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Degree of Difficulty: Challenges for UW-Milwaukee in a Turbulent Time

Comparison shows UWM lagging peer institutions in enrollment, revenues

UW-Milwaukee lags in key revenues compared to peer urban research universities, as a decade of enrollment decline has exacerbated the effects of an eight-year tuition freeze and state funding that has not kept pace with inflation, according to a new Wisconsin Policy Forum report.

These trends have forced cuts to faculty, eroded reserves and research spending, and threatened the gains made in raising retention and graduation rates, the report finds. Most recently, the fiscal toll of the COVID-19 crisis has compounded these problems.

“We find that UWM stands out among other public urban universities,” the report says. “With respect to enrollment as well as state funding and tuition revenues, almost none of UWM’s peers face such stiff challenges and together they may threaten its very status as a top-tier R1 research institution.”

The report examines possible policy responses that state and University of Wisconsin System leaders might consider in response to these issues, though it does not endorse any specific course of action.

In December, the Forum published [“Falling Behind?”](#), a review of the state’s public college and university finances that gave particular attention to UW-Madison. This report builds on that work by examining successes and difficulties for the state’s only other university – one of 131 nationally – to have the elite “R1” classification given to doctoral universities with very high research activity. UWM also plays a key role in providing access to higher education for many low-income students and students of color in Wisconsin.

Now, this report finds UWM grappling with a host of challenges, underscored by a comparison to 14 other peer urban public research universities around the country:

- The UWM decline in full-time equivalent student enrollment from 2013 to 2019 (6.4%) was the fourth-biggest loss among its national peers and well behind the group overall, which averaged a 3.6% gain in enrollment over those years.
- In 2019, UWM received \$5,229 in state funding per student, 27.9% below the average of the peer universities and the third-lowest among that group.
- In 2019, UWM received \$14,038 in combined state funding and tuition and fee revenue for each full-time student. That was second-lowest of its peers and 23.1% below the average for the group of \$18,069.

- Between 2013 and 2020, in-state undergraduate tuition and required fees rose 3.8% at UWM – the smallest increase of any peer university except Georgia State University.

Our research finds UWM also has lost ground over the past decade in providing competitive salaries to attract and retain faculty, and in the research and development spending so crucial to its mission and to the region's economy.

In 2020, full professors at UWM made \$105,884 on average, the third-lowest among the peer group and 16.2% below its median salary of \$126,318. Not adjusted for inflation, UWM R&D spending decreased from \$61.2 million in 2011 to \$53.8 million in 2019. The 12.1% decrease contrasts with a 13.8% increase in spending for the peer group.

COVID-19 also dealt a fiscal blow to UWM, which documented \$91.8 million in pandemic-related losses because of lower housing and dining revenues, pandemic expenses such as technology and personal protective equipment, and losses in state funding and tuition revenue. Though helpful, recent rounds of federal aid for UWM are expected to fall at least \$39 million short of covering these losses.

There are still some encouraging signs at UWM. Since 2000, it has doubled its number of health degrees and nearly tripled its number of Science, Technology, Engineering, and Math (STEM) degrees. Students also now require fewer credits and less time to graduate.

UWM also serves the largest number of Black, Latino, and Southeast Asian students and the most students with military or veteran status of any UW System campus. In recent years, six-year graduation rates for students seeking a UWM bachelor's degree have improved for all students, including underrepresented minorities. Yet disparities in retention and graduation rates remain great for students of color.

To address these and other challenges at UWM, some response measures that could be considered by UW and state leaders include:

- Finding targeted areas to increase state funding to UWM or student financial aid
- Allowing tuition to rise subject to some benchmark such as inflation or the increase adopted by a group of select peer schools
- Boosting enrollment by continuing to expand online instruction and supporting students of color and low-income students more effectively
- Considering ways to streamline UWM's operations either to save money or to improve collaboration among different actors on campus

This report was commissioned and partially funded by the UWM Foundation. [Click here to read the full report.](#)

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