

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held in Room 1820 Van Hise Hall

Friday, December 11, 1992

9:00 a.m.

- President Steil presiding -

PRESENT: Regents Barry, Budzinski, Davis, Flores, Gelatt, Grebe, Grover, Gundersen, Hempel, Hirsch, Krutsch, Lubar, Lyon, Nicholas, Schilling and Steil

ABSENT: Regent Dreyfus

Approval of Minutes

Upon motion by Regent Gundersen, seconded by Regent Lubar, the minutes of the meeting of November 6, 1992, were approved as distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Repeal of UWS 17.06(2), Wis. Admin. Code: Student Nonacademic Misconduct
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Discriminatory Harassment

President Steil reported that a public hearing was held on December 11, 1992, at 8:00 a.m. to receive testimony on the proposed repeal of UWS 17.06(2), Wisconsin Administrative Code, concerning student nonacademic misconduct and discriminatory harassment. A quorum of the Board was present for the hearing. Eleven persons presented oral testimony. Written testimony was presented by two persons.

Resolution 6278 directs that the proposed repeal of the rule be forwarded to the presiding officer of each House of the Legislature for referral to standing committees. If there is no objection by these committees, the rule then would be repealed.

It was moved by Regent Hirsch and seconded by Regent Nicholas that

Resolution 6278 be adopted by the Board of Regents.

Resolution 6278: That the Secretary of the Board of Regents, pursuant to s. 227.19, Wis. Stats., notify the presiding officer of each house of the Legislature that a proposed rule repealing s. UWS 17.06(2), Wis. Admin. Code, is in final draft form and cause a statement to appear in the Wisconsin Administrative Register that said proposed rule has been submitted to the presiding officer of each house of the Legislature.

Regent Flores commented that the proximity of the hearing to final examinations was unfortunate and prevented some students from appearing. The students who did testify showed the depth of their concern by appearing in spite of the inconvenient timing of the hearing. All of these students, he noted, opposed repeal of the rule. Urging the Board to defeat the resolution, Regent Flores commented that voting to repeal the rule would send a message to the public that the Board is not resolute in its opposition to discriminatory harassment. Enactment of the rule, he stated, was a well considered action which should be allowed to stand unless struck down in court. He believed the rule to be morally right and legally sound.

In response to a question by Regent Davis, President Lyall reported on the status of the committee created, pursuant to Board action in September, to examine the need for any alternative rules, policies, or programs to combat discriminatory harassment. Regent President Steil and President Lyall had appointed a group of student services administrators from around the UW System to constitute the committee. The group had begun meeting and was considering such ideas as improvements in educational activities and orientation programs designed to combat discriminatory harassment.

Regent Gundersen asked if there is any change in the opinion of UW System legal counsel as to the constitutionality of the rule.

Senior Counsel Hodulik replied that her opinion continues to be that the constitutionality of the rule is sustainable in court, although the recent Supreme Court rulings cast greater doubt than previously about whether the rule would withstand a court challenge.

Put to a roll-call vote, Resolution 6278 was adopted, with Regents Barry, Budzinski, Grebe, Hempel, Hirsch, Krutsch, Lubar, Nicholas and Steil (9) voting in the affirmative and Regents Davis, Flores, Gelatt, Grover, Gundersen, Lyon and Schilling (7) voting in the negative.

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Report of the Vice President of the State Board of Vocational, Technical and Adult Education

A written report was provided by Regent Barry, Vice President of the State Board of Vocational, Technical and Adult Education.

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Report of the Educational Communications Board

Regent Davis, the Regent member of the Educational Communications Board, provided a written report.

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Report on Legislative Matters

A written report on legislative matters was provided by Acting Vice President Ward.

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REPORT OF THE PRESIDENT OF THE SYSTEM

Approval of Nonpersonnel Actions

Presenting Resolution 6279, President Lyall reported that the nonpersonnel actions included contracts with five law firms to provide lecturer services to the UW-Madison Law School.

Upon motion by Regent Schilling, seconded by Regent Nicholas, the resolution was adopted unanimously as follows:

Resolution 6279: That the report of nonpersonnel actions by administrative officers to the Board of Regents and informational items reported for the record (copy on file with the papers of this meeting) be received for the record; and that actions included in the report be approved, ratified and confirmed.

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UW-River Falls College of Education Presentation: Fostering Teaching for Global Society through Technology

In introducing some of the faculty and staff of UW-River Falls' College of Education, Vice Chancellor Judson Taylor prefaced his remarks with how impressed he has been with the creative ways that the university is utilizing educational technology to serve students, faculty and staff peers, working teachers, and the general community around River Falls. College of Education Dean Larry Albertson outlined the general thrust of the College, and its goals of preparing current and future teachers for a society which will become increasingly more complex and global through telecommunications technology.

Through a brief videotape and brochure produced by Professor Sally Standiford, Director of the Educational Technology Center and Carol LeBreck, Coordinator of International Programs, UW-River Falls presented an overview of the ways the College of Education is utilizing computers, video instruction, electronic mail, teleconferencing, and interactive media to better serve their students and the professional education community. They highlighted some of their highly successful and popular international projects--the Russian telecommunications project, the international visiting teacher program, and

the overseas student teaching programs--as examples of how telecommunicated and face-to-face working relations have been established with teachers throughout the world, transcending miles, cultures, and political boundaries.

In reply to a question, Dean Albertson said he believes the campus' proximity to Minneapolis/St. Paul for field experiences has contributed to the program's success by being able to prepare teachers to work with children in the inner cities.

Regent Krutsch asked about the level of technology of entering students, and Dean Albertson said there are varying levels of expertise. For those who have had limited exposure, he said, the act of modeling eases their transition and shows them it can be quite comfortable.

Regent President Steil expressed the Board's appreciation for the presentation, and President Lyall thanked the presenters for the opportunity to see how educational technology can link classrooms in different countries on different continents.

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Report on \$10.2 Million Budget Cut

Reporting on how UW institutions were managing the \$10.2 million mandated budget lapse, President Lyall noted that this lapse is in addition to an \$8.1 million reduction in supplies and expenses funding, bringing the total GPR reduction for this year to \$18.3 million.

While the goal has been to manage the latest budget cut by trying to minimize its impact on students, this has been difficult because of the size and timing of the lapse which was imposed after the start of the school year.

Summarizing a detailed written report, President Lyall indicated that, first, a number of institutions have delayed faculty and instructional staff hiring--actions which will reduce the number of sections that can be offered. If the lapse becomes permanent, these section losses also will be permanent.

In total, about 200 fewer sections will be offered this spring as a result of deferred hiring and limited funding to hire ad hoc instructors. While no layoffs are anticipated as a result of the lapse, there will be a number of nonrenewals of contracts which otherwise would have been continued, and about 100 positions will be held vacant.

Second, there will be some delays in the continuing efforts to streamline administrative costs, because reductions are being made in such areas as degree audit systems that can improve advising for students and help in making better allocations of instructional resources among courses. There also will be some delay in implementing the Transfer Information System which links the UW and VTAE institutions. Maintenance contracts on MIS computing equipment are being reduced. There also will be some reduction in systemwide coordination of policies and procedures resulting from severely reduced travel to systemwide coordinating meetings. While teleconferencing will be used to maintain essential communication, some slippage in coordination and communication is expected. Delays also are anticipated in the modernization of student records systems and financial aid processing as hardware and software on order for these offices is delayed or cancelled. These problems will become more severe if the lapsed funds become permanent cuts.

Third, some campuses have had to suspend scheduled key instructional improvement activities, including certain consortia activities across campuses, cancellation of some instructional software purchases, and reduction in library acquisitions budgets.

Finally, institutions have had to cut funds ordinarily available to match federal and private grants. This may reduce the volume of external grants in 1993.

President Lyall commended the UW institutions for managing this unanticipated budget cut as well as could be expected under the circumstances, in addition to \$20 million of anticipated reallocations required for the Quality Reinvestment Program, the gender equity adjustments, the senior staff titling settlement, and unfunded obligations for fringe benefits. While the impact on students has been buffered wherever possible, students will feel effects of this cut in the spring and fall semesters. Should the lapses be made permanent in the 1993-95 budget, she stated, there will be much more severe adjustments to make and consequences to consider.

Based on this experience, President Lyall made two pleas to state elected leaders: First, to assure that these lapses are not made permanent since permanent loss of these funds will adversely affect students when they are most in need of help; and second, in future budget planning to avoid mid-year cuts and lapses which cancel efforts to do responsible budget and program planning for students.

In response to a question by Regent Gundersen, President Lyall indicated that elected officials do not receive a formal report on how the lapse was implemented but that the information will be shared with them in biennial budget discussions.

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UW-Oshkosh Scholarships

Noting efforts being made by chancellors and their institutions to raise private funds to supplement tight GPR resources, President Lyall announced that this year UW-Oshkosh awarded sixty \$1,000 scholarships: 30 Chancellor's Academic Scholarships and 30 Chancellor's Leadership Scholarships. The funds come from alumni, corporate, business, and civic organizations and will supplement existing dollars available at UW-Oshkosh for financial aid. She commended Chancellor Kerrigan for the great effort and enthusiasm which had made this fund raising success possible.

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National Science Foundation Young Investigators

President Lyall reported that five UW-Madison faculty recently were named National Science Foundation Young Investigators for 1992. Formerly known as the Presidential Young Investigator awards, these recognitions go to young faculty with extraordinary promise in teaching and research. This year's recipients are: Alejandro Adem in geology; Lukas Baumgartner in computer science; Anne Condon in computer science; Keith Kluender in psychology; and Thad Walker in physics. As support for young scientists becomes more

difficult to obtain, she stated, it is reassuring to know that Wisconsin is recognized as having some of the best and brightest young scholars who will make the difference for the state and the university as they apply their talents for the future.

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Marshall Scholar

President Lyall congratulated UW-Madison senior Amy Barger on her selection as a Marshall Scholar to study at Cambridge University. Together with the Rhodes scholarships, Marshall Scholarships are among the most prestigious available.

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Football Championship

President Lyall noted that on December 12 the UW-La Crosse Eagles were to play Washington and Jefferson College for the NCAA Division III football championship.

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REPORT OF THE EDUCATION COMMITTEE

Regent Davis, Chair, presented the Committee's report.

Consent Agenda Items

Regent Davis moved adoption as consent agenda items of Resolutions 6280 to 6289, and the motion was seconded by Regent Krutsch.

Regent Gundersen requested assurance that the proposed faculty policies and procedures revisions provide processes for tenure review which are designed to prevent any discriminatory actions. Regent Davis responded that the revisions were being made to incorporate new legislation on that point and that they had been reviewed by System legal counsel.

Put to the vote, Resolutions 6280 to 6289 were adopted unanimously.

Appointment of UW System Representatives to Natural Areas Preservation Council

Resolution 6280: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents, as authorized by the legislature, appoints Ronald G. Hennings, State Geologist and Acting Director, Wisconsin Geological and Natural History Survey, UW-Extension, and reappoints Paul E. Sager, Professor, UW-Green Bay, to three-year terms (January 1, 1993 - December 31, 1995) as University of Wisconsin System representatives to the Natural Areas Preservation Council.

Revisions to Faculty Policies and Procedures: UW-River Falls

Resolution 6281: That, upon recommendation of the Chancellor of the University of Wisconsin-River Falls and the President of the University of Wisconsin System, the revisions to RF 3.2, RF 3.3, RF 3.6, RF 4.2 and RF 10.5, Faculty Personnel Rules, University of Wisconsin-River Falls, be approved.

Revisions to Faculty Policies and Procedures: UW-Parkside

Resolution 6282: That, upon recommendation of the Chancellor of the University of Wisconsin-Parkside and the President of the University of Wisconsin System, the revisions to UWPF 5.04(1), (5) and (6); UWPF 6.07(1) (a) and (c); UWPF 6.10 (3)-(6), Faculty Policies and Procedures, University of Wisconsin-Parkside, be approved.

Procedures for Awarding Honorary Degrees, UW-Superior

Resolution 6283: That, upon recommendation of the Chancellor of the University of Wisconsin-Superior and the President of the University of Wisconsin System, the procedures of UW-Superior for awarding honorary degrees be approved.

Named Professor, UW-Milwaukee

Resolution 6284: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, Suresh Garimella, Assistant Professor of Mechanical Engineering, be appointed to the Cray Research Assistant Professorship in the Department of Mechanical Engineering, College of Engineering and Applied Science, University of Wisconsin-Milwaukee effective immediately.

Named Professor, UW-Madison

Resolution 6285: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Paul S. Boyer, Professor of History, be appointed Merle Curti Professor of History, College of Letters and Science, University of Wisconsin-Madison effective immediately.

Named Professor, UW-Oshkosh

Resolution 6286: That, upon recommendation of the Chancellor of the University of Wisconsin-Oshkosh and the President of the University of Wisconsin System, Robert F. Hart be reappointed Wisconsin Distinguished Adjunct Professor, College of Business Administration, University of Wisconsin-Oshkosh, for the period July 1, 1993 through June 30, 1998.

Wisconsin Distinguished Professors, UW-Madison

Resolution 6287: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Michael L. Corradini be appointed Wisconsin Distinguished Professor, Department of Nuclear Engineering and Engineering Physics, College of Engineering, University of Wisconsin-Madison, for the period January 1, 1993 through December 31, 1997.

Resolution 6288: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Norman F. Olson be appointed Wisconsin Distinguished Professor, Department of Food Science, College of Agricultural and Life Sciences, University of Wisconsin-Madison, for the period January 1, 1993 through December 31, 1997.

Resolution 6289: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Michael W. Pariza be appointed Wisconsin Distinguished Professor, Department of Food Microbiology and Toxicology, College of Agricultural and Life Sciences, University of Wisconsin-Madison, for the period January 1, 1993 through December 31, 1997.

Report of the Senior Vice President for Academic Affairs

Department Chairs' Workshop

Senior Vice President Portch informed the Education Committee of a two-day workshop held earlier in the fall for more than 70 new department chairs in the UW System. Agenda items included presentations and discussions on legal and personnel issues, innovative leadership techniques, recruitment and retention of faculty, and the role of the chair in ethics issues.

Participants

found the workshop very beneficial, and there are plans to repeat the program for new chairs next year.

Sabbatical Leaves

The Committee was advised that 222 faculty members have been selected to receive sabbatical leaves for 1993-94.

Academic Staff Development Projects

Forty-eight academic staff development projects have been selected to receive system matching funds for the coming semester, bringing to 108 the number of such projects supported during 1992-93.

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Undergraduate Imperative 18: Proposed Restructuring of Academic Calendar

Regent Davis reported on consideration by the Education Committee of Undergraduate Imperative 18, a proposed restructuring of the academic calendar. The current UW System policy requires a minimum of 34 weeks each year of organized services for students, but does not set a minimum number of days of formal classroom instruction. Over the years, a significant discrepancy has developed among institutions in the number of instructional days.

Current legislation prohibits starting formal classes in the UW System prior to September 2. This results in significant differences--sometimes as much as two weeks--in the length of the fall and spring semesters.

In Committee discussion, Regent Grebe asked if other states with major tourist industries have policies about universities starting before September 1 or before Labor Day, and he also asked about the financial implications of a session of the semester after Christmas. While he was in favor of the resolution, he noted that these issues must be addressed with the Legislature.

Noting the Committee's perspective that academic calendars should be based on sound academic principles, Regent Davis reported unanimous Committee approval of the resolution.

It was moved by Regent Davis and seconded by Regent Krutsch that the following resolution be adopted by the Board of Regents:

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents adopts the following UW System policy on the Academic Calendar:

1. Following legislative repeal of the statute mandating the post-September 1 starting date for formal classes at UW System institutions, all UW System institutions shall develop academic calendars that provide: 39 weeks in the contractual period for faculty and staff; 34 weeks of organized services, a minimum of 150 days of classroom instruction (or a UW System-approved alternative); and even-length semesters.
2. All UW System institutions shall substitute "winter break" and "spring break" for "Christmas vacation" and "Easter vacation." Other holidays, such as Martin Luther King Day and Good Friday, shall be referred to by the name designated by the state.

Commending the administration for bringing this issue forward, Regent Grover commented that starting and ending days for institutions should be determined by the university on the basis of providing balanced semesters and balanced educational opportunity. He felt that days should be added to the length of the higher educational calendar consistent with the effort being made to lengthen elementary and secondary education calendars. Therefore, he urged the Board to show unanimity in taking the resolution to the Legislature.

Regent Hirsch asked if the resolution would lead to all institutions having identical calendars.

Replying in the negative, Regent Davis said the intent is to set certain principles in terms of lengths of calendars, including evenness between semesters. There still will be discretion on each campus as to how to construct individual calendars in accordance with the minimum guideline.

At the suggestion of Regent Barry, the words "Contingent upon" were substituted for the word "Following" at the beginning of the resolution.

Put to the vote the following resolution was adopted unanimously:

Resolution 6290: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents adopts the following UW System policy on the Academic Calendar:

1. Contingent upon legislative repeal of the statute mandating the post-September 1 starting date for formal classes at UW System institutions, all UW System institutions shall develop academic calendars that provide: 39 weeks in the contractual period for faculty and staff; 34 weeks of organized services, a minimum of 150 days of classroom instruction (or a UW System-approved alternative); and even-length semesters.
2. All UW System institutions shall substitute "winter break" and "spring break" for "Christmas vacation" and "Easter vacation." Other holidays, such as Martin Luther King Day and Good Friday, shall be referred to by the name designated by the state.

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1991-92 Program Review and Planning/Academic Program Designations in the UW System

Vice President Portch summarized for the Education Committee the 1991-92 annual report on program review and planning in the UW System, and the annual informational report on academic program designations and related academic approval items. These reports were combined this year as a result of actions taken in March 1992 to streamline reporting requirements.

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Status Report on Remedial Education in the UW System

Summarizing Education Committee review of the Status Report on Remedial Education in the UW System, Regent Davis reported that Vice President Portch discussed demographic information about those students needing remedial education and the retention rates of students who take remedial courses. The report concludes that those students who needed and completed remediation had much higher retention rates than students needing remediation who did not take or did not complete remedial work.

When all other factors that play a part in retention are taken into consideration, students who took and completed remediation had the same level of retention as students who did not need remediation. Vice President Portch pointed out that African-American students are, proportionally, in greater

need of remediation than white students, but those who took and completed remediation had almost the same retention rate as white students. He also noted that trends are in the right direction--fewer students needed remediation in 1990-91 than previously.

Regent Krutsch noted the importance of following these groups through to graduation and of determining why more mathematics remediation is needed than English remediation. She also noted that large numbers of students with ACT scores below 18 needed remediation. This raised the issue of whether the admission policy perhaps should consider class rank and ACT scores, since ACT scores of 18 seem to be a reasonable cut-off level. Vice President Portch indicated that he would add these items to next year's report.

In discussion at the Board meeting, Regent Grover commented on the irony of reporting that the entering freshman class is the brightest ever, while at the same time acknowledging the substantial remedial problem. Noting that the average ACT score in Wisconsin is 21.2, he observed that admitting students with a score of 18 involves risk, particularly in view of the strong relationship among ACT score, class rank and student achievement. There is also a strong relationship between the courses taken in high school, success on the ACT, and success in the university. In admitting students who have ACT scores under 18, he pointed out, the university itself is deciding to admit a special class of student that is essentially not qualified and, therefore, must engage in remediation. This university decision, he commented, should not reflect on the elementary and secondary schools, which would not recommend in most instances that young people with scores that low begin post-secondary education in a four-year baccalaureate program. The need for remediation, he noted, is often in direct relationship to the standards of the universities, which admit young people who in many instances should start out in a technical college or in the Center System. Some UW institutions, he added, are admitting as many as 10 or 15 percent of students who are in the bottom 25 percent of the high school graduating class.

Regent Davis replied that the topic of increasing requirements was discussed by the Education Committee in light of the difference between remediation needs in mathematics and English. It was noted that the UW requires four years of English and is just beginning to require three years of mathematics, with the need for math remediation being much higher. It also was noted, however, that mathematics skills tend to diminish over time more quickly than English skills.

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Progress Report on Board of Regents Policies on the Extension Function in the UW System

The Education Committee was presented the eighth annual progress report on Board of Regent Policies on the Extension Function in the UW System. The Chair expressed satisfaction with the progress of integration, but noted that much of the information is anecdotal and asked whether statistical measures could be created before the next report, particularly as to acceptance of individuals with collaborative appointments. This would respond to concerns about whether professors with Extension assignments are receiving tenure at the same rate as other professors.

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Enrollment Management III - Planning for 1995 to 2000/Working Paper II,
Demographics

Regent Davis reported on Education Committee discussion of Enrollment Management III Planning for 1995 to 2000, and Working Paper II on demographics.

Vice President Portch stressed that the paper provides facts to encourage discussion in the state over issues of public policy. It is a working paper, rather than a decision paper. He cautioned that this is a paper of projections and one small change in a variable could change the total picture.

Associate Vice President Presley summarized the paper, reviewed the UW System total FTE enrollment projections, and explained the three models described in the working paper which provide baseline statistical data for use in formulating policies at a later time.

If enrollments are held constant at fall 1994 levels, the projected increase in high school graduates will result in a decrease in access from the current 31 percent to 25 percent--the level in the late 1970s. If the current 31 percent access is maintained, enrollment would increase by the year 2000 to an additional 10,600 FTE or 8 percent over 1994 targets.

As an outside boundary, a third model allows some increase in demand, particularly from Minnesota freshmen, the numbers of which are growing more rapidly than in Wisconsin, and an increase in transfer students. That model provides a 16,200 FTE increase, or 13 percent over fall 1994.

Noting that these are critical data elements, Regent Davis commented that it will be necessary either for the public to be satisfied with lower levels of access, or sufficient resources will need to be obtained to educate from 10,000 to 16,000 additional students.

Regent Grebe asked why the UW System has a smaller proportion of older students than is typical nationally and the extent to which UW institutions provide services to these students. Associate Vice President Presley noted that one of the reasons might be the high participation rates of students who enroll directly upon graduation from high school.

Regent Krutsch noted the need to include information on Wisconsin students who attend private colleges, because more students may seek admission to Wisconsin public institutions as private institutions depart from need-blind admission policies.

Associate Vice President Presley responded that information on that point will be included in a paper on access scheduled for presentation in March 1993, but that trend data over time may not be available. Changes in technical education and the development of Tech Prep will also affect enrollments. These, too, will be examined early in 1993.

Regent Krutsch noted that, even with increasing retention rates, a graduation rate of only 55 percent is projected. She questioned whether too many students are being directed to the university, and she asked why access increased from 25 percent of high school graduates to 31 percent over the decade of the 1980s. In response, it was noted that this was the result not of a policy decision but of the aggregate of thousands of individual decisions. President Lyall posited that some of the growth may have occurred

because institutions thought increased enrollments would result in increased budgets. When that did not occur and enrollments outpaced resources, the result was Enrollment Management I and Enrollment Management II.

Chancellor Schnack suggested that there also is increased demand from high school graduates for access to the university and that the State of Wisconsin needs to decide how much education should be provided for its citizens.

Referring to the previous discussion on remedial education, Committee members again stressed the need for tracking of cohorts.

Ron Hermes, Shared Governance Director of United Council, made a statement to the Committee in which he questioned the results of Enrollment Management I and II, and he asked that students be full participants in the development of Enrollment Management III.

Regent Davis indicated that, as Chair of the Education Committee, he has invited widespread participation in these discussions, a calendar of the issues before the Committee has been published, and a monthly summary is made of issues which have surfaced during discussion for incorporation into policy formulation.

Given the large number of sensitive topics the Committee will be considering, Regent Davis planned to work with Vice President Portch and President Lyall to see that the Board of Regents and the Legislature are kept informed, as well as to invite participation from faculty, staff, administration and students.

In discussion at the Board meeting, Regent Gundersen inquired about enrollment management caps on programs in such areas as health care for which there is increasing demand for graduates.

Noting that the Board's enrollment targets are set only at the total institutional level, Regent Davis indicated that the institutions then set targets for individual programs based upon available resources. The Education Committee work plan includes such matters as regionalization of programs, which may free up resources to be allocated back to higher demand programs.

Regent Krutsch added that the recent report to the Regents on Rural and Urban Health Underservice addressed some of those issues.

Referring to the finding that African-American students proportionately are in greater need of remediation than white students, Regent Budzinski questioned whether that circumstance is related to the quality of education provided in the Milwaukee schools which many of these students attend. He expressed concern about the cost to society of having time to graduation prolonged by the need for remediation.

Regent Davis commented that the issue is complex, involving opportunities students have and expectations they are given during their high school careers. He was encouraged by the finding that, after remediation, there is much better retention of these students, which suggests that more emphasis should be put on earlier preparation. This relates to the issue which Regent Grover raised that the UW should make higher admission demands and make sure students have the opportunity to meet those demands by taking not only four

years of English but four years of mathematics as well.

Regent Grover pointed out that there is a direct relationship between the income of parents and the success of students. There is also a direct relationship between the education of parents and the success of students. Noting that there is poverty, child abandonment, and lack of domestic nurturing of many children who come from the Milwaukee area, he commented that the issue is much broader and more complex than the effectiveness of the schools.

Regent Davis added that the Department of Public Instruction and the university share, by school district, individual ACT scores and are able to communicate back to the school districts based on the scores of students from those districts.

Regent Grover explained that there also will be major issues involving the Tech Prep Program. In order for that program to be successful, he indicated, it will be necessary to assure parents and students in that program that, if they change their minds and decide to go to a university instead of a technical college, some of their courses will count toward university admission requirements. This issue, he felt, will have to be addressed by systemwide policy, rather than campus by campus, so that Tech Prep students meeting a determined standard can be readily admitted to UW institutions.

Regent Krutsch said she is pleased that, under Vice President Portch's leadership, the UW is working toward competency-based admissions, rather than focus on particular courses. She felt that approach will provide needed flexibility, while also insisting that Tech Prep and other courses contain material students need to know.

Regent Budzinski commented that Tech Prep students need basic education in mathematics, science and English as much as college-bound students need these skills.

Regent Davis expressed agreement with that observation.

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REPORT OF THE PHYSICAL PLANNING AND DEVELOPMENT COMMITTEE

The Committee's report was presented by Regent Flores, Vice Chair.

1993-95 Capital Budget Request

General Purpose Revenue Major Projects
for 1993-95 Construction Funds

Upon motion by Regent Flores, seconded by Regent Budzinski, the following resolution was adopted unanimously by the Board of Regents:

Resolution 6291: That, upon the recommendation of the President of the University of Wisconsin System and the several Chancellors, the following major projects, listed in priority order and funded by General Fund Supported General Obligation Bonding, be approved and System Administration be authorized to submit the requests to

the State Department of Administration and the State Building Commission as part of the 1993-95 Capital Budget:

UNIV	PROJECT	GPR REQUEST
RVF	Davee Library Remodeling and Addition	\$ 7,838,000
EXT	University Center for Continuing Education	9,750,000
(Total \$11,250,000, includes \$1,500,000 PR)		
MSN	Art Building - Phase I	8,000,000
MIL	Engelmann Hall Remodeling	5,700,000
WTW	Andersen Library Remodeling - Phase I	2,113,000
MIL	Bolton Hall Remodeling	6,780,000
RVF	Ames Teacher Education Remodeling	4,891,000
PLT	Ottensman Hall Remodeling	2,928,000
MSN	Law School Addition and Remodeling	10,000,000
(Total \$15,000,000, includes \$5,000,000 Gifts/Grants)		
TOTAL GPR MAJOR PROJECTS:		\$58,000,000

Major Projects for 1993-95 Advanced Planning

It was moved by Regent Flores, and seconded by Regent Davis, that the following resolution be adopted by the Board of Regents:

Resolution 6292: That, upon the recommendation of the President of the University of Wisconsin System and the several Chancellors, the following Major Projects be approved for Advanced Planning, and System Administration be authorized to submit the requests to the State Department of Administration and the State Building Commission as part of the System's 1993-95 Capital Budget:

UNIV	PROJECT	REQUEST
MAD	Armory Renovation for Student/ Visitor Services	\$10.4 M GPR/PR
MIL	Sabin/Greene Remodeling	\$ 7.2 M GPR
MIL	EMS Addn/Remodel - Phase 1	\$21.7 M WISTAR (GPR &
Gifts/Grants)		
PKS	Physical Education Addition/Remodeling	\$ 8.6 M GPR/Non-
GPR		
GBY	Physical Education Activity Center	\$ 6.2 M GPR/Non-
GPR		
SYS	GLRF Biomedical Research	\$ 1.6 M WISTAR (GPR &
Gifts/Grants)		
TOTAL ADVANCED PLANNING:		\$55.7 M

In response to a question by Regent Gelatt, Vice President Brown estimated the total amount of money needed for planning to be about \$1.5 million. The amount will vary by project and will come from a separate appropriation reserved for planning.

Put to the vote, Resolution 6292 was adopted, with Regent Gundersen and Regent Hirsch voting in opposition.

General Purpose Revenue Capital Renewal and Infrastructure
"All-Agency" Projects for 1993-95 Construction Funding

Adoption by the Board of Regents of Resolution 6293 was moved by Regent Flores and seconded by Regent Davis.

Resolution 6293: That, upon the recommendation of the President of the University of Wisconsin System and the various Chancellors, the following Capital Renewal and Infrastructure "All-Agency" projects, funded by General Fund Supported General Obligation Bonding, be approved and System Administration be authorized to submit the project lists to the State Department of Administration and the State Building Commission as part of the 1993-95 Capital Budget:

INFRASTRUCTURE PROJECTS BY FUNDING SOURCE	GPR REQUEST
SYS Facilities Repair and Renovation	\$ 36,362,000
SYS Utilities Repair and Renovation	29,910,500
SYS Health, Safety & Environment	12,779,600
SYS Energy Conservation	11,036,500
SYS Land Acquisition	3,267,300
SYS Capital Equipment	14,318,000
STP Science Building Capital Renewal	2,841,000
SUP Barstow Hall Capital Renewal	4,043,000
OSH Radford Hall Capital Renewal	1,738,500
SYS General Assignment Classrooms Remodeling	7,000,000
PLT Doudna Hall Capital Renewal	6,758,000
LAC Morris Hall Capital Renewal	3,587,600
EAUEAU Brewer Hall Capital Renewal	4,185,800
SUP Old Main Capital Renewal	3,369,000
WTW Hyer Hall Capital Renewal	6,834,000
MIL Lapham Hall Capital Renewal	8,747,000
STO Communications Center Capital Renewal	1,092,200
 TOTAL INFRASTRUCTURE:	 \$157,870,000

Regent Budzinski urged the Board to reconsider the resolution on the basis that it does not represent a sufficient request for needed maintenance. Delay in doing appropriate maintenance is a mistake, he commented, because costs for this necessary work will only continue to rise.

Put to the vote, Resolution 6293 was adopted, with Regent Budzinski voting in opposition.

WISTAR Major Projects for 1993-95 Construction Funding

It was moved by Regent Flores, seconded by Regent Barry, and carried unanimously that the following resolution be adopted by the Board of Regents:

Resolution 6294: That, upon the recommendation of the President of the University of Wisconsin System and the several Chancellors, the following WISTAR major projects, funded by General Fund Supported General Obligation Bonding, be approved and System Administration be authorized to submit the requests to the State Department of Administration and the State Building Commission as part of the 1993-95 Capital Budget:

UNIV	PROJECT	GPR REQUEST
STO	Jarvis Hall Remodeling and Addition	\$ 8,125,000
STP	CNR Addition and Remodeling	2,789,000
	(Total \$10,814,000, Includes \$3,200,000 GPR approved in 1991-93 plus \$4,825,000 Gifts/Grants)	
MSN	Utility System Improvements	8,000,000
STO	Applied Arts Remodeling	2,607,000
MSN	Biochemistry Addition/NMR/Parking	15,000,000
	(Total \$33,000,000, Includes \$15,000,000 Gifts/Grants and \$3,000,000 Program Revenue)	
SUP	Environmental Health Laboratory	1,500,000
	(Total \$3,000,000, Includes \$1,500,000 Gifts/Grants)	
TOTAL WISTAR MAJOR PROJECTS:		\$38,021,000

Gift/Grant/Program Revenue Projects for 1993-95 Construction Funding

Upon motion by Regent Flores, seconded by Regent Barry, Resolution 6295 was adopted by the Board of Regents, with Regent Hirsch voting in opposition.

Resolution 6295: That, upon the recommendation of the President of the University of Wisconsin System and the several Chancellors, the following projects be approved using Gift/Grant/Program Revenue Supported Borrowing, and System Administration be authorized to submit the requests to the State Department of Administration and the State Building Commission as part of the System's 1993-95 Capital Budget:

UNIV	PROJECT	REQUEST
EXT	University Center for Continuing Education	\$ 1,500,000 PR
	(Total \$11,250,000, includes \$9,750,000 GPR)	
MSN	Alumni House Expansion and Remodeling	\$ 2,234,000
Gifts/Grants		
MSN	Biochemistry Research Addition/NMR	\$15,000,000

Gifts/Grants	(Total \$33,000,000, includes \$15,000,000 GPR-WISTAR)	3,000,000 PR
MSN	CSC Cancer Research Shell Completion for	\$ 2,137,000
Gifts/Grants	the Medical School	
MSN	CSC Cardiac Intensive Care Remodeling at UW Hospital and Clinics	\$ 2,700,000 PR
MSN	Crew House Expansion	\$ 2,145,000
Gifts/Grants		
MSN	East Campus Parking Facilities	\$ 6,000,000 PR
MSN	Law School Addition and Remodeling	\$ 5,000,000
Gifts/Grants	(Total \$15,000,000 includes \$10,000,000 GPR)	
MSN	McClain Center Wrestling Facility	\$ 1,000,000
Gifts/Grants		
MSN	Research Park Roads and Utilities	\$ 5,000,000 PR
MIL	Student Union Remodeling	\$ 2,002,000 PR
OSH	Campus Parking Facility	\$ 3,606,000 PR
STP	Residence Halls Renovation - Phase 2	\$ 4,188,000 PR
STP	CNR Addition and Remodeling	\$ 4,825,000
Gifts/Grants	(Total \$7,614,000, includes \$2,789,000 GPR-WISTAR)	
STP	University Housing Maintenance Facility	\$ 463,000 PR
SUP	Environmental Health Lab - Phase 2	\$ 1,500,000
Gifts/Grants	(Total \$3,000,000, includes \$1,500,000 GPR-WISTAR)	
WTW	University Center Dining Facility Remodeling - Phases 1 and 2	\$ 1,672,000 PR
SYS	Residence Hall Adaptive Reuse	\$10,000,000 PR
SYS	Program Revenue Infrastructure	\$23,820,000 PR
TOTAL	GIFTS/GRANTS/PR:	\$97,792,400
	Gifts/Grants	(\$33,841,000)
	Program Revenue Supported Borrowing	(\$63,951,400)

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Consent Agenda Items

Presenting Resolutions 6296 to 6303, which were approved unanimously by the Physical Planning and Development Committee, Regent Flores moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Gundersen.

With respect to Resolution 6303, Regent Hirsch inquired about the \$377,000 miscalculation in cost estimates. Vice President Brown replied that the underestimates involved audio-visual equipment and chalkboards, with

chalkboards accounting for \$100,000 of the total.

Regent Nicholas asked if this will be the final budget increase request for construction of Grainger Hall, and Vice President Brown replied in the affirmative.

Put to the vote, Resolutions 6296 to 6303 were adopted unanimously.

UW-Madison: Approval of Design Report and Authority to Construct Lot 20 Parking Ramp

Resolution 6296: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin, the Design Report be approved and authority granted to construct the Lot 20 Parking Ramp, at an estimated project budget of \$3,089,500 from Program Revenue Borrowing, for a combined total project budget for the Biotechnology Center/Laboratory of Genetics/Lot 20 Parking Ramp project of \$30,834,500, from the following funding sources:

1991-93 General Fund Supported Borrowing	\$ 5,045,760
Gift Funds	10,000,000
Federal Funds	12,699,240
Program Revenue Borrowing funds	3,089,500
	\$30,834,500

UW-Madison: Approval to Name Conference Room

Resolution 6297: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to name the UW-Madison's Department of Medical Microbiology and Immunology's Conference Room, Room 408 Service Memorial Institute at 470 North Charter Street, the "Paul Clark Conference Room".

UW-Madison: Approval of Budget Increase and Scope Change for UW Hospital/Clinics Sports Medicine, Spine Center and Cardiac Rehabilitation Facility

Resolution 6298: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, approval be granted for a budget increase of \$1,981,000 and a scope change for the University of Wisconsin Hospital and Clinics Sports Medicine, Spine Center and Cardiac Rehabilitation facility at the University Research Park in Madison, for a revised total budget of \$9,581,000, to be funded by the following sources:

Program Revenue Borrowing	\$7,600,000
Residual Program Revenue Borrowing	691,000
Program Revenue Cash	1,290,000
Total	\$9,581,000

UW-Madison: Approval of Lease of Space for CSC Computer Operations

Resolution 6299: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to lease approximately 5,364 square feet of office space at 3330 University Avenue, Madison, Wisconsin, to house a section of UW Hospital and Clinics' Information Systems Department.

Lessor: Shorewood Commons Partnership
7842 Mineral Point Road, Suite 105
Madison, Wisconsin 53717

The proposed lease will provide 5,364 square feet (SF) of space for the period beginning February 1, 1993, or date of occupancy, through January 31, 1997 at an initial monthly rental cost of \$6,233.42 (\$13.95/SF). The lease will also provide for a one-year renewal option from February 1, 1997. The rental rate will increase 2% in each year of the initial term and the one-year renewal option period. The following schedule reflects the rental rates for the initial four-year term and the one-year renewal option:

Lease Period	Term	Annual Cost	Cost/SF
February 1, 1993-January 31, 1994	12 months	\$74,801.00	\$13.95/SF
February 1, 1994-January 31, 1995	12 months	\$76,297.02	\$14.22/SF
February 1, 1995-January 31, 1996	12 months	\$77,822.96	\$14.51/SF
February 1, 1996-January 31, 1997	12 months	\$79,379.42	\$14.80/SF
February 1, 1997-January 31, 1998	12 months	\$80,967.01	\$15.09/SF

The Lessee is responsible for the cost of electricity, heat, and janitorial services which is estimated at \$2.00/SF. Rental payments and operating costs will be funded by University Hospital and Clinics' operating budget.

UW-Milwaukee: Approval of Design Report and Authority to Construct Primary Electrical Distribution System and Substation Project

Resolution 6300: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin, the Design Report be approved and authority granted to construct a Primary Electrical Distribution System and Substation - Phase 1 project at an estimated total project cost of \$3,135,000 of 1991-93 General Fund Supported Borrowing.

UW-Platteville: Approval to Construct Parking Lot 21 Resurfacing

Resolution 6301: That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Parking Lot No. 21 Resurfacing project, for an estimated total cost of \$151,100 of Program Revenue funds.

UW-Stout: Authority to Construct Two Residence Halls Asbestos Abatement

Project

Resolution 6302: That, upon the recommendation of the UW-Stout Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Two Residence Halls Asbestos Abatement project at an estimated total project cost of \$580,700 of Program Revenue Borrowing - Infrastructure.

UW-Madison: Approval to Increase Budget for Grainger Hall of Business Administration

Resolution 6303: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase by \$755,000 of Gift Funds the budget for the Grainger Hall of Business Administration project, from \$35,446,000 to a revised total cost of \$36,201,000, from the following funding sources:

General Fund Supported Borrowing	\$17,130,000
Program Revenue Supported Borrowing	4,670,000
Program Revenues-Cash	676,000
Gift Funds	13,725,000
Total	\$36,201,000

UW System: Approval of Policy on Oversight of Facilities Constructed for University Purposes

Presenting Resolution 6304, Regent Flores noted that it had been considered at the November meeting but action was delayed until a review could be conducted to determine the impact of the proposed policy on the proposed restructuring of the UW Hospital and Clinics. In consultation with System General Counsel, it was determined that the resolution would not apply to the hospital, if restructured as proposed, since the restructuring legislation specifically would exempt hospital projects from the usual approval processes.

Reporting unanimous approval by the Physical Planning and Development Committee, Regent Flores moved adoption by the Board of Regents of the following resolution. The motion was seconded by Regent Gundersen and carried unanimously.

Resolution 6304: That, to insure that facilities constructed by the private sector with an expectation of University ownership do not create extraordinary liabilities for the University System or the State, the following parameters reflect the consensus of the Board of Regents:

- (1) The Board of Regents reaffirms the positions stated in Policy 90-6:
 - a. Such projects should not be initiated without an opportunity being provided for the Regents to determine the appropriateness of the proposed

funds and/or project(s) to System needs.

- b. The need for a project that also requires a GPR contribution, or a project that would otherwise utilize GPR as a prescribed funding source, should be evidenced by its inclusion in long-range campus plans that reflect overall needs.
- (2) Consistent with Sec. 36.29(7), Wisconsin Statutes, all construction on behalf of the university system shall be subject to prior approval of the Building Commission.
- (3) Construction of such facilities shall not begin without an opportunity being afforded to the University System and the Department of Administration to review and comment on plans and specifications. Review shall take into consideration initial, ongoing and long term costs.
- (4) To assure that the facilities are constructed according to the plans and specifications and that relevant comments made by System Administration and/or the Department of Administration during the review process are incorporated, the Department of Administration shall be encouraged to provide supervision of construction as allowed by Sec. 16.85(12), Wis. Stats.

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Status Report on Request for Proposals Process - Milwaukee Civic Center Campus Space

The Physical Planning and Development Committee received a status report on the request for proposals process for replacing the Milwaukee Civic Center Campus. Proposals were received from four developers by the December 1, 1992, deadline, with costs ranging from a low of \$10.9 million to a high of \$14.8 million. Since cost is one of several elements to consider in making an award of this nature, the proposals will be studied in detail by the six-member evaluation team comprised of two persons each from UW-Extension, UW-Milwaukee and UW System Administration. An analysis and a specific recommendation will be prepared for consideration by the Board of Regents. The Capital Budget will contain an allowance for this project until a specific proposal has been selected by the Board and awarding of a contract is authorized.

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UW-Green Bay Child Care Facility Project

Regent Hirsch inquired about the Green Bay Child Care facility project, which had been removed from the agenda. Vice President Brown explained that the bids are still being evaluated for later recommendation to the Board.

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

Regent Gelatt, Chair, presented the Committee's report.

Approval of Gifts, Grants and Contracts

Upon motion by Regent Gelatt, seconded by Regent Hirsch, the following resolution, which was approved unanimously by the committee, was adopted by the Board of Regents, with Regent Davis abstaining from the vote.

Resolution 6305: That, upon recommendation of the President of the University of Wisconsin System, the gifts, grants and contracts presented at this meeting (copy on file with the papers of this meeting) be accepted, approved, ratified and confirmed; and that, where signature authority has not been previously delegated, appropriate officers be authorized to sign agreements.

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UW Hospital Restructuring

Regent Lubar presented to the Committee a draft of enabling legislation for creation of a University of Wisconsin Hospital and Clinics Authority.

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Supplies and Expenses Task Force Recommendations Follow-up

Travel Trends

Vice President Marnocha presented to the Business and Finance Committee the travel report, which was done in response to a recommendation of the Supplies and Expenses Task Force.

Surveys of System institutions found a number of common themes. Travel budgets are generally determined by what remains after meeting other higher priority needs. Travel reimbursement is limited to faculty presenting papers or representing the institution at conferences; other faculty attending conferences often do so at their own expense. Travel reimbursements are often less than 100 percent of full cost. Restricted travel budgets have a negative effect on faculty development and on the recruitment of faculty.

Frequent Flyer Coupons

Vice President Marnocha presented a report on use of frequent flyer coupons. The report recommended maintaining the current policy of relying on individuals to appropriately utilize any benefits accruing while on university business, a policy consistent with state law.

Continuous Quality Improvement Advisory Council

Continuous Quality Improvement Consultant Sue Rohan reported to the Committee on the establishment of the Quality Improvement Advisory Council,

which was established in July 1992 to offer advice and assistance in planning for the implementation of continuous quality improvement throughout the UW System.

Quality Improvement Awards

Continuous Quality Improvement Consultant Rohan also reported to the Committee on the status of the Quality Improvement Awards created by the 1991-93 Biennial Budget Act. A working group has been appointed to plan the recognition process. The first annual recognition event is planned to be held in October 1993, to coincide with National Quality Month.

Fund Raising

The final supplies and expenses follow-up report was presented by Vice President Marnocha on efforts to improve UW System fund raising. System Administration has scheduled a fund-raising seminar for chancellors on January 21, 1993. Among others, UW Foundation President Andrew Wilcox, will provide a national fund-raising overview to the chancellors.

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Annual Report on Non-commercial Broadcasting

Regent Gelatt summarized a report presented by Senior Vice President Bornstein on the 1990-91 and 1991-92 activities of the 13 non-commercial educational broadcasting stations licensed to the Board of Regents. Operational responsibility for the eleven FM stations, one AM station, and one television station is delegated to the chancellors of the institutions at which they are located. UW-Madison, UW-Parkside, and the UW Centers do not operate broadcast facilities. Many stations are an integral part of the communications curriculum at their respective institutions and provide valuable practical training for communications and engineering students.

Senior Vice President Bornstein serves as the System President's designee on the State Educational Communications Board, and Regent Davis serves as the Regents' representative on the ECB.

Finally, Mr. Bornstein noted the university's pioneering efforts in public broadcasting, and congratulated WHA on its 75th anniversary and distinguished record of educational and public service.

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Annual Report on Research Support - UW-Madison

Graduate School Dean John Wiley presented the UW-Madison Extramural Research Support Report to the Business and Finance Committee. The report showed that in 1991-92, UW-Madison received \$229 million in federal research awards and \$71 million in non-federal research awards. Federal research awards increased \$35 million (18 percent) over the previous year and \$60 million (35 percent) over the two-year period. Non-federal research awards increased by 25 percent over the previous year.

The most recent national data indicate that in 1989-90, UW-Madison

continued a slightly downward trend in its share of total federal obligations for research. At the same time, it maintained its ninth place rank in federal obligations for research.

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Report on Position Management Flexibility

Vice President Marnocha presented to the Committee the Report on Position Management Flexibility. The purpose of this report was to provide information on the 1993-95 biennial budget request for statutory authority to allow greater flexibility in the management of program revenue and federal indirect cost reimbursement positions, and the proposed accountability measures to accompany this flexibility. Statutes currently require the UW System to seek approval of the Department of Administration and the Joint Committee on Finance to create positions funded from program revenue activities. Increase in positions funded from federal indirect reimbursement funds requires the approval of the Governor. The proposed statutory change would allow for a faster response to position needs and would reduce paperwork. The current process takes from two weeks to three months.

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Quality University Environment Program - UW-Parkside

Chancellor Kaplan reported to the Committee on UW-Parkside's Quality University Environment (QUE) program. QUE stresses customer satisfaction as the starting point for ensuring quality and efficiency. Two hundred and fifty UW-Parkside staff have received training in this area by Disney Productions. Initial applications include the physical plant work order process, the coffee shop, and bulk mailing. Regent Gelatt reported that the Committee was pleased to hear this encouraging report.

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American Football Coaches Retirement Trust Fund

Vice President Marnocha provided the Committee with a status report on the American Football Coaches Retirement Fund. At the November meeting, the Board of Regents approved participation by qualified football coaches in the trust. Subsequently, however, the Internal Revenue Service determined that the trust does not qualify as a 401(k) plan. Until that qualification is resolved, no salary deductions for the plan will be made by UW institutions.

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Report of the Vice President

Review of Gifts, Grants and Contracts

Vice President Marnocha reported that he will bring to the Business and Finance Committee in February options for changing the current Committee review process for gifts, grants and contracts.

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Audit Subcommittee Report

The Audit Subcommittee of the Business and Finance Committee met in closed

session to consider preliminary investigation of specific personnel problems, as permitted by s.19.85(1)(f), Wisconsin Statutes.

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REPORT OF THE COMMITTEE TO STUDY THE RELATIONSHIP WITH THE UNIVERSITY BOOK STORE

The Committee's report was presented by Regent Barry, Chair.

The Committee on the Relationship with the University Book Store was appointed at the June 1992 meeting by Regent President Steil. At that time, the Board had received a letter from the owner of a private children's book store questioning whether establishment by the University Book Store of a children's book store constituted unfair competition with the private sector.

In response, it was explained that the University Book Store is a private business and is not officially a part of the university. However, the book store operates under terms of a 1911 trust indenture which provides the Board of Regents with a limited oversight role over the operations of the book store. Actual governance of the book store is vested in a Board of Trustees.

The Regent Committee was appointed in response to questions that were raised about the nature and appropriateness of the relationship of the Regents to the book store.

It was stated on the record, and agreed to by representatives of the book store, that the Committee's deliberations are separate from and have no relationship to matters of pending litigation.

The Committee held a number of meetings and continues to solicit input from the UW-Madison Chancellor, students, faculty, staff, the Wisconsin Alumni Association, book store management and the Board of Trustees.

Summarizing recommendations approved by the Committee at its December 10 meeting, Regent Barry reported that the recommendations reflect a desire on the part of the Committee to note that the book store is a successful and profitable enterprise. Analyses show, he added, that textbook prices at the University Book Store are at or below levels of comparable book stores across the country. However, because of the unique nature of the trust indenture, the Committee also concluded that limited oversight by the Board of Regents is appropriate and should be continued.

One of the Committee's recommendations is that an annual audited financial statement continue to be filed with UW System Administration. The Board of Regents also would reserve the option of requesting additional, unaudited financial statements more frequently than once a year should that be deemed desirable.

The Committee also concluded, and book store representatives agreed, that the book store should state clearly on its publications, advertising, letterhead and other materials that it is a private corporation not directly affiliated with the university.

There was continuing discussion among the stake holders and the Committee about the composition of the book store's Board of Trustees. At this time, there appeared to be agreement that trustees should be appointed by independent student, faculty, and academic staff governance organizations, and that the board should include community representation.

The next step is to communicate the Committee's proposed recommendations to the Board of Trustees, whose comments will be returned to the Regent Committee for further discussion.

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REPORT OF THE COMMITTEE TO STUDY RESTRUCTURING PROPOSAL FOR UW HOSPITAL AND CLINICS

Regent Lubar, Chair, presented the Committee's report.

The Committee met on December 7, 1992, to consider questions referred to the Committee at the November 1992 Board of Regents meeting and to review draft enabling legislation to create the proposed University Hospital and Clinics Authority.

Regents who had questions or concerns about the proposal were invited to attend the meeting and join in the discussion. In addition to the Committee members (Regents Lubar, Flores, and Nicholas), Regents Hirsch and Schilling were present, along with Regent Emeritus David Beckwith, Chancellor Shalala, Vice Chancellor Noren, UW-Madison and UW System legal staff, and representatives of the Attorney General's Office.

The questions specifically referred to the Committee were: (1) Whether appointment of special counsel for the authority should require approval by the Attorney General and the Governor; and (2) whether the term "revenue obligation bonds" should be more specifically defined in the proposal.

With regard to the first question, the proposed enabling legislation provides for approval of the Attorney General to employ special counsel and bond counsel. Regents Flores and Schilling were to discuss this matter further with Attorney General Doyle.

With regard to the matter of bonding, the draft legislation provides that the Authority may issue, without Building Commission authorization, revenue obligation bonds for construction of facilities in amounts aggregating not more than \$90 million. It is stated in the draft legislation that the revenue obligation bonds shall not constitute public debt or be a general obligation of the state.

After reviewing the draft enabling legislation, the Committee recommended approval by the Board of Regents with the understanding that some additional refinements in language might be made.

It was moved by Regent Lubar and seconded by Regent Nicholas that the following resolution be adopted by the Board of Regents:

Resolution 6306: That the draft enabling legislation for creation of a University Hospital and Clinics Authority be approved by

the Board of Regents for introduction in the State Legislature.

Regent Schilling noted that any language refinements would be consistent with the basic proposal before the Board.

Regent Hirsch asked if the legislation would be returned to the Board for approval after drafting by the Legislative Reference Bureau.

It was Regent Flores' recommendation that no further Board action be required on the proposed legislation, with recognition that the bill would be subject to amendment throughout the legislative process.

Regent Grover emphasized his strong concern that the proposed restructuring would change the very nature of the institution and would benefit a single class of people. In the process, he feared that the rights of nurses and other employees would be compromised. He thought it inappropriate to adopt this proposal at a time when the entire health care system is under intense scrutiny. With hospital rates increasing rapidly, he predicted a return to state controls of these rates. It seemed to him that any problems with purchasing and personnel regulations could have been resolved by strong negotiations with the Department of Administration, rather than by changing the nature of the institution itself.

Regent Flores noted that, under state law, unions can be certified on an annual basis. Under the proposed restructuring, existing unions would be protected from decertification for a two-year period. He saw no anti-union implication in the proposal.

In response to a question by Regent Grover, Regent Flores explained that the employees of the authority will not be state employees, but the current employees will have the option of transferring to other state agencies if they wish. New employees will not have the transfer option.

Regent Davis asked if employees would participate in the Wisconsin State Retirement Fund, and Regent Flores replied in the affirmative.

Put to the vote, Resolution 6306 was adopted, with Regent Grover voting in opposition.

Regent President Steil expressed his appreciation to Regents Lubar, Flores and Nicholas for their excellent work in reviewing the restructuring proposal.

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ADDITIONAL RESOLUTIONS

Board of Regents 1993-94 Meeting Schedule

Upon motion by Regent Grover, seconded by Regent Gelatt, the following resolution was adopted unanimously.

Resolution 6307: That the 1993-94 Board of Regents meeting schedule, dated December 11, 1992, be adopted.

(The current meeting schedule is attached as EXHIBIT A.)

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Cancellation of Board of Regents January 1993 Meetings

Upon motion by Regent Lubar, seconded by Regent Gundersen, the following resolution was adopted unanimously:

Resolution 6308: That the January 7 and 8, 1993, meetings of the Board of Regents be cancelled.

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At 11:00 a.m., the following resolution, moved by Regent Nicholas, was adopted unanimously on a roll-call vote, with Regents Barry, Davis, Gelatt, Grebe, Gundersen, Hempel, Krutsch, Lubar, Lyon, Nicholas, Schilling and Steil (12) voting in the affirmative. There were no negative votes and no abstentions.

Resolution 6309: That the Board of Regents recess into closed session to consider personal histories concerning honorary degree nominations at UW-Milwaukee and UW-Stout, as permitted by s. 19.85(1)(f), Wis. Stats.; and to confer with legal counsel, as permitted by s. 19.85(1)(g), Wis. Stats.

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CLOSED SESSION

The Board arose from closed session at 11:45 a.m. and reported no actions.

The following resolution was adopted in closed at the September 11, 1992, meeting. Announcement was not made at that time, pending acceptance by the nominees.

Honorary Degrees, UW-Madison

Resolution 6310: That, upon recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the following persons be awarded honorary degrees at the University of Wisconsin-Madison in May 1993:

- Linda Aiken - Doctor of Science
- Gertrude Elion - Doctor of Science
- Ody Fish - Doctor of Laws
- Alejandro Foxley - Doctor of Laws
- Erwin Neher - Doctor of Science

The meeting was adjourned at 11:45 p.m.

Judith A. Temby, Secretary

January 28, 1993