

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held 1820 Van Hise Hall
Thursday, March 7, 2002
11:00 a.m.

- President Smith presiding -

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

ABSENT: Regent Marcovich

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UPDATE ON BUDGET

Regent President Smith noted that Governor McCallum's budget bill recognized the need to invest in the future and to protect education as a core state value. His budget spared the university from some of the harshest cuts. In return, the UW agreed to manage the cuts without reducing enrollments. Under the Governor's plan, there would be a \$10 million reduction this fiscal year and a \$41 million reduction in 2002-03. While difficult to manage, these cuts would leave some ability to meet economic development goals. At the same time, they would inhibit the ability to grow enrollments, help the state train new workers, and create higher paying jobs because much of the funding for the Economic Stimulus Package would be taken away.

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He expressed concern, however, about recent action by the Joint Finance Committee and a growing sense in some quarters that legislators should cut state agency and university budgets more deeply to be fair to local governments.

Noting that the Governor's proposed cut is deep, Regent Smith explained that it is about the size of the budget for the UW Colleges and is more than the entire budget, from all sources, for two of the comprehensive campuses. It represents GPR support for 10,000 students.

The Joint Finance Committee had increased the total cuts to all agencies by \$23 million, raising the overall reduction to 6%. This could mean an additional \$8 to \$9 million cut on top of the \$51 million for the UW System. Under the Governor's plan, the \$51 million cut in 2002-03 would account for almost 50% of the total cut to state agencies, although the UW budget is only 37.5% of state operations.

A further concern, Regent President Smith continued, is that the Joint Finance Committee's action would also cap tuition growth at 8%. To each student, the difference between an 8% and 10% increase is \$30 a semester. To the UW System, the difference represents a potential \$10 million in lost revenue that would support 2,000 students.

If these additional cuts and caps come to pass, he stated, the UW System will have only one option – to reduce enrollments. The university would be forced to cut some 2,000 students for every additional \$10 million cut from the GPR base. Therefore, he pointed out, the proposed tuition cap will not make the university more accessible. Rather, it will result in denying access to qualified students.

There may be legislators, he indicated, who believe that additional cuts could be made to the UW without significant impact on their communities. Stating that this is not the case, he pointed out that, in past years, the university has cut budgets to the bone, and that ninety-nine cents out of every UW dollar goes to the campuses and is spent in their local communities around the state. When the university is cut, he emphasized, campuses and communities will feel the pain.

Further, President Smith continued, state cutbacks and restrictions will diminish the university's ability to increase enrollments and contradict the findings of the two statewide economic summits. On both of those occasions, more than a thousand people from throughout the state came together and agreed that education is the key to a healthy Wisconsin economy. The UW's Economic Stimulus Package, passed six months previously by the Legislature, addressed the state's need to provide college opportunities for more Wisconsin citizens and to train workers for the 21st century economy.

He stated that actions by the Joint Finance Committee to cut the university further and to reduce its revenues through tuition caps is short sighted and, in the long run, will hurt the economy of Wisconsin.

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Pointing out that the public understands the need for education, Regent Smith noted that, while the university's budget is being cut, 3,500 more students have applied for admission to UW campuses next fall. The budget action, he noted, means that they will have to be refused, and competition for remaining slots will become even tougher. If the Joint Finance Committee action stands, he said the university will have to cut back enrollments further at a time when many people who have been laid off are seeking to return to school to improve their chances in the job market. With additional cuts or tuition caps, they will need to be denied access.

Further, he continued, rolling back enrollments means cutting UW jobs in communities around the state.

Regent Smith observed that, in some ways, the UW has been the victim of its own success – absorbing \$55 million in budget cuts in the past decade without reducing enrollment. The President and Chancellors, he remarked, have done an excellent job of preserving the university. With fewer state dollars, they have managed to improve quality, retention, credits to degree and access. While they are talented managers, he cautioned, their ability to maintain quality and access will end if the Legislature cuts deeper than the Governor's proposal.

Noting that the university pledged to manage within the Governor's proposed 10% cap on tuition increases, even though the UW's tuition is among the lowest in the country, Regent Smith stated that, if the Joint Finance Committee cuts and the 8% tuition cap stands through the budget process, the only recourse is to shut the doors to many deserving students. Otherwise, the quality education that Wisconsin citizens expect and deserve may be permanently jeopardized. A better solution, he pointed out, is to ensure that financial aid will parallel tuition increases so that both student access and affordability can be maintained.

He asked President Lyall to report early in the next week on the impact of the Joint Finance Committee's actions. He also asked Regent Mohs, the Regent's legislative coordinator, to lead a team of Regents in carrying the Board's message clearly to friends in the legislature. Further, he asked that a letter be drafted to send to every member of the State Assembly, where the budget will next be discussed, outlining the university's potentially serious situation and asking for their support.

Stating his continued belief that the people of Wisconsin and their elected leaders want a great university system, he noted that the UW is known around the world and is a point of pride for the state as a whole. Further, he said, a great university is needed if Wisconsin is to get back on its economic feet. Stating that this is not a time to reduce enrollments, he pointed out that the state badly needs UW graduates, 80% of whom stay and work in Wisconsin, and the state needs the university's instruction, research, technology and public service.

Regent Klauser asked if it would be prudent to send conditional admission letters from this point forward. In reply, Regent Smith indicated that information was being analyzed and that action probably would be taken in short order.

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Regent Axtell concurred with Regent Moh's statement about the necessity of discussing with legislators the seriousness of the situation. Referring to the impact of the proposed cuts on the state as a whole, Regent Axtell recalled that the keynote speaker at the recent Economic Summit urged that Wisconsin not just try to survive in the new economy, but instead the state should grow and thrive.

Thanks to Regent President Smith and President Lyall, he commented, the university has been a catalyst in economic development. The two Economic Summits were highly successful, involving 1,600 people from business, labor, education, and government. The message from those summits was that education is a priority; that more graduates are needed in the critical fields of science, engineering, information technology, and biotechnology; and that this is critical for the well-being of the state. In response, the university's budget called for 2,600 more graduates in those fields in the coming biennium. The Governor's proposal had cut that number in half, and the Joint Finance Committee's proposals would eliminate the rest of them.

Stating that he found the situation very distressing, he commented that important constituents had identified what is needed, and they look to the university as the critical resource to provide it. With these budget reductions, he said, the message from the summits would be disregarded and the economic future of the state would be put in jeopardy.

Regent President Smith expressed agreement, observing that it is very difficult to get an economic development train on the tracks and moving. That was done successfully over the last two years, but the Joint Finance Committee's action could slow the train to a halt.

Chancellor Mash illustrated the point by indicating that UW-Eau Claire was to receive \$2 million next year for the Chippewa Valley Initiative as part of the Economic Stimulus Package. The Governor's proposal would allow implementing half of that initiative. With the tuition cap proposed by the Joint Finance Committee, another quarter of the initiative would be eliminated. He had contacted each of his area legislators to point out the impact of the tuition cap. This cap, he emphasized, would do nothing to solve the \$1.2 billion budget problem, but would exacerbate it because it would slow the state's economic recovery.

In response to a legislator who was suggesting that a western Wisconsin campus be closed, Regent Barry said he had explained that closing a campus would only save money if the enrollment of that campus also was eliminated. He thought it important to be clear that enrollment is the only effective mechanism for meeting the budget reductions and maintaining quality.

Regent President Smith agreed, observing that there are three pockets to go to: enrollment, quality, and tuition. The Board will not reduce quality. If the Legislature reduces tuition, enrollments must be reduced.

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Expressing agreement with Regent President Smith's statement, Regent Gottschalk emphasized that tuition flexibility is important to offset some of the cuts and that it is equally important to link financial aid increases to tuition increases so that students who cannot afford them are not shut out.

Regent President Smith concurred, adding that in other states there have been dramatic tuition increases to deal with the economic downturn.

Regent Boyle noted that there also are less visible implications for the UW Colleges and UW Extension. The Colleges have building projects and facility maintenance paid by local governments, and Extension receives about \$20 million annually from county government for county operations. These also will be adversely affected by the budget situation.

Regent DeSimone added that he had conversed with a member of the Joint Finance Committee and urged that quality of education not be sacrificed in budget deliberations.

Regent Mohs pointed out that, since the 1993-94 biennium, the UW has absorbed \$55 million in base cuts, not counting this year's budget repair bill.

President Lyall explained that the chancellors had pulled out all the stops to deal with the Governor's \$50 million cut. The potential for additional significant cuts, she stated, is devastating, and it is important to make clear that further cuts will entail a reduction of educational opportunity for students and will be hurtful to the state's economic future.

With regard to Regent Boyle's point, she expressed the hope that, since some relief had been given to local governments, they in turn would defer passing through cuts to UW College and Extension programs.

In closing, President Lyall said that she would provide information for the Board on what these cuts will mean for UW institutions and that it may be necessary to take action in the near future in order to be truthful and fair to students and parents.

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RESOURCES: STATE COMPACT

Recalling last month's discussion about state compacts, Regent Smith summarized the following conclusions.

1. The state, as it is considering a budget reduction bill, is not likely to want to add additional formulas or other ongoing funding commitments.
2. Four of the five other states with known compacts are experiencing state funding cutbacks this year, despite the compact terms.
3. The current approach to budgeting works well in many ways, due to three factors that have been operating over the last few years.

- 1) A commitment to ongoing discussion with members of the Executive and Legislative branches, led by Regent Mohs who has done an excellent job in organizing this effort.
- 2) Budget requests have focused on what the UW can do for the state in pressing areas such as economic stimulus.
- 3) The UW has exercised leadership in sponsoring the statewide Economic Summits and follow-through on actions resulting from those summits.

Last month, the Regents had expressed interest in looking at specific elements, short of a full compact, that might be feasible within the current budgeting approach. Regent President Smith called upon Associate Vice President Kathi Sell to outline some of these items.

Dr. Sell summarized the main points of a paper that set forth six sub-compact ideas.

1. Quality control: An agreement with the state on a standard approach to taking budget cuts. If there were significant GPR budget cuts, the agreement might be that, in order to preserve quality, the UW either would reduce enrollments and/or increase tuition if there was flexibility to do that. This could be accomplished by either a statutory change or a memorandum of understanding with the Governor.
2. Revenue control: This approach would seek full tuition continuing appropriation. This would allow the university to assess where tuition increases might most appropriately occur among categories of students.
3. Enrollment purchase: The option would put into the statutes an enrollment purchase, under which in each biennial budget, the UW would offer the state the opportunity to indicate how much they would like enrollments to grow by giving a commensurate GPR increase.
4. Lump sum budgeting for compensation and new initiatives: This approach would modify the budget process by incorporating unclassified compensation in an overall request covering both compensation and new initiatives. The Board would be responsible for allocating the funds among compensation and other needs. This approach would require a less detailed budget development process and free staff resources to meet other needs.
5. Standard costs: This approach would seek a broader state-accepted definition of standard costs in order to provide predictable funding for normal operational costs. Currently, standard costs to continue are narrowly defined, with no automatic inflation adjustments nor automatic staffing adjustments for new buildings.

Regent Krutsch cautioned against any option that might decrease the Board's independence in terms of enrollment and quality decision making. Instead, she favored attempting to gain increased flexibilities that would not require additional funding at this time.

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QUALITY: THE VALUE OF THE LIBERAL ARTS

Noting the interrelationship of quality and resource issues, Regent President Smith pointed out that the fiscal context in which quality education occurs requires close attention.

The following presentation, he said, reflects on what is meant by the liberal arts and the role they play in the delivery of a quality education.

He introduced Ron Singer, Associate Vice President for Academic Affairs, who came to System Administration from UW-Parkside, where he held faculty and administrative positions. A holder of a Ph.D. in Business and a J.D., he is licensed to practice law and is a certified public accountant. Given the range of his educational experiences, Regent Smith noted, Dr. Singer is especially able to contribute to a discussion of the benefits of liberal arts education.

Noting that education in the liberal arts is prominent in the mission of all UW institutions, he cited the mission of the comprehensive universities, which includes a commitment to “offer a core of liberal studies that supports university degrees in the arts, letters, and sciences, as well as specialized professional/technical degrees...” In addition, last year UW-Superior was approved for membership in the Council of Public Liberal Arts Colleges, becoming one of only 19 institutions nationwide to be so designated.

Explaining that a liberal arts based education is not a substitute for other types of programs, he indicated that liberal studies are integrated into all professional programs and that many students enhance that integration with double majors and majors coupled with minors or concentrations. That is the case, he said, because the liberal arts are a vital component of student intellectual and social growth and development.

Finally, he pointed out, the liberal arts play a key role in developing the skills that employers identify as essential and that are necessary for lifelong learning.

He then introduced a panel to discuss the subject further: Jim Veninga, Dean of UW-Marathon County; Jane Tylus, Associate Dean of Letters and Science and Professor of French and Italian at UW-Madison; and Bruce Shepard, Chancellor of UW-Green Bay.

Dean Veninga began the discussion by noting that the mission of the UW Colleges is to offer the best freshman-sophomore liberal arts education possible. As the 21st century unfolds, he noted, the issues faced by American citizens – social, political, cultural, economic, and technological – require a renewed commitment to the liberal arts.

To answer the question of why professionals need to study the liberal arts, he referred to a joint project of the Kettering Foundation and several national honor societies in which he is participating. This partnership is developing a national issues forums book and dozens of public forums across the country entitled, “High School and Beyond: What is Education For?”

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To stimulate discussion in these forums, the project identified three goals of education. First, education should seek to prepare students for public life by educating for citizenship in a democracy. This goal supports such endeavors as character education in schools and service learning in colleges and universities.

Second, education should help students lead a life of discovery by cultivating the scientific and humanistic imagination of students.

Third, education should prepare students for work and create a workforce with skills that will lead to economic development.

As to the benefits of liberal arts education, Dean Veninga identified the following: 1) People learn to think well. 2) People learn to communicate well. 3) People learn how to deal with the big questions of life. 5) People come to know their professional destiny. 6) People learn the benefits of civic engagement, the rewards that come from volunteer work and political involvement. 7) People learn the importance and joy of lifelong education. 8) People learn the moral and ethical dimensions of leadership.

Therefore, the Dean suggested that: First, discussion of the purposes of higher education cannot be separated from discussion of the liberal arts, about their importance to the preservation of democratic institutions, cultivation of the imagination, and contribution to economic growth. Second, there is an obligation to make sure that the means of providing liberal arts education to undergraduates – general education requirements – provide the outcomes implicit in excellent liberal arts education. This can be accomplished, he said, by continually renewing liberal arts education to make the liberal arts meaningful for a new era to meet the needs to today's students – needs that are formed by the new opportunities and issues of a new century.

Indicating that there is much discussion among the UW Colleges about how best to do this, he said there is interest in the freshman experience and in ways of enriching the sophomore experience, especially through internships and service learning programs, as well as developing new courses to meet new needs.

At UW-Marathon County, emphasis is placed on interdisciplinary and multi-disciplinary courses. Stating that students need to see connections among academic disciplines, Dean Veninga said that general education programs should offer more than a cafeteria approach in letting students meet distribution requirements across a set of disciplines.

The question that needs to be asked, he continued, is what all students need to know and what problems/issues should be studied. While academic departments ask those questions from time to time, the questions also should be asked collectively.

Noting that integrated studies courses often represent innovation in the liberal arts curriculum, he observed that such innovation, while not cheap, also is not extremely expensive. To further develop an integrated liberal arts program that meets the needs of a new era, some new resources will be needed.

In conclusion, Dean Veninga said he is optimistic that liberal arts education will continue to prepare students for a democratic way of life, prepare students for lives of creativity and discovery, and help educate individuals for careers that will ensure their success and the state's economic well-being.

Professor Jane Tylus began her remarks by suggesting that a liberal arts education focuses on process, not product – the process of becoming an effective communicator, and interpreter of cultures, and a good citizen who knows the moral and ethical dimensions of leadership, someone who knows how to ask questions, how to listen to others, and how to engage in constructive dialogue.

Asking if this is the ticket to getting a good job, her answer was a resounding “yes”. On the one hand, students increasingly have double majors that enable them to thrive as musicians, social studies teachers, translators, and chemists. The goal, she said, is to educate the whole person and to prepare students for the many possibilities that life has to offer.

At UW-Madison, she continued, the College of Letters and Science launches this process for all of its students. Over 90% of all first and second year credit hours are awarded by Letters and Science, and the college turns out 63% of all majors – a number that is up 8% from a few years ago. The college collaborates with other undergraduate colleges in business, education, agriculture and life sciences, and engineering, as well as with its own professional schools in journalism, social work, music, etc., to ensure that UW-Madison graduates recognize where their specializations fit into a larger picture.

In that regard, she said, the process of a liberal arts education integrates with the process of 18 year-old students moving from the insecurities of self-centeredness and the intense curiosities of late adolescence to an awareness of themselves as young adults who are part of a larger fabric. The fact that three of the fastest growing non-science majors in the college are English, Spanish and Communications Arts suggests that students are seeking skills that will enable them to engage with the wide world they encounter outside their doors.

Professor Tylus then spoke about three initiatives at UW-Madison that are at the heart of the liberal arts process, exemplifying the conviction that learning as part of a community carries benefits unlimited by any particular curriculum. First, she mentioned the residential learning communities that go back to the French House, funded by a private donor over 80 years ago, to the Mickeljohn Experimental College that thrived in the 1930s, to the much more recent Bradley Learning Community and Chadbourne Residential College. Next year, there will be a multicultural dorm with floors for students majoring in German and Italian. Students, she noted, want programs that allow them to collaborate with one another at all hours of the day and help them integrate their courses.

Second, she mentioned service learning that takes students out into the community to learn about citizenship. In that regard, the Morgridge Center for Public Service has taken an active role in enabling students to become part of the fabric of civic life and to contribute to society, while at the same time receiving academic credits. Examples include courses in medical

Spanish taught in local hospitals, courses in art that bring elementary school students together with budding artists and critics to create exhibits for the Elvehjem Museum, courses in theatre and drama in which theatre students and acting faculty work with students in area high schools, and a course in political science where values of democracy are taught by familiarizing students with Dane County's many volunteer organizations.

Third, Dr. Tylus spoke about UW-Madison's 80 study abroad programs that are available on every continent. This year, 1,200 students are taking part in these programs, and applications for next year are up by more than 25%. The great majority of these programs are in non-English speaking countries, and all of them enable students to do something that is at the heart of liberal arts education – see themselves through the eyes of others. In addition, 60 foreign languages are taught on campus, and many other classes teach the great variety of the world's cultures, political and economic systems, religions and philosophies.

In closing, Dr. Tylus indicated that later this spring the College of Letters and Science will host its first World Languages Day, in which 600 high school students from across Wisconsin will find out why learning a new language is more than suffering through vocabulary drills. It's also about making new friends, opening up better job opportunities, thinking more carefully about one's native tongue and, as a result, doing better on GREs, MCATs and LSATs. Finally, it is about engaging in the wide world.

Chancellor Shepard began his remarks by speaking about why the role of the liberal arts is so honored in academia and essential to higher education. As the Renaissance university emerged, scholars engaged in the rediscovery of the knowledge of the ancient Greeks. Seven traditional liberal arts would emerge: They involved language, music, reasoning, mathematics and science. What is important, he explained, is not the fields themselves, but the fact that success of liberal arts education was not measured by a student's mastery of subject matter alone. The liberal arts were seen as a means to the more fundamental purpose of the actual transformation of students.

Liberal arts education, he said, is education that liberates students from the tyranny of their experience. Everyone arrives with assumptions, definitions and concepts that they have unconsciously and uncritically absorbed from a multitude of sources. Liberal arts education is designed to make the process of knowing the world more conscious and critical by enabling students to critically examine and consciously choose the concepts and definitions they use to know the world.

Turning to UW-Green Bay's approach to the liberal arts, Chancellor Shepard noted that variety, experimentation, and innovation are critical. The university's approach is captured in what is called the Green Bay Idea: An educated person addresses problems and approaches life through multiple perspectives anchored in commitment and engagement, skills and tools, and depth of knowledge, insight and understanding.

One component that distinguishes the Green Bay Idea, he explained, is the emphasis upon multiple perspectives and the recognition that understanding that is deep, complete, and supportive of effective action requires looking at things from multiple perspectives. UW-Green Bay, he explained, goes a step beyond the traditional multidisciplinary approach of examining subjects within the frameworks of their separate disciplines. The Green Bay approach is interdisciplinary, wherein synthesis is sought by bringing together concepts of multiple disciplines to seek understandings that would not be possible within the limitations in any one of the contributing disciplines. A whole is sought that is greater than the sum of its parts.

Stating that liberal arts education is more relevant now than it has ever been, he pointed out that today there is the challenge of preparing people for careers that do not yet exist and for facing economic, social and cultural challenges that are not yet known. This cannot be done simply by providing technical skills and information that will have rapidly diminishing relevance. What will matter most in dealing with the future is the ability to grasp the new and novel from multiple perspectives. Because the challenges of the future will not respect the boundaries of today's disciplines and technologies, what will be required is synthesis, and research shows that leadership abilities are much more likely to come from those with a liberal arts background.

In discussion following the presentation, Regent President Smith commented that he knows from his business experience the importance of liberal arts education. He asked what role the liberal arts could play in helping with the state's current economic situation.

Responding that it could help in terms of establishing priorities, Dean Veninga noted that the ability to examine an issue from multiple perspectives is important for sound public policy. Chancellor Shepard added that liberal arts education enables a citizenry to make well-informed choices and not just react to superficial analyses and headlines.

Regent Brandes observed that liberal arts education enables creative thinking, the ability to interact with other people and to understand their perspectives, as well as problem-solving skills and commitment to the community. From her business perspective, she pointed out that those who have not succeeded on the job almost never lacked technical skills. Rather, they lacked the ability to present ideas effectively, the ability to interact, the ability to solve problems, and the ability to work as part of a team. There cannot be quality in a university, she stated, without an excellent liberal arts program. She felt strongly that students should have a solid liberal arts education before committing to professional studies.

Professor Tylus agreed, adding that the undergraduate years afford the opportunity for students to experiment and to learn widely in a way that will no longer be available once they begin their careers.

Referring to ways in which the liberal arts can contribute to stemming the brain drain, she reported that the College of Letters and Science had received a grant from the National

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Endowment for the Humanities of \$400,000 for a Center in Upper Mid-Western Culture. This center will educate students about Wisconsin and give them good reasons to stay in the state after graduation.

Regent Klauser asked how the quality of liberal arts programs could be measured in order to ensure that the programs offered are of the highest quality. In response, Chancellor Shepard indicated that there are many different measures of research, scholarship and teaching. These measures are then used for accountability purposes and program improvement. Regent Klauser indicated that he would like to learn more about this subject. Chancellor Shepard added that one of the most important purposes of the liberal arts is to stimulate critical thinking. He suggested that the Board might be interested in a presentation from experts around the country on how critical thinking is being defined and how programs can be held accountable for teaching it.

Regent Krutsch referred to the cafeteria approach and distribution requirements that can be so loose that students graduate without essential understandings. With regard to education for living in a democracy, she noted that students sometimes graduate without a framework for new information or putting news and other developments in context. She inquired about the status of this perennial debate.

In response, Dean Veninga indicated that the challenge is to bring more focus to general education programs after decades of expansion in the number and variety of courses offered. There is a need, he said, to consider what all students, regardless of their career path, should know and focus the curriculum accordingly.

Regent Krutsch asked if one of the challenges is department-based organization and lack of a forum to ask these kinds of questions. Responding in the affirmative, Dean Veninga said that central questions need to have priority over departmental interests.

Regent Schneiders recalled that she has known people who are so engrossed in their technical specialties that they have no interest in public life and do not even vote. She said it is important to appreciate the role of the liberal arts in educating complete persons and to continue raising the quality of those programs.

The meeting was recessed at 12:30 p.m. and reconvened at 1:00 p.m.

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DEPARTMENT OF PUBLIC INSTRUCTION PRESENTATION ON THE WISCONSIN QUALITY EDUCATION INITIATIVE – PI-34

In opening remarks, Regent President Smith observed that preparation of future teachers remains one of the UW's greatest opportunities, as well as one of its greatest challenges. Chapter PI-34, Wisconsin Administrative Code, contains the rules used by the Department of Public Instruction to review and approve professional education preparation

programs on 13 UW campuses. The chapter also contains the rules for licensing teachers. He introduced Regent Burmaster, Superintendent of Public Instruction, and colleagues from DPI for a presentation on the impact of the new licensing rules.

Noting that improved student learning is a key goal for K through 16 education, Regent Burmaster said this means high levels of achievement for every student and a good teacher in every classroom. In accordance with Wisconsin's proud tradition as a laboratory of innovation, she indicated that PI-34, the Wisconsin Quality Educator Initiative, makes the state a national leader in this area. The result of more than 10 years of partnership and collaboration with professional groups and national experts, PI-34 reforms the one-tier educational license into a graduated three-stage license that is raising standards for educators.

PI-34, Regent Burmaster pointed out, targets resources and priorities toward excellence and quality education for all children and provides an organizational framework for closing the gap between children of color, disadvantaged students, and their peers, which is the major challenge of public education in Wisconsin, as well as other states.

She stated that the best way to ensure that every child in the state is equipped with the skills and knowledge they need to compete in the new economy is by ensuring a quality teacher in every classroom and strong leadership in every school. For this to happen, she explained, the entire educational community must take responsibility and work collaboratively. PI-34 provides the mechanism to do that. It is a systemic and comprehensive redesign and fundamental change in recruitment, teacher preparation, certification, licensing and professional development of educators.

Introducing Dr. Peter Burke and Dr. Jack Kean, of the Department of Public Instruction, Regent Burmaster noted that Dr. Kean is a UW-Madison professor emeritus who is serving as an Assistant State Superintendent.

Dr. Kean explained that DPI has been working for more than 10 years with task forces composed of professors, teachers, school board members, parents and administrators from higher education and K-12 education to design a new structure for teacher education and licensing. That work resulted in a task force report in 1995 that laid out the broad parameters of the new program. That was followed by a second report in 1997 that began to define the specifics of license categories and pre-service education. Then came drafting of administrative rules that were shared broadly with legislators and other interested parties and at public hearings around the state. After 3 years of consultation, the rules were approved.

Under the old rules, he explained, students took the required courses, passed exams, did student teaching and then were certified as teachers. The new system, on the other hand, is based on a set of performance standards. Wisconsin's leadership in this area has been recognized nationally, and Wisconsin's quality teacher standards have been built into the federal No Child Left Behind Act.

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In developing the new rules, there was a strong effort to develop a shared vision, so that school boards, school administrators, teachers, parents and other interested parties were in agreement about the program. This effort, Dr. Kean said, has been successful. Impact on student learning has been built into the performance standards and criteria for licensure, as well as into the professional development plans for teachers.

Another major change in the new system, he continued, has to do with career paths for teachers. The old rules required professional educators to take six credits or their equivalent in order to qualify for license renewal. The new system changes that dramatically by requiring all teachers to have a professional development plan based on the standards for the license they hold. These plans are validated by teams representing higher education, peer teachers, and local school district administrators. For later licensing levels, plans will be validated primarily by peers.

Dr. Kean observed that, because of the cooperative way in which the rules were developed, there now is a much closer relationship between higher education, PK-12 education, and the Department of Public Instruction. The new system, therefore, has the potential to make significant changes in teacher education and the education of children. What is involved, he said, is a community of learners, including teachers, students, administrators, school service personnel, parents and others.

Turning to steps in the process, he noted that students are admitted to a teacher education program after completing two years of liberal studies. At that point, they take professional courses related to foundations of education and to the content they are going to teach. They then engage in a full year of student teaching, which is the most extensive requirement in the country. All students then will need to take a content test in order to reach the initial educator stage and receive a three to five year license. This is followed by a professional educator license. At each level, a professional development plan is required.

The pre-service stage, Dr. Kean explained, includes assessment, content standards, and program approval. The initial educator stage includes not only a professional development plan, but also mentor training support in order to stem the high attrition rates of beginning teachers. The professional educator stage is followed by an optional master educator license.

With the help of Title II funding from the federal government, work teams have been dealing with recruitment/alternative certification, assessment, administrator training, and license stages. This work has been completed within the last year. Plans for specific implementation strategies will soon be presented to the State Superintendent for approval.

The recruitment and alternative preparation team is building a model for recruitment of diverse populations in the state and is evaluating alternative programs to determine their effectiveness. The team also is developing models that ensure that candidates for certification have the knowledge and skills required by the standards.

The program assessment and approval team developed the framework that is being used for pre-service programs. This year, it is in a pilot stage at eight institutions: Alverno College, Cardinal Stritch, Lakeland, Marion, UW-Oshkosh, UW-Madison, UW-Superior and UW-Whitewater. It is expected to be fully implemented next year.

The content team has been developing performance-based content guidelines that reflect the Wisconsin model for academic standards. DPI has contracted with the Educational Testing Service to provide content tests in every subject area for students who are graduating or completing certification programs. Next month, teams of teachers and professors will meet to set the standards that will be used. The test will be required of graduates of all Wisconsin programs in 2004.

For the licensing stages, an initial educator team has developed a mentor orientation program and support models. These were piloted and evaluated in a number of school districts in the past year, and the results are being evaluated for use in refining the models.

A professional development plan format has been prepared and is being piloted in a number of districts this year. The plan must promote growth in two or more standards; it must identify objectives and show what kind of activities will be undertaken to reach those goals. The plan also must show how the educational professional will collaborate with others in order to improve, and it must contain plans for assessing professional growth and student learning.

For the Master Educator License, candidates must have a master's degree related to their fields. They will need to provide classroom observations, student learning examples, information about contributions to the profession and interaction with communities and families. Assessment will be done by three educators with the same job responsibilities as the candidate. Assessment teams may also include school board members, nominees of professional organizations related to the license, and persons selected by the State Superintendent.

The administrator team is charged with developing performance-based standards, developing guidelines and criteria for professional development plans for administrators, and developing a training program for those who will be evaluating the plans. There also will be a mentoring program for new administrators.

Noting that all of this is not easy to accomplish, Dr. Kean indicated that development of the performance indicators, benchmarks and assessments now being used in teacher education programs have taken a great deal of staff time at colleges and universities, with very little external funding to help pay for it. Much of the work for the next several years, he continued, will be funded with federal dollars. In addition to grants, there will be partnerships between the UW and local school districts, other entities, and the DPI.

Noting that the full cost of implementing the new rules will not be felt until the fall of 2005, he pointed out that, even with significant federal funding, state dollars also will be needed. Issues to be addressed include ongoing recruitment and retention of teachers to deal with supply and demand problems that are likely to increase. In that regard, he noted that more than 2,000 teachers currently have emergency licenses, half of those in the area of special education. He emphasized that there is a serious and continuing problem in meeting the need for qualified

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special education teachers and that additional funding will be needed to train teachers who are competent to work with these needy children.

Referring to a map that showed a heavy concentration of initial educators in the southeast part of the state, Dr. Kean noted that strong cooperation between universities, CESAs, and public school districts will be required to meet the needs of these beginning teachers.

Regent Smith asked if existing teachers will be grandfathered, to which Dr. Kean replied in the affirmative, adding that they also will have the option to move into the new system. Superintendent Burmaster added that she will be working with the educational community to show the strength of the new system and the advantages it offers to existing educators.

In response to a further question by Regent Smith, Dr. Kean indicated that all the standards, benchmarks and assessment tools have been developed. They currently are being validated to make sure they are providing good measures of the quality of performance.

Regent Smith asked about faculty involvement in the mentoring process. Dr. Kean replied that most mentoring will be done by teachers who are relieved of other responsibilities. Other mentors will be retired teachers and retired faculty. Higher education will be involved in validating professional development plans for initial educators. PI-34 sets forth the expectation that institutions of higher education will provide assistance to their graduates and work with school districts to evaluate the effectiveness of their graduates. This feedback will be used to improve teacher education programs.

Regent Burmaster emphasized the reciprocity of learning that will take place as schools of education hear directly from their graduates about the first years of teaching. Referring to the significant attrition of teachers in the first five years, she expressed the hope that this reciprocity of communication will create a community of learning that will be helpful in addressing the teacher retention issue.

In response to a question by Regent Boyle, Regent Burmaster indicated that assessment of student learning will be used to determine the success of the new system. Dr. Kean added that models developed in Wisconsin and other states will be reviewed in considering the best way to do this kind of assessment. The Wisconsin Education Association Council is cooperating in this effort.

Stating that he found the new system impressive, Regent Klauser asked if the map showing a heavy concentration of new teachers in southeastern Wisconsin represented a typical year, and Dr. Kean replied in the affirmative.

Regent Burmaster commented that the mentoring plan for initial educators is especially important for young teachers who have not lived in an urban area and are dealing with a new environment and high percentages of children of poverty. The new plan can target support to help narrow the gap in achievement that exists for those children.

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Noting that many business people and others are concerned about the Milwaukee Public School System, Regent Klauser indicated interest in a presentation on how they can be involved in making the new system work to improve those schools.

Regent Burmaster replied that Regent Randall and Chancellor Zimpher are involved in the Milwaukee Partnership Academy which is doing exactly that kind of work.

Regent Klauser asked how the new licensing stages will affect the compensation schedule for teachers. Dr. Kean replied that both the School Board Association and the WEAC anticipate that the new system will have a significant effect on contracts and salary schedules and that both are working on various models to recognize the different licenses and professional development.

Regent Mohs indicated that he and Regent Gottschalk recently attended a summit on minority achievement hosted by UW-Milwaukee and the Milwaukee Urban League, at which Superintendent Burmaster had given an excellent speech for an audience of about 1,500 middle and high school students. He cited statistics showing that 40% of Milwaukee high school students are chronically truant, that only 35% of Black students in the Milwaukee system graduate, and that only 53% of students are present on an average day at North Division High School. He asked if the new system can produce teachers who have techniques that can improve the attendance level and if there is any learning that can be imparted to existing teachers to help deal with these problems.

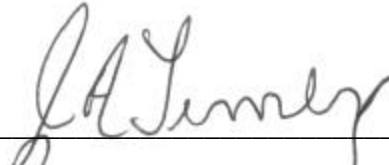
Responding in the affirmative, Regent Burmaster said that all the work done over the last 10 years will have a positive impact on the quality of teachers, and that ongoing support for young teachers and ongoing professional development will be highly beneficial and will enhance recruitment of teachers in Milwaukee. She observed that the quality of the classroom teachers is one of the most important variables affecting attendance and graduation of students. Support of those quality teachers is of critical importance. In addition, she said, the new system for administrative licensing will support strong leadership in every school, which is the other variable that directly affects the educational climate and student learning.

Regent Gottschalk commented that the summit he and Regent Mohs attended made it clear that there is an ongoing tragedy in the Milwaukee Public Schools and that hundreds of children are being left behind. He urged that the Board do anything possible to help in implementing the new educational system as rapidly as possible.

Chancellor Zimpher stated appreciation for the concern expressed about the welfare of the Milwaukee Public Schools. She explained that there is an exceptional partnership in Milwaukee between the Chamber of Commerce, the Milwaukee Public Schools, the Milwaukee Teachers Association, the Private Industry Council, MATC, UW-Milwaukee and other universities to intervene immediately to improve the situation. Noting that economic development depends on opening up the education pipeline, she suggested that the Board hear a presentation about this exciting initiative at an upcoming meeting.

Upon conclusion of the discussion, the meeting was adjourned at 2:00 p.m.

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Judith A. Temby, Secretary

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, March 8, 2002

9:00 a.m.

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Minutes of the Board of Regent's Meeting.

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, March 8, 2002

9:00 a.m.

- President Smith presiding -

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

ABSENT: Regent Marcovich

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APPROVAL OF THE MINUTES

The minutes of the February 7 and 8 , 2002 meeting stood approved as distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Suspension of Undergraduate Admissions

Regent President Smith stated that additional cuts to the UW's GPR base and the cap on tuition imposed by the Joint Finance Committee have placed the university in a difficult and complex position. Reporting that the cost is an additional \$20 million for the year 2002-03, he pointed out that these cuts also put at risk some \$58 million in matching money that private sources and companies have put up to fund the UW's economic stimulus package.

Noting that the university represents 37.5% of state operations but would absorb about 50% of the cuts under the Governor's proposal, Regent Smith said the university had agreed to manage that difficult reduction, hoping all the while that the improving economic climate would allow restoration of some of the Governor's cuts. This hope had made the Joint Finance cuts even more discouraging.

At this time, the budget situation is considered as too uncertain to insure that all the students who want to enroll in the UW next fall can be accommodated. Therefore, Regent President Smith had asked President Lyall to suspend all undergraduate admissions to the UW System, effective March 9th, until further notice. It was his hope that the admission suspension would be temporary and could be lifted in the near future.

Emphasizing that the UW must operate like a business, he pointed out that the university cannot enroll students if the money is not there to pay for them. Noting the Board's responsibility to maintain the integrity and quality of the UW System, President Smith stated that these additional cuts leave no choice but to suspend enrollments, until there is better understanding of the impact of the reduction on UW institutions.

Recognizing the impact this action will have on the lives of applicants and their families, he apologized for the inconvenience caused to them, reiterating that the Board has no other choice.

Regent Klauser agreed that this is a regrettable, but necessary, action that must be taken to preserve the quality of the institution. He moved that admissions be suspended, as indicated by Regent President Smith. The motion was seconded by Regent Randall.

In response to a question by Regent Brandes, Regent President Smith explained that all admission acceptances already received or in the mail remain valid. Admission acceptances will be stopped effective March 9 until further information becomes available. President Lyall added that the suspension applies only to undergraduate admissions.

Replying to a question by Regent Barry, Regent Smith indicated that different campuses are in different phases of their admission process, but the process is not complete on any campus at this point.

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Regent Axtell asked if admissions had ever been suspended before, to which President Lyall replied that there had been pauses in the admissions process, in which admissions were deferred to the second semester or the following year. However, a suspension had not been done in this way before.

Regent Axtell expressed concern that, if the suspension were to continue for a period of time, the UW could lose many students who would accept other offers or apply to other schools.

Recognizing that the suspension will inconvenience many families, Regent President Smith said the situation will be reviewed on an ongoing basis and that, if warranted, changes will be made as more is learned.

Regent Barry asked what proportion of anticipated fall-entry undergraduates had already been admitted, to which Regent Smith replied that the proportion varied from campus to campus.

Chancellor Wiley added that it is not possible to know at this point how many admission offers will be accepted. Estimates based on past experience are used in making calculations.

Regent Barry suggested that the Executive Committee handle the matter on an ongoing basis so that the Regents can be responsive to changing conditions.

Regent President Smith verified that the Executive Committee will act on behalf of the Board.

Regent Klauser added that, if the situation improved, the Executive Committee could lift the suspension in whole or in part.

Regent Axtell noted the importance of clearly communicating this unprecedented move to the public and making sure it is understood that the suspension does not apply to graduate programs.

Regent Brandes asked that all Regents be given updates on an ongoing basis. She expressed concern that students may accept private school or out-of-state offers while UW admissions are suspended.

Stating his belief that the Board should not suspend admissions at this time, Regent Olivieri pointed out that suspension of admissions is very disruptive and that the Legislature and the Governor are aware that the UW is in a difficult position.

Noting that the admission process is very active at this time of year, Regent Smith said it is preferable to suspend admissions than to have to tell accepted students later on that they could not be admitted after all.

Regent Mohs noted how disruptive budget turmoil is to an organization as large and complex as the university and pointed out the hardship that enrollment uncertainty would bring to families who have paid taxes for many years with the assumption that their children would attend the UW. While suspending admissions is very difficult for these people, he felt compelled

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to support doing so, knowing that the proposed cuts otherwise would be very detrimental to the quality of education offered to students. He hoped the suspension would not last long.

Regent Smith emphasized that the UW already had agreed to manage the \$51 million cut in the Governor's budget, while at the same time going forward with half of the Economic Stimulus Package program. As a business person, he considered suspension the only responsible course given the additional 40% reduction that would be imposed by the Joint Finance Committee proposal.

In response to a question by Regent Axtell about hiring of faculty and staff, President Lyall noted that, as part of the ongoing statewide hiring freeze, 220 UW positions will not be filled, based on the Governor's \$50 million reduction. Information now needs to be developed on the effects of another \$20 million reduction on the hiring process, being mindful of the obligation to provide the courses and other educational services that current students need.

Regent Axtell asked the record to show that the Board's action was based on information available at the time, recognizing that the financial impact of the proposed budget reductions would be reviewed on an ongoing basis.

Regent Klauser asked the record to show that the Executive Committee has the authority to act between Board meetings to modify the Board's action if warranted so that the suspension would not last any longer than necessary.

Regent Barry noted that some campuses have more capacity to absorb additional students than others and that it might be found desirable to open admissions to those campuses. He would be comfortable with the action to suspend as long as the Executive Committee has the power to adjust the suspension in whole or in part.

Regent Gottschalk asked the record to show and the public to be informed that the reason for the suspension is to gather data so that appropriate action can be taken on the basis of that information.

Regent Schneiders pointed out that the legislative budget process may not proceed as quickly as might be hoped.

Regent Krutsch asked if responses to applications could identify other campuses that have additional capacity.

Chancellor Mash replied that institutions currently cooperate to make such referrals.

Chancellor Keating emphasized the importance of adjusting the suspension by campus to accommodate differing situations.

Stating that an overall admission suspension is too blunt an instrument to deal with the situation effectively, Regent Olivieri thought the motion should include the notion of different campuses addressing the issue differently, based on their own situations and in consultation with the President.

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Chancellor Keating commented that a time-out is needed for the institutions to gather information based on the most recent budget actions.

Regent Smith added that chancellors would have to attempt to renegotiate economic stimulus partnerships worth \$58 million in private matching funds. These partnerships have been under development for almost two years, with private monies already committed, he pointed out, and it now appears that UW institutions may not be able to do their part.

Regent DeSimone emphasized the importance of making clear to the public and their elected representatives that the university cannot deliver the quality and access they demand without the money needed to do so.

Stating that she was not yet comfortable with the motion, Regent Brandes noted the fact that taxpayers expect that their children will be able to attend the university for which they pay. She felt the Board's action should state specifically that students will be accepted on campuses where there is available space so that families do not unnecessarily spend money to find alternatives.

President Lyall added that it also is important to confirm that admissions already made will be honored and that UW institutions will admit as many people as they can serve with quality education. However, she cautioned that there also is an obligation to students already admitted for next year and all those on campus to provide the courses they need to graduate in a timely fashion and to provide the quality education they expect.

Regent Barry stated that he is comfortable with the motion as long as it is well explained to legislators and the public and there is flexibility for institutions to accept as many students as they can.

In response to a question by Regent Burmaster, President Lyall indicated that those students who have been accepted have been so notified. Other applications are pending and students are still able to apply.

Regent Schneiders commented that the proposed action is prudent from a business point of view but would risk inciting public opinion. She suggested a conditional admission that would keep the door open and lessen the impact on students and their families.

Regent Jones asked what would happen to students who applied before March 9th, but had not yet received letters of acceptance, to which President Lyall replied that letters of acceptance mailed before March 9th would be honored but that other applications would be held in suspension until it is decided how the problem can be resolved.

Pointing out that the Board is reacting to the financial implications of the problem, Regent Mohs said that the point of suspending admissions is not to send a message to the Legislature, but to assess the extent to which there is room to admit on certain campuses. While the action would inform the Legislature and public of the problem, the purpose is not to send a message but to deal with economic realities.

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Rather than suspending overall admissions, Regent Olivieri thought that institutions should be directed to assess their situations and not proceed with admissions without understanding the financial consequences of the budget proposals for their campuses.

Regent Klauser felt the discussion was consistent and compatible with giving the direction to suspend further admissions but also directing the Executive Committee, the administration and Chancellors to assess the situation, with the hope that the suspension will be short term. Concurring with Regent Schneiders that the financial uncertainty could continue for some time, he added that it is the responsibility of others to remove that uncertainty so the Board can proceed.

Noting that the Legislature has the responsibility to establish priorities, Regent Klauser explained that the state is not in a negative fiscal position, even with the economic slow down. The problem is that there is less money than expected, and more funds have been authorized for expenditure than will be available. Even so, he continued, there is more money in this biennium than in the last one, and the Legislature and Governor have the difficult task of establishing priorities for those dollars. If they determine that the university is less important than other expenditures, he noted, that is their prerogative and the university must manage accordingly.

Therefore, he said, it is the proper role of the Board to instruct management and the Executive Committee to oversee and manage the problem and to make clear the implications of budgetary decisions that are made.

Regent Boyle expressed confidence that the UW's outstanding chancellors will be prudent and innovative in finding the means to serve as many students as possible.

Regent Gottschalk indicated that later in the meeting the Business and Finance Committee would offer a resolution that the Board adopt 2002-03 budget allocation decision rules that contain language for dealing with budget reductions. He asked if those rules would be used to deal with additional proposed cuts, and President Lyall responded in the affirmative.

In reply to a question by Regent Gottschalk about how rapidly the chancellors can analyze their situations in terms of admissions and budgets, President Lyall explained that it would take several days for them to determine where the money would come from, how many positions would need to be cut, where they would come from and how that would affect enrollments by school and program.

Regent Axtell commented that the sense of the Board is clear, fully discussed, and will be set forth in the minutes of the meeting. He felt the worst scenario would be to continue accepting students and later have to tell them they cannot be admitted. He asked for action on the motion.

Regent Klauser restated his motion as follows, and the motion was seconded by Regent Gottschalk.

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Resolution 8511: That the Board of Regents directs the Administration and the Chancellors of the UW System to suspend additional undergraduate admissions until such time as the impact of the budget can be determined, and encourages the System to act promptly to admit as many students as possible while maintaining quality.

Put to the vote, the motion was adopted on a voice vote, with Regents Olivieri and Brandes voting in opposition.

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Report on the March 6th Meeting of the Hospital Authority Board

Regent Mohs, a member of the Hospital Authority Board, reported that one issue raised at the meeting concerned the Physical Therapy program, which received perfect marks in its accreditation. However, the accrediting body is going to require that physical therapy programs offer a Ph.D. Because the director of the Wisconsin program, who has done excellent work, does not have a Ph.D., the accreditors are requiring that she be replaced by someone holding that degree.

Regent Mohs expressed the hope that UW-Madison, under the leadership of Chancellor Wiley, would address the subject of escalating degree requirements in the health sciences in collaboration with other universities that also recognize this problem.

Chancellor Wiley added that the accrediting body is specifying a curriculum for what should be a master's program. He observed that this is a case of a self-interested professional group dictating a higher degree than the university believes is necessary. He had raised the issue with a number of other universities, but they agree that even a concerted effort may not make a difference because there are proprietary schools that would be eager to offer the degree if recognized public and private colleges did not. The result, he commented, would not necessarily serve the quality of health care.

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Report of the February 28th Meeting of the Executive Committee

Regent President Smith reported that the Executive Committee had authorized a search for a Provost at UW-Whitewater.

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Report on Governmental Matters

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

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The meeting was recessed at 10:20 a.m., and reconvened at 10:35 a.m.

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REPORT OF THE PRESIDENT OF THE SYSTEM

2003-05 Biennial Budget Themes

Introducing the topic of 2003-05 biennial budget themes, President Lyall observed that, despite the current severe budgetary problem, it still is necessary to look to the future and be in a position to continue the commitment to help the state with economic growth and to meet other needs.

Referring to a list of possible budget themes, President Lyall indicated that they reflect the input of the Regents and discussions with the Chancellors. Discussions will continue through the spring and the Board will be asked in June to approve a list of budget items.

The potential themes were grouped under two headings, the first being what the university can do for the state, including economic development initiatives, addressing nursing and teacher shortages, expanding student transfer and completing the Milwaukee Plan.

The second heading has to do with investing in core infrastructure, including maintenance of libraries, instructional technology, student retention, the general education core, and international education. These items, she said, must be addressed in order to deliver what is needed for students and the state.

Under the economic development theme, campuses are working on regional and industry cluster economic initiatives. Also included are proposals on teacher education, nursing and health care that focus on increasing the supply of graduates and retention of current professionals in those fields. The university is working with the Department of Public Instruction to craft a teacher education initiative and through the PK-16 Council to look at supply and demand issues. The UW also is working with the Technical College System on a joint degree completion proposal and on possible healthcare initiatives.

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Good News

Wisconsin at the Olympics

President Lyall reported that a delegation from UW-La Crosse attended the Olympics to provide health care and do research. One of those present was Carl Foster, Professor of Exercise and Sport Science, who was invited by the International Olympic Committee to

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conduct research on the performance of long-track skaters. Professor Foster, who has been involved with speed skating since 1979, and John Porcari received a grant from the International Olympic Committee (IOC) to study pacing patterns and power production for speed skaters. Professor Foster also works with the U.S. Speed Skating team, coaching the coaches.

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UW Student Paper Awards

President Lyall congratulated student newspapers at UW-Madison and UW-Platteville on winning awards from the Wisconsin Newspaper Association for excellence in general reporting, photography and news reporting. Student newspapers, she observed, are important teaching and learning opportunities for students.

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New Learning Innovations Leadership

Noting that David J. Ward will complete his tenure as interim director of Learning Innovations on March 15th, President Lyall remarked that UW-Extension and the UW System as a whole are indebted to him for his calm guidance, wise counsel and his business and fiscal acumen. During his tenure, enrollments in Learning Innovations on-line courses grew 50%; its .org services were refocused and reinvigorated; and its relationships with key stakeholders and potential partners were substantially strengthened. After March 15th, the President announced, Barbara Emil will take over as director. She comes to the UW from a position as director of the University of Florida's statewide virtual university. Her leadership, President Lyall said, will make for a smooth transition for a very important unit.

Noting that he had recently toured the Learning Innovations Center, along with Regents Gottschalk and Boyle, Regent Mohs said they had inquired about economic results and received information on GPR support and other revenues. Learning Innovations, he pointed out, is a very valuable enterprise in online education through such programs as the B.S. Degree for nurses that make important contributions to the state. At the visiting Regents' request, the center prepared scenarios, including one with existing funding, one with less funding and one with funding to do what would be needed to maximize its effectiveness. The latter, Regent Mohs noted, is an example of important educational opportunities that cannot be provided due to inability to fully fund programs that would benefit students and the state.

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Saludos Hispanos Award to UW System

President Lyall reported that Saludos Hispanos had named the UW System as one of the nation's 100 top educational opportunities for Hispanics. The UW was cited for providing a high standard of education, career planning and counseling for Hispanic students. UW institutions enrolled over 3,000 Hispanic students last year and more than 800 Hispanic new freshmen. She observed that the UW's listing on the Saludos Hispanos website should raise its visibility nationally as a good place for Hispanic students to study.

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UW-Milwaukee Aids Low-Income Taxpayers at Clinic

President Lyall reported that low-income taxpayers who need help with federal income tax returns or with an IRS audit can get free advice at UW-Milwaukee's Low Income Taxpayer Clinic. Translation services in Spanish and Hmong also are offered free of charge. This clinic, she observed, is a wonderful way for UWM's graduate tax students, alumni from the Master's Program in Management and tax faculty to help low-income clients. The clinic was awarded a grant from the IRS.

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UW-Stout Receives Baldrige Award at Washington, D.C. Ceremony

President Lyall noted that, in a Washington D.C. ceremony the preceding day, President Bush presented the Baldrige Award to Chancellor Sorensen on behalf of UW-Stout – the first university ever to win a Baldrige Award. This award, she noted, is a wonderful accomplishment by UW-Stout and is an honor that benefits the entire UW System

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MEPP Program Wins International Continuing Education Award

President Lyall reported that UW-Madison's Master of Engineering in Professional Practice program won an international award for continuing education – the Outstanding Credit Program Award, given by the University Continuing Education Association. For this award, the MEPP program competed with traditional on-campus programs, as well as other distance education programs across North America. The program prepares engineers for success in project and program management by providing advanced courses in engineering, communications, management and computer skills that are most needed in the workplace. Its flexible Internet-based delivery incorporates daily interaction with a world-class faculty and project-based learning with engineers from leading organizations around the country.

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The students in this program, she continued, have demanding full-time jobs, and most of them travel extensively and have long and often unpredictable work schedules. The 30 students selected for admission each year progress together through a fixed two-year curriculum. This format builds a supportive learning community that is a key to its success. Businesses in which its students work include Harley-Davidson, Boeing, GE Medical Systems, Motorola, Hamilton Sundstrand, Kohler, Rockwell, Trane, Mercury Marine, Kraft, AT&T, Caterpillar, Eli Lilly, Genentech, Kellogg, Dean Foods, John Deere, and the U.S. Army.

Key reasons that the program received this recognition, the President remarked, include the performance of graduates in meeting educational objectives, cost effectiveness, and significant contributions to the field of continuing education. The program has a 98% completion rate and a graduation rate of 92% within two years.

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WAA Sponsors March Madness Contest

President Lyall announced that the Wisconsin Alumni Association, in conjunction with the UW System, was sponsoring an online March Madness trivia contest. The prize for winners are basketballs signed by members of the UW-Madison men's basketball team.

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REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE

The Physical Planning and Funding Committee report was presented by Regent Gracz, Chair.

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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 \$ 46M for various projects at their February meeting. She recognized the award recipients which were presented by Governor McCallum to River Architects for *Excellence in Architectural Design* of the UW-La Crosse Wing Technology Center; to Arnold & O'Sheridan of Brookfield an *Excellence in Engineering Design* for the design work on the Chemistry Fume Hood Replacement at UW-Milwaukee; and to Tom Sonnleitner, UW Oshkosh Vice Chancellor for Administrative Affairs, an *Excellence in Service* award,

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recognizing his dedication in assisting the Division of Facilities Development in the coordination of building projects on that campus.

Assistant Vice President Ives noted that the state will be closely monitoring the amount of GPR used for debt service. The State has a self-imposed ceiling of no more than 4% of revenues being used to retire debt. Current estimates show that debt service for the bonding already authorized will be at 3.7% of revenues in 2003 and 2004. Ranking criteria approved by the Regents will be used to recommend priorities for the capital budget. These criteria emphasize extending the useful life of existing facilities through maintenance and renovation.

Members of the Committee expressed concern about the division between the state's operating and capital budgets, resulting in facilities coming on line without adequate operating funds. The Committee directed staff to develop alternatives that will ensure adequate operating funds are available.

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UW-Superior: Aquaculture Demonstration Facility

Estimated cost for construction of the Aquaculture Demonstration Facility includes \$3,000,000 Program Revenue Bonding and Native American Gaming Funds under the terms of a long-term, 40-acre land use agreement between the Regents and the Red Cliff Band of Lake Superior Chippewa Indians.

The Committee reiterated concerns that this facility not create a drain on the existing operating budget of UW-Superior or the System. The Committee revised the resolution, adding the following statement: *"It is the intent of the Board that operation of the facility not be funded from the UW System's base budget"*.

The revised resolution was unanimously approved by the Physical Planning and Funding Committee. Regent Gracz moved adoption of the revised resolution by the Board of Regents. It was seconded by Regent Schneiders and carried on a voice vote, with Regent Barry voting in opposition.

UW-Superior: Approval of the Design Report and Authority to Construct the Aquaculture Demonstration Facility

Resolution 8512: That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct the Aquaculture Demonstration Facility at an estimated project cost of \$3,000,000 Program Revenue Bonding, Native American Gaming Funds, under the terms of a long-term, 40-acre land use agreement between the University of Wisconsin System Board of

Regents and the Red Cliff Band of Lake Superior Chippewa Indians. It is the intent of the Board that operation of the facility not be funded from the UW System's base budget.

In discussion, Regent Barry reiterated his concern about the funding of the Aquaculture Demonstration Facility. President Lyall added that this is an economic development effort that will help that part of our state, with the expectation that the Legislature will provide the funding. However, the resolution clearly states that it is the intent not to use UW-Superior's base budget for funding the facility.

Resolutions 8513-8515 were unanimously approved by the Physical Planning and Funding Committee. Regent Gracz moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Schneiders and carried unanimously.

UW Colleges: Authority to Release Leased Property Rights

Resolution 8513: That, upon the recommendation of the UW Colleges Chancellor and the President of the University of Wisconsin System, authority be granted for the officers of the Board of Regents to terminate the leased property rights to land leased from Taylor County for the site of the UW Center-Medford campus.

UW-Green Bay: Authority to Accept a Gift of Land

Resolution 8514: That, upon the recommendation of the UW-Green Bay Chancellor and the President of the University of Wisconsin System, authority be granted to accept a gift of three parcels of land totaling 132 acres located at Point au Sauble on the east shore of Green Bay from the Wisconsin Chapter of the Nature Conservancy.

UW-La Crosse: Authority to Construct A Cartwright Student Center Chilled Water Utility Connection Project

Resolution 8515: That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Cartwright Student Center Chilled Water Utility Connection project at

an estimated total project cost of \$236,200, using Program Revenue (Cash).

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

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

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Building our Resource Base

Associate Vice President Kathi Sell discussed the State Compact concept. The consensus of the committee was that this is not the time to move aggressively forward with the State Compact.

The committee confirmed its support of linking financial aid increases to tuition increases.

It was suggested by Regent Axtell that the Board and the UW System critically look at ideas to generate new revenue such as concepts of corporate campuses, internet-based learning and exporting educational ideas. He urged campuses to look at ways to reallocate resources, and identify non-essential programs to save resources.

Regent Klauser pointed out that the UW System needs to demonstrate it is operating efficiently and effectively, reducing costs wherever possible, and providing appropriate oversight over auxiliary operations.

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United Council Student Priorities

Maggie Brown , Academic Affairs Director for United Council, reported that student leaders met at UW-Oshkosh to discuss budget priorities in response to requests by Regent President Smith and President Lyall. She emphasized that the two most important issues for students are affordability and retention.

In response to a question from Regent Krutsch about cohort tuition, Ms. Brown responded that students are concerned about the initial sticker shock and the effect it may have on initial access to low-income students.

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National Association of College and University Business Officers Cost of College Report

Vice President Debbie Durcan presented the National Association of College and University Business Officers Cost of College Report. The goal of the project, she indicated, was to develop a uniform methodology to explain in simple and understandable terms the costs incurred in providing one year of undergraduate education. She noted that many of the public and private institutions costs exceed the cost of tuition.

UW-Madison, Platteville and Whitewater participated in the study. Subsidies for students at public four-year institutions range from \$4,000 to \$11,000 per student, while the average for our three participating institutions was \$5,548. Instruction and Student Services costs accounted for about 87% of total cost, with the average for our three UW System institutions at a little over 85%. Financial aid accounted for the remaining 5.5% in the study and only 1.6% within the UW System. Financial aid included institutional aid, but not state or federal aid or loans. Total expenditure per student range from \$7,000 to \$15,000 at public institutions. The average expenditures of the participating UW System institutions was slightly more than \$8,700.

Vice Chancellor John Torphy cautioned the committee regarding some of the difficulties of the methodology and the difficulty to achieve uniformity.

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Report of the Vice President

Deb Durcan, Vice President, reported on a study of colleges and universities between 1989 and 1998 released by The National Center for Education Statistics. Private and public institutions reported separately. The study shows a direct correlation of increases in tuition with decreases in state appropriations for public universities. Tuition was the most important factor. For private colleges, increases in tuition were associated with internal factors such as faculty compensation, institutional aid and revenue from endowment income, private gifts, grants and contracts.

Trends in financial aid indicated that for public universities, two thirds of first time, full-time degree seeking students receive aid from any source on average; for private colleges, three fourths of those students receive aid.

VP Durcan pointed out the administrative cost comparison between the UW System and peer institutions, noting the UW System's 5.77% expenditure vs. the peer average of 10.3%.

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Deb Durcan stated that all state agencies and UW System were advised by the Department of Administration Secretary that effective immediately, all in-state and out-of-state travel requests must be approved in advance.

The following resolution was unanimously approved by the Committee. Regent Gottschalk moved its adoption by the Board of Regents. It was seconded by Regent Axtell and carried unanimously.

2002-03 Annual Budget Allocation Decision Rules

Resolution 8516: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the 2002-03 annual budget allocation decision rules. If subsequent legislative action modifies either the second year funding increases or reductions noted in the rules, the UW System would distribute the changes according to the principles set forth in Section III.

In discussion, Regent Schneiders noted that a very small percentage of students vote on segregated fees and suggested the Committee investigate how the cost of segregated fees may obligate students 10-15 years in the future. Regent Brandes pointed out with shared governance all students have the opportunity to vote. Regent Jones emphasized that students are committed to financially doing the right thing. Regent Krutsch added that the Board has oversight responsibility in the area of segregated fees and suggested the Board look at the accurate reflection of costs incurred, pointing out that spending in that category is double what the norm is for other universities.

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REPORT OF THE EDUCATION COMMITTEE

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

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Discussion Items

Resources: State Compact

Regent Boyle reported on the Committee's recommendation to defer discussion at this time with state government regarding alternatives to a state budget compact.

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Quality: The Value of the Liberal Arts

Every student, Regent Boyle stated, should have an opportunity for a quality liberal arts education included in their curriculum.

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DPI Presentation on PI-34

Regent Boyle reported the UW System and the PK 16 Council have endorsed the PI 34 rules and are moving toward developing an electronic portfolio for education majors. Two suggestions are being considered regarding the criteria of success on behalf of the UW System on the PI-34 initiative: (1) Would this improve attendance at some of our schools?; and (2) Would it improve the tenure of our teachers? 25% of first year teachers leave the teaching field after five years which presents a serious problem in our schools. It is hoped that the effort in terms of PI-34 will enhance and reduce this level of attrition.

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Report of the Senior Vice President for Academic Affairs

Cora Marrett, Senior Vice President, reiterated the concept of the importance of a quality education and that there are many parts to a total system that contribute to a quality education. The Office of Academic Affairs focuses on quality, Dr. Marrett remarked, and not on uniformity of activity, as a signature of the UW System.

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UW-Milwaukee Presentation

John Wanat, Provost and Vice Chancellor, described UW-Milwaukee's current array of seventeen doctoral programs, how they relate to their missions and The Milwaukee Idea. Future plans for additional programs in three doctoral categories include: Education/Urban, Environment/Health, and Economic Development.

The committee strongly endorsed this plan and suggested moving hastily towards implementation.

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The Quality of the Undergraduate Experience

Frank Goldberg, Associate Vice President, shared the outcomes of a Retention Conference outlining the following themes:

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- All segments of the campus community must participate to increase retention;
- Classroom environment is a critical factor in determining whether students are retained;
- Most students exhibit at least one risk factor for nonretention, necessitating early identification and intervention;
- Student support is needed for successful retention efforts;
- More formal program assessment is needed to document effective retention practices;
- Programs that help students make good decisions about their education are a particularly effective method of improving retention.

Three of our institutions gave examples of the efforts they are undertaking to deal with retention. UW-Eau Claire offers introductory courses to freshman, limited to 20 students, engaging students to all aspects of the community and all aspects of the campus. Other efforts include improving retention by creating connections between students and individual faculty members, mentoring relationships with senior students, and meaningful academic and non academic out-of-class activities. UW-Stevens Point emphasized focusing on undeclared majors, especially at-risk students, and offering academic and career counseling to help students develop realistic goals and plans that allow them to succeed. UW-Stout instituted a seminar in Career Exploration to help undecided students find academic majors which has resulted in a 80% retention rate.

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New Program Authorizations: First Reading

Two new programs were reviewed for authorization. UW-Oshkosh and UW-River Falls proposed B.A./B.S. degrees in Theatre Arts. As this was a first reading, no action was taken at this meeting.

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UW-Parkside Charter School

The Charter School contract with the Racine Charter One Corporation was approved by the Committee. Regent Boyle moved its adoption by the Board of Regents. The motion was seconded by Regent Randall and carried unanimously.

UW-Parkside: Charter School

Resolution 8517: That, upon recommendation of the Chancellor of the University of Wisconsin-Parkside and the President of the University of Wisconsin System, the board approves the Charter School contract with Racine Charter One, Inc.

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ADDITIONAL RESOLUTIONS

2003 Meeting Schedule

Resolution 8518:

Upon motion by Regent Jones, seconded by Regent Axtell, the following resolution was unanimously adopted.

Meeting Schedule 2002-03

2002

2003

January 10 and 11

January 9 and 10

(Cancelled, circumstances permitting)

(Cancelled, circumstances permitting)

February 7 and 8

February 6 and 7

March 7 and 8

March 6 and 7

April 4 and 5

April 10 and 11

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

May 8 and 9 (UW-Stevens Point)

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

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

July 11 and 12
(Cancelled, circumstances permitting)

July 10 and 11

August 22 and 23

August 21 and 22
(Cancelled, circumstances permitting)

September 12 and 13

September 4 and 5

October 10 and 11(UW-Whitewater)

October 9 and 10 (UW-Oshkosh)

November 7 and 8

November 6 and 7

December 5 and 6

December 4 and 5

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CLOSED SESSION

The meeting was recessed at 11:30 a.m. and reconvened at 11:50 a.m., at which time the following resolution, moved by Regent Randall, was adopted on a unanimous roll-call vote, with Regents Axtell, Boyle, Burmaster, Gottschalk, Gracz, Jones, Klauser, Krutsch, Mohs, Olivieri, Randall, Schneiders, and Smith (13) voting in the affirmative. There were no dissenting votes and no abstentions.

Resolution 8519: That, the Board of Regents recess into Closed Session, to consider a UW-Oshkosh Honorary Degree Nomination, as permitted by s.19.85(1)(f), *Wis. Stats.*, to confer with Legal Counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*, to consider personal history related to naming a facility at UW-Madison, as permitted by s.19.85(1)(f), *Wis. Stats.*, and to consider appointment of Deans at UW-Baraboo/Sauk Co., UW-Fond du Lac, and Marshfield/Wood Co., as permitted by s.19.85(1)(c), *Wis. Stats.*

The Board arose from closed session at 12:30 p.m., having adopted the following resolutions:

UW-Oshkosh: Honorary Degree

Resolution 8520: That, upon the recommendation of the Chancellor of the University of Wisconsin-Oshkosh, and the President of the University of Wisconsin System, approval be granted to award the following honorary degree.
S. Verna Fowler, Doctor of Humane Letters

UW-Baraboo/Sauk County: Appointment of Campus Dean

Resolution 8521: That, upon recommendation of the Chancellor of the University of Wisconsin Colleges and the President of the University of Wisconsin System, the Chancellor be authorized to appoint Michael Brophy as Dean, UW-

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Baraboo/Sauk County, at a salary of A\$92,000, effective August 5, 2002.

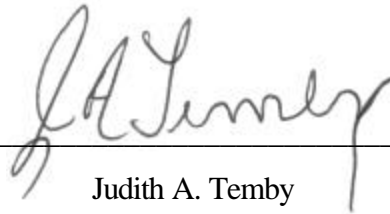
UW-Fond du Lac: Appointment of Campus Dean

Resolution 8522: That, upon recommendation of the Chancellor of the University of Wisconsin Colleges and the President of the University of Wisconsin System, the Chancellor be authorized to appoint Daniel J. Blankenship as Dean, UW-Fond du Lac, at a salary of A\$92,000, effective July 1, 2002.

UW-Marshfield/Wood County: Appointment of Campus Dean

Resolution 8523: That, upon recommendation of the Chancellor of the University of Wisconsin Colleges and the President of the University of Wisconsin System, the Chancellor be authorized to appoint Andrew J. Keogh as Dean, UW-Marshfield/Wood County, at a salary of A\$92,000, effective July 1, 2002.

The meeting was adjourned at 12:30 p.m.



Judith A. Temby