

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held 1820 Van Hise Hall  
Thursday, November 8, 2001  
10:30 a.m.

- President Smith presiding -

PRESENT: Regents Axtell, Barry, Boyle, Burmaster, DeSimone, Gottschalk, Jones,  
Klauser, Krutsch, Marcovich, Mohs, Olivieri, Randall, Schneiders and Smith

ABSENT: Regent Brandes and Gracz

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**RESOURCES: FEDERAL FUNDING STRATEGY**

In opening remarks, Regent President Smith recalled that, at last year's Economic Summit, one of the commitments made by the UW was to strengthen its federal relations program, with the goal of bringing more federal dollars to Wisconsin. He introduced Vice President Linda Weimer for a report on progress to date.

Vice President Weimer reported that, as a first step toward a strengthened program, the UW had engaged former Congressman Steve Gunderson to do a study and help plan a coordinated program. His findings had been presented to the Board in February.

The goals and objectives of the program are: 1) Bring more federal dollars to Wisconsin; 2) Build relations with the federal delegation; 3) Coordinate UW System efforts; 4)

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Identify federal funding priorities; 5) Build UW System visibility in Washington D.C., and 7) Assist campuses.

Vice President Weimer identified principles underlying those goals: First, to do no harm to existing efforts, particularly to UW-Madison's highly successful program, and good relationships between chancellors and their local congressional representatives; second, to be cautious with respect to earmarking; third, to have a significant information flow and clear communication; fourth, to insure a strong ethical foundation; fifth, to adhere to principles of cooperation and collaboration; and sixth, to exercise patience and forbearance in development of the program.

With regard to measuring success, the following outcomes had been identified: 1) The level of federal support for UW universities; 2) Relationships and cooperation with Congress; 3) Services provided to the delegation; 4) Perception of benefit by the campuses; and 5) New and/or enhanced sources of federal dollars.

Mr. Gunderson had set forth the following steps to success: Plan, prepare and procure. Dr. Weimer noted that most of the efforts this year are in the areas of planning and preparation, although there was success in procurement with respect to the ADL Co-Lab. In terms of planning, a Federal Relations Council had been established for the System, with its principal work being development of a set of priorities for the federal relations program.

In terms of preparation, a position in University Relations has been reallocated for a new federal relations coordinator, and it was anticipated that this position would be filled by January. Until then, Associate Vice President Margaret Lewis is overseeing the federal relations program. Partners who have been engaged include: Steve Gunderson and the Greystone Group; Terry Hartl, Vice President of the American Council on Education, Former Governor Anthony Earl, and Brian Schimming, who heads the state's federal lobbying efforts, among others.

Referring to a recently released economic index, Ms. Weimer noted that Wisconsin remains 50<sup>th</sup> in the total federal dollars per capita that it receives. On the academic side, however, the news is much better. Wisconsin ranks 19<sup>th</sup> nationally in academic research and development receipts, 27<sup>th</sup> in industry research and development and 42<sup>nd</sup> in total research and development. It is possible, she remarked, to envision collaborations with industry, the state, or private universities to raise further the state's share of federal research and development funding.

Federal funding for the UW System as a whole increased to almost \$630 million in 2000-01, up from \$569 million in 1999-00. While overall funding grew about 10%, funding for grants and contracts grew about 14%. UW-Madison continued its outstanding record in obtaining federal grants and contracts, and there also is considerable growth at other institutions, including UW-Milwaukee, which more than doubled its federal grants and contracts from one year to the next.

With regard to earmarking funds, Dr. Weimer noted that the research university community feels strongly that federal dollars should be won on a competitive basis. She added that federal earmarks totaled \$1.67 billion for the past fiscal year, representing about 1,200

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earmarks. Wisconsin ranked 45<sup>th</sup> in receipt of earmarked funds, with the UW System receiving \$8.1 million.

Vice President Weimer called on UW-Parkside Chancellor Jack Keating, a member of the Federal Relations Council, for remarks on the federal outlook. The Chancellor noted that he had considerable experience in federal relations in his previous positions as Provost of the University of Alaska-Fairbanks and as a researcher at the University of Washington.

Chancellor Keating pointed out the state's congressional delegation needs to be alerted to the UW's interests. Noting that UW-Madison has a book of priorities that is shared with members of Congress, he suggested that the same thing needs to be developed for other UW institutions. He recommended talking with Congressional staff persons, as well as with Congressmen, so that staff experts can watch bills and match them with university expertise and priorities. The major thrust of this effort should be to make all UW institutions strong players in the competition for federal dollars without doing anything to harm UW-Madison's successful efforts.

Associate Vice President Margaret Lewis outlined progress that has been made toward the goals that were set forth, discussing first the goal of coordinating UW System efforts and identifying funding priorities. Indicating that campuses have been submitting funding requests directly to Congressional offices, she noted that there is a need to better coordinate these requests and set funding priorities. There also is a need to coordinate responses to the many requests campuses receive for positions on all kinds of bills, and the Federal Relations Council discussed this matter at a retreat planning session. In addition, there is a need to collaborate with other state agencies and Wisconsin's Washington D.C. office.

With regard to priority identification, the following criteria were identified: 1) Alignment with the mission of the UW System; 2) Protect and build on strengths; 3) Capacity to execute; 4) Relate to national priorities; 5) Ability to make a difference; 6) Unique niche for Wisconsin/competitive edge; 6) Keep what the UW has and add value.

As to the goal of building relations with the federal delegation, Ms. Lewis reported that there have been visits to all of the Washington delegation staffs, individual briefings for members of Congress with President Lyall; and, the Congressional delegation has been invited to participate in a panel at the Economic Summit. In addition, Wisconsin Idea Forums are being launched. These will be a series of one-day public meetings hosted by the UW and rotating among different members of the Congressional delegation, working with each member to identify topics of their choice. Federal agency representatives and university experts would hold a forum on the topic that has been chosen. This would give the federal representatives the opportunity to see what strengths the UW has and would give the UW the opportunity to identify agency priorities. Finally, UW experts are being identified to assist the Congressional delegation members with issues in which they are interested.

With respect to the goal of assisting campuses, effort is being devoted to improving communications. Institutions have been surveyed to identify their strengths, and a newsletter

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called *Wisconsin Washington Wire* is being created for distribution to everyone involved. In addition the federal relations program is working with the campuses on the effort to obtain more TRIO funding, and is optimistic about potential grants from the Department of Defense to assist the Academic Co-Lab. Work is being done with campuses on other grant requests and on identifying experts.

With regard to the goal of building visibility in Washington, D.C., Ms. Lewis noted that former UW-Madison Chancellor David Ward's position as President of the American Council on Education provides some opportunity, as do the work of chancellors in Washington and the service of Senior Vice President Marrett and General Counsel Rindskopf Parker on national councils. In addition, UW has the advantage of Professor James Thomson's prominence in stem cell research and Secretary Tommy Thompson's leadership on that issue.

Wisconsin Idea Forums also will increase visibility, as will a planned UW Day in D.C., which will bring together alumni and people working in federal agencies for a reception next spring.

Ms. Lewis indicated that there would likely be a 13% budget increase for the National Institutes of Health; a 5-9% increase for the National Science Foundation; a 19% increase for international studies programs; and a 9.5% increase for the TRIO program. There could be a \$2.5 million grant for the Academic Co-Lab, and there are opportunities for financial aid increases. In addition, the President's Economic Stimulus Package could contain \$2 billion for university research.

Concluding the presentation, Vice President Weimer indicated that the UW will put together priorities, write case statements and work more vigorously with the institutions. Noting that there will be a lot of federal money available, she emphasized that the goal is for Wisconsin to succeed in getting more than its fair share of those funds.

In response to a question by Regent President Smith, Vice President Weimer explained that Wisconsin's ranking of 50<sup>th</sup> in terms of federal funding is a compilation of all funds, including those for business, government, education, and entitlement programs, including Medicare. Chancellor Keating added that Wisconsin ranks 19<sup>th</sup> in obtaining higher education research funds.

Regent Marcovich asked if there is an effort to get the state's Congressional delegation together as an informal advocacy group for the UW. If that were possible, he observed, it would save time in terms of contacting individual Congressional representatives and would be more effective in obtaining favorable action.

Vice President Weimer expressed agreement with that idea.

Regent Mohs commented that the culture of the state has not encouraged aggressive pursuit of federal monies.

Chancellor Keating suggested a meeting of the delegation's key staff people who are in a position to follow legislation closely and advise the delegation on matters of interest to the

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UW.

Regent Olivieri commended UW-Milwaukee for the substantial increase in federal funding that had been obtained. Noting that UW-Milwaukee has a strategy with specific targets in this area, he encouraged development of targets for the overall UW System as well. He also commented that it is important to have a pragmatic strategy with regard to earmarking, noting that the amount of funding distributed in this matter has been increasing.

Referring to the priority on rural economic development, Regent Olivieri inquired about whether there is a strategy for urban economic development as well.

Vice President Weimer replied that rural economic development had been highlighted because of specific proposals that are moving forward in Washington. However, the general area of economic development will be a focus, given the Board's strong interest in these efforts.

Regent Barry observed that the UW could help in the effort to obtain increased funding by becoming a strong resource to the Congressional delegation and encouraging them and their staffs to turn to the UW for assistance.

With regard to the state's low ranking in receipt of federal funds, Regent Schneiders pointed out that Wisconsin does not have military bases that bring large infusions of funding to other states and that Medicare receipts in Wisconsin are below those of some other states. She felt that the Board should build on its strong position in educational funding.

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## **QUALITY: UW SYSTEMWIDE INFORMATION TECHNOLOGY PLAN**

In introductory remarks, Regent President Smith noted that one of the Board's overall themes for the year is a focus on the quality of educational efforts and that instructional technology is an important element of that quality. As to recent accomplishments, he mentioned the student portal created by UW-Madison to provide an individualized view of campus information in a user-friendly, secure web-based format. Another accomplishment was receipt by UW-Milwaukee of an Educause award for its Students Technology Service program, which uses student employees to support campus technology needs and to prepare students for success in the workplace.

Regent Boyle, Chair of the Education Committee, added that a majority of the funding for technology advancements over the past several years has come from reallocation or from gifts and grants. He recognized President Lyall's leadership and the commitment of the UW institutions for the tough decisions that have been made in that regard.

Noting that the Instructional Technology Plan focuses on IT quality as part of the total student learning experience, he noted that a high quality learning experience has a positive impact on retention and graduation rates.

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Presenting the fourth system-wide IT plan, Associate Vice President Ed Meachen noted a consistency of vision and accomplishment over the years. Each plan has focused on building a system-wide technology infrastructure that includes a robust network of administrative and academic applications common to most UW institutions, and technology policy derived from working together in close collaboration. Building on this vision, he said, the UW System has developed valuable assets that make this plan possible.

- 1) An infrastructure that enables students, faculty and staff at every institution to participate in a high-quality, technology-rich learning and research environment.
- 2) A world-class knowledge base created by UW staff working collaboratively across institutions. This base enables institutions to avoid costly mistakes in implementing IT systems and substantially reduces time of implementation.
- 3) A set of shared IT utilities that save staff resources, reduce licensing costs, and reduce hardware costs, while providing higher quality service than could be offered by any single campus working independently.

The vision for the 2001-03 plan, Dr. Meachen explained, is to continue to develop the system-wide infrastructure in support of the academic mission. By providing a common level of technology and services across UW institutions, the System will be better positioned to address academic objectives.

One such objective is reflected in "The University of Wisconsin Online" policy passed by the Board in July. This policy stresses the need for a collaborative approach to online learning to reach new audiences and enhance educational quality, along with the need to prepare all students for learning in the future.

The 2001-03 IT Plan is composed of three parts: 1) Teaching and learning applications; 2) the technology infrastructure necessary to support "UW Online", and 3) enabling policies and programs. Each of these parts is divided into specific goals.

The presentation of the plan was divided into three parts: 1) How web-based learning is transforming teaching and learning, both for on-campus instruction and distance learning; 2) advances in the use of technology in teacher education; and 3) how UW institutions are efficiently working together to implement web-based administrative systems that provide information to students, faculty and staff, available any time and anywhere.

With regard to transformation of teaching and learning, Dr. Meachen explained that two of the principle requirements of the University of Wisconsin Online are: 1) Creation of three collaborative online degree or certificate programs offered by two or more institutions; and 2) ensuring that all students of UW institutions understand and use the tools of online learning. He presented a video showing examples of how faculty use online learning to reach place-bound students and how online learning enables students to form a community of learners. It included a student comment that online interaction can be better than in-person classroom discussion because time is available to formulate thoughtful questions and comments. A faculty member

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noted that an on-line community can include students from across the United States and from other nations, and a place-bound student with a family expressed appreciation for the ability to learn online whenever her schedule allowed.

Dr. Meachen noted that, while online learning provides access to students anytime and anywhere, most instruction continues to be on campus. There, online learning provides exciting new tools to enhance the traditional classroom, and the UW Online policy directs that all students understand and use online learning tools. One area of particular pride is the collaboration between UW institutions to support faculty and staff in using web-based learning tools. Thanks to the work of web-hosting utilities at UW-Madison and UW-Milwaukee, the number of courses using web-based learning tools has grown dramatically over the past few years. There are now over 7,700 courses using web-based learning tools and over 120,000 student users of these tools.

The UW System, he pointed out, is a national leader both in the number of courses using web-based tools and in the collaborative modes to support instructors on all campuses. He then presented a video showing how online learning provides access to resources anytime and anywhere, allows enhanced communication between students and faculty and among students, and adds online tutorials for students to better understand difficult academic areas. In the video, a music history student commented on the convenience of being able to do a music listening assignment from home; and a faculty member commented that this ease of access, plus being able simultaneously to follow a score on the website, resulted in much better preparation by students for class discussion. Noting the ability to e-mail other students and the professor, another faculty member remarked that technology has invigorated teaching in many ways.

Turning to teacher education, Dr. Meachen recalled that in February 2001 the Teacher Education Best Practices Task Force had presented its report to the Regents. At that meeting, the Board asked that schools and departments of teacher education report as part of the IT Plan how they are incorporating best practices into teacher training.

Among the best practices listed in the plan, he cited the Technology Leadership Cadre at UW-River Falls, which provides technology training for teacher education students and in-service teachers. The Cadre is supported by a Department of Education Catalyst Grant for preparing Tomorrow's Teachers to Use Technology. He introduced Karen Viechnicki, Dean of the College of Education at UW-River Falls and showed a video in which the value of the program was praised by students and teachers.

Vice President for Finance Deborah Durcan presented the portion of the Plan dealing with collaboration in implementing administrative systems, noting that the plan calls for continuing to build student information systems, financial systems, and human resource systems cost effectively and collaboratively.

As an example of the System's effectiveness in building and preserving knowledge collectively, she described the MILLER project, which stands for Methodology for Implementation at Lowest Effort and Resources. This project was developed to jointly

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implement PeopleSoft Student Administration systems at UW-Oshkosh, UW-Green Bay, UW-Madison, UW-Milwaukee, UW-Whitewater, UW-Platteville, and UW-Superior. It consists of ten consultants jointly managed by System Administration and the campuses involved. Their task is to develop a core of expertise in PeopleSoft and in the business processes of campuses and to travel from campus to campus to aid local experts in more rapid implementation with fewer errors.

She then showed a video in which Bruce Maas, the PeopleSoft Project Manager at UW-Milwaukee, John Berens, Chief Information Officer at UW-Oshkosh, and Kathy Pletcher, Chief Information Office at UW-Green Bay explained that this collaboration project has been of critical importance to their institutions. In that regard, Mr. Maas noted that the project has facilitated use of best practices from other campuses, resulting in better service for students, faculty and staff. Mr. Berens indicated that the project has saved UW-Oshkosh \$280,000 in external consulting costs, and Ms. Pletcher said the project has helped UW-Green Bay to get implementation back on track after campus experts left to take other positions.

Vice President Durcan stated that development of these business systems will play an integral role in the University of Wisconsin Online. Availability of these systems on the Web, she noted, enables students to better manage their education. They can register for classes, receive advising, purchase textbooks, and discuss class assignments with their professors. By linking all these systems through "portals", campuses enable students to tailor these resources to their individual needs.

Vice President Durcan explained that, to offer truly collaborative online programs as envisioned in the University of Wisconsin Online, students will need to be able to identify online courses, apply for admission, and register for classes on the Web at multiple institutions in a single transaction within a seamless environment. It would be necessary to build collaborative Web-based programs in order to manage student services, as well as supported administration and data of multiple institutions simultaneously. UW Learning Innovations has already been building such a learner relationship management system (LRMS) that provides students with "one stop shopping" for all the programs UWLI and its partner institutions have created. Students can apply, register, receive services and advising, order books, conduct e-commerce and take courses through one site. Meanwhile, the LRMS is sharing the data, including payments and service requests, with the relevant UW institutions.

She then noted a number of other areas in the IT Plan that are key components of the System-wide technology infrastructure and are key to enabling the University of Wisconsin Online:

1. The need to better manage the network to continue providing high quality service while controlling costs;
2. The need to enhance library services by providing digital resources to students located anywhere;
3. The need to insure accessibility for all students to course materials and

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administrative resources.

4. The need to deal with intellectual property issues in order to provide easy access to course materials in a digital environment;
5. The need to support research and development in the most cutting edge technologies through projects like the Academic Advanced Distributed Learning Co-Lab.

Some of these areas, Vice President Durcan explained, will require new resources to reach the goals of the IT Plan. For other areas, further reallocation of existing resources is being considered.

Concluding the presentation, she identified the following policy issues to be addressed in moving forward with the University of Wisconsin Online.

1. What are the academic objectives in online learning? Is the intention to increase the number of students served, reach adult learners, share resources between institutions? How should scarce resources be allocated between unserved students and campus-based students?
2. How are online tools best used to enhance teaching and learning?

In discussion following the presentation, Regent Axtell asked how it is known that the UW is a national leader and what the UW is doing that peers are not doing.

Noting that there is no standardized literature to do research on this point, Associate Vice President Meachen explained that his staff had visited a number of other systems over the past year to compare their programs with the UW's. He saw no evidence that other institutions are approaching online learning in the collaborative method being used at the UW, which flows from the bottom up, rather than from the top down. This method enhances both online and classroom learning by drawing on the creativity of faculty and staff.

Regent Axtell asked if there is a marketing plan to take advantage of that leadership position, to which Dr. Meachen replied that, while there is no marketing plans at the System level, individual campuses have done marketing locally, regionally and nationally.

Regent Mohs inquired about the financial implications of the plan, and whether there is a break-even point.

Replying that the plan is expensive, Vice President Durcan noted that, in the past year, institutions identified about \$16 million that they are reallocating collectively for technology. Contributions are being made at the System level to the MILER project, and a cost sharing model is being developed with the campuses. It is hoped that there will be funding in the 2003-05 budget for a number of technology needs.

Agreeing that start-up is expensive, Regent Mohs asked about the financial projections

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once the system is up and running.

In response, Dr. Meachen noted that saving money by use of technology has been shown to be something of an illusion, but that technology does enhance value. In addition, technology allows implementation at every institution of a level of programming that many institutions could not implement individually. Noting that this is a long-term plan, he said that what is needed is a stable base of ongoing funding from reallocation and state funding.

Vice President Durcan added that the cost of implementing technology systems collaboratively is significantly less than it would be if each institution were to act on its own.

Regent Boyle pointed out that there are not yet good data relating to the enhancement of educational value through technology and that broad conclusions cannot be drawn at this point.

Agreeing that it is a challenge nationally to measure outcomes in technology enhanced areas of instruction, Dr. Meachen said that this is something that will be addressed in the next two years in collaboration with Schools of Education and other departments. What is available currently is anecdotal information and non-scientific studies comparing classroom and online learning.

Referring to UW-Stout's move to an all lap-top environment, Regent Gottschalk asked if this is the wave of the future and if it will have a significant impact on infrastructure costs by making computer labs obsolete.

Dr. Meachen predicted that technology will take different avenues at different institutions depending on their missions, and that many may never implement a lap-top environment. One lesson he had learned from the history of technology is that one form of technology almost never displaces another, but simply adds another layer to the potential applications that can be used.

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## **QUALITY: LEARNING INNOVATIONS UPDATE**

In opening remarks, Regent President Smith noted that the Board of Regents established Learning Innovations in 1997 to provide support services for online degree and certificate programs for UW institutions, along with establishing external business relationships. This is a unique venture, he pointed out, because it connects the strengths of the public and private sectors to provide quality education to people who otherwise would have difficulty gaining access to the UW. In addition, Learning Innovations can promote economic development by providing business training more efficiently than some traditional methods.

Introducing David J. Ward, Interim Director of Learning Innovations, Regent Boyle

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indicated that he had asked him to present the Regents with some challenges as they look to the future.

Beginning his presentation, Dr. Ward recalled that the Regents' 21<sup>st</sup> Century Study in 1995-96 included the following recommendation: "The University of Wisconsin System will establish a goal to use instructional and distance education technologies to develop an enhanced student-centered learning environment and remove time and place as barriers to learning." Learning Innovations (UWLI) was created in 1997 to help implement that recommendation.

In addition to what was stated in the recommendation, the mission of UWLI included: Generating change within the UW System; encouraging collaboration within the UW System; exporting Wisconsin education to the nation/world; and serving as online partner to all 26 UW campuses.

Turning to the scope of UWLI after four years of operation, Dr. Ward identified the following roles:

1. Online partner developing and supporting degree/certificate programs for the 26 UW campuses.
2. Provider of comprehensive support services for learners and faculty.
3. Supplier of e-learning solutions to external clients. The intent of this role is to gain revenue.
4. Sound organization leveraging 100 plus years of UW expertise in distance education, including print-based independent learning.
5. Winner of a number of awards for excellence in education and training.

Dr. Ward stated that UWLI has built competitive advantages for the UW System. The UW name opens doors because it is recognized as a standard of quality around the world. This is an advantage that UWLI exploits for its campus partners.

For learner focus, UWLI has a team of designers that are expert at converting classroom material to online format, using the UW's 109 years of distance education experience. With flexible and scaleable solutions, UWLI is obtaining economies of scale in building courses.

In the beginning, Dr. Ward recalled, it was thought that high quality content alone would make the UW a major player in the online market. However, there is intense competition from many other universities that also offer quality programs. What distinguishes UWLI today, he pointed out, is service to the student and getting out the message of program availability through effective marketing. Also, UWLI has considerable experience in platform capabilities – the containers that courses are put into for delivery to students.

Turning to outcomes, Dr. Ward indicated that currently there are over 115 courses

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within UW programs that are supported by UWLI. These include: An associate degree program; two B.S. degree programs; three M.S. degree programs; and five certificate programs. Two of these programs are operated as consortiums, with multiple UW campuses working together. One of these is the pioneer nursing program that includes UW-Green Bay, UW-Madison, UW-Milwaukee, UW-Eau Claire, and UW-Oshkosh. The other is the MBA consortium, composed of UW-Oshkosh, UW-La Crosse, UW-Eau Claire, and UW-Parkside. The fact that these campuses are working together, he pointed out, combines their efforts and makes them greater than the sum of their parts.

The number of course sections serviced by UWLI has grown from 26 in the first year to 55 in the second year, to 114 last year. By the end of the current fiscal year, it is estimated that 161 sections will be offered through UWLI.

In the first year, fall enrollments serviced by UWLI were 136 students; in the second year, 366 students; in the third year 967 students; this fall 1,419 students. Total enrollments in the first year were 392; the second year 1,015; the third year 2,215. The estimate for the fourth year is 3,300.

The largest of the programs in which these students are enrolled is the UW Colleges Associate Degree Program, with 686 students, and growing rapidly. The Nursing Program has 333 students, with 200 some students in-state and about 100 in the national program. The MBA Program is just being built, with foundation courses the first to be offered. This already is becoming a popular program, not only in state, but with interest from outside universities in using the UW's foundation courses. Enrollments currently are over 200. UW-Platteville has two fast-growing programs, one in criminal justice and the other in project management, with a total of 200 students.

These students, Dr. Ward continued, are primarily adults gaining access through online education. The average learner in the nursing and MBA programs are 30-40 years old. They are place-bound, have jobs, and are working toward a degree to climb the career ladder.

Dr. Ward identified the following lessons that have been learned by UWLI through the first years of experience:

1. Service to students and effective marketing are the keys to success.
2. The opportunity curve must be managed to match the mission of the university with the mission of the customer.
3. "Industrial strength" processes must be developed. For example, time to build a course has been reduced from 380 hours to 150 hours through process mapping and advice from a consultant.
4. Multiple partnerships must be developed in order to gain leverage.
5. Growth is limited by lack of capital to develop new programs.

The notion of distance education, Dr. Ward observed, has evolved from the initial

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thought that it could save a lot of money to the realization that, because of the cost of instructional technology, money can be made, but not saved. Today, the focus is on access and quality and on what can be accomplished by broadening access to students in and outside of Wisconsin.

Predicting that there will be increasingly great opportunity and demand for distance education, Dr. Ward stated the belief that it will be one of the cornerstones of the new economy, not only for training the workforce, but for providing jobs as well. In that regard, UWLI can help make the UW System competitive in the new economy.

Dr. Ward listed the following objectives for Learning Innovations in the next few years:

1. Focus on building and servicing UW online programs and enrollments.
2. Build on best Learner Relation Management System advantages. UWLI has one of the best systems for managing online courses by giving students one-stop services. A number of large universities are interested in using the program or having UWLI service their courses.
3. Explore new market opportunities.
4. Continue to strengthen internal management and processes.
5. Diversify funding sources, including opportunities for grants for research and development work and for training.

As targets of opportunity, Dr. Ward first noted programs that benefit economic development, such as UW-Platteville's online Masters Degree in Engineering and its program in Project Management; a new idea for a Certificate program in Information Management; and the MBA program.

Important external opportunities include the ADL Co-Lab, along with the Defense Department's program to develop a standard, called SCORM, for building distance education courses. There also have been inquiries from contacts in the Navy and Army for accelerated work in bio-terrorism and other areas.

Turning to challenges faced by UWLI, Dr. Ward noted three challenges in the area of scaling – managing technology, new thinking about instructional delivery, and scaling up services to serve rapidly increasing numbers of students. The second area of challenge is organizational flexibility within the UW System, including a mechanism for consortial programming that preserves governance traditions, while preventing entanglement in layers of governance structures on multiple campuses. A third area of challenge is obtaining capital to develop new programs.

Dr. Ward concluded his presentation with the following suggestions as to what the Board could do to further UWLI's efforts.

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1. Develop a funding source for new program development.
2. Create pilot programs and incentives to encourage online program collaboration.
3. Support infrastructure development.
4. Review and update distance education policies.

In discussion following the presentation, Regent Barry requested the UWLI present a three to five year budget plan for revenues and development costs.

Regent Burmaster suggested that another target of opportunity relates to arrangements with the Department of Public Instruction to strengthen K-12 education.

Chancellor Miller noted that there is an array of UW online programs that are meeting needs for distance education and are not supported by UWLI. As an example, he cited UW-Whitewater's online MBA program that has enrolled over 200 students.

The meeting was adjourned at 12:15 p.m.

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Judith A. Temby, Secretary

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MINUTES OF THE REGULAR MEETING

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BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held in room 1820 Van Hise Hall

Friday, November 9, 2001  
9:00 a.m.

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**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, November 9, 2001

9:00 a.m.

- President Smith presiding -

**PRESENT:** Regents Axtell, Barry, Boyle, Burmaster, DeSimone, Gottschalk, Jones, Klauser, Krutsch, Marcovich, Mohs, Olivieri, Randall, Schneiders and Smith

**ABSENT:** Regents Brandes and Gracz

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**APPROVAL OF THE MINUTES**

There being no additions or corrections, the minutes of the October 4 and 5, 2001 meetings stood approved as distributed.

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## **REPORT OF THE PRESIDENT OF THE BOARD**

### **Report on the October 19<sup>th</sup> meeting of the Higher Educational Aids Board**

A written report on the October 19<sup>th</sup> meeting of the Higher Educational Aids Board was provided to the Regents.

Regent Randall, the Board's representative to the Higher Educational Aids Board, noted that much of the meeting was devoted to discussing the new state policy regarding refunding tuition for those who leave the university prior to completion of a term. The purpose was to have all campus refund policies square with both state and federal refund policies.

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### **Report on the November 7<sup>th</sup> meeting of the Hospital Authority Board**

A written report on the November 7<sup>th</sup> meeting of the Hospital Authority Board was provided to the Regents. Regent representatives to the Hospital Board are Regents Boyle, Gottschalk and Mohs.

Regent Mohs noted that a long negotiation with the nurses union had been successfully concluded.

Regent DeSimone commented that, as a former chief hospital administrator himself, he could refer people to the UW Hospital with confidence that it is one of the best in the country.

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### **Report on Governmental Matters**

A written report on governmental matters was provided to the Regents.

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### **Additional items that the President of the System may report or present to the Board**

#### ***Wisconsin Economic Summit II***

Regent President Smith reported that final plans were being made for the second Wisconsin Economic Summit, to be held on November 26<sup>th</sup> and 27<sup>th</sup>, at the Midwest Express Center in Milwaukee. The Summit is sponsored by the UW System and the

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Board of Regents, in cooperation with business and government leaders throughout the state.

The economic challenges facing the state and nation today, he commented, make this Summit even more important than the first one and make it imperative that all players are present and participating as the group attempts to chart Wisconsin's economic future.

Regent Smith expressed appreciation for the support received from members of the Wisconsin Bankers Association. Twenty-nine member banks, along with the Widget Source, had contributed more than \$50,000 to help underwrite the Summit. The Milwaukee Journal was making an in-kind contribution as well.

The theme of the year's Summit is "Wisconsin's Economy at the Crossroads: Building Higher Paying Jobs for the Future". The intent is to develop an action plan to position the state for an economic resurgence.

Governor Scott McCallum plans to address the Summit on Monday evening, and a panel of state legislative leaders will take place on Tuesday. Other informative sessions on a variety of topics are planned for Monday afternoon and all day Tuesday, including a federal government perspective on boosting Wisconsin's economy, a presentation on the importance of industry clusters, and overview of other states' economic development strategies, and a review of progress made since the first Summit. Registrants also can attend free pre-Summit workshops on Monday morning.

The keynote speaker is Daniel Burrus, one of the world's leading science and technology forecasters and authors. Mr. Burrus is a graduate of UW-Oshkosh and a 2001 recipient of its Distinguished Alumnus Award.

With more than 400 people already registered for the Summit, registrations were running ahead of last year's event, which was attended by 900 people.

Noting that participation by the business community is of key importance, Regent Smith thanked James Haney, of Wisconsin Manufacturers and Commerce, for sending a letter to all the state's top CEOs to request their attendance at the Summit.

He also thanked Laurie Dies, of University Relations, for doing outstanding work in coordinating the Summit activities.

Regent Axtell thanked Regent President Smith and President Lyall for their hard work and creativity in putting together the Economic Summit, the Economic Development Budget and the Economic Stimulus package. A standing ovation was given to Presidents Lyall and Smith.

Regent Axtell then read Resolution 8463 and moved its adoption by the Board of Regents. The motion was seconded by Regent Randall and carried unanimously.

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**Wisconsin Economic Summit II**

Resolution 8463: WHEREAS, the first Wisconsin Economic Summit was a tremendous success on every level, involving 900 attendees over three days and hundreds more through regional meetings and website access, and was instrumental in raising a host of key issues for statewide awareness and discussion; and

WHEREAS, the first summit engaged the Governor and the Legislature, as well as business leaders and the entire University of Wisconsin System, in joint action toward common goals in economic development, a dynamic partnership that was built upon during the subsequent, highly successful biennial budget process; and

WHEREAS, during 2001, the economy of Wisconsin, the Midwest and the whole country has been challenged by a downturn in the normal business cycle, as well as the need to respond to unprovoked terrorism; and

WHEREAS, a year ago, a pledge was made to hold a second summit that would build on the foundation of the first, reporting on progress, fostering a statewide network, and offering a plan of action for future resurgence; and

WHEREAS, the University of Wisconsin System remains committed to providing leadership and service to Wisconsin in the area of economic development -- for all sectors and in all regions of the state;

THEREFORE, BE IT RESOLVED, that the Board of Regents of the University of Wisconsin System encourages all institutions and all interested citizens to participate fully in Wisconsin Economic Summit II, to be held November 26-27, 2001 at the Midwest Express Center in Milwaukee, and to utilize the outcomes of the summit to foster Wisconsin's future prosperity and economic growth.

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## **REPORT OF THE PRESIDENT OF THE SYSTEM**

### **Welcome Chancellor Shepard**

President Lyall welcomed the new UW-Green Bay Chancellor Bruce Shepard, to his first Regent meeting. He had taken office on November 1<sup>st</sup>.

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### **Extension Administrative Leadership Program (EALP)**

Also welcomed by President Lyall were the 28 members of the Extension Administrative Leadership Program, which provides training to extension faculty and faculty with extension appointments in other UW institutions and in the 72 Wisconsin counties. The program was founded by Regent Boyle when he was Chancellor of UW-Extension.

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### **Fall 2001 Enrollments**

Reporting on fall 2001 enrollments, President Lyall recalled that the Board had established enrollment management targets through 2006 in EM 21 discussions last year. These targets were designed to encourage UW institutions to meet economic development needs of the state for more graduates in high-demand fields while at the same time maintaining a reasonable balance in support per student in order to ensure educational quality.

This fall, enrollments increased 1.8% over the preceding year to 133,703 FTE students. Nearly all institutions participated in this increase, with the most growth occurring at the UW Colleges and UW-Milwaukee. UW-Parkside, UW-Oshkosh and UW-Platteville moved from being slightly below their targets last year to being at or slightly above their targets this year. System-wide, she pointed out, the fall enrollments bring the UW close to achieving the total planned enrollment level under EM-21 for the next five years.

The President explained that this enrollment growth reflects both the slowing economy and the growing value gap between the cost of a UW education and the cost of attending a private institution. There also is growing recognition that the lifetime return on an investment in higher education is very substantial and rising. In addition, UW institutions have targeted high-demand fields as part of the Economic Stimulus Package and have recruited for an additional 2,500 students in these fields.

In conclusion, she pointed out that the UW is stretching to meet the state's needs with these enrollments and is stretching to meet the needs of students and citizens who want and need the university's services.

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### **UW Colleges Mission**

Introducing UW Colleges Chancellor Bill Messner, President Lyall noted that the UW Colleges' enrollments are among the fastest growing in the System, reflecting a renewed commitment to serving the smaller communities of the state and an aggressive commitment to using distance technology to extend course offerings from four-year institutions to students at the Colleges. These changes, she explained, have caused some questions about the traditional mission of the Colleges, how they should interface with the state's Technical Colleges and whether they are becoming four-year institutions. Therefore, she had asked Chancellor Messner to discuss these issues from his perspective.

She also noted that Regent President Smith and Regent Barry, President of the Technical College System Board, had appointed a joint working group to review the missions of both institutions and clarify them, if necessary, as a basis for further collaboration.

Chancellor Messner introduced UW Colleges Vice Chancellor Margaret Cleek, Wava Haney, a faculty member at UW-Richland and Chair of the Faculty Senate, UW-Waukesha Dean Brad Stewart, UW-Fox Valley Dean Jim Perry, and UW-Baraboo Dean Aural Umhoefer.

Beginning his remarks, Chancellor Messner commented that the title of the presentation, "Differentiation and Collaboration", is at the heart of the matters to be discussed. The mission of the UW Colleges, he noted, is to serve as the liberal arts transfer institution of the UW System, with a curriculum offering a general education associate degree. This curriculum prepares students with the knowledge and proficiencies needed for the baccalaureate and professional programs at the four-year UW institutions. This narrow mission, he stated, provides the best start to an array of students for their college education.

The UW Colleges has historically focused on collaboration in terms of working with the four-year institutions to facilitate transfer. In the mid 1990s, the Board of Regents directed through the 21<sup>st</sup> Century Study that collaborative linking efforts be taken one step further by fashioning opportunities for baccalaureate degrees to be offered by four-year institutions on UW College campuses, primarily for adult students who would have difficulty traveling to a four-year campus.

Over the past five years, 11 collaborative degree programs have been developed on 11 UW College campuses with six four-year institutions. Two graduate programs are being offered at UW Colleges as well. This fall, the Colleges had an eight percent enrollment increase, including a 20% increase in adult (over age 22) enrollments, increasing the number of

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adult students from 3,300 to 4,000. Adults now comprise one-third of all UW College students. The economic development contribution of the Colleges is to provide a pipeline for access to four-year programs at UW institutions. In addition to the considerable success thus far in collaborative efforts, the Chancellor said, discussions are under way with four four-year institutions about further programming.

He noted that this success has caused the question to be raised in a couple of counties, including Waukesha, as to whether the Colleges are in fact becoming four-year institutions that should be supported by the state, rather than by the counties.

Stating that the answer to that question is "no", he explained that the Colleges are becoming sites at which four-year institutions deliver UW programming for place-bound students. In most areas of the state, he pointed out, that service is appreciated and highly endorsed by the local communities.

He suggested that the Board of Regents reaffirm that collaboration is an outgrowth of the UW Colleges' mission and that the Colleges are not expanding their role but are being responsive to the needs of the people of Wisconsin.

Turning to relationships with the Technical College System, Chancellor Messner noted that the Technical Colleges offer career education programs and transfer specified courses from associate degree programs to the UW as part of general education and program-to-program articulation agreements.

In the late 1960s and early 1970s, he recalled, a major public policy question was whether Wisconsin should follow the national trend to develop community college systems. Determining not to follow that model, Wisconsin decided on two differentiated systems – the UW System and the Technical College System. A primary factor in that decision was the belief that technical education would be given short shrift in a community college system. Business and labor interests, in particular, advocated strongly for a separate system for technical education.

Over the past decade, Chancellor Messner commented that there has been a blurring of the distinctions that differentiate the two systems. Transfer to UW institutions is not at the heart of the Technical College System mission, he remarked, although there always has been recognition of some transfer need, with Madison, Milwaukee and Nicolet Technical Colleges given authority to offer college parallel programming. It was also recognized, he added, that there would be some Technical College graduates who would want to transfer to the UW System, but that number would be small.

The Chancellor pointed out that, over the past five years, there has been a 115% increase in the number of non-college parallel students transferring from the Technical Colleges to the UW. Whereas in 1996 non-college parallel transfers were a distinct minority, by 2000 they were the majority of transfers. It was a 1995 action of the Board of Regents that was central to producing this increase, he explained. In that year, the Board determined that a student did not need to be a technical college graduate to transfer 15 general education credits to the UW System. Before that, graduation was a condition of credit transfer. The largest

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group, more than one-quarter, of non-college parallel transfers are students with undeclared majors, which means that they were not in a particular technical program and that they did not graduate. The second largest number were business majors, with others in health and engineering programs.

One problem with this situation, Chancellor Messner said, is that it creates confusion about what institutions offer what kind of education. As an example he referred to a newspaper article about an array of articulation agreements between the local Technical College and private liberal arts four-year institutions, which encourage students to use non-college-parallel programs at the Technical College to access four-year liberal arts programming. He also cited the example of referring to a Technical College mechanical engineering technology program as a pre-engineering program, which is a program offered by the UW Colleges. The result of this confusion and duplication, the Chancellor commented, is legislative intervention, as seen in the budget provision that would have required that all general education credits earned at a Technical College transfer to the UW.

As to whether the expanded transfer opportunities are beneficial to students, he pointed out that less than four out of ten non-college parallel transfers graduate or are still enrolled after five years, while college-parallel transfers succeed at a rate of two out of three and UW College transfers succeed at a rate of 75-80%.

To find a solution, Chancellor Messner said, the differentiated missions need to be clarified. In that regard, he pointed to the Technical College emphasis on career education and whether that should mean pre-law, pre-medicine or pre-engineering. It also involves the role of general education in the Technical College System. While the role of general education is to support students in technical programs, there are significant numbers of students who take general education courses apart from technical programs and use them as a way of transferring to the UW System. He suggested that further expansion of general education transfer credits for non-college-parallel students be avoided, since this allows students to take increased numbers of general education courses at the Technical Colleges and not use those institutions for their intended purpose.

Stating that differentiation is not sufficient, the Chancellor said more needs to be done in the way of collaboration, such as sharing resources and developing collaborative programs to meet student needs in ways that do not promote confusion and duplication. As an example of effective collaboration, he cited UW-Barron County and Wisconsin Indianhead Technical College as institutions that differentiate effectively while sharing libraries, cafeterias, campus centers and master planning for facilities, along with exploring ways to develop joint academic programs. The first joint academic program, he noted, was a micro-computer specialist program offered jointly by UW-Richland and Southwest Wisconsin Technical College. This is not an articulated program in which one institution offers a set of courses and then the other institution offers another set. Rather, it is a coherent program in which the two institutions jointly offer course work leading to a Technical College degree, with the computer programming done by the Technical College and the UW College offering the general education program. He suggested that this model could be replicated at other institutions.

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In conclusion, Chancellor Messner said the current situation is untenable and that both UW Colleges and the WTCS System need to work on differentiation. The alternative, he felt, would be to revisit the 30-year-old decision to keep the two systems distinct.

In discussion following the presentation, Regent Klauser observed that the Chancellor spoke about two different topics that should not be confused. He inquired about collaboration with the four-year institutions, and Vice Chancellor Cleek explained that students begin at the Colleges by taking two years of general education. After that, they become students of the four-year institution offering their degree program, but remain on the UW College campus, taking courses offered by the four-year institution through compressed video, on-line, in person or by other means of delivery.

Referring to the history of the two Systems, Regent Klauser pointed out that name changes over the years may have contributed to confusion and cited the example of changing the name of the Vocational, Technical and Adult Education Institutions to the Technical Colleges. In general, he felt both Systems were working quite well and commented that the only important confusion is that which might exist in a student's mind.

What is important, he stated, is to provide more options to students without diminishing the quality of the degrees that are offered or misleading them in any way. Guidance counselors in the school systems could help students choose intelligently among the options available. With respect to political intervention in the process, he felt it might be helpful to speak with legislative leaders, since both parties are sincerely concerned about the quality of education. In addition, he indicated that he would agree with reaffirming the mission of the UW Colleges.

Chancellor Messner concurred, noting that effective collaboration can enhance student levels of success. He was concerned about preparation of non-college-parallel students and felt that better collaboration can enhance that preparation.

Regent Olivieri commended the UW Colleges for their success in increasing enrollments and furthering efforts to provide well-educated workers for the state's economy. Regarding collaboration with the four-year institutions, he favored more programs that allow students to attend school in the area where they live. He expressed understanding for the position stated by county representatives regarding use of county-financed facilities and thought that, ultimately, formulas might be developed to deal with that matter. Overall, however, he favored giving students as many options as possible to complete their degrees.

With respect to relationships between the Colleges and WTCS institutions, he favored blurring of the missions. For example, he did not find it confusing to call a program "pre-engineering" if in fact it can lead to completion of a four-year engineering degree. What he did find confusing and frustrating for students is the complicated

process for moving them from one system to the other. He said the goal should not be how to more clearly differentiate missions, but rather how to make the system more efficient and

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effective for students and how to make it easier for students to complete a four-year degree. Therefore, he did not agree with the Chancellor's recommendations regarding transfers from the Technical Colleges. Due to the importance of this topic, he asked for a paper to be prepared presenting all sides of the issues.

Commending Chancellor Messner for a well-balanced presentation, Regent Schneiders stated her belief that the missions of UW and WTCS systems are different and should remain that way. Concerning collaboration with the four-year institutions, she felt there should be as much access as possible for students and that providing access to four year programs on College campuses is beneficial if it can be done effectively and efficiently.

She thought it important to give further consideration to funding of the Colleges, recognizing that it is property taxpayers who pay for the buildings and that there is some concern about students from other counties using facilities to pursue four-year degrees.

Chancellor Messner noted that, while counties fund UW College facilities, the UW funds their programs.

Regent Mohs suggested that it would be helpful to have a paper prepared on the question of how technical and university education might ideally be structured if Wisconsin could start from scratch and what would be the most efficient way to deliver this education at different levels.

With regard to effectiveness and efficiency, Regent Axtell cited the Madison Connection program, which responded to an overabundance of well-qualified applicants to UW-Madison by forging agreements with four UW-Colleges to accept a certain number of those students, who then would be guaranteed an opportunity to transfer to the Madison campus at the beginning of the junior year.

Regent Krutsch commented that one could take the position that the most effective and efficient way to provide access and success for students in public post-secondary education is to have a highly differentiated system, since this could well be the way to make best use of limited resources to provide quality education. She also thought it would be unwise to in any way diminish the support of the counties, since those amounts would then need to be replaced by state dollars, that could not realistically be expected to be forthcoming.

She commended Chancellor Messner's presentation as a good start in discussing a topic that involves many issues, and she expressed the hope that there would be opportunity for both the Board of Regents and the WTCS Board to discuss in depth the issues that the joint committee will consider.

Regent Barry, who also serves as President of the WTCS Board, commented that there is considerable pressure towards blurring of missions and that he did not agree that such blurring

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is necessarily a good thing. He did not consider the present situation untenable; but felt at the same time that trends are worrisome.

In the last ten years, he explained, Technical College enrollments have been flat, but costs have gone up, and the curriculum is carrying an array of general education courses that should perhaps be reviewed. As to jobs of the future, he pointed to studies showing about 80% of them will require some post-secondary education, but only around 23% will require a four-year degree. Noting that there are many young people in the state that do not have the skills required to contribute to an improved economy, he remarked that, if the system were to be recreated from scratch, he would seek a differentiated Technical College System in partnership with business and labor to provide the skills that young people need.

Although the numbers of non-college-parallel transfers has increased to about 55% of transfers to the UW, Regent Barry pointed out that transfers from the UW to the Technical College are more numerous than transfers in the other direction. With 600,000 students, including about 45,000 FTE students, in the Technical College System, he did not consider a couple thousand transfers to be of great significance, although he did share concern about the trend.

He thought Chancellor Messner's emphasis on differentiation with collaboration is exactly correct, particularly in view of the fact that not every student should go to a four-year college. Noting that the average age of students in the Technical College System is 28, he pointed out that often these students had tried a four-year college, found it did not suit them, and perhaps tried service jobs before coming to the WTCS System.

Regent Barry suggested that an outcome of the working group deliberations should be an ongoing effort to clarify the systems' respective missions. In an ongoing effort to create more options and choices, his concern would be about loss of a technical mission and evolution into a higher cost system that would not provide adequately for the 80% of people who need a technical education, not a four-year degree.

Regent Klauser commented that different missions are important in meeting the needs of different types of students. He was concerned that loss of quality would result from too much blending of missions. Not long ago, he recalled, concern had been expressed about having too many campuses in the state. He had disagreed and supported the accessibility they provide to students, accessibility that now is enhanced even more by technology. As long as quality is maintained, he said, that level of access is very desirable.

He could understand concern by counties if future collaborations were to require building new structures to support the programming. On the other hand, he pointed out, high schools offer college level advanced placement courses, and there is no suggestion that the state fund high school building programs. He said that facilities for the Colleges are properly county responsibilities because they provide access to the people living in those areas.

Regent Klauser emphasized that the focus must remain on quality, not only for the top students, but for all students in all programs. If the system were to be created anew, he had not

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doubt that it would be different, but he did not think it would be better because the current system has benefited from a long evolution and learning process.

Noting that the Technical Colleges are required by statute to recoup only 14% of the cost of education, Regent Barry pointed out that it is less expensive for a student to take general education courses at a Technical College than at a UW institution. This is one reason that it is important to be cost sensitive at the university level.

Regent President Smith thanked Chancellor Messner for his presentation and noted that the Joint Working Group will be meeting later in the month.

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### **2003-05 Biennial Budget Process**

President Lyall noted that by next August the Board is required by statute to submit operating and capital budget requests. Stating that consultation with Regents and system-wide planning processes inform the setting of operating budget priorities, she remarked that, among higher education systems, the UW is recognized for careful integration of enrollment management with state budget requests and tuition pricing and revenue incentives to maintain academic quality and support per student. The UW's goals also have been fitted to state needs for economic development. The capital budget priorities emanate from a detailed 6-year planning and priority setting process developed by the Board. The final budget, therefore, reflects an extensive set of consultations and consideration all focused on providing value to students.

Noting that other agencies and analysts also review the operating budget, compensation request, and capital budget, she commented that the UW is fortunate to have experienced staff who have long and productive working relationships with analysts in the executive and legislative branches. UW budget staff know what to expect and are vigilant about not missing any points in these complex processes.

After the Board approves operating budget priorities, Systematic review of major initiatives in those areas will take place from February through April, including input from students. In May, the Board will decide to move forward or defer budget items in each initiative area. Detailed budget materials will be prepared over the summer based on the choices made in May, and in August, the Board will act on its final 2003-05 budget request.

Referring to budget instructions given by the Board in the past, the President said it is assumed that the Board will continue to want strong outcomes identified for budget initiatives and will want the campuses to commit to reallocation and outside funding matches for high priority items. In addition, strong collaboration will be continued among UW institutions, with the WTCS System, the Department of Public Instruction, and other parts of state government where partnerships are appropriate.

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In conclusion, President Lyall predicted that, as in the past biennium, the Board's insistence that the budget requests be an investment plan with clear payoffs and strong advocacy for the needs of the state will make this next budget a very successful one as well.

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### ***UW-Whitewater Saves Energy***

President Lyall congratulated UW-Whitewater for being ranked 4<sup>th</sup> among 180 universities in the nation by the Department of Energy for energy conservation efforts. Contributing to this fine effort is the university's 20-year contract with Cogentrix power plant that shares steam generation with local communities, hospitals and others. Also key to the university's success is employment of a full-time technician who ensures that technology for automatic lighting, heating and cooling of campus space is properly used and maintained.

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### ***UW-Milwaukee/Marquette Exchange Program***

The President congratulated UW-Milwaukee and Marquette University for developing a collaborative graduate student exchange program, enabling students from either institution to take courses from the other towards their graduate degree completion. This program, she noted, not only serves the convenience of students, but also will reduce program duplication between the two institutions and will enable both to provide greater program depth and variety for graduate students. A similar exchange program exists between UW-Milwaukee and the Medical College of Wisconsin.

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### ***State Diversity Awards***

President Lyall congratulated UW-Parkside, UW-Eau Claire and UW-Madison for being recipients of State of Wisconsin Diversity Awards for 2001. Lieutenant Governor Farrow presented the awards at a ceremony at the Pyle Center the preceding week. UW-Parkside received special recognition for its 22% increase in faculty and staff of color last year. These awards recognize progress in three areas: The number of racial and ethnic minorities employed at institutions; the retention of these employees; and the willingness to accommodate people with disabilities in the workplace.

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***Senior Vice President Olien - Hall of Fame***

The President congratulated Senior Vice President David Olien for receiving the Samuel Gove Law Hall of Fame Award of public service from the State of Illinois. The Hall of Fame is comprised of 32 Illinoisans who have distinguished themselves in public service. The group includes former Governor Jim Edgar, former members of the Illinois State Legislature and Congressional delegation. Before coming to the UW, Mr. Olien served on the Illinois Republican Legislative Caucus staff for six years and worked for another 13 years with Stanley Ikenberry when he was President of the University of Illinois.

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***Ameritech Grant for Diversity***

President Lyall expressed appreciation to the SBC-Ameritech Foundation for providing a \$375,000 grant to support pre-college programs at UW-Milwaukee, UW-Madison and the UW System. This is the second year that Ameritech has partnered with the UW to encourage students who will be leaders in society and business in the future. Last year, about 200 students participated in the pre-college experiences funded by these grants, and that number is expected to increase substantially over the next four years.

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**REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE**

Regent Schneiders, Vice Chair, presented the report of the Physical Planning and Funding Committee.

**Joint session with Business and Finance Committee**

The Physical Planning and Funding Committee and the Business and Finance Committee met jointly to discuss trends in gifts and grants and fundraising strategies as part of their focus the on building the UW's resource base. UW-Madison Assistant Vice Chancellor Bruce Braun gave an update on the proposed cogeneration facility.

At the conclusion of the joint meeting, the Physical Planning and Funding Committee reconvened.

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**Report of the Assistant Vice President*****Building Commission Actions***

It was reported by Assistant Vice President Nancy Ives that the Building Commission approved about \$16 million for various projects at their October meeting. She informed the Committee that no proposals were received in response to the UW-Fox Valley Residence Hall RFP for private development of housing. The lack of response stems from concerns regarding the limited size of the proposed facility. After reviewing its specifications, the campus may reissue the RFP.

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**Discussion of Systemwide 2003-09 Physical Planning Issues**

Jim Albers, UW System Facilities Planning Coordinator and Ron Singer, Associate Vice President for Academic Affairs explained the challenges of providing appropriate and functional space to support the evolution from using a "teaching" philosophy to a "learning" philosophy. More flexible space in classrooms and labs is needed to facilitate group discussion and student/faculty collaboration. In addition to significant maintenance needs, UW System campuses are also faced with a space shortage. This information was to serve as background for continuing discussions on funding and ranking criteria for the 2003-05 biennium.

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**UW-Superior: Aquaculture Land Use Agreement**

Regent Schneiders, Vice Chair, reported on a proposed land use agreement with the Red Cliff Band of Lake Superior Chippewa to provide a site, at no cost, for construction of the \$3 million Aquaculture Demonstration Facility.

Regent Schneiders moved adoption of the following resolution for approval by the Board of Regents. It was seconded by Regent De Simone.

**UW-Superior: Authority to Enter into a Land Use Agreement**

Resolution 8464:                   That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, authority be granted for the officers of the Board of Regents to enter into a land use agreement to permit the University to use forty (40) acres of land owned by the Red Cliff Band of Lake Superior Chippewa as the site for the construction of the Aquaculture Demonstration Facility. There is no cost to the university for use of the land.

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Concern was expressed by Regent Barry that given the current fiscal situation, the project not move ahead until the availability of adequate operating funds for this facility is known. Regent Klauser expressed a similar concern with funding, stating that there should be some affirmation that operational dollars will be available. Regent Barry suggested delaying the decision for 3-4 months to better determine what the issues are for operational funding. Regent Marcovich noted that this project was initiated by former Governor Thompson as part of the Economic Stimulus Package for northern Wisconsin. UW-Superior has done an excellent job with this project. This resolution would only authorize the lease agreement.

UW-Superior Chancellor Erlenbach reiterated that this project was in response to a strong position over a number of years from representatives from Superior. As the search for an Executive Director for the facility is presently in process, Chancellor Erlenbach felt it would not be in their best interest to table the project at this time.

Regent President Smith stated that it is not the intention of the Board of Regents to fund this project from the University of Wisconsin System base budget, but to establish a land use agreement. The resolution was restated, adding that "It is the intent of the Board that operation of the facility not be funded from the UW System's base budget".

Regent Schneiders presented the revised Resolution 8464 for adoption by the Board of Regents. The motion was seconded by Regent Marcovich and carried unanimously.

**UW-Superior: Authority to Enter into a Land Use Agreement (Revised)**

Resolution 8464: That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, authority be granted for the officers of the Board of Regents to enter into a land use agreement to permit the University to use forty (40) acres of land owned by the Red Cliff Band of Lake Superior Chippewa as the site for the construction of the Aquaculture Demonstration Facility. There is no cost to the university for use of the land. It is the intent of the Board that operation of the facility not be funded from the UW System's base budget.

Unanimously approved by the Committee were Resolutions 8465-8467. Regent Schneiders moved their adoption as consent agenda items by the Board of Regents. Regent Barry seconded the motion and it carried unanimously.

**UW-Madison: Authority to Increase the Budget for the Camp Randall Shell Addition Project**

Resolution 8465: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget by \$432,000 for the combined Camp Randall Memorial Sports Center (Shell) Addition and the Hall of Fame Wall and Terrace Expansion, using \$150,000 Gift Funds and \$282,000 Program Revenue-Cash (Athletics), for a revised estimated total project cost of \$1,110,000 [\$781,000 Program Revenue-Cash (Athletics) and \$329,000 Gift Funds].

**UW-Milwaukee: Approval of Design Report and Authority to Construct a Sandburg Residence Hall Fire Protection System Addition Project**

Resolution 8466: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct the Sandburg Residence Hall Fire Protection System Addition project at an estimated total project cost of \$3,136,000 (\$80,000 Program Revenue – Cash and \$3,056,000 Program Revenue Supported Borrowing).

**UW-Stout: Authority to Construct a Parking Lot Project**

Resolution 8467: That, upon the recommendation of the UW-Stout Chancellor and the President of the University of Wisconsin System, authority be granted to construct a 100-stall parking lot on university owned land on the UW-Stout Campus for an estimated cost of \$208,810 of Program Revenue Supported Borrowing-Parking.

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## **REPORT OF THE BUSINESS AND FINANCE COMMITTEE**

Regent Gottschalk, Chair, presented the report of the Business and Finance Committee.

### **Building Our Resource Base**

Regent Gottschalk reported on the joint meeting with the Physical Planning and Funding Committee. Expanding on Regent Schneider's comments regarding the Fund Raising Strategy by Vice President Weimer, Regent Gottschalk stated that the goal is to increase the amount of private fund raising without causing impairment to existing campus fund raising efforts. The System was urged to move cautiously and concluded that a feasibility study was the next logical step.

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### **Technology Transfer Initiative: WiSys Update**

Carl Gulbrandsen, Managing Director of the Wisconsin Alumni Research Foundation and Elizabeth Donley, General Counsel of WARF gave a presentation on technology of transfer initiatives (WiSys). WiSys was formed to assist in technology transfer for the non-Madison institutions, extending it Systemwide. There is collaboration with the Small Business Development Centers and an agreement with TechStar.

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### **Trust Funds**

Regent Gottschalk moved adoption of Resolution 8468. Regent Klauser seconded the motion and it carried unanimously.

### **Investment Guidelines Related to Annual Meetings with Managers**

Resolution 8468:            That, upon recommendation of the Regent Business and Finance Committee, the practice of having each of the UW System Trust Funds' investment managers meet annually with the Committee, as provided for under Regent Policy 91-11, Investment Objectives and Guidelines, be delegated by the Business and Finance Committee to the Trust Officer and Assistant Trust Officers, with the proviso that the Trust Officer and Assistant Trust Officers regularly report to the Committee on the content of such meetings as a regular part

of their investment oversight responsibilities; and, accordingly, that the following revision to the Investment Objectives and Guidelines be approved.

*Reports (page 10-11)*

Annual investment meetings (more frequently, as warranted) will be held with the ~~Committee~~ **Trust Officer and Assistant Trust Officers, the findings and contents of which will be regularly reported to the Committee.**

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**Report of the Vice President**

Debbie Durcan, Vice President, reported approval of the transfer of 50% of the proceeds on a land sale at UW-Parkside, which amounted to \$5,000. The approval of Auxiliary Reserve Accumulations for Fiscal Year 2002 was discussed. The Board and System need to ensure the campuses are following reserve policies.

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**Meeting with DOA on Memorandum of Understanding for Creating GPR Positions**

VP Durcan noted that a Memorandum of Understanding for Creating GPR positions is expected to be signed in the near future. The Memorandum is required by statute before the institutions can begin to use this new flexibility.

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**Public Forum on Trust Funds Investments**

Peter DeSimone, from the Investor Responsibility Research Center, presented an overview of socially responsible investing and an outline of proxy issues. The committee heard from 8 speakers who asked the Board to be more active and follow guidelines on social responsibility beyond voting proxies.

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## **REPORT OF THE EDUCATION COMMITTEE**

Regent Boyle, Chair, presented the report of the Education Committee.

### **Report of the Senior Vice President for Academic Affairs**

Cora Marrett, Senior Vice President for Academic Affairs gave an outstanding presentation demonstrating how the various institutions in the System are responding to the Board of Regent priorities. She clearly demonstrated that the institutions are serious about focusing on priorities such as quality and partnerships. Senior VP Marrett gave an example of a collaborative partnership relationship between UW-Oshkosh and the Department of Public Instruction which resulted in a \$800,000 grant to the Department of Public Instruction to deal with licensing of teachers. Regent Boyle noted that it's an excellent example of the partnership arrangement that exists all over the System.

The Senior Vice President announced a conference in January involving all the institutions which will deal with the issue of retention and focusing on campus climate in an attempt to improve that situation.

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### ***Federal Funding Strategy***

Regent Boyle emphasized that the Federal Council is very concerned that we do not in any way disrupt UW-Madison's very professional and effective process for securing Federal Funds, but that we complement that with alternatives for other institutions recognizing that niches need to be established whereby institutions can match up with funds available from the Federal Government and other agencies. The UW System needs to develop a strategy that would compete fairly for earmarked federal funds while protecting existing funding sources.

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### ***Learning Innovations Update***

In order to be effective in terms of on-line education, Regent Boyle stated, a variety of different and highly specialized resources in various areas such as student services, marketing, and course preparation would be more effective if resources were congregated in a certain location with a certain partnership arrangement with the institutions. The focus of Learning Innovations is to enhance the basic function of the university in terms of providing quality alternatives to adult students as well as enhancing the opportunities that full time students have in

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terms of achieving success in their college education. Regent Boyle requested the development of a financial plan for Learning Innovations to maintain fiscal responsibility.

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### ***UW Systemwide Information Technology Plan***

Regent Boyle expressed satisfaction with the increasing focus in terms of teaching and learning. He suggested that outcomes and new innovations be specified more precisely in regard to expectations in terms of achievement within a time frame and the budget associated with it.

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### ***The Role of Testing/High School Graduation Tests***

The role of the Board of Regents, Regent Boyle noted, is to determine, if a test is mandated or available, how it should be used and if it will be used in the admission process, rather than recommending whether or not a test should be available. The Committee, Regent Boyle continued, expressed a strong need to clarify the position of the Board of Regents relative to the high school graduation test.

### ***Report on Pre-College Programs***

Regent Boyle expressed the need to track students after they participate in a pre-college program and follow up beyond their participation. The Office of Multicultural Affairs will be working on two projects: One, to determine or develop tentative plans for a system of tracking students who participate in pre-college programs so there will be some follow-up which would advise the potential college student on where they are in terms of admission to the university; and secondly, to look at the whole variety of pre-college programs and to bring to the Board a general review of assessments that are going on in terms of the effectiveness of the programs.

Unanimously approved by the Committee were Resolutions 8469-8473. Regent Boyle moved their adoption as consent agenda items. Regent Mohs seconded the motion and it carried unanimously.

### **Report on Industrial and Economic Development Research Fund**

Resolution 8469:           That, upon recommendation of the President of the University of Wisconsin System, the report on projects

undertaken in the UW System during fiscal years 1999-2000 and 2000-2001 and supported by the Industrial and Economic Development Funds be received and approved for transmittal to the Joint Committee on Finance, in accordance with s.36.25(25)(c), Wis. Stats.

**UW-Milwaukee: Reappointment of Wisconsin Distinguished Professor**

Resolution 8470: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, Fatemeh Zahedi be reappointed a Wisconsin Distinguished Professor, for the period January 1, 2002 through December 31, 2006.

**UW-Milwaukee: Appointment of Wisconsin Distinguished Professor**

Resolution 8471: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, William Haseman be appointed a Wisconsin Distinguished Professor, for the period January 1, 2002 through December 31, 2006.

**UW-Milwaukee: Appointment of Wisconsin Distinguished Professor**

Resolution 8472: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, Hemant Jain be appointed a Wisconsin Distinguished Professor, for the period January 1, 2002 through December 31, 2006.

**UW-Milwaukee: Appointment of Wisconsin Distinguished Professor**

Resolution 8473: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, Jay Lee be appointed a Wisconsin Distinguished Professor, for the period January 1, 2002 through December 31, 2006.

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## **ADDITIONAL RESOLUTIONS**

Regent Boyle presented the following resolution and moved its adoption by the Board of Regents. The motion was seconded by Regent Axtell and carried unanimously.

### **WisconsinEye Public Affairs Network**

Resolution 8474:           WHEREAS, in this 30<sup>th</sup> anniversary year of the University of Wisconsin System as a merged system of public higher education, we are especially aware of the vision, hard work, and partnership-building that is required to establish a vital resource accessible and beneficial to citizens throughout Wisconsin; and

WHEREAS, we are greatly encouraged by the promise of WisconsinEye Public Affairs Network and its plans to utilize cable television and the Internet in the creation of important new linkages between state government and citizens everywhere, including the students, faculty, and staff of the UW System statewide; and

WHEREAS, WisconsinEye programming will be an important instructional and research tool that will enhance learning at every UW institution, with its comprehensive coverage of Wisconsin state government and important public policy discussions occurring around the state; and

WHEREAS, WisconsinEye also holds great value in extending the knowledge base of our campuses to the entire state; and

WHEREAS, this new C-SPAN-like network will not compete, but will complement the ongoing mission of public broadcasting in keeping the public educated and informed throughout our state;

THEREFORE, BE IT RESOLVED, that the Board of Regents of the University of Wisconsin System does hereby commend the mission and goals of the WisconsinEye Public Affairs Network, recognizing it as a much-needed

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information and education resource at this moment in our state's progress;

BE IT FURTHER RESOLVED, in the spirit of the Wisconsin Idea, the Board of Regents does hereby offer its encouragement and appreciation as WisconsinEye disseminates ideas throughout the state and the world.

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**Confirmation of Regent Appointees**

Regent Barry noted that four members of the Board had not yet been confirmed by the State Senate. Noting that these Regents are highly capable and talented people, he said legislators with whom he spoke indicated that they should face no difficulty in being confirmed. He urged that cordial discussions be initiated with colleagues at the Capitol to resolve this matter in a timely fashion.

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**CLOSED SESSION**

The meeting was recessed at 11:40 a.m. and reconvened at 11:55 a.m., at which time the following resolution, moved by Regent Randall, was adopted unanimously on a roll-call vote, with Regents Axtell, Boyle, Burmaster, Gottschalk, Jones, Klauser, Krutsch, Marcovich, Mohs, Olivieri, Randall, Schneiders, and Smith (13) voting in the affirmative. There were no negative votes and no abstentions.

Resolution 8475: That, the Board of Regents recess into Closed Session, to consider an Honorary Degree nomination at UW-Madison, as permitted by s.19.85(1)(f), *Wis. Stats.*, to consider salary adjustments, as permitted by s.19.85(1)(c), *Wis. Stats.*, and to confer with Legal Counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*

The Board arose from closed session at 1:15 p.m., having adopted the following resolution:

**UW-Madison: Authority to Pursue Annexation and Rezoning for Research Park Development**

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Resolution 8476:

That upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Board clarifies and reaffirms that it is the Board's intent to pursue annexation and rezoning with the City of Madison of 113 acres of land owned by the Board of Regents in the Town of Middleton, adjacent to the West Madison Agricultural Research Station to enable development for Research Park purposes, and that the Office of General Counsel is authorized to pursue annexation and rezoning.

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Judith A. Temby, Secretary

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