

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Milwaukee, Wisconsin

Held in the Fireside Lounge, UW-Milwaukee Student Union
Friday, June 10, 1994
9:00 a.m.

- President Steil presiding -

PRESENT: Regents Barry, Budzinski, Dreyfus, Grebe, Hempel, James, Lubar,
MacNeil, Orr, Schilling, Steil and Tregoning

ABSENT: Regents Benson, Davis, Gelatt, Gunderson and Krutsch

Approval of Minutes

Upon motion by Regent Dreyfus, seconded by Regent Grebe, minutes of the meeting of the Board of Regents held on May 6, 1994, were unanimously approved as distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Welcome to New Regent Ruth Marcene James

Regent President Steil welcomed Regent Ruth Marcene James, of Fennimore, who was attending her first Board of Regents meeting, having been appointed to succeed former Regent Albert Nicholas. Noting that Regent James is co-owner of several businesses in the Fennimore area and also worked in past years for former State Senator Richard Kreul, Regent President Steil observed that her combination of experience in the private sector and in the public sector will be a valuable asset to the Board of Regents.

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Welcome to Chancellor Eleanor Smith, UW-Parkside

Regent President Steil welcomed Chancellor Eleanor Smith, who took office as Chancellor of the University of Wisconsin-Parkside in May. The new Chancellor came to Wisconsin from the position of Provost at William Patterson College in New Jersey.

Resolution of Appreciation: Regent Emeritus Nicholas

The following resolution was presented by Regent Lubar and adopted by acclamation with a standing ovation in appreciation for the distinguished service rendered by Regent Emeritus Nicholas:

Resolution 6686: WHEREAS, Albert "Ab" Nicholas has served the citizens of Wisconsin with energy, creativity and generosity

as

a distinguished member of the University of Wisconsin System Board of Regents; and

WHEREAS, as a Vice President of the Board and Chair

of

the Business and Finance Committee, he has

contributed

significantly to the furthering of Wisconsin's reputation as an international leader in the

provision

of quality post-secondary educational opportunities; and

WHEREAS, among his many valued contributions to the Board has been a tireless commitment to work with System Administration, institutional leaders,

students

and elected officials in the development of budgetary goals and policy objectives designed to maintain and build continued excellence, innovation, efficiency

and

effectiveness within and throughout the UW System;

and

WHEREAS, Ab Nicholas has represented and served this university system with the same zeal, leadership, creativity and personal commitment that has marked both his UW career as an outstanding student and All-American basketball player, and his professional career as a nationally recognized businessman and entrepreneur; and

WHEREAS, by conviction and action, Regent Nicholas

has

contributed also to the building of new bridges of partnership between the UW System and the Wisconsin business community - efforts that have motivated many in the private sector to follow his footsteps in giving generously of their time, talent and resources to the University of Wisconsin System; and

WHEREAS, known from Wisconsin to Pasadena as a Badger Fan extraordinaire, Ab Nicholas has worked quietly, behind the scenes, to build academic and financial success in sports programs at his alma mater; and

WHEREAS, to honor all of these accomplishments, as well as his valued leadership and friendship;

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education
and

THEREFORE, be it resolved that the Board of Regents
the University of Wisconsin System grants to Albert
Nicholas the title of Regent Emeritus and highly
commends Regent Emeritus Nicholas for his
extraordinary and steadfast commitment to the
students, faculty and staff of public higher
in Wisconsin, extending sincere best wishes to him
his wife, Nancy, and their family.

Regent President Steil stated his personal appreciation and respect for Regent Emeritus Nicholas and his service as Vice President of the Board.

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Report of the Vice President of the Wisconsin Technical College System Board

Regent Barry, Vice President of the Wisconsin Technical College System Board, called attention to employer surveys which indicated that 95 percent of employers were satisfied with the technical education received by their employees in the Wisconsin Technical College System. The WTCS has a policy of guaranteeing the technical education of each graduate. If the employer is dissatisfied, the school will take the student back and cover tuition to make up for any perceived deficiency. The provision has been rarely used, and the WTCS is pleased with the progress that is being made.

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Report of the Regent Representative to the Educational Communications Board

A written report on the May 20, 1994, meeting of the Educational Communications Board was provided in the agenda materials.

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Report on Legislative Matters

A written report on legislative matters was provided.

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REPORT OF THE PRESIDENT OF THE SYSTEM

UW-Milwaukee Presentation - "Building Capacity in Milwaukee's Inner City: Partnerships for a Sustainable Future"

Chancellor Schroeder explained that UW-Milwaukee's classification as a research university by the Carnegie Commission led to eligibility for and subsequent award of a \$1.6 million Title XI federal Department of Education Urban Community Service Program research grant in 1993 to bring faculty members together in forming partnerships with a number of local community agencies and organizations.

Dr. Jo Ann Gray-Murray, UW-Milwaukee Professor from the Division of Outreach and Continuing Education, stated that the program's goal is based on collaboration with a number of local agencies and the UW-Milwaukee School of Nursing, School of Social Welfare, and Division of Outreach and Continuing Education to address for inner-city inhabitants: (1) access and delivery of health care and health education; (2) substance abuse treatment, education and training services; and (3) independent living skill building for at-risk youth and their families.

Reviewing the health care delivery and education component of this project, Dr. Sandra Underwood said that she serves as principal investigator and project director of the House of Peace Community Nursing Center, an inner city community agency whose primary function is to serve the needs of a very disadvantaged, economically-challenged and crime-ridden community by demonstrating advanced nursing practice, generating knowledge to advance nursing science, and providing nursing care to individuals, families and to the total community. Underscoring the fact that the School of Nursing provides significant funding for this project as well, she presented a video of interviews with clients and those providing the services.

The video showed that health care services under this program are taken to the people in the community where they live and work, providing health screenings for the clients and teaching for the students. Local businesses also cooperate by providing healthy food selection and preparation demonstrations.

The video concluded with the following summation: "Through the UW-Milwaukee House of Peace Community Nursing Center, we are able to provide accessible, acceptable, as well as quality health promotion, early detection and disease prevention programs and activities for our clients within this high risk community. It also provides us an opportunity to engage our students in learning experiences in which they can increase their knowledge,

understanding, sensitivity, as well as competence in caring for a diverse ethnic as well as economically-challenged community. If our students learn the lessons well, they can translate this information, this understanding and this competence when working with any client population."

Dr. Underwood concluded by stating that this project exemplifies that UW-Milwaukee is seriously considering the ways in which it interacts, not only across disciplines, but with various communities in the Milwaukee area.

President Lyall said that this five-year grant portrays a project that blends an exceptional and ideal combination of real service to the community and a realistic and challenging training opportunity for the students.

Regent President Steil commented that the presentation highlighted UW-Milwaukee's unique mission as an urban university and the contributions it makes to the surrounding community.

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Welcome to Regent James and Chancellor Smith

Welcoming Regent James to the Board, President Lyall noted that one of Regent James' daughters is a graduate of UW-Madison, one is a student at UW-Madison, and one is a tenured Professor of Engineering at Ferris State University.

Welcoming Chancellor Smith, President Lyall cited the Chancellor's experience as a public school teacher and principal as especially valuable to UW-Parkside's outreach mission.

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Introduction of David Stacey, President of United Council

President Lyall welcomed David Stacey, the incoming President of United Council of UW Student Governments. Mr. Stacey stressed the importance of students, faculty, staff and Regents working together to support the UW System in today's harsh fiscal climate.

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Appreciation for Regent President and Mrs. Steil

President Lyall expressed deep appreciation to Regent President and Mrs. Steil for their countless hours of dedicated service to the Board, the students, the UW System, and the people of Wisconsin.

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Fiftieth Anniversary of GI Bill

President Lyall noted that 1994 is the 50th anniversary of the Federal Servicemen's Readjustment Act, better known as the GI Bill, which marked the

beginning of the idea of mass higher education in America. Participants in postsecondary education increased from 14 percent of the population in 1940 to 45 percent in 1980. Much of the credit for the nation's great post-war prosperity, she said, must go to the GI Bill and the huge number of veterans who used those benefits to restart their lives and rekindle the economic well-being of the United States after almost 20 years of depression and war.

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Budget Reporting Requirements and Guidelines

President Lyall reported on the Governor's 1995-97 budget instructions, which specify that every agency with GPR funding must prepare a budget for each of the next two years that is within the base year spending level. Those agencies also must identify their recommendations for managing within budgets at 95 percent and 90 percent of the base level. Operating budget requests must be submitted by September 15 and the 95/90 percent exercises must be submitted by November 15.

Noting that these directives pose a critical challenge, President Lyall indicated that a 95 percent budget would require the UW System to cut \$40 million, and a 90 percent budget would require an \$80 million reduction. Such reductions would cost \$300 to \$600 per student from instructional resources.

Stating that she takes seriously the Governor's encouragement to propose innovative approaches to the budget situation, President Lyall commented that the UW System must become more entrepreneurial. This means: (1) that more of the UW's budget must be earned from non-taxpayer sources; (2) the UW must have greater flexibility to manage its resources efficiently; and (3) the UW must be performance orientated, not process bound. Options will be explored that would significantly alter personnel, purchasing and capital budget processes, and technology applications will be identified that have the potential to improve the UW's long-term reach and effectiveness. Because the proposed cuts are so large, it also will be necessary to examine possible tuition increases and enrollment cuts to reach a balanced response.

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Women's Study Consortium Grant Extension

President Lyall announced that the Women's Study Consortium received a \$260,00 grant extension for its project to attract and retain qualified female and minority students in science, mathematics and engineering by improving the quality of undergraduate science education. The funds support faculty throughout the UW System to provide science curricula and encourage women and minority undergraduates to enroll in these majors. By the project's conclusion, over 26 new or revised science and engineering courses will have

reached thousands of students.

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Distinguished Public Service Award to Dr. Joseph F. Kauffman

President Lyall reported that Professor Emeritus and former UW System Executive Vice President Joseph Kauffman recently received a distinguished public service award from the Wisconsin Capital Chapter of the American Society for Public Administration. Dr. Kauffman's career as a founder of the Peace Corps, a former dean of students at UW-Madison and former Executive Vice President of the University of Wisconsin System was cited in his recognition as an outstanding member of the higher education community and a distinguished public administrator.

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Summer Reading List

President Lyall provided a list of suggested readings on key policy issues in higher education: (1) Seeds of Crisis: Public Schooling in Milwaukee Since 1920. A history of the socio-economic trends that have formed and impacted the Milwaukee public schools from the 1920s to the present, the book describes how critical public education has been to educating the workforce in this state. (2) Dollars and Sense: Policy Choices and the Wisconsin Budget describes the Wisconsin state budget process and how other states have met budget crises involving school finance reforms. (3) Learning Productivity: A New Imperative for American Higher Education by D. Bruce Johnstone, past president of the State University of New York System, directs attention to the efficiency with which students and clients are served and focuses on outcomes, rather than inputs. (4) "The Re-examination of Faculty Priorities" describes the debate going on within faculties nationally, as well as in Wisconsin, over the proper balance among teaching, research and public service. It questions whether the reward system matches expectations and contains a special feature on the UW System's post-tenure review policy. (5) "Transforming Scholarship" describes evolution in the notion of scholarship in higher education in this country from the Germanic model of pure science to a broader American model of applied knowledge.

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REPORT OF THE PHYSICAL PLANNING AND DEVELOPMENT COMMITTEE

Regent Dreyfus, Chair, reported for the Committee.

Adoption of Resolutions 6687 through 6696, which were approved unanimously by the Committee, was moved by Regent Dreyfus, seconded by Regent Barry, and adopted unanimously by the Board of Regents.

UW-Madison: Authority to Name a Room at Hancock Agricultural Research

Station

Resolution 6687: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to name a meeting room at the Hancock Agricultural Research Station the "Gavin G. Weis Public Events Facility."

UW-Madison: Authority to Construct University Housing Cabling

Resolution 6688: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to construct a University Housing Cabling project at an estimated project cost of \$5,000,000 of Program Revenue Supported Borrowing - Infrastructure.

UW-Madison: Authority to Construct 1994-95 Eagle Heights Apartment Buildings Remodeling

Resolution 6689: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to construct a 1994-95 Eagle Heights Apartment Buildings 701, 702, 703, 704, 705, 706 Remodeling project for an estimated total project cost of \$2,615,000 using Program Revenue-Cash.

UW-Madison: Authority to Construct Nielsen Tennis Stadium Lighting Improvement

Resolution 6690: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to construct the Nielsen Tennis Stadium Lighting Improvement project, at an estimated total project cost of \$440,000 [\$220,000 Program Revenue plus \$220,000 General Fund Supported Borrowing (\$175,000 Wisconsin Energy Initiative and \$45,000 All-Agency Facilities Repair and Renovation Funds)].

UW-Madison: Approval of the Design Report/Authority to Construct Alumni House Addition and Remodeling

Resolution 6691: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority granted to construct an Alumni House Addition and Remodeling Project, at an estimated total project cost of \$2,234,000 Gifts.

UW-Milwaukee: Approval of Design Report/Budget Increase/Authority to Construct Student Union Snack Bar Remodeling

Resolution 6692: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, the Design Report be approved, reflecting a budget increase of \$210,000, and authority granted to construct a Student Union Snack Bar Remodeling project at an estimated total project budget of \$2,610,000 of Program Revenue Borrowing.

UW-Parkside: Authority to Construct Physical Education Building Multipurpose Gym Floor Replacement

Resolution 6693: That, upon the recommendation of the UW-Parkside Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Physical Education Building Multipurpose Gym Floor Replacement project, for an estimated total project cost of \$223,200 of All-Agency Facilities Repair and Renovation Funds.

UW-Parkside; UW-River Falls: Approval of Design Reports/Authority to Construct Campus Fire Alarm/Smoke Detection Upgrade

Resolution 6694: That, upon the recommendation of the UW-Parkside and UW-River Falls Chancellors and the President of the University of Wisconsin System, the Design Reports be approved and authority granted to construct the 1993-95 Campus Fire Alarm/Smoke Detection Upgrade projects at a total cost of \$1,249,000, using \$809,500 of All-Agency Health and Safety Funds and \$439,500 of Program Revenue Borrowing.

UW-Superior/UW System: Approval of Private Sector Construction for Food Service Facilities

Resolution 6695: That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, the following requests be approved:

- (1) Private sector construction for food service facilities in the Rothwell Student Center at UW-Superior and
- (2) Delegation to the Vice President for Physical Planning and Development the approval of private sector construction to modify existing

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facilities when that modification is a part of
contract to operate those facilities.

UW-Whitewater: Approval of Design Report/Authority to Construct
Andersen
Library Remodeling

Resolution 6696: That, upon the recommendation of the UW-Whitewater
Chancellor and the President of the University of
Wisconsin System, the Design Report be approved and
authority granted to construct the Andersen Library
Remodeling Project at a cost of \$1,774,900 using
\$1,651,400 of General Fund Supported Borrowing and
\$123,500 in Agency funds.

UW-Madison: Approval of Design Report/Authority to Construct
Biochemistry Projects

Presenting Resolution 6697, which was approved unanimously by the
Physical Planning and Development Committee, Regent Dreyfus commented on the
importance of the world-class biochemistry program at UW-Madison. Among the
stellar discoveries made by faculty of the department were the isolation of
Vitamin D by Harry Steenbock, which led to the founding of the Wisconsin
Alumni Research Foundation, the Vitamin B research of Conrad Elvehjem,
ground-
breaking research on DNA by Nobel laureates Har Khorana, Joshua Lederberg,
and
Howard Temin, and the ongoing Vitamin D research of Hector DeLuca.

The need for a facility to properly house this program, he pointed out,
was one of the reasons for the success of the \$410 million fund-raising
program headed by Robert Froehlke and former Chancellor Donna Shalala.

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

Resolution 6697: That, upon the recommendation of the UW-Madison
Chancellor and the President of the University of
Wisconsin System, the Design Reports be approved and
construction authority granted for the following

three

projects, from the funding sources summarized below:

- a. Biochemistry/National Magnetic Resonance
Facility Addition, including an increase in the
project scope and the budget, from \$30,000,000
to \$33,150,000
- b. Instructional Greenhouse Replacement
- c. Biotron Greenhouse Addition

Funding Summary

	WISTAR Funds	Gift Funds	Project Totals
Biochem/NMR			
- Addition	\$15,000,000	\$15,150,000	\$30,150,000
- Animal Facility	750,000	750,000	1,500,000
- Laboratory Floor		1,500,000	1,500,000
Biochem/NMR Subtotal:	\$15,750,000	\$17,400,000	\$33,150,000
Instr. Greenhouses:	1,500,000	1,000,000	2,500,000
Biotron Res. Greenhses:	1,800,000	0	1,800,000
TOTALS:	\$19,050,000	\$18,400,000	\$37,450,000

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

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

Presenting Resolutions 6698 and 6699, which were approved unanimously by the Committee, Regent Lubar moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Tregoning and carried unanimously.

Annual Leave Reserve Account for Unclassified Staff

Resolution 6698: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents authorize the establishment of Annual Leave Reserve Accounts for unclassified staff earning vacation. Beginning with the eleventh year of employment, unclassified staff earning vacation would be eligible annually to place up to five days of vacation in the account to a maximum of twenty-two days.

Agreement between Harza Engineering Co. and the Board of Regents

Resolution 6699: That, upon the recommendation of the President of the University of Wisconsin and the Chancellor of the University of Wisconsin-La Crosse, the Board of Regents formally accept, prior to execution, the agreement between Harza Engineering Co. and the University of Wisconsin-La Crosse to conduct an archaeological cultural resources inventory.

At a portion of the Business and Finance Committee meeting to which all Regents were invited, President Lyall presented the 1994-95 annual budget, funding for which was appropriated previously as part of the 1993-95 biennial budget. Five major decisions involved in allocating these funds for 1994-95 operations were: 1) Allocation of additional GPR fees and enactment of the total GPR fee increase of \$48.3 million for a total GPR fee budget of \$1.2 billion; 2) approval of a tuition increase of 6.9 percent at all institutions except UW-Madison where the tuition increase is 8.4 percent; 3) approval of user fees in areas such as hospitals and segregated fees; 4) approval of the legislatively required annual report on student fee-funded reserve balances; 5) approval of projected increases in program revenue and federal receipts; and (6) approval of the legislatively required final report on the Quality Reinvestment Program.

Upon motion by Regent Lubar, seconded by Regent Hempel, Resolution 6700 was adopted, with Regent Tregoning voting in opposition.

Resolution 6700: That, upon the recommendation of the President of the University of Wisconsin System, the 1994-95 operating budget, including the 1994-95 Quality Reinvestment Plan, auxiliary reserves and rates for academic tuition, segregated fees, textbook rental, room and board, apartments, parking, and University Hospital, as reflected in the document 1994-95 Operating Budget and Fee Schedules, June 1994 be approved. The 1994-

95

amounts are:

GPR	\$ 856,993,724	(33.7%)
Academic Tuition	371,194,345	(14.6%)
Total GPR/Fees	1,228,188,069	(48.3%)
Other	1,317,295,324	(51.7%)
Total	\$2,545,483,393	(100.0%)

That, upon the recommendation of the President of the University of Wisconsin System the 1994-95 Quality Reinvestment Plan [Report on Base Resources] is accepted and transmitted to the Governor and Joint Committee on Finance as directed by s. 36.47, Wis. Stats.

That the President of the University of Wisconsin System is authorized to make final detailed allocations.

Academic tuition for Minnesota Reciprocity students will be incorporated into the 1994-95 Academic Fees/Tuition Schedule upon receipt of final Minnesota tuition information.

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Athletic Director Pat Richter presented the Committee with a report on the projected financial status at the end of 1993-94 for UW-Madison intercollegiate athletics. Revenue will exceed budget in both the football and the men's basketball programs, and current projections are for a net margin of approximately \$473,000. This net margin will permit the Athletic Department to make substantial progress in funding an operating reserve of \$1 million. The best estimate at this time is that the reserve will be in the range of \$800,000-\$900,000 at the end of the 1993-94 year. The 1994-95 annual budget proposal includes a net margin of \$559,000.

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UW-Milwaukee Police and Security Relations

Chancellor Schroeder and Director of University Police Phil Clark presented information to the Committee on UW-Milwaukee's police and security relations. The department initiated a quality improvement program in 1991, resulting in significant improvements in the operations of the department and the services it provides to the university. Four major areas of improvement were discussed, all of them made within the existing resources of the department: computerization of departmental records; community policing programs; informational publications; and self-defense and crime-prevention training programs.

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Sale of Trust Fund Assets

Chancellor Schroeder and Professor Gil Snyder, Chair of the Department of Architecture and Urban Planning, presented to the Committee a resolution to allow the sale of trust fund assets. In 1971 the UW-Milwaukee School of Architecture and Urban Planning received a large number of stained and leaded glass windows salvaged from the Frank Lloyd Wright designed Lake Geneva Hotel, which was being demolished. The windows were accepted as a gift with the understanding that some means of permanent exhibition would be developed. Permission was requested to sell to responsible individuals and groups those windows not needed in the exhibition. The estimated value is approximately \$400,000. The proceeds of the sale will be used to establish a scholarship fund in architecture in Frank Lloyd Wright's name for the benefit of deserving, economically disadvantaged Wisconsin students. The Committee, under its delegated trust fund authority, approved the sale.

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Annual Report on Systemwide Learning and Information Technology

Associate Vice President Alley presented the Committee with the annual report on Systemwide Learning and Information Technology. In June 1992, the Business and Finance Committee recommended five information technology goals for 1992-93, to move toward increased standardization and compatibility among the institutions. Work on each of these has continued under the leadership of the Office of Learning and Information Technology. The report provided updates on institutional annual reports, statewide information technology trends, the System Administration Office of Learning and Information Technology, and computer utility issues. It also reviewed major planning efforts, reorganizations, development projects and approved acquisitions.

Included in the report is the general administrative policy paper (GAPP) on development of learning and information technologies. This paper establishes a framework to support development of integrated learning and information technologies involving multiple institutions of the UW System. The GAPP also establishes a learning and information technologies executive council which will offer a collective forum for computing, video and voice technology matters of common interest in areas such as libraries, computing service, distance education, instructional media, student services and business operations.

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Report of the Vice President

Vice President Marnocha reported to the Business and Finance Committee that the total gifts, grants and contracts for the ten-month period ending May 20, 1994, were \$492 million, an increase of \$7.2 million from the previous year. Federal awards increased \$6.9 million, while non-federal awards increased \$300,000.

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Audit Subcommittee

UW-Madison Intercollegiate Athletics

Vice President Marnocha and Athletic Director Pat Richter presented UW-Madison's response to the UW System Internal Audit findings reported to the subcommittee in April 1994. In most cases, the Division of Intercollegiate Athletics has completed or is in the process of completing corrective actions as recommended in the report.

In response to a question by Regent Schilling, Regent Lubar indicated that efforts will be made to remove the \$10 per semester student fee for athletics.

Report on Inter-relationships of System Administration and Institution Internal Audit Staffs and Audit Activities

Vice President Marnocha presented this report, which was requested at the April 1994 meeting of the Subcommittee. At present, the institution internal auditors annually provide the System Administration Director of

Internal Audit with an audit plan. If there is a conflict between the audit plans of System Administration and the institution, adjustments are usually made at the institutional level. On completion of an institutional audit, a copy of the audit report is provided to System Administration. No specific direction of institution auditors is provided by System Administration. It is the belief of System Administration that an internal audit position at each institution would benefit institutional operations. An institutional internal auditor could perform many of the audits which the System Administration staff are unable to perform.

Under the current plan, Internal Audit is concluding the audits of bursars' operations in major revenue centers on a system-wide basis. These audits have allowed Internal Audit to review cash handling policies and procedures, to include cash handling procedure manuals at all institutions and to make recommendations for required corrective action.

Vice President Marnocha presented a plan for an institution-wide audit to the Subcommittee, in response to a request made at the April 1994 meeting to provide information on what it would take to audit all revenue centers at an institution at one time. It was concluded that it would take 299 staff days to audit all the revenue centers at one institution. The days required at a given institution would vary from that number, based on the size and complexity of the institution. The number of audit days for a doctoral institution would be considerably higher.

Internal Audit Director Brunkow noted that an institution-wide audit would not be recommended because it is not as cost effective as audits of problem areas which have been discovered. Regent Orr noted the obligation of safeguarding public funds and ensuring internal controls are in place in all revenue centers. Vice President Marnocha assured the Committee that further discussions will be held with the institutions to assure appropriate controls.

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Regent President Steil noted that Regent Gelatt, Chair of the Business and Finance Committee, was unable to attend this meeting, and that this was the first meeting he had missed in five years of service on the Board of Regents.

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REPORT OF THE EDUCATION COMMITTEE

Regent MacNeil presented the Committee's report.

Presenting Resolutions 6701 to 6715, which were approved unanimously by the Education Committee, Regent MacNeil moved their adoption as consent agenda items by the Board of Regents. The motion was seconded by Regent Orr.

Regent Gundersen asked if the Associate Dean of the UW-Madison Medical School, to be recruited under Resolution 6709, would be entitled also to participate in the Clinical Practice Plan. Chancellor Ward replied in the affirmative.

Put to the vote, Resolutions 6701 to 6715 were adopted unanimously.

1994-95 Tenure Designations and New Tenured Appointments

Resolution 6701: That, upon recommendation of the respective Chancellors and the President of the University of Wisconsin System, the 1994-95 tenure designations and new tenured appointments, reported in the attached materials by institutions, be approved.

Emerita/Emeritus Designations and Distinguished Service Designations

Resolution 6702: That, for their many years of dedicated service to public higher education in the state of Wisconsin, the Board of Regents expresses its deep appreciation to the members of the faculty and staff who have been granted emerita or emeritus status and distinguished service designations by the Chancellors; further, the Board of Regents extends to each of them its best wishes for many productive years ahead.

Revisions to Chapter UWL 3.05, Faculty Personnel Rules, UW-La Crosse

Resolution 6703: That, upon recommendation of the Chancellor of the University of Wisconsin-La Crosse and the President of the University of Wisconsin System, the revisions to Chapters UWL 3.05, Faculty Personnel Rules, of University of Wisconsin-La Crosse, be approved.

Revisions to Chapters UWEC 3.02, 3.04 and 3.05, Faculty Personnel Policies and Procedures, UW-Eau Claire

Resolution 6704: That, upon recommendation of the Chancellor of the University of Wisconsin-Eau Claire and the President of the University of Wisconsin System, the revisions to Chapters UWEC 3.02, 3.04 and 3.05, Faculty Personnel Policies and Procedures, University of Wisconsin-Eau Claire, be approved.

Academic Reorganization, UW-Eau Claire

Resolution 6705: That, upon recommendation of the Chancellor of the University of Wisconsin-Eau Claire and the President of the University of Wisconsin System, the Board of Regents approves the reorganization of existing related departments, programs and centers into a new

and

undergraduate school, the School of Human Sciences
Services, effective July 1, 1994.

Academic Reorganization, UW-Platteville

Resolution 6706: That, upon recommendation of the Chancellor of the University of Wisconsin-Platteville and the President of the University of Wisconsin System, the Board of Regents approves the reorganization of the existing five colleges (with thirty-three departments and programs) into the following three colleges (with sixteen departments and two schools): College of Liberal Arts and Education; College of Business, Industry, Life Science and Agriculture; College of Engineering, Mathematics and Science.

Authorization to Recruit: Dean, School of Education, UW-Madison

Resolution 6707: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Dean of the School of Education.

Authorization to Recruit: Dean, College of Nursing, UW-Oshkosh

Resolution 6708: That, upon recommendation of the Chancellor of the University of Wisconsin-Oshkosh and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Dean of the College of Nursing.

Authorization to Recruit: Associate Dean, Medical School, UW-Madison

Resolution 6709: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for an Associate Dean, Medical School, at a salary that might exceed the Executive Salary Group 6 maximum.

New Program Authorization: M.S., Occupational Therapy, UW-Milwaukee

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Resolution 6710: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President

the University of Wisconsin System, the Chancellor be authorized to implement the M.S. in Occupational Therapy.

Joint Review: M.S., Biometry, UW-Madison

Resolution 6711: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the M.S. in Biometry be continued, with the understanding that the program will be included within UW-Madison's normal academic evaluation process.

Named Professorship, UW-Green Bay

Resolution 6712: That, upon recommendation of the Chancellor of the University of Wisconsin-Green Bay and the President of the University of Wisconsin System, the status of Professor Nancy Sell be changed to Herbert Fisk Johnson Professor of Environmental Sciences for the period July 1, 1994 to June 30, 1999.

Named Professorships, UW-Madison

Resolution 6713: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the status of Professor Patricia Becker be changed to Helen Denne Schulte Professor, School of Nursing, effective July 1, 1994; Thelma Wells be appointed Helen Denne Schulte Professor, School of Nursing, effective July 1, 1994.

Named Professorships, UW-Stout

Resolution 6714: That, upon recommendation of the Chancellor of the University of Wisconsin-Stout and the President of the University of Wisconsin System, the following University of Wisconsin-Stout faculty members be designated as Dahlgren Professors for the period 1994-96: John M. Williams, Professor, Human Development, School of Home Economics;

and James F. Herr, Professor, Communications Education
Training, School of Industry and Technology.

Named Professorships, UW-Stout

Resolution 6715: That, upon recommendation of the Chancellor of the
the University of Wisconsin-Stout and the President of
University of Wisconsin System, the following
University of Wisconsin-Stout faculty members be
designated as Hormel Professors for the 1994-95
academic year:

Beatrice A. Bigony, Professor of Anthropology, School
of Liberal Studies;

Frances C. Garb, Professor of Biology, School of
Liberal Studies.

Report of the Interim Senior Vice President for Academic Affairs

UW-Milwaukee Presentation:
Blue Ribbon Task Force on Undergraduate Education

Vice Chancellor Walters discussed the work of the task force, in
assessment of undergraduate education, cooperation with other agencies,
student access, teaching effectiveness and the importance of rewards for
better recognition of teaching. Sharon DeWitt, a recent graduate who served
as a student member, described her experiences on the task force. Professor
Tony Ciccone discussed how UW-Milwaukee's Center for the Improvement of
Instruction complements the task force's recommendations.

Access to Quality: Status Report

A report was presented by Lee Alley, Associate Vice President for
Learning and Information Technologies and Chair of the steering committee for
the "Access to Quality" project in distance education. The report described
the activities of that planning effort and of the four working groups on
academic policy issues, pedagogical issues, technologies, and business and
finance issues.

Collaborative MBA Program: UW-Green Bay and UW-Oshkosh

Interim Senior Vice President Albert Beaver reported that, since 1986,
more than 1,000 students have pursued Master of Business Administration
degrees through courses offered at UW-Green Bay, in collaboration with
UW-Oshkosh which delivers the program and awards the degree. The successful
eight-year track record of the program was recognized in a formal agreement
between the two institutions to provide funding for services provided by
UW-Green Bay and to formalize the number of courses to be taught at UW-Green
Bay and the level of UW-Green Bay faculty participation. Dr. Beaver
characterized the program as an example of how changing curricular needs of
students can be met in the context of limited resources and need for
efficiency.

Accreditation of UW-Madison Physical Therapy Program

The UW-Madison Physical Therapy program recently received full accreditation from the American Physical Therapy Association.

Administrative Intern

Interim Senior Vice President Beaver introduced Dana Nelson, Director of Outreach and Continuing Education, UW-Stevens Point, who is the administrative intern this summer in the Office of Academic Affairs.

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REPORT ON REVIEW OF ISSUES RELATED TO UW HOSPITAL AND CLINICS

The report was presented by Regent Orr.

As requested at the May 1994 Board of Regents' meeting, Regent Orr formed a panel to examine the issues raised by the Legislative Audit Bureau report on the UW Hospital and Clinics. The panel, which consists of Regent Sheldon Lubar, UW-Madison Chancellor David Ward, James Morgan, and Pamela Wegner, is committed to undertaking an objective, balanced review of the issues raised by the Legislative Audit Bureau.

The group's work plan calls for examining first the funding, accounting, confidentiality and purchasing aspects of Health Professionals, Inc. transactions. Second, the group will examine the 1992 restructuring proposal for UW Hospital and Clinics, to determine whether the proposal should be forwarded for regent, gubernatorial and legislative consideration and, if so, what modifications, if any, are appropriate to the 1992 plan.

To date, the group had studied and resolved the accounting issues for past transactions involving UW Hospital. With assistance of staff from the Department of Administration, UW-Madison and the University Hospital, an accounting mechanism was identified to establish an accounts receivable entry for \$4.4 million on the financial statements of UW Hospital and a payment schedule to UW Hospital for that amount over a period of approximately four years. The group deferred any discussion of additional items related to Health Professionals, Inc. until publication of the Attorney General's opinion on that subject. The Attorney General's opinion was issued on June 9, and the group planned to meet on June 17 to develop recommendations consistent with the legal framework established by the opinion.

Because of the constraints on private funding currently available to Health Professionals, Inc., the panel would likely recommend that the Executive Committee of the Board of Regents meet in late June to consider and take action on measures necessary to allow HPI to continue its operations, including meeting its current contractual obligations on an uninterrupted

basis.

The Legislative Audit Committee has scheduled for June 23 a second hearing on the Audit Bureau report on UW Hospital and Clinics.

In response to a question by Regent Barry, Regent Orr said he had not yet seen the Attorney General's opinion.

Regent President Steil thanked Regent Orr and the panel for their efforts in this matter.

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ADDITIONAL RESOLUTIONS

Resolution of Appreciation to UW-Milwaukee

The following resolution of appreciation to UW-Milwaukee, presented by Regent MacNeil, was adopted with an ovation by acclamation:

Resolution 6716: Whereas. the Board of Regents appreciates having been invited to hold the June 1994 meetings at the University of Wisconsin-Milwaukee; and
Whereas, this visit to the UW-Milwaukee campus has been enriched by interesting and informative presentations about the Blue Ribbon Task Force on Undergraduate Education, police and security
community
relations, and building capacity in Milwaukee's Inner City - Partnerships for a sustainable future; and
Whereas, the Regents also benefitted from the opportunity to visit the impressive and beautiful new School of Architecture and Urban Planning; and
Whereas, the warm and gracious hospitality extended
by
the UW-Milwaukee community is greatly appreciated;
Therefore, be it resolved that the Board of Regents
of
the University of Wisconsin System hereby thanks Chancellor and Mrs. Schroeder and UW-Milwaukee for a most impressive and enjoyable visit.

Cancellation of July 7 and 8, 1994, Meetings

It was noted by Regent President Steil that the Board's meeting schedule provides for cancellation of the July 1994 meetings if circumstances permit. No circumstances had presented themselves that would prevent cancelling the meetings.

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

Resolution 6717: That the Board of Regents' meetings scheduled for July 7 and 8, 1994, be cancelled.

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ELECTION OF OFFICERS OF THE BOARD OF REGENTS

Statement by Regent President Steil

Regent President Steil expressed appreciation to the members of the Board for their efforts and cooperation during his two-year tenure as Regent President and to Regent staff and others for the excellent service and assistance they had provided. He felt that the Board had improved in efficiency, while at the same time preserving the right of each member to speak freely and express views with mutual respect.

Noting that the UW System has an international reputation to preserve and enhance in future years, he recognized the Chancellors, President Lyall and her staff as outstanding public servants with the talent needed to meet the challenges ahead.

Intensive planning will be necessary, he commented, in order to preserve quality and obtain the funds needed to maintain the Wisconsin tradition of excellence in higher education. In that regard, he suggested scheduling in the near future a planning session of the full Board of Regents. Among the subjects to be addressed would be tuition, fund-raising, and the procedure for selecting chancellors.

With regard to the subject of tuition, he thought it essential to consider tuition affordability and how supplemental funds can be obtained to make it possible for people without the means to pay tuition to attend the UW System.

While fund-raising results have improved dramatically, he emphasized the importance of instituting plans to increase fund-raising capabilities further. Noting that comprehensive universities must focus efforts in this area, he cited examples of excellent progress, including recognition of UW-Stout and

its foundation as one of 79 schools named to the Case Center of Excellence in Educational Fund Raising. UW-Stout also received a gift of \$875,000 from Evelyn Steenbock to create its first chair in the Department of Home Economics.

With respect to the procedure for selecting chancellors, Regent President Steil commented that the present system is cumbersome, outmoded and costly. He felt the process could be changed for the better while still maintaining the concept of shared governance.

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President of the Board

Regent Grebe was nominated for the office of President of the Board of Regents by Regent Lubar. The nomination was seconded by Regent Dreyfus, and Regent Grebe was elected unanimously.

Vice President of the Board

Regent Lubar was nominated for the office of Vice President of the Board of Regents by Regent Budzinski. The nomination was seconded by Regent Dreyfus, and Regent Lubar was elected unanimously.

Secretary of the Board

Upon nomination by Regent Schilling, seconded by Regent Tregoning, Judith Temby was unanimously reelected Secretary of the Board of Regents.

Assistant Secretary

Upon nomination by Regent Dreyfus, seconded by Regent Schilling, Marlene Alsmo was unanimously reelected Assistant Secretary of the Board of Regents.

Trust Officer

Upon nomination by Regent Schilling, seconded by Regent Hempel, Raymond Marnocha was unanimously reelected Trust Officer of the Board of Regents.

Assistant Trust Officers

Upon nomination by Regent Schilling, seconded by Regent Lubar, Charles Stathas and David Konshak were unanimously reelected Assistant Trust Officers of the Board of Regents.

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Resolution of Appreciation: Regent President Steil

On behalf of the Board and the UW System, Regent Grebe thanked Regent Steil for his leadership of the Board of Regents and for the time and energy he had devoted to the UW System. Regent Grebe then presented Resolution 6718, which was adopted with applause by acclamation. President Lyall presented a plaque to Regent Steil in recognition of his distinguished service.

Resolution 6719: Whereas, Regent George K. Steil has completed two years of distinguished service as President of the Board of Regents of the University of Wisconsin System; and

on Whereas, his presidency has been marked by emphasis
sound financial management in order to preserve the quality of the UW System through such means as containment and reduction of costs wherever possible, particularly in administrative areas, coupled with

the strengthening of the ability to raise funds from private sources; and

include Whereas, key accomplishments during his tenure
adoption of a comprehensive enrollment management

plan through the year 2000 to insure educational quality while addressing heightened enrollment demand; more effective use of educational resources through the implementation of lateral program reviews in the

areas of allied health and agriculture and natural resources; and the rapid expansion of successful continuous quality improvement initiatives across the system; and

Whereas, in response to the recommendations of the Accountability Task Force, the Board of Regents and President Lyall have undertaken a series of accountability initiatives which will result in further improvements in service and efficiency, documented in an annual report on UW performance on a series of key indicators; and

measures, Whereas, in tandem with these accountability
management the Board of Regents has asked for expanded
flexibility to use resources in ways which will serve students more effectively; and

Whereas, as Regent President, George K. Steil has represented the Board and the UW System wisely and well in fostering productive relationships with state government decision makers and other constituents throughout the state; and

best Whereas, as Regent President, he has been a strong proponent of the value for Regents and others of visiting campuses throughout the UW System as the
means of learning about and appreciating the unique

the

contribution of each institution to the mission of
UW System as a whole; and

of

Whereas, the UW System, its students, and the state
Wisconsin have benefitted from the excellent
leadership he provided and the commitment of time and
energy he has made to the Regent Presidency;

extends

Now, therefore, be it resolved that the Board of
Regents of the University of Wisconsin System hereby
commends George K. Steil for the outstanding service
he has rendered as President of this Board and

its great appreciation for the significant
contributions he has made to public higher education
in Wisconsin.

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At 10:45 a.m., the Board recessed for five minutes, after which the
following resolution, moved by Regent Grebe, seconded by Regent Schilling,
was
adopted unanimously on a roll-call vote, with Regents Barry, Budzinski,
Dreyfus, Grebe, Hempel, James, Lubar, MacNeil, Orr, Schilling, Steil, and
Tregoning (12) voting in the affirmative. There were no abstentions and no
dissenting votes.

the

Resolution 6720: That the Board of Regents recess into closed session
to consider promotion and compensation matters, as
permitted by s.19.85(1)(c), Wis. Stats., including
approval to offer salaries that exceed the Executive
Salary Group 6 maximum to specific individual, UW-
Milwaukee, and to consider salary adjustment above
ESG 6 maximum; to confer with legal counsel regarding
pending or potential litigation, as permitted by
s.19.85(1)(g), Wis. Stats., and to consider personal
histories, as permitted by s.19.85 (1)(f), Wis.
Stats., relating to appointments to the UW-Milwaukee
and UW-Whitewater Boards of Visitors, naming the UW-

Madison Alummi Center after a person, and naming a portion of the UW-Oshkosh Multicultural Education Center after a person.

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CLOSED SESSION ACTIONS

The Board arose from closed session at 12:20 p.m., having adopted the following resolutions:

1994-95 Salary Adjustments above Group 6 of Executive Pay Plan

Resolution 6721: That 1994-95 salary adjustments be approved as listed in Schedule A for university administrators in the State Executive Pay Plan and in Schedules B and C for faculty and academic staff whose salaries will be above the maximum of Group 6 of the Executive Pay Plan.

Salary for Board Secretary

Resolution 6722: That the annual salary of Board Secretary Judith Temby be set at \$54,250, effective July 1, 1994, and at \$55,700, effective January 1, 1995.

Salary for Board Executive Assistant

Resolution 6723: That, effective June 26, 1994, the salary of Board of Regents Executive Assistant Fredi-Ellen Bove be increased 2.5%, resulting in a salary level of \$57,408.

UW-Whitewater: Appointments to Board of Visitors

Resolution 6724: That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of UW-Whitewater, the following persons be reappointed to the UW-Whitewater Board of Visitors for three-year terms ending June 1997:

Gary Boden
Pat Brooks
C. Martin Gavinski
Walter E. Juzenas
Ronald Winters

And that Daniel Plutchak be appointed for a three-
year term ending June 1997.

UW-Milwaukee: Appointments to Board of Visitors

Resolution 6725: That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of UW-Milwaukee, the following persons be reappointed to the UW-Milwaukee Board of Visitors for three-year terms ending June 1997:

Trueman Farris
James Koleas
Robert Pietrykowski
Jo Ann Ratcheson
Gerald Reiser
Wesley Scott

UW-Milwaukee: Salary for Dean, School of Fine Arts

Resolution 6726: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Chancellor be authorized to offer a salary up to \$100,000 for a Dean of the School of Fine Arts.

UW-Milwaukee: Salary for Dean, School of Nursing

Resolution 6727: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Chancellor be authorized to offer a salary up to \$115,000 for a Dean of the School of Nursing.

UW-Madison: Naming of Alumni Center

Resolution 6728: 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 Alumni House the "Martin and Florence Alumni Center."

(It was voted to waive the provision for a second reading before approving this naming.)

UW-Stout: Salary Pay Range for Vice Chancellor

Resolution 6729: That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Stout, as part of their administrative restructuring, UW-Stout is authorized to establish a position of Vice Chancellor for Administrative and Student Services in the Executive Salary Group-Pay Range 5.

The following resolution was adopted in closed session at the March 11, 1994, meeting. Announcement was not made at that time, pending acceptance by the nominee.

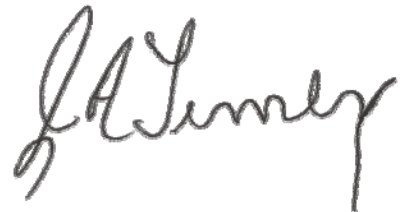
Honorary Degree, UW-Green Bay

Resolution 6730: That, upon the recommendation of the UW-Green Bay Chancellor and the President of the University of Wisconsin System, Henry Spille be awarded the

Honorary

Degree of Doctor of Laws at UW-Green Bay, subject to acceptance by the nominee.

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Judith A. Temby, Secretary
August 11, 1994