

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Minutes of the Meeting

July 29, 2004
2:00 p.m.
1820 Van Hise Hall
Madison, Wisconsin

- President Marcovich presiding -

PRESENT: Regents Axtell, Bradley, Connolly-Keesler, Davis, Gottschalk, McPike, Marcovich, Olivieri, Pruitt, Randall, Richlen, Rosenzweig, Smith and Walsh

UNABLE TO ATTEND: Regents Burmaster, Gracz and Salas

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INTRODUCTION OF REGENT BRENT SMITH

Regent President Marcovich introduced Regent Brent Smith, President of the Wisconsin Technical College Board and an attorney with Johns and Flaherty in La Crosse.

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CLOSED SESSION

It was moved by Regent Walsh and seconded by Regent Axtell that the board recess into closed session to consider appointment of President of the University of Wisconsin System, as permitted by s.19.85[1][c] and [f], *Wis. Stats.*

The motion was adopted on a roll-call vote, with Regents Axtell, Bradley, Connolly-Keesler, Gottschalk, Marcovich, McPike, Olivieri, Pruitt, Randall, Richlen, Rosenzweig, Smith and Walsh (13) voting in the affirmative. There were no dissenting votes and no abstentions. Regent Davis joined the meeting in progress.

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APPOINTMENT OF KEVIN P. REILLY AS PRESIDENT OF THE UNIVERSITY OF WISCONSIN SYSTEM

The Board reconvened in open session at 2:50 p.m., having adopted the following resolution on a roll-call vote, with Regents Walsh, Smith, Rosenzweig, Richlen, Pruitt, Olivieri, McPike, Marcovich, Gottschalk, Davis, Connolly-Keesler, Bradley, and Axtell (13) voting in the affirmative, and Regent Randall abstaining.

Resolution 8882: That, upon recommendation of the President of the Board of Regents and the Special Regent Committee for UW System President Selection, Dr. Kevin P. Reilly be appointed President of the University of Wisconsin System effective September 1, 2004, at an annual salary of \$320,000.

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Introduction by Regent President Marcovich

Stating that the Board of Regents was very pleased to appoint Kevin Reilly as the sixth President of the University of Wisconsin System, Regent President Marcovich observed that Dr. Reilly brings a remarkable set of experiences and skills to the position, having performed exemplary service as Chancellor of the University of Wisconsin-Extension and having been a leader in helping Wisconsin's economy to grow.

Regent Marcovich stated that: "After a vigorous national search, we regents feel that Kevin Reilly is the right person to lead the university during these challenging times. He is highly respected, not only by the regents, but by students, faculty, staff, system officials and his fellow chancellors. We know that he will continue as president his already strong commitment to the Wisconsin Idea."

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Remarks by President-Elect Reilly

"Thank you Regent Marcovich and thanks to all the Regents for the real, genuine honor that I'm feeling very much now serving as the President of a public university system with one of the richest traditions in American higher education.

"I'm grateful for the confidence you have placed in my abilities and experience. I'm eager to work with you in building on the excellence of the University of Wisconsin.

"I believe that our job as a public university is to be Wisconsin's premier developer of human potential, of the jobs that employ that potential, and of the flourishing communities that sustain it.

"My job as president will be to communicate the importance of that work and build lasting relationships with the people and organizations that make it possible.

“With strong partnerships and a clear vision, we can tackle any number of challenges. Among them, we must address issues of affordability, access, economic development and quality.

“We know that talent, creativity and drive and enterprise are not the exclusive purview of wealthy families, so we need to keep higher education affordable for all Wisconsin people.

“I look forward to working with the students, the faculty, the staff, chancellors and regents on a financial aid package that helps young people from lower and middle income families expand their knowledge and prepare themselves for lifelong success.

“I might say that I stand in front of you as the grandchild of four Irish immigrants who came to this country in no small part because the kind of educational access and experience America offered were not available to them at the time that they left. They gambled that it would be available for their children and grandchildren in America and it turned out to be a pretty good gamble. Here I am. So we need to do the same for future generations here. I think one of the real geniuses of the American spirit has been that we figured out that, by educating an ever broader and deeper cut of our population of this country to ever higher levels, we can succeed as a democracy and we can succeed as an economy; and we dare not fail in that regard.

“Wisconsin workers need access to educational opportunities throughout their careers. Today’s business climate demands flexibility and responsiveness, and we have much to gain by further developing our pool of experienced and talented workers.

“That’s why the university will work closely with the Wisconsin Technical Colleges on efforts to increase the number of residents with baccalaureate degrees, through degree programs, certificates, and courses designed specifically for busy working adults. Wisconsin ranks 31st among the states in the percentage of our adult population with college degrees and we know there’s a direct correlation between that percentage and the average annual salaries in the states and we need to do better in that regard in this state.

“These and other efforts to address affordability and access will raise our per-capita income in Wisconsin, grow tax base and stimulate economic prosperity.

“I’ve focused much of my attention in my years as Chancellor of Extension on the university’s role in economic development, and I expect to intensify that focus in the President’s post.

“As we level the pathway to higher learning and open wide the pipeline of research and discovery, the challenge will be to ensure that the education and research itself is of the highest quality. We must keep our brightest minds in the classrooms and laboratories, if we are to preserve the high academic standards that are synonymous with the “UW” name. That entails providing nationally competitive compensation packages for our faculty, staff and administrators.

“Ultimately, we must see that the fruits of their labors are returned to the people who paid for it – the Wisconsin taxpayers. This is the public service obligation of our

public university, and we must give people every opportunity to see how they benefit directly from their investment in higher education.

“Thankfully, I will not be tackling these issues alone. I will work with a fine group of regents, exceptionally talented faculty and staff across the UW System, and a strong cadre of chancellors and provosts.

“I look forward to collaborating with the Governor, the Legislature, and all citizens – especially our own UW students and clients – to keep the future of the university bright, and to extend that light to every corner of this state.

“I enter this job knowing that I have the distinct privilege – and the daunting challenge of following in the footsteps of President Katharine Lyall. I would like to thank her for 13 years of commitment, service and caring leadership of the UW System. I will miss her as a boss and colleague, but I know I can rely on her continuing friendship and advice, and I know I will need it.

“Leading this university is a big job. The recently released ‘Charting a New Course’ study gives us a useful roadmap, and I look forward to hearing from others who have ideas about where this great university should go, and how we should get there. In any case, I’m confident that the journey will be a rewarding and exciting one for all of us.”

In response to questions from reporters, Dr. Reilly commented as follows:

With regard to financial aid for low-income students, he indicated that enrollment of students from the lower three-fifths of income groups has been decreasing, while enrollments of students from the top two-fifths has been increasing. The effort will be to craft a financial aid package to hold harmless students in lower income groups from increases in tuition. In that regard, he noted that the Board of Regents made financial aid a high priority recommendation in its report on *Charting a New Course of the UW System*.

With regard to competitive compensation, Dr. Reilly commented that, while he recognized the need for caution on a pay plan in tough budget times, he considered it a priority to pass on a legacy to future generations of first-rate minds and talent coming to the UW to do teaching, research and outreach.

Asked about service on a corporate board, he indicated that, if invited, he would consult with the regents to make sure that it would be appropriate and meet the needs of university service. He thought such memberships could offer connections to the business community that could be advantageous for the university, but added that he would be careful to avoid any potential conflicts of interest.

Responding to a question about outside funding for the university, Dr. Reilly noted that the UW has been highly successful in its quest for such monies. However, he pointed out that most of those funds are targeted to specific purposes by donors, federal

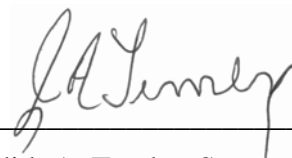
agencies or others and cannot be used to finance undergraduate education. Therefore, he noted the importance of focusing on the need for core GPR support for the instructional mission, while continuing efforts to raise outside funding.

Replying to an inquiry about his views on stem cell research, Dr. Reilly indicated that he is comfortable with the research agenda of the university in that area and is hopeful that it will lead to important health breakthroughs in the future. He stated the importance of listening in a civil and collegial way to people who might have concerns or objections to what is happening in this or other areas, to carefully consider their opinions, and to make decisions based on the mission and the role of the university.

In response to a question about diversity, Dr. Reilly noted his personal commitment in this area, two of his children having been adopted from Colombia. Stating his strong support for Plan 2008, he indicated that about 2,000 students of color have been added to the UW since the beginning of the plan and that the percentage of enrollments has increased from 4% to 9%. Noting that the percentage of people of color in the state's population is about 12-13%, he stated the need to remain focused on progress in recruiting, retaining and graduating students of color.

The press conference concluded and the meeting was adjourned at 3:30 p.m., upon motion by Regent Smith, seconded by Regent Richlen and carried on a unanimous voice vote.

Submitted by:

A handwritten signature in cursive script, appearing to read "J. A. Temby", is written over a horizontal line.

Judith A. Temby, Secretary