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## Local Board Governance of Wisconsin Technical Colleges

*Representative Local Boards Drive Technical College Excellence*

### **Representative Boards: A century of merit-selected board members from the world of work**

- Appointments take place in public hearings conducted by elected officials (*page 1*)
- Competitive applications and “job interviews” drive board selection (*page 1*)
- Boards are comprised of employers, employees, businesspersons, local elected officials and K-12 school leaders by design (*page 2*)
- Business owners, CEOs are prominent on technical college boards (*page 3*)
- Boards closely reflect Wisconsin’s key business and industry sectors (*page 3*)

### **Accountable Boards: Boards and members operate publicly and accountably**

- Boards and board members operate in public with public input and accountability (*page 4*)
- Balanced local-state authority (*page 6*)

**Conclusion: Representative, accountable boards drive technical college excellence (*page 8*)**

## A century of merit-selected board members from the world of work

For 103 years, Wisconsin's technical college boards have been comprised of employers, employees and other local leaders selected on a competitive “merit based” process by groups of elected local officials serving as the appointment authority. These appointment committees include county board chairs, a county executive and school board presidents.<sup>1</sup>

"Local boards are an integral part of the 1911 legislation. The rationale for them was *to ensure that the course of vocational education would be guided by lay people who were knowledgeable about the world of work*. The boards were to be appointed by existing governing bodies to ensure equal representation of management and labor and to ensure that the board positions would be filled with people genuinely interested in nurturing quality vocational educational programs."<sup>2</sup>

This model was central to the 1911 legislation creating local “continuation schools” to train adults for a rapidly changing world of work. These adult continuation schools, the nation’s first, have evolved to become today’s Wisconsin technical colleges. More than a century later, technical college district boards continue to be selected through a competitive, open and public process.<sup>3</sup> This process assures board members represent the district’s public interest, and that they balance taxpayer, employer and student needs.

### **Appointments take place in public hearings conducted by elected officials**

The annual board appointment process is based on two very different public hearings. First, the appointing authority conducts a public hearing to consider the overall college district, its demographics, and its unique and changing workforce and community needs. Based on this hearing, the local appointment authority establishes an annual “plan of representation” for its college district to guide responsive board appointments.<sup>4</sup>

The plan assures that the entire district - including smaller communities and rural areas - is well represented on the board. With districtwide elections, a large community or county could dominate voting and board composition at the expense of outlying areas. The locally-tailored plans also assure there is broad representation across the community. This year, 44% of board members are female and 10% are members of traditionally underrepresented minority groups; proportions that are more closely representative of the state population than is found in many local and state governing bodies.

### **Competitive applications and public “job interviews” drive board selection**

With the plan of representation set, the appointing authority conducts a merit-based appointment process that culminates in a second public hearing. First, applicants are sought through public notices published in local media and distributed to key employers and organizations around the district. Second, following the application deadline, all

candidates are listed in additional public notices announcing the upcoming appointment hearing and encouraging public input.

Third, to be considered, each candidate must submit a résumé, letter of application, letters of recommendation, and a affidavit of eligibility. Fourth, applicants must appear at the appointment hearing in person and be interviewed to be considered for appointment. Fifth, members of the public may provide input to the appointing authority during the hearing. Finally, local appointments are reviewed and approved by the state-level Wisconsin Technical College System (WTCS) Board.<sup>6</sup>

**Board composition: employers, employees, businesspersons, local elected officials and K-12 school leaders** -- Each 9-member board is made up of employers, employees, a local elected official, a K-12 school superintendent and at-large members. To assure key district business and industry representation, boards include at least 4

*“As the co-owner of a manufacturing company, I became a college board member because it’s where our skilled workers come from. I bring a direct voice in matters like what the state’s manufacturing sector needs to thrive, and how college partnerships with K-12 and apprenticeship programs support manufacturers. I am always working to be a good steward for taxpayers too. I’m proud of what LTC delivers for them and the return they receive on their investment.”*

*-- John Lukas, Manitowoc, Vice President, LDI Industries, Lakeshore Technical College Board*

employer and employee members or 5 businessperson members. At 15 colleges, each board must have at least 2 employers and 2 employees representative of key district business and industry. At MATC Milwaukee, 5 “business persons” are appointed instead of employers/employees.<sup>7</sup>

To promote collaboration with other local governments, each board includes at least one local elected official member. In 2014, elected official board members include: 2 county sheriffs, 2

mayors, 1 village president, 8 county board members, 1 county coroner, 1 county executive, 1 village clerk, 4 city council members, 3 school board members and 1 town board member.<sup>8</sup> These officials help promote efficiency and partnership and are often key employers themselves in areas such as fire, police, EMT and utilities professionals.

To promote connections and pathways between K-12 and the colleges, each board includes a public school district administrator/superintendent. This role helps promote innovative and efficient programs serving taxpayers and students such as dual enrollment opportunities and joint K-12/technical college career academies.

Finally, each 9-member district board includes “at-large” members representative of the community (3 at-large members in all districts except Milwaukee, which has 2).

Importantly, incumbent board members must reapply and compete in the full appointment process after each 3-year term. Requiring incumbent members to go through the competitive appointment process after each term supports highly representative boards with healthy regular turnover of public officials. While no college appointment authority has a "term limit" for board service, boards include a healthy mix of veteran and new members. As of 2014, one-half of all district board members statewide were first appointed to the board in 2010 or later.<sup>9</sup>

*"As a business owner in a small town, I realize the need as a board member to be responsible and accountable to the public. Customers keep a close eye on how businesses react to events in their community and do not hesitate to talk to us when they have concerns."*

*-- Mary Soddy, Monroe, Owner,  
Creative Photography, Blackhawk  
Technical College Board*

**Business owners, CEOs and business presidents are prominent on technical college boards** -- A large proportion of business owners, presidents and CEOs serve

**24% of all 2014-15 technical college district board members statewide are CEOs, business owners and company presidents!**

as technical college board members. This year, 34 CEOs, business owners, and company presidents are serving on local boards statewide.<sup>10</sup> This represents 24% of all (34 of 144) technical college district board members.

These board members include the owners and presidents of manufacturing and engineering firms, a hospital CEO, bank and credit union presidents, a lumber and building company owner, the owner of a trucking company, and the owners of staffing and home health care services companies, among many others.

**College boards reflect Wisconsin's key business and industry sectors** -- Board members are also highly representative of Wisconsin's key business and industry sectors and the state's overall economy. They include manufacturing professionals, nurses, farmers, educators, real estate professionals, law enforcement officers, engineers, bankers, leaders in economic development groups and chambers of commerce, the directors of community organizations, charitable groups and foundations, and many more.

Manufacturing is the largest single employment sector represented by technical college board members. This year, 22 technical college district board members (15% statewide) come from manufacturing companies; a proportion of board members that closely matches Wisconsin's overall employment in this sector.<sup>11</sup>

**Number of 2014-15 Technical College District Board Members Representing Selected Wisconsin Business and Industry Sectors:**

22	Manufacturing
20	Real Estate, Insurance, Law and Consulting
17	Healthcare and Medicine
13	Human Resources, Employment/Staffing and Workforce
9	Food processing, Farming/Agriculture and Natural Resources
6	Banking and Credit Unions
6	Community Organizations, Foundations and Charities
5	Engineering
5	Law Enforcement and Corrections
5	Trucking, Transportation and Logistics
4	Contractors, Skilled Trades and Facilities Management, and
3	Economic Development Organizations and Chambers of Commerce <sup>12</sup>

Boards also include a large number of key human resources, workforce development and corporate training professionals. These leaders provide a special link between community and employer needs and technical college responsiveness. Thirteen current board members work in or are recently retired from leadership positions in human resources, workforce staffing and corporate training at these Wisconsin employers:

- Abbyland Foods, Abbotsford
- Church Mutual Insurance Company, Merrill
- Employment Resources Group, Appleton
- Enstrom Helicopter (retired), Marinette/Menominee, MI
- Johnsonville Sausage, Sheboygan Falls
- Kutter Harley Davidson/Buell, Janesville
- ManpowerGroup (retired), Milwaukee
- NEW Consolidated Management Group, Green Bay
- Pierce Manufacturing, Appleton
- St. Mary's Hospital Janesville, Janesville
- The Richland Hospital, Richland Center
- UW Hospital and Clinics, Madison
- Wisconsin Department of Workforce Development (retired), Madison<sup>13</sup>

**College boards operate as openly, publicly, and accountably as other local and state government**

While carefully selected on a merit basis to represent the word of jobs and work, technical college district board members are fully accountable public officials.<sup>14</sup>

They operate openly and accountably as individual public officials and as a form of local government.

Technical college boards follow the same laws regarding open meetings, public records, public access, and public input as all other forms of local government.<sup>15</sup> College boards provide broad opportunity for public comment and seek public input on budgets, tax

*“As a new member of the Northcentral Technical College Board and the newly formed Central Wisconsin Metal Manufacturers Alliance, I realize the important part that the college will play in the training of our future workforce. I have long been an advocate for the local control of our colleges. Many of the issues that affect businesses in our region are completely different from other areas. We need local control to assure quick response to the needs of businesses in our area.*

-- Tom Felch, Schofield, President/Owner, J&D Tube Benders, Northcentral Technical College Board

levies, programming, and many other issues. They provide public notice of their meetings and encourage a wide range of citizen involvement. They also provide contact information for each board member on the college website and through every local county clerk’s office.

While technical colleges have had local taxing authority since 1911, this authority is strictly limited and, as of 2014, will comprise a much smaller portion of funding than in the past. District boards may increase operating levies annually by no more than the extent to which district property values increase *exclusively due to net new construction* (an average maximum of about 1% this year). Levies may otherwise be increased with districtwide voter (referendum) approval.<sup>16</sup>

As of 2014, local levies (for both operations and debt) will provide approximately 33% of college funding. State aid will provide 44%. Student tuition and fees will provide 23%. This funding balance, created by 2013 Act 145, represents a dramatic shift from the recent past when state aid comprised just 9% of funding. This left local levies to cover 68% of funding (with student tuition and fees at 23%).<sup>17</sup>

Accordingly, local college tax levy authority is limited both in terms of any increase and in terms of the overall impact on property owners. Statewide, as of 2014, a median value Wisconsin home with a value of \$151,000 will average \$129 per year in total technical college property taxes.<sup>18</sup>

Technical college boards seek public input in many ways beyond their limit taxing authority. Every technical college program at every college – more than 300 statewide – has a community-based advisory committee to guide the board on emerging workforce training needs including cutting-edge changes for curriculum and technology.<sup>19</sup>

As a statutory form of local municipal government, technical college boards also follow open bidding, procurement, accounting, and reporting laws to assure accountability.<sup>20</sup>

*“The Wisconsin Technical College System is recognized as a model of excellence throughout the country and worldwide. The district boards, as the governing bodies, demonstrate accountability by serving the needs of employees and employers while being fiscally responsible to the taxpayers. Inclusion of employers and employees assures the focus remains on their community.”*

-- Mary Wehrheim, Pewaukee, President, Stanek Tool Corporation, Waukesha County Technical College Board

Individually, board members follow the same ethics rules and financial interest reporting requirements as other Wisconsin public officials.<sup>21</sup> Board members' economic interest statements are available to the public through the Government Accountability Board. Every aspect of public scrutiny and ethical conduct applying to local elected officials applies to technical college board members as well.

The longstanding board governance model results in boards that are non-partisan and volunteer-based. While technical college board members are accountable public officials, the boards are completely comprised of volunteers. Board members are not compensated. The merit-based selection model is designed to supply board members focused on community training and employer needs, not individual or interest group political agendas.

Board members can be removed easily and without a showing of cause or incurring the cost of a recall election. Technical college board members serve at the will of the local public appointing authority. While the removal of a board member is understandably very rare, a local technical college board member may be removed without cause by the same appointing authority that makes the college's appointments, so long as action is taken with notice in a public hearing.<sup>22</sup>

**Balanced local-state accountability** -- The Wisconsin Technical College System (WTCS) and its constituent 16 college districts are governed through a balance of local boards working with the state-level WTCS Board, which provides strategic direction, coordination, accountability and leadership. The state-level WTCS Board is comprised of 13 members. Three members serve *ex officio*: the State Superintendent of Public Instruction, Secretary of the Department of Workforce Development and president of the UW Board of Regents. Ten members are appointed by the Governor, including one student representative, one farmer/agriculture representative, one employer member, and one employee member.<sup>23</sup>



The WTCS Board monitors and approves key local decisions, such as program offerings and building projects, to provide statewide coordination and oversight. While changes in program offerings must originate locally, the WTCS Board assures that the district has carefully assessed local needs and job demand.

The WTCS Board assures accountability and encourages performance by distributing state aid based on competitive grant guidelines and a new “performance based funding” model, in addition to a statutory aid distribution formula. The WTCS Board also coordinates accountability measures ranging from accounting and audit standards, to regular reports on each college’s expenditures, programmatic success, and community outcomes.<sup>24</sup> These outcomes are regularly reported to the State Legislature and public.

The WTCS Board also reviews and approves local district board appointments to assure they meet statutory requirements and are consistent with local plans of representation.<sup>25</sup>

**Performance outcomes demonstrate results for Wisconsin** -- Wisconsin technical colleges’ governance model contributes directly to their unsurpassed outcomes:

- 89% of graduates employed within 6 months of graduation; 74% employed in their field of study.
- \$37,000 median annual income for new 2-year graduates statewide just 6 months after graduation.
- 48% growth in average compensation within 5 years of graduation, a significantly higher increase than in the general workforce.
- 96% of Wisconsin businesses reporting their technical college is important to their overall business success.
- 93% of employers reporting they are very satisfied or satisfied with the quality of new graduates’ skill level and training.<sup>26</sup>

Wisconsin technical colleges collectively comprise the state’s largest higher education system on a headcount basis with more than 300,000 individuals enrolling in credit-based instruction annually. This represents 1 in every 9 working age adults enrolling annually statewide. The colleges also deliver on more than 5,000 contracts for customized instruction and technical assistance with business and industry each year. More than 20,000 high school students dual-enrolled and earned both high school and technical college credit last year alone.<sup>27</sup>



## **Conclusion: Representative, Accountable Boards Drive College Excellence**

Ultimately, governing in a democracy takes many forms. Technical colleges are owned by every Wisconsinite and everyone has an interest in their effective governance and

### **A Cross-Section of Business Owners, Presidents and CEOs Serving on Technical College District Boards<sup>28</sup>**

David Dull, President/CEO, Allis Roller, LLC, Franklin  
Mary Wehrheim, President, Stanek Tool Corporation, New Berlin  
Russell Moyer, Owner, Moyer Dairy Farms, Barneveld  
John Lukas, Co-Owner/Vice President, LDI Industries, Manitowoc  
Abdulhamid Ali, Chairman/CEO, DAAR Engineering, Inc., Milwaukee  
Chris Prange, President/CEO, American Bank of Wisconsin, Lancaster  
Russell Ratsch, Co-owner/President, Ratsch Engineering Company, Ltd., Neillsville  
Tom Felch, President/Owner, J&D Tube Benders, Schofield  
Carla Hedtke, Owner, NEW Rehabilitation Services, Oconto Falls  
Lou Hernandez, Jr., President, Urethane Systems Plus, Inc., Waukesha  
Pauline Jaske, President and CEO, Fairway Transit, Inc., Pewaukee  
Joseph Kinsella, President, Pointe Precision, LLC, Stevens Point  
John Walton, President, Advanced Laser Machining, Inc., Chippewa Falls  
Catherine Tierney, President/CEO, Community First Credit Union, Appleton  
Gerald Worrick, CEO, Ministry Door County Memorial Center, Sturgeon Bay  
James Kohlenberg, President, Jim's Building Center, Fennimore  
Dennis Treu, Broker/Owner, Century 21 Gold Award Homes, Sparta  
Mary Soddy, Owner, Creative Photography, Monroe  
Sharon Hulce, President and CEO, Employment Resources Group, Inc., Appleton  
Dawn Garcia, Principal/Owner, Pursuit of Excellence, Eau Claire  
Vernon Jung, Principal, Team Technologies, LLC, Racine  
Brian Diel, Owner/President, Diel Insurance Group, Rhinelander  
Paul Proulx, Owner, Proulx's Professional Services, Merrill

their responsiveness to community and taxpayers. The long-time, proven technical college board governance model is highly accountable and public, is tailored to drive high level demonstrable outcomes, and produces those outcomes effectively to meet local and statewide needs.

The nature and composition of Wisconsin technical college boards has been carefully studied. For example, the Assembly "Speaker's Taskforce to Review the WTCS" was comprised of legislators and citizens from around the state and completed a multi-year review of the colleges including governance, funding, mission, outcomes

and accountability to taxpayers. As the taskforce began its work, several legislative and public taskforce members stated their support for legislation to require the election of college board members. However, after detailed study, the taskforce's unanimous

consensus was: “Maintain the current method of appointing members of technical college district boards.”<sup>29</sup>

As public bodies, public servants and public institutions, technical college boards and board members welcome input and dialog on what makes the local government as accountable and responsive as possible. Most Wisconsinites likely can’t recite their school board, city council, village or town board, or county board members by name. Similarly, they likely don’t know by memory who serves on their technical college board. The key to each of these representative bodies is that the citizen can contact them, meet with them, attend their functions, and can have authentic input and a meaningful voice in their respective endeavors. This is no different at technical colleges than in any other local government body.

With that said, a public institution’s outcomes – its results for taxpayers and the community – *are a function of its governance model and its leadership*. Wisconsin technical colleges are highly responsive to their mission in large part because of how they are governed: by local boards driven by the world of work, and by accountable board members selected publicly on a competitive merit basis.

Any proposal to alter the nature of technical college governance must carefully assess the underlying facts, history and rationale supporting this proven model. It has served the state well for 103 years and has never been more relevant than it is today as a case study in public governing excellence ♦

*This paper was prepared by Paul Gabriel for the Wisconsin Technical College District Boards Association. Any opinion or analysis is exclusively the author’s.*

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**End Notes:**

1. Wis. Stats. § 38.10(1).
2. Kathleen A. Paris, *A Political History of Vocational, Technical and Adult Education in Wisconsin* (WVTAE, Madison, WI, 1985) p. 181.
3. Information concerning district board appointment law and procedures is found in Wis. Stats. § 38.10; Wis. Admin. Code § TCS 2; and in the Wisconsin Technical College System’s District

- Board appointment materials at: <http://mywtcs.wtcsystem.edu/resources-policies/district-board-appointments/documents-for-district-board-applicants>.
4. Wis. Stats. § 38.10(2)(c).
  5. Wisconsin Technical College District Boards Association data. See [www.districtboards.org](http://www.districtboards.org), or contact the author for more information.
  6. Wis. Stats. § 38.10; Wis. Admin. Code § TCS 2.
  7. Wis. Stats. § 38.08.
  8. Wisconsin Technical College District Boards Association data. See [www.districtboards.org](http://www.districtboards.org), or contact the author for more information.
  9. Ibid.
  10. Ibid.
  11. According to the U.S. Bureau of Labor Statistics, 16% of Wisconsinites work in manufacturing as of September, 2014. See, <http://www.bls.gov/eag/eag.wi.htm>
  12. Wisconsin Technical College District Boards Association data. See [www.districtboards.org](http://www.districtboards.org), or contact the author for more information.
  13. Ibid.
  14. Wis. Stats. §§ 19.42(7u), 19.41(7w); see, especially, 19.42(13)(f), which states: 19.42(13) “State public office means.... (f) A member of a technical college district board....” Also, see generally §§ 19.41 through 19.59.
  15. Wis. Stats. §§ 19.31, 19.32, see generally, §§ 19.31 through 19.39 and §§ 19.81 through 19.98.
  16. Wis. Stats. §§ 38.16, 38.15.
  17. Based on counting the 3 largest technical college funding sources (state aid, local tax revenue and tuition and fees) calculated as 100%. Excludes smaller revenue sources such as auxiliary and enterprise revenue, gifts and federal grants. Shift in state and local levy amounts based on 2013 Act 145, which reduced local technical college property tax levies statewide by \$406 million annually (a tax rate reduction of \$0.89 per \$1,000 of property value) and replaced that revenue loss with \$406 million annually in state funding.
  18. Based on estimated statewide average 2014 property taxes, property values, and technical college levies (operations and debt) as adjusted by 2013 Act 145.
  19. Wis. Stats. § 38.14(5).
  20. Wis. Stats. § 38.18 and Wis. Stats. Chapter 62.
  21. See Wis. Stats. §§ 19.41 through 19.59.
  23. Wis. Stats. §§ 38.04, 15.94.
  24. Wis. Stats. § 38.04.
  25. Ibid.
  26. Wisconsin Technical College System data. See <http://www.wtcsystem.edu/reports/data/factbook/index.htm>, and, see also [www.technicalcollegeeffect.org](http://www.technicalcollegeeffect.org). See also WTCS “Graduate Follow-up Report (2011).” Retrieved at: <http://www.wtcsystem.edu/reports/data/graduate/index.htm>.
  27. Ibid. See also U.S. Census Bureau data retrieved at: <http://quickfacts.census.gov/qfd/states/55000.html>
  28. Final Recommendations to the Wisconsin Assembly Speaker, *Taskforce to Review the WTCS*, Wisconsin State Assembly, November, 2003.
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