

Waiver of Nonresident Enrollment Limit
for UW-Madison

EDUCATION COMMITTEE

Resolution I.1.e:

That, upon the recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Board of Regents waives the 27.5-percent nonresident enrollment limit (Regent Policy Document 7-3, section III) for UW-Madison, for 2016-17 through 2019-20. During the waiver period, to maintain access for resident students, UW-Madison must enroll and maintain a minimum of 3,500 Wisconsin residents in each new freshman class. Further, to enable the Board to determine future action on the waiver, UW-Madison must provide the Board, in December 2019, with a report that describes admission and enrollment activity and other relevant outcomes that result from the waiver; UW-Madison must also provide at least one interim report, in December 2017.

**UW SYSTEM NONRESIDENT ENROLLMENT LIMIT
UW-MADISON WAIVER**

BACKGROUND

UW System Board of Regents policy on freshman admissions states: “Based on a three-year average, the nonresident undergraduate enrollment shall not exceed 27.5% of the total undergraduate enrollment at any UW institution. This limitation does not include Minnesota reciprocity students. Enrollments at UW-Madison will be reviewed annually to ensure that UW-Madison has operationalized the enrollment management plan that meets the goals of increasing the number of new Wisconsin freshman admitted and enrolled relative to the 2009-2012 averages” [Regent Policy Document (RPD) 7-3, Section III].

The nonresident enrollment limit described in RPD 7-3 was increased from 25 percent to 27.5 percent in December 2012, at the request of UW-Madison. At that time, UW-Madison agreed to implement a multi-year enrollment management plan which would guarantee 3,500 Wisconsin freshmen enrollments.

Consistent with this plan, UW-Madison has enrolled more than 3,500 Wisconsin-resident new freshmen in each of the last three academic years. In addition, UW-Madison has maintained total undergraduate enrollment levels of below 27.5 percent each year, based on a three-year average, as directed by RPD 7-3.

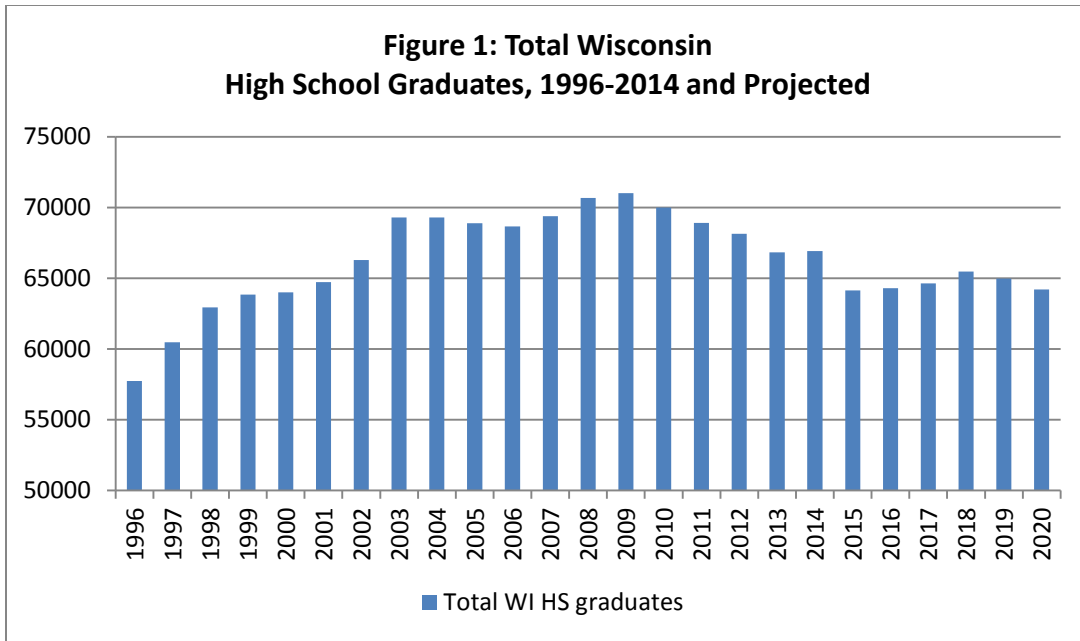
REQUESTED ACTION

Adoption of Resolution I.1.e., authorizing a waiver from the 27.5 percent nonresident enrollment limit (Regent Policy Document 7-3, section III) for UW-Madison, for 2016-17 through 2019-20; requiring UW-Madison to maintain a minimum of 3,500 Wisconsin residents in each new freshman class during the waiver period; and specifying reporting requirements for UW-Madison.

DISCUSSION

Wisconsin is facing serious demographic challenges, with declines in the number of working-age citizens. Many businesses indicate they are challenged to find workers when needed. A ready supply of skilled and able workers is often central to company location decisions.

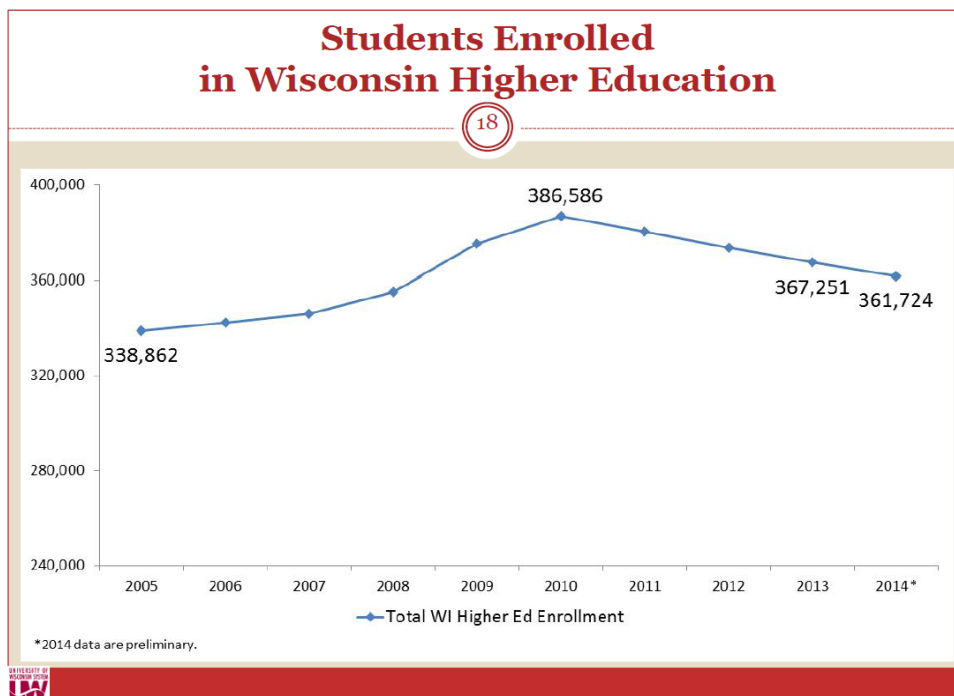
This problem will only get worse as the number of high school graduates declines. High school graduates peaked at 71,000 in 2009; for 2015 there are projected to be only 64,100 high school graduates, and this number is expected to fall further. (See Figure 1 and column 1 of Appendix Table 1.)



Source: UW-Madison

Enrollments in higher education in Wisconsin reflect these demographics. While enrollments in UW System institutions have been flat, overall higher education enrollment in Wisconsin is declining when private colleges and state technical colleges are included, as shown in Figure 2.

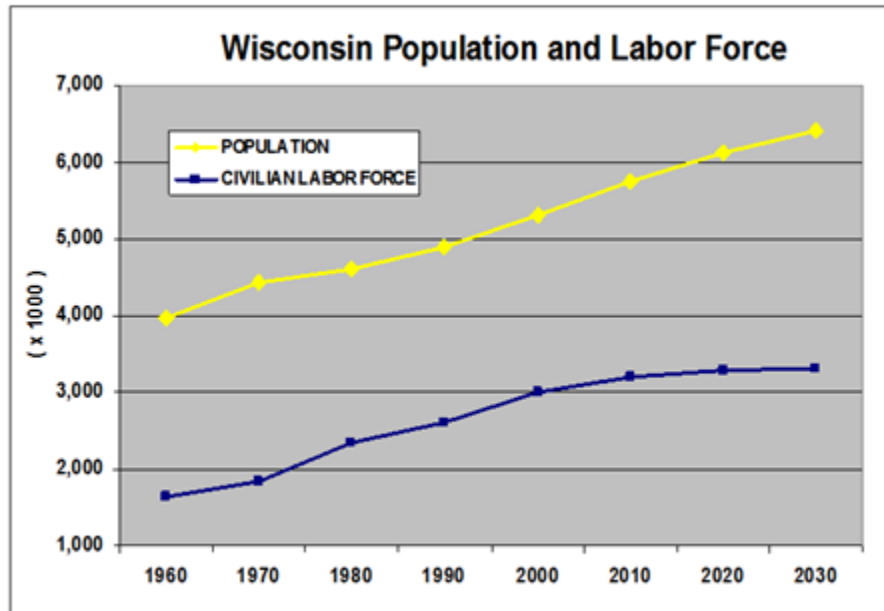
Figure 2:



Source: Federal IPEDS Fall Enrollment Survey

At the same time, the number of older workers and retirees has grown. This exacerbates the financial problems the state will face as fewer younger workers must pay for the public services the state has long provided its older citizens. (See Figure 3.)

Figure 3:



Source: Dennis Winters, Wisconsin Department of Workforce Development

All of this suggests that Wisconsin is facing a long-term and serious demographic problem. The state needs to retain more young people and attract others to enter the state.

UW-Madison must be centrally involved in these efforts. On the one hand, the state needs to retain its best and brightest young adults. When they leave to attend college out of state, it greatly increases the likelihood they will find employment out of state. Many of the top-performing Wisconsin students who apply to UW-Madison are also looking at out-of-state alternatives, and the admission office has stepped up its efforts to reach out to Wisconsin students. This includes explicitly identifying top Wisconsin students, contacting them earlier (before their senior year), creating a new campus-wide “Experience Wisconsin” event for around 1,000 invited recruits, bringing top admitted Wisconsin students to special events like the Chancellor’s Reception, and partnering with alumni volunteers to identify and court prospective Wisconsin students. Among Wisconsin residents at UW-Madison, 72% stay in the state following graduation.

On the other hand, Wisconsin needs to attract new young people into the state. UW-Madison can be an engine for this. In 2015, UW-Madison received over 24,000 applications from outside Wisconsin (compared to 8,400 from within the state). Among non-resident students, 15% stayed in Wisconsin in the year following graduation in 2014. Even if they leave, UW-Madison alumni return to Wisconsin often, spending money in the state and supporting their University. When done in a way that does not reduce access to Wisconsin students, it is a competitive advantage to

the state to have more top national and international students come to Wisconsin to attend college.

In the midst of declining numbers of young adults from Wisconsin, it will be increasingly important for UW System institutions to form partnerships with Wisconsin companies to recruit college students to stay in the state. UW-Madison is strongly committed to work on this initiative.

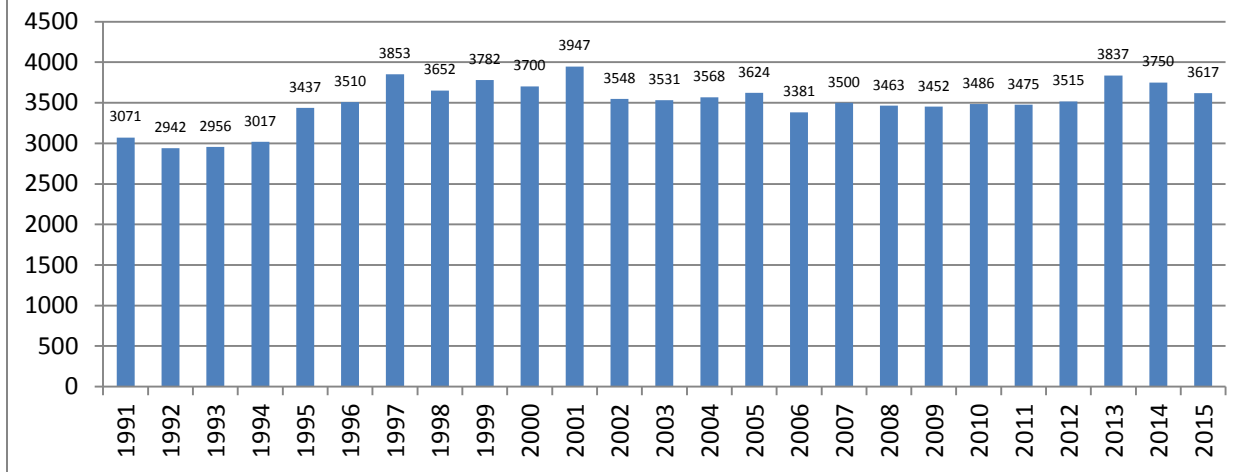
The University of Wisconsin System has begun a concerted effort in partnership with Wisconsin Manufacturers and Commerce and with businesses around the state to engage all UW juniors and seniors with Wisconsin businesses. The goal is to significantly increase the number of graduates remaining in the state to live, work and play.

All of this suggests that now is the time to implement a policy at UW-Madison that maintains a strong ongoing commitment to Wisconsin freshmen, but also allows the institution to capitalize on its ability to recruit top out-of-state students as well.

Therefore, UW-Madison seeks a waiver from the 27.5-percent nonresident enrollment limit, starting in 2016-17 and continuing through 2019-20. In conjunction with the waiver, UW-Madison will guarantee enrollment of at least 3,500 Wisconsin residents in each year's new freshman class. The declining number of high school students in Wisconsin actually suggests that UW-Madison will be admitting a growing share of high school graduates if it is committed to enrolling at least 3,500 Wisconsin freshmen each year. It is also worth noting that UW-Madison regularly enrolls another 700 to 800 Wisconsin residents each year as transfer students, and it will continue to enroll these students as well.

The 3,500 minimum level for new freshmen from Wisconsin at UW-Madison is about the number of new freshmen enrolled over most of the last 20 years (see Figure 4). In fact, in the year with the highest number of high school graduates (2009), UW-Madison enrolled 3,452 Wisconsin residents as new freshmen, a number lower than the threshold proposed now for an access guarantee, even though the pool of recent Wisconsin high school graduates is smaller. The numbers rose in 2012 when the Regents requested an increase in admitted students, but have fallen since then.

Figure 4: Wisconsin Resident New Freshmen Enrolled at UW-Madison



Source of data: UW-Madison

By shifting from a percentage requirement to a numerical enrollment requirement for Wisconsin resident new freshmen, UW-Madison will be able to focus its enrollment management efforts and admissions planning on providing access for Wisconsin residents. To achieve a percentage of admits or enrolled freshmen, UW-Madison’s admissions office must carefully monitor admits and enrollments among both resident and nonresident students. Unexpected changes in behavior among any of these groups can undermine efforts to hit targets. By focusing on enrolling at least 3,500 resident new freshmen, efforts can be directed to recruiting talented Wisconsin students and encouraging their enrollment.

While the strongest argument for this policy is given above, there are several other potential benefits to implementing an aggressive effort to pursue exceptional students:

- Enhance academic quality. UW-Madison is committed to recruiting Wisconsin’s “best and brightest.” As discussed above, several initiatives have been or will be implemented to assure talented Wisconsin high school graduates are given high priority.

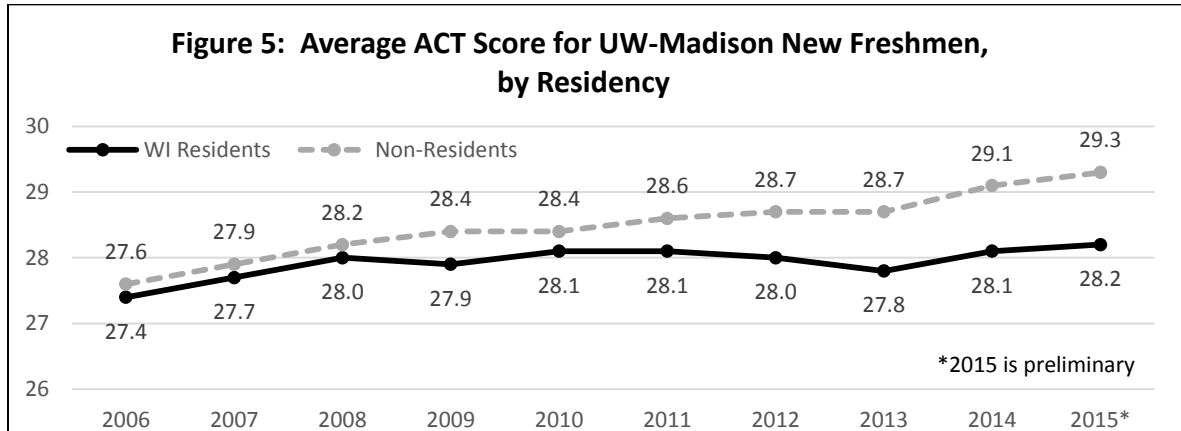
UW-Madison is highly competitive nationally and internationally for undergraduates, but is one of the few schools in the Big Ten that has a policy that limits nonresident enrollment.¹ Removing this limit will allow UW-Madison to compete on a level playing field with peer universities in the region and nationally.

UW-Madison aims to enroll a class of students that demonstrates the potential for high-quality academic work, as well as leadership. In the holistic admissions review process, test scores are one factor to be considered, along with evidence of academic achievement in a challenging high school curriculum, leadership, and other activities. This allows UW-Madison to meet its goal of enrolling students from across the state, as well as a mix of students from diverse backgrounds from across the country and around the world.

¹ Maryland, which joined the Big Ten last year, has a 30% limit on out-of-state undergraduate enrollments. Ohio State has a goal of no more than 35% non-resident freshmen starting in 2016.

Admission is competitive, and it is important that resident and nonresident students alike are well prepared to succeed in their academic endeavors and in the workplace upon graduation.

While not the only measure considered in admissions, test scores serve as the one quantitative measure available to compare academic preparedness. Figure 5 shows patterns in ACT scores over time and indicates that average ACT scores among enrolled Wisconsin resident new freshmen declined when the freshman class size rose to more than 3,500 in 2012 and 2013. In contrast, the number and quality of nonresident applicants has risen.



Source: UW-Madison

By maintaining a new freshman class of at least 3,500 Wisconsin residents and focusing efforts on attracting top-quality Wisconsin high school students, UW-Madison will be able to enroll Wisconsin residents who will succeed at the institution.

- Maintain access to services and classes for Wisconsin students. Recent budget reductions were distributed across educational and administrative units, resulting in some reduced services to students and more limited class offerings. A waiver of the nonresident enrollment limit would allow UW-Madison to increase its revenues from nonresident students and help maintain access to services and classes for resident, as well as nonresident, students.
- Enhance experiences of diversity for all students. Nonresident students enrich the educational opportunities for all undergraduates at UW-Madison, especially Wisconsin resident undergraduates, to interact with and learn from students from other states and countries. Employers expect college graduates to be prepared to work in a diverse, global work environment. By enrolling a diverse group of non-residents, UW-Madison provides all students the opportunity to interact with peers from different cultures, backgrounds and experiences, thereby increasing the employability of all graduates.

It is important to emphasize that this waiver will not change access for Wisconsin students. Over the past 20 years, the admit rate – the percent of applicants who are admitted to UW-Madison – has averaged just under 70%. In 2014, 72% were offered admission. That is to say, a substantial majority of Wisconsin students who apply are offered the opportunity to enroll at UW-Madison.

RELATED REGENT POLICY DOCUMENTS

Regent Policy Document 7-3, University of Wisconsin System Freshman Admissions Policy

**Appendix Table 1: Wisconsin High School Graduates and
New Freshman Applicants, Admits and Enrollees
at UW-Madison**

Year	Total Wis High School Graduates	Wis Resident New Freshmen		
		Applicants	Admits	Enrolled
1991	54,370	6,695	5,522	3,071
1992	53,034	6,498	5,326	2,942
1993	54,674	7,377	5,528	2,956
1994	53,159	6,861	5,231	3,017
1995	56,660	7,771	5,681	3,437
1996	57,739	7,327	5,833	3,510
1997	60,461	7,914	6,183	3,853
1998	62,946	8,048	5,818	3,652
1999	63,837	7,909	6,467	3,782
2000	64,001	8,366	6,153	3,700
2001	64,728	8,770	6,319	3,947
2002	66,283	8,928	5,758	3,548
2003	69,300	9,066	5,854	3,531
2004	69,293	8,945	5,842	3,568
2005	68,894	8,772	5,749	3,624
2006	68,665	8,640	5,402	3,381
2007	69,394	9,074	5,419	3,500
2008	70,684	8,986	5,445	3,463
2009	71,017	8,140	5,637	3,452
2010	69,993	8,253	5,504	3,486
2011	68,913	8,921	5,614	3,475
2012	68,137	8,441	5,740	3,515
2013	66,822	7,564	5,860	3,837
2014	66,927	7,999	5,750	3,750
2015	64,136	8,452	5,672	3,617 *
2016	64,300	---	---	---
2017	64,639	---	---	---
2018	65,467	---	---	---
2019	64,978	---	---	---
2020	64,195	---	---	---

Sources:

1. Public and Private WI High School Graduates (1991-2009): Western Interstate Commission on Higher Education (WICHE)
2. Public and Private WI High School Graduates (2010-2014): Wisconsin Department of Public Instruction (DPI)
3. Projections of WI High School Graduates (2015-2020): WICHE
4. WI Resident Applicants/Admits: Office of Undergraduate Recruitment and Admissions (from InfoAccess)
5. Enrolled New Freshmen: Office of the Registrar (from InfoAccess)
6. Asterisk (*) notes projections for HS graduates.

Data as of September 30, 2015

Source: UW-Madison