



Outcomes-Based Funding

Wisconsin Technical College System

August 2025

EXECUTIVE SUMMARY

The Wisconsin Technical College System (WTCS) is the first higher education sector in Wisconsin to distribute a portion of its state aid based on the outcomes of its 16 colleges. This model of distributing state funding began with the 2014-15 state fiscal year. Now in its twelfth year of implementation, the outcomes-based funding model has successfully:

- demonstrated the link between college outcomes and the funding provided by the State of Wisconsin;
- encouraged continuous improvement by the colleges in areas of strategic importance; and
- struck a balance in the distribution of state funding between accountability and innovation (i.e., outcomes-based funding at 30%) and the need to maintain a continuous, predictable source of funding to address ongoing educational and workforce needs (i.e., formula funding at 70%).

WTCS colleges are producing outcomes across the priority areas established by the Legislature. Compared to the previous three-year period:

- A greater percentage of employed graduates are employed in jobs related to their specific programs of study within six months;
- the proportion of Adult Education students demonstrating educational gains improved by 11 percentage points;
- dual credits earned by Wisconsin high school students increased nearly 10%;
- workforce training credits delivered to Wisconsin's employers increased more than 10%; and
- credits earned for prior education and training increased more than 6%.

BACKGROUND

Beginning with the 2014-15 fiscal year, a new funding model for allocating a portion of general state aid to technical colleges was adopted.

Statutory Criteria

The funding model is based on ten statutory criteria identified under s. 38.28(2)(be)1:

- 1) job placement rates in jobs related to students' programs of study;
- 2) number of degrees and certificates awarded in high demand fields;
- 3) number of programs or courses with industry-validated curriculum;
- 4) the transition of adult basic education students to skills training;
- 5) the success rate of adults in basic education courses;
- 6) participation in dual enrollment programs;
- 7) workforce training provided to businesses and individuals;
- 8) participation in collaboration or efficiency initiatives;
- 9) training provided to special populations or demographic groups unique to the district; and
- 10) number of credits awarded to students for relevant educational experience or training, including skills and training received during military service.

The statutes under s. 38.28 further specify that:

- the funding model be used to distribute 30% of general state aid funding;
- the remainder (70%) of general state aid be distributed based on the enrollment and cost-based statutory aid formula;
- the model uses data from the three previous fiscal years; and
- each college designates seven of ten statutory criteria for use in the funding allocations.

Allocation of Outcomes-Based Funding Across Criteria

Each year, 25% of the total outcomes-based funding is divided equally among the ten statutorily defined outcomes criteria as the base allocation for each criterion. If a criterion is not selected, the base allocation is redistributed among the other criteria. The remaining 75% of outcomes-based funding is then distributed among all criteria proportionately, based on the number of colleges selecting each criterion.

2025-26 OUTCOMES FUNDING

TABLE 1: Distribution of 2025-26 Outcomes-Based Funding, by College and Criteria (in rounded \$)

College Name	Criteria 1: Job Placement	Criteria 2: High Demand Fields	Criteria 3: Industry Validated Curriculum	Criteria 4: ABE Transition	Criteria 5: ABE Success	Criteria 6: Dual Enrollment	Criteria 7: Workforce Training	Criteria 8: Collaboration	Criteria 9: Special Populations	Criteria 10: Credit for Prior Learning	College Total
Blackhawk	235,322	135,378	197,731	156,588	193,588	-	-	210,991	216,831	-	1,346,429
Chippewa Valley	359,069	355,232	304,204	-	223,859	429,530	306,471	319,776	-	-	2,298,141
Fox Valley	390,383	480,502	443,649	-	-	406,327	608,748	-	453,328	370,231	3,153,167
Gateway	286,024	452,848	-	-	297,011	503,798	288,865	324,737	293,837	-	2,447,119
Lakeshore	182,049	167,074	241,403	-	241,454	115,429	-	200,033	250,111	-	1,397,554
Madison Area	456,205	443,246	-	586,858	475,951	-	-	446,839	470,139	592,370	3,471,607
Mid-State	250,083	150,179	212,276	348,491	246,904	-	-	217,059	236,949	-	1,661,940
Milwaukee Area	-	-	529,687	460,240	664,464	-	432,201	473,812	419,647	348,260	3,328,311
Moraine Park	258,313	227,940	242,117	-	295,632	-	313,960	237,309	352,511	-	1,927,784
Nicolet Area	140,097	53,068	124,618	192,831	233,895	-	-	172,074	186,285	-	1,102,870
Northcentral	267,236	259,420	321,210	344,541	291,321	336,852	-	271,500	-	-	2,092,080
Northeast Wisconsin	375,848	403,823	408,682	-	-	418,049	302,946	363,166	-	355,556	2,628,070
Northwood	290,149	306,640	284,958	-	216,940	120,971	-	218,984	203,139	-	1,641,782
Southwest Wisconsin	251,208	-	176,814	-	114,657	130,573	114,453	198,329	204,211	-	1,190,246
Waukesha County	259,211	340,214	288,218	-	-	276,071	312,434	282,339	-	251,153	2,009,640
Western	-	-	-	332,228	279,891	361,070	192,963	289,880	262,946	278,575	1,997,552
Total	4,001,197	3,775,566	3,775,566	2,421,777	3,775,566	3,098,671	2,873,040	4,226,828	3,549,934	2,196,146	33,694,290

JOB PLACEMENT

WTCS gathers job placement data by annually surveying all credential completers six months after graduation. While not all graduates choose to answer the survey, 56% of 2024 graduates responded to the survey's standardized questions.

Among 2024 graduates, 92% of respondents were employed within six months of graduation. Technical college graduates overwhelmingly stay to work and live in Wisconsin, with 93% of respondents employed within the state.

As shown in Table 2, nearly 79% of employed 2024 graduates report being employed in jobs related to their specific programs of study within six months of completing a technical college program. These high levels of employment, particularly employment related to their specific programs of study, have been shown to be consistent over time, regardless of the state's unemployment rate or the overall state of the economy.

TABLE 2: Three-Year Total, Graduates in Related Fields

College	Graduates Employed	Graduates Employed in Related Fields	Percentage Employed in Related Fields
Blackhawk	732	626	85.5%
Chippewa Valley	1,981	1,640	82.8%
Fox Valley	2,249	1,877	83.5%
Gateway	1,754	1,239	70.6%
Lakeshore	460	348	75.7%
Madison Area	3,197	2,480	77.6%
Mid-State	992	805	81.1%
Milwaukee Area	2,078	1,583	76.2%
Moraine Park	973	822	84.5%
Nicolet Area	291	186	63.9%
Northcentral	1,378	1,031	74.8%
Northeast Wisconsin	2,347	1,837	78.3%
Northwood	1,543	1,184	76.7%
Southwest Wisconsin	938	782	83.4%
Waukesha County	1,136	902	79.4%
Western	604	500	82.8%
Statewide	22,653	17,842	78.8%

Three-year total includes fiscal years 2021-22, 2022-23 and 2023-24

Fifty percent of the funds are distributed based on a college's job placement rate and 50% based on a college's proportionate share of statewide graduates that report they are working in jobs related to their programs of study.

GRADUATES IN HIGH-DEMAND FIELDS

High-demand fields are defined as the top 50 occupations in Wisconsin with heavy employer demand for qualified workers for both new jobs as well as replacements created by turnover or retirements. Occupations are identified by comparing the Wisconsin Department of Workforce Development's (DWD) statewide, long-term occupational projections with the technical colleges' occupational training.

Examples of high-demand occupations for 2024-25 include: childcare workers, teacher assistants, farmers, nurses and related health care professionals, automotive service technicians and mechanics, truck drivers, welders and electricians.

As shown in Table 3, Wisconsin's technical colleges produced nearly 61,000 credentials in high-demand fields over the last three years. Over the same period, 86,530 credentials were earned across all fields. As a result, 70.4% of graduates were in fields with the most acute talent needs in the state. This is the outcome of the longstanding practices of meaningful, ongoing engagement with local employers and information from local labor market analyses. Such efforts influence and inform every technical college program, including its capacity, curriculum, equipment and skillsets.

TABLE 3: Three-Year High-Demand Credential Totals, by College

College	High-Demand Credentials
Blackhawk	1,875
Chippewa Valley	4,920
Fox Valley	6,655
Gateway	6,272
Lakeshore	2,314
Madison Area	6,139
Mid-State	2,080
Milwaukee Area	4,488
Moraine Park	3,157
Nicolet Area	735
Northcentral	3,593
Northeast Wisconsin	5,593
Northwood	4,247
Southwest Wisconsin	1,339
Waukesha County	4,712
Western	2,784
Statewide	60,903

Three-year total includes fiscal years 2021-22, 2022-23 and 2023-24

Funds are distributed based on each college's proportionate share of the total number of degrees and certificates awarded in high-demand fields statewide.

INDUSTRY-VALIDATED CURRICULUM

Industry-validated curriculum is defined in two ways: active industry advised programs and Technical Skills Attainment (TSA). Industry-validated curriculum are technical college degrees and certificate programs which have enrolled students and advisory committees comprising local employers and employees in the relevant occupation. The advisory committees provide input on equipment, course materials, instructional methods and career guidance counseling to ensure relevance to current industry practiced standards.

Technical Skills Attainment assessments are formal, direct measurements that provide evidence that students have achieved intended program outcomes or skills. TSAs may include third-party exams, performance-based assessments, portfolios, capstone projects, clinical evaluations or other measures. TSAs measure student achievement in core industry-relevant program outcomes, while ensuring those outcomes derive directly from valid industry standards.

Table 4: Three-Year Total Industry-Validated Programs and TSAs

College	Industry-Validated Programs	Technical Skills Attainment Assessment
Blackhawk	228	178
Chippewa Valley	344	287
Fox Valley	520	383
Gateway	368	174
Lakeshore	295	185
Madison Area	454	263
Mid-State	251	179
Milwaukee Area	690	323
Moraine Park	308	162
Nicolet Area	151	98
Northcentral	406	220
Northeast Wisconsin	516	281
Northwood	334	246
Southwest Wisconsin	205	157
Waukesha County	330	264
Western	310	162
Statewide	5,710	3,562

Three-year total includes fiscal years 2021-22, 2022-23 and 2023-24

Seventy-five percent of the funds are distributed based on each college's proportionate share of active programs (i.e., having enrolled students) and the remaining twenty-five percent is distributed based on each college's proportionate share of programs with TSA assessments.

AE TRANSITIONS

Adult Education (AE) helps adults with reading, writing, mathematics skills and career education at levels ranging from first through twelfth grade. English Language Learning (ELL) provides instruction for those whose native or dominant language is other than English. ELL helps these learners to read, write and communicate in English to achieve high school completion, entry into occupational programs and work placement.

A primary mission of Wisconsin's technical colleges is to enable full participation in the workforce, regardless of an individual's prior educational background. Over the past three years, technical colleges helped more than 13,200 students transition out of AE and successfully complete postsecondary work.

Table 5 shows the number of adults over a three-year period transitioning from AE to postsecondary coursework in the same year or the following year.

TABLE 5: Three-Year Total, Transitions from Adult Education to Postsecondary Education

College	3-Year Total
Blackhawk	674
Chippewa Valley	454
Fox Valley	289
Gateway	217
Lakeshore	188
Madison Area	2,526
Mid-State	1,500
Milwaukee Area	1,981
Moraine Park	579
Nicolet Area	830
Northcentral	1,483
Northeast Wisconsin	327
Northwood	310
Southwest Wisconsin	82
Waukesha County	345
Western	1,430
Statewide	13,215

Three-year total includes fiscal years 2021-22, 2022-23 and 2023-24

Funds are distributed based on each college's share of the number of adult students who: (a) were enrolled in at least 12 hours of adult education, adult high school or ELL courses; and then (b) successfully completed a postsecondary course, in either the year of their AE enrollment or in the following academic year.

AE SERVICES AND SUCCESS

A core function of Wisconsin's technical colleges is to provide basic skills education and promote a fully literate society. Basic skills education enables students to fully participate in Wisconsin's workforce and helps ensure that all state residents have an opportunity to better themselves economically.

As shown in Table 6, more than 59,000 students took advantage of AE services at technical colleges over the past three years. (To facilitate access to Wisconsin's technical colleges and to promote these statewide interests, state law requires AE services must be provided tuition-free.)

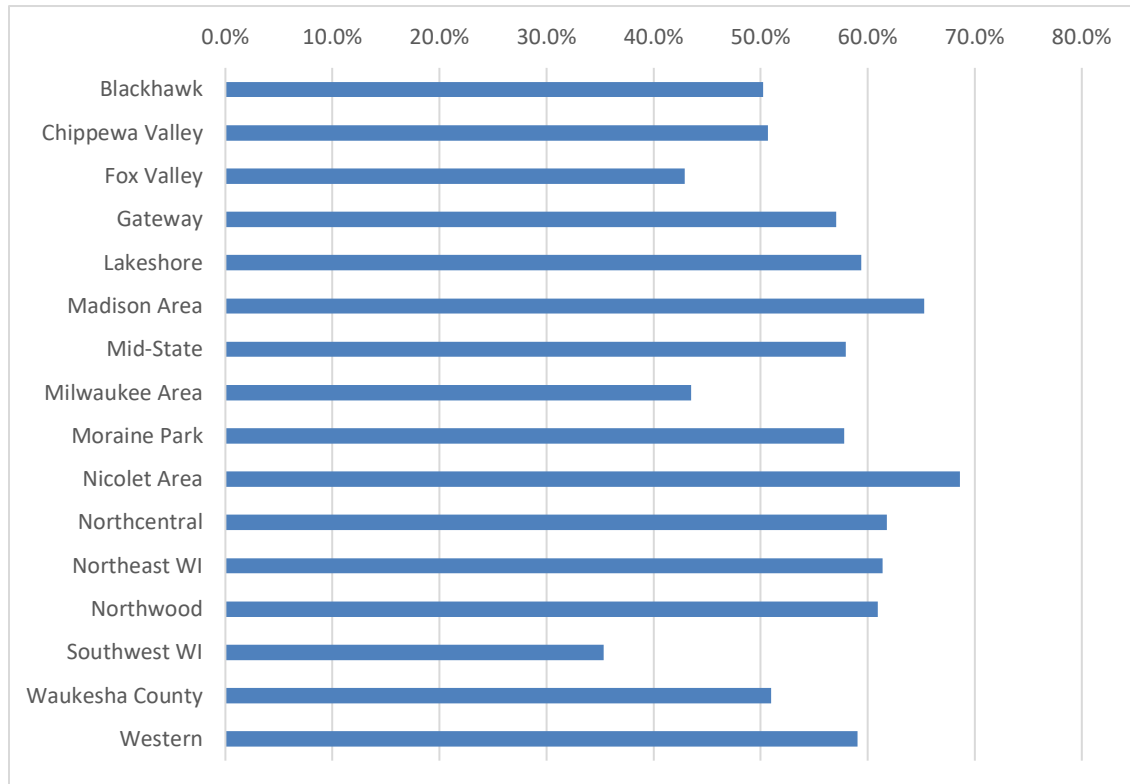
TABLE 6: Three-Year Total, Adult Education Students

College	Number of Students
Blackhawk	1,699
Chippewa Valley	2,481
Fox Valley	4,097
Gateway	4,000
Lakeshore	2,347
Madison Area	8,235
Mid-State	2,594
Milwaukee Area	14,813
Moraine Park	3,911
Nicolet Area	1,502
Northcentral	3,517
Northeast Wisconsin	2,155
Northwood	1,580
Southwest Wisconsin	616
Waukesha County	2,136
Western	3,404
Statewide	59,087

Three-year total includes fiscal years 2021-22, 2022-23 and 2023-24

Student success in AE courses is defined as demonstrated educational gains on standardized national tests, which are administered and reported as a condition of the colleges receiving federal adult education grants. Figure 1 shows the average three-year AE student success rates by college. The three-year success rate includes fiscal years 2021-22, 2022-23 and 2023-24.

FIGURE 1: Three-Year Success Rate: AE Students Demonstrating Educational Gains



Funds are distributed based on two factors. Fifty percent of funding is distributed based on each college's proportionate share of the number of adult students who were enrolled in at least 12 hours of adult education, adult high school or ELL courses. The other 50% of funding is distributed based on each college's "success rate," which is defined as the percentage of adult education, adult high school or ELL students who have demonstrated educational gains under standardized pre- and post-testing regimens.

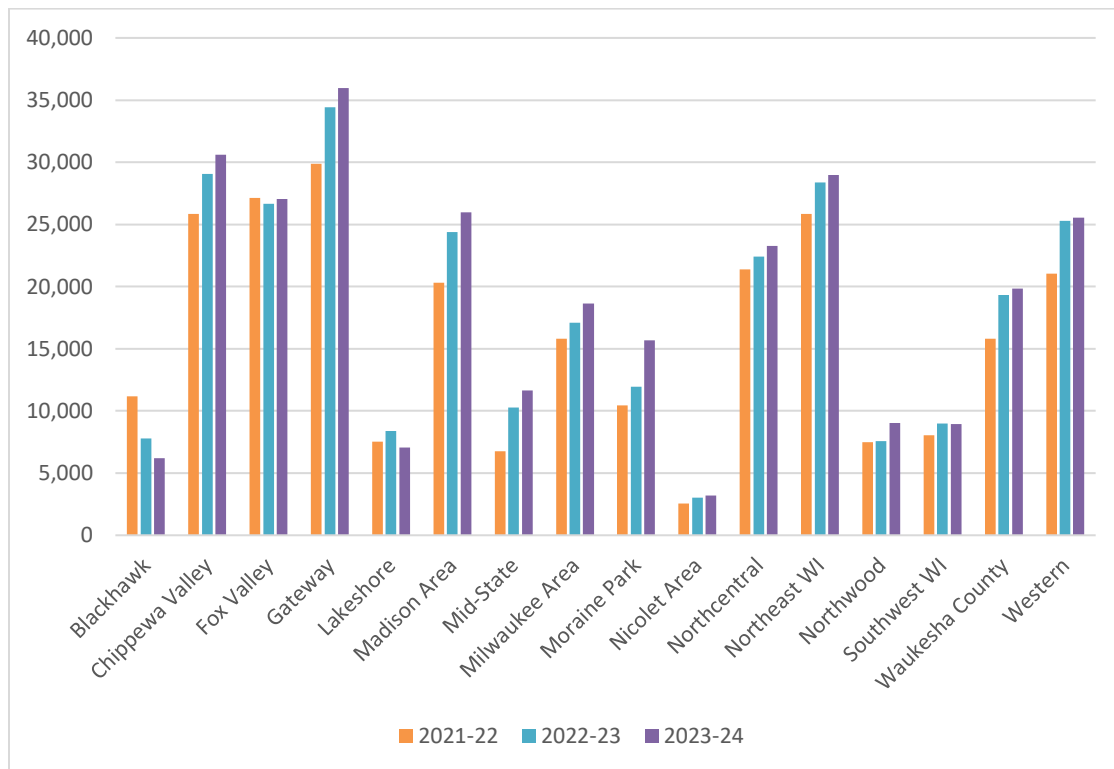
DUAL ENROLLMENT

Wisconsin's technical colleges have provided college credit to high school students for more than 20 years, under a variety of programs designed to maximize access and minimize costs to students and their school districts.

Dual credit is earned for a selection of high school courses that allow students to simultaneously earn both high school and college credit. Each college works to establish and continually grow participation in these programs, even in those districts that are sparsely populated, cover a large geographical area or have other challenges to participation.

Figure 2 shows the number of dual enrollment credits issued by colleges over three years.

FIGURE 2: Credits Awarded Under Dual Enrollment



Total statewide dual enrollment credits earned by high school students at Wisconsin's technical colleges increased by more than 15% between 2021-22 and 2023-24. Approximately 63,000 Wisconsin high school students get a head start on college each year while earning dual credits.

Funds are distributed based on each college's proportionate share of statewide credits earned in all types of dual enrollment offerings, which include transcribed credit, advanced standing (reported once the student enrolls at a technical college, post-high

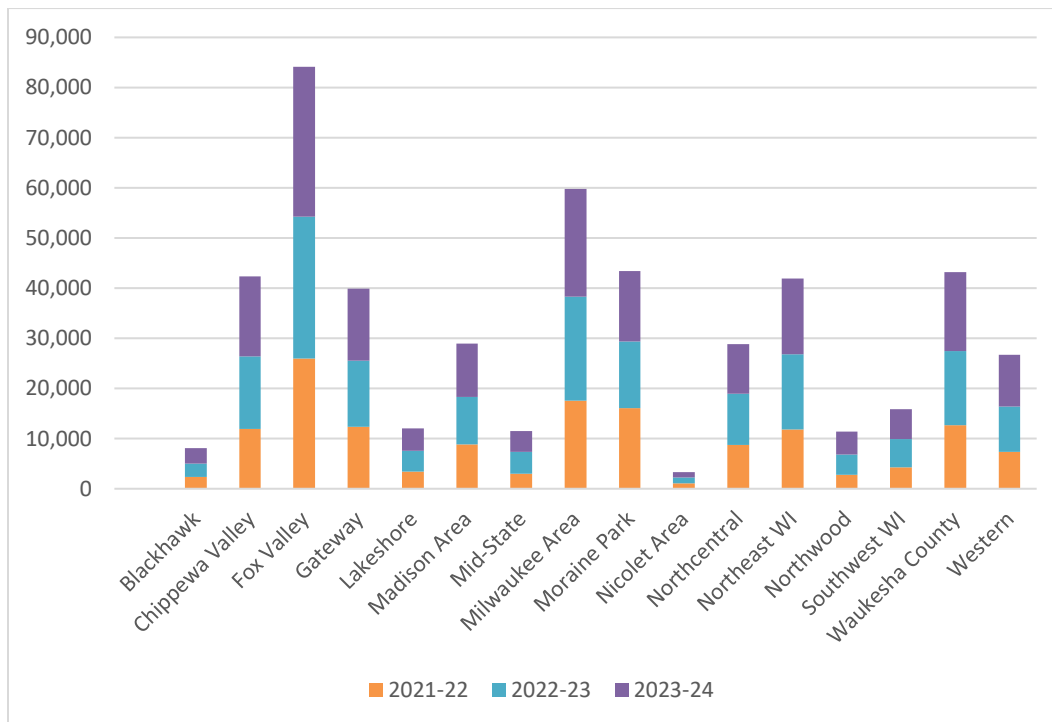
school), and Youth Apprenticeship, Start College Now (formerly known as Youth Options) and Course Options programs.

WORKFORCE TRAINING

Wisconsin's technical colleges are an integral component of employer success across the state: as the premier providers of customized business solutions; apprenticeship-related classroom instruction; on-site training; and professional development, including supply chain management, Lean Six Sigma, health care and human services, occupational safety, continuous improvement, project management, leadership development and other specialized training.

WTCS-delivered customized training helps businesses increase their efficiency, productivity and worker safety. For employees, it allows them to improve their employability and earning potential. Technical colleges provide workforce training for businesses of all sizes and across a wide variety of industries. Figure 3 shows the distribution of more than 500,000 workforce training credits delivered by technical colleges over the last three years. The number of workforce training credits increased more than 20% between 2021-22 and 2023-24.

FIGURE 3: Workforce Training Credits



Workforce training funds are distributed based on each college's proportionate share of credits generated in each of the following areas:

- contracts to provide customized instruction to public and private employers;
- employer-paid tuition and training;
- apprenticeship education; and
- professional development seminars.

COLLABORATION

Wisconsin's technical colleges participate in a variety of local and regional collaborations and partnerships aimed at increasing efficiencies, maximizing student success and opportunities, and making the most of instructional resources. The six statewide partnerships in which all 16 technical colleges participate were chosen as standard measures for the purposes of the collaboration criteria.

Districts Mutual Insurance (DMI), for example, was formed by the colleges for the purposes of insuring property, automobiles, liability, workers' compensation and other risks. Since its establishment in 2004, DMI has saved taxpayers \$22 million in insurance premiums, through the collective buying power of all 16 institutions and lowered administrative overhead. Similarly, the WTCS Purchasing Consortium takes advantage of the colleges' combined purchasing power to save on supplies and services common across all 16 colleges.

Funds are distributed 50% based on each college's proportionate share of full-time equivalent students and 50% as an amount equally divided among the colleges. To be eligible under these criteria, a college must maintain membership in the following collaborative partnerships:

- Districts Mutual Insurance;
- District Boards Association;
- Purchasing Consortium;
- Marketing Consortium;
- Wisconsin Student Government; and
- Worldwide Instructional Design System (WIDS).

SPECIAL POPULATIONS

The special populations criteria recognizes special student populations or demographic groups that may be considered unique to certain technical college districts, such as older dislocated workers and returning veterans. These groups may require specialized support services to reach their academic and career goals.

TABLE 7: Three-Year Total, Special Populations Served by Wisconsin Technical Colleges

College	All Students	Pell Recipients (low income)	Students of Color	Veterans	Justice- Involved	Dislocated Workers	Students with Disabilities
Blackhawk	23,018	3,365	5,274	358	216	102	638
Chippewa Valley	50,956	5,532	6,731	1,060	759	4	1,513
Fox Valley	150,590	5,558	28,607	2,257	1,716	1,249	994
Gateway	56,156	6,411	22,720	1,153	239	101	2,581
Lakeshore	26,822	2,593	5,494	1,754	576	34	479
Madison Area	78,792	9,073	26,486	2,653	1,358	273	4,321
Mid-State	29,176	3,081	3,323	2,564	365	63	600
Milwaukee Area	87,233	23,082	51,154	1,517	686	53	2,029
Moraine Park	43,333	2,653	8,380	882	4,383	51	2,198
Nicolet Area	11,495	1,229	1,531	255	56	46	376
Northcentral	57,100	4,133	7,789	573	1,213	104	1,352
Northeast Wisconsin	76,202	6,759	15,717	2,138	348	116	1,925
Northwood	42,729	3,138	4,058	1,899	455	32	887
Southwest Wisconsin	21,020	1,722	2,704	682	525	48	476
Waukesha County	53,013	2,945	11,498	472	297	57	1,447
Western	41,884	4,557	7,578	924	1,217	48	1,621
Statewide	849,519	85,831	209,044	21,141	14,409	2,381	23,437

Three-year total includes fiscal years 2021-22, 2022-23 and 2023-24

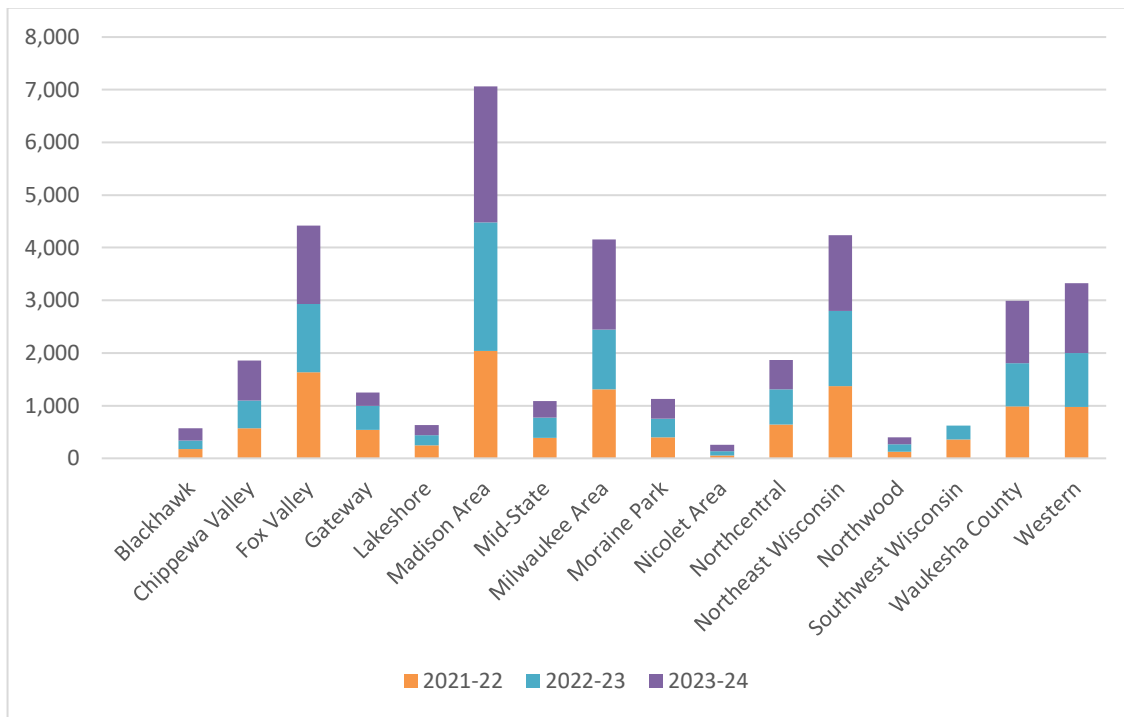
Half of available funds for these criteria are distributed based on each college's proportionate share of the six special populations: students of color, Pell Grant recipients, military veterans, incarcerated individuals, dislocated workers and persons with disabilities. The remainder is distributed based on each college's percentage of special population students, relative to their total student population.

CREDITS AWARDED FOR RELEVANT EDUCATIONAL EXPERIENCE OR TRAINING

Wisconsin's technical colleges provide students with the opportunity to shorten their time to a credential by demonstrating their knowledge and skills they have gained outside the classroom.

Wisconsin's technical colleges award credits for relevant educational experience or training not obtained through an institution of higher education, including skills training received through military training. Technical colleges awarded more than 35,800 credits during the most recent three-year period and the distribution of these credits is shown in Figure 4.

FIGURE 4: Credits Awarded for Relevant Educational Experience or Training



Funds are distributed based on each college's credits awarded to students who successfully demonstrated relevant educational experience or training skills not obtained through an institution of higher education, but acquired through military and work experience, as well as other learning acquired outside traditional academic institutions.