

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held in Room 1820 Van Hise Hall
Friday, November 11, 1994
9:00 a.m.

- President Grebe presiding -

PRESENT: Regents Barry, Budzinski, Gelatt, Grebe, Gundersen, James,
Krutsch, Lubar, MacNeil, Orr, Randall, Schilling, Steil and
Tregoning

ABSENT: Regents Benson, Dreyfus and Hempel

Approval of Minutes

Upon motion by Regent MacNeil, seconded by Regent Tregoning, the minutes of the meeting of the Board of Regents held on October 7, 1994, were unanimously approved as distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

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

Supplementing his written report, Regent Barry, Vice President of the WTCS Board, commented that elimination of interdistrict tuition in the WTCS System has resulted in substantial enrollment increases and is considered to be a successful initiative.

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Legislative Report

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

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Retention of January 1995 Meeting Dates

Regent President Grebe indicated that, although January meetings often are cancelled, it might be necessary for the Board to meet in January 1995, depending on the status of budgetary matters.

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Response to the SAVE Commission

Regent President Grebe requested comments from Board members on a draft response to a letter from the Commission on the Study of Administrative Value and Efficiency.

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Appreciation to Executive Assistant to the Board

Noting the resignation of Fredi-Ellen Bove, Executive Assistant to the Board, to become Budget Director for the Department of Health and Social Services, Regent President Grebe expressed appreciation for the great contribution she had made to the Board, and presented her with a plaque in recognition of her excellent service.

The following resolution, presented by Regent Gelatt, was adopted with an ovation:

Resolution 6804: Whereas, Fredi-Ellen Bove has served with distinction for four and one-half years as the first Executive Assistant to the Board of Regents; and

Whereas, the value of this position has been maximized by her keen intelligence, thoughtful manner, and dedicated service; and

Whereas, her research and analysis of policy matters has been of great benefit to the Board in its decision-making deliberations; and

Whereas, among her important contributions have been her service as director of a number of major studies, including the Task Force on Supplies and Expenses; the Governor's Commission on UW System Compensation, the Accountability Task Force, and as a lead staff member of the Commission for the Study of Administrative Value and Efficiency; and

Whereas, she is leaving her position with the Board of Regents at this time to assume the position of Budget Director of the State Department of Health and Social Services;

Therefore, be it resolved, that the Board of Regents of the University of Wisconsin System hereby commends and expresses appreciation to Fredi-Ellen Bove for her outstanding service as Executive Assistant to the Board and extends to her and her family best wishes for continued

success and happiness in the years ahead.

President Lyall expressed appreciation for Ms. Bove's many contributions to the UW System.

Ms. Bove stated her appreciation for the opportunity to serve with the Board for the last four-and-one-half years and to work on so many interesting and challenging issues. She also expressed appreciation to staff of System Administration, UW institutions, state agencies and Board of Regents office colleagues for their high level of competence, professionalism and responsiveness. Stating appreciation to former and current members of the Board, she said a valuable lesson of her experience had been the public service commitment that Regents and others are willing to give to the state.

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Report on Executive Assistant Search

Regent Vice President Lubar reported that Regent President Grebe had designated the Executive Committee to conduct the search for a new Executive Assistant and had asked Regent Lubar to serve as Chair of the search.

At its meeting the preceding day, the Executive Committee had discussed the role of the position and had concluded that skill in research and analysis, as well as in relationships with other agencies and officials, is important to the position. In addition, the ideal candidate would have knowledge both of higher education policy issues and of the working of Wisconsin State government. The Committee felt the existing position description reflects this role and the related qualifications for the position.

The Committee decided to advertise the position in The Chronicle of Higher Education, the Wisconsin State Journal, The Milwaukee Journal, and the Wisconsin Bar Association Journal. In addition, nominations will be solicited from public and private sector organizations and individuals, both in Wisconsin and nationally. A deadline of January 1, 1995, will be set for receipt of nominations and applications. The Executive Committee then will screen candidates and bring its recommendation to the Board for approval.

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REPORT OF THE PRESIDENT OF THE SYSTEM

Commemoration of Veterans Day

President Lyall noted that returning veterans after World War II transformed university campuses, expanded the mission of higher education, and taught universities how invigorating it can be to have adult students on campus. Today, one-third of the students in the UW System who are adults. The UW System also has more than 2,400 faculty and staff who are veterans. President Lyall acknowledged with special gratitude the peace and freedom made possible by the service and

sacrifices made by U.S. veterans.

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Regents Teaching Excellence Awards

Introducing the presentation, President Lyall announced that this year's teaching awards honor not only two individual faculty, but also honor an academic department for its efforts to encourage teaching excellence as a collective departmental goal.

The Regents Teaching Excellence Awards were established three years previously, using private funds contributed by current and emeritus Regents. Each year, a call for nominations is sent to all UW institutions. The resulting portfolios, containing statements from students, colleagues and alumni are reviewed and the finalists chosen by a group of Regents, consisting this year of Regent Krutsch, who served as chair, Regent MacNeil and Regent Benson.

Noting that the Regents Teaching Excellence Awards are an important recognition of the value placed on teaching throughout the UW System, President Lyall called on Regent Krutsch for presentation of the awards.

Thanking Regents Benson and MacNeil for their efforts in selecting the award recipients, Regent Krutsch commented that in the debate about faculty roles and accountability, one point on which all agree is that undergraduate teaching is fundamental to the UW's mission. While teaching is challenging and rewarding work, it sometimes is underappreciated. The faculty and academic staff who undertake teaching with dedication, creativity and passion serve students and the state as a whole, helping to ensure thoughtful citizens, imaginative and dedicated workers and knowledgeable stewards for the future. In the search for ways to stimulate good teaching, Regent Krutsch said, these awards represent a small but significant step in the right direction.

Regent Krutsch introduced the first award recipient: Professor Donald Showalter, who has taught Chemistry at UW-Stevens Point for 20 years, where he has won numerous awards. In his nominating letter, Chancellor Sanders wrote that Professor Showalter "is on the cutting edge of chemistry education, and his methods involve cooperative learning and teaching by example and demonstrations. Perhaps most important is his infectious enthusiasm and love for his discipline, for teaching and learning, and for students."

Professor Showalter instills in his students an understanding of the important role chemistry plays in today's world, and a sense of its political, economic, social and environmental impact on daily life. He is gifted with the ability to elicit students' natural interest in science and he has presented this gift both within and beyond the university classroom, reaching thousands of students of all ages, here and abroad. In 1988, he was chosen to be on several national television programs on organic chemistry produced by the University of Maryland and the Educational Film Corporation, creating imaginative visual demonstrations for these programs to illustrate lectures for Nobel Prize winner Ronald Hoffman.

Professor Showalter's contributions mesmerized viewers, especially

children who wrote to him of their desire to establish chemistry fan clubs. The educational series, "World of Chemistry," has become the fastest selling series ever offered by the Annenberg Foundation--as popular with younger audiences as with college students.

In acceptance remarks, Professor Showalter commented that he views the Teaching Excellence Award as the top of the profession and that teaching has always been his first love. With regard to his philosophy of teaching, he stated that an enthusiastic teacher will generate enthusiastic students and that a person who does not love a subject should not be teaching it. Since chemistry is viewed as being difficult, part of his philosophy is to have students realize that learning chemistry is fun as well as hard work and to have them feel good about their experiences in the laboratory.

Professor Showalter demonstrated his teaching style by performing several interesting experiments.

Regent Krutsch introduced the second award winner, Professor Nicholas J. Karolides, who has taught English at UW-River Falls since 1964 and has served as Dean since 1975. In 1971, he was recognized as the Distinguished Teacher of the Year--the highest honor accorded by UW-River Falls. His passion for teaching and his patience and kindness toward students are cited by students and colleagues alike. His interest in learning from students is well documented, as is his use of the blackboard, which he covers with his students' words and insights.

A former student, now Professor of Writing and Director of the Writing Program at Syracuse University, acknowledged Professor Karolides' gift in breathing life into literature and in helping his students understand that the affective side of teaching is just as important as the cognitive side. For decades he has inspired his students to become teachers of literature and writing.

Professor Karolides is also a prolific scholar, having published books on censorship and theories of reader response in the classroom. In addition, he is a prominent innovator in the establishment of literature and writing curricula for public school systems. In 1990, he was the recipient of the Wisconsin Council of Teachers of English Outstanding Service Award for serving as editor of the Wisconsin English Journal, a position he held from 1965 to 1988.

In acceptance remarks, Professor Karolides characterized his teaching style as marked by invitation and charged with dialog, instruction emerging from the dynamics of these features. The dialog among students and teacher acts to connect impressions and to cross-fertilize ideas. This interaction encourages deeper awareness as well as the crystallization of concepts. Individual development is his instructional keystone, the objective being to engage the students directly in their learning through dialoging to expand their involvement. His aim is to enhance their capacities to respond, to inquire and to think.

Presenting the Regents Teaching Excellence Award for an academic

department or program, Regent Krutsch explained that this award was developed to recognize that good teaching does not often happen in a vacuum and that an effective department is more than a collection of individually good teachers.

In choosing among those nominated for the award, the Regent group sought a department that is particularly strong in recognizing and fostering excellence in teaching; that approaches teaching as a public, collaborative activity; that thoughtfully constructs effective curricula for its academic programs; and that creates a positive climate for significant learning. For its success in all of these areas, as well as for its thriving program of student mentoring, the Human Development Program at UW-Green Bay was selected for the award.

The Human Development Program was one of the founding interdisciplinary concentrations designed to embody the distinctive, problem-focused liberal education mission of UW-Green Bay. Its curriculum is built on an inquiry into the flow of life from conception to death, incorporating the perspectives provided by psychology, sociology, anthropology and biology. In 1993, the UW System recognized the Program with a Continuous Quality Improvement Award. Today, with the exception of Business Administration, it is the most highly sought undergraduate major at Green Bay. Its graduates pursue careers or further study in human services, education and health-related fields.

In his nominating letter, UW-Green Bay Vice Chancellor William G. Kuepper remarked that, "Throughout its history, Human Development faculty have approached their primary commitment to building and maintaining teaching excellence as a collective departmental responsibility." The faculty's strong departmental identity and accessibility communicates itself to the program's students as well, who have consistently given the faculty extremely high evaluations.

Accepting the award on behalf of the Human Development Program, Professor Lloyd Noppe highlighted the three most important contributors to the success of the program: student emphasis, faculty interaction, and faculty involvement with their field.

Stressing the importance of the teacher/scholar model, Professor Noppe stated that all of the program faculty are dedicated to scholarship in their areas of expertise, and all are eager to work with students in the construction of new knowledge. Scholarly pursuits are not considered incompatible with either classroom or individualized teaching excellence and only new faculty who embrace the teacher/scholar model are recruited to the program.

A second critical factor is the collegiality among the members of the program. Decisions are made in a consensual manner, focusing on what is best for the program and the students. There is mutual respect, and discussion among faculty is extensive, frequent, and informal as well as formal.

Finally, each professor in the program is concerned about student learning. All faculty equally participate in advising; all sponsor independent studies and community-based internships; and all care deeply about the quality of their teaching. Student evaluations indicate well-organized, relevant, and sensitive instruction across the board, and

faculty are perceived by students to be accessible, encouraging, enthusiastic, and student oriented.

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Carnegie Foundation Award

President Lyall announced that history Professor James Lorence, of the UW Center-Marathon County, has been chosen as the 1994 Carnegie Foundation Wisconsin Professor of the year. The Carnegie Foundation award is one of the most prestigious national awards honoring outstanding undergraduate instructors across the country. Professor Lorence has taught at UW Center-Marathon County for 28 years. In 1986, he formed the Marathon County History Teaching Alliance involving university and secondary school history teachers in monthly scholarly seminars.

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Presentation of "Sifting and Winnowing" Pin

UW-Madison Provost John Wiley explained that, to commemorate the 100th anniversary of the Board of Regents' 1894 "sifting and winnowing" statement, several technology centers had collaborated to produce a pin that would draw a symbolic connection between the 1894 statement and what is being done on campus today. The pins, which were provided to the Regents, consisted of one square centimeter of silicone. Using the same techniques used to make integrated circuits, a map of Wisconsin outline containing the sifting and winnowing statement was placed on each pin. The period, which is the size of a human hair, contained the names of the Governor, the President, the Chancellor and all the Regents. The Center for X-Ray Lithography took the lead in preparing the commemorative pins.

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Budget Update

Noting that consideration of the 1995-97 biennial budget will not be completed until June or July 1995, President Lyall reported that UW institutions are managing this uncertainty with prudent planning steps, including hiring temporary instructional academic staff to fill some faculty slots and freezing some vacancies for the remainder of the year.

While these are prudent responses to an uncertain fiscal environment, she stated, they also will have inevitable effects on the ability to increase the percentage of undergraduates and sections taught by faculty this year. It will be difficult to maintain the 70 percent level achieved this year, as faculty positions are held vacant and instructional staff are employed to fill others. Other goals, including access rates and affordability, also could be affected.

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Good News Items

Gifts, Grants and Contracts

President Lyall reported that the efforts of UW deans and chancellors and the competitiveness of UW faculty in acquiring gifts, grants and contracts continues to produce remarkable growth in these revenues. Through October 1994, nearly \$259 million has been received in total gifts, grants and contracts, an increase of almost 15 percent over the same period a year ago. The federal portion of this total has grown even faster: 26 percent more in 1994 over 1993 for the same period.

These non-tax revenues support student aid, instruction, libraries, research and Extension outreach activities. They support approximately 1,300 Wisconsin jobs and generate at least \$10 million in additional state income tax revenues annually. While the single largest share of these revenues are attracted by UW-Madison, every UW institution raises outside revenues to extend programs and services well beyond what state support alone could do.

Grant to UW-Whitewater

President Lyall congratulated UW-Whitewater on receipt of a \$180,000 grant from the U.S. Department of Education to launch a five-year Talent Search Program. The purpose is to identify and assist annually up to 600 academically promising low income youth from Milwaukee and Beloit. Eighty university students will act as mentors for the Talent Search students in science, mathematics, English and ACT test preparation. These students will also have a one-week residential academic experience on campus to help them become familiar with a university environment.

Computing Equipment to UW-Stout

President Lyall congratulated UW-Stout on receiving a \$525,000 gift of computing equipment from IBM to help establish its computer-integrated manufacturing program. This program, she said, provides a glimpse of the future that will make Wisconsin manufacturers formidable global competitors.

Grant to UW-Madison Medical School

In late September, Governor Thompson announced that the UW-Madison Medical School had been selected as one of 24 research institutions to join the Women's Health Initiative sponsored by the National Institutes of Health. There are now 40 such institutions involved nationwide in the \$628 million clinical research project, one of the largest ever undertaken by the federal government. The goals of the initiative are to study chronic diseases affecting women, including cancer, heart disease, and fractures due to bone loss. UW-Madison will receive over \$8 million in NIH funds over the eleven years of the grant.

UW-Milwaukee Research Study and Grant

Two UW-Milwaukee researchers, Professors Harold Rose and Anthony Maggiore, have been selected to conduct a \$250,000 study for the U.S. Department of Justice on causes and patterns of juvenile homicides. They will be looking for information on what triggered the offense, personal and family circumstances, and other factors that may suggest more effective ways to intervene and reduce the increase in juvenile homicides.

Another team of UW-Milwaukee faculty have received a \$219,000 grant from the U.S. Information Agency to teach mediation skills to students and administrators at four South African universities. History Professor Bruce Fetter notes that South African students have developed what he called a "culture of resistance"--a habit of measuring their success in terms of boycotts. In post-apartheid South Africa, it is important to move on to an understanding and use of mediation and related methods of conflict resolution that enable everyone to move forward.

Distance Education in Northwest Wisconsin

The Schools of Education at UW-Eau Claire and UW-River Falls, and the School of Library and Information Science at UW-Milwaukee have developed an agreement for the delivery of library science courses by distance education. This program will enable professionals in northwest Wisconsin to have access to UW-Milwaukee's accredited Library Science program. This is a fine example, President Lyall noted, of how the use of distance learning technologies can enable sharing of specialized faculty resources across the System and better service to professionals who otherwise could not be reached. More such collaborative activity is expected in the coming year.

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REPORT OF THE PHYSICAL PLANNING AND DEVELOPMENT COMMITTEE

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

Presenting Resolutions 6805-6810, which were approved unanimously by the Physical Planning and Development Committee, Regent Barry moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Gundersen and adopted unanimously.

UW-Madison: Approval of Holt Commons Remodeling

Resolution 6805: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to construct the Holt Commons Remodeling project at a cost of \$249,500 from Program Revenues.

UW-Madison: Approval of Design Report; Authority to Construct Gordon Commons Refrigeration System Replacement

Resolution 6806: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority granted to construct the Gordon Commons Refrigeration System Replacement project at a cost of \$871,900 from Program Revenues.

UW-Milwaukee: Approval of Design Report; Authority to Construct Engelmann Hall Remodeling

Resolution 6807: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority granted to construct the Engelmann Hall Remodeling project at a cost of \$2,911,000 of General Fund Supported Borrowing.

UW-Oshkosh: Approval to Lease Space for Head Start Program

Resolution 6808: That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to enter into a five-year lease for approximately 7,530 square feet of assignable space, located at 501 E. Parkway Avenue in the City of Oshkosh for the University's Head Start Program, at an annual cost of \$77,800 of Federal Funds.

Lessor: Boys and Girls Club of Oshkosh,
Inc.
P.O. Box 411
Oshkosh, WI 54902-0411

The base lease will be a five-year period beginning July 1, 1995 and ending on June 30, 2000. The annual rental rate for each of the five years will be \$77,800 (\$10.33/SF). The lease also includes three successive five-year renewal periods at an annual rental rate of \$20,000 (\$2.66/SF) for each year within the three five-year terms. The option for renewal is at the sole discretion of the state.

The Boys and Girls Club will be responsible for all utilities and maintenance, including janitorial services.

UW System: Acceptance of 1994 Annual Report to Legislature on Solid Waste Experiment Center Program

Resolution 6809: That, upon the recommendation of the President of the University of Wisconsin System, the 1994 Report on the Solid Waste Experiment Centers, required by Section 35.25(3m)(e), Wisconsin Statutes, be accepted for transmittal to State officials.

UW-Madison: Approval of Agreement for Sale of Steam; Easement to Walnut Street Heating Plant

Resolution 6810: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the following authorizations be approved:

- (1) to enter into a multi-year agreement for the sale of steam from the UW-Madison

campus district heating system to the U.S. Department of Veterans Affairs and the U.S. Department of Agriculture, and

- (2) the granting of a construction easement to permit the Veterans Administration Hospital and the Forest Products Laboratory to construct an approximately 200' long segment of steam and condensate piping and metering system on University land, to connect the Walnut Street Heating Plant to these facilities.

UW-Madison: Approval of Remodeling Cost Increase; Change in Scope of Parkway Hospital Acquisition and Remodeling

The Physical Planning and Development Committee reviewed a request for a \$160,000 increase in the remodeling cost and a scope change to permit construction of a parking lot for the Parkway Hospital project at UW-Madison. After discussion, the Committee unanimously approved the request, but decided not to place it on the consent agenda should other members of the Board have questions about the project. One concern related to the need for additional remodeling funds beyond the not-to-exceed amount of \$840,000 specified by the Regents when approving the project one year ago.

UW-Madison Assistant Chancellor for Facilities Planning and Management Duane Hickling responded that the additional \$160,000 represented consensus on the highest priority needs for the areas which will be occupied when the Department of Psychiatry is relocated from University Hospital. Other needs were identified, but the items being requested are those which are most vital and which will not exceed the \$160,000 that was saved in acquiring the former Parkway Hospital.

As to the matter of additional parking space, the Committee asked why the university had not determined at the time of acquisition that changes would be needed in the parking facilities and whether the City of Madison had been approached about granting a variance for parking needs at this site. Mr. Hickling replied that, at the time acquisition was being considered, the primary focus had been on the building itself.

The parking question was raised later due to City of Madison and University Research Park Board parking requirements, the issue being that what had been an in-patient facility is being converted to a clinic with expanded parking demand.

Regent Gundersen pointed out that relocation of the Department of Psychiatry into the new facility will create much-needed hospital space which can be converted to other purposes at lower cost than new construction.

Regent Barry moved and Regent Gundersen seconded the motion for adoption by the Board of Regents of Resolution 6811.

Resolution 6811: That, upon the recommendation of the UW-Madison

Chancellor and the President of the University of Wisconsin System, authority be granted to:

- (a) increase the budget by \$160,000 for a revised cost of \$1,000,000 to remodel the former Parkway Hospital building for relocation of the UW Psychiatric Institute and Clinics; and
- (b) construct additional parking at the clinic site at an estimated project cost of \$248,900.

A decrease of \$160,000 in the Parkway Acquisition costs results in an overall project budget increase of \$248,900 and a revised total acquisition and remodeling cost of \$4,488,900, which will be funded using \$2,946,000 Program Revenue Supported Borrowing, \$454,000 Residual Program Revenue Supported Borrowing; \$840,000 Program Revenues and \$248,900 UW-Madison Parking Utility Funds.

Commenting that this project is an example of the difficulty that can result from trying to move too quickly, Regent Gelatt recalled that, as originally proposed, this project was to be a bargain; that there was already money approved for remodeling/addition to the University Hospital for these purposes; and that buying Parkway Hospital was going to cost only a small amount more than doing the construction. Over time, he noted that small amount has grown significantly.

That is the Committee's view as well, Regent Barry noted, adding that the project still is a bargain, but not as good a bargain as originally thought.

Put to the vote, Resolution 6811 was voted unanimously by the Board.

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UW System: Approval of Projects under DOT Intermodal Surface Transportation Efficiency Act

Presenting Resolution 6812, which was approved unanimously by the Physical Planning and Development Committee, Regent Barry reported that the Committee heard a detailed explanation of the program by Donald Gerhard, Director of System Administration's Bureau of Planning and Property Management.

Regent Barry emphasized the Committee's appreciation of the efforts being made by UW staff to maximize use of these transportation grants to do projects which otherwise could not be undertaken with existing resources.

Adoption of Resolution 6812 was moved by Regent Barry, seconded by Regent Budzinski and adopted unanimously by the Board.

Resolution 6812: That, upon the recommendation of the President of

the University of Wisconsin System, approval be granted for UW-Eau Claire, UW-La Crosse, UW-Madison, UW-Platteville, UW-River Falls, UW-Stout, UW-Superior, and UW-Whitewater to implement projects under the Department of Transportation's Intermodal Surface Transportation Efficiency Act (ISTEA) Program.

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

Regent Gelatt, Chair, presented the Committee's report.

Presenting Resolutions 6813-6817, which were unanimously approved by the Business and Finance Committee, Regent Gelatt noted that, in discussion of Resolution 6814, the Committee concurred with President Lyall's interpretation that the language of the resolution gives her flexibility to make minor changes to the proposed adjustments to the academic staff title structure as she negotiates approval with the Department of Employment Relations.

Upon motion by Regent Gelatt, seconded by Regent Randall, the following resolutions were adopted unanimously by the Board of Regents:

Report on Outside Program Revenue Activities

Resolution 6813: That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents accepts the report and directs that it be forwarded to the Governor and the Joint Committee on Finance no later than December 1, 1994.

Proposed Equity Adjustments to Academic Staff Title Structure

Resolution 6814: That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents --

- i) authorizes the President of the System to direct institutions to provide salary increases to individual Category A academic staff members consistent with the project's results, as permitted by presently existing salary ranges and salary range assignments,
- ii) approves the title and salary structure for Category A academic staff as developed by the gender and race equity project (Attachment A),
- iii) authorizes the President of the System to seek approval of the revised structure from the Department of Employment Relations,
- iv) authorizes the President of the System to direct implementation of the Category A

- project results when approved by the Department of Employment Relations,
- v) authorizes the President of the System to direct implementation of equity adjustments for Category B academic staff consistent with the Category B Gender and Race Equity Project, and
 - vi) authorizes changes in the practices regarding compensation of Category B academic staff as recommended by the Category B Committee (Attachment B).

Regent Gundersen asked if the consultant firm was responsible for any portion of the inequities that exist and, if so, whether restitution is possible.

President Lyall responded that studies showed the problem to be not in the salary structure developed by the consultant, but in its implementation by the UW System. While the overall adjustments are small, the commitment had been made to correct these errors in implementation.

Regent Gundersen asked if carryover monies can be used for this purpose, and President Lyall replied that carryover funds are part of the general fund that is available to make those adjustments. No new state money will be requested.

Agreements with Private Profit-Making Organizations

Resolution 6815: That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the Board of Regents accepts the agreement with Kabi Pharmacia AB, Ophthalmics entitled, "Pigmentation Studies with Latanoprost (PhXA41)."

Resolution 6816: That, upon recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the Board of Regents accepts the agreement with CIBA-GEIGY Corporation entitled, "Effect of 16 months treatment with the bisphosphonate CGP 42446 on bone mineral density, bone mechanics and bone cell function in ovariectomized adult rhesus monkeys."

Resolution 6817: That, upon recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the Board of Regents accepts the agreement with Delco. Remy, Division of General Motors Corporation, entitled "Development of a Computer Design Program for Alternating Current Machines with Arbitrary Winding Distribution and Current Waveform."

1993-94 Financial Statements

Vice President Marnocha presented the 1993-94 Financial Statements to the Committee. The information was presented in three parts: an explanation of how the UW accounts for its financial activity; a review of the summary financial information; and future directions.

The University of Wisconsin System and the State of Wisconsin maintain their accounting systems on a budgetary basis beginning July 1 and ending on June 30. To ensure that most accounting transactions follow the year in which budgeted, the state allows an "open" period to accommodate the activity occurring in the month of July. Currently, the accounting records are on a cash basis.

In order to produce the UW System's and the state's annual financial reports which are done on an accrual basis, many adjustments are made to the cash basis records. The UW System follows the reporting concept of fund accounting as prescribed by the National Association of College and University Business Officers, the AICPA Industry Audit Guide for Colleges and Universities, and the pronouncements of the Governmental Accounting Standards Board. The UW System's Annual Financial Report follows generally accepted accounting principles and is reported on a full accrual basis. The financial statements are audited by the Legislative Audit Bureau in conjunction with the federally required A-133 audit.

Under current practice, the audited GAAP basis financial statements are not available until the spring of the subsequent year, so that the statements for the year 1993-94 are not likely to be out until next spring. The primary reasons for this are, first, the Audit Bureau does not begin their audit of the financial statements until January; and secondly, the UW System historically issues its report after the LAB has completed its work.

The UW System goal is to improve the timeliness of the audited GAAP basis Annual Financial Report and to be able to present the three primary financial statements: the balance sheet, the statement of changes in fund balances; and the statement of current funds revenues, expenditures and other changes, along with additional summary financial information. The new Financial Management Information System should assist staff in preparing year-end financial reports as well as in the accumulation of accruals from the institutions. The Governmental Accounting Standards Board is in the process of analyzing responses to its invitation to comment on the reporting model for colleges and universities. Future changes that may be required to the annual financial report include a cash flow statement and a comparison of budget to actual, so that the Board can tell how the actual expenditures compared with the budget approved at the beginning of the year.

The Committee recommended that accrual basis statements be issued as soon as the information is available, rather than waiting for the state to finish its report. Over time, the goal will be to have reports ready in December, and System information may be available as early as January. In order to provide management information to the Board, the Committee felt it appropriate to issue statements prior to their final audit.

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Amendments to Trust Fund Guidelines

The Committee discussed the use of derivatives and the need to revise the Trust Fund Investment Guidelines to control risk in the fixed income portion of the trust funds. Mark Fedina, Associate Professor, UW-Madison School of Business, John Zwadzich and Skip Gibson, State Investment Board, were present to discuss the issue.

The Committee also discussed the use of alternative asset classes investment; the investment in American depository receipts; investments in structured notes; the choice of international manager benchmark; and the income fund benchmark. Professor Fedina will draft new trust fund guidelines and bring them to the Committee in February. He will also work with System Administration to develop a system for monitoring derivatives.

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Report of the Vice President

Gifts and Grants

Vice President Marnocha reported that the total gifts, grants and contracts for the five-month period ending November 10 were \$258.9 million, an increase of \$33.2 million over the previous year. Federal awards increased \$16.9 million, while non-federal awards increased \$16.3.

Change in UW System CQI Staff

The Committee was informed that the National Institute of Standards and Technology of the U.S. Department of Commerce has asked Sue Rohan to serve in the office of the Malcolm Baldrige National Quality Award, to lead the development and administration of the new national award for education. The request from NIST is, in part, a strong recognition of the value of the university's efforts in developing the self assessment guide for quality in the University of Wisconsin System. Ms. Rohan has been granted a leave of absence for the period December 1994-December 1995. During her absence, a very talented CQI Coordinator, Professor Donna Perkins, UW-Platteville, will serve on an interim basis from January until June 1995 on a 75 percent assignment with the System Administration Office of Quality. Professor Perkins joined UW-Platteville in 1988 and has taught numerous courses in the School of Business. Prior to coming to the Platteville campus, Professor Perkins worked in management at the John Deere Dubuque Works.

Regent Barry pointed out that the recognition received by Ms. Rohan is a strong endorsement for the directions she has forged in the UW System. He expressed appreciation for her contributions in that regard.

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REPORT OF THE EDUCATION COMMITTEE

Regent Krutsch, Chair, presented the Committee's report.

Presenting Resolutions 6818 and 6819, which had been approved unanimously by the Committee, Regent Krutsch moved their adoption by the

Board of Regents as consent agenda items. The motion was seconded by Regent Tregoning and adopted unanimously by the Board.

Authorization to Recruit Dean, Medical School, UW-Madison

Resolution 6818: That upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Dean of the Medical School.

Joint Program Review: B.S., Horticulture, UW-River Falls

Resolution 6819: That, upon recommendation of the Chancellor of the University of Wisconsin-River Falls and the President of the University of Wisconsin System, the B.S. in Horticulture be continued, with the understanding that the program will be included within UW-River Falls' normal academic evaluation process.

With respect to Resolution 6818, Regent President Grebe noted that Regent policy provides for direct Board involvement in the search process for President and Chancellors of the UW System and for formal involvement through consultation with the President in hiring of vice presidents. In addition, the policy provides that the Board may at its discretion become involved in other hiring decisions. In some cases, that has been done formally through appointment of a Regent committee.

In the case of recruitment of a new UW-Madison Medical School dean, he had asked Regent Orr, Regent Gundersen, and Regent Steil to confer informally with Chancellor Ward as he proceeds with this search. He noted his belief that the group should remain small but asked any other Regents having a particular interest in the appointment to contact President Lyall or Chancellor Ward.

Results of Tri-Part Report

The Education Committee was presented with a status report on how UW institutions are complying with three policies adopted by the Board. Recommendation 12 of the Undergraduate Imperative, adopted in 1991, encourages institutions to systematically include teaching and related scholarship in personnel decisions. All institutions responded to System Administration as part of the Tri-Part Report in May 1993, verifying that they consider teaching to be an intrinsic part of the annual evaluation of faculty and instructional staff.

Recommendation 9 of the 1992 Governor's Commission on UW System Compensation calls for more systematic evaluation procedures for all UW faculty and academic staff members and specifies certain elements to be included in those evaluation programs. Policies and procedures pertaining to Recommendation 9 are now being implemented at all UW institutions.

In May 1992, the Board asked each institution to develop and

implement, through normal governance process and consistent with guidelines adopted by the Board, a plan for periodic review of all tenured faculty. During the 1992-93 academic year, UW institutions developed plans for tenured faculty review and development. The plans were submitted to System Administration that spring. All institutions have approved plans in place. Formal implementation of the tenured faculty review and development plans for many institutions was initiated in the 1993-94 academic year. The remaining institutions will initiate the process during the 1994-95 academic year.

UW-Madison Professor Leon Shohet, Department of Electrical and Computer Engineering, shared experiences he and his engineering colleagues have had with post-tenure review on the Madison campus. Julius Erlenbach, Provost/Vice Chancellor, UW-La Crosse, and Judson Taylor, Vice Chancellor, UW-River Falls, discussed how post-tenure review is being implemented on their respective campuses.

In response to a question by Regent MacNeil about the commitment of time that is involved, the panelists replied that there have not yet been major complaints from faculty, although to serve on a number of review committees could be time intensive.

When asked by Regent Tregoning how the process is viewed by faculty, Professor Shohet said difficulties arise if there is misunderstanding by the peers of what an individual faculty member's appropriate activities are. This can be of particular concern when a departmental committee reviews activities that are interdepartmental or cross-departmental in nature. Vice Chancellor Taylor said that being evaluated by one's peers is a great motivator. Support must be available, however, for subsequent professional development and for sabbaticals. Professor Shohet indicated that it is becoming more common for there to be a requirement for an educational teaching component for research funded by the federal government.

In discussion at the Board meeting, Regent Gelatt noted that one of the components of Recommendation 9 of the Compensation Commission was that all those involved in providing evaluations to faculty members and staff be properly trained in providing evaluations. He inquired as to the current status of efforts to provide that training.

Senior Vice President Ward replied that training activity is taking place on all campuses and is primarily focused on department heads at this time. In response to Regent Gelatt's question as to when all evaluators will be trained, he indicated that such training will take some time, given the large number of persons involved.

Regent Gelatt asked if full training is an objective toward which the UW is moving, and Dr. Ward replied in the affirmative.

In response to a question by Regent Orr, Senior Vice President Ward explained that, because membership on personnel committees changes frequently, it will be necessary to be in a continuous training mode. He thought the first phases will take one or two years, depending on the number of people to be reached.

Report on Gateway Projects

Summarizing Committee review of the report on gateway projects, Regent Krutsch noted that gateway courses, defined as those courses that a student is required to take in order to meet graduation requirements, generally fall into four categories: basic skills courses; general education courses; prerequisites for majors; and requirements within the major. The report summarizes the kinds of approaches undertaken by UW institutions to improve access to gateway courses. Committee members noted that the issues of gateway courses, time to degree, and number of credits attempted are all related to issues of access and affordability.

In response to a question by Regent Lubar as to whether there is sharing of information among campuses, Chancellor Thibodeau and others cited the Degree Audit Registration System (DARS) as an example of such exchange. Regents also noted that cooperation and communication with the K-12 system could help ease some gateway problems.

Regent Krutsch pointed out that improvement in gateway course access is boosted by new technology and by efforts the departments are making.

In discussion at the Board meeting, Regent Gelatt asked if every campus has a DARS program or equivalent to provide degree audit information and more accurately predict demand for gateway courses.

Replying that all campuses have such a plan, Senior Vice President Ward indicated that a number of systems are fully installed, while the rest are in the process of implementation.

Regent Gelatt commented that it would be helpful for transferring students to have a link between the DARS system and the Transfer Information System. He asked if that is an objective and if there is a target for completion.

Senior Vice President Ward indicated that by the end of 1996 transfer information systems will be fully implemented and DARS systems probably will be fully implemented. He did not know whether there would be a linkage between the two.

President Lyall added that information on that point will be forthcoming.

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Report of the Senior Vice President

Recommendation for Accreditation of UW-River Falls Program

In his report to the Committee, Senior Vice President Ward announced that the site visit team of the Accrediting Council on Education in Journalism and Mass Communications is recommending to the parent organization that the program at UW-River Falls be fully accredited.

Ranks in Publishing, UW-Madison and UW-Milwaukee

Senior Vice President Ward cited a recent article in the Journal of Library and Information Science Research that ranked both the UW-Madison School of Library and Information Studies and the UW-Milwaukee School of Library and Information Science in the top ten programs in total articles published by their faculties. UW-Madison ranked fourth, and UW-Milwaukee is tied with the University of North Carolina for fifth.

International Students in Academic Programs

When the Board was presented, in February 1994, with an Occasional Research Brief, "Trends in Degrees Conferred, 1982-83 to 1992-93," Regents called attention to the statement that international students received one third of all doctoral degrees awarded by the UW. At that time, Regent Krutsch suggested that a future Education Committee presentation and discussion be focused on the theme of graduate education and international students.

In response to that request, UW-Madison Interim Provost John Wiley, at the November 10, 1994, Education Committee meeting presented a report on international students in academic programs at UW-Madison. Currently there are 3,663 international students (nine percent of all registered students) at UW-Madison, two-thirds of whom are enrolled in graduate programs, comprising about one quarter of all graduate students. The largest absolute number of international students is in the College of Letters and Science, but the colleges having the largest percentages are Engineering and Business. Graduate programs in Science and Engineering at UW-Madison extensively recruit domestic students for master's and Ph.D. programs. The number of American students applying for these programs is relatively small and the needs of American industry would not be met by domestic students alone. Therefore, the programs recruit and accept highly qualified international students, with the bulk of those students coming from Asian countries.

About 60 percent of all UW-Madison international Ph.D. recipients stay in the United States, and more than 80 percent of international science and engineering Ph.D.s remain here. Without that infusion of international talent, American high tech employers would have serious shortages.

Provost Wiley concluded by listing some of the benefits to the state and the nation from international students attending UW-Madison: export revenue (tuition, living expenses, visitors) brings in more than \$70 million a year into the Wisconsin economy; contacts abroad are created; study-abroad and exchange opportunities are enhanced; and international contacts for research, recruitment, consulting, etc., are developed. In addition, the international student population contributes to campus diversity, improves the viability of many programs, and fully engages the university in the global talent pool and economy.

Noting that there were questions as to why there are not more qualified American students interested in these programs, Regent Krutsch suggested that issue as a topic for a future in-depth discussion.

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ADDITIONAL BUSINESS

UW-Madison University Committee Statement on Budget

Professor William Reznikoff, Chair of the University Committee, presented a statement regarding the 1995-97 UW System budget. Stating that this budget brings critical choices for the state and the future of the university, he viewed the paramount question as whether or not the state wishes to maintain and build on the excellence and broad access to higher education that has been the UW tradition and that has served the state so well. Stating that the faculty want to maintain and build on that excellence and access, he expressed hope that the Regents and System Administration will continue their efforts to convince state government of the wisdom of these traditions.

Departing from his formal presentation (copy on file with the papers of this meeting), Professor Reznikoff said he had decided to devote three years to the University Committee because he considers the University of Wisconsin a special university, providing excellent education. He is particularly interested in working with the faculty and administration in maintaining and developing that excellence by stimulating integration of research and teaching, which he considers the foundation of excellence. He feels strongly that the budget will determine whether that goal can be achieved.

Substantial cuts in the university budget, he said, will probably force a reduction in the size of the faculty and staff. While reductions would likely be selective and would eliminate some programs, every unit would be certain to suffer some budget reductions. In that case, every student would experience some loss of quality and access; for example, reduction in access to courses, decreased availability of advising services, and lengthened time to graduation. One of the first areas to be cut, he predicted, would be the independent study and laboratory and field exercise courses essential to providing quality education. Budget cuts also would increase hidden costs to students, he added. Commenting that reduced state support also would have a negative impact on the university's ability to serve Wisconsin citizens through extension and outreach, he said faculty and staff presence in these areas would be curtailed; and some programs important to the state probably would be eliminated.

Another consequence of reduced state support, he commented, would be to alter the balance of faculty workloads in favor of teaching, which would inevitably decrease the acquisition of external funds. Reducing external revenues would have multiple effects, such as reducing opportunities for undergraduate laboratory education, lowering the quality of classroom instruction, hindering the university's ability to support the development of new industries, and reducing the externally-funded university payroll.

These negative impacts, he cautioned, will not be immediately evident but will be the result of a process of attrition. It is the belief of the University Committee that the state would be best served by adoption of the zero-growth budget and supplemental initiatives adopted by the Board. The University Committee stands ready to work with Regents and System Administration to convince the public and state officials that sufficient funds should be provided to accomplish the goals set out in

those documents. If that effort is not successful, he feared that the state will have taken a major step down the road of reducing quality and access in the UW System.

Regent Gundersen commended the University Committee for standing behind the budget and initiatives adopted by the Board. He felt the only way to succeed is to convince the media of the importance of this issue to the entire state.

Regent Tregoning advised the faculty to remind their legislators of how important this issue is. It will be very helpful, he felt, for the Legislature to know that the university community as a whole--not just the Regents--is strongly promoting the Board's budget request.

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Statewide Video Conference

Regent James commended President Lyall and Senior Vice President Bornstein for the accountability report recently provided through statewide video conference.

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The meeting was recessed at 10:40 a.m. and reconvened at 10:50 a.m., at which time it was moved by Regent Lubar and seconded by Regent James that Resolution 6820 be adopted by the Board of Regents. The motion was adopted on a unanimous roll-call vote, with Regents Barry, Budzinski, Grebe, James, Krutsch, Lubar, MacNeil, Orr, Randall, Steil, and Tregoning (11) voting in the affirmative. There were no dissenting votes and no abstentions.

Resolution 6820: That the Board of Regents recess into closed session to consider approval of a base salary adjustment for a faculty member in a salary range that exceeds the Executive Salary Group Six maximum, UW-Madison, as permitted by s. 19.85(1)(c), Wis. Stats., for possible action on honorary degree nominations, UW-Madison, as permitted by s. 19.85(1)(f), Wis. Stats.; and to confer with legal counsel regarding pending or potential litigation, as permitted by s. 19.85(1)(g), Wis. Stats.

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CLOSED SESSION ACTION

The Board arose from closed session at 11:30 a.m., having adopted the following resolution:

Salary Adjustment, UW-Madison

Resolution 6821: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, a temporary base salary adjustment of 10% (\$13,050) be approved for Professor Philip M. Farrell, Department of Pediatrics, while he serves as Interim Dean of the Medical School, resulting in a new 1994-95 rate of A\$143,550, effective November 11, 1994.

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The meeting was adjourned at 11:30 a.m.

A handwritten signature in cursive script, appearing to read "J. A. Temby".

Judith A. Temby, Secretary
December 1, 1994