **3**=2017 **4**=2018 **5**=2019 **6**=2020 **7**=Not applicable

Education *– What is your highest level of education?*

1=BA **2**=MA **3**=MFA **4**=MBA **5**=Ed.D. **6**=Ph.D. **7**=Other doctorate

Contract Extension *– How likely is it your contract will be extended?*

1=Doubtful **2**=Unlikely **3**=Possible **4**=Likely **5**=Almost certain **6**=Don't know

Change in classes *– Given an extension, what changes are likely?*

1=Fewer classes **2**=No change in the number of classes **3**=More classes

Change in pay per class *– Given an extension, what changes are likely?*

1=A higher salary per class **2**=No change in salary per class **3**=A lower salary per class

Change in contract duration *– Given an extension, what changes are likely?*

1=A longer contract **2**=No change in the contract duration **3**=A shorter contract

Change in duties *– Given an extension, what changes are likely?*

1=Additional duties **2**=No change in duties **3**=Fewer duties

Tenure offer *– Suppose you are given tenure and all benefits that come with it. However, in order to receive it how much of a salary cut are you willing to take?*

0=0% (None) **5**=5% **10**=10% **15**=15% **20**=20% **25**=25% **30**=More than 25%

Classes *– How many classes do you teach?*

1=1 **2**=2 **3**=3 **4**=4 **5**=5 **6**=6

Students *– What is the average number of students in your class?*

1=Less than 10 **2**=10-20 **3**=20-30 **4**=30-40 **5**=40-50 **6**=More than 50

Additional Classes *– How much more would you need to be paid to teach additional classes?*

1=$2,500 **2**=$5,000 **3**=$7,500 **4**=$10,000
5=$12,500 **6**=$15,000 **7**=Would not or could not teach more

Controversial Subject *– Given tenure, are you willing to discuss more controversial subjects in class?*

1=Yes **2**=No **3**=Not applicable

Endnotes

President's Note

[i] Survey of 2012-'13 graduates of the UW-Madison College of Letters and Science, http://ls.wisc.edu/documents/201213_LS_Career_Outcomes_Report.pdf

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[1] University of Wisconsin System - Information Memorandum: Retention and Graduation 2012-13. https://www.wisconsin.edu/reports-statistics/download/educational_statistics/informational_memoranda/rg12-13.pdf.

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[3] Bowen, William et al. Crossing the Finish Line. Princeton University Press. 2011.

[4] For a discussion on the merits of ending the exclusion student loan debt from bankruptcy protection please see "Let them go Bankrupt," In The Weekly Standard, 22 February 2016..

[5] Tuition and fees and Room and Board over Time, 1975-76 to 2015-16. http://trends.collegeboard.org/college-pricing/figures-tables/tuition-and-fees-and-room-and-board-over-time-1975-76-2015-16-selected-years.

[6] National Vital Statistics Report 2015.

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[8] http://www.bls.gov/news.release/hsgec.nr0.htm

[9] Ben Casselman, Non-traditional Students are a Majority on College Campuses, The Wall Street Journal, July 6th 2013.

[10] Douglas Belkin, Foreign Enrollment at U.S. Colleges sets a Record, The Wall Street Journal, November 16 2015.

[11] Delta Cost Project Database. http://www.deltacostproject.org/delta-cost-project-database.

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[13] To Write Software, Read Novels. http://www.nytimes.com/2016/05/22/opinion/sunday/to-write-software-read-novels.html.

[14] A Survey of System Instructional Staff Opinions Regarding Tenure. http://www.wpri.org/WPRI-Files/Special-Reports/Reports-Documents/WPRIwhitepaper_TENURE_FINALrevised.pdf.

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