



Board of Regents of the University of Wisconsin System
Office of the Secretary
1860 Van Hise Hall
Madison, Wisconsin 53706
(608)262-2324

May 1, 2002

TO: Each Regent

FROM: Judith A. Temby

A handwritten signature in black ink, appearing to read "J. A. Temby".

RE: Agendas and supporting documents for meetings of the Board and Committees to be held on May 9 and 10, 2002.

Thursday, May 9, 2002

10:30 a.m.– Quality: Credits-to-Degree, Time-to-Degree and Graduation Rates
Student Union, UW-Fox Valley

All Regents Invited

11:30 a.m.– Closed Session

Student Union, UW-Fox Valley

All Regents Invited

1:15 p.m. – Study of Adult Students

Student Union, UW-Fox Valley

All Regents Invited

1:45 p.m. – Education Committee

Room 1338, UW-Fox Valley

1:45 p.m.. – Joint Business and Finance Committee and
Physical Planning and Funding Committee

Student Union, UW-Fox Valley

2:00 p.m.– Business and Finance Committee reconvene

Room 1346, UW-Fox Valley

– Physical Planning and Funding Committee reconvene

Room 1352, UW-Fox Valley

Friday, May 10, 2002

9:00 a.m. – Board of Regents

Commons, UW-Fond du Lac

Persons wishing to comment on specific agenda items may request permission to speak at Regent Committee meetings. Requests to speak at the full Board meeting are granted only on a selective basis. Requests to speak should be made in advance of the meeting and should be communicated to the Secretary of the Board at the above address.

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Thursday, May 9, 2002

10:30 a.m. - 1:15 p.m.

UW-Fox Valley

Student Union

1478 Midway Road

Menasha, Wisconsin

10:30 a.m.	Quality: Credits-to-Degree, Time-to-Degree and Graduation Rates
11:30 a.m.	Recess into closed session for competitive and bargaining reasons, as permitted by s.19.85(1)(e), <i>Wis. Stats.</i>
12:00 noon	Lunch
1:15 p.m.	Study of Adult Students

THE QUALITY OF THE STUDENT EXPERIENCE CREDITS-TO-DEGREE, TIME TO-DEGREE AND GRADUATION RATES

EXECUTIVE SUMMARY

BACKGROUND

The Board of Regents has long been committed to establishing policies supporting System and campus efforts to increase institutional efficiency and student success. In 1995, the Board committed UW System institutions to a goal of decreasing systemwide attempted credits-to-degree from an average of 145 to 140 by 2000-01. After further discussion of the issue at its December 1996 and February 1997 meetings, the Board requested a final report on the results of institutional efforts to decrease credits-to-degree for graduates in 2000-01 and committed itself to discussing next steps at that time. The accompanying Occasional Research Brief, [*Institutional Efficiency and Student Success: The Relationship Between Time-to-Degree, Credits-to-Degree and Graduation Rates*](#) (Vol. 02, No. 1), constitutes the final report.

In the course of its study of “The Quality of the Undergraduate Experience” during 2001-02, the Board has identified three interrelated measures, credits-to-degree, time-to-degree and graduation rates, as gauges of institutional efficiency and student success. The accompanying briefing paper, *Improving Institutional Efficiency and Student Success While Ensuring Quality*, provides an analysis of the interrelationship between the goals and the measures that the Board has articulated during these discussions and identifies a series of alternative approaches to achieving these goals.

REQUESTED ACTION

For discussion only, no action requested.

DISCUSSION

In the Occasional Research Brief (ORB), [*Institutional Efficiency and Student Success: The Relationship Between Credits-to-Degree, Time-to-Degree and Graduation Rates*](#) (Vol. 02, No.1), the experience of UW institutions in achieving the goal established by the Board in 1995 for reducing credits-to-degree is described. Each institution established targets based on their average credits-to-degree at that time and the reduction they anticipated they could achieve by 2000-01. They then identified the policy changes and intervention strategies they planned to implement. The approaches to reducing credits-to-degree included reducing degree requirements, expanding pro-active advising, reviewing transfer policies, examining repeat policies, taking steps to keep drop rates low, reviewing general education requirements, inviting more Advanced Placement and credit-by-examination and increasing course availability. Between 1993-94 and 2000-01, the UW System average number of credits-to-degree decreased from 145 to 137, exceeding the goal of reducing the average to 140. Concurrently, time-to-degree decreased along with credits-to-degree. In 1993-94, 21% of the graduates received their degrees in four years. By 2000-01 this proportion had risen to 33%. Consequently, many of the policies implemented to reduce credits-to-degree were consistent with reducing time-to-degree.

In discussing further reductions in credits-to-degree, a number of objectives have been addressed, either explicitly or implicitly. They include eliminating “unnecessary credits”, ensuring that degree requirements meet professional accreditation standards, allowing for a reasonable amount of student choice, minimizing the cost of education to the State and maximizing access to courses. Goals mentioned in relation to time-to-degree include reducing the direct cost to the student and reducing the opportunity cost, or foregone earnings to the student. In regard to graduation rates, several goals have been identified including increasing the proportion of students succeeding, increasing the number of college graduates in Wisconsin and increasing the return on the State’s investment. Underlying the discussion of each of these objectives was an unwavering commitment to quality. Virtually all Board policies and the discussions of the issues have made it very clear that providing a quality education is the first priority of the UW System. This has particularly been the case when there is a tradeoff between efficiency and quality.

Many of the goals listed above are consistent with one another. In general, the efficiency goals such as eliminating unnecessary credits, minimizing the cost of education to the State, lowering direct cost and foregone earnings to the student are consistent with one another. However, some of the quality goals such as providing for student choice and ensuring that degree requirements meet professional standards may be in conflict with the efficiency goals. In some instances a goal may be very general and difficult to define. For example, on the surface there is no debate about eliminating unnecessary credits. However, developing an operational definition of unnecessary credits, particularly if it is to apply to all students, may not be as straightforward. A behavior that results in unnecessary credits for one student may be appropriate for another.

In evaluating the desirability of policies designed to change behavior, it is important to recognize the diversity of the UW student population. Thirteen percent of UW graduates took more than six years to complete their degrees. These students typically started their education at an older age than those who completed their degrees within six years (21.1 compared to 18.5). They also typically extended their education over a period that spanned 20 semesters (10 years) but were only enrolled for approximately 13 of those semesters. These students are very different from the students who enrolled continuously and completed their degrees within six years. Another important difference between groups of students has to do with where they start their education and where they finish. Among the graduates from UW institutions, 32% started their education at a different institution from the one at which they earned their degree. Behaviors that are appropriate for one group may not be for another.

There are two general approaches that the Board of Regents might utilize to achieve its objectives. The first entails the use of policy levers. These are basically Board-established mandates or financial policies that are applied to all students and all institutions. A second approach is to establish targets for one or more of the goals and require each institution to develop a plan to achieve the target. Over the last several years a number of different policy changes have been discussed. Following is a brief summary of these policy options. Policy levers which can be used to decrease credits-to-degree include an excess credits surcharge, elimination or modification of the tuition plateau, a course repeat surcharge, establishment of a maximum number of credits that can be required for a degree and pressuring

specialized accrediting agencies. In order to decrease time-to-degree, the Board could implement cohort tuition or modify requirements for four-year graduation contracts. One option available to the Board that could directly impact graduation rates is to raise admissions standards. However, this option may directly conflict with other Board concerns such as access. In general, policy levers must be evaluated in terms of how they impact all students and how they impact multiple objectives. A policy designed to reduce credits-to-degree might have an adverse impact on time-to-degree or a policy that is appropriate for traditional students might be inappropriate for nontraditional students.

An alternative to using policy levers is to establish targets and allow the institutions to implement campus specific policies and intervention strategies to impact the measures in the desired way. The advantage of this approach is that institutions can fine-tune their policies and intervention strategies to maximize the desirable results and minimize the unintended consequences or undesirable results.

In utilizing an approach that sets targets and relies on institutional interventions, a decision is needed regarding what target or targets should be used. Currently each campus has a Board approved target for increasing retention and graduation rates. As part of the 2001-03 biennial budget process, the UW System was required to submit performance indicators to the Wisconsin Department of Administration. The UW System chose to submit second-year retention and six-year graduation rate measures and targets. These targets were developed through a process very similar to the process used to establish the credits-to-degree targets. Each UW institution reviewed its retention and graduation rate history and, based on where it was at the time, established targets for the entering classes through fall 2004. Systemwide, the goal is to increase the second-year persistence rate to 82% and six-year graduation rates to 64% for the fall 2004 entering class. At its December 2000 meeting, the Board approved these goals.

A series of intervention strategies to improve graduation rates have been identified and campuses are in varying stages of implementing them. They include, early connections programs, freshman year experience programs, creating an active learning environment and enhanced advising. A policy decision facing the Board is whether there should be new targets for credits-to-degree and whether specific targets should be established for time-to-degree, in addition to the existing graduation rate targets. There are advantages to having individual targets in that, when specific goals are established, progress toward them can be measured. On the other hand, where there are several individual goals, attention is not as focused as it is with a single goal. Furthermore, if the strategies employed are consistent with all three objectives, individual targets may not be necessary.

The following recommendation is provided to the Education Committee, for discussion at its committee meeting:

- 1) The Board reaffirms its goal of increasing the systemwide graduation rate to 64% for the fall 2004 entering class and the institutional graduation rate targets approved in December 2000. The Board instructs the President and the Chancellors to take the following actions: Each Chancellor will submit a plan for increasing graduation rates. The President will ensure that the strategies chosen are consistent with decreasing credits-to-degree and time-to-degree. System Administration and each UW institution will report on progress in all three areas in their annual accountability reports.
- 2) The Board instructs System Administration to study a number of tuition and financial strategies to decrease credits-to-degree and time-to-degree, and increase graduation rates and bring forward such a plan for Board consideration at its December 2002 meeting. The plan should incorporate the work being done by the Business and Finance Committee in its Building Our Resource Base deliberations.

RELATED REGENT POLICIES

Report to the Board of Regents (February 7, 1997), "Working Group on Excess Credits Reduction - Final Report."

Report to the Board of Regents (December 6, 1996), "Working Group on Excess Credits Reduction Progress Report."

A Study of the UW System in the 21st Century: A Final Report of the University of Wisconsin System Board of Regents, June 1996.

Report to the Board of Regents (December 8, 1995), "Goals for Reducing the Average Number of Credits Taken for the Baccalaureate Degree."

Report to the Board of Regents (March 10, 1995), "Reducing the Number of Credits Taken for the Baccalaureate Degree."

Regent Resolution 6672 (May 6, 1994), "Enrollment Management III: A Strategic Direction for 1995-2001."

Report to the Board of Regents (April 2, 1993), "Enrollment Management (EM) III Planning for 1995 to 2000: Working Paper No. 6, Credits to Degree."

Improving Institutional Efficiency and Increasing Student Success While Ensuring Quality

At the national level, concern has been expressed in recent years about the rising cost of higher education. This issue is also significant in Wisconsin where the State faces a \$1.1 billion budget shortfall. In light of this restrictive fiscal environment it is critical that the University of Wisconsin System utilize resources efficiently as it continues to provide a high quality education. A related concern at the national and the state level is the growing demand for college-educated graduates to meet the needs of an increasingly high-tech knowledge-based labor market. In order to fulfill this need with the available resources, students must be provided with the appropriate academic environment to help them in achieving their goal of earning a bachelors degree.

Three measures, credits-to-degree, time-to-degree and graduation rates have been identified in recent years as indicators of institutional efficiency and student success. Often these measures are discussed independently as are the goals that they are designed to measure. This paper examines the three measures together and discusses options available to the UW Board of Regents and to UW institutions to help students succeed in achieving their educational objectives and use institutional resources more efficiently.

When evaluating the impact of policies and intervention strategies, it is important to recognize the diversity of today's students. From 1976 to 1999, the proportion of Wisconsin high school graduates enrolling in UW institutions immediately after high school increased from 25% to 32%. Over the same period of time, the academic quality of the freshman class, as measured by high school class rank, increased. Despite these changes, the UW System continues to serve a large nontraditional population.

Some of today's students find it necessary to extend their education over a long period of time. Thirteen percent of the graduates in 2000-01 took more than six years to complete their degrees. These students typically started their education at an older age than those who completed their degrees within six years (21.1 compared to 18.5). They typically extend their education over a period that spanned 20 semesters (10 years) but were only enrolled for approximately 13 of those semesters. These students are very different from the students who enrolled continuously and completed their degrees within six years.

In addition, one-third (32%) of the graduates started their education at a different institution from the one at which they earned their degree. Seventeen percent started their academic careers at another UW institution and another 15% of the graduates transferred from outside the System. This percentage varies greatly from institution to institution, from a low of 21% at UW-Madison to a high of over 50% at UW-Superior and UW-Milwaukee. Policies and intervention strategies that are appropriate for reducing credits-to-degree and time-to-degree and increasing graduation rates for traditional students may not be effective for nontraditional students. The analysis in this paper will evaluate the impact of potential strategies on both groups of students

The first section of this paper discusses the interrelated goals and the three measures that are often used to gauge achievement of these goals. The second section discusses policy levers that

the Board of Regents could use to decrease credits-to-degree and time-to-degree and to increase graduation rates. The third section discusses the use of targets to achieve Board objectives. The final section looks at alternative policy options and provides a recommendation for Board discussion.

I. GOALS

On numerous occasions over the last decade, the Board of Regents has discussed the interrelated issues of increasing institutional efficiency, increasing student success and assuring quality. In developing its *Study of the UW System in the 21st Century*, the Board discussed:

- Making more space available by reducing the time it takes to earn a degree,
- Expanding the availability of college-level course offerings for high school students,
- Reducing the number of credits required for a degree and encouraging students to graduate with fewer non-required credits, thereby freeing up space for additional students,
- Helping high schools offer more Advanced Placement programs, enabling students to start earlier and finish sooner, and
- Offering undergraduate students an optional four-year graduation contract.

In addition, over the last year Board members have articulated a series of specific goals regarding credits-to-degree, time-to-degree and graduation rates. Table 1 identifies some of the goals that have been addressed, either explicitly or implicitly. A discussion of each of these goals, with emphasis on how they are related, where they are complementary and where they conflict follows.

TABLE 1
Credits-to-Degree, Time-to Degree and Retention/Graduation
Goals and Policy Options

	Credits-to-Degree	Time-to-Degree	Graduation Rates
Goal(s)	<ul style="list-style-type: none"> • Eliminate “Unnecessary” Credits • Meet Professional Accreditation Standards • Provide for Student Choice • Minimize Cost to State • Maximize Access to Courses <p style="text-align: center;">Ensure Quality</p>	<ul style="list-style-type: none"> • Reduce Direct Cost to Student (Total Tuition) • Reduce Opportunity Cost for Students (Foregone Earnings) <p style="text-align: center;">Ensure Quality</p>	<ul style="list-style-type: none"> • Increase the Proportion of Students Succeeding • Increase the Number of College Graduates in Wisconsin • Increase the Return to the State’s Investment <p style="text-align: center;">Ensure Quality</p>
Related Goal(s)	<ul style="list-style-type: none"> • Facilitate inter and intra-system transfer • Increase access for traditional students • Increase access for adult students 	<ul style="list-style-type: none"> • Maintain affordability • Increase opportunities for internships • Increase study abroad 	
BOR Policy Options	<p style="text-align: center;"><u>Set Credits-to-Degree Targets</u></p> <p style="text-align: center;">And/or</p> <ul style="list-style-type: none"> • Excess Credits Surcharge • Eliminate/Modify Tuition Plateau • Course Repeat Surcharge • Specify Maximum Required Degree Credits • Pressure Accrediting Agencies 	<p style="text-align: center;"><u>Set Time-to-Degree Targets</u></p> <p style="text-align: center;">And/or</p> <ul style="list-style-type: none"> • Cohort Tuition • Four-Year Degree Contracts 	<p style="text-align: center;"><u>Set Retention/Graduation Targets</u></p> <p style="text-align: center;">And/or</p> <ul style="list-style-type: none"> • Increase Admissions Standards

Goals Related to Credits-to-Degree

Eliminate Unnecessary Credits

In 1995, the Board of Regents set a goal of reducing systemwide average credits-to-degree. The objective of this Board initiative was to encourage UW institutions to review their policies and practices and to develop strategies designed to reduce the number of “unnecessary credits” taken by UW students as they worked toward earning a bachelors degree. In concept, an “unnecessary credit” is one that is not required for a student to achieve his or her educational objectives. If a student’s objective is to earn a degree in the shortest time, with the fewest credits, then any credits taken above degree requirements could be viewed as unnecessary. However, simply because a student accumulates more credits than the number required for a degree, is not an indication that the student is taking “unnecessary credits”. It may be appropriate for students to take credits beyond degree requirements for educationally sound reasons such as career exploration, personal enrichment or skill enhancement. These motivations for taking additional credits have implications for quality and are discussed further in the section on student choice.

There are, however, other situations in which students engage in coursework that does not help them progress toward their degree objectives or improve the quality of their education. The UW System monitors attempted credits in measuring credits-to-degree. Attempted credits is the appropriate way to gauge resource allocation because dropped and repeated courses take up classroom space which, therefore, are not available to other students. By using this measure, courses that are dropped after the tenth day of classes or courses that students repeat will add to their total credits, although they do not help students progress toward their degrees. There are many reasons that students might drop courses. For example, students may drop courses several weeks into the semester because of changes in non-academic demands on their time, such as work and family commitments. This behavior may be unavoidable as it is externally determined. However, other reasons for students dropping courses may be more under the control of either the student and/or the institution. Students may decide part way into a course that they will not be able to earn the grade they had hoped for and decide to drop the course. Under certain circumstances, the tuition plateau, the flat rate charged by most UW institutions for credits taken between 12 and 18, enables students to enroll in more courses than they plan to complete and subsequently drop one or more courses without financial penalty.

In the same way as dropped courses, courses that are repeated add to total credits but do not reflect progress toward a degree. Here too, there are multiple reasons for a student to repeat a course. In some instances the repeat is necessary because the student did not pass the course the first time that he or she attempted it. In other instances, students may retake courses in order to improve their overall GPA or earn a grade in a course that is high enough to meet the entrance requirements for a major.

Another situation that can result in “unnecessary credits” occurs when students enroll in courses to “fill out” their schedules, even though the courses do not help them progress toward their degrees. This occurs most frequently among students who must enroll full-time in order to obtain financial aid or maintain their eligibility for their parents’ health insurance. This situation may arise for several reasons: poor academic planning and/or inadequate advising, courses scheduled in a manner that do not meet student needs, or external pressures, such as family or work responsibilities, may cause students to miss opportunities to take courses when they are offered.

Meet Professional Standards

Many degree programs lead to professional certification. These programs must provide an appropriate balance between the broad-based academic preparation expected of a college graduate and the discipline-specific coursework needed to meet professional certification requirements. As professions become more complex and require more professional coursework, a balance must be established between professional preparation and general coursework. All UW institutions reviewed their degree requirements in the mid 1990s and, currently, 91% of the programs, which account for 92% of the students enrolled, require 130 credits or less. Nevertheless, there are programs, mostly in the professional fields such as education, allied health and engineering that require more than 130 credits. In some instances, institutions have decided to remove the professional certification portion of a program from the degree requirements. In these cases, students must reenroll as special students or, in some cases, as graduate students in order to obtain professional certification.

Provide for Student Choice

In an increasingly complex and technologically driven world, some students find it advantageous, or even necessary, to take a double major. If the goal is to prepare students for the new economy workforce, permitting this type of preparation is appropriate and, if so, should be supported by the taxpayer subsidy. However, other student choice behaviors may not be as easily understood. For example, when students opt to change majors, their progress toward the degree may be slowed and they may encounter situations where they take more than the minimum credits required for their new degree major. The number of “excess” credits taken depends on a number of factors such as at what point in the program students change majors and why they change majors. If students change majors early on, they are less likely to accumulate a large number of credits that do not count toward their degrees. However, the later the change occurs the more likely it is to result in the accumulation of credits. Another consideration is why students change majors. In some instances, particularly where there are high major entry requirements, students may try to achieve the required grade-point average by taking courses that count toward their desired major, but may not count toward other majors. Once students make the decision to switch majors, they may have accumulated a substantial number of credits that do not help them progress toward their new degree objectives. In such cases, it is likely that students will end up with substantial excess credits. A third reason that students change majors is the passage of time since they matriculated. Students who take a long time to graduate tend to take a larger number of credits. Two reasons for this behavior are that over time students’ interests and/or the job market change. All of these behaviors involve consumer choice. Policies designed to change behavior must accommodate the choices that policy makers view as educationally appropriate and discourage choices viewed as less desirable or wasteful.

Minimize Cost to the State

Since the State pays two-thirds of the cost of instruction, it is providing a subsidy for all credits taken by resident students. If the objective is to minimize the cost to the State then a limit on the number of credits that the State will subsidize must be specified. At one extreme, the limit could be set at the number required for the student’s degree program, or even at a specified number such as 120 credits. However, this does not permit many of the desirable behaviors discussed in the section on student choice. Short of setting the limit at the minimum number of credits for a

student's degree objective, it is possible to set the number of credits that qualify for the full state subsidy at any level above the minimum. Since the accumulation of credits above the minimum degree requirements is, at least partially, a result of student choices, a financial penalty will decrease the choices available to students. As with any financial disincentive, the impact is greatest on low-income students, since they can least afford to pay the higher price to take additional credits. Many nontraditional students find it necessary to extend their education over a long period of time and as a consequence they may take excess credits. An increase in the cost of credits beyond a predetermined number would impact these students disproportionately and might be a deterrent to degree completion.

Maximize Access to Courses

Maximizing access to courses has long been a goal of the Board. The credits-to-degree initiative that began in the mid-1990s was designed to increase access to courses. That initiative was undertaken at a time when there were course access problems across the system. The initiative was successful in decreasing average attempted credits-to-degree from 145 for graduates in 1993-94 to 137 for degree recipients in 2000-01. As a consequence, course access became less problematic. Today, access problems tend to be related to programs rather than courses. These problems are isolated to several high-demand areas such as nursing, allied health and teacher education programs. In these academic areas, access problems are the result of difficulties in moving resources from declining areas to growing areas. This is particularly challenging when the growth is in a field that are subject to cyclical fluctuations in demand.

Goals Related to Time-to-Degree

Reduce Direct Cost to Student

Decreasing time-to-degree has often been suggested as a way of decreasing the cost of higher education. Given the direct relationship between time-to-degree and credits-to-degree, (i.e., the longer a student is enrolled, the more credits he or she takes), then decreasing time will decrease the cost to the student. Time-to-degree is a result of institutional policies and student choice. Policy changes, implemented in response to the Board's credits-to-degree initiative, have also been effective in reducing time-to-degree. However, since time-to-degree is a function, at least in part, of student choice, there is a limit on how much further time-to-degree may be reduced without adversely limiting the options available to students. Another complicating factor is that, particularly among traditional age students, the person making the choices affecting time (the student) may not be the same person incurring the additional cost (the parent).

Reduce Opportunity Cost to Student

The largest, and often unrecognized, portion of the cost of higher education to a student is the income that he or she has to forego while in school. Consequently, the shorter the time spent in pursuit of a degree, the lower the total cost (direct cost of education plus opportunity cost) to the student. In addition to the student choice factors mentioned previously, there are additional factors that affect opportunity costs. For example, the state of the economy and the availability of jobs are other factors influencing student decisions. In good economic times there is more of an incentive for students to "finish up" quickly and enter the job market. On the other hand, the availability of internships, cooperative work experiences or relatively high paying part-time job opportunities may encourage students to choose to stay in school longer than under other

circumstances. If an extended time in school is not accompanied by additional credits, such as internships and other work-related activities would be consistent with Board goals related to the quality of the undergraduate experience.

Goals Related to Graduation Rates

Increase Proportion of Students Succeeding

The Board has always been interested in maximizing the number of admitted students who graduate. This goal is based on the expectation that all students who are admitted to a UW institution have the academic potential necessary for success. However, there are many factors, other than academic potential, that impact a student's progress towards a degree. In addition, not all students who are admitted to a UW institution have a bachelor's degree attainment as their ultimate goal and some change goals during college. Therefore, a 100% graduation rate is not realistic. Nevertheless, it is the responsibility of the institutions to provide an academic and social environment where as many students as possible are able to achieve their educational objectives.

Increase Number of College Graduates in Wisconsin

Data on the proportion of Wisconsin citizens age 25 and over who hold a bachelor's degree and the information obtained at the first two Wisconsin Economic summits support the need for more college graduates to help fuel Wisconsin's economy. Although Wisconsin does not have an out-migration problem, the number of college-educated in-migrants to Wisconsin does not offset the natural out-migration. Consequently, increasing the proportion of entering students who complete a degree will help fill this gap by providing more college graduates for the increasingly knowledge-based economy. This is particularly true if the graduates come from the group of less traditional, long-term persisters who typically stay in Wisconsin after graduation.

Increase the Return on the State's Investment

One way of increasing the efficiency of the use of State dollars is to increase the number of graduates per entrant. There is value added to students' skills and abilities and, thus, the productive capacity of students who leave college prior to graduation. This is evidenced by the higher average earnings of persons with some college when compared to individuals who have only a high school education. Nevertheless, data indicate that the financial return is largest to those individuals who complete college. These graduates add to the productive capacity of the State and generate additional tax revenue. Consequently, by maximizing the number of graduates per entrant, the return to the state's investment of tax dollars is maximized.

Another way of evaluating the return on the State's investment is to consider the number of credits that result in degrees. By increasing the graduation rate, the average credits that it takes to produce one graduate decreases. Consequently, increasing graduation rates will reduce average credits-*per-degree*.

Other Related Goals

In addition to the goals listed above that are directly related to credits-to-degree, time-to-degree and graduation rates, there are a number of Board goals that are indirectly related to these measures. Without going into detail, following are some Board policy goals that are related to credits, time and graduation rates:

- Facilitating inter and intra-system transfers can decrease credits-to-degree, time-to-degree and increase graduation rates. Problems facing a student when he or she decides to transfer between institutions can cause students to take more credits than they would have if the curriculums of the two institutions were more aligned. The need to take extra course work can also increase the amount of time a student spends working on a degree. In some instances, barriers created by course transfer difficulties might cause a student to discontinue his or her studies. Consequently, policies that have increased the ease of transferring credits between the UW Colleges and the UW four-year institutions and between the Wisconsin Technical College System (WTC) and UW institutions have had a positive effect on all three measures.
- Increased access for traditional students can decrease graduation rates under certain circumstances. If, in order to increase access, institutions dip further down into the pool of students with the academic potential for success, graduation rates could go down. Students with lower test scores and/or academic rank have lower graduation rates than students with higher scores and rank. Nevertheless, as long as students meet the institutional admission requirements and institutions provide the appropriate academic support services, all admitted students have the potential to graduate. There is a trade-off between access and graduation rates.
- Increased access for nontraditional students can increase credits and time and decrease graduation rates because nontraditional students often spread their degree over an extended period of time. Consequently, they are more likely to change majors and are faced with more non-academic demands on their time that may cause them to drop courses and repeat courses to refresh their skills more frequently than traditional students for whom college is their primary activity. These pressures also have an adverse affect on the graduation rates.
- Maintaining affordability contributes, under certain circumstances, to decreased time-to-degree and increased graduation rates. Keeping college costs low decreases the need for students to work while attending school and decreases the necessity of stopping out or dropping out for financial reasons. Nevertheless, there is evidence, as can be seen with out-of-state students at UW institutions, that high tuition is a strong incentive for finishing a degree in the shortest possible time.
- Increased student participation in internships, though desirable, could increase time-to-degree.
- An increase in study abroad activity could put pressure on time-to-degree and credits-to-degree. While there is nothing in principle about a student studying abroad that would increase time or credits, spending a semester abroad and completing all of the requirements for a degree requires extremely careful planning and coordination.

II. POLICY LEVERS

Policy changes can be made at the Board and/or institutional level. Following is a discussion of the principal policy options that the Board may consider in order to achieve the goals identified in previous sections of this paper. Since policies initiated by the Board apply to all institutions and all students, these policies may impact various groups of students differentially. This section examines how each policy lever could affect different types of students. The discussion of the policy options is organized according to the intended objective of the policy change.

Policy Options Designed to Decrease Credits-to-Degree

Excess Credits Surcharge

Advantages

An excess credits surcharge imposes the cost of taking excess credits on the individuals who engage in that behavior rather than spreading it across all students. It serves as a disincentive for students to take unnecessary credits and, thus, creates space for additional students. If behavior is not changed, the surcharge will generate additional revenue that can be used to improve quality and increase access to other students. If, as a consequence, the number of credits taken were decreased, time-to-degree would also decrease.

Disadvantages

An excess credits surcharge could discourage students from taking courses in several different academic disciplines before making career choices. It might discourage students from changing majors if that would require taking additional courses. Such a surcharge would adversely impact nontraditional students who typically take a long time to earn a degree and frequently change career objectives and, thus, are more likely to accumulate excess credits when they change majors. Any benefit from additional spaces created by an excess credits surcharge will depend on how these spaces are distributed. If the course-taking that is discouraged is in upper division courses where there was already space available, then the benefits may not be realized in the form of increased capacity for additional students.

In order to implement an excess credits surcharge, decisions have to be made on how many credits and what credits get included before the threshold that triggers the surcharge is passed. An important decision is whether the threshold is based on attempted credits or earned credits. Another decision is whether or not to include credits attempted or earned outside the UW System. No matter which decision is made, equity questions arise, as do questions of unintended consequences. Are students who transfer credits from outside the System advantaged relative to students who take all of their credits at a UW institution? Are students who come from high schools where they have more opportunity to earn Advanced Placement credits or are prepared to earn credits by examination at an advantage relative to students who have less opportunity in high school? If the surcharge is based on attempted credits there may be an adverse impact on graduation rates as the financial disincentive falls more heavily on students who find it necessary to drop or repeat courses.

Course Repeat Surcharge

Advantages

As with an excess credits surcharge, a repeated course surcharge imposes the cost of repeating a course on the individual who engages in that behavior rather than spreading it across all students. To the extent that it changes behavior, it will free up spaces for additional students. If behavior remains the same additional revenue will be generated. By discouraging students from repeating a course to get a higher grade, this policy could relieve demand on courses that are gateways to high-demand programs.

Disadvantages

If the surcharge is imposed on students who did not pass a course, it serves as an additional penalty on students who are in academic difficulty and may decrease graduation rates. This surcharge might increase the drop rate as students who are in jeopardy of failing a course drop the course so that they will not incur a financial penalty for repeating the course. If the surcharge is imposed on repeating courses that have already been passed, it might increase the drop rate and thwart the hopes of some students working to get into the program of their choice.

Eliminate Plateau

Advantages

Eliminating the plateau might decrease “course shopping”, the behavior in which students enroll in more classes than they intend to complete and then drop one or more courses. A per-credit tuition schedule tends to be more equitable to part-time and nontraditional students. Eliminating the plateau would tend to decrease credits-to-degree.

Disadvantages

Eliminating the plateau would discourage students from exploring additional areas of study and taking courses to make them more marketable. Because the financial incentive to take more credits in a semester is eliminated if the plateau tuition schedule is eliminated, time-to-degree might increase along with debt at graduation.

Specify Maximum Credits for a Degree

Advantages

An externally determined credit maximum for degree programs would prevent credit creep, i.e., the tendency for degree requirements to increase as new knowledge is added to a discipline. This could prevent upward pressure on credits-to-degree in the future.

Disadvantages

Eighty percent of degree programs currently require 120 credits and 91% require no more than 130 credits. As a result of an externally established maximum number of credits, credits required for professional certification (e.g., 150 credits required to sit for the CPA examination) might have to be moved outside the degree or converted to masters level programs. If certification requirements were moved to the masters level it would increase cost to the student. An unintended consequence might be to diminish the quality of the degree and decrease the knowledge base of the graduates.

Pressure Accrediting Agencies

Advantages

Pressure from specialized accrediting agencies has been expanding the number of credits required for a degree. Successful lobbying of these specialized accrediting associations might allow higher education institutions to set their own degree requirements and prevent degree creep.

Disadvantages

Influencing specialized accrediting associations has been an ineffective tactic and may not be successful in the future. In the past, higher education has not been able to speak with one voice on this issue and to successfully pressure accrediting bodies that appear to have substantial power.

Policy Options Designed to Decrease Time-to-Degree

Cohort Tuition

Advantages

Cohort tuition has the potential to decrease time-to-degree because of the financial disincentive to stay in school beyond the point where tuition goes up. Due to the relationship between time-to-degree and credits-to-degree, cohort tuition could also reduce excess credits.

Disadvantages

Since cohort tuition cannot easily be adapted for part-time students it would have no impact on this group. There may be financial and equity issues that make cohort tuition unattractive.

Modified Four-year Degree Contracts

Advantages

A four-year degree contract provides predictability about course availability for students, particularly in high demand programs. This type of agreement could be effective if accompanied by financial or other incentive, such as cohort tuition or some form of rebate for students who complete their degree with the minimum number of credits in the minimum time.

Disadvantages

Four-year degree contracts are most useful when there are severe course access problems. They have been available at all UW institutions for the past several years, but as contracts are currently written, very few students have taken advantage of them.

Policy Options Designed to Increase Graduation Rates

Increase Admissions Standards

Advantages

There is a well-established relationship between student preparation, as measured by high school class rank and college admissions test scores, and graduation rates. Better-prepared students are more likely to graduate; therefore, increasing the entrance requirements would probably increase graduation rates, and possibly decrease credits-to-degree and time-to-degree.

Disadvantages

Although there is a relationship between preparation and graduation rates, all admissible students have the potential to graduate. There are some students who enter the UW System who are high in the applicant pool who do not graduate and there are students further down in the pool who do graduate. An increase in the admission standards would deny access to the UW System for some students who would be successful and graduate.

III. TARGETS

Establishing targets for specific outcomes is another approach that is available to the Board. Targets can be established for one or more objectives and targets may be used alone or in combination with one or more of the policy levers discussed above. By requiring institutions to develop their own targets and monitoring progress toward achieving the targets, the Board sets the priorities and the institutions are held accountable for achieving the outcomes. The use of targets differs from the policy levers discussed in the previous section because policies and intervention strategies established by each institution can focus on the specific behaviors that need change. Institution level interventions tend to be more focused than Board level policies.

In the Occasional Research Brief (ORB), *Institutional Efficiency and Student Success: The Relationship Between Credits-to-Degree, Time-to-Degree and Graduation Rates* (Vol. 02, No.1), the experience of UW institutions in achieving the goal established by the Board in 1995 for reducing credits-to-degree is described. Each institution established targets based on their average credits-to-degree at that time and the reduction they anticipated they could achieve by 2000-01. They then identified the policy changes and intervention strategies they planned to implement. The approaches to reducing credits-to-degree included reducing degree requirements, expanding pro-active advising, reviewing transfer policies, examining repeat policies, taking steps to keep drop rates low, reviewing general education requirements, inviting more Advanced Placement and credit-by-examination and increasing course availability. Between 1993-94 and 2000-01, the UW System average number of credits-to-degree decreased from 145 to 137, exceeding the goal of reducing the average to 140. At the same time, time-to-degree decreased along with credits-to-degree. In 1993-94, 21% of the graduates received their degrees in four years. By 2000-01 this proportion had risen to 33%. Consequently, many of the policies implemented to reduce credits-to-degree were consistent with reducing time-to-degree.

More recently, as part of the 2001-03 biennial budget process, the UW System was required to submit performance indicators to the Wisconsin Department of Administration. The UW System chose to submit second-year retention and six-year graduation rate measures and targets. These targets were developed through a process very similar to the process used to establish the credits-to-degree targets. Each UW institution reviewed its retention and graduation rate history, and based on where it was at the time, established a set of goals for the entering classes of fall 1999 through fall 2004. Systemwide, the goal is to increase the second-year persistence rate to 82% and six-year graduation rates to 64% for the fall 2004 entering class. At its December 2000 meeting, the Board approved these goals. Strategies being used to accomplish these goals will be described in the next section.

In the past, there have been specific targets for time-to-degree. Nevertheless, as reported in the *Institutional Efficiency and Student Success* ORB, time-to-degree has decreased along with the decrease in credits-to-degree. A policy decision facing the Board is whether there should be new targets for credits-to-degree and whether specific targets should be established for time-to-degree.

There are advantages to having individual targets in that, when specific goals are established, progress toward them can be measured. On the other hand, where there are several individual goals, attention is not as focused as it is with a single goal. The next section describes the intervention strategies that are being used by the campuses to achieve their retention and graduation targets. To the extent that these strategies are consistent with all three objectives, additional targets may not be necessary.

Retention Intervention Strategies

At the UW System Retention Conference in February 2002, teams from each of the 13 four-year institutions and the UW Colleges discussed strategies which UW institutions could use to improve retention and graduation rates. The discussions focused on four general areas:

1. **Campus Climate** – strategies that foster retention and increased graduation rates by establishing a climate that makes students feel that the campus is a comfortable and welcoming place to live and learn.
2. **Classroom Climate** – strategies that foster retention and increased graduation rates by establishing a classroom environment in which students are challenged, respected, and actively involved in learning.
3. **Engagement** – strategies that foster retention and increased graduation rates by engaging students and integrating them into the academic and social life of the campus and community.
4. **Transitions** – strategies that foster retention and increased graduation rates by easing the transition to college.

Each campus made a presentation on the programs they found most effective at their institution. These presentations were followed by small group discussions and several plenary sessions facilitated by Dr. John Gardner, Executive Director of the Policy Center for the First Year Experience at Brevard College, a nationally known expert on improving retention and graduation rates. Based on these activities, which spanned two very full days, participants were asked to identify “best ideas” for strategies to improve retention. These “best ideas” fell into four categories: Early Connections, Freshman Year Experience, Active Learning and Enhanced Advising. Following is a brief summary of the strategies identified in each of these categories.

Early Connections

These are strategies that are designed to get students and their families engaged in the academic and social activities of the campus starting when they are admitted and carrying into the freshman year. Although it was felt that parental connections were particularly valuable for first-generation college students, these types of programs can be beneficial for many students whose parents attended college. Examples of programs to implement this strategy are:

- Family connections programs
- Parental orientations
- Parent websites
- Early connections to academic advisors
- Early involvement in campus organizations and social programs

Freshman Year Experience

There is clear and unambiguous evidence that attrition is greatest between the freshman and sophomore years. Because of that fact, higher education institutions, including the UW institutions, have put a lot of emphasis on developing programs to assist students in making the transition to college during the first year. Many of these programs have been shown to be effective and information about effective practices was shared among the participants at the conference. The strategy that received the most interest on the part of the participants was incorporating the skill development aspects of an introduction to college course into a traditional academic course. While there is not a single model to accomplish this, several institutions have been successful in developing disciplinary courses which also provide students with instruction in study skills, time management, test taking skills and other tools necessary for success in higher education.

Creating an Environment in Which There is Active Learning

The evidence on the benefits of active learning is convincing. When a student is engaged intellectually as well as socially he or she is much more likely to be retained and succeed in attaining a degree. While it is good pedagogy to create an engaged environment, not all faculty have had an exposure to the most effective ways of integrating this type of pedagogy into their classrooms. In addition, there are a number of approaches that require collaboration between faculty and administration, some of which may require additional resources. Examples of programs to implement an environment that fosters active learning are:

- Faculty development programs focusing on the engaging classroom
- Development of service-learning courses
- Development of learning communities
- Undergraduate student participation in faculty research

Enhanced Advising

In recent years, advising has been suggested as a panacea for many problems faced by students. There was a consensus at the conference that advising was very important in creating an environment where students could make good decisions about their education. However, there was also recognition that it is not simply a matter of “more is better”. Based on the presentations, several specific approaches to improving retention through enhanced advising were identified. They include:

- Increased coordination and cooperation between professional and faculty advisors.
- Proactive advising for students who are at-risk. This entails developing early warning systems and coordinating advising with the early warnings.
- Improved degree-audit systems and training for faculty advisors in their use.
- Intrusive advising for students without declared majors and development of connections to faculty at the earliest possible time.
- Focused peer advising.
- Intrusive advising for students changing majors.

The results of the conference are being discussed at all of the UW campuses and will provide a basis for developing more effective strategies to achieve their retention and graduation targets.

IV. POLICY OPTIONS

There are several approaches that the Board can take to reduce credits-to-degree, time-to-degree and to increase graduation rates. The Board could use one or more of the policy levers described earlier to affect the desired outcome. The Board could establish targets for reducing credits-to-degree and time-to-degree to accompany the graduation rate targets established in December 2000. The Board could also use these two approaches in combination. Alternatively, the Board could rely on the graduation rate targets alone to achieve all of the goals.

Among the policy levers, the one that has the most potential to achieve at least two of the goals, reducing credits-to-degree and time-to-degree, is the excess credit surcharge. While there are significant equity and administrative issues that have to be addressed prior to implementing such a charge, it does provide a strong incentive to reduce time and credits without having adverse consequences for graduation rates.

The other policy levers all have the potential to have adverse consequences or to be ineffective. A repeat surcharge could decrease graduation rates by discouraging students from repeating failed courses. Eliminating the plateau might increase time-to-degree by taking away the financial incentive for a student to take 15 or 18 credits per semester. Setting the maximum number of credits for a degree would entail the Board taking responsibility for an academic decision that has traditionally been under the purview of the faculty. Trying to influence accrediting agencies in order to prevent credit creep has not been shown to be effective. The Board tabled cohort tuition earlier this year because of concern about it as a prudent and appropriate tuition policy. Four-year degree contracts are already in place at all UW institutions but have not been used by many students. Increasing admissions requirements would deny access to students who may successfully complete degrees. In general, broad based approaches to achieving a goal tend to either have adverse consequences for other goals or tend to impact some students in a positive manner and some in a negative way.

An alternative to using policy levers is setting targets. Setting multiple targets would be a clear signal from the Board that reducing credits, time and increasing graduation rates were all priorities for the Board. The institutions would be put on notice that their progress in these areas would be monitored and that they would be held accountable for achieving their targets. However, setting the specific targets would be problematic. By how much should time and credits be reduced? Is it more important for an institution to meet its credits, time or graduation rate target? What would be the consequences of falling short on one target and meeting the other two? Since graduation rate targets already exist and the Board is already on record as wanting the increases in graduation rates to be accompanied by decreases in time and credits, all the objectives could be accomplished by focusing on the existing graduation rate targets, while monitoring time and credits. If either measure does not go in the desired direction then the Board could then take action.

Consequently, System Administration recommends the following actions:

- 1) The Board reaffirms its goal of increasing the systemwide graduation rate to 64% for the 2004 entering class and the institutional graduation rate targets approved in December 2000. The Board instructs the President and the Chancellors to take the following actions:
 - a) Each Chancellor will submit a plan for increasing graduation rates. The President will ensure that the strategies chosen are consistent with decreasing credits-to-degree and time-to-degree.
 - b) System Administration and each UW institution will report on progress in all three areas in their annual accountability reports.
- 2) The Board instructs System Administration to study a number of tuition and financial strategies to decrease credits-to-degree and time-to-degree, and increase graduation rates and bring forward such a plan for Board consideration at its December 2002 meeting. The plan should incorporate the work being done by the Business and Finance Committee in its Building Our Resource Base deliberations.

The Occasional Research Brief, *Institutional Efficiency and Student Success: The Relationship Between Time-to-Degree, Credits-to-Degree and Graduation Rates* (Vol. 02, No. 1), is available on the Internet at:

<http://www.uwsa.edu/opar/orblist.htm>

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I. Items for consideration in Regent Committees

1. Education Committee - Thursday, May 9, 2002
Student Union
University of Wisconsin-Fox Valley
10:30 a.m.

10:30 a.m. All Regents

- Quality: Credits-to-Degree, Time-to-Degree, and Graduation Rates.

11:30 a.m. All Regents

- Closed Session

1:15 p.m. All Regents

- Study of Adult Students.

1:45 p.m. (or upon completion of the previous session) Education Committee (Room 1338).

- a. Approval of the minutes of the April 4, 2002 meeting of the Education Committee.
- b. Discussion: All-Regent Sessions.
- c. Report of the Senior Vice President for Academic Affairs:
 - (1) UW Colleges Presentation: Student Engagement: The Wisconsin Idea in Practice;
 - (2) Announcement of the proffer from the Trustees of the William F. Vilas Trust Estate for support of scholarships, fellowships, professorships, and special programs in arts and humanities, social sciences and music;
 - (3) Other.
- d. Revised Mission Statement, UW-Eau Claire - Initial Reading.
- e. New Program Authorizations: First Reading.
 - (1) B.S./B.A. in Environmental Studies, UW-Oshkosh.

- f. Program Authorizations: Second Reading - Retitling.
 - (1) B.S. in Athletic Training, UW-Eau Claire.
[Resolution I.1.f.(1)]
- g. Naming of the Institute for Environmental Studies, UW-Madison.
[Resolution I.1.g.]
- h. Additional items that may be presented to the Education Committee with its approval.

Closed session items:

- i. Closed session to consider personnel matters, as permitted by s. 19.85(1)(c), Wis. Stats. [Possible agenda item: Appointment of a Distinguished Professor, UW-Milwaukee.]

**ANNOUNCEMENT OF THE PROFFER FROM THE
TRUSTEES OF THE WILLIAM F. VILAS TRUST ESTATE
FOR SUPPORT OF SCHOLARSHIPS, FELLOWSHIPS,
PROFESSORSHIPS, AND SPECIAL PROGRAMS IN ARTS AND
HUMANITIES, SOCIAL SCIENCES AND MUSIC, AND
A SPECIAL CONSTRUCTION FUND**

EXECUTIVE SUMMARY

BACKGROUND

The terms of the Deed of Gift and Conveyance of the estate of William F. Vilas, subsequently validated and accepted by an act of the legislature of Wisconsin, provides in part that the Trustees of the Estate may proffer in writing to the Board of Regents funds for the maintenance of scholarships, fellowships, professorships, with their respective auxiliary allowances, and other like endowments specifically enumerated, defined, and provided for by the Deed.

At the beginning of each calendar year, the Trustees of the William F. Vilas Trust Estate formally request that the President of the UW System ask the Chancellors of UW-Madison and UW-Milwaukee to determine from the Vilas Professors the amounts they will request for special project allowances for the ensuing academic year and to obtain from the Chairs of the UW-Madison and UW-Milwaukee music departments their programs and requests for the next year. In addition, the Chancellor of UW-Madison is asked to determine the number of scholarships, fellowships, Vilas Associates, and any other initiatives to be requested.

The Board of Regents approved the UW-Madison and UW-Milwaukee requests at the April, 2002, meeting; following approval, President Lyall sent the formal request to the Trustees. The Trustees determine the amount of income that is available for the various awards (particularly for music, which varies with the value of the trust) and respond with a proffer of funds, which is included in the following document.

REQUESTED ACTION

This item is presented for information only. No action is requested.

DISCUSSION

The attached document contains the Trustees' proffer detailing how the funds may be expended. It has six components: (a) support for the "2002-2003 Guest Artists" program, UW-Madison (\$21,880); (b) support for the "Young Artists Preparing Musician/Educators for the 21st Century" program, UW-Milwaukee (\$17,930); (c) continuation of trustee-approved programs, UW-Madison and UW-Milwaukee (\$3,581,629); (d) expansion of trustee-approved programs, UW-Madison and UW-Milwaukee (\$196,000); (e) one-time-only program allocations, UW-Madison (\$1,675,000); and (f) approval of a request from UW-Madison that, pursuant to Article 5 of the Deed of Gift and conveyance, one-half of the annual net income be allocated to a special construction fund for the research facility of the BioStar program, identified as the Microbial Sciences Building (\$7,224,584.61).

**Additional supporting material for Agenda Item I.1.c.(2)
may be obtained by contacting the Board of Regents Office.**

Phone: 608-262-2324

Fax: 608-262-5739

**REVISED MISSION STATEMENT
UNIVERSITY OF WISCONSIN-EAU CLAIRE
(INITIAL READING)**

EXECUTIVE SUMMARY

BACKGROUND

The University of Wisconsin-Eau Claire requests approval for its newly revised Mission Statement. The proposed revision has been approved by all campus governance groups. UW-Eau Claire's current Select Mission Statement and the revised Select Mission Statement are provided. The revised statement has two versions. The first employs strikethrough (e.g., ~~strikethrough~~) to indicate deletions from the current mission and bold type to indicate additions. The second revised statement is a clean copy.

Chapter 36.09(b), Wis. Stats., requires that "the Board, after public hearing at each institution, shall establish for each institution a mission statement delineating specific program responsibilities and types of degrees to be granted."

REQUESTED ACTION

No action is requested at this time. If the board agrees, a public hearing will be scheduled. Following that hearing, the proposed revision will be brought before the board for final approval.

Current Mission Statement

Select Mission of the University of Wisconsin-Eau Claire

In addition to the system core missions, University of Wisconsin-Eau Claire has the following select mission:

The University of Wisconsin-Eau Claire is a comprehensive university whose purpose is to foster the intellectual, personal, and social development of its students. The University provides an academic environment designed to encourage faculty-student interaction and promote excellence in teaching, scholarly activity, and public service.

1. The University provides undergraduate education in a broad range of programs, based on a strong general education component emphasizing the liberal arts and sciences, with degrees in the arts and sciences, allied health fields, business, education, nursing, and other areas which grow clearly from undergraduate strengths and meet identified regional and state needs.
2. The University provides graduate education, at the master's and specialist levels, in programs which grow clearly from areas of undergraduate strengths, and meet identifiable regional and state needs.
3. The University expects scholarly activity, including research, scholarship, and creative endeavor, that supports its programs at the associate and baccalaureate level, its selected graduate programs, and its special mission.
4. The University provides outreach and community service programs which foster the cultural, educational, and economic development of the region. (Amended by BR Res. 6/10/88)

Revised Mission Statement

Select Mission of the University of Wisconsin-Eau Claire

The University of Wisconsin-Eau Claire is a comprehensive university whose purpose is to foster the intellectual, personal, ~~and~~ social, **and cultural** development of its students. The University provides an academic environment designed to encourage faculty-student interaction and promote excellence in teaching **and learning**, scholarly activity, and public service. **Its residential setting fosters personal and social development through a rich array of co-curricular activities.**

The University's focus is a liberal arts based education across the curriculum in all programs. The University places a special emphasis on experiential learning activities, such as international studies, faculty-student research collaboration, internships, and community service. UW-Eau Claire is the University of Wisconsin System's Center of Excellence for Faculty and Undergraduate Student Research Collaboration.

In addition to the **University of Wisconsin System Mission** and ~~the Core Missions~~ **Mission of the University Cluster Institutions**, the University of Wisconsin-Eau Claire has the following select mission:

- ~~(a) The University provides~~ **to provide** undergraduate education in a broad range of programs, based on a strong general education component emphasizing the liberal arts and sciences, ~~with offering~~ **with offering** degrees in the arts and sciences, allied health fields, business, education, nursing, and other areas ~~which that~~ **which that** grow clearly from ~~undergraduate~~ **university** strengths and meet ~~identified~~ **identifiable** regional and state needs;
- ~~(b) The University provides~~ **to provide** graduate education, at the master's and specialist levels, in ~~select~~ **select** programs ~~which that~~ **which that** grow clearly from ~~areas of~~ **university** strengths and meet identifiable regional and state needs;
- ~~(c) The University expects~~ **to support and encourage** scholarly activities, including research, ~~scholarship,~~ and creative ~~endeavor~~ **endeavors**, that ~~supports~~ **enhance** its programs at the associate and baccalaureate level, its selected graduate programs, and its special mission; **and**
- ~~(d) The University provides outreach and community service programs which foster~~ **to support** the cultural, educational, and economic development of the **immediate** region **in a variety of ways, including its outreach and community service programs.**

(Approved by University Senate, 2/02)

Bold = new language

Revised Mission Statement

Select Mission of the University of Wisconsin-Eau Claire

The University of Wisconsin-Eau Claire is a comprehensive university whose purpose is to foster the intellectual, personal, social, and cultural development of its students. The University provides an academic environment designed to encourage faculty-student interaction and promote excellence in teaching and learning, scholarly activity, and public service. Its residential setting fosters personal and social development through a rich array of co-curricular activities.

The University's focus is a liberal arts based education across the curriculum in all programs. The University places a special emphasis on experiential learning activities, such as international studies, faculty-student research collaboration, internships, and community service. UW-Eau Claire is the University of Wisconsin System's Center of Excellence for Faculty and Undergraduate Student Research Collaboration.

In addition to the University of Wisconsin System Mission and the Core Mission of the University Cluster Institutions, the University of Wisconsin-Eau Claire has the following select mission:

- to provide undergraduate education in a broad range of programs, based on a strong general education component emphasizing the liberal arts and sciences, offering degrees in the arts and sciences, allied health fields, business, education, nursing, and other areas that grow clearly from university strengths and meet identifiable regional and state needs;
- to provide graduate education, at the master's and specialist levels, in select programs that grow clearly from undergraduate strengths and meet identifiable regional and state needs;
- to support and encourage scholarly activities, including research and creative endeavors, that enhance its programs at the associate and baccalaureate level, its selected graduate programs, and its special mission; and
- to support the cultural, educational, and economic development of the immediate region in a variety of ways, including its outreach and community service programs.

(Approved by University Senate, 2/02)

**NEW PROGRAM AUTHORIZATION
B.S./B.A. in ENVIRONMENTAL STUDIES
UW-OSHKOSH
INITIAL REVIEW**

EXECUTIVE SUMMARY

BACKGROUND

In accordance with the procedures outlined in Academic Planning and Program Review (ACIS-1.0 revised), the new program proposal for a B.S./B.A. in Environmental Studies is presented to the Board of Regents for initial review. As stipulated by ACIS-1.0 revised, this program proposal will be on the agenda for the June, 2002, meeting for a second review, at which time UW System Administration will recommend that the Board of Regents take action authorizing the Chancellor to implement the program. If approved, the program will be subject to a Regent-mandated review to begin five years after its implementation. The institution and UW System Administration will conduct that review jointly, and the results will be reported to the Board.

An academic minor in environmental studies was established in the College of Letters and Science at UW-Oshkosh in 1996. Faculty from a variety of departments, including biology, political science, sociology, geography, and religious studies, provide courses for this collaborative, interdisciplinary minor.

REQUESTED ACTION

This program is presented for initial review. No action is requested at this time.

DISCUSSION

Program Description

Environmental Studies students will complete 37 credits in the major. The curriculum will integrate the natural sciences, the social sciences, and the humanities. The strong humanities component and the integrated curriculum distinguish this program from traditional environmental science programs. All students will have a foundation in each of the three component areas: Environment and Science, Environment and Society, and Environment and Values. They will also take core courses emphasizing the development of trans-disciplinary research skills and the Senior Seminar on Environmental Studies, which involves production of an integrated research portfolio and provides opportunities for service learning, internships, and/or field studies courses.

Students will be required to select from one of two depth-emphases: Applied Environmental Science or Environment, Community, and Culture. Students selecting the first option will also earn a second major or a minor in a natural science discipline. Students selecting the latter option will complete a second major or a minor in a social science or humanities discipline

Program Goals and Objectives

The goals of this program include:

- to provide quality instruction for students seeking careers or advancement in environmentally related occupations in the public or private sector, or who seek to continue academic work in environmental studies or related disciplines;
- to provide a broad-based, interdisciplinary understanding of environmental issues and problems;
- to provide opportunities for students to develop practical, problem-oriented expertise through involvement in internship and senior seminar experiences; and
- to promote environmental literacy and responsible citizenship by equipping students with the skills necessary for crafting solutions to environmental problems.

Relation to Institutional Mission

The UW-Oshkosh Mission Statement includes the goal to “strengthen ethical conduct with respect to the person, community, and the environment.” UW-Oshkosh Chancellor Richard Wells stresses the strategic goal of developing the university’s commitment to public service, engaged citizenship, and community involvement. More specifically, the institution has adopted five strategic directions that are designed to guide programmatic growth. These five directions are: (1) Develop a diverse, engaged community of lifelong learners and collaborative scholars; (2) Enhance teaching excellence, active learning, and dynamic curricular programs; (3) Foster research, intellectual activity, and creative expression; (4) Expand regional outreach and domestic and international partnerships; and (5) Promote representative leadership, responsive shared governance, and flexible resource stewardship. The proposed program responds to all five of these strategic directions.

Need

Research indicates that environmental studies and environmental science programs have increasing numbers of graduates over the past ten years. Data compiled from member programs of the Northeast Environmental Studies Association show a growth in the number of environmental studies graduates from 95 to 525 over the ten-year period between 1990 and 2000.

A comprehensive study conducted for the Environmental Careers Organization (ECO) shows that about two-thirds of environmental studies graduates find their first professional job in the environmental area. Because the interdisciplinary and critical problem-solving orientations of environmental studies programs prepare students for a variety of careers, many of which are not easily captured in traditional job categories, specific market numbers are unavailable for environmental careers.

Comparable Programs

The number of environmental studies programs across the United States has grown steadily since the late 1980s in response to the demand for environmental expertise in fields as varied as natural resource management, urban and regional planning, public relations, education, journalism,

business, and tourism. In contrast to other states, however, no UW System institution presently offers a bachelor's degree in environmental studies.

UW-Stevens Point offers an environmental studies minor and a number of natural resource-related majors. These are primarily technically oriented professional programs. UW-Green Bay has interdisciplinary programs in environmental policy and planning and offers a major and minor in environmental science. UW-Eau Claire offers a major in environmental and public health, a minor in environmental science, and environmental emphases in geology and geography. UW-Milwaukee offers a major in environmental conservation. Environmental studies minors are offered at UW-La Crosse, UW-Parkside, and UW-River Falls. Of these, only the program at UW-La Crosse requires interdisciplinary core courses. UW-Madison's Institute for Environmental Studies (IES) offers an undergraduate certificate that supplements a student's traditional major.

The proposed UW-Oshkosh program differs from these in its emphasis on a broad-based and trans-disciplinary curriculum, consisting of social science, humanities, and natural science components. Environmentally related programs are also available at Northland College, Ripon College, Lawrence University, and Beloit College.

In 1990, there were eight environmental studies programs in the Northeastern United States, graduating 95 students. In 2000, the number of programs had grown to 25, graduating 525 students. Twenty-six universities in Iowa, Illinois, Michigan, and Minnesota offer Bachelor of Arts degrees in environmental studies programs that blend natural sciences with social sciences and humanities. UW-Oshkosh's proposed program will be one of only five programs in the region that integrate the humanities into their curricula on an equal footing with the natural and social sciences.

Collaboration

At UW-Oshkosh, consultation and collaboration among over fifteen faculty members, nearly as many departments, and three divisions have characterized the development process. Consultations have also occurred with faculty in environment-related programs at UW-Madison, UW-La Crosse, UW-Stevens Point, and UW-Green Bay. Discussions concerning possible exchange of courses between programs are on-going.

Use of Technology/Distance Education

Faculty will incorporate the technologies appropriate to the specialties they bring to the program, including Geographic Information Systems and other tools grounded in the natural and social sciences, electronic search engines and services, and web-based virtual classrooms such as Blackboard. Distance learning through satellite hookups, which has already occurred, will be expanded. Inter-institutional colloquia have been discussed with faculty at other UW System institutions and will be explored further.

Academic and Career Advising

All entering students are advised through the University's Academic Advisement Center. Once a student opts to major in environmental studies, s/he will be assigned to a faculty member associated with the program. That faculty member will work closely with the student to ensure that appropriate courses are taken, that appropriate internships, externships, and service learning

opportunities are explored, that applications for appropriate fellowships are submitted, and that the student is well connected with the environmental studies community, both on campus and in the region. Program faculty will work closely with staff from the career services office to assist students in placement following graduation.

Projected Enrollment (5 years)

Year	2002-03	2003-04	2004-05	2005-06	2006-07
New students admitted	10	15	15	20	25
Continuing students	15	20	45	50	55
Total enrollment	25	35	60	70	80
Graduating students	5	5	10	15	20

Assessment and Program Evaluation

Student assessment will include the evaluation of each student's integrated research portfolio. These will be presented in a format meaningful to prospective employers, external program reviewers, and faculty responsible for ensuring that learning objectives are met. After the mandated joint review in the fifth year, the program will go through the normal seven-year program review process, which includes bringing outside reviewers to campus. To further assist in assessment of the program, information will be gathered on graduates' employment and admission to graduate programs. Alumni and their employers will be surveyed, and these data will be used to assess the extent to which the program is meeting its stated objectives. In the case of the first three objectives, assessments will be both quantitative and qualitative. Assessment of the fourth objective ("promot[ing] environmental literacy and responsible citizenship, equipping students with the skills necessary for crafting solutions to environmental problems") will be qualitative and based on student, alumni, and employer surveys.

Evaluation from External Reviewers

The program proposal was sent to two external reviewers, both with extensive experience in environmental studies research and teaching. Both noted the curricular coherence and balanced provision of interdisciplinary breadth, depth, and integration in the program. One of the reviewers called the proposal "extremely well designed" and asserted, "the architecture of this major is quite well balanced among breadth, depth, and integration." The second concluded that the quality and coherence of the proposed program should earn it "regional if not national distinction."

Resource Needs

As indicated in the table below, the resources required for the proposed program are already in place and are currently supporting the environmental studies minor. No new resources are required for this program.

SUMMARY OF ESTIMATED COSTS AND RESOURCES

	FIRST YEAR		SECOND YEAR		THIRD YEAR	
	DOLLARS	#FTE	DOLLARS	#FTE	DOLLARS	#FTE
PERSONNEL COSTS						
Faculty/Academic Staff	\$103,920	2.25	\$108,077	2.25	\$112,234	2.25
Undergraduate Assistants	\$2,000	-	\$2,000	-	\$2,000	-
Classified Staff	\$3,500	.20	\$3,640	.20	\$3,780	.20
SUBTOTAL	\$109,420	2.45	\$113,717	2.45	\$118,014	2.45

	DOLLARS	DOLLARS	DOLLARS
NON-PERSONNEL COSTS			
Supplies and Expenses	\$ 3,309	\$3,309	\$3,309
Capital Equipment	\$2,000	\$2,000	\$2,000
Library Resources			
Computing Resources			
Other (Define)			
	Not	Allocated	by
	\$2,500	\$2,500	Program
	-	-	-
SUBTOTAL	\$8,809	\$8,809	\$8,809
TOTAL COSTS FOR PROGRAM	\$118,229	\$122,526	\$126,823

	DOLLARS	DOLLARS	DOLLARS
RESOURCES			
Reallocation	0	0	0
Gifts and Grants	0	0	0
*Other (Define)	\$118,229	\$122,526	\$126,823
TOTAL RESOURCES	\$118,229	\$122,526	\$126,823

* These funds are currently being expended to support the existing environmental studies minor. Approval of the major will not require additional resources.

RECOMMENDATION

No action requested at this time.

RELATED REGENT POLICIES

University of Wisconsin System Academic Planning and Program Review (November 10, 1995), Academic Informational Series #1 (ACIS-1.0 revised).

Program Authorization (Implementation)
B.S., Athletic Training
University of Wisconsin-Eau Claire

EDUCATION COMMITTEE

Resolution I.1.f.(1):

That, upon recommendation of the Chancellor of the University of Wisconsin-Eau Claire and the President of the University of Wisconsin System, the Chancellor be authorized to implement the re-titling of the Concentration in Athletic Training as a B.S. in Athletic Training.

5/10/02

I.1.f.(1)

**NEW PROGRAM AUTHORIZATION
RE-TITLING OF B.S. IN ATHLETIC TRAINING
UW-EAU CLAIRE
(IMPLEMENTATION)**

EXECUTIVE SUMMARY

BACKGROUND

In accordance with the procedures outlined in Academic Planning and Program Review (ACIS-1.0 revised), the program proposal for a Bachelor of Science degree in Athletic Training is presented to the Board of Regents for implementation. If approved, the program will be subject to a regent-mandated review to begin five years after its implementation. The institution and UW System Administration will conduct that review jointly, and the results will be reported to the Board.

A concentration in athletic training for Physical Education majors began at UW-Eau Claire in 1979. The concentration was upgraded and approved as a minor in 1997, and as an emphasis in 1999. The proposed Athletic Training major will replace the current Athletic Training emphasis within the Kinesiology major. All courses required by the National Athletic Trainers' Association Board of Certification (NATABOC), the certifying body, have been in place since 1981. Since 1989, 37 students have completed the athletic training education program, and 34 are working in the field as certified athletic trainers. UW-Eau Claire is currently in the candidacy phase of the CAAHEP accreditation process. Upgrading the current Athletic Training emphasis to a major will more clearly represent the quality and extent of the program. All courses, facilities, and resources are already in place; a change from emphasis to major will be a change in name only.

REQUESTED ACTION

Approval of resolution I.1.f.(1) authorizing implementation of the re-titling of the B.S. in Athletic Training, UW-Eau Claire.

DISCUSSION

Program Description

The proposed major will grant a Bachelor of Science degree in Athletic Training. It will be housed in the College of Professional Studies within the Department of Kinesiology and Athletics. It will be a 120-credit comprehensive degree program composed of 51 general education and university required courses; 11 required core credits in kinesiology, physiology, and motor learning and development; 50 credits selected from a range of courses in anatomy, chemistry, healthcare, athletic training, and clinical athletic training experiences; and 6-8 elective credits. The curriculum meets the newly revised accreditation standards developed by the Commission on Accreditation of Allied Health Education Programs (CAAHEP).

Students will be selected for admission to the major based upon an overall grade point average of 2.5 or higher, completion of 100 hours of observation under and evaluation by a certified athletic trainer, completion of *Introduction to Athletic Training* with a 3.0 or higher GPA, and evidence of current immunizations. A minimum of a 2.75 grade point average will be required for graduation from the program.

Program Goals and Objectives

The primary goal of the proposed program is to prepare students to become entry-level certified athletic trainers. Upon completion of this major the student will be able to:

1. Identify injury/illness risk factors associated with sports participation.
2. Plan and implement a comprehensive sport injury/illness prevention program.
3. Conduct an initial clinical evaluation of injuries and illnesses commonly sustained by the sport participant.
4. Administer proper first aid and emergency care and/or make appropriate referral for diagnostic and medical treatment.
5. Implement a comprehensive rehabilitative/reconditioning program.
6. Plan, coordinate, and supervise the administrative components of an athletic training program.
7. Provide information and counsel athletes, parents, and coaches on the physical, psychological, and emotional health and well being of the athlete.
8. Qualify to take the National Athletic Trainers' Association Board of Certification (NATABOC) national certification examination.

Relation to Institutional Mission

The proposed Athletic Training major relates to UW-Eau Claire's select mission and five year strategic plan by: responding to the regional and state need for additional athletic trainers; supporting the university mission to provide outreach and service to support educational and community development; providing a highly collaborative program with other university departments and maintaining strong partnerships with other University of Wisconsin institutions, local school systems, and private health care agencies; providing students with opportunities to learn from external communities through internships, service-learning, and field placements; aligning its curriculum with UW-Eau Claire's focus on providing a general liberal arts education; promoting a high degree of faculty-student interaction; and providing students with access and training in advanced technologies supportive of research, scholarship, and creative activity.

Need for Program

The U.S. Bureau of Statistics has projected an 18.5% growth in the number of athletic training positions nationally between the years 2000-2010. They project 6,000 athletic training positions available in the nation with 3,000 through newly created positions and 3,000 through individuals leaving the field. In Wisconsin, between June 2001 and March 2002, there were 68 Athletic Trainer positions listed through the National Athletic Trainers' Association Placement Vacancy Notice (NATA PVN). Athletic trainers are now being sought in a wider range of settings and used more extensively in higher education.

Student demand for this program is evident. This year alone the UW-Eau Claire emphasis has had over 60 inquiries. In 1998, a survey of UW System institutions with athletic training internship/education programs indicated the programs could only accommodate approximately 30% (124 of 394) of students seeking admission to an athletic training program.

Comparable Programs in Wisconsin

Due to recently instituted accreditation changes, beginning in 2004, only students who graduate from a CAAHEP accredited athletic training degree program will be eligible to sit for the athletic training certification examination. UW-Madison and UW-La Crosse currently have the only CAAHEP accredited programs in the state. UW-Oshkosh, UW-Stevens Point, and UW-Milwaukee are also in the process of seeking CAAHEP accreditation for their programs. UW-Stevens Point and UW-La Crosse currently offer athletic training majors within the UW System. UW-Milwaukee and UW-Madison have sub-majors in Athletic Training with no immediate plans to become majors. UW-Oshkosh has an emphasis in athletic training and intends to upgrade to major standing in the future.

These accreditation requirement changes will result in an overall reduction within the state from twenty Athletic Training Education Programs to eleven. UW-Green Bay, UW-Parkside, UW-Platteville, UW-River Falls, UW-Stout, UW-Superior, UW-Whitewater, and one private college, Mt. Scenario, have decided not to pursue CAAHEP accreditation and have dropped their athletic training programs. Concordia University, Carthage College, Carroll College, Lakeland College, and Marquette University are seeking CAAHEP accreditation for their Athletic Training programs. Ripon College has a program and is undecided about whether they will seek accreditation or drop it.

Comparable Programs Outside Wisconsin

There are currently 161 CAAHEP accredited athletic training education programs in the country. There are four CAAHEP accredited programs in the state of Minnesota. The UW-Eau Claire program draws students primarily from Wisconsin and some from Minnesota.

Collaboration

Collaborative partnerships have been developed with three local high schools, three clinics, and other UW System institutions. The program has an agreement with UW-Stout to use their certified athletic trainers as clinical supervisors for students in the UW-Eau Claire athletic training education program. Because UW-Stout is discontinuing their program and is not pursuing a major or accreditation in athletic training, this collaboration will be of benefit to UW-Stout's athletic program and also provide UW-Eau Claire's students excellent clinical experience. A long-standing collaboration will continue with the institutions in the Wisconsin Intercollegiate Athletic Conference so that student athletic trainers receive excellent clinical experience and supervision from athletic training staff when traveling to away contests.

Use of Technology/Distance Education

Students will use various forms of computer and video technology in classroom assignments and presentations. The director of the Athletic Training emphasis has created two web sites that use digital technology: the Athletic Injury Digital Video Library (AIDVL) contains actual athletic injury video clips that have been digitized and placed on the web; the Athletic Injury Digital Image Library (AIDIL) contains digital images of injury x-rays and photographs. Both sites are accessible to and used by classroom instructors across the UW System and around the world. UW-Oshkosh and UW-Eau Claire are piloting a program to use distance education for broadcasting guest speaker presentations during this spring semester. If this pilot is successful, it will be offered to all UW System institutions.

Academic and Career Advising

Students will be assigned an academic advisor in the Athletic Training major upon acceptance into the program, and will be required to meet regularly with this individual. The teaching and clinical faculty in the Athletic Training major will provide career advising. Students will be continually evaluated during their clinical experiences and advised according to their progress, aspirations, and professional goals. The wide variety of clinical placements available to students as part of the educational program will help students to identify future career interests.

Projected Enrollment (5 years)

Year	2002-03	2003-04	2004-05	2005-06	2006-07
New students admitted	10	10	10	10	10
Continuing students	20*	25	30	30	30
Total enrollment	30	35	40	40	40
Graduating students	6	9	10	10	10

*Students currently enrolled in the emphasis

Assessment and Program Evaluation

In order to continually improve and adjust the curriculum, assist the advising process, track student success, and complete the accreditation process, the Athletic Training major will be assessed by a Professional Advisory Group that will: review the curriculum and clinical experiences; track the success rate of the students on the NATABOC certification examination; maintain a database on graduates' employment status, work setting, salary, and continued education; and distribute alumni questionnaires and surveys to provide feedback on how well students feel they were prepared for their careers. Assessment and evaluation will also occur through the CAAHEP accreditation process that involves a self-study and a review by two external consultants. If accredited, CAAHEP requires the completion of a self-study every five years.

Evaluation from External Reviewers

Two external reviewers made site visits to UW-Eau Claire and enthusiastically supported the implementation of this program as an outstanding and successful addition to the Department of Kinesiology. Program strengths identified by the reviewers were: (a) the outstanding quality and

reputation of the people involved in the implementation of the program, (b) solid program content and structure, and (c) the strong support of the medical community and the involvement of students in a wide variety of community clinical settings.

Resource Needs

No new resources are needed to offer this major.

	FIRST YEAR		SECOND YEAR		THIRD YEAR	
CURRENT COSTS	#FTE	Dollars	#FTE	Dollars	#FTE	Dollars
Personnel						
Fac/Acad Staff	3.0	\$132,880	3.0	\$136,866	3.0	\$140,972
Non-personnel						
S&E		\$14,800		\$15,100		\$15,400
Library		500		500		500
Computing		540		540		540
Accreditation		500		2,000		900
Subtotal		\$149,220		\$155,006		\$158,312
ADDITIONAL COSTS (Specify)	#FTE	Dollars	#FTE	Dollars	#FTE	Dollars
Subtotal		0.00		0.00		0.00
TOTAL COSTS		\$149,220		\$155,006		\$158,312
CURRENT RESOURCES						
GPR (specify)		\$149,220		\$155,006		\$158,312
Subtotal		\$149,220		\$155,006		\$158,312
ADDITIONAL RESOURCES						
Subtotal		0.00		0.00		0.00
TOTAL RESOURCES		\$149,220		\$155,006		\$158,312

RECOMMENDATION

The University of Wisconsin System recommends approval of Resolution I.1.f.(1), authorizing implementation of the re-titling of the B.S. in Athletic Training, UW-Eau Claire.

RELATED REGENT POLICIES

University of Wisconsin System Academic Planning and Program Review (November 10, 1995), Academic Informational Series #1 (ACIS-1.0 revised).

Rename the Institute for Environmental Studies
University of Wisconsin-Madison

EDUCATION COMMITTEE

Resolution I.1.g.:

That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the name of the University of Wisconsin-Madison Institute for Environmental Studies be changed to the Gaylord Nelson Institute for Environmental Studies.

**RENAME UNIVERSITY OF WISCONSIN - MADISON
INSTITUTE FOR ENVIRONMENTAL STUDIES
(APPROVAL)**

EXECUTIVE SUMMARY

BACKGROUND

Academic Information Series 1. revised, requires that any request to "establish, rename, or eliminate a College, School, or Division" receive Board approval.

The University of Wisconsin-Madison requests approval to change the name of the Institute for Environmental Studies to the Gaylord Nelson Institute for Environmental Studies. This change has also been mandated by the Legislature by Senate Bill 415, which was signed into law by Governor Scott McCallum on April 19, 2002. Copies of the related campus documents and legislative action are attached.

REQUESTED ACTION

Approval of Resolution I.1.g., approving the name change of UW-Madison's Institute for Environmental Studies to the Gaylord Nelson Institute for Environmental Studies.

RELATED POLICIES

Academic Information Series 1. revised (ACIS-1). Academic Program Planning and Program Review (May, 2000).

**Additional supporting material for Agenda Item I.1.g. may
be obtained by contacting the Board of Regents Office.**

Phone: 608-262-2324

Fax: 608-262-5739

REVISED

I.2. Business and Finance Committee

Thursday, May 9, 2002

UW-Fox Valley

Room 1346

1:45 p.m.

10:30 a.m. All Regents, Student Union

-Quality: Credits-to-Degree, Time-to-Degree and Graduation Rates

11:30 a.m. All Regents, Student Union

-Closed Session

1:15 p.m. All Regents, Student Union

-Study of Adult Students

1:45 p.m. Joint with Physical Planning and Funding, Student Union

-Finances & Facilities of the UW Colleges: The Wisconsin Idea in Practice

2:00 p.m. or upon conclusion of joint session - Room 1346

a. Building Our Resource Base – Proposed Final Report

b. Endowment Funds Annual Report

c. Trust Funds: Potential Projects and Plans

d. Bequest of Winifred Nybrotten
[Resolution I.2.d.]

e. Committee Business

(1) Approval of April 4, 2002 meeting minutes

(2) Quarterly Gifts, Grants and Contracts

(3) Process for Reporting Bequests

(4) UW-Madison Quarterly Report on LTEs Converted to Classified Service Positions

(5) UW-Eau Claire Food Service Contract

[Resolution I.2.e.(5)]

f. Report of the Vice President

g. Additional items which may be presented to the Committee with its approval

h. Closed session to consider trust fund matters as permitted by s.19.85(1)(e), *Wis Stats.*

BUILDING OUR RESOURCE BASE
Revised Draft Final Report
For Review by Business & Finance Committee

EXECUTIVE SUMMARY

BACKGROUND

The Board of Regents, in its July, 2001 annual retreat, selected "Building Our Resource Base," a look at alternative approaches to funding public higher education, as one of three over-arching themes for its 2001-02 deliberations. This paper is the draft final report for review by the Business & Finance Committee. Final presentation for action by the full Board will occur in the June, 2002 meeting.

The need for Wisconsin to develop a long term economic growth and brain gain strategy compels the UW System and its Board of Regents to seek a multi-pronged strategy for:

- reasonable stability in base budgets that do not leave higher education as the residual of other budget commitments
- fair and acceptable balance among revenue sources
- basic support per student that provides education quality for students and value to their degrees
- responsiveness to state needs
- accountability to multiple stakeholders

At the same time, the Board notes that it must retain flexibility to adopt strategies appropriate to each biennium's evolving fiscal climate and other university and state considerations. Thus, in its recommendations below, the Board puts maximum constraints and specifics behind items under its own control, and provides negotiating and tactical room for its ongoing dialogue with the state about the need for funding predictability, adequate support and responsiveness to state needs.

RECOMMENDED ACTION

First Reading for the full Board. Action is scheduled for the June, 2002 meeting.

RELATED REGENTS' POLICIES

Study of UW System in the 21st Century; Enrollment Management 21 Policy; tuition policies (general, distance education, differential tuition, and service based pricing); related System financial and general administrative policies.

BUILDING OUR RESOURCE BASE
Revised Draft Final Report
For Review by Business & Finance Committee
And First Reading by the Board of Regents

The Board of Regents, in its July, 2001 annual retreat, selected "Building Our Resource Base," a look at alternative approaches to funding public higher education, as one of three over-arching themes for its 2001-02 deliberations. This paper is the draft final report for review by the Business & Finance Committee. Final presentation for action by the full Board will occur in the June, 2002 meeting.

Key points made in the fiscal discussion at the Board retreat were:

- Regents expressed concern about the shift in state priorities that has resulted in erosion in share of the state GPR budget allocated to the UW System, from 14.4% in 1973-74 (after merger) to a projected 9.41% in 2001-02. While this does represent a growth in GPR from \$278.8 million to over \$1.1 billion today, since 1995, enrollments grew 3% while the UW System experienced significant GPR base cuts, resulting in a gap in GPR support per student of -\$808 compared to the national average (Chart 2).
- UW GPR growth since merger (292.61%) has not kept up with state GPR growth (501.64%) over the same period, and has just kept up with inflation (Chart 3).
- Consequently, the UW System budget has moved from being nearly 52% GPR funded to a bit more than 33% by 2000-01. (Chart 4)

The national higher education fiscal context is predicted to be one of much tighter state revenue availability, according to recent articles in *The Chronicle of Higher Education*. A May, 2001 article in the American Association of State Colleges and Universities (AASCU) publication, *Perspectives*, queries, "What is happening to the 'Public' in public higher education?" It notes that universities face rising public expectations with shrinking public support. Since Thomas Jefferson, it notes "the view of higher education as a central part of our economic and social fabric has enjoyed broad acceptance." Yet, increasingly, public higher education is viewed as a private good, and investments in its public benefits are eroding. Jefferson would say that this is a peril to "the preservation of freedom and happiness."

By the middle of the 2001-02 fiscal year, most U.S. states were facing revenue shortfalls that resulted in cuts to higher education, including elimination of or renegeing on specific state compact agreements for increased higher education spending by four of the five states that had compacts in place.

A clear challenge for the UW System is to find ways of enhancing revenue from federal sources, alumni, and corporate fund-raising, and to continue to enhance tuition revenue from sources like employer reimbursement, while maintaining a strong and clear focus on retaining its public identity and service to the state through enhanced GPR funding.

The beneficiary of the University's work is the Wisconsin public. As a study by the Kansas City Federal Reserve notes, states get maximum benefit from their public higher education systems by maintaining modest but steady state investments. UW System has had 2 biennia of such state investment. The University and the state need to establish such a steady investment plan for the future.

The need for Wisconsin to develop a long term economic growth and brain gain strategy compels the UW System and its Board of Regents to seek a multi-pronged strategy for:

- reasonable stability in base budgets that do not leave higher education as the residual of other budget commitments
- fair and acceptable balance among revenue sources
- basic support per student that provides education quality for students and value to their degrees
- responsiveness to state needs
- accountability to multiple stakeholders

Toward this end, the Board adopted a set of principles to guide the year's consideration of UW System funding strategies. The principles enumerated below are culled from the Board of Regents' tuition policy and the Regents' *Study of UW System in the 21st Century*.

Principles Guiding UW System Funding Strategies

1. The UW System is committed to affordability.
2. State-funded financial aid should be linked to tuition increases.
3. The UW System will provide accountability to its stakeholders.
4. UW System educational quality requires a predictable and fair share investment by the state.
5. UW System institutions commit to continuous reallocation of base resources to meet a portion of system and institutional priorities.
6. UW System will continue to manage and measure its success against specific targets and benchmarks such as enrollment targets, graduation rates and other benchmarks, in order to continue its mission as a public university.
7. At the same time, the University System requires operational flexibility commensurate with its responsibilities to its multiple stakeholders.

The Board of Regents reviewed a number of options for program revenue, state GPR and tuition funding as papers and presentations, according to the following schedule over the 2001-02 academic year:

Table 1.

REGENTS' SCHEDULE: BUILDING OUR RESOURCE BASE	
October	NATIONAL STRATEGIES AND PROGRAM REVENUE OPTIONS I 1. Terry MacTaggart: Overview of national higher ed. alternative strategies for building the resource base (all Regents) . 2. Ability to Keep Investment Earnings 3. Seamless Tuition and Fee Management
November	PROGRAM REVENUE OPTIONS II 1. Trends in Gifts, Grants and Contracts – for UW System Institutions Other Than UW-Madison 2. Fund Raising Strategies for Private and Federal Funding
December	TUITION OPTIONS 1. Per Credit Tuition 2. Nonresident Alumni Legacy Differential Tuition 3. Cohort Tuition 4. Progressive Tuition, Progressive Aid 5. Self-Supporting Tuition for Professional and Other Niche Programs
February	COMPACT WITH THE STATE 1. State commits to funding its fair share 2. Lump-sum budgeting 3. Charter status
March	COMPACT WITH THE STATE (Continued) Alternatives to a Comprehensive, “Funding Guarantee” Compact with the State: 1. Quality Control 2. Revenue Control 3. Enrollment Purchase 4. Lump Sum Budgeting For Compensation and New Initiatives 5. Standard Costs 6. Affordability Compact
April	REVIEW OF INITIAL FINAL RECOMMENDATIONS
May	FIRST READING OF FINAL REPORT
June	FINAL REPORT TO FULL BOARD OF REGENTS AND ACTION

DISCUSSION

The final recommended actions are presented below, and grouped by topic. This includes 20 items on the original schedule of topics and 5 additional items (item numbers 14, 15, 16, 24 and 25) suggested by the Business & Finance Committee.

The action recommendations can be summarized as follows (items with two recommendations count as .5 for each segment): Of the 25 recommendations, 4.5 are for elimination and 3 for deferral. The remaining 17.5 recommendations focus heavily on action: 10.5 would take effect immediately; 6.5 would be a priority for further study and possible implementation; and .5 would be pilots. This is an impressive result for the past seven months of consideration of these items.

Recommended Action	Items	Total For This Action
Eliminate	#4, 5, 6, 10A (Cohort tuition for undergraduates), and 18	4.5
Take effect immediately	#1A (tuition only), 2, 8A & B (PR and Federal Fund-Raising), 13, 14, 15, 16, 19, 22, 23, and 24	10.5
Priority for further study and possible implementation	#1B (non-tuition PR funds), 3, 7, 9B (modified per credit plateau), 10B (Cohort Professional School Tuition), 12 (then <u>possible pilot</u> before wider implementation), 21, and 25	6.5
Pilot first	9A (further per credit pilots)	.5
Defer, possibly for longer-range consideration	11, 17, and 20	3.0
Total		25.00

Another way of looking at the recommendations is that this report recommends 17.5 action items as follows:

- 5 of the original 8 items for action in enhancing program revenue,
- 6.5 of the original 7 items to enhance tuition funding,
- 5 of the items to enhance state funding levels, predictability or control over fluctuations,
- 1 item on financial and other strategies to improve efficient degree completion.

RECOMMENDED ACTION

Program Revenue Funding

1. Ability to Keep All Program Revenue Investment Earnings.
Currently, UW System keeps interest earnings on auxiliaries, certain financial aid funds, and trust funds. This would add interest from: tuition revenues, gifts, grants, contracts, and federal indirect cost reimbursement funds.

Recommendation: 1(A) Move forward immediately for tuition.
1(B) Make the investing of the other funds a priority for further study.

Rationale: The UW System already keeps interest earnings on all other student-funded revenues. This proposal would provide consistent treatment of all student revenues, and permit funding of either a tuition increase offset or student priorities not funded by GPR. The other funds would require further study of their implications.

2. Invest a Portion of Auxiliary Funds in Longer-Term Securities.
Auxiliary Funds currently earn interest at the cash fund rate of the State Investment Board. This proposal would invest funds identifiable as long term needs into longer-term investments.

Recommendation: Move forward immediately.

Rationale: The Board has the statutory authority to invest auxiliary funds in those instruments legal for trust funds. Since a significant share of auxiliary balances are intended for long term capital projects, it would be fiscally responsible to improve the rate of return.

3. UW System Assumes Full Cash Management Responsibilities for All PR Appropriations (Possibly GPR As Well).
This is a more aggressive alternative to #2, adding all appropriations to those to be invested. Actual GPR support would be transferred in cash on a monthly basis.

Recommendation: Make a priority for further study.

Rationale: Most universities manage all of their cash, resulting in more interest earnings available for campus priorities.

4. Complete Flexibility to Manage Tuition & Fees Seamlessly.
This proposal provides for the combination of tuition and fees as total resources available to be managed as institutions deem appropriate.

Recommendation: Eliminate.

Rationale: Campuses and Regents expressed concerns about this item. Tuition revenue should support all students, whereas fees and revenues from auxiliary operations (unions, bookstores, dorms, etc.) are collected for specific purposes. Protective firewalls are necessary to ensure sound fiscal management. Chapter 36 gives students rights of input on disposition of student related segregated fees.

5. Manage Tuition & Fees Seamlessly (Excluding Allocable Student Fee Funds).
This proposal would combine tuition and all fees except those allocable student fee funds for management purposes.

Recommendation: Eliminate.

Rationale: Tuition revenue should support all students, whereas fees and revenues from auxiliary operations (unions, bookstores, dorms, etc.) are collected for specific purposes. Protective firewalls are necessary to ensure sound fiscal management.

6. Manage Tuition & Fees Seamlessly (Excluding All Segregated Fee Funds).
This proposal provides for the combination of tuition and fees except for segregated fee funds as total resources available to be managed as institutions deem appropriate.

Recommendation: Eliminate

Rationale: Tuition revenue should support all students, whereas fees and revenues from auxiliary operations (unions, bookstores, dorms, etc.) are collected for specific purposes. Protective firewalls are necessary to ensure sound fiscal management. The implied availability of long-term resources for current operations would be contradictory to our need to preserve them.

7. Increased Flexibility to Transfer or Loan Funds from Auxiliary Operations.
Current Board policy is somewhat restrictive as to when a transfer may be made (for one-time purposes only) from auxiliary operations to support the operating needs of the institution. For this or other unknown reasons, institutions have seldom used this flexibility.

Recommendation: Encourage increased use of the current flexibility to transfer or loan funds from Auxiliary Operations. Immediate action. If institutions identify further flexibilities needed for use of this transfer, bring back to the Board of Regents.

Rationale: In times of declining resources, institutions need flexibility to manage the overall enterprise with all available resources.

8. Two strategies for Increased Outside Funding:

8(A) An Enhanced Private Fund Raising Strategy, Including Feasibility/Marketing Studies Using an Outside Consultant.

8(B) Implement the Systemwide Federal Funding Increase Strategy.

In order to assess the possibility for additional systemwide fund raising, a feasibility study would be very helpful. Board support for the systemwide federal funding strategy is also essential.

Recommendation 8(A): Move forward immediately.

Rationale: The Board has made outside fund-raising a priority for the Chancellors and the System. A professional consultant is vital to assess feasibility parameters and provide a marketing study.

Recommendation 8(B) Continue to implement the plan provided by Gunderson & Associates for a systemwide federal funding increase strategy, through the recently established federal funding advisory council of chancellors.

Rationale: With the decline in state support, the UW System has become more reliant upon outside funding and will need to enhance its efforts in this area.

Tuition Funding

9. Per Credit Tuition.

This proposal would allow institutions to charge students on a consumption or per credit basis and eliminate the plateau.

Recommendation: 9(A) Evaluate existing pilots, and permit additional pilots under current Board review process.

Rationale: Some per credit models are already in place (UW-Stout begins in fall 2002; the UW-Superior graduate summer programs in education have been in place for a few years), and a study of their effects would be vital. This would allow additional institutions to move to per credit tuition and provide information as to the impact on time to degree and credits to degree.

Recommendation 9(B): Conduct an assessment of a modified plateau approach for tuition, before considering whether to go to a per credit tuition on a systemwide basis.

Rationale: An additional option between the current plateau (per credit below 12 credits, no further charge for the 12th through 18th credits, and per credit for 19th credit and above) and full per credit is a modified plateau which would begin a credit level somewhere between 12 and 18 credits. Institutions have differing average credit loads carried by students, and should be free to customize a plateau more in keeping with their students' typical experience.

10. Cohort Tuition.

Incoming freshmen pay a higher rate than current upper division students, in return for either: (a) no tuition increases over the next several years, or (b) a predictable limited annual increase tied to an inflation index such as the HEPI (higher education price index).

Recommendation: 10(A) Eliminate for undergraduates. Professional schools, including the Medical School, could bring forward proposals if accompanied by thorough studies and fiscal projection modeling.

Rationale: 10(A) While this model has some attractions in terms of tuition cost predictability for students and parents, it also has potential serious revenue effects. Regents expressed concerns about the subsidizing of upper division students by incoming freshmen. Neither Colorado nor Illinois adopted this approach after serious consideration, and both went to a differential tuition initiative instead.

If and when it would be seriously considered, it is recommended that the approach be one of a commitment to second through fourth year tuition increases no higher than the higher education price index. An absolute “no increase” policy would seriously jeopardize the overall revenue base for instruction, given the very regular and cyclical nature of GPR base budget reductions in this State. Before even moving to a pilot, intensive modeling needs to be done to assure that any individual campus’s or the System’s general tuition revenue base will not be eroded.

Recommendation: 10(B) Professional schools, including the Medical School, could bring forward proposals if accompanied by thorough studies and fiscal projection modeling.

Rationale: 10(B) The Medical School is exploring this model. Given student concerns about unpredictability of costs and therefore final debt load in this and other higher cost professional programs, and given the relatively more self-contained nature of their revenue streams versus those supporting the undergraduate mission, the Board is open to presentation of a detailed study and proposal if and when the University deems this is appropriate.

11. Develop a Tuition Revenue Growth Strategy that is Coupled with Higher Aid.
Reduce GPR subsidy to students from higher incomes families and increase the subsidy to lower income students. Equalize the affordability of education.

Recommendation: Eliminate.

Rationale: Regents raised concerns about the ability to “engineer” affordability in ways that would be equitable and would not leave out the middle class student.

12. Non-Resident Alumni Children's Legacy Tuition.
Offer a tuition differential or reduced rate (- \$3000 per year below the standard nonresident rate) to children of nonresident alumni (defined as degree recipients of any UW System institution who currently reside outside of Wisconsin and are U.S. citizens). In all cases, this more than covers 100% of costs.

Recommendation: Make a priority for further study and possible pilot. The Regents stipulate that, as part of System enrollment management policy, any non-resident alumni legacy enrollments would be above, and not in replacement of, resident students.

Rationale: This step has merit in the present environment, given substantial increases in nonresident undergraduate tuition at the same time as the State wishes to increase in-migration of college graduates. A number of Chancellors have expressed interest in piloting this program. A pilot would help to assess its actual impact at one or two institutions, before moving to a systemwide level and risking possible tuition revenue loss.

13. Move Toward More Self-Supporting Tuition for Adults & Professional Programs.
As part of Enrollment Management 21 policy, the Board delegated “authority to approve institutional requests to charge service-based tuition and fees for graduate and other adult program...to the UW System President ...” To date, about a half dozen such programs have been requested and approved.

Recommendation: Move forward immediately. If any further quick study is needed, it should incorporate for the Board a recommendation and discussion of specific policy levers (including innovative approaches to faculty overload compensation), reporting (on enrollments in these programs), and funding incentives.

Rationale: This has been strongly encouraged by the Regents and by System revenue sharing policy. Nonetheless, institutions are moving very cautiously. Given the current fiscal environment and the need for more adults with bachelor’s degrees in Wisconsin, it is more important than ever.

14. Encourage More Aggressive Movement into Offering of E-Learning Programs.
This is a growing opportunity nationally for additional service to students. Higher education can become a state export opportunity and a way to serve more Wisconsin adults, who are under-represented among bachelor's degree holders compared with the national average, an issue for the state's future economic development. It also holds potential for additional revenue.

Recommendation: Make a priority for action and ongoing evaluation.

Rationale: E-Learning programs offer opportunities for promoting access and enhancing revenues. Market research and internal program review are necessary to determine demand, establish price, and insure as best possible that costs for program development are commensurate with anticipated revenues. Aggressive online program development by involved UW institutions should be supported through a combination of enhanced tuitions and internal re-allocation where appropriate. At the same time, such programs should not be done at the expense of diverting ongoing base resources from the undergraduate instructional mission.

15. Consider More “Corporate College” Efforts.
This is a growing opportunity nationally for additional service to businesses and provides state economic development results. It also is a potential opportunity for additional revenue.

Recommendation: Make a priority for action and ongoing evaluation.

Rationale: UW-Milwaukee has had a long successful executive MBA program and has worked in partnership with Northwestern Mutual to deliver onsite training; UW-Madison recently began one, along with a customized engineering master's degree. UW-Fox Valley and UW-Platteville have partnered to meet corporate demand for a regional engineering completion program. Learning Innovations provided customized corporate training modules for Famous Footwear and other clients. The Comprehensive universities offer a number of smaller, customized programs. But these efforts are still on the margin.

16. Modify the current tuition policy goal to recommend that the System move over the long term toward a goal of reaching 95% of the peer midpoint for resident undergraduate tuition (the earlier goal was 100%).
This is a change to achieve a common benchmark across several Board policies which contain targets.

Recommendation: Make this policy change effective immediately; implementation remains long term.

Rationale: Other policy targets (such as executive salaries) are at 95% of the midpoint or the median. This would bring the tuition policy into alignment, and would explicitly reinforce a goal for resident undergraduate tuition, to undergrad quality.

GPR Funding/Strategies

17. Full Compact With the State.

An agreement which would spell out (in the statutes or by memorandum of understanding) an agreement with the State for additional GPR over a fixed number of years and/or at a fixed rate, in return for strong outcomes accountability.

Recommendation: Defer for longer-range consideration.

Rationale: Regents have concluded that this is not feasible in the current State fiscal environment, and note that 4 out of the 5 known universities with a current compact have experienced budget reductions this year, nonetheless.

18. Alternative Agreement with the State: Use a Quality Control Strategy to Preserve Funding Per Student, by Spelling Out Ways that the University Will React to Budget Shortfalls.

The purpose of such an agreement would be twofold: first, to preserve educational quality, a strong principle of the Board of Regents; second, to have an understanding with the State about consequences of budget cuts, so that proper planning and implementation can occur. One possible means would be to put into place the standard metric for enrollment and staffing reductions per \$1 million GPR reduction, or permit an offsetting tuition increase.

Recommendation: Eliminate. The Board needs the flexibility to respond to each unique fiscal situation. This does not mean that the standard metric is discredited, but that other contingencies would permit customized solutions when appropriate.

Rationale: The recent Board action to suspend admissions in response to budget cuts, and the resulting discussions with legislators and the Governor, make it clear that such an understanding should be regularized.

19. Compact Component: Revenue Control (full rather than limited tuition continuing appropriation; ability to keep interest earnings on tuition revenue).

Currently, the tuition continuing appropriation limits rate increases for resident undergraduates (the category of student furthest below peer midpoints) and gives Regents authority for rates of all other student categories. Nonetheless, recent and proposed state budgets have further capped resident rates and required sizeable add-on rate increases for nonresidents, superceding even this limited Regents' statutory authority.

Recommendation: Move forward immediately as recommendations in the next budget process.

Rationale: This would permit full Regent authority over tuition rates, allowing the Regents to manage tuition increases fairly across categories of students, considering distance from peer midpoints while also maintaining the Board's tuition policy goal of reasonable and predictable tuition rate increases.

20. Compact Component: Enrollment Purchase.

This would provide a standard vehicle in each biennial budget for the State to consider whether it wants to appropriate additional GPR specifically for additional enrollments.

Recommendation: Defer. If this is to be considered in the future, it should be modified to specify that the Board would offer a plan of customized enrollment increases within its current enrollment management plan and/or compatible with institutional capacity.

Rationale: The Business & Finance Committee expressed concern that this open-ended enrollment increase opportunity each biennium could: (1) cause the State rather than the Board to make System enrollment policy; and (2) could exceed capacity at specific institutions, with resulting operating and capital budget implications.

21. Compact Component: Lump Sum Budgeting for Compensation & New Initiatives.

This option permits the UW System to streamline its requests for compensation and operating funds, either by combining into one single sum with allocation authority left to the Regents, or by reducing the justification and approval processes now in place for both compensation and operating budget requests.

Recommendation: Make a priority for further study.

Rationale: The State review and approval processes for compensation and operating budgets could be simplified and made more unified or concurrent, while still providing compliance with agreed-upon methods for justifying compensation increases.

22. Compact Component: Expanded Coverage Within Standard Costs to Continue.

This approach would seek a broader, State-accepted definition of "Standard Costs to Continue," to provide predictable funding for normal operational costs in core areas such as library acquisitions, postage increases, internet usage costs, and operating budget preventive maintenance staffing of new buildings as they come online.

Recommendation: Move forward immediately. Direct the Associate Vice President for Budget & Planning to negotiate with the Department of Administration on a new model, for incorporation into the 2003-05 biennial budget request. Consistently use an accepted and clearly defined definition of preventive maintenance, and distinguish it from capital budget deferred maintenance, another pressing and interlocked university priority. Make clear to the State that preventive maintenance is a high and urgent priority for the University System.

Rationale: The State eliminated the enrollment funding formula for the UW System in the early 1980's. Since that time, the UW System has had to use the state's program budgeting format, which requires a series of discrete requests in various program areas (instruction, research, student services, etc.). The results have been: under-funding in terms of GPR per student in comparison with the national average; a steadily reduced share of overall GPR funding; an ongoing narrowing of acceptable requests to exclude more and more core costs of higher education. This situation must be improved, for the sake of educational quality.

23. Affordability Compact.

The state increases financial aid appropriations (WHEG, Lawton and AOP) at the same rate as the tuition increase. The University and State work together to address issues of rising student debt-load, the increasing share of loans rather than grants in financial aid, and other affordability concerns.

Recommendation: Move forward immediately, through the next biennial budget or separate legislation.

Rationale: The Board has endorsed the linkage of state financial aid appropriation increases with tuition increases by resolution in its last several biennial budgets.

24. Encourage Greater Campus Use of the Differential Tuition Option to Meet Unfunded But High Priority Student Needs.

The Board has observed successful adoption at a number of institutions, with strong student satisfaction in the results of these investments. It encourages further use of the option as appropriate.

Recommendation: Move forward immediately, using the established process of System review, Board review with student input, and final Board action in each annual budget. Proposals not already endorsed for 2002-03 would begin consideration in the next academic year, with action in 2003-04 and subsequent annual budgets.

Rationale: Appropriated GPR and tuition funds have not met many important needs for student educational quality, and the per student support is well below the national average. At the same time, access to the UW System is one of the highest in the 50 states. This important fiscal tool, endorsed by the state through the tuition continuing appropriation, has achieved many successes on those campuses adopting it.

Strategies to Improve Efficient Degree Completion

25. Tuition and Other Strategies to Improve Efficient Degree Completion.

The Business & Finance Committee and the Education Committee note the priorities of improving retention and decreasing credits to degree as means of producing more college graduates and, in the latter case, freeing up additional enrollment slots for new freshmen and transfers.

Recommendation: The President of the UW System should study a number of tuition, financial and other strategies to decrease total credits to degree, and bring forward a plan for implementation of such strategies for Board consideration at its December 2002 meeting. Strategies to be considered might include: an excess credits surcharge; a repeat course surcharge for courses repeated in which the student already has a passing grade; and other strategies. Any proposals should consider the effects on retention, and not work at cross purposes with these goals. The plan should incorporate work being done in the Education Committee on retention initiatives. It is recognized that some of these strategies, if effective, would not increase revenue but would change behavior, leading to more enrollment slots available. This would permit a more efficient use of state and student resources.

Rationale: As state dollars become less available, and state economic development needs dictate the need for continued high access, any means that will more efficiently use existing state and student dollars, while improving credits to degree and retention, should be seriously considered.

CONCLUSION

This report positions the UW System to move forward in a targeted but ambitious manner to diversify its funding sources in recognition of fiscal realities, while continuing to press for adequate state funding to maintain educational quality. The review was thorough and deliberate, benefiting from wise external counsel and a review of the experiences of other states. After due deliberation, some items in the original schedule, such as a state funding formula, were removed from consideration in recognition of prevailing fiscal realities.

The Regents recommended caution in moving too aggressively in certain areas where unanticipated side effects seemed likely. For instance, cohort tuition for undergraduates was rejected because other states considering it had backed away and it contained a strong element of potential revenue restriction in down-cycles of the state budget.

Seamless combining of auxiliary revenues and tuition was rejected, preserving current firewalls between these funding sources.

At the same time, the Regents pressed in this review for more bold innovation by the institutions in areas such as the following: private fund-raising, a systemwide federal funding increase strategy, corporate college, e-learning, differential tuition, auxiliary transfers, addressing concerns about student debt trends, and finding means to decrease credits to degree to free up additional access slots.

This report positions the UW System well for the next decade in funding strategy.

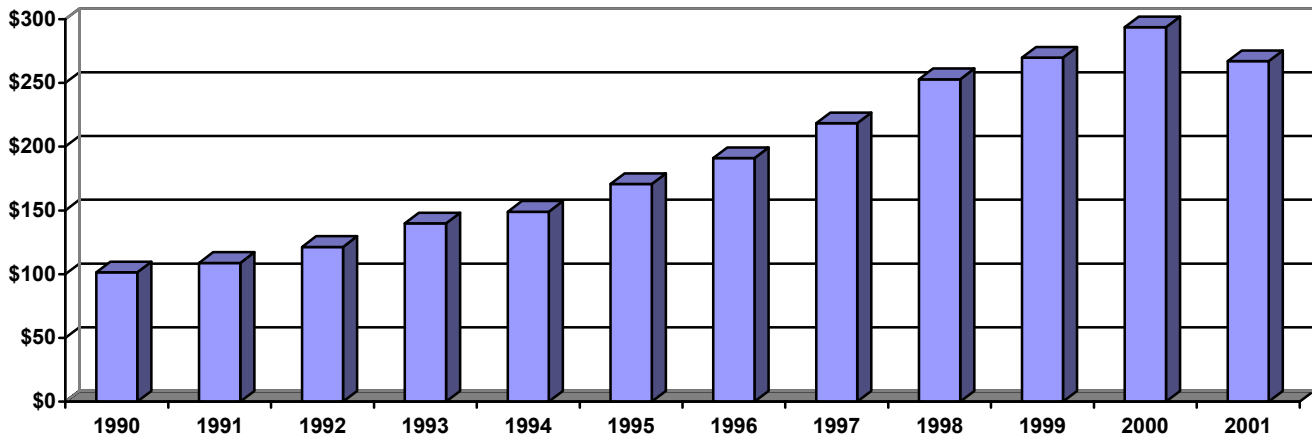
**UW SYSTEM TRUST FUNDS
Endowment Funds Annual Report
Fiscal Year Ended June 30, 2001**

ENDOWMENT FUND HISTORY (Fiscal Years Ended June 30):

	2000-01	1999-00	1998-99	1997-98	1996-97
LONG-TERM FUND PRINCIPAL					
Beginning Balance (July 1)	\$ 252,719,712	\$ 231,400,024	\$ 223,348,073	\$ 163,043,531	\$ 155,362,730
Gfits & Bequests	\$ 4,083,905	\$ 6,482,815	\$ 4,283,977	\$ 4,818,113	\$ 3,313,525
Transfers & Repayments	\$ (2,530,854)	\$ (3,281,691)	\$ (7,377,357)	\$ (5,837,902)	\$ (8,486,664)
Realized Investment Gains/Losses	\$ 6,191,509	\$ 18,118,463	\$ 11,105,331	\$ 61,324,330	\$ 12,853,939
Book Value	\$ 248,801,254	\$ 252,719,712	\$ 231,400,024	\$ 223,348,073	\$ 163,043,531
Unrealized Gains/Losses	\$ 18,946,524	\$ 31,998,670	\$ 38,371,978	\$ 29,671,184	\$ 51,748,832
Market Value (June 30)	<u>\$ 267,027,782</u>	<u>\$ 284,718,382</u>	<u>\$ 269,772,002</u>	<u>\$ 253,019,257</u>	<u>\$ 214,792,363</u>

- Gifts and bequests include all unsolicited gifts to the Board of Regents of the UW System. The individual campus foundations manage all fundraising efforts.
- UW System Trust Funds' gifts/bequests during Fiscal 2001 fell 37% from the Fiscal 2000 levels.
- The Long-Term Fund experienced an investment loss of 3.4% for Fiscal 2001, as compared to gains of 10.0% and 10.8% for Fiscal Years 2000 and 1999.
- The ten-year history of the Long-Term Fund reflects strong investment performance, as the portfolio grew from \$108.8 million to \$267 million during this period.
- The annualized return of the Long Term Fund has been 11.7% over the most recent ten-year period, well above the target return of 9.8% (which would provide for the spending rate, inflation, expenses and additional real growth of 1% per year).

**Long-Term Fund Principal
(\$ millions)**



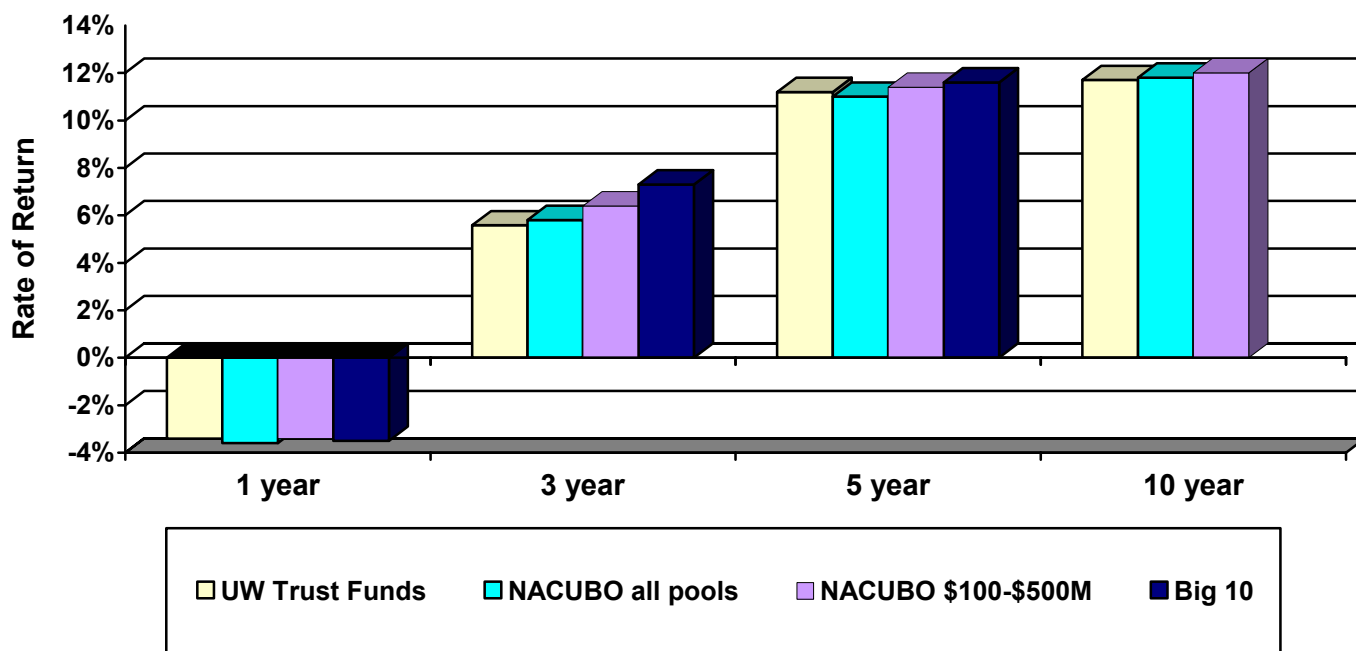
BROAD ASSET ALLOCATION (As of June 30, 2001):

Asset Class	UW	NACUBO	Commonfund	NACUBO	Commonfund	Big Ten Average
		All Pools	All Pools	\$100-\$500M	\$100-\$500M	
Equities	70.0%	59.4%	51.0%	61.1%	58.0%	58.2%
Fixed Income	30.0%	24.9%	21.0%	23.9%	28.0%	22.5%
Alternatives	0.0%	5.3%	21.0%	7.4%	10.0%	13.4%
Private Capital	0.0%	2.4%	11.0%	3.0%	5.0%	6.1%
Hedge Funds	0.0%	2.9%	10.0%	4.4%	5.0%	7.3%
Other	0.0%	10.4%	7.0%	7.6%	4.0%	5.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- The figures for NACUBO pools are equal-weighted, while those for Commonfund pools are dollar-weighted.
- The primary difference between the UW System Trust Funds' allocation and that of the benchmarked peers is the underweighting in the Alternatives and Other categories.
- The Alternatives Private Capital category consists primarily of venture capital, private equity, and distressed securities. The Other category's primary components are cash, real estate and energy & natural resources.
- The Alternatives Hedge Fund category consists primarily of unregulated private investment partnerships investing in mostly marketable securities, but employing strategies (long/short, convertible arbitrage, leverage, etc.) designed to provide for absolute returns with low correlation to the markets.
- The UW System Board of Regents approved a 10% allocation to the Alternatives Private Capital category in June 2001, which will gradually shift the Trust Funds policy allocation to 67% equities, 23% fixed income and 10% alternative investments.
- As shown in the investment performance chart below, UW System Trust Funds finished in line with its peers for Fiscal Year 2001. Over the most recent five- and ten-year periods, Trust Funds also performed in line with the NACUBO and Big 10 medians.

INVESTMENT PERFORMANCE (Before Fees, Periods Ended June 30, 2001):

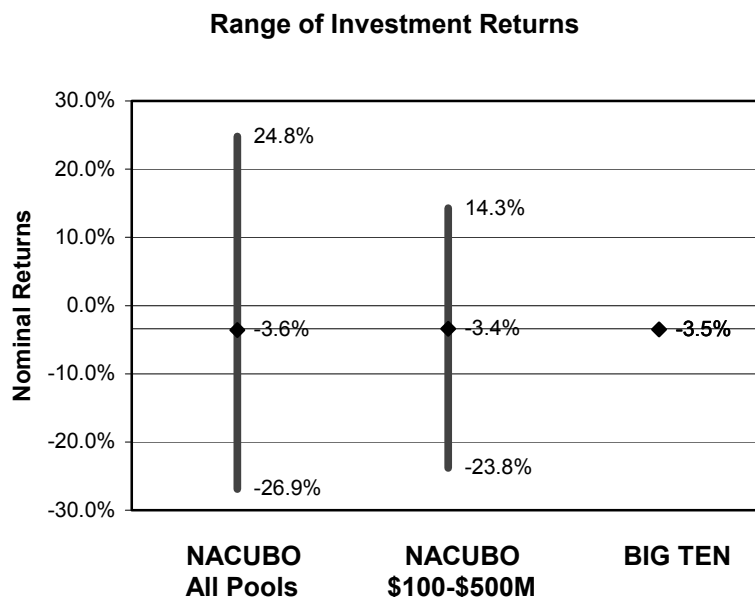
Median Annualized Returns (Nominal)



RANGE OF NOMINAL RETURNS (Fiscal 2001):

- The UW System Trust Funds' nominal rate of return in Fiscal 2001 was -3.4%.
- The overall NACUBO median return was -3.7%. The median return for the NACUBO \$100 to \$500 million category was -3.4%.

	Trust Funds	NACUBO all pools	NACUBO \$100-\$500M	Big Ten
High	N/A	24.8%	14.3%	N/A
Median	-3.4%	-3.7%	-3.4%	-3.5%
Low	N/A	-26.9%	-23.8%	N/A

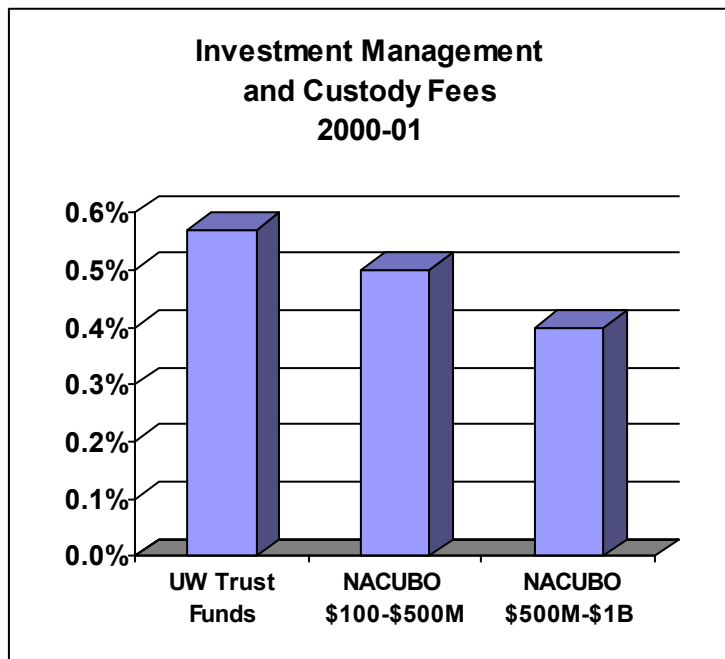


COMPARISON TO MARKET INDICES (Fiscal Years Ended June 30):

	Trust Funds Equities	S&P 500	Russell 2000	MSCI EAFE	Trust Funds Fixed Income	Lehman Aggregate Bond	Trust Funds Total Portfolio	Comp Index
2000-01	-1.0%	-2.4%	0.6%	-24.8%	0.4%	0.4%	-3.4%	-0.8%
1999-00	12.5%	7.2%	14.3%	15.7%	4.0%	4.6%	10.0%	8.6%
1998-99	12.3%	22.8%	1.5%	6.0%	2.8%	3.1%	10.8%	11.8%
1997-98	23.6%	30.2%	16.3%	4.6%	8.8%	10.5%	19.6%	18.6%
1996-97	26.9%	34.7%	16.3%	11.1%	9.9%	9.0%	20.8%	20.9%
1995-96	31.8%	26.2%	23.9%	11.5%	6.1%	5.1%	15.3%	17.0%
5 year Return	12.6%	14.5%	9.6%	1.4%	7.3%	7.5%	11.2%	9.6%

- The equity portion of the Long-Term Fund has lagged the S&P 500 due to significant underperformance of small capitalization and international equities. The Fund's asset allocation includes commitments of 18% to small capitalization equities and 12% to international equities. Additionally, traditional "value" stocks lagged the very strongly performing "growth" stocks over this five-year period, and Trust Funds has had a more-than-market "value" tilt.
- The fixed income portion has lagged the LB Aggregate due largely to its roughly 12% allocation to foreign bonds, which, on a currency-unhedged basis, provided five-year annualized returns of only 0.65%.
- The Comparative Index represents the average annual return that would have been earned on a passive portfolio of market indices weighted according to the Trust Funds' asset allocation. The Long-Term Fund has outperformed this composite index by 1.6% per year.
- Overall, the Long-Term Fund has performed very well versus market indices over the past five years.

ENDOWMENT INVESTMENT-RELATED FEES (Fiscal 2001):

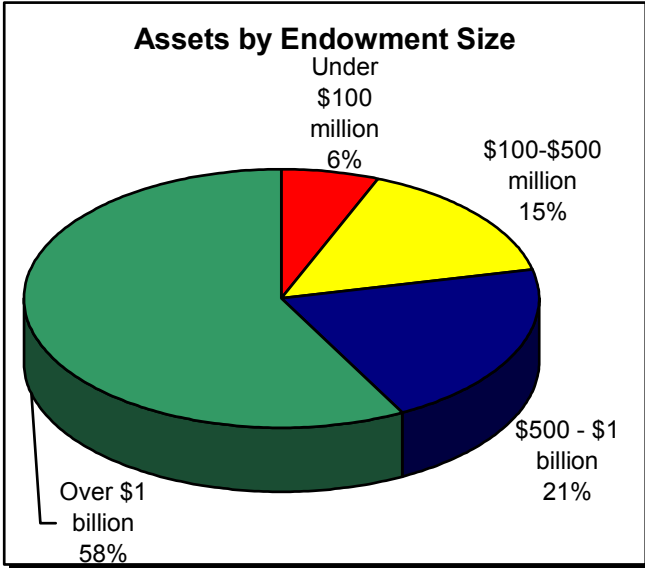


- Trust Funds' investment management /custody fees for Fiscal 2001, at 0.57% of assets, were slightly above the peer group average.
- As another point of comparison, the UW Foundation, with assets at approximately \$1.2 billion, reported investment management fees of 0.40% of assets for their year ending December 31, 2000.
- Trust Funds' investment management/custody fees for Fiscal 2001 totaled \$1,578,000 on an average portfolio value of \$274,809,000.
- The Trust Funds' custodial arrangement with Mellon Trust is part of a master agreement with the State of Wisconsin Investment Board and results in lower fees for Trust Funds than could be negotiated independently.

CONSIDERATION OF SOCIAL RESPONSIBILITY:

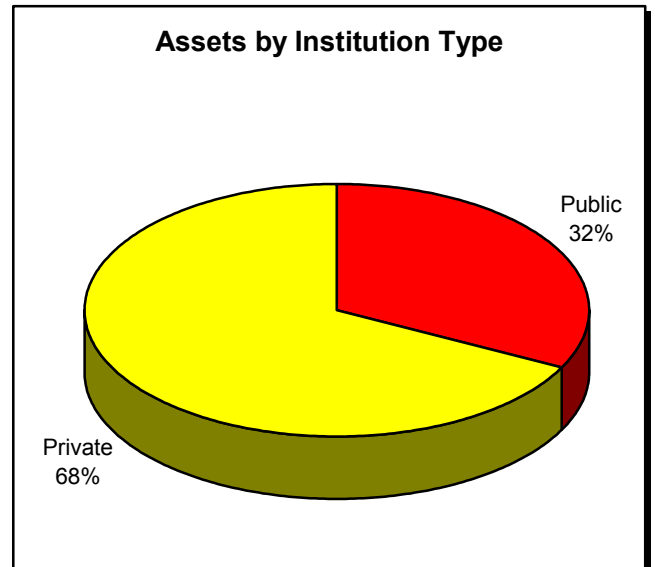
- The 2001 NACUBO Endowment Study shows that most, 59%, of reporting institutions do not consider social responsibility criteria as part of their investment management policies.
- Only 11% of public institutions consider social responsibility criteria, while 23% of private institutions do.
- However, there was likely some inconsistency in how institutions responded to the NACUBO question on social responsibility. The question seemed to implicitly be asking if the institution considered social responsibility criteria in making investment selections, i.e., "screening" (for example, screening out investments in tobacco companies).
- UW System Trust Funds considers social responsibility criteria in voting shareholder proxy proposals and seeks student and public comment, but does not currently actively screen investments in this regard.

SURVEY SUMMARY STATISTICS (As of June 30, 2001):



- 611 institutions participated in the NACUBO survey.
- The UW System Trust Funds, with assets of \$267 million, ranks 154th in size.
- Endowment assets remain highly concentrated; only 88 schools (15% of the total) have assets in excess of \$500 million, yet this group represents 80% of the total assets.
- 41 schools (7%) have assets in excess of \$1 billion. This group represents 58% of the total assets.

- The study includes 413 private and 198 public institutions.
- Slightly more than half the public institutions are research universities, and they hold 90% of the public sector assets.
- The largest public institution endowment is the University of Texas System's (\$ 9.4 billion) and the largest private institution endowment is Harvard's (\$18 billion).
- The average endowment assets per FTE (full time equivalent) student for public institutions are \$13,700. The average endowment assets per FTE for private institutions are \$138,300. The UW System Trust Funds had assets of \$2,055 per FTE student as of June 30, 2001.



UW System Trust Funds
Acceptance and Establishment of
Scholarship Fund
Winifred J. Nybrotten Bequest

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System and Chancellor of the University of Wisconsin-Platteville, the bequest of the late Winifred J. Nybrotten be accepted for the purpose of establishing the NORMAN AND WINIFRED NYBROTEN SCHOLARSHIP FUND; and the Trust Officer or Assistant Trust Officers be authorized to sign receipts and do all things necessary to effect the transfer for the benefit of the University of Wisconsin-Platteville.

(The Will states:

"One-third (1/3) of the residue to the UNIVERSITY OF WISCONSIN. Said bequest shall be used to establish a perpetual scholarship fund for students majoring in education who need financial assistance. The fund shall be called the 'NORMAN AND WINIFRED NYBROTEN FUND.' The Board of Trustees, or their delegees, shall have full discretion in selecting the students to receive assistance. Both my late husband and I were alumni of the Platteville Teachers College.")

Let it be herewith further resolved, that the President and Board of Regents of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Platteville express their sincere thanks and appreciation to Winifred J. Brunckhorst Nybrotten, her husband Norman Nybrotten and their families, for their service and devotion to the University of Wisconsin and for this most generous gift which will be used to benefit countless students in the important field of education.

UW SYSTEM TRUST FUNDS WINIFRED J. NYBROTEN BEQUEST

EXECUTIVE SUMMARY

BACKGROUND

The University of Wisconsin has received a bequest from the estate of Winifred J. Nybroten to establish a scholarship fund for students majoring in education. Trust Funds recently received a partial distribution of \$600,000 and the final settlement of the estate should result in a total bequest of approximately \$800,000. Although the donor notes in her will that both she and her late husband were alumni of the Platteville Teachers College, no individual campus was specified in the wording of the bequest.

REQUESTED ACTION

Resolution accepting the Winifred J. Nybroten bequest for the benefit of the University of Wisconsin-Platteville for the purpose of establishing the Norman and Winifred Nybroten Scholarship Fund.

DISCUSSION

The terms of the Winifred J. Nybroten bequest state the following:

"One-third (1/3) of the residue to the UNIVERSITY OF WISCONSIN. Said bequest shall be used to establish a perpetual scholarship fund for students majoring in education who need financial assistance. The fund shall be called the 'NORMAN AND WINIFRED NYBROTEN FUND.' The Board of Trustees, or their delegees, shall have full discretion in selecting the students to receive assistance. Both my late husband and I were alumni of the Platteville Teachers College."

Regent Policy 72-14 establishes various guidelines for determining the distribution of bequests when the instruments under which they are made do not contain definite directions or when such directions cannot be obtained from the testators or grantors. The relevant portions of this policy are the following:

1. When the bequest is to the "Regents of the University of Wisconsin" or merely to the "University of Wisconsin," the bequest should be used for those components of the University which were part of the University at the time the will or trust was executed. (The Nybroten will was executed on July 31, 1991.)
5. In the administration of paragraphs 1 through 4, the campus attended by the testator or grantor, or a close relative, should be considered as influencing a choice in favor of the campus which he or she attended.
6. The administration of these guidelines should be subject to suggestions from the executor or trustee, or other extrinsic evidence.

Per this Regent Policy, the Trust Funds Assistant Trust Officer contacted the personal representative and executor of the estate (and nephew of the deceased), William Brunckhorst, to determine whether he and the Nybrotten/Brunckhorst families had suggestions or whether other extrinsic evidence would suggest what campus(es) should benefit. (Winifred Brunckhorst Nybrotten was widowed, had no children, and the only other beneficiaries of her will were nieces and nephews - both Brunckhorsts and Nybrotens - as well as a brother and sister-in-law.) William Brunckhorst's immediate reaction was that he believed Winifred intended for the bequest to go to the Platteville campus.

Mr. Brunckhorst stated that the Brunckhorst family was all from the Platteville area, and, as the will states, both Winifred and Norman Nybrotten graduated from the Platteville Teachers College. Norman, who was a very poor farm boy from the New Glarus area, went on to get a Ph.D. from the University of Wisconsin-Madison, taught in Idaho for many years, and played a significant role in the interstate highway program during the Eisenhower administration. Norman also applied for the Chancellorship of UW-Platteville at one point (and was apparently the second runner-up at the time). (Incidentally, William Bruckhorst is a retired professor from UW-Whitewater.)

Based on this discussion and other extrinsic evidence, it is recommended that the bequest be accepted for the benefit of UW-Platteville. Mr. Brunckhorst also asked if it would be possible to add Winifred's maiden name, Brunckhorst, to the name of the scholarship fund to provide recognition to her family as well. UW System legal counsel believes that this would be inappropriate as the will is explicit about the name of the fund. Winifred's maiden name is, however, included in the recognition portion of the resolution of acceptance.

RELATED REGENT POLICIES

Regent Policy 72-14 - Guidelines for Distribution of Bequests and Proceeds of Gifts and Trusts.

**UNIVERSITY OF WISCONSIN SYSTEM
GIFTS, GRANTS AND CONTRACTS AWARDED
QUARTERLY REPORT & PRIOR-YEAR COMPARISON
FISCAL YEAR 2001-2002 - Third Quarter**

FISCAL YEAR 2001-2002	Extension	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
Total	54,171,108	42,224,475	569,249	71,402,758	7,135,765	441,360,717	90,444,660	707,308,732
Federal	27,631,540	31,217,254	203,500	12,491,149	602,200	327,263,416	80,815,308	480,224,368
Nonfederal	26,539,568	11,007,221	365,749	58,911,609	6,533,565	114,097,301	9,629,352	227,084,364
FISCAL YEAR 2000-2001								
Total	55,573,996	36,743,041	2,788,572	65,072,402	33,802,624	408,367,660	74,074,344	676,422,640
Federal	29,207,893	26,213,770	375,306	11,055,342	2,707,925	288,702,503	66,241,224	424,503,963
Nonfederal	26,366,103	10,529,271	2,413,266	54,017,060	31,094,699	119,665,157	7,833,120	251,918,677
INCREASE(DECREASE)								
Total	(1,402,888)	5,481,434	(2,219,323)	6,330,356	(26,666,859)	32,993,057	16,370,316	30,886,092
Federal	(1,576,353)	5,003,484	(171,806)	1,435,807	(2,105,725)	38,560,913	14,574,084	55,720,405
Nonfederal	173,465	477,950	(2,047,517)	4,894,549	(24,561,134)	(5,567,856)	1,796,232	(24,834,313)

UNIVERSITY OF WISCONSIN SYSTEM
 GIFTS, GRANTS AND CONTRACTS AWARDED - BY INSTITUTION
 QUARTERLY REPORT & PRIOR-YEAR COMPARISON
 FISCAL YEAR 2001-2002 - Third Quarter

	Extension	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
FISCAL YEAR 2001-2002								
Madison	14,949,674	16,858,116	486,020	59,704,159	5,857,619	419,785,491	23,402,901	541,043,980
Milwaukee	1,106,085	11,877,060	7,144	1,882,370	0	13,093,571	11,463,496	39,429,726
Eau Claire	1,072,706	2,060,701	0	0	0	528,184	6,373,046	10,034,637
Green Bay	5,000	993,099	36,000	255,133	619,221	755,991	3,393,846	6,058,290
La Crosse	2,077,748	714,558	0	976,892	597,627	2,863,417	4,065,310	11,295,552
Oshkosh	4,147,266	6,145,193	0	0	0	393,091	2,919,909	13,605,459
Parkside	227,411	230,656	0	132,615	0	561,711	3,639,164	4,791,557
Platteville	293,882	78,980	4,725	485,278	0	0	3,840,605	4,703,469
River Falls	166,260	127,368	0	1,408,989	0	86,671	2,189,347	3,978,635
Stevens Point	2,969,479	545,118	0	25,166	0	1,881,165	6,354,201	11,775,129
Stout	1,902,206	110,262	0	1,050,723	0	950,517	5,851,804	9,865,511
Superior	80,478	0	5,000	683,911	0	203,228	5,161,804	6,134,421
Whitewater	0	40,784	0	3,098,426	61,298	257,680	5,353,322	8,811,509
Colleges	159,375	574,017	30,360	413,185	0	0	6,435,906	7,612,843
Extension	25,013,538	0	0	1,011,378	0	0	0	26,024,916
System-Wide	0	1,868,563	0	274,534	0	0	0	2,143,097
Totals	54,171,108	42,224,475	569,249	71,402,758	7,135,765	441,360,717	90,444,660	707,308,732
Madison	8,538,770	8,184,059	203,500	5,492,748	602,200	310,206,554	15,067,335	348,295,166
Milwaukee	359,141	11,242,243	0	444,383	0	10,244,483	11,137,925	33,428,175
Eau Claire	980,858	1,579,887	0	0	0	395,341	6,373,046	9,329,132
Green Bay	0	892,849	0	40,978	0	667,043	3,216,264	4,817,134
La Crosse	1,867,619	714,558	0	808,721	0	2,237,616	4,065,310	9,693,824
Oshkosh	2,881,449	5,730,957	0	0	0	286,441	2,993,160	11,892,007
Parkside	177,136	95,602	0	111,750	0	537,489	3,558,809	4,480,786
Platteville	155,096	62,480	0	287,416	0	0	3,840,605	4,345,597
River Falls	53,028	99,844	0	1,160,381	0	4,946	2,112,192	3,430,391
Stevens Point	1,875,232	257,865	0	8,803	0	1,368,278	6,353,201	9,863,379
Stout	1,713,315	74,754	0	838,057	0	922,193	5,851,804	9,400,123
Superior	80,478	0	0	683,911	0	152,459	5,161,804	6,078,652
Whitewater	0	0	0	2,523,296	0	240,573	5,063,353	7,827,222
Colleges	152,000	487,423	0	90,705	0	0	6,020,501	6,750,629
Extension	8,797,418	0	0	0	0	0	0	8,797,418
System-Wide	0	1,794,733	0	0	0	0	0	1,794,733
Federal Totals	27,631,540	31,217,254	203,500	12,491,149	602,200	327,263,416	80,815,308	480,224,368
Madison	6,410,904	8,674,057	282,520	54,211,411	5,255,419	109,578,937	8,335,566	192,748,814
Milwaukee	746,944	634,817	7,144	1,437,987	0	2,849,088	325,571	6,001,552
Eau Claire	91,848	480,814	0	0	0	132,843	0	705,505
Green Bay	5,000	100,250	36,000	214,155	619,221	88,948	177,582	1,241,156
La Crosse	210,129	0	0	168,171	597,627	625,801	0	1,601,728
Oshkosh	1,265,817	414,236	0	0	0	106,650	(73,251)	1,713,452
Parkside	50,275	135,054	0	20,865	0	24,222	80,355	310,771
Platteville	138,786	16,500	4,725	197,862	0	0	0	357,872
River Falls	113,232	27,524	0	248,608	0	81,725	77,155	548,244
Stevens Point	1,094,247	287,253	0	16,363	0	512,887	1,000	1,911,750
Stout	188,891	35,508	0	212,666	0	28,324	0	465,388
Superior	0	0	5,000	0	0	50,769	0	55,769
Whitewater	0	40,784	0	575,130	61,298	17,107	289,969	984,287
Colleges	7,375	86,594	30,360	322,480	0	0	415,405	862,214
Extension	16,216,120	0	0	1,011,378	0	0	0	17,227,498
System-Wide	0	73,830	0	274,534	0	0	0	348,364
Nonfederal Totals	26,539,568	11,007,221	365,749	58,911,609	6,533,565	114,097,301	9,629,352	227,084,364

UNIVERSITY OF WISCONSIN SYSTEM
 GIFTS, GRANTS AND CONTRACTS AWARDED - BY INSTITUTION
 QUARTERLY REPORT & PRIOR-YEAR COMPARISON
 FISCAL YEAR 2001-2002 - Third Quarter

	Extension	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
FISCAL YEAR 2000-2001								
Madison	16,883,673	17,171,193	2,723,136	52,887,749	31,018,977	388,815,760	20,649,226	530,149,714
Milwaukee	278,400	9,194,608	11,608	3,508,513	0	11,551,456	10,739,422	35,284,007
Eau Claire	535,353	1,773,359	0	0	0	879,503	57,901	3,246,116
Green Bay	72,063	1,045,348	46,585	159,446	1,350,000	179,487	1,775,563	4,628,492
La Crosse	826,936	664,651	0	1,966,526	1,012,000	2,238,035	4,180,947	10,889,095
Oshkosh	3,599,908	3,163,570	0	0	0	891,269	4,361,534	12,016,281
Parkside	399,398	215,366	0	134,228	0	899,567	3,263,032	4,911,591
Platteville	180,103	158,273	0	282,371	1,007	0	3,242,096	3,863,850
River Falls	422,603	429,984	0	1,335,214	0	39,913	3,256,973	5,484,688
Stevens Point	2,535,715	492,841	0	231,515	0	1,241,086	5,547,389	10,048,546
Stout	1,969,967	157,705	0	1,049,502	10,640	853,504	4,929,473	8,970,791
Superior	0	702,428	0	0	0	545,709	2,799,000	4,047,137
Whitewater	0	99,508	0	2,476,678	410,000	210,755	4,874,504	8,071,445
Colleges	10,315	106,182	7,243	764,537	0	21,616	4,304,784	5,214,677
Extension	27,859,562	0	0	154,543	0	0	0	28,014,105
System-Wide	0	1,368,025	0	121,580	0	0	92,500	1,582,105
Totals	55,573,996	36,743,041	2,788,572	65,072,402	33,802,624	408,367,660	74,074,344	676,422,640
Madison	11,295,897	7,947,282	375,306	3,808,976	2,441,285	273,599,489	14,310,650	313,778,885
Milwaukee	0	8,148,939	0	1,167,215	0	8,603,580	10,501,366	28,421,100
Eau Claire	486,948	1,663,359	0	0	0	829,942	57,901	3,038,150
Green Bay	2,000	1,569,451	0	1,025	0	389,106	1,758,721	3,720,303
La Crosse	556,850	649,526	0	1,086,646	256,000	1,890,450	4,179,310	8,618,782
Oshkosh	2,726,262	3,214,244	0	0	0	675,885	4,361,534	10,977,925
Parkside	377,273	105,031	0	0	0	856,128	3,179,013	4,517,445
Platteville	21,245	0	0	6,284	0	0	3,242,096	3,269,625
River Falls	322,658	414,519	0	1,188,920	0	0	3,221,591	5,147,688
Stevens Point	1,762,047	260,647	0	231,515	0	345,504	5,547,389	8,147,102
Stout	1,784,347	86,258	0	964,542	10,640	830,798	4,815,215	8,491,800
Superior	0	695,028	0	0	0	471,909	2,799,000	3,965,937
Whitewater	0	78,750	0	2,038,800	0	209,712	4,419,519	6,746,781
Colleges	0	12,711	0	561,419	0	0	3,847,919	4,422,049
Extension	9,872,366	0	0	0	0	0	0	9,872,366
System-Wide	0	1,368,025	0	0	0	0	0	1,368,025
Federal Totals	29,207,893	26,213,770	375,306	11,055,342	2,707,925	288,702,503	66,241,224	424,503,963
Madison	5,587,776	9,223,911	2,347,830	49,078,773	28,577,692	115,216,271	6,338,576	216,370,829
Milwaukee	278,400	1,045,669	11,608	2,341,298	0	2,947,876	238,056	6,862,907
Eau Claire	48,405	110,000	0	0	0	49,561	0	207,966
Green Bay	70,063	(524,103)	46,585	158,421	1,350,000	(209,619)	16,842	908,189
La Crosse	270,086	15,125	0	879,880	756,000	347,585	1,637	2,270,313
Oshkosh	873,646	(50,674)	0	0	0	215,384	0	1,038,356
Parkside	22,125	110,335	0	134,228	0	43,439	84,019	394,146
Platteville	158,858	158,273	0	276,087	1,007	0	0	594,225
River Falls	99,945	15,465	0	146,294	0	39,913	35,382	337,000
Stevens Point	773,668	232,194	0	0	0	895,582	0	1,901,444
Stout	185,620	71,447	0	84,960	0	22,706	114,258	478,991
Superior	0	7,400	0	0	0	73,800	0	81,200
Whitewater	0	20,758	0	437,878	410,000	1,043	454,985	1,324,664
Colleges	10,315	93,471	7,243	203,118	0	21,616	456,865	792,628
Extension	17,987,196	0	0	154,543	0	0	0	18,141,739
System-Wide	0	0	0	121,580	0	0	92,500	214,080
Nonfederal Totals	26,366,103	10,529,271	2,413,266	54,017,060	31,094,699	119,665,157	7,833,120	251,918,677

**UNIVERSITY OF WISCONSIN SYSTEM
GIFTS, GRANTS AND CONTRACTS AWARDED - BY INSTITUTION
QUARTERLY REPORT & PRIOR-YEAR COMPARISON
FISCAL YEAR 2001-2002 - Third Quarter**

	Extension	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
INCREASE (DECREASE)								
Madison	(1,933,999)	(313,077)	(2,237,116)	6,816,410	(25,161,358)	30,969,731	2,753,675	10,894,266
Milwaukee	827,685	2,682,452	(4,464)	(1,626,143)	0	1,542,115	724,074	4,145,719
Eau Claire	537,353	287,342	0	0	0	(351,319)	6,315,145	6,788,521
Green Bay	(67,063)	(52,249)	(10,585)	95,687	(730,779)	576,504	1,618,283	1,429,798
La Crosse	1,250,812	49,907	0	(989,634)	(414,373)	625,382	(115,637)	406,457
Oshkosh	547,358	2,981,623	0	0	0	(498,178)	(1,441,625)	1,589,178
Parkside	(171,987)	15,290	0	(1,613)	0	(337,856)	376,132	(120,034)
Platteville	113,779	(79,293)	4,725	202,907	(1,007)	0	598,509	839,619
River Falls	(256,343)	(302,616)	0	73,775	0	46,758	(1,067,626)	(1,506,052)
Stevens Point	433,764	52,277	0	(206,349)	0	640,079	806,812	1,726,583
Stout	(67,761)	(47,444)	0	1,221	(10,640)	97,013	922,331	894,720
Superior	80,478	(702,428)	5,000	683,911	0	(342,481)	2,362,804	2,087,284
Whitewater	0	(58,724)	0	621,748	(348,702)	46,925	478,818	740,064
Colleges	149,060	467,835	23,117	(351,352)	0	(21,616)	2,131,122	2,398,166
Extension	(2,846,024)	0	0	856,835	0	0	0	(1,989,189)
System-Wide	0	500,538	0	152,954	0	0	(92,500)	560,992
Totals	(1,402,888)	5,481,434	(2,219,323)	6,330,356	(26,666,859)	32,993,057	16,370,316	30,886,092
Madison	(2,757,127)	236,777	(171,806)	1,683,772	(1,839,085)	36,607,065	756,685	34,516,281
Milwaukee	359,141	3,093,304	0	(722,832)	0	1,640,903	636,559	5,007,075
Eau Claire	493,910	(83,472)	0	0	0	(434,601)	6,315,145	6,290,982
Green Bay	(2,000)	(676,602)	0	39,953	0	277,937	1,457,543	1,096,831
La Crosse	1,310,769	65,032	0	(277,925)	(256,000)	347,166	(114,000)	1,075,042
Oshkosh	155,187	2,516,713	0	0	0	(389,444)	(1,368,374)	914,082
Parkside	(200,137)	(9,429)	0	111,750	0	(318,639)	379,796	(36,659)
Platteville	133,851	62,480	0	281,132	0	0	598,509	1,075,972
River Falls	(269,630)	(314,675)	0	(28,539)	0	4,946	(1,109,399)	(1,717,297)
Stevens Point	113,185	(2,782)	0	(222,712)	0	1,022,774	805,812	1,716,277
Stout	(71,032)	(11,504)	0	(126,485)	(10,640)	91,395	1,036,589	908,323
Superior	80,478	(695,028)	0	683,911	0	(319,450)	2,362,804	2,112,715
Whitewater	0	(78,750)	0	484,496	0	30,861	643,834	1,080,441
Colleges	152,000	474,712	0	(470,714)	0	0	2,172,582	2,328,580
Extension	(1,074,948)	0	0	0	0	0	0	(1,074,948)
System-Wide	0	426,708	0	0	0	0	0	426,708
Federal Totals	(1,576,353)	5,003,484	(171,806)	1,435,807	(2,105,725)	38,560,913	14,574,084	55,720,405
Madison	823,128	(549,854)	(2,065,310)	5,132,638	(23,322,273)	(5,637,334)	1,996,990	(23,622,015)
Milwaukee	468,544	(410,852)	(4,464)	(903,311)	0	(98,788)	87,515	(861,355)
Eau Claire	43,443	370,814	0	0	0	83,282	0	497,539
Green Bay	(65,063)	624,353	(10,585)	55,734	(730,779)	298,567	160,740	332,967
La Crosse	(59,957)	(15,125)	0	(711,709)	(158,373)	278,216	(1,637)	(668,585)
Oshkosh	392,171	464,910	0	0	0	(108,734)	(73,251)	675,096
Parkside	28,150	24,719	0	(113,363)	0	(19,217)	(3,664)	(83,375)
Platteville	(20,072)	(141,773)	4,725	(78,225)	(1,007)	0	0	(236,353)
River Falls	13,287	12,059	0	102,314	0	41,812	41,773	211,244
Stevens Point	320,579	55,059	0	16,363	0	(382,695)	1,000	10,306
Stout	3,271	(35,940)	0	127,706	0	5,618	(114,258)	(13,603)
Superior	0	(7,400)	5,000	0	0	(23,031)	0	(25,431)
Whitewater	0	20,026	0	137,252	(348,702)	16,064	(165,016)	(340,377)
Colleges	(2,940)	(6,877)	23,117	119,362	0	(21,616)	(41,460)	69,586
Extension	(1,771,076)	0	0	856,835	0	0	0	(914,241)
System-Wide	0	73,830	0	152,954	0	0	(92,500)	134,284
Nonfederal Totals	173,465	477,950	(2,047,517)	4,894,549	(24,561,134)	(5,567,856)	1,796,232	(24,834,313)

UW SYSTEM TRUST FUNDS PROCESS FOR REPORTING BEQUESTS

EXECUTIVE SUMMARY

BACKGROUND

Prior to September 1997, virtually each individual bequest coming to the UW System Trust Funds (those gifts to the University of Wisconsin in which the Board of Regents is named or those gifts where a UW foundation is not specifically named) was presented to the Regent Business and Finance Committee for formal acceptance. ("Bequest" is defined for our purposes here as a gift conveyed by an individual via a form of trust, i.e., via a will (testamentary trust) or a living trust. Such bequests represent the bulk of Trust Funds' gift income.) This acceptance involved a formal resolution by the Committee, an example of which is included as Attachment 1. For reasons unknown, this practice was discontinued after September 1997.

Also, other than through the publications of the "Annual Report of Trust Fund Operations" and the "UW System Annual Financial Report," there is currently no formal reporting to the Committee regarding Trust Funds' gift income. Reporting is done quarterly for Gifts, Grants and Contracts (broken out by usage categories, such as research, student aid, etc.), but these figures do not include Trust Funds gifts/bequests. All other Trust Funds reporting focuses only on investment performance, risk management, and compliance currently.

REQUESTED ACTION

This item is for discussion only at this time.

DISCUSSION

There is a need to keep the Regent Business and Finance Committee appropriately informed about the amount, sources, and uses of Trust Funds' gifts/bequests and to also provide a means of public recognition for sizable bequests where there is normally an individual donor or family involved, in particular. While the previous practice of bringing each individual bequest to the Committee and the passing of formal resolutions of acceptance satisfied this need to some extent, it would be cumbersome due to the number of relatively small bequests (those under \$50,000). Also, the previous resolutions did not always include a statement of recognition and appreciation, regardless of the size of the bequest. Conveyances of recognition and appreciation were left up to the benefiting campus, college, or department.

The following actions and policies are recommended to improve upon Regent reporting on Trust Funds and upon donor recognition:

1. Include with the quarterly reporting of Gifts, Grants and Contracts, a quarterly report of Trust Funds' gift income, categorizing the gifts as to source, gift type, and expected use.

2. Going forward, bring to the Committee individually, those bequests expected to exceed \$50,000 so that they can be formally accepted and recognized by the President, Board, and appropriate Chancellor if to a specific campus. (For gifts where the donor is silent as to the use of principal, \$50,000 is currently the level at which they are automatically designated as endowments by the Board.) The resolution of acceptance and recognition will then be conveyed to the donor or the donor's family.
3. As catch-up for bequests in excess of \$50,000 taken in by Trust Funds since September 1997, adopt resolutions of acceptance and recognition at the June Board of Regents meeting. These bequests are listed in Attachment 2.

RELATED REGENT POLICIES

Resolution 5631 of 10-5-90 - Quasi-Endowments over \$50,000.

Attachment 1
Example of Prior Resolutions of Bequest Acceptance

Bequest of Elizabeth C. Davis

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison the bequest of the late Elizabeth C. Davis, a resident of the State of Florida, legal domicile of Manatee County, be accepted; and the Trust Officer or Assistant Trust Officers be authorized to sign receipts and do all things necessary to effect the transfer for the benefit of the University of Wisconsin-Madison.

(The Will states:

ARTICLE VI - RESIDUARY

I give, devise and bequeath all the rest, residue and remainder of my estate, both real and personal, wheresoever situate, including the proceeds of any insurance policy or policies payable to my Personal Representative or to my estate in accordance with the following:

K. TEN PERCENT (10%) to THE UNIVERSITY OF WISCONSIN, located at Madison, Wisconsin.)

(Elizabeth C. Davis was a 1932 graduate in Physical education. The university will receive approximately \$260,000.)

2/7/97

I.2.g. (1)

Attachment 2

Trust Funds Bequests Received Since September 1997

AMOUNT	REC-DATE	FUND	ACCOUNT NAME	NOA-CAT
120,793.17	7/16, 9/28/01	162	0765 FIRST CITIZENS BANK, CONLEY, VIVIAN TRUST	Misc
50,000.00	9/6/2001	162	1773 YIRMIBESH, ORHAN TRUST, VOUCHER 50019	Misc
182,500.00	7/20/2001	162	1784 HAAS, ANITA ESTATE, VOUCHER 50004	Misc
870,954.52	7/20, 9/28/01	162	1790 WILLIAMS, MARGARET EMMA ESTATE, VOUCHER 50006	Misc
100,000.00	9/28/2001	162	1800 MARSHALL & ILSLEY, HAYRINEN, SULO TAISTO ESTATE	Misc
51,133.61	11/21/2001	162	1801 COMMERCIAL BANK AND TRUST, MCGINNIS, FRANK TRUST	Student Aid
80,069.48	11/30/2001	162	1803 FIRSTAR, BACKUS, LOIS TRUST	Misc
53,981.84	4/12/2002	162	1808 TRANSFER FROM PENDING ACCT, BENSON-FEICHT TRUST	Misc
55,000.00	11/17/2000	162	0655 GLEASON, CANDACE PERS REP SCHMIDT, KATHRYN ESTATE	Misc
80,834.95	01/19/2001	162	1564 SELECTED AMERICAN SHARES, OSBORN, LUCILE ESTATE	Research
59,954.57	12/19/2000	162	1607 SWIFT & FINLAYSON, SCHIFF, GERTRUDE ESTATE	Student Aid
113,447.58	7/20, 3/24/00	162	1630 FIFTH THIRD BANK, VALANTI, BETTY TRUST	Student Aid
189,997.14	07/21/2000	162	1771 BANK OF LANCASTER COUNTY, LONGSDORF, FRANCES ESTATE	Student Aid
67,212.18	08/18/2000	162	1773 AMCORE INVESTMENT GROUP, HALL, BETTE ESTATE	Misc
162,959.75	12/19/2000	162	1779 NORTHERN TRUST BANK OF FL, MASTEN, MABEL TRUST	Research
100,000.00	03/30/2001	162	1782 HADDAD, MARY TRUSTEE, SMITH, LOUISE TRUST	Misc
288,459.56	5/7, 5/21/01	162	0071 FIRST UNION BANK, SMITH, FORREST TRUST	Misc
228,281.35	10/15/1999	162	1073 MASTRICOLA, ROGER AND EILEEN	Research
422,537.10	9/1/99,6/12/98	162	1403 FIRST SECURITY BANK, SCHULTZE, MAX TRUST	Misc
239,760.00	09/10/99	162	1564 ASSOCIATED BANK, CLARK, JEANETTE	Research
518,220.00	9/24,1/29,5/3/99	162	1730 BANK OF AMERICA, MCLEAN, MABEL	Libraries
122,851.00	11/19, 5/14/99	162	1736 LUTZ, ROBERT PERS REP, QUADE, EDITH ESTATE	Student Aid
486,876.93	12/13/1999	162	1749 TOPEL, DOROTHY, METZ, ELIZABETH TRUST	Misc
735,000.00	12/10/1999	162	1754 CHASE BANK OF TEXAS, N.A., LOVELL, TOMINA	Student Aid
150,000.00	04/14/2000	162	1761 GREENHILL, ARNOLD PERS REP, ENGEL, ELSIE ESTATE	Research
50,000.00	05/19/2000	162	1765 EASTRIDGE, BARBARA PERS REP, YODELIS SMITH, MARYANN ESTATE	Misc
230,579.88	06/23/2000	162	1768 MARSHALL & ILSLEY TRUST, STUMREITER, CLYDE TRUST	Misc
250,000.00	12/11/98, 2/26,	162	1403 NATIONSBANK, CAREY, VERNA H ESTATE	Misc
63,191.38	09/08/98	162	1403 CITIBANK FEDERAL, CHICAGO, STECKMESSER, CAROL	Misc
246,072.74	01/22/99	162	1403 WELLS FARGO, HOOVER, CLARE ESTATE	Misc
272,958.17	10/23/98	162	1403 BANK OF AMERICA, CONNAR, ELIZABETH ESTATE	Misc
138,974.26	01/29/99	162	1564 MOSS, VERA MAUDE	Research

51,268.19	09/18/98	162	1690	FIRSTAR BANK WISCONSIN, BRANDENBURG, FREDERICK S TRUST	Misc
58,866.43	09/18/98	162	1719	STARR COMMONWEALTH, FRIEBEL, EDWARD ESTATE	Misc
147,674.04	10/23/98	161	1721	COBB COLE & BELL LAW OFFICES, KENT, MARGARET J ESTATE	Misc
105,000.00	12/04/98	162	1724	BRUNKOW, WILLIAM, PERS REP, PETERSEN, RUTH ESTATE	Student Aid
125,133.16	12/23/98	162	1729	MARSHALL & ILSLEY TRUST COMPANY, THAYER, EUGENE FAMILY TRUST	Physical Plant
145,908.45	04/16/99	162	1735	CALUMET BANK, BESOZZI, JEAN TRUST	Student Aid
405,210.31	03/12/98	162	0807	WELLS FARGO, TREWEEK, DARIA	Student Aid
64,050.00	01/16/98	162	1403	AMERICAN BANK AND TRUST, PEDERSEN, IRENE TRUST	Misc
161,545.71	12/18/97	162	1564	CRAMER, CALVIN PERS REP, CRAMER, ALLAN ESTATE	Research
50,000.00	09/26/97	162	1630	FIRST NATIONAL BANK, SANTA FE, SPAULDING, ROBERT ESTATE	Misc
100,000.00	09/05/97	162	1696	MARINE MIDLAND BANK, MC HUGH, RICHARD W	Student Aid
122,484.78	12/05/97	162	1698	BAKKEN, FEIFAREK & TAYLOR, STRUCKMEYER, BURDEAN E ESTATE	Student Aid
82,264.68	11/21/97	162	1699	COMERICA BANK, SHEBESTA, EMIL TRUST	Misc
125,000.00	06/12/98	162	1715	BANK ONE, SIEGEL, RUBY S TRUST	Student Aid

TOTAL:
8,527,006.91

QUARTERLY REPORT ON UW-MADISON
LTE CONVERSION PILOT

BOARD OF REGENTS

RESOLUTION

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the first quarterly report on the UW-Madison LTE Conversion Pilot.

UW-MADISON LTE CONVERSION PILOT

EXECUTIVE SUMMARY

BACKGROUND

2001 Wisconsin Act 16 (the Biennial Budget Bill) created a two-year pilot program at UW-Madison ending July 1, 2003, during which time the Board of Regents may convert up to 50 long-term LTE positions to permanent classified GPR, Segregated Fee, or Program Revenue positions. The Act permits the Board of Regents to appoint LTEs who have held appointments at UW-Madison for at least one year and exempt appointees from competitive examination requirements. The Act requires the Board of Regents to submit a quarterly report during the 2001-03 biennium to the Department of Administration and the Joint Committee on Finance on the number of LTEs appointed to classified service positions under this provision. In addition, the Act requires the Board of Regents to submit a report by September 1, 2003 to the Governor, Department of Employment Relations, and the Legislature on the number of positions created, the reduction in the number of LTE appointments at UW-Madison and service-related information on appointees.

REQUESTED ACTION

Approval of the following resolution:

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the first quarterly report on the UW-Madison LTE Conversion Pilot.

DISCUSSION AND RECOMMENDATIONS

During the period January 1, 2002 to April 1, 2002, UW-Madison identified 27.77 FTE long-term LTE positions that qualify for conversion to permanent classified status under this provision.

The quarterly report on LTE conversions will be filed in conjunction with the quarterly position control report for the UW System, subject to the Board's approval. By submission of this report, the Board of Regents requests the approval of the conversion of 27.77 UW-Madison long-term LTE positions to permanent classified positions, as of April 1, 2002, and an increase of the UW System's authorized position level by that number. The 27.77 FTE are comprised of 3.17 GPR positions, 9.60 Auxiliary positions and 15.00 Other Program Revenue positions.

This is the first quarterly report to the Board of Regents under this provision.

UW-Eau Claire
Contractual Agreement with
Sodexo Campus Services

BUSINESS AND FINANCE COMMITTEE

Resolution:

That upon the recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin–Eau Claire, the Board of Regents approves the contractual agreement with Sodexo Campus Services to provide dining Services at the University of Wisconsin–Eau Claire.

UW-Eau Claire CONTRACTUAL AGREEMENT WITH SODEXHO CAMPUS SERVICES

BACKGROUND

The University of Wisconsin-Eau Claire invited vendors to submit a Sealed Proposal for the operation of dining services consisting of the Residence dining (board) program, cash, catering, Children's Center program and convenience store.

The University was interested in a partnership with a dining service contractor that would offer innovative ideas for management of the campus dining program. The University requested continuation of the following food court concepts: (1) sub sandwiches, (2) hamburgers, (3) coffee shop, (4) Italian, (5) Mexican.

The goal was to create a total dining service program that meets the needs of a diverse student body, faculty and staff, and extensive camp/conferences on campus. UW-Eau Claire encouraged aggressive marketing to maximize revenue while setting high standards of excellence in quality and service to be provided at a reasonable cost to the students. The University and the contractor will work cooperatively to complement the mission of the campus and enhance campus life.

REQUESTED ACTION

That upon recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Eau Claire, the Board of Regents approves the contract with Sodexo Campus Services to provide dining services to the University.

DISCUSSION

The dining services have been contracted out since the early 1970's. This dining services contract combines all campus food service operations under one contractor for the first time since 1988. A request for proposal process was used and two vendors submitted proposals. Sodexo Campus Services received the highest score and was chosen by an evaluation committee comprised of campus staff, students and a System representative. The proposal submitted meets all of the desired outcomes of UW-Eau Claire while maintaining costs at an acceptable level. Some highlights of the contract are as follows:

- The contractor will assume operation of all dining services operations including the Residence Dining program, all retail operations, catering, Children's Center program and convenience store.
- The contract is valued at over \$4,500,000 per year.
- The contract life expectancy is seven years.
- The resident students have a choice of several meal plan options including a declining balance and any ten or fourteen meal per week plan.
- The cost per meal rates charged to students are within 5% of previous rates and are escalated annually based on the consumer price index.

- Freshens Yogurt, Taco Bell, and Seattle's Best Coffee are some of the concepts to be provided.
- The contractor is providing \$5,000 annually for programming in food service areas.
- The campus anticipates a first year program cost to students of approximately \$965,000.

RELATED REGENT POLICIES

Regent Policy 93-1 Authorization to Sign Documents (Regent Resolution 8074)

REVISED

I.3. Physical Planning and Funding Committee

Thursday, May 9, 2002
Student Union
UW-Fox Valley
1:45 p.m.

10:30 a.m. All Regents

- Quality: Credits-to-Degree, Time-to-Degree and Graduation Rates

11:30 a.m. All Regents

- Closed Session

1:15 p.m. All Regents

- Study of Adult Students

1:45 p.m. (or upon completion of the previous session)

Joint Session with Business and Finance Committee – Student Union

- a. Finances & Facilities of the UW Colleges: The Wisconsin Idea in Practice

2:00 p.m. (or upon conclusion of Joint Session) Room 1352

- b. Approval of minutes of the April 4, 2002 meeting

- c. Report of the Assistant Vice President

- Building Commission Actions
- Other

- d. UW-La Crosse: Acceptance of a Gift-in-Kind
[Resolution I.3.d.]

- e. UW-La Crosse: Hutchison Hall Window Replacement
\$478,000 Program Revenue-Cash
[Resolution I.3.e.]

- f. UW-River Falls: Authority to Construct a Child Care Center as a Student Union Budget Increase
\$600,000 Program Revenue Supported Borrowing
[Resolution I.3.f.]

- g. UW Colleges: Then & Now - UW-Fox Valley and UW-Fond du Lac

- x. Additional items which may be presented to the Committee with its approval

Authority to Accept a Gift-In-Kind and Enter
Into a Land Use Agreement, UW-La Crosse

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, authority be granted (1) to accept a gift-in-kind from the University of Wisconsin La Crosse Foundation of a decorative masonry/metal grille work wall around the courtyard at the Cleary Alumni and Friends Center, valued at approximately \$60,000; and (2) for the officers of the Board of Regents to enter into a Land Use Agreement with UW-La Crosse Foundation, Inc., to permit the Foundation to construct the wall on University owned land.

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action May 2003

1. Institution: The University of Wisconsin-La Crosse
2. Request: Requests (1) authority to accept a gift-in-kind from the University of Wisconsin La Crosse Foundation of a decorative masonry/metal grille work wall around the courtyard at the Cleary Alumni and Friends Center, valued at approximately \$60,000; and (2) authority for the officers of the Board of Regents to enter into a Land Use Agreement with UW-La Crosse Foundation, Inc., to permit the Foundation to construct the wall on University owned land.
3. Description and Scope of Project: This project will provide for the installation of a five-foot high decorative wall of approximately 230 lineal feet on the west and south sides of the existing courtyard near the Cleary Center. The wall will consist of brick masonry construction on a concrete footing. There will be regularly spaced openings in the masonry wall that will be spanned with decorative metal grille work. This will allow occupants of the courtyard to view landscaping that will be planted around the exterior perimeter of the wall. The design of the wall will complement other masonry signs, monuments, grille work, etc., on campus.

The UW-La Crosse Foundation will fund and construct this project under terms of a Land Use Agreement with the Board of Regents. The Foundation will be responsible for design, contract bidding and administration, and construction oversight. UW System Administration and the Division of Facilities Development will review construction plans and specifications prior to bidding and construction.

4. Justification of the Project: The original design of the Cleary Alumni and Friends Center included a masonry wall that bordered the courtyard. However, budget constraints resulted in deferral of the wall with the intent to construct it at a later date when additional funding became available.

The existing courtyard consists of a paved brick walkway surrounded by green space that provides a very pleasant setting for visitors. However, the areas immediately south and west of the courtyard are utilized as surface parking lots. Consequently, the original intent of creating a courtyard with an aesthetically pleasing focal point for visitors and guests is compromised by the presence of the surface parking lots and view of parked vehicles. The donor desires to provide funds to the Foundation at this time to support the construction of the decorative wall. The installation of this wall will complete the enclosure of the courtyard as originally intended. It is anticipated that this work will be accomplished during summer 2002.

5. Budget: To be implemented and funded by the UW-La Crosse Foundation.

6. Previous Action:

September 6, 1991
Resolution #5908

The Board accepted gifts-in-kind of four parcels of land, valued at \$200,000, and a Foundation and Alumni Center, valued at \$1.8 million, with authority granted to the Chancellor to execute a Land Use Agreement with the UW-La Crosse Foundation, Inc., to enable construction of the Center by the Foundation on university-owned land.

Hutchison Hall Window Replacement Project,
UW-La Crosse

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Hutchison Hall Window Replacement project at an estimated total project cost of \$478,000, using Program Revenue-Cash.

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action May 2003

1. Institution: University of Wisconsin-La Crosse
2. Request: Requests approval to construct a Hutchison Hall Window Replacement project at an estimated total project cost of \$478,000, using Program Revenue-Cash.
3. Description and Scope of Project: This project will provide for the removal and replacement of approximately 5,962 SF of windows in Hutchison Residence Hall, including 198 horizontal sliding windows and 95 combination fixed and hopper window units. The existing aluminum window sash and frames will be removed to the existing masonry openings. New four-track, single-pane anodized aluminum slider windows with thermal break frames will be installed. The windowsills will be replaced, and both the exterior and interior window perimeters will be caulked. Obscure glass will be installed in toilet room locations, and operable windows will be provided in the stairway, office and lobby areas. Push-bolt locks and security screens will be installed for the first floor windows, and standard screens provided for the remaining floors. Spare glass sashes and screens will also be acquired, including three standard screens, three security screens and four sets of glass sash (16 total).

This project must be bid early in 2003 to enable construction to be completed between the end of the spring 2003 session and the start of the fall 2003 semester.

4. Justification of the Project: Hutchison Hall was constructed in 1967. The existing windows are from the original installation. Due to their age and heavy usage, the windows are worn-out and present constant maintenance and operational problems. The window locks often do not work, and the windows do not slide properly, resulting in excessive maintenance costs to file down or replace the tracks and to replace the plastic glides. Deterioration of the seals and locks has led to significantly higher energy consumption through excessive cold air infiltration.

Student residents have complained about the poor operating condition of the windows. The windows have exceeded their useful life, and replacement is the most cost-effective solution versus complete renovation.

Hutchison Hall is the ninth window replacement project out of the eleven residence halls at UW-La Crosse. Since 1989, similar work has been completed with very favorable results in Reuter, Laux, White, Trowbridge, Sanford, Baird and Drake Halls. The windows in Coate Residence Hall will be replaced this summer. The University has provided confirmation that sufficient Housing Program Revenues are available to fund this project.

Projected maintenance costs are built into the residence hall fees, so this project will have no further impact on housing rates.

5. Budget: The following estimate is based upon costs of Coate Hall, which is the most recent window replacement project to be bid at UW-La Crosse.

Construction	\$385,000
A & E Design Fee	37,000
DFD Management	17,000
Contingency	<u>39,000</u>
Estimated Total Project Cost	\$478,000

6. Previous Actions: None.

Authority to Construct a Child Care Center
as a Student Union Scope/Budget Increase,
UW-River Falls

PHYSICAL PLANNING AND FUNDING COMMITTEE

REVISED Resolution:

That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Child Care Center on the UW-River Falls campus for an estimated total project cost of \$600,000 and to increase the scope and budget of the UW-River Falls Student Union project for this purpose.

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for
Board of Regents Action
May 2002

1. Institution: University of Wisconsin-River Falls
2. Request: Requests authority to construct a Child Care Center on the UW-River Falls campus for an estimated total project cost of \$600,000; and approval to increase the scope and budget of the Student Union project accordingly.
3. Description and Scope of Project: Approval of this request will authorize the construction of a child care center on the east edge of the UW-River Falls campus along Cascade Avenue. The center will provide space for up to 98 children ages infant through 6 years. The building will be a single-story, wood frame, energy efficient commercial building with child care rooms for infants, toddlers, pre-school aged children, and kindergarten aged children, plus support facilities such as restrooms, kitchens, storage, and offices. Construction will include utility extensions for water, sanitary sewer, electricity, communications, and natural gas services from municipal utilities lying adjacent to the site along Cascade Avenue. Site development will provide a loading/unloading area, short-term parking for parents, landscaping, and a fenced playground.

This project will likely be handled under a design/build process to expedite completion.

4. Justification of the Request: The current child care center is located in the lower level of the Ames Teacher Education building that was vacated in the fall of 1999, when the College of Education and Professional Studies moved to its new building. The Ames building is scheduled to be demolished to provide a construction site for the new Student Union. The Ames facility will be demolished during the spring of 2004, as the first phase in construction of the Student Union. To ensure uninterrupted childcare services a new facility must be available prior to the demolition of Ames. Waiting for enumeration of a project in the 2003-05 biennial budget will delay construction and occupancy beyond the January 2004 schedule. Construction of the facility by using the design/build process will ensure completion of a new facility on schedule.

A non-allocable revenue stream has been established to provide debt service payments. The UW-River Falls student governance has approved a series of three segregated fee increases beginning in 1998, to support increasing childcare needs. The total \$9.50 per year per FTE (5,135 FTE) fee will cover debt service on a principle of \$600,000 borrowed over 20 years at an annual interest rate of 5 per cent. Operating costs will continue to be paid from user fees. Student rates for childcare have consistently been 75-80 per cent of the going rate in the River Falls community while faculty and staff pay 100 per cent of the going rate.

The River Falls community is growing rapidly and desperately needs quality child care services. The local Project Child Care office confirmed it would be detrimental to the community if UW-River Falls discontinued child care operations. UW-River Falls has provided on-site child care for its students, faculty and staff for 27 years. The early childhood program in the College of Education and Professional Studies uses the child care center as an on-campus laboratory for observing and instructing young children. Child care operations are managed by the College of Education and Professional Studies and staffed by University personnel and UW-River Falls' students. Elementary education students minoring in Early Childhood Education use the center for field experience, practice teaching and internships. Students studying Pre-Kindergarten use the center to gain practice in giving lessons and guiding children's explorations of language, math and art concepts. Students studying Developmental Learning and the Infant/Toddler Curriculum can focus on the physical/motor, cognitive, linguistic, social, emotional and aesthetic development of children. Additionally, the Communicative Disorders students use the child care center as a clinical site for studies. As a community outreach, faculty from the Health and Human Performance (H&HP) department have provided a movement and dance program and there is potential for H&HP students to provide programs for the children at the center.

5. Budget: \$600,000 Program Revenue Borrowing.
6. Previous Action: None. The Student Union project is enumerated in the 2001-03 Capital Budget at approximately \$20.5 million, and is currently in design.

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Friday, May 10, 2002
UW-Fond du Lac Commons
University Center Building
400 University Drive
Fond du Lac, WI 54935-2998
9:00 a.m.

1. Calling of the roll
2. Approval of the minutes of the April 4th and 5th meetings
3. Report of the President of the Board
 - a. Report on the April 26th meeting of the Higher Educational Aids Board
 - b. Report on the May 8th meeting of the Hospital Authority Board
 - c. Report on governmental matters
 - d. Additional items that the President of the Board may report or present to the Board
4. Report of the President of the System
 - a. Presentation: The UW Colleges Connections: The Wisconsin Idea in Practice
 - b. Additional items that the President of the System may report or present to the Board
5. Report of the Business and Finance Committee
6. Report of the Education Committee
7. Report of the Physical Planning and Funding Committee
8. Additional resolutions
 - a. Resolution of appreciation to the UW Colleges
9. Communications, petitions, memorials
 - a. Memorial resolution for Adolf Gundersen
10. Additional or unfinished business
11. Recess into closed session to consider annual evaluations, as permitted by s.19.85(1)(c), *Wis. Stats.*, and to confer with legal counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*

The closed session may be moved up for consideration during any recess called during the regular meeting agenda. The regular meeting will be reconvened in open session following completion of the closed session

**Board of Regents of
The University of Wisconsin System**

Meeting Schedule 2002-03

2002

January 10 and 11
(Cancelled, circumstances permitting)

February 7 and 8

March 7 and 8

April 4 and 5

May 9 and 10 (UW-Fox Valley and
UW-Fond du Lac)

June 6 and 7 (UW-Milwaukee)
(Annual meeting)

July 11 and 12
(Cancelled, circumstances permitting)

August 22 and 23

September 12 and 13

October 10 and 11 (UW-Whitewater)

November 7 and 8

December 5 and 6

2003

January 9 and 10
(Cancelled, circumstances permitting)

February 6 and 7

March 6 and 7

April 10 and 11

May 8 and 9 (UW-Stevens Point)

June 5 and 6 (UW-Milwaukee)
(Annual meeting)

July 10 and 11

August 21 and 22
(Cancelled, circumstances permitting)

September 4 and 5

October 9 and 10 (UW-Oshkosh)

November 6 and 7

December 4 and 5

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

President - Jay L. Smith
Vice President - Gerard A. Randall, Jr.

STANDING COMMITTEES

Executive Committee

Jay L. Smith (Chair)
Gerard A. Randall, Jr. (Vice Chair)
Patrick G. Boyle
Guy A. Gottschalk
Gregory L. Gracz
Frederic E. Mohs

Business and Finance Committee

Guy A. Gottschalk (Chair)
Roger E. Axtell (Vice Chair)
Tommie L. Jones, Jr.
James R. Klauser
Phyllis M. Krutsch

Education Committee

Patrick G. Boyle (Chair)
Frederic E. Mohs (Vice Chair)
JoAnne Brandes
Elizabeth Burmaster
Toby E. Marcovich
Jose A. Olivieri

Physical Planning and Funding Committee

Gregory L. Gracz (Chair)
Lolita Schneiders (Vice Chair)
Jonathan B. Barry
Alfred S. DeSimone

Personnel Matters Review Committee

Toby E. Marcovich (Chair)
Roger E. Axtell
James R. Klauser
Jose A. Olivieri

Committee on Student Discipline and

Other Student Appeals

Frederic E. Mohs (Chair)
Jonathan B. Barry
Elizabeth Burmaster
Tommie L. Jones, Jr.

OTHER COMMITTEES

Liaison to Association of Governing Boards

Phyllis M. Krutsch

Hospital Authority Board - Regent Members

Patrick G. Boyle
Guy A. Gottschalk
Frederic E. Mohs

Wisconsin Technical College System Board

Lolita Schneiders, Regent Member

Wisconsin Educational Communications Board

Patrick G. Boyle, Regent Member

Higher Educational Aids Board

Gerard A. Randall, Jr., Regent Member

Research Park Board

Roger E. Axtell, Regent Member

Technology for Educational Achievement in Wisconsin Board (TEACH)

Jonathan B. Barry, Regent Member

Committee on Board Effectiveness

Phyllis M. Krutsch (Chair)
Jonathan B. Barry
Patrick G. Boyle
Jose A. Olivieri

Academic Staff Awards Committee

Lolita Schneiders (Chair)
JoAnne Brandes
Phyllis M. Krutsch
Toby E. Marcovich

Teaching Excellence Awards Committee

Roger E. Axtell (Chair)
Elizabeth Burmaster
James R. Klauser
Jose A. Olivieri

Oversight Board

Patrick G. Boyle, Regent Liaison

The Regents President and Vice President serve as ex-officio voting members of all Committees.