

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held in the 1820 Van Hise Hall
UW-Madison
Thursday, February 10, 2005
10:00 a.m.

- President Marcovich presiding -

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

ABSENT: Regent Gracz

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Welcome to Donald Mash

President Reilly began the meeting by welcoming UW-Eau Claire Chancellor Donald Mash, who had just been appointed UW System Executive Vice President. Noting that the appointment has been very well received, he indicated that a search for a new chancellor would begin promptly.

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GOVERNOR'S 2005-07 BIENNIAL BUDGET

Thanking the Board for championing the needs of students, President Reilly pointed out that both the Board's and the Governor's proposed budgets have identified quality, student access, and Wisconsin success as top priorities. The Governor's budget would make a modest reinvestment in the UW system and would begin to reverse the trend of falling state funding for the university. Financial aid would continue to be linked to tuition increases and there would be significant increases in financial aid for the neediest students.

The Governor also proposed creation of a retention fund to help keep talented faculty, funding for Alzheimer's research, funding for the UW-Platteville/UW-Rock county engineering initiative, funding for plans to expand baccalaureate degrees and for domestic partner benefits to help keep the university competitive.

The best way to keep the best faculty and staff, President Reilly observed, is with a competitive pay plan, which is not part of the Governor's budget. In that regard, it will be important to continue working with the Governor, Legislature, and the Joint Committee on Employment Relations to ensure a fair balance of tuition and state support to properly compensate faculty and staff.

Noting that in past budgets the UW had taken a disproportionate proportion of funding cuts, President Reilly stated that having to cut an additional 200 administrative positions, on top of the deep cuts already made, would noticeably reduce services to students and Wisconsin communities.

Turning to the specifics of the Governor's budget, Associate Vice President Freda Harris noted the following:

- The UW requested \$158 million for standard budget adjustments and utilities. The Executive budget included funding of \$164.7 million.
- The UW requested \$11.1 million in increases for Advanced Opportunity Program and Lawton financial aid appropriations. The Executive budget included funding of \$10.6 million to fund ongoing 2003-05 financial aid increases with GPR instead of auxiliary funds and to increase funding by the same percentage that tuition increased in the previous year.
- The UW requested and the Executive budget included \$6.8 million for student technology fee increases.
- The UW requested, but did not receive, \$4.6 million for operation and maintenance of new facilities; \$2.1 million to replace funding for disabled student services that was previously provided by the Division of Vocational Rehabilitation; \$6 million to increase libraries funding, \$4.6 million to expand information technology capacity; and \$26.1 million to create a new financial aid Hold Harmless program.

- The UW requested \$118.7 million to add 300 faculty positions, increase access and graduation rates, expand workforce development initiatives and bring faculty and staff salaries to the 2003-04 peer median. The Executive budget included \$13.1 million in the second year to add 125 faculty positions. \$1.1 million of this funding is to be used for Committee on Baccalaureate Expansion recommendations and \$582 thousand for the Janesville engineering program.
- The Executive budget included \$2.5 million annually to help retain high demand faculty.
- The Executive budget included \$1.5 million annually for Alzheimer's research.
- The Executive budget included \$.5 million annually for domestic partner benefits for UW faculty and staff
- Efficiency measures (-200 positions): The Executive budget removed \$65 million of GPR funding over two years. \$30 million of this reduction is expected to occur through restructuring of procurement contracts and improved asset management. \$35 million would be generated through administrative savings. The budget includes \$15 million of administrative savings in 2005-06, increasing to \$20 million ongoing in 2006-07.
- The budget would require the UW to eliminate 200 administrative positions as part of the efficiency measures, 14.8 of which were identified as potential reductions in procurement and purchasing areas. The UW is required to file a report on the positions reduced with the Secretary of the Department of Administration by May 30, 2006. The UW System's position creation authority would be suspended during the 2006-07 fiscal year, until a plan is approved.
- The Executive budget increases funding for debt service by \$11 million, \$7.5 million in 2005-06, decreasing to \$3.5 million in 2006-07.
- In total, the UW System requested \$338 million in increased GPR/Fees. The Executive budget included \$150 million, composed of \$49 million new GPR and \$101 million new fee funding. GPR would increase by \$24,007,700 in 2005-06 (a 2.4% increase over the base), and an additional \$1,429,700 in 2006-07 (.14%). The average annual increase is 1.27% over two years.

In terms of program revenue:

- The UW requested and received additional tuition expenditure authority to reflect tuition already being collected due to enrollment increases, differential tuition, and programs targeted to nontraditional students. This increase in authority will not require any increase in tuition rates.
- The UW requested and received increased expenditure authority for gift and federal funds and auxiliary operations.
- The UW requested and received increased authority for the Great Lakes Studies appropriation to keep up with salary and fringe needs.

- The UW requested and received increased expenditure authority for UW-Madison Intercollegiate Athletics.
- The Executive budget included \$682,200 to provide operating revenues for the aquaculture demonstration facility operated by UW-Superior.

Statutory language changes included:

- A requirement that the UW provide nonresident tuition remission for citizens of another country if those persons meet all of the following requirements: a) graduation from a Wisconsin high school or receipt of a high school graduation equivalency; b) continuous presence in Wisconsin for at least three years following the first day of attending a high school in Wisconsin; and c) provision of an affidavit to the UW that the student will file an application for a permanent resident visa with the U.S. Department of Homeland Security as soon as the student is eligible.
- Elimination of categorical limits to awarding nonresident tuition remissions.
- Elimination of the Medical School Enrollment cap that limits the size of each Medical School class to 143 students.

The Executive budget requires the Board of Regents to submit a plan to the secretary of the Department of Administration by August 1, 2006, describing faculty positions created for the period July 1, 2004 to July 1, 2006.

The Executive budget requires the UW to lapse funding for legal services related to public broadcasting activities. It provides funding to consolidate OSHA functions within the State Lab of Hygiene and provides increased expenditure authority for the Veterinary Diagnostic Lab for testing.

The Executive budget includes \$46,781,300 GPR (\$20,556,400 in 2005-06 and \$26,224,900 in 2006-07) to increase the UW-WHEG program to replace funding from auxiliary enterprises, increase the appropriation by the statutorily-mandated link with tuition (\$5,523,600 in 2005-06 and \$7,192,100 in 2006-07) and add \$4 million in 2006-07.

In discussion following the presentation, Regent Bradley raised a question about savings to be generated through restructuring state procurement contracts. Ms. Harris replied that, by the Department of Administration's estimate, the new contracts are expected to decrease costs.

Regent Walsh asked if the university would keep the savings, and Ms. Harris replied in the affirmative.

Regent Marcovich explained that the UW initially made some of these procurement suggestions a number of years ago. The Executive budget expands these savings to a statewide basis.

In response to a question by Regent Bradley about asset management savings, Ms. Harris indicated that examples might include selling property or revenue streams, such as parking.

Regent President Marcovich added that, before selling such assets, staff would be asked to investigate alternate ways of using them to raise money. Regent Walsh explained that the initiative also would involve selling state buildings and that the UW is part of a statewide effort.

Replying to a question by Regent Bradley, Ms. Harris indicated that financial aid would be raised to match tuition increases on a percentage basis, but that this would not yield the same dollar amounts.

Regent Walsh asked about the addition \$4 million in financial aid, and Regent President Marcovich indicated that this amount is intended to help reach students in the bottom income quartiles.

Regent Pruitt inquired about distribution of the retention fund for high-demand faculty, to which Ms. Harris replied that implementation would be left to the university.

In response to a question by Regent Walsh, Ms. Harris indicated that the \$97 million tuition request in the UW's budget proposal would amount to an increase of 4.3%. The \$101 million in the Governor's budget would amount to more than 5%. Regent Walsh noted that authorization was included to receive tuition from an increased number of students and asked if this money can be kept within the university. Ms. Harris replied in the affirmative.

Regent Randall expressed comfort with what the Governor has proposed, legislative reaction, and a UW position of support in moving the budget forward.

President Reilly pointed out that the financial aid proposal, the additional faculty, the retention fund and provision for domestic partner benefits all are positive steps and that the rise in tuition would be reasonable. However, he commented that the need to cut 200 positions is hurtful and would hollow out the core of university services.

Regent President Marcovich observed that the state still is confronted with a deficit and that the Governor's budget is as good for the university as can be expected

under the circumstances. He said that the Legislature should be encouraged to give it favorable consideration.

Regent Gottschalk commented that the budget would require \$65 million in reallocation and provide only \$49 million in new GPR. The students would be required to pay an additional \$100 million – more than twice the state contribution. The university's information technology and Hold Harmless financial aid requests were not included. Overall, the UW would receive a 1.27% increase, while the K-12 system would receive over 4% and Corrections would receive 4%. Once again, he commented, the university is being asked to bear an inappropriate share of the state's fiscal burden and the budget is not a good one for students.

Regent Rosenzweig remarked that she had observed much positive legislative reaction in support of the university and thought it would be unwise to react negatively to the proposed budget, particularly since other programs also are hurting financially. She felt that the university should be grateful for what it would receive under the budget and should recognize that passage would require a great deal of work.

Regent Axtell inquired about priorities in requesting any changes that might be made, to which President Reilly replied that the UW could ask for a safety net if it is unable to achieve the \$30 million in required savings. In addition, it will be important to advocate for a competitive pay plan.

Regent President Marcovich pointed out that the university's position has improved since the last budget when the UW received a greater cut than deserved. Noting that this budget is better, he said that the plan should be to continue moving ahead as the state's financial condition improves.

In response to a question by Regent Salas, Ms. Harris indicated that the requested \$118 million included funding for 300 faculty positions and for a 3% salary increase.

Regent Salas asked if there is support for Hold Harmless financial aid, at least for students in the lowest income quintile. Ms. Harris explained that it is not yet known how the Governor's proposal would affect students in the two lowest quintiles and that it depends in part on the population of students and how many have financial need. Assistant Vice President Sharon Wilhelm added that the average WHEG award would go up only about \$200 next year and will not match the increase in tuition because of an increase in the population of financially needy students.

Regent Davis expressed gratitude that the Governor stepped up to help the university, recognizing that it was hurt in the last budget. She felt encouraged by Regent Rosenzweig's comments about legislative reaction and stated the need to make sure that the UW gets as much as the Governor proposed.

While he recognized that the proposed budget is not enough to meet the university's needs, Regent Walsh also agreed with Regent Rosenzweig that it is necessary to understand that other programs also are hurting and that this is not the time to seem ungrateful. The budget sends the message that the state values education and begins a reinvestment in educational quality by funding for increased faculty, retention, Alzheimer's research, and domestic partner benefits. The legislative response has been positive, with leadership recognizing that the university has been hurt and demonstrating that they value what the UW does for Wisconsin.

President Reilly thanked Associate Vice President Harris and her staff for all their hard work in bringing this budget analysis forward so promptly.

With regard to what comes next, he indicated that he would continue to consult with regents, chancellors, legislators, students, faculty and others to identify the best parts of the budget and potential changes that could help protect quality and access. Then all need to work together and with students to communicate messages to elected officials, the media and other stakeholders. Students will benefit most, he indicated, if there is strong bipartisan support for the university's budget needs in the Joint Committee on Finance, where the Governor's proposal goes next. The best outcome, he observed, is for the state to deliver a budget that supports students and the state's citizens – a reinvestment that puts the UW and Wisconsin on a path toward a bright and prosperous future.

Concluding the discussion, Regent President Marcovich expressed appreciation to President Reilly and his staff and to Regent Walsh for their hard work on the budget. Noting that his contacts with legislators and others will continue, he indicated that he also will call on individual regents for their help. The efforts to date, he pointed out, have helped to convince decision makers of the UW's great value and to obtain a proposed budget increase, even in the face of a state deficit.

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PRESIDENT'S EFFICIENCIES AND REPORT TO THE JOINT AUDIT COMMITTEE

President Reilly noted that, at the beginning of his presidency, he had pledged to improve efficiency, maintain quality, open lines of communication, and take every opportunity to show the taxpayers the benefits they receive for their dollars.

The February 1, 2005 report to the Joint Audit Committee, he pointed out, furthered all these commitments to perform the university's mission as efficiently and effectively as possible. The report identified 225 administrative position reductions and more than 250 efficiency measures under way, saving \$15 million per year, which was being redirected to instruction and other priorities. In addition, the President proposed other efficiencies to streamline statewide administrative services that would save another \$2.1 million annually. Other proposals had been made by the Board that would save taxpayers millions more each year. He had met with the Co-Chairs of the Audit and Joint Finance committees, as well as the Governor's office, and their reactions to the report had been positive.

These efficiencies were achieved while increasing access to serve an additional 10,000 students – the equivalent of adding a campus the size of UW-Eau Claire while saving taxpayer dollars.

Noting that the UW already is one of the most efficient university systems in the country, the President observed that finding these savings was not easy but demonstrated the university's commitment to serving the state and protecting quality. Stating that these efforts will be ongoing, he said the university will continue to embrace the Legislative Audit Bureau recommendations and communicate progress and proof of efficiency and effectiveness to the Governor, Legislature and citizens.

Remarking that the UW's budget request demonstrates commitment to student access and Wisconsin success, he looked forward to working with the Governor and Legislature to sustain the university, rebuild quality, restore faculty, increase the number of baccalaureate degree holders and support the university's 160,000 students.

Regent Connolly-Keesler pointed out that the proposed 200 position cut would be in addition to the 225 positions already eliminated.

Regent Bradley cautioned about the importance of making clear that the administrative staff reduction would include people who work in financial aid, advising and other areas that directly serve students.

Regent Rosenzweig noted the importance of bringing these strong efficiency efforts to the attention of the Legislature.

In response to a question by Regent Davis, Vice President Durcan indicated that the UW has been working with the Legislative Audit Bureau and Legislative Fiscal Bureau to reach general agreement on what positions should be categorized as administrative.

Regent Davis commented that, once agreement is reached, perhaps the UW would not be required to cut 200 more positions – a figure that is far too high. Vice President Durcan pointed out that those positions farthest removed from students were the first to be cut and that there are few left that would not directly impact service to students.

Regent Olivieri suggested that the board provide guidance on priorities for further cuts. President Reilly concurred, noting that, of the 8,000 positions identified in the audit report, 44% are clerical and secretarial.

Regent President Marcovich added that many of those categorized as “administrative” hold two or more jobs – teaching and doing research in addition to administrative responsibilities. In that regard, he noted that renowned UW-Madison researcher Hector DeLuca, who has brought huge amounts of money to Wisconsin, is classified as an “administrator” under the LAB categories because he heads a department and hires researchers for the grants he brings in.

Regent Richlen noted that the Legislature could take away the UW’s position authority if they did not approve of the cuts that were made, and President Reilly offered assurance that the university would work hand-in-hand with the Department of Administration and others in implementing cuts.

Regent Salas inquired about reference made by the state auditor to colleges that reported no administrative positions and errors in coding of contractual services. President Reilly explained that peer universities define institutional support as being at the institutional level, while deans and others at the college level are counted as academic support. The UW was working with the LAB on mutually agreeable definitions. Vice President Durcan added that UW institutions were reminded about proper coding of contractual expenses. While there were some errors, those were being corrected.

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CONSOLIDATION OF ADMINISTRATIVE OPERATIONS OF UW COLLEGES AND UW-EXTENSION, AND AUTHORIZATION TO RECRUIT A CHANCELLOR FOR THE UW COLLEGES AND UW-EXTENSION

Referring to previous connections between the two institutions, President Reilly noted that several of the UW College campuses were part of UW-Extension until the 1960s and that some administrative services, including personnel, payroll and benefits, have been shared between the institutions.

Similarities between the institutions include the fact that both are statewide educational networks operating at geographically dispersed locations; both are key public gateways for Wisconsin citizens to access higher education; both have central administrative offices headquartered in Madison; and both have longstanding partnerships with county and local governments.

The proposed consolidation calls for recruitment of a single chancellor to serve as chief administrative officer of the UW Colleges and UW-Extension, consolidation of administrative services as identified in the report by David J. Ward, and continuation of studies to identify additional means of achieving operating efficiencies in a manner that will most effectively preserve and enhance the missions of both institutions.

The proposal does not call for a merger of the two institutions into one, merger of faculty or staff governance, merger of personnel policies, merger of tenure and promotion structures, or co-location of all physical facilities.

The purpose of the consolidation would be to achieve administrative efficiencies and savings and to strengthen the service capacity of both institutions to their local communities and the state as a whole.

For example, with UW-Extension's distance learning capacity and the UW-Colleges' established degree and course offerings, the UW System could greatly expand access for Wisconsin residents to a college education. In addition, faculty and staff from both institutions could collaborate in new ways to address local economic development.

In addition, the UW Colleges and UW-Extension could work together to help enhance civic life in Wisconsin communities, offering a wide range of campus and community-based public forums, lectures and action-oriented applied research. As has been done in Washington State, UW-Extension county Cooperative Extension offices could serve as UW Colleges information and intake centers.

As to the process leading to the recommended consolidation, President Reilly noted that the recommendation results from a four-month study conducted by outside consultant David J. Ward, which included meetings and consultation with faculty, staff, and administrative leadership of the two institutions. Subsequent conversations included faculty and academic staff governance leaders of the two institutions, the UW System Faculty Representatives, and the Executive Director and President of the Wisconsin Counties Association. If approved by the Board, consultation with internal and external stakeholders would continue throughout implementation.

Marvin Van Kekerix, Interim Chancellor of UW-Extension, reported that the institution approached the proposed consolidation as an opportunity to make the university more efficient and better serve the state as a whole. While faculty and staff

have many questions, their approach has been positive. Discussions with faculty and staff have been extensive, including three statewide conference calls. The intention has been to share as much information as possible at the local and state levels.

Margaret Cleek, Interim Chancellor of the UW Colleges, reported that there also has been wide-ranging discussion within that institution. She had visited all of the campuses; and meetings were held with faculty, staff, deans, all employees, and student government leaders. The focus of these discussions was on how to better serve students, and the Colleges had concluded that consolidation is the right thing to do.

If the Board approved the consolidation, it was proposed that a cross-institutional steering committee be created to set goals and manage the implementation process. Under direction of the steering committee, working groups would be established to review specific functions. Interim Chancellor Van Kekerix added that most conversations have led to new ideas about opportunities that would be presented by consolidation and that there is momentum to move forward.

President Reilly observed that, with the right approach, administrative savings can be achieved while preserving and enhancing quality and access. In that regard, concerns such as potential loss of identity or service to clients need to be carefully addressed, using input from internal and external stakeholders throughout the process.

He recognized that there were other ideas for restructuring, such as the one advanced by Representative Kreibich, who indicated that he would be happy to discuss the proposed consolidation and other ideas at a March 2nd joint hearing of the Senate Higher Education and Tourism Committee and the Assembly Colleges and Universities Committee. Approval of this plan, the President noted, would not preclude consideration of other ideas that might be presented to maximize use of university resources.

In the meantime, he urged moving forward to begin realizing administrative savings and building on the momentum the two institutions have developed. He believed that the Governor and Legislature were watching to see if the UW is serious about restructuring to promote cost efficiency and educational effectiveness and that faculty, staff and leadership of the two institutions are eager to move forward with consolidation and innovations that might be undertaken together.

Adoption of the following resolution was moved by Regent Pruitt and seconded by Regent McPike:

UW Colleges and UW-Extension:
Discussion of and Action on Consolidation of
Administrative Operations of UW Colleges

**and UW-Extension, and Authorization to
Recruit: Chancellor**

Resolution 8960:

Whereas, in October, 2004 President Reilly commissioned a study that would examine opportunities for consolidation of the administrative operations of the UW Colleges and UW-Extension; and

Whereas, pending a report on the results of the study, President Reilly delayed proceeding with previously approved authorizations to recruit a Chancellor for UW Colleges and a Chancellor for UW-Extension; and

Whereas, there are many strong similarities between UW Colleges and UW-Extension, including that both institutions: (1) are statewide educational networks operating at geographically dispersed locations; (2) are key public gateways for Wisconsin citizens to access higher education; (3) have central administrative offices headquartered in Madison; and (4) have longstanding partnerships with county and local governments; and

Whereas, administrative consolidation between the two institutions should build on these similar ties to strengthen their capacity to reach new audiences in new ways, increasing thereby the number of university degree holders in communities throughout Wisconsin; and

Whereas, administrative integration between the two institutions has potential for reducing overall administrative costs by as much as \$1.5 million annually, while preserving and enhancing access and service to students, citizens, and clients; and

Whereas, based on the observations and options presented in the report of David J. Ward dated January 14, 2005, and follow-up discussions with affected partners and stakeholders, President Reilly recommends the recruitment of a single chancellor for UW Colleges and UW-Extension;

Be it therefore resolved:

That, UW-Extension shall have as its chief administrative officer the chancellor who is also

appointed to serve as the chancellor of the UW Colleges; and

That, the UW Colleges and UW-Extension, under the direction of their single chancellor, are directed to integrate the administrative services identified in the report, and to continue to study additional means of achieving operating efficiencies in a manner that will most effectively preserve and enhance their identified institutional missions; and

That, to the extent that they are inconsistent with this resolution, Regent Policy Documents 82-3 and 88-5 are superseded; and

That, the President of the University of Wisconsin System be authorized to recruit for a single Chancellor of the UW Colleges and UW-Extension, at a salary within the Board of Regents salary range for university senior executive salary group three.

Regent Pruitt commended President Reilly and Chancellors Van Kekerix and Cleek, along with their colleagues, for their successful effort to look for opportunities for cost savings and educational improvements.

Regent Gottschalk commented that savings generated by the consolidation should remain with the Colleges and Extension.

Regent Olivieri noted that the proposed consolidation would not eliminate the College deans, who are important to their communities, and that the college foundations could continue raising money for their campuses. Congratulating President Reilly for proposing this initiative, he noted that David J. Ward is a credible outside consultant and encouraged the institutions to be creative in working together to find additional opportunities for cost efficiencies and improved service.

In response to a question by Regent Salas, President Reilly noted that this proposed consolidation does not require statutory change, while other ideas would need legislative action.

Noting that one goal for President Reilly has been to improve efficiency, Regent Bradley urged the Board to strongly support the proposed consolidation.

Regent Connolly-Keesler observed that leading the two institutions would be a huge job for one chancellor and asked if it is reasonable to expect that one person could

succeed. Replying in the affirmative, President Reilly indicated that the key is to do the consolidation in the right way in terms of structure and personnel.

The discussion having concluded, the question was put on Resolution 8930, and it was adopted on a unanimous voice vote.

The meeting was recessed at 12:00 p.m. and reconvened at 12:35 p.m.

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PLAN 2008: EDUCATIONAL QUALITY THROUGH RACIAL AND ETHNIC DIVERSITY – PHASE II

Regent President Marcovich introduced the presentation by noting that closing the achievement gap between students of color and their white peers remains a great challenge and one to which the Board is deeply committed. He called on Senior Vice President Cora Marrett to comment on how the UW System is working to ensure that Phase II of Plan 2008 results in real progress in that regard.

Dr. Marrett began her remarks with the following observation by Nancy Cantor, President of Syracuse University and a key force in building the case for diversity at the University of Michigan: “What really needs to happen is that every major institution in this country has to be fired up to make [not only affirmative action per se, but the educational benefits of diversity] front and center.”

Remarking that there is perhaps no entity better prepared to advance diversity than the UW System, Dr. Marrett referred to President Reilly’s statement in his first address to the Board that he was “fired with enthusiasm.” Such intensity at the top, she observed, can only ignite others in the cause of diversity.

She then cited remarks by chancellors on the benefit of diversity for all. UW-Stevens Point Chancellor Linda Bunnell stated: “We seek to prepare graduates to learn how to engage and shape the array of diverse communities in which they will live, work, and play. We seek with our Plan 2008 Phase II to create the enrollment, staffing, curricula, programs, and activities that will promote and celebrate diversity in ways that stimulate critical thinking, problem-solving capacity, and cognitive complexity...”

UW-Milwaukee Chancellor Carlos Santiago in his recent plenary address to the campus stated: “The reality is that if we do not become a more diverse community that welcomes all members of our society, we will never become a truly premier research university. Academic excellence and diversity are the pillars upon which this institution

will thrive and achieve the prominence that was envisioned by its founders. Our diversity complements academic excellence and the growth in research that is our goal. Diversity is an issue that is of paramount importance both to our university and to our larger society.”

In addition, Dr. Marrett pointed out, individual Regents, as well as the Board as a whole, have placed diversity front and center. In that regard, she noted the generous and vigorous involvement of Regent Davis in the Best Practices Conference last fall and in the development of the Phase II report; the strong focus of Regents Olivieri and Richlen on results and not mere plans; and the demand from Regent Salas to attend to differences within the populations of color.

Finally, she pointed out that no group has demonstrated more clearly its enthusiasm for diversity than the students of the university.

Turning to the specifics of Phase II, she recalled that the review of Phase I of Plan 2008 indicated persistent differences in retention and graduation between students of color and their counterparts. The Board determined that closing the achievement gap should be the focus of the second phase.

Drawing on knowledge of successful blueprints for diversity, UW System Administration proposed that institutional plans focus on: Linkages to institutional mission; emphasis on commitment to diversity in and out of the classroom; attention to assessment; addressing specific needs of the institution; and specification of the implementation process, including the ends sought and the timeframe.

Generally, Dr. Marrett commented, each plan contained strong components for advancing diversity. However, some plans were submitted as preliminary rather than final documents. Noting that a large team of people from UW System Administration discussed the plans, she expressed special gratitude to Ron Singer, Marilyn Rhodes, Anne Bilder, Sal Carranza, and Christa Bruhn for the extraordinary efforts they expended.

The review showed plans with several recurring elements: Identification of a problem inherent in the culture, demography, or other specific characteristic of the institution; a set of objectives for addressing the problem; action steps; and means for assessing change.

In the interest of strengthening all plans, she then cited some particularly worthy of note. The UW-Oshkosh plan identified five areas that would impact recruitment and retention of students of color and narrow the achievement gap: Faculty/staff consciousness-raising regarding diversity; academic support for minority/disadvantaged students; financial aid for those students; campus climate development; and parental

partnership programs. The plan presented a set of strategies for each area; the person with overall responsibility; and the methods for assessing performance.

The UW-Stevens Point plan noted short, medium, and long-term challenges to achieving the goals in Plan 2008 and presented actions to be taken to meet each challenge, along with the person to be held accountable, the deadline, and expected costs. One such challenge is that faculty and staff do not perceive that the university rewards efforts to promote diversity. An action to meet the challenge would be to include diversity efforts in the rewards managed administratively.

The UW-Madison plan also identified obstacles and means of reducing them. The institution observed how limited is the body of minority/disadvantaged students with the credentials from high school necessary for admission. The response would be to create pathway programs and secure funds for expansion. Assessment holds a prominent place in the pathway plans.

Noting that United Council also undertook a review of the plans, she called on Academic Affairs Director David Glisch-Sanchez for his comments on the concerns of students with regard to the submissions.

Mr. Glisch-Sanchez remarked that campuses are not able to communicate the experience of African-Americans, Latinos, Native Americans, and Asian/Pacific Islanders when there is no critical mass of students of color and that corporations have refused to recruit graduates from UW institutions because students are not able to engage in a diverse work environment.

Although better education and preparation of graduates is an important objective, he said, from the standpoint of students Plan 2008 is really about safety, equity, and equal opportunity. Stating that United Council staff receive steady reports of racial prejudice, bias, and discrimination, he cited examples from a number of campuses and indicated that decisive action often is not taken in response to such incidents. Students understand, he said, that Plan 2008 has the potential of being the vehicle by which these types of events may be addressed and prevented in the future. However, to meet that objective, numerous changes to the institutional plans would be required.

Noting that the Board's Resolution 8850 provides that institutions develop a means of assessing Phase II initiatives, he commented that, while some campuses made good attempts at fulfilling that requirement, many plans do not include strong assessment protocols. Such assessment, he emphasized, is crucial to knowing exactly what the problems are at each institution and what progress is being made in addressing them.

Stating that campuses currently do not have a mechanism to assess their climate, he said that a system-wide climate study that includes a section specific to particular

campus concerns, would provide information that is needed to understand what problems exist and at what levels of severity. He felt that the study should be coordinated by System Administration and that it should be comprehensive in focus in order to understand not only why students are leaving for racial/ethnic reasons, but also because of gender, gender identity, sexual orientation, disability, age, or immigrant status. In that regard, he noted that students of color leave for reasons attached to all parts of their identity.

With regard to tracking progress of Plan 2008 initiatives, he commented that most campus plans include mainly input indicators, such as program participation rates, rather than output measures, such as educational attainment. United Council identified two strategies to address this concern.

The first strategy would be the Diversity Scorecard developed by Dr. Estela Mara Bensimon, Director of the Center for Urban Education at the University of Southern California. When she presented at the Best Practices Conference, Dr. Bensimon explained that “evidence about the state of equity in educational outcomes for underrepresented students presented in the form of graphically displayed quantitative data can have a powerful effect in mobilizing institutional attention and action.” The second strategy would be to develop relevant output measures for any programs that do not fit under the scorecard rubric.

Turning to program content, Mr. Glisch-Sanchez said that it is important to address two areas: financial aid and the varied identities of students of color. With regard to financial aid, students have become concerned with recent shifts away from race-conscious grants and scholarships. There had been allegations that the Lawton Grants and similar programs discriminate against white students, and some institutional plans signaled a shift toward “race-neutral” alternatives. Such allegations and movements, he stated, ignore the fact that poverty is not race or gender neutral. For example, the Center on Wisconsin Strategy recently reported that 44% of working families of color are low-income, as opposed to only 19% of working white families. Therefore, he urged a strong show of support for programs like the Lawton Grants in order to send a clear message to those who would forsake race-conscious efforts.

Stating that there must be recognition of differences among people in order to best serve them, Mr. Glisch-Sanchez indicated that only one institutional plan made an attempt to connect Plan 2008 to other diversity efforts to better address the multiple identities of students of color. In order to retain and graduate students of color, he commented, the plans must address all of the reasons they leave campus.

Addressing the matter of accountability, Mr. Glisch-Sanchez commented that, while improving accountability was one of the seven original goals of Plan 2008, this also was the largest failure of Phase I and that major changes would be needed for Phase II. In that regard, he expressed the view that Phase I was not a high priority for the UW,

a result for which no one was held accountable. When students tried to hold administrators and faculty responsible, they were characterized as being too demanding and having impractical expectations. In Phase II, he stated, “the promise of safety, equity, and equal opportunity must be realized, and individuals must be held accountable for its accomplishment.”

Accountability, he continued, should not only involve penalties, but should rely to a large extent in incentives and rewards. In that regard, students supported the proposed Diversity Award as a means of recognizing significant success. If there is no progress on a campus, the chancellor should provide a detailed explanation and a comprehensive strategy for moving forward. If there is consistent failure, there should be stringent consequences for the campus or chancellor. In addition, he suggested that revisions to Phase II plans incorporate accountability measures that use both incentives and penalties to ensure everyone’s participation in closing the achievement gap.

In conclusion, he expressed appreciation to Marilyn Rhodes on behalf of students for her consistent dedication to the goals of Plan 2008 and for her extensive work with students in that regard.

As to next steps, Senior Vice President Marrett indicated that feedback on plans would be provided to every institution and a further report would be made to the Board in March. In addition, there would be sharing of best practices among institutions and more linkages would be established among activities of the Institute on Race and Ethnicity, the Women and Science Program, the Wisconsin Alliance for Minority Participation, and the Multicultural Center for Educational Excellence

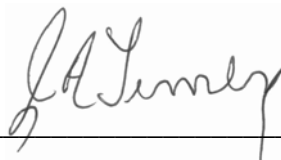
In discussion following the presentation, Regent Salas congratulated Dr. Marrett and colleagues for an encouraging report on diversity. He was particularly pleased to see the excellent campus models. The challenge, he commented, is make significant improvements on the 1% increase in students of color in the past ten years and on retention rates of 33% for African American students and 40% for Hispanic students. In addition, he noted that more than half of faculty of color are Asian and urged further break outs by ethnic background.

He also emphasized the importance of assessment and of connecting the plans to institutional mission. Finally, he urged that the goals of Plan 2008 be made more specific in order to provide better guidance to the institutions.

In response to a question by Regent Connolly-Keesler, Dr. Marrett indicated that Plan 2008 activities have been funded for the most part through reallocation. However, she added that attainment of diversity is a core activity, which is not dependent on receipt of extra dollars.

Regent Davis remarked that she was moved by Mr. Glisch-Sanchez's comments and appreciated the large number of students in the audience. Commending President Reilly and the chancellors for their leadership, she stated that the bottom line is maximum success for all students and that there must be rewards for significant progress, as well as consequences for not meeting objectives. In that regard, she noted that there must be clarity on who is accountable for what. Stating that there must be a sense of urgency about accelerating the movement forward, she suggested using best practices to prevent having to "reinvent the wheel" and noted that campuses must feel that they have the resources and support to achieve success.

The discussion having concluded, the meeting was adjourned at 1:30 p.m., upon motion by Regent Rosenzweig, seconded by Regent Bradley.



Judith Temby, Secretary

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MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held in the 1820 Van Hise Hall
UW-Madison
Friday, February 11, 2005
9:00 a.m.

- President Marcovich presiding -

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MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held in the 1820 Van Hise Hall

UW-Madison

Friday, February 11, 2005

9:00 a.m.

- President Marcovich presiding -

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

ABSENT: Regent Salas

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APPROVAL OF THE MINUTES

The minutes of the December 9, 2004 meeting and the corrected minutes of the December 10, 2004 meeting were unanimously approved, upon motion by Regent Randall, seconded by Regent Gottschalk.

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REPORT OF THE PRESIDENT OF THE BOARD

Resolution of Appreciation for Senior Vice President David W. Olien and Citation from the State Assembly

Noting that David Olien served for many years as senior advisor to President Emeritus Katharine Lyall, one of the most respected leaders in higher education. Regent Gottschalk remarked that two characteristics that best describe Mr. Olien are loyalty and integrity.

He then read a Citation from the State Assembly and presented the following resolution:

Resolution of Appreciation: David W. Olien

Resolution 8961: **WHEREAS**, David W. Olien has honorably served the University of Wisconsin System with great dedication and distinction for 12 years; and

WHEREAS, he has been an advocate for UW System students, faculty and staff in his service as senior vice president since 1997, managing staff responsible for human resources, procurement, safety and loss prevention, and confidential advisor to the President; and

WHEREAS, he served as ‘chief of staff’ for the Board of Regents “Charting a New Course for the UW System,” a study of the university’s future, which produced a strategic planning document to preserve access and quality, and guide the UW System for years to come; and

WHEREAS, from 1993 to 1997, David served as vice president of university relations, during which time he directed state governmental relations, federal relations and university communications, building relationships with the Legislature, and informing efforts to reform procurement, improve public broadcasting, and develop the state’s economy; and

WHEREAS, David helped to expand the reach of the UW System by serving on the executive committee of all four Wisconsin Economic Summits; ably representing the UW System on the Educational Communications Board,

the State Historical Board of Curators, and the Midwestern Higher Education Compact; and has received national honors for his work with legislators in Illinois and Wisconsin; and

WHEREAS, David has significantly contributed to the direction and leadership of the UW System and its institutions, having assisted the President and the Regents with the recruitment of all but one of the current University of Wisconsin System Chancellors; and having served the university community and Wisconsin citizens, in the spirit of the Wisconsin Idea;

BE IT THEREFORE RESOLVED that the University of Wisconsin System Board of Regents highly commends and thanks David W. Olien for his more than a decade of service, and his numerous contributions to higher education in Wisconsin, and extends sincere best wishes in all his future endeavors.

The resolution was adopted by acclamation and accompanied by a standing ovation.

President Reilly then presented him with a University of Wisconsin System medallion, after which Mr. Olien made the following remarks:

"Thank you. I want to take this opportunity to first thank my wife Debbie who with my two children made the personal sacrifices that came with our move in 1993 from Champaign, Illinois to Madison. My second thank you goes to President Emeritus Katharine Lyall who recruited me from the University of Illinois to join her team at the UW System. It was a pleasure to serve Katharine for over 11 years first as Vice President for University Relations and subsequently as Senior Vice President.

"I have been fortunate to have had wonderful colleagues here. I can only mention a few but I want to thank those I have worked closest with for their dedication: Shirley Sitts, Kerry Niemcek, George Brooks, Margaret Lewis, Ruth Anderson, Sheri Ackley and Linda Weimer.

"As I reflect on an administrative career in public higher education, I think back 35 years to the opportunity for a quality education I received, supported in part by the taxpayers of Wisconsin and then the taxpayers of Illinois. I recall from my life experience the uplifting experience that was a gift to me from first the faculty and staff of UW-Eau Claire and then the University of Illinois.

"Higher education certainly gave me a very rewarding career. And much of our focus in these days is emphasizing the personal economic benefits of higher education. But the material comfort my family and I have today is not the most valued result of my educational experience. The thing I treasure most about my higher education experience is that it literally opened so many wonders of the world to me.

"Within a year of graduating from UW Eau Claire, I was experiencing the incredible fruits of my studies as I spent time in Europe, appreciating the experience because of the opportunity I had under Professor Barbara Rolland to study French and under Professors Kenneth Campbell and Thomas Lilly to study archaeology and art history. Archaeology and classical history remain my passion to this day.

"One year later in 1972, when our country was discovering China as a nation rather than an enemy, I was able to study Chinese politics under Professor Doh Shin at the University of Illinois. A decade later I was able to earn another graduate degree studying under some of the leading educational psychologists who with colleagues at Wisconsin were doing ground breaking work in discovering how people learn.

"I would never have had these opportunities to enrich my life were it not for the public support those two institutions received. Today I need to thank Governors Nelson, Reynolds and Knowles.

"There is a reason many of us retain an emotional attachment to our alma maters for our entire lives. Former Harvard President James Bryant Conant said it best in 1936 at ceremonies marking the tercentenary of Harvard: 'He who enters a university walks on hallowed ground.'

"Very wise men and women engaged in political life made the establishment of quality higher education in the United States a priority. Abraham Lincoln, who signed the Land Grant Act into law, said 'The land-grant university system is being built on behalf of the people, who have invested in these public universities their hopes, their support and their confidence. I can only say that I view education as the most important subject we as a people can be engaged in.'

"While we face some serious state budget problems, we must keep in mind that Lincoln made higher education a top priority in the midst of the civil war which threatened the nation's very existence.

"John Ruskin said, 'The first duty of government is to see that people have food, fuel and clothes. The second is that they have the means of moral and intellectual education.'

"Visionaries throughout world history have spoken up on behalf of education. When we wrestle at times with anti-intellectual forces, we keep in mind the words of Publilius Syrus in the first century BC, 'It is only the ignorant who despise education.'

"As I glance at the Regent President portraits in this room, I see the faces of nine former Regent Presidents I had the opportunity to work with. The common connection among those nine, from Paul Schilling, Tom Lyon, Mike Grebe, San Orr, and finally Guy Gottschalk was that, regardless of their political affiliation, they stood tall as advocates for quality at the UW institutions. They recognized that they had a higher responsibility beyond that of serving the Governor who appointed them. As citizen regents they dedicated themselves to preserving and enhancing higher educational opportunity for Wisconsinites. The people of Wisconsin, the faculty, staff and students on the UW campuses are expecting you to do the same. As the poet Virgil said: 'The noblest motive is the public good.'

"As I leave you today, I ask this board to heed Virgil's words and act aggressively and effectively as your predecessors did for the first 150 years of this state's history. The University of Wisconsin System is now at a crossroads. It is high noon on your watch. The future of this system and indeed this state hangs in the balance. I recall the words of the great University of Michigan President James B. Angell in the 19th century, who said it best when he said, 'The state university was a bulwark against an aristocracy of wealth: it was the inevitable and necessary expression of a democratic society.'

"The campuses of the UW have been created by the hard work of chancellors, their administrative teams, the faculty, staff and students, using precious resources provided in large part by governors and legislators who represented and carried out the wishes of the people of Wisconsin who understood the connection between higher education and societal and individual well being. Governors Gaylord Nelson, John Reynolds and Warren Knowles were proud of the higher education legacy each of them left. That legacy is being dismantled in my view as the UW faces for the second biennium in a row a poor budget proposal that, if not changed by the Legislature, will further damage this state's most treasured institution.

"Former Governor and former Chancellor and former Regent Lee Sherman Dreyfus, in his last meeting in this room in this building named for the visionary President Van Hise, often said that Wisconsin by all measures but one was average among the states. The one area where Wisconsin stood among the wealthier and larger states was in its commitment to higher education.

"As I leave you, as a member of the class of 1970, I ask you to open a new dialogue with the State Legislature, so the people of Wisconsin can continue to live out their dreams as I and hundreds of thousands of others have. I hope you will work with the Legislature as partners to help Wisconsin change course and refocus its resources where its minds are. Thank you."

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Resolution of Appreciation for Vice President Linda L. Weimer

Presenting the following resolution, Regent Richlen noted that Vice President Weimer had always stood up for students and made sure they were invited to the table.

Resolution of Appreciation: Linda L. Weimer

Resolution 8962: **WHEREAS**, Linda L. Weimer has advanced the mission and agenda of the University of Wisconsin System through her five years of steadfast advocacy, and passionate commitment as Vice President for University Relations; and

WHEREAS, Linda's tireless efforts to engage the entire university community — students, faculty, staff, families, regents, business leaders, elected officials, and countless others — set a high standard for communication and action during times of dramatic change within Wisconsin and the UW System; and

WHEREAS, by implementing and promoting the statewide Wisconsin Economic Summits, Linda helped elevate the stature of the UW System, and solidified the university as the state's key partner on economic development; and

WHEREAS, Weimer improved UW System's advocacy by integrating communications efforts across the system, and by intensifying programs in state, federal, student and alumni relations, including the Federal Relations Council, the UW Alumni Council, and the Student Ambassadors Advisory Council; and

WHEREAS, Linda expanded the UW System's reach and visibility by creating unique programs and events, including UW Days at the State Capitol, in Washington D.C., and at the State Fair; UW Spirit Day; the Wisconsin Idea Fellows recognition program; the Posters in the Rotunda undergraduate research event; and String of Pearls, the UW System's 30th Anniversary celebration; and

WHEREAS, future generations will benefit as Linda offers her insight and expertise, in the spirit of the Wisconsin Idea, in her national roles as a Professional in Residence for the Council for Advancement and Support of Education, and as a leader of the American Council on Education's Public Trust Initiative;

BE IT THEREFORE RESOLVED that the Board of Regents of the University of Wisconsin System highly commends and thanks Linda L. Weimer for her leadership, counsel, good humor, and innovative contributions to Wisconsin and the UW System, and wishes her well in her continued service to the UW System and higher education nationwide.

The resolution was adopted by acclamation and accompanied by a standing ovation.

President Reilly then presented her with a University of Wisconsin System medallion, after which Ms. Weimer made the following remarks:

"Thank you very much. Little did I imagine when I arrived at UW-Madison as a graduate student in zoology more than 36 years ago that I would be standing here today. I never envisioned a career in higher education. It just happened. But it has given me so many great experiences from spending time with the Dali Lama and Bill Cosby, writing a NOVA film and starting *WisconsinWeek* and *Berkeley Magazine* to helping the UW System gain more federal dollars and facilitating the coming together of more than 1,000 people to strategize about the economic future of this state. Even more, it has given me wonderful friendships and partnerships, including those with many of you in this room today.

"I appreciate your acknowledgement of what I have contributed to the University of Wisconsin System and added to that, my 24-year career at UW-Madison, but I assure you that this university has given far more back to me. We are part of a wonderful enterprise; we are in the dream realization business and it is an exhilarating experience!

"Though I am closing this particular chapter in my career, please be assured that my fight for public recognition for higher education, not to mention appreciation and financial support, will continue. I am representing this great university system on the national level, working with our higher education associations, other prominent universities, the NCAA, TIAA-CREF and the College Board to put higher education in a much higher place in the pantheon of public priorities for this nation. Not out of self interest for higher education. But, out of self interest for this country. Without a strong, and well supported, system of higher education – public and private, two-year and four-year – our nation will not

maintain its competitive advantage in the world nor, I believe, it's democratic values; future generations will not be able to live their dreams and realize their full potential; and the cure for cancer may remain locked in the mind of someone who cannot go to college or graduate school.

"At the same time, I am enjoying giving back to university advancement by being one of three nationally selected "visiting professionals" for the Council for the Advancement and Support for Education. I will share what I have learned with others, help CASE be more responsive to the needs of its members, including our own UW campuses, and encourage young people to pursue this field and devote their creative energies and talents to our colleges and universities.

"Finally, let me thank my colleagues and coworkers for making these past five years so productive and rewarding. There is no "I" in team, as they say, and what we have accomplished has been a team effort, in every way. My thanks to Katharine, who rescued me from California, and to Kevin with whom I have enjoyed working; thanks to my wonderful cabinet colleagues, past and present; thanks to the chancellors and their remarkable public affairs staff members. Thank to members of this board and to your predecessors. I want especially to single out Jay Smith, Fred Mohs, Guy Gottschalk, Toby Marcovich, Beth Richlen, Roger Axtell, Danae Davis and Eileen Connolly-Keesler, with whom I have worked most closely. I have learned so much from each of you and have appreciated your strong support for our university relations projects.

"But I especially want to thank our extraordinary university relations team, a truly dedicated group of men and women who would walk on hot coals for this university – and sometimes, I think, felt like they had! Margaret, Laurie, Kris, Kathy, Kate, Aural, Doug, Jennifer, David, Linda, Lorraine; you are the best staff I have ever worked with and that's saying a lot because I have worked with many, many talented people in my career. Finally, and not least, I want to thank my domestic partner, Jean Lang, who has shared my life and been my editor, mentor, advisor and best friend for 34 years.

"In closing, I urge this board to continue its strong advocacy for this great university system. We all work, ultimately, for 160,000 students who represent *our* future. As someone wiser than I once said, 'Education is not a pail to be filled, but a fire to be lit.' Let us keep those fires burning. Thank you."

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Report on the January 21, 2005 meeting of the Educational Communications Board

A written report on the January 21, 2005 meeting was provided to the Regents.

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Wisconsin Technical College System report

A written report was provided to the Board

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Report on the February 9, 2005 meeting of the Hospital Authority Board

The Board received a written report on the February 9th meeting.

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Remarks by United Council President Stephanie Hilton

Reporting on student reaction to the Governor's biennial budget, Ms. Hilton indicated first that the budget is a step in the right direction, providing state dollars for financial aid, domestic partner benefits and restored faculty positions.

However, she commented that tuition still would not be affordable. If a 7% increase is adopted, tuition would have increased by more than 50% in four years -- \$1100 over two years at UW-Madison and \$900 at the comprehensive universities. United Council, she stated, would not support a tuition increase above 5%.

With regard to proposed administrative cuts, she expressed concern about the impact on people who provide important services to students.

Despite financial aid increases, she pointed out, the maximum award covers the tuition increase in the first year but not in the second. In addition, extensive federal financial aid cuts have been proposed.

As to efforts to affect the budget outcome, United Council has launched a video campaign of student testimony to show what individual students are experiencing. In addition, a statewide tour was under way, with students signing real doors, symbolizing access to education, to be presented to legislators on February 24th. In conclusion, she

indicated that students are excited about these efforts and that they have generated lots of positive media attention.

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REPORT OF THE PRESIDENT OF THE SYSTEM

Report of the Committee on Baccalaureate Expansion

President Reilly noted that the committee was created to find cost-effective ways to increase the pool of Wisconsin citizens who hold bachelor's degrees and was ably led by Regent Pruitt and Regent Smith, with excellent support from Larry Rubin, of the UW System and Janet Washbon, of the WTC System.

The committee proposed 13 strategies to enhance student success and the quality of education. By increasing the number of bachelor's degree holders, there would be a resulting increase in average per capita income and an improved overall economy for the state. President Reilly indicated that the Governor's budget proposal included more than \$1 million to fund some of the initiatives and that he and WTC President Dan Clancy will name a committee to work on implementation.

Regent Smith stated his appreciation for the work of the committee and staff. He felt encouraged that money was included in the budget but cautioned that there is a long way to go through the process of funding and implementing the strategies.

Regent Pruitt expressed appreciation also to Regents Axtell and Connolly-Keesler for their work on the committee. He commented that the recommendations need to be a priority going forward and that goals must be set high to produce 36,000 additional graduates in the next four years.

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Wisconsin Jobs for Wisconsin Grads

President Reilly reported that UW career service directors have teamed up for a dynamic effort to help stem “brain drain.” A statewide initiative, Wisconsin Jobs for Wisconsin Grads will provide an online job posting system for Wisconsin employers to advertise full-time jobs, internships, and co-op opportunities to the more than 32,000 students the UW graduates each year. The system allows graduates to submit online resumes to employers and increases the ability to improve “brain gain” by contacting alumni around the world who may be interested in returning to Wisconsin.

Noting that nearly 50 employers have already posted more than 70 jobs to the site, President Reilly reported that the system was developed with no additional cost to students, taxpayers, or employers. He expressed appreciation to UW-Green Bay Career Service Director Linda Peacock-Landrum for leading this effort.

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Mike Kraus to serve on Host Committee

It was reported by President Reilly that Mike Kraus, special assistant to the Vice President for Finance, is serving on the 2005 Annual Meeting Host Committee of the Central Association of College and University Business Officers. This important organization represents chief business officers at more than 700 institutions.

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Pelumi Adeleke to receive Weinstein Scholarship

President Reilly congratulated Pelumi Adeleke, student assistant in the UW System Office of Academic Diversity and Development, on receipt of the 2005-06 Laurence A. and Frances L. Weinstein Scholarship. Regent Emeritus and Mrs. Weinstein created the award to provide additional encouragement to students of color in business and related fields. The award is given to a UW-Madison School of Business student every other year.

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Madison Business honors Hector DeLuca and Mark Bugher

President Reilly congratulated Hector De Luca and Mark Bugher, who were honored by *Madison Business*, a publication of *Madison Magazine*, with its Fifth Annual Best of Madison Business Awards.

The magazine awarded the Brian D. Howell Award for Excellence in Innovation to Hector DeLuca, Chair of the Biochemistry Department at UW-Madison and CEO of Detanoid Pharmaceuticals, a UW spin-off company. Mark Bugher, Director of the University Research Park, was honored for his role in driving economic development.

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Regent Milton McPike honored with Heritage Award

President Reilly congratulated Regent McPike, who received this year's Heritage Award during celebration of Dr. Martin Luther King, Jr. Day at the State Capitol. He was given the award from the Governor's Office and the MLK State Planning Committee for his long and outstanding service to the local and state community, which embodies Dr. King's message of the importance of community service.

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Congressional Delegation support for Financial Aid

President Reilly expressed appreciation to members of Wisconsin's Congressional Delegation who strengthened efforts to protect financial aid by writing a letter encouraging President Bush to ensure continued federal financial aid opportunities for Wisconsin students.

Members of the PK-16 Leadership Council, including Superintendent Burmaster, WTCS President Dan Clancy, President Reilly, and WAICU President Rolf Wegenke had encouraged the delegation to stand against what could be devastating changes in programs that provide federal financial aid. They were especially concerned about changes in federal tax tables that determine how much aid a student can receive in the form of Pell Grants. If the changes are approved, 5,500 of the neediest students in the state could lose their Pell awards altogether. The President's budget also calls for elimination of the Perkins Loan program and the Leveraging Education Partnerships Program, which is matched by the state to create need-based aid programs, as well as elimination of the Upward Bound and Talent Search programs, which serve low-income, first-generation students.

UW campuses received \$5.3 million from these programs in 2004 for 3,000 students. Elimination of the Perkins Loan program could mean that 19,000 students could lose more than \$40 million in financial aid. These cuts, the President observed, would

exacerbate the growing gap between the neediest students and those who have the ability to pay, and would undercut Plan 2008 efforts to close the achievement gap.

Nine of Wisconsin's federal representatives shared their concerns about Pell Grants with the President. They also supported UW efforts to expand baccalaureate degrees and expressed their pride in Wisconsin's higher education systems.

Thanking Federal Relations coordinator Kris Andrews for keeping federal representatives informed about the potential impact of these proposals, President Reilly indicated that there would be continued work with the state's Congressional Delegation to secure federal support for Wisconsin students.

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Appreciation to David Olien and Linda Weimer

Expressing heartfelt thanks to David Olien and Linda Weimer, President Reilly noted that the UW System has been fortunate to have benefited from their combined 17 years of leadership during which they were selflessly committed to the university, its students, faculty, and staff.

He observed that Mr. Olien played a central role in helping the Board outline a comprehensive plan to preserve access and quality and that he has been the UW's resident expert on navigating the state's bureaucracy. He also was involved in hiring many of the system's excellent chancellors. Throughout, his knowledge and insight have been great assets for the university.

Noting that Linda Weimer has been a tireless and committed advocate for students, President Reilly expressed admiration for her willingness to take necessary risks and for her ambitious vision of the UW's role. Going forward, she will shepherd an even more ambitious vision at the national level.

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

The Committee's report was presented by Regent Bradley, Chair

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Annual Financial Report

Discussing the Annual Financial Report with the committee, Doug Hendrix, Associate Vice President for Financial Administration, reported on trends that show the amount of revenue derived from state appropriations, from tuition and fees, and from all other sources. When adjusted for inflation, state support has been relatively flat over most of the ten-year period, while revenue from other sources has steadily increased. Currently, 26.6% of revenue comes from state appropriations, 19.3% from tuition, 24.3% from grants and contracts, and 29.8% from other sources.

With regard to the definition of administrative staff, the committee noted the importance of an agreed upon definition among the UW, LAB and DOA in light of the required reduction of 200 FTE positions.

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Office of Operations Review and Audit Update

Regent Bradley reported that, after meeting with the Legislative Audit Bureau last fall, he and Regent Connolly-Keesler agreed that the Board should take a more active role in audit oversight and that Regent Connolly-Keesler will take the lead in this endeavor.

Major Operations Review Projects

Ron Yates, Director of the Office of Operations Review and Audit, advised that reports are being drafted or research completed for several projects, including: Police and security operations; special course fees; early-return-to-work efforts; academic fee assessment and collection; and NCAA required financial statement reviews of athletic departments at UW-Green Bay and UW-Milwaukee for their Division I basketball programs.

UW Institution Audit Activities

Mr. Yates reported that most audit activity for fiscal years 2003 and 2004 was in the six core areas of cash handling, payroll/personnel, property control, auxiliary operations, tuition and segregated fee revenues, and major systems.

Legislative Audit Bureau Projects

Mr. Yates reported that the Legislative Audit Bureau review of UW-Madison's Material Distribution Service and Surplus with a Purpose (SWAP) programs should be completed this summer. LAB also is conducting statewide audits, including the state vehicle fleet, use of cell phones, and review of the state's economic development programs.

UW Procedures for Removing Data from Surplus Computers Prior to Disposal

It was reported by Mr. Yates that the Office of Operations Review and Audit reviewed UW institutions' procedures for removing data from computers that are no longer used. Regent Connolly-Keesler asked whether all campuses have a policy regarding data removal from surplus computers. In response Mr. Yates indicated that campuses already have policies in place, and the system-wide Regent Policy Document 97-2, "Policy on Use of University Information Technology Resources", could be amended to address the secure destruction of private and confidential records prior to computer disposal. The committee asked for a follow-up report on this topic in six to nine months.

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Business of the Committee

Utilities Report to Joint Committee on Finance

Vice President Durcan reported that the university has not heard any reaction to the utility report filed at the end of January. Committee members suggested that System Administration meet with legislators so that they better understand the utility shortfall.

Quarterly Gifts, Grants and Contracts Report

Gifts, grants and contracts awarded to UW institutions for the six-month period ending December 31, 2004 totaled \$660 million, an increase of \$23.8 million over the comparable period of the previous fiscal year.

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Trust Funds

Annual Trust Funds Report

Presenting the annual report, Assistant Trust Officer Doug Hoerr advised that, for the fiscal year ending June 30, 2004, gifts totaled \$12.8 million, compared to \$10.8 million the prior year. There were almost \$22 million in disbursements. The long-term fund rate of return was 17%, compared to 16% for the benchmark. These strong returns made up for the difference between new gifts and disbursements. Total asset value was \$346 million, an increase of about \$30 million over the prior year – very good news in a tough economy.

Introduction to Real Asset Classes

Mr. Hoerr handed out reports on two prospective asset classes: Treasury Inflation Protection Securities (TIPS) and timber. Giving an introduction to these alternative asset classes, he noted that the Board may want to add them to the trust funds portfolio in the future in order to increase potential returns, hedge against inflation, and become more diverse.

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Report of the Vice President

CBO/Provost Meeting

Vice President Durcan reported that there would be a meeting of the provosts and chief business officers to develop guiding principles and review areas for further study in developing a system-wide administrative cost reduction plan. The topic is of immediate importance due to the \$65 million in efficiency measures required in the Governor's budget.

In board discussion, Regent Olivieri noted the suggestion made at the Education Committee meeting that one factor to be considered in determining administrative cuts is relationship of positions to Plan 2008 initiatives.

College Savings Board

Ms. Durcan reported that the College Savings Board is making a transition from Strong Funds to Wells Fargo. An outreach subcommittee has been formed to look at ways to expand participation in the program by persons earning less than \$40,000. Some ideas include: Creating an endowment with the current contingency reserve; targeting marketing efforts toward financial literacy; and reviewing other states' programs for similar efforts. Regent Randall suggested working with groups to communicate the Earned Income Tax Credit and the opportunity to set aside tax savings for children's college education. Ms.

Durcan added that the College Savings Board is looking into the possibility of an amendment to the state tax deduction to include a refundable income tax credit for low-income individuals.

Procurement Savings

Vice President Durcan reported on savings incurred in the purchase of the PeopleSoft Accounting software grants module. The UW System negotiated reductions in maintenance contracts of \$3 million over a 10-year period.

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REPORT OF THE EDUCATION COMMITTEE

Regent Olivieri, Chair, presented the committee's report.

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Discussion of the Governor's Biennial Budget

With regard to financial aid, Regent Olivieri pointed out the concern that, with larger grants going to fewer students, there may be a disproportionate impact on the poorest students due to late filing of applications among that group. The committee discussed how to communicate the Board's position regarding priority for the lowest two income quintiles.

Associate Vice President Wilhelm noted that the Higher Educational Aids Board would meet the next week and that the Hold Harmless initiative means more money for fewer students, creating a dilemma. There is an advisory committee that will have a recommendation in that regard for HEAB.

Regent President Marcovich indicated that Regent Gracz, the Board's representative to HEAB, could take the Board of Regents' message to the meeting.

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Consent Agenda

Revision to Include Gender Identity or Expression in the University of Wisconsin System Regent Policy Documents on Non-Discrimination

Regent Olivieri reported that the proposed revisions were prompted by Regent discussion on the Inclusivity Initiative at the last meeting.

Regent Walsh asked if there were any enforcement or other issues related to these changes, and General Counsel Brady replied in the negative.

UW-Milwaukee Charter School Proposals

Noting that one of the proposals would create a new charter school and the other would extend an existing agreement, Regent Olivieri reported that the Career Education Academy would be UW-Milwaukee's eighth charter school and would collaborate with Milwaukee Area Technical College on a dual degree.

The second proposal involved extending the contract with the Urban League Academy of Business and Economics for four out of a possible five years. While there were some issues about stability of management, the school was making a positive difference in the lives of students, many of whom enter below grade level.

Regent Rosenzweig urged that there be more careful assessment and that students be followed more closely through their charter school experience.

Regent Olivieri moved adoption by the Board of the following resolutions as consent agenda items. The motion was seconded by Regent Burmaster and carried unanimously.

Revision to Include Gender Identity or Expression in the University of Wisconsin System Regent Policy Documents on Non-Discrimination

Resolution 8963: That, upon the recommendation of the President of the University of Wisconsin System, Regent Policy Document 75-5 is amended by inserting the words "gender identity or expression" after the word "sex" in paragraphs one and three of the policy statement; and that Regent Policy Document 88-12 is amended by inserting the words "gender identity or expression" after the word "sex" in the first line of paragraph two.

The University of Wisconsin-Milwaukee: Office of Charter Schools Contract with Seeds of Health, Inc., d/b/a Career Education Academy

Resolution 8964: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Board of Regents approves the charter school contract with Seeds of Health, Inc., to establish the Career Education Academy.

UW-Milwaukee: Office of Charter Schools Contract Extension with the Milwaukee Urban League Academy of Business and Economics, Inc.

Resolution 8965: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Board of Regents approves the extension of the charter school contract with the Milwaukee Urban League Academy of Business and Economics, Inc., together with amendments to the contract, establishing a charter school known as the Milwaukee Urban League Academy of Business and Economics.

UW-River Falls: Program Authorization (Implementation) B.A./B.S. in International Studies

Resolution 8966: That, upon recommendation of the Chancellor of the University of Wisconsin-River Falls and the President of the University of Wisconsin System, the Chancellor be authorized to implement the B.A./B.S. in International Studies.

UW-Whitewater: Revised Mission Statement

Resolution 8967: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the University of Wisconsin-Whitewater's revised mission statement.

UW-Stout: Amendments to Faculty Personnel Policies

Resolution 8968: That, upon recommendation of the Chancellor of the University of Wisconsin-Stout and the President of the University of Wisconsin System, the Board of Regents

approves the amendments to the UW-Stout Faculty Personnel Policies.

UW-Eau Claire: Authorization to Recruit Chancellor

Resolution 8969: That, the President of the University of Wisconsin System be authorized to recruit for a Chancellor of the University of Wisconsin-Eau Claire, at a salary within the Board of Regents salary range for university senior executive salary group three.

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New Program Proposals – First Reading

Regent Olivieri reported that the committee heard first readings of a proposed M.A. in Women’s Studies/Gender Studies at UW-Madison and a Joint Doctor of Audiology and UW-Madison and UW-Stevens Point.

The former, he explained, is a unique program – the only master’s in that area in the UW System and perhaps the only one in the country with an international and multicultural focus.

Commenting that the second proposed program results from the “creeping credential” phenomenon, he indicated that the collaboration by two institutions on one program is a very creative partnership that minimizes use of resources.

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Plan 2008 – Phase II

Reporting on consideration of this matter by the Education Committee, Regent Olivieri indicated that the discussion was led by Regent Davis, along with a panel that included UW-Oshkosh Chancellor Rick Wells, Associate Vice President Ron Singer and Vicki Washington, of UW-Extension.

Referring to campus plans for Phase II that were submitted in December, Regent Olivieri observed that reviewers were comfortable with some of the plans, while others required more work.

Noting that the purpose of the proposed resolution would be to reaffirm the Board's commitment to diversity in Phase II of Plan 2008, he reviewed the portion describing steps to be taken.

The first step would be adoption of a diversity accountability report card with measurable goals to track progress in closing the achievement gap between students of color and white students. Campuses would be asked to develop "stretch" goals and these would be included in the next Annual Accountability Report.

The second step would be to institute a system-wide Diversity Award.

In order to improve accountability, the third step would provide for refocusing evaluation of chancellors with respect to their work on diversity and integration with institutional mission.

The fourth step would make the statement that campus plans need to strengthen accountability.

Adoption by the Board of the following resolution was moved by Regent Olivieri and seconded by Regent Davis.

Resolution to Endorse the UW System's Commitment to Diversity in Phase II of Plan 2008

Resolution: WHEREAS, it is fundamental to the statutory mission of the University of Wisconsin System to enable students of all ages, backgrounds and levels of income to participate in the search for knowledge and individual development, to foster diversity of educational opportunity, and to develop human resources, as set forth in s. 36.01(1), Wisconsin Statutes; and

WHEREAS, achieving the educational benefits that flow from a diverse student body advances the core academic and governmental goals of improving all students' intellectual growth, readiness for citizenship, and preparation for successful participation in and contribution to the economic, civic, and cultural vitality of the State; and

WHEREAS, the Board of Regents of the University of Wisconsin System and its institutions have long been committed to ensuring that all students receive the educational benefits that flow from a diverse student body, and this commitment is reflected in an array of programs, ranging from admissions policies to the University of Wisconsin System *Plan 2008*; and

WHEREAS, the United States Supreme Court, in *Grutter v. Bollinger* and *Gratz v. Bollinger*, has recognized that colleges and universities have a compelling interest in securing the benefits of educational diversity for all students;

BE IT RESOLVED:

That the Board of Regents of the University of Wisconsin System reaffirms its compelling interest in and commitment to achieving educational diversity at all UW System institutions, through an array of programs including *Plan 2008*, in order to fully develop advanced human potential, the jobs that employ that potential, and the flourishing of communities that sustain it.

BE IT FURTHER RESOLVED:

That the Board of Regents of the University of Wisconsin System recommends that the following steps be taken by the University of Wisconsin System Administration and the institutions:

1. Adopt systemwide a diversity accountability report card with measurable goals that will track the progress made by UWSA and the institutions in closing the achievement gap between UW students of color and white students;
2. Institute a systemwide Diversity Award, similar to the Regents Teaching Excellence Award, recognizing excellence in diversity programming or achievement.
3. Working with the Board, the President will refocus the evaluation of Chancellors with respect to their work on diversity on progress with Plan 2008 Phase II and integration with institutional mission.

4. Subsequent changes to campus Phase II plans must describe their accountability process, including incentives and penalties for success and failure to close the achievement gap.

In response to a question by Regent Connolly-Keesler, Regent Olivieri indicated that incentives and penalties would be determined by the chancellors.

Chancellor Wells commented that it should not be expected that the achievement gap can be closed in four years. Decreases in federal financial aid and reduction in positions would disproportionately harm disadvantaged students.

Regent Randall suggested inclusion in the third step of evaluation of the President, as well as the chancellors, and it was agreed that this would be inserted as a friendly amendment.

Expressing concern about the second step, Regent Bradley felt that a system-wide award might not be fair to chancellors and institutional governance. He did not believe such an award would be needed and that the intent would be adequately met in the third step.

Regent Davis disagreed, commenting that the award would be for a campus that does a great job and makes an effort that is exceptional. Like the Teaching Excellence Award, its purpose would be to “give the star a star”.

Upon motion by Regent Richlen, seconded by Regent Davis, the resolution was amended on a unanimous voice vote to add a time line of June 2005 for completion of the first step, adoption of a diversity accountability report card.

Noting that a study of campus climate was removed from the proposed resolution, Regent Richlen pointed out that students had devoted many hours to the matter and were convinced of the importance of a climate study to the long-term health of the university. She asked that the matter be returned to the agenda of the Education Committee for further consideration.

Stating that he would support continued discussion of a climate study, Regent Olivieri explained that there was disagreement in committee discussion on how soon it could be accomplished. He indicated that he would like information on what campuses currently are doing in this regard.

It was agreed that the matter would be returned to the Education Committee agenda.

Regent Pruitt commended Regent Olivieri and the Education Committee for their extensive and thoughtful work on Plan 2008 Phase II.

Regent Gottschalk cautioned that achievement of Plan 2008 goals would be affected by factors beyond the university's control – such as the small pool of students of color and the ability of private institutions to give full scholarships to the best of those students.

The question was put on Resolution 8970, and it was adopted on a unanimous voice vote.

Resolution to Endorse the UW System's Commitment to Diversity in Phase II of Plan 2008

Resolution 8970: WHEREAS, it is fundamental to the statutory mission of the University of Wisconsin System to enable students of all ages, backgrounds and levels of income to participate in the search for knowledge and individual development, to foster diversity of educational opportunity, and to develop human resources, as set forth in s. 36.01(1), Wisconsin Statutes; and

WHEREAS, achieving the educational benefits that flow from a diverse student body advances the core academic and governmental goals of improving all students' intellectual growth, readiness for citizenship, and preparation for successful participation in and contribution to the economic, civic, and cultural vitality of the State; and

WHEREAS, the Board of Regents of the University of Wisconsin System and its institutions have long been committed to ensuring that all students receive the educational benefits that flow from a diverse student body, and this commitment is reflected in an array of programs, ranging from admissions policies to the University of Wisconsin System *Plan 2008*; and

WHEREAS, the United States Supreme Court, in *Grutter v. Bollinger* and *Gratz v. Bollinger*, has recognized that colleges and universities have a compelling interest in securing the benefits of educational diversity for all students;

BE IT RESOLVED:

That the Board of Regents of the University of Wisconsin System reaffirms its compelling interest in and commitment to achieving educational diversity at all UW System institutions, through an array of programs including *Plan 2008*, in order to fully develop advanced human potential, the jobs that employ that potential, and the flourishing of communities that sustain it.

BE IT FURTHER RESOLVED:

That the Board of Regents of the University of Wisconsin System recommends that the following steps be taken by the University of Wisconsin System Administration and the institutions:

1. Adopt systemwide a diversity accountability report card with measurable goals that will track the progress made by UWSA and the institutions in closing the achievement gap between UW students of color and white students; and this will be done by June 2005.
2. Institute a systemwide Diversity Award, similar to the Regents Teaching Excellence Award, recognizing excellence in diversity programming or achievement.
3. Working with the Board, the President will refocus the evaluation of Chancellors with respect to their work on diversity on progress with Plan 2008 Phase II and integration with institutional mission. Evaluation of the President also will incorporate progress on Plan 2008 Phase II.
4. Subsequent changes to campus Phase II plans must describe their accountability process, including incentives and penalties for success and failure to close the achievement gap.

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REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE

Regent Gottschalk, Vice Chair, presented the committee's report.

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Building Commission actions

Assistant Vice President David Miller reported that the Building Commission approved about \$23 million for various projects at its December and January meetings. Of that amount, \$9 million was GPR, \$3 million was program revenue, and \$10.7 million was gifts and grants. Mr. Miller mentioned that the Department of Administration was working with state agencies and the Building Commission was in the process of forwarding over a dozen statutory and rule changes to update the building approval process. The changes are intended to save money and time and give agencies greater involvement in the process.

He also reported that at the January meeting Governor Doyle presented the 2004 design and construction awards that recognize excellence in state building projects. An excellence in Architectural Design Award was given for work on the UW-Platteville Pioneer Student and Technology Center. Engineering Specialist Jerry Walters won an Excellence in Service Award for his proactive work on UW-Stevens Point construction projects.

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Consent Agenda Items

Regent Gottschalk presented Resolutions 8971-8976 and moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Smith and carried on a unanimous voice vote.

UW Colleges: Authority to Release Leased Property Rights

Resolution 8971: That, upon the recommendation of the UW Colleges Interim Chancellor and the President of the University of Wisconsin System, authority be granted for the officers of the Board of Regents to release leased property rights for a .62-acre parcel of land leased from Fond du Lac County for the site of UW-Fond du Lac as requested by Fond du Lac County.

UW-Extension: Authority to Construct and Increase the Budget of the Lowell Hall Lobby Renovation Project

Resolution 8972: That, upon the recommendation of the UW-Extension Interim Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct, and increase the budget of the Lowell Hall Improvements project by \$194,000 Program Revenue - Cash for a revised total project cost of \$1,338,000 (\$1,144,000 Program Revenue supported Borrowing; and \$194,000 Program Revenue - Cash).

UW-Madison: Authority to Execute a Lease of Space for the UW-Madison Graduate School - Wisconsin National Primate Research Center

Resolution 8973: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted for the Department of Administration to execute a lease for 19,000 square feet of space at 555-585 Science Drive in Madison, Wisconsin, on behalf of UW-Madison's Graduate School for the Wisconsin National Primate Research Center.

UW-Platteville: Authority to Enter Into a Land Use Agreement and to Lease Space

Resolution 8974: That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority be granted for the officers of the Board of Regents: (1) to enter into a land use agreement to permit Platteville Partners, LLC to construct additional student housing on land owned by the Board of Regents, and (2) to lease the 141,600 leasable square foot (lsf) residence hall from Platteville Partners, LLC.

UW-Stevens Point: Authority to Increase the Budget of the DeBot Center Kitchen and Dining upgrade Project

Resolution 8975: That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget of the DeBot Center Kitchen and Dining upgrade project by \$385,300 Program Revenue-Cash for a revised total project cost of \$970,000 Program Revenue-Cash.

UW System: Authority to Construct Various Maintenance and Repair Projects

Resolution 8976: That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct various maintenance and repair projects at an estimated total cost of \$4,004,100 (\$276,000 PRSB – Health, Safety, and Environmental Protection, \$2,475,400 Program Revenue - Cash, and \$1,252,700 Gifts/Grants funding).

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ADDITIONAL BUSINESS

Tuition Policy

Regent Bradley requested that the Board consider adding Hold Harmless financial aid for the lowest two income quintiles to the Regent policy on tuition.

Regent Olivieri requested that this discussion take place at a full Board session.

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CLOSED SESSION

The meeting was recessed at 11:10 a.m. and reconvened at 11:25 a.m. at which time the following resolution, moved by Regent Gottschalk and seconded by Regent Davis, was adopted on a unanimous roll-call vote, with Regents Walsh, Smith, Richlen, Randall, Pruitt, McPike, Marcovich, Gracz, Gottschalk, Davis, Connolly-Keesler, Burmaster, Bradley, and Axtell (14) voting in the affirmative. There were no negative votes and no absentions.

Resolution 8977: That, the Board of Regents recess into closed session, to consider appointment of a chancellor, UW-River Falls, and appointment of an interim chancellor, UW-Eau Claire as permitted by s.19.85[1][c], *Wis. Stats.*, to consider a UW-Superior honorary degree nomination as permitted by s.19.85[1][f], *Wis. Stats.*, and to confer with legal counsel regarding pending and potential litigation, as permitted by s.19.85[1][g], *Wis. Stats.*

The following resolutions were adopted in closed session:

UW-River Falls: Authorization to Appoint Chancellor

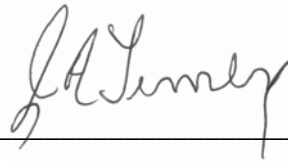
Resolution 8978: That, upon recommendation of the Special Regent Committee and the President of the University of Wisconsin System, Donald L. Betz be appointed Chancellor of the University of Wisconsin-River Falls, effective July 1, 2005, at a salary of \$175,000.

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UW-Eau Claire: Authorization to Appoint Interim Chancellor

Resolution 8979: That, upon recommendation of the President of the University of Wisconsin System, Vicki Lord Larson be appointed Interim Chancellor of the University of Wisconsin-Eau Claire, effective March 7, 2005, at a salary of \$168,622.

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



Judith Temby, Secretary