

## 97-5 University of Wisconsin-Extension

### Summary

---

The University of Wisconsin (UW)-Extension has provided continuing education and public service programs to Wisconsin citizens since 1866. Initially, these services emphasized practical skills in agriculture, home economics, and industrial work and were offered through the University of Wisconsin's College of Arts and Letters and College of Agriculture and Life Sciences at Madison, but over time there has been significant growth and change in the services provided. Today, programs cover all areas of knowledge, from technical, professional programs in engineering and education to recreational, avocational programs such as art appreciation, dance, and personal finance. Programs are provided on each of the 13 four-year UW system campuses and the 13 UW centers, and by cooperative extension agents in all 72 counties.

In fiscal year (FY) 1995-96, UW-Extension's expenditures were \$135.3 million. These funds supported 1,655 full-time equivalent (FTE) positions, including 284 county-based cooperative extension agents, 159 cooperative extension specialist faculty, and 224 campus-based continuing education faculty, instructors, and outreach program staff.

At the direction of the Joint Legislative Audit Committee, we reviewed UW-Extension's operations, organization, and current program offerings to determine what types of services are being offered, how well fee policies are administered and programming decisions are evaluated, and how well services are coordinated with other education providers. Because two program units the Division of Continuing Education and the Division of Cooperative Extension are responsible for the majority of UW-Extension programs, and their activities highlight the growth and change within UW-Extension in the last century, we focused our audit efforts on these divisions. A third major division the Division of Extension Communications and Information Technology, which shares responsibility for Wisconsin Public Radio and Television with the Educational Communications Board and provides communications and information technology support was not reviewed in this audit.

The Division of Continuing Education provides programs in general education targeted primarily to the non-traditional student and typically provided outside the usual classroom setting. In FY 1995-96, 83 percent of its programming was not for credit, and nearly one-third of this programming was directed primarily toward participants' avocational and personal interests. The Division's 135 FTE statewide positions primarily provide technical assistance, academic counseling, and reference materials to other UW institutions and continuing education program participants, but the majority of programming in the Division of Continuing Education is provided by the 26 UW System campuses. Of the total budgeted continuing education faculty and staff, 76 percent are on the 26 campuses. It is the 13 four-year institutions and UW Centers that set and collect fees, hire and supervise instructors, and determine the content and cost of continuing education programs.

Over time, the State's continuing education activity has increased dramatically. In FY 1966-67, total enrollments were 71,889; in FY 1995-96, over 283,000 people enrolled in continuing education programs. However, there is wide variation by institution in the size and the types of programs offered. Although the number of non-credit program sections offered by all campuses increased 29.1 percent in the last ten years, only UW-Milwaukee and UW-River Falls showed steady growth in non-credit programming. In FY 1995-96, UW-Madison offered the greatest number of program sections, with 2,321; UW-Oshkosh offered the fewest with 150. Engineering and management programs for professionals represented over one-half of continuing education expenditures, although the single largest programming category was liberal studies. The demographic data indicate that of those reporting gender and ethnic data to UW-Extension, 62.4 percent of participants were women and 7.1 percent were ethnic minorities.

Who provides continuing education instruction has also changed over time with the increasing use of ad hoc, or guest, instructors from industry, science, and the arts. Many non-credit programs are taught by ad hoc instructors. Programs

for credit are, however, always taught by campus faculty.

The Division of Cooperative Extension operates under a three-way partnership between the State, the federal government, and the counties. The Division offers programs in four broad disciplines: agriculture and agribusiness, community, natural resources, and economic development; family living; and youth development. With the exception of community, natural resources, and economic development, which was established in the 1950s, the broad discipline areas of cooperative extension programming are mandated by federal law and have remained the same since 1928. However, as is the case with continuing education, program topics and how they are provided have changed. For example, programs on how to use the Internet are now available from county agents.

The majority of cooperative extension programming is provided by 284 county extension agents, supported by 159 specialists at the campuses and UW-Extension, who together bring research-based information to the public. Since 1964, county agents have held tenure-track appointments in UW-Extension, but counties generally fund 40 percent of their salary and fringe benefit costs. Typically, each county is assigned one agent for each program area. FY 1995-96 expenditure data for the four primary disciplines show \$11.6 million, or 33.2 percent of cooperative extension program expenditures, were devoted to agriculture and agribusiness programs; \$9.9 million to community, natural resources, and economic development programs; \$8.2 million to family living programs; and \$5.2 million to 4-H youth development programs. Similarly, data from cooperative extension specialists and agents indicate that more time was spent on agriculture and agribusiness than on any other single category.

Cooperative extension agents and specialists reported serving over 1.15 million people in FY 1994-95, the latest year for which data were available. Despite efforts to serve members of minority groups and urban residents, few ethnic minorities are served. In FY 1994-95, 95.3 percent of cooperative extension program contacts were white, 23.0 percent were farmers, and 53.6 percent were male. Only 4.5 percent were minorities, and 2.0 percent were elderly or low-income individuals.

The changes and expansion in UW-Extension programming have contributed to a 79.4 percent increase in total UW-Extension expenditures in the last ten years, from \$75.4 million to \$135.3 million. During that period, program revenue generated from student fees, gifts, grants, and contracts replaced general purpose revenue (GPR) as the single largest source of funding. However, GPR continues to be the single largest source of funding for the Division of Cooperative Extension; program revenue funds 6.7 percent of its total costs. In contrast, program revenue supports over 71.6 percent of continuing education program costs.

In the 1997-99 biennial budget bill, the Governor has proposed reducing the amount of GPR provided to UW-Extension by \$2.5 million annually. We reviewed the amounts carried forward as operating balances to determine whether these funds could be used to offset any GPR reductions. We found that the total operating balance over which UW-Extension has discretionary authority was \$4.2 million as of June 30, 1996, the highest it has been in the past six years. We also found that some institutions operated their credit or non-credit programming in FY 1995-96 at a deficit, while others carried forward sizable operating balances. While operating balances reflect available funds at a given point in time and may fluctuate, these amounts do reflect funds available to offset reductions in GPR, should that occur.

We also reviewed the method used to establish fees for both continuing education and cooperative extension programs. For continuing education, we found that institutions exercise considerable autonomy in setting fees. As a result, there is significant variation in fees charged for similar continuing education programs. For example, in FY 1995-96, Introduction to WordPerfect was offered as a 7-hour non-credit program for \$159 at UW-Milwaukee and for \$45 at UW Center Marathon County. In addition, although full cost recovery may not be possible for all programs, the current fee-setting process is not designed to reduce the need for GPR funds, because it considers GPR support before calculating the revenue needed to support continuing education programming.

Historically, program fees have supported only a small portion of the Division of Cooperative Extension's expenditures; as noted, only 6.7 percent of the Division's FY 1995-96 expenditures were program revenue supported. User fees have been limited, in large part, by federal funding prohibitions on charging for basic education services. However, at least two counties Milwaukee and Waukesha have become more aggressive in generating program revenues. For example, Milwaukee County generated approximately \$88,800 in user fees in 1996, or 20.1 percent of its total county extension

expenditures. To increase the level of user financial support for cooperative extension programs, UW-Extension and its federal and county partners would need, at a minimum, to expand the definition of special services for which fees may be charged to include some instructional activities of agents and specialists.

The growth in UW-Extension programs and expenditures at a time when all levels of government are facing fiscal constraints has raised questions about how UW-Extension establishes the content and scope of its programs and how it evaluates whether programs should be continued. Although both the Division of Continuing Education and the Division of Cooperative Extension conduct extensive strategic planning, we found that priorities are defined so broadly that they can include virtually any educational programming. As a result, both divisions' program plans are of limited use in efforts to control the scope of programs or allocate limited funding.

Both divisions also evaluate their programs, but improvements should be made to increase the usefulness of these evaluations. This report includes recommendations for UW-Extension to make better use of evaluations that illustrate program results.

Efforts to set program priorities and focus activities could be further improved if both divisions gave greater consideration to the educational activities of other public and private entities. UW-Extension's efforts to coordinate its activities internally and with other public and private entities are important to ensure that limited resources are allocated to program areas of greatest need; however, results have been mixed. In particular, greater coordination with other state agencies is needed in business programming.

To help establish priorities and a direction for the future, we believe that UW-Extension, UW System administration, the UW System Board of Regents, and the Legislature need to address several questions:

- Have the volume and diversity of program offerings expanded beyond the UW System's capacity to fund them?
- Are current program and spending priorities appropriate?
- Are UW-Extension's programs serving all the citizens of Wisconsin equally?
- Can expected reductions in GPR and federal revenue be offset with a more aggressive fee-setting policy, particularly for cooperative extension services?
- Can the current planning and evaluation processes be improved?
- Is unnecessary duplication in programming and service delivery occurring among UW-Extension, the Wisconsin Technical College System, and other state agencies?

In addition to these fiscal and programmatic questions, a final issue we believe needs attention is whether the current organizational structure of UW-Extension is consistent with program operating practices and the needs of the 21st century. As noted, UW-Extension is responsible for coordinating extension education among all 26 campuses. However, 47.6 percent of its total funding is allocated to other UW System institutions. This percentage is even higher for the Division of Continuing Education, which transfers 86 percent of its funding to other UW System institutions. In FY 1995-96, of the \$56.1 million allocated to the institutions for continuing education, UW-Madison received \$26.3 million and UW-Milwaukee received \$14.7 million. Some believe that accountability could be improved and the budget process streamlined if continuing education extension functions were conducted solely by the UW System campuses as part of their overall mission of teaching, research, and public service. Others maintain that cooperative extension functions could be streamlined by merging the responsibilities of district and statewide program administration staff.

Complicating the organizational structure of UW-Extension is the number of organizational units that have been added to UW-Extension over time. Some of these units are linked directly to other programs or services provided by the divisions of Continuing Education, Cooperative Extension, and Communications and Information Technology. Several, however, appear to be more independent of other UW-Extension programs. It appears that these units were attached to UW-Extension for administrative purposes, in large part because of their statewide constituencies, but their addition has

helped to create a confusing overlay of programs and services.

We have seen that both growth in programming and the evolution of programs offered to fulfill UW-Extension's broad mission of ensuring the services of the university shall extend to the boundaries of the state have strained the agency's resources. Two recent events the Governor's biennial budget proposal to reduce the amount of GPR support in each year of the 1997-99 biennium, and the January 1997 resignation of the UW-Extension Chancellor suggest this may be an appropriate time for the future funding and direction of UW-Extension to be examined.

\*\*\*\*