

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, February 9, 1996
8:30 a.m.

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- President Grebe presiding -

PRESENT: Regents Barry, Brown, DeSimone, Dreyfus, Gelatt, Grebe, Krutsch,
Lubar, MacNeil, Randall, Smith, and Steil

ABSENT: Regents Benson, Budzinski, Hempel, James, and Orr

Approval of Minutes

Upon motion by Regent Dreyfus, seconded by Regent DeSimone, minutes of the meeting of the Board of Regents held on December 8, 1995, were unanimously approved as distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Report of the Wisconsin Technical College System Board Meeting

President Grebe reported that a written report of a meeting of the Wisconsin Technical College System Board had been provided by Regent Barry; there were no questions or comments concerning that report.

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Report of the Regent member of the Educational Communications Board

Regent Gelatt had submitted a written report on the Educational Communications Board; there were no questions or comments about that report.

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Report on Legislative matters

Vice President Olien had submitted a report on Legislative matters. There were no questions or comments concerning that report.

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REPORT OF THE PRESIDENT OF THE SYSTEM

1995 Fall Enrollments

President Lyall began her report by presenting the final figures for the 1995 Fall Enrollments. These systemwide enrollments reflect a demographic "turning point" in the state of Wisconsin, in which a decade of declining numbers of high school graduates is shifting as the size of graduating high school classes is beginning to grow again. She observed that there may also be other turning points which will influence college attendance, such as Wisconsin's strong economy and employment opportunities for high school graduates, as well as the findings of national polls which suggest that middle class Americans are feeling vulnerable to downsizing and related uncertainties about their economic futures. These concerns may affect the consideration of college by parents and students; she suggested that they might consider whether to delay students' entry into college in order to work and save for the future, or that they could have concerns about rising requirements' effect on chances for admission.

In 1995, national college enrollments (as reported by the American Council on Education) were down about 2%. The UW System's Fall '95 enrollments were 123,584 FTE, down about 1.2% from the previous year. Eight institutions were within 1% of their targets and seven were more than 1% below their targets for the fall. President Lyall pointed to the fact that the size of the freshman class increased by about 1.2% as the number of new high school graduates begins to grow; the smaller sophomore, junior and senior classes are beginning to graduate, thus reducing the overall total slightly. She anticipates that the total enrollments will begin to grow, noting that this growth will be augmented by the growing demand for continuing education from already employed adults. She added that the recommendations generated by the Board of Regents Study of the UW System in the 21st Century Study will help determine the accessibility, affordability and quality of the UW education for these future Wisconsin high school graduates and working adults in the state.

Governor Thompson's Assignments for the UW System

President Lyall reported that, in his tenth State of the State address, Governor Thompson asked the UW System to share the university's skills and resources more effectively with the K-12 schools: First, to establish a network for students and faculty on all UW System campuses to share interactive video and computer-based instructional materials; second, to make

additional advanced placement courses available to high school students over the Internet, and finally, to give all high school students in Wisconsin access to the UW System libraries and the Library of Congress through the computerized library network. She noted that the first of these goals already is underway. The Governor also challenged the UW System to make good its promise to enable all Wisconsin high school students to apply to any UW institution or WTCs campus or institution via the internet no later than the Fall of '97. Accepting these assignments and promising that the system will work "diligently" to achieve them, she noted that these goals are important: they will "help erase boundaries between schools, universities and technical colleges," enable high school seniors to reduce the time and cost needed to complete a degree by allowing them to perform advanced placement work, and enable the UW System campuses and institutions to share scarce educational resources for better learning outcomes.

President Lyall added that meeting these challenges will not be costless. Expenses will be incurred as Wisconsin's public schools and libraries invest in the hardware and software needed to gain access to the Internet (the system through which these goals will be met) and link schools to the University System's libraries, and as University faculty and staff invest the time necessary to redesign courses and curricula for Internet instruction. The Center for Distance Education, which will be under construction next spring, will be a great focus for sharing instructional resources and professional development between university faculty, public school teachers, and libraries across the state. President Lyall reiterated that the overall goal is to generate better learning outcomes for students, and that this technology is a means to that end, not an end in itself. Observing that at least a dozen states are planning distance education networks, she noted that if the Governor's challenge is successfully met, Wisconsin will be on the cutting edge of quality education before the 21st Century.

Good News Items

Wisconsin Academy of Sciences Arts and Letters

The UW System is well-represented in the Wisconsin Academy of Sciences, Arts and Letters, the oldest state academy in the nation. Former Regent Ody Fish is the 1996 Academy President; Senior Vice President Keith Sanders is President-elect; Chancellor Kuipers (UW-La Crosse) is Secretary of the Council; and Regent Gelatt is on their Foundation's Board of Directors. In an age of increasing specialization, the Academy is the only statewide institution that brings together interests in sciences, arts and letters, sponsoring events from poetry readings to art exhibits across the state.

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UW-Madison Medical School Research Grant

UW-Madison's Medical School received a \$2.8 million research grant from the Howard Hughes Medical Institute to fund start-up research for five

assistant professors at the Medical College--this support for new faculty scientists helps begin their careers as important researchers. Furthermore, President Lyall described this grant as "extraordinary," noting that with reduced federal research dollars and increased competition for those dollars, UW System faculty have been able to support research with such grants.

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UW-Milwaukee: Helping High School Students Prepare for the ACT Exam

UW-Milwaukee is helping local high school Juniors and Seniors prepare for the ACT exam by offering an eight-week long weekend mini-program for students who want to build basic math, reading, writing and study skills. The program also offers enrichment courses in critical thinking, public speaking, biology, chemistry, and a number of other fields. President Lyall cited this program as an outreach project that helps Wisconsin students reach the goal of college readiness.

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The Wisconsin Food System Partnership

President Lyall introduced the Wisconsin Food System Partnership as an example of the increasing amount of collaborative work among UW System institutions. Composed of UW-Madison, UW-Milwaukee, UW-Extension, UW-River Falls, UW-Platteville, and System Administration, the partnership is dedicated to revising the agriculture curriculum in both the university and the K-12 schools. The Kellogg Foundation awarded the Partnership \$1.6 million renewable for up to five years to carry out this work and help educate students to the importance of the worldwide system of food production and distribution.

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Increased Flexibility in Local Risk Management Funding Allocations

President Lyall reported that a "modest, but important" step towards increased flexibility was achieved when DOA agreed to allocate to the UW System its share of the state loss prevention pool money. These funds (about \$70,000) have been passed on to the campuses. Rather than being limited to participating in centrally organized statewide prevention activities, each campus will now be able to undertake locally needed risk management activities, contracting directly for services and scheduling them according to local convenience. President Lyall expressed her appreciation for DOA's willingness to redesign this function.

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Native American Language Preservation Project

UW System institutions, with leadership from the UW System Office of Multicultural Affairs, have developed the Native American Language

Preservation Project in response to the Wisconsin Indian Education Association and the Great Lakes Intertribal Council's identification of the need for the university's assistance in preserving rapidly disappearing American Indian languages. The project, beginning in February 1996, will offer a series of in-service programs for Native American language teachers. President Lyall pointed out that this is an example in which the university serves as a conservator as well as generator of knowledge; this project will help Native American language teachers keep knowledge and cultures alive in Wisconsin.

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THE BOARD OF REGENTS STUDY OF THE UW SYSTEM IN THE 21ST CENTURY

Before introducing the first report, Regent President Grebe noted that the Board of Regents Study of the UW System in the 21st Century is moving quickly toward recommendations to be considered by the Board at the March 1996 meeting; these recommendations will become the focus of public hearings to be held in four locations around the State in late March and early April.

Working Group on Instructional Technology and Distance Education

Regent Dreyfus reported that this group concluded its work on February 8, 1996, having produced a report which would be distributed at a later date. The report consists of five parts: the goal, four policies (to be discussed at the public hearings), a list of enabling actions to facilitate implementation of the policies, a list of performance indicators to measure the achievement of the goal, and a list of guiding principles which will provide flexibility for chancellors to work within the defined policies. Regent Dreyfus then summarized two of the elements of this report:

The Goal: The System will use instructional and distance educational technologies to develop an enhanced student-centered learning environment to remove time and place as barriers to learning both on and off campuses.

The Four Basic Policies are:

- (1.) To respond to student needs by developing a system-wide plan that effectively utilizes appropriate technologies to provide high quality learning opportunities and services to students to meet their lifelong learning needs.
- (2.) To facilitate, review and recognize faculty contributions.
- (3.) To foster internal as well as external collaboration. (These technologies will be used to increase cooperation and collaboration among and within UW System institutions, as well as with other

appropriate institutions--such as other universities, the K-12 programs, the Wisconsin Technical College System, public libraries, businesses, and communities in general--to develop appropriate programs for the distance delivery system.)

- (4.) To develop instructional technology resources by providing training, support and access to university-based hardware and software necessary for students, faculty and staff to use instructional technologies in their teaching and learning.

Regent Gelatt observed that the report includes a \$25 million per year investment, and asked how the group arrived at that amount. Regent Dreyfus explained that it was an estimate of initial costs, but noted that the total investment would be much larger, and that the funds will have to be raised externally, since the reallocation of internal resources will not meet the projected needs. He added that, once found, allocating those funds would be another key decision.

Working Group on Program Array

Regent MacNeil reported that the committee discussed three items: management flexibility, collaborative programming, and possible recommendations. Under management flexibility, the group discussed three documents: the chancellors' comments on possible changes to encourage flexibility, suggestions from the institutional business representatives and the UW System appropriation structure. Associate Vice President Kathleen Sell discussed policies on the use of Fund 104. She stated that Fund 104/32 supports a wide-range of non-credit instruction, while Fund 104/131 is used to provide some off-campus credit instruction, including some distance education courses such as the recently created nursing consortium.

In its discussion of collaborative programming, the group also discussed funding options, observing that several cooperative programs are currently in operation and that host institutions incur some costs (such as those associated with library and support services) for which they receive no direct funding support. She cited the example of the cooperative MBA program in which UW-Oshkosh, the degree-granting institution, works with UW-Stevens Point and UW-Green Bay, which do not receive funding support for their participation. While not large, these costs represent a burden on the host institutions.

The group members directed that the final report stress its conclusion that, after extensive review, the working group has determined that the UW System Program Array is appropriate. Regent MacNeil concluded her report by summarizing the paper's five recommendations, observing that they are still in draft form:

- (1.) The working group supports the revised procedures contained in ACIS-1 and recommends that in two years the Board of Regents review them

to determine whether they have accomplished the goals of increased flexibility and encouraging new program development.

- (2.) In order to improve overall program array planning systemwide, the working group recommends that the Senior Vice President for Academic Affairs be directed to meet annually with the vice chancellors on issues of systemwide program array, including such items as program addition and deletion, institutional and systemwide program needs, needed program changes, and systemwide balance of program array. This consultation shall result in a report for review by the Chancellors that will be submitted to the Board of Regents as part of the annual December program report.
- (3.) That the UW System seek changes in areas that create impediments to the efficient management of academic program array.
- (4.) That the UW System develop a Distance Education Incentive Fund (DEIF), to be created from new dollars, for the purposes of acknowledging and rewarding current distance education activities, and fostering collaboration using distance education technologies.
- (5.) That the UW System affirm and make maximum use of the flexibility which is possible in spending 104 funds to support collaborative academic programs, including distance education consortia efforts.

Working Group on Access and Affordability

Vice President David Olien provided the report for the working group chair, Regent Hempel. He stated that the working group discussed a draft report of recommendations developed by Regent Chair Hempel based on discussions from previous meetings of the group. These discussions focussed on three assumptions:

- * First, that demographic changes suggest significant challenges to maintain the current high access rate for immediate high school graduates and to meet the continuing educational needs of life-long learners;
- * Second, that the continuation of efficiency improvements already in place throughout the UW System (including increasing enrollment capacity for 4,000 students in the face of significant budget reductions) will help meet this increased demand; and
- * Finally, that with the state's broad support and system-wide efficiency improvements, access to the system will be maintained.

Vice President Olien noted that discussion then shifted to four "thematic" recommendations which have biennial budget implications:

- (1.) The first priority of the working group is to utilize new instructional technologies to help meet access demands. These include distance education technology, which the group believes is essential to expand the capacity of the UW System's instructional resources, extend the reach of UW programs and enhance the efficiency of existing instructional resources. The working group will recommend that the Board of Regents include a specific funding approach to further develop this necessary technology in the next biennial budget recommendations. Funds will be required for networking infrastructure, investment in up-to-date equipment and software, development of new instructional technology, and training opportunities for faculty.

Vice President Olien noted that members of the group expressed concerns about the quality and cost-effectiveness of distance education. In response, the working group added that distance education initiatives take into account necessary student/faculty interaction and the consideration of the student's total needs. The group also added that, while it is understood that infrastructure and operating costs of distance education programs are high, it is also understood that, given changes in the higher education marketplace, these costs are necessary and inevitable.

- (2.) The second theme addressed was the issue of better management of credits to graduation. The group will recommend that tuition recommendations sent to the Governor and Legislature reflect incentives for reducing attempted credits to degree (and/or disincentives for taking additional credits). The working group also recommends that flexibility be given to the UW System's tuition structure to create incentives for students to successfully complete requirements for a four-year graduation contract; this includes establishing a four-year graduation contract pilot program with selected institutions by fall 1997, with systemwide implementation the following year. The group emphasized that these changes can only be successful through both adequate advising and course availability--thus, changes in this area will depend upon both student and campus motivation.
- (3.) The third theme focussed on efficiency improvements to increase access. While many improvements have already occurred in the UW System, questions were raised about providing incentives for increased efficiency, including whether individual faculty or departments/colleges should be rewarded. Regarding this question, the group felt that the latter should be rewarded, due to differences in institutional structures, current volunteer efforts, disciplines and instructional needs. The working group will recommend that, by October 1, 1996, chancellors of each institution provide the Board of Regents with a report of efficiency measures already undertaken to date and recommendations of other efficiency measures to increase capacity in the near future. Included in this recommendation would be more budget flexibility in the use of institutional funds in order to achieve increased capacity.

- (4.) The final recommendation affirms current Board of Regents Tuition Policies. Among these policies are those which assert that tuition increases should be moderate and predictable; that the resident undergraduate tuition rate increase should not exceed 10%; and that GPR financial aid and graduate assistant support increases should be kept commensurate with general tuition increases.

In addition to the above recommendations that have biennial budget implications, the working group will make recommendations to foster access and affordability through Board of Regents actions. These include recommendations to reward success for UW institutions that successfully increase grants obtained from private sources for financial aid purposes; create limits on room and board cost increases; work with high schools to encourage attendance at UW Centers during the school year and expand the college credits available to be earned while students are still in high school; and to promote increased summer school attendance for students at the UW institution closest to their place of summer work or residence. Vice President Olien concluded his report by stating that the group expects to make its final recommendations to the Board in March.

Working Group on Future Funding and Revenue Structures

Regent Gelatt, Chair, presented the following 8 preliminary recommendations:

- (1.) That the Board of Regents should discuss using its existing authority to allow comprehensive institutions to charge differential tuition rates within their clusters.
- (2.) That the state provide funding increases for WHEG that are commensurate with the increased needs of students attending a UW System institution.
- (3.) That the Board of Regents should consider adding tuition sensitivity to the WHEG formula, since the current formula contains no provisions allowing aid to increase as tuition does, and, under the most recent biennial budget, the Board has the authority to set or at recommend the formula to be used for allocating the WHEG money.
- (4.) That institutions be encouraged to raise external funds (which may require the Board to consider modification of system policies to encourage such fund raising).
- (5.) That section 20.285(1)(h), Wis. Stats., be revised to give increased authority to spend auxiliary reserves. The committee suggested the following revision: "Each campus, the center system and extension may, upon approval of the Board, expend available monies as needed for any program revenue, student-related activity for which additional one-time funding is needed."

- (6.) That institutions be allowed to charge the market rate for auxiliary operations at times when the market rate for such operations is higher than their cost.
- (7.) That negotiation of non-resident tuition for students from neighboring states at selected institutions be allowed, subject to Board approval; the tuition should, at minimum, cover the marginal cost of instructing the additional students.
- (8.) That the Board should examine system policies that discourage recruitment of out-of-state students. Institutions should be encouraged to recruit additional out-of-state students--but not at the expense of access to resident students.

The study group paralleled other study groups discussions regarding the feasibility of reducing System costs, agreeing with them that quality is the top priority. The study group is continuing to collect examples of successful efforts to reduce costs or to increase services without budget increases; although it hasn't yet produced a final recommendation to do so, it may also suggest that the System conduct experiments on the use of technology and other means of improving instructional efficiency. Concerns were expressed that successful examples of distance technology providing more efficient instruction are lacking; Regent Gelatt suggested that the UW System could play a role in producing good experimental data.

Regent Gelatt concluded that, at the group's next meeting, it will make its final recommendations. It will also review allocation of state resources among UW System institutions, as well as additional changes in tuition policy and the Working Group on Access and Affordability's recommendations about tuition. At the conclusion of this report, Regent Krutsch asked how recommendation #7 benefits Wisconsin students and taxpayers; Regent Gelatt noted that charging a tuition greater than the marginal cost of instruction produces revenue and that there might be an opportunity of helping to strengthen particular programs by admitting out-of-state students.

Working Group on Mission and Roles

Regent Lubar, Chair, reported that the group continued to work with the information gleaned from the chancellors' responses to questions asked by the group for the December 1995 meeting. A series of recommendations will be developed as that work continues; Regent Lubar anticipates having a draft ready for discussion prior to the March 1996 meeting.

The group discussed a report titled "Differentiated but in Partnership," which clarified the roles of Regents, System and the Institutions. Regent Lubar noted that, in general, the group focussed on broad policy statements, such as holding each institution accountable for the performance of agreed-upon goals. To maintain a focus on key issues the Board would hold one meeting a year dedicated to planning and one focused on a selected issue. The recommendation defining the role of the UW System Administration includes

fostering partnerships and efficiencies, taking advantage of commonalities, minimizing unnecessary duplication and facilitating strategic planning. Seven items define the role of the institutions; in particular, they should be collaborative, entrepreneurial, user-friendly and responsive to clients, as well as accountable for meeting Board-designated outcomes and policies. The group considered a recommendation encouraging the development of new synergies among UW institutions. Observing that, while legislation drafted for the UW System in the early 1970's emphasized the autonomy of institutions, experience has shown that great benefit can occur when institutions work toward a common goal. The group approved the recommendation that each institution forge strategic partnerships with other UW institutions, K-12, and technical college districts.

Regarding a paper on "Management Flexibility Initiatives," (the result of the chancellors' responses discussed in the December meeting), the group addressed several, detailed recommendations dealing with fiscal management, purchasing, reporting, personnel, and other issues which present barriers to creativity and efficiency. Five specific flexibilities seem to be most important:

- * The first regards a recommendation to establish capital budget revenue bonding authority. Two potential benefits of such authority were briefly cited: the first, that other state needs would have less competition for general obligation bonding authority, and the second, that the UW System could better expedite its own building projects. Regent Barry added that the group had rejected a carte blanche approach, recognizing that there are certain projects that are more appropriate than others for revenue bonding. The group's discussion led to a request for further clarification of several issues involved, as well as for alternative solutions for resolving them.
- * The second proposal seeks to better integrate UW auxiliaries with the instructional mission. While existing law restricts the transfer of funds from one auxiliary operation to another university activity, this proposal would allow the transfer of auxiliary funds to areas that contribute to the instructional mission, such as the building of a computer facility in a dormitory. The proposal would be drafted to make clear that students would not bear additional costs, nor would projects move ahead without consulting them; further, the funds would only be transferred in cases where additional, one-time funding would be needed.
- * A proposal to seek elimination of all position control and reporting was approved for further discussion. While the UW System has the authority to create non-GPR-supported positions without DOA or legislative approval, most positions may be created only with approval of DOA or the Legislature. The group believes this to be redundant, given the budget's limitation of UW System positions.
- * Also approved for further discussion was a proposal to seek greater authority for managing the compensation and conditions of employment

for unclassified staff and move to a more flexible, decentralized human resources program to better serve the needs of UW System institutions. Regents Barry and Lubar noted that position controls are unique to Wisconsin among the Big-10 schools, that they are very uncommon in business, and that the UW may need more flexibility to move aggressively to fill needs within the allocated budget. Regent Smith cautioned that the case for removing controls should be carefully made and should include measurable reasons in order to promote understanding.

- * Finally, a recommendation to allow expenditure of tuition revenues up to 5% above budget was approved. Currently, the state sets a fee revenue budget for the UW System, which dictates that the UW System may not expend more money than the fee revenue budget, even if more funding is collected. When student enrollment is larger than anticipated, the UW System must wait 12 to 18 months for the approval to use the additional collected fees--this recommendation would provide for increased flexibility within a reasonable margin of error while maintaining accountability.

Regent Lubar then reported that Chancellor Sorenson (UW-Stout) presented an original proposal on charter status for his institution. This concept is, at this point, only being discussed; however, Chancellor Sorenson indicated that an indication of Regent interest might provide a basis for exploring the concept through broad consultation with the university community. The concept might include independence from UW System and state controls, while retaining state-assistance and current structures of internal governance, operating under a governing Board composed of individuals representing organizations supporting the UW-Stout mission. Discussion centered on differences in management that might result and whether increased flexibility or another model of independent action might better achieve the same goals. Many details require further examination, and it was suggested that Chancellor Sorenson provide a statement that addresses all the interests involved.

The working group continued its examination of proposals to establish a Systemwide Innovation/Incentive Fund. Initially proposed to be funded by a .5% GPR fee set-aside from the System budget, Regent Lubar noted that there was little enthusiasm expressed for a fund that redistributes already limited funds. The consensus is that the concept is good but that it might be better to empower the institutions to create their own incentive programs and to encourage collaboration among campuses.

Associate Vice President Lee Alley presented a paper entitled "The Emerging Global Market of Technology Based on U.S. Higher Education." The group learned that this is an explosive growth area--whereas no universities were presenting classes, courses and credits towards degree on the Internet two years ago, there are 59 institutions doing so now. The group discussed the impact of instructional technologies on future needs for physical facilities, as Regent Barry commented that the need for the physical facilities could be reduced in the future. The group cited the need for a better understanding of the national and local marketplaces for non-site based education to help make decisions about the college of the future, and the

group's recommendations suggest the need to explore strategies that will permit the UW System to move rapidly and effectively into the distance education market. The current discussion, however, determined that the best place for 18 to 22 year olds in search of higher education remains on a college campus where resources can be marshalled to create a rich campus life. Regent Lubar expressed the need to remember "that we are not in the business merely to provide credits but to develop human potential."

In discussion, Regent Gelatt observed that graduation rates are 50% or 60% across the System. He expressed his concern that none of groups are addressing admissions standards and their relationship to the mission, adding that if the objective were to produce degrees, the same amount of money could produce the same number of degrees and offer a better program, were the UW System institutions to accept only those who are likely to earn degrees. Noting that this suggestion defies the Wisconsin tradition of access, Regent Gelatt suggested that it might be worthy of further discussion, since one way to save money is to have fewer students for whom college education may be most appropriate. Regent Grebe added that this might be a question for the Access and Affordability working group and Regent Lubar suggested that the issue might be addressed in a future strategic planning session. Regent Krutsch observed that this may not be a matter of accepting fewer students, but of reducing student consumption of credits, improving aspects of productivity and increasing average graduation rates. She added that these are concerns which are being explored by the Education Committee, as it examines remediation issues and the low national levels of graduation for students admitted with ACT scores of 18 or lower.

The final subject considered by the group was a proposal introduced on behalf of the Systemwide Academic Staff regarding status, roles, rights and responsibilities of the instructional academic staff. This issue will be discussed further at the March meeting, at which time the group will take final action on all of the recommendations and forward them for consideration by the Board and the public.

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REPORT OF EXECUTIVE COMMITTEE MEETING OF JANUARY 3, 1996

Regent Grebe reported that the Executive Committee had met on January 3, 1996 to consider issues regarding the restructuring of the UW Hospital and the approval of lease and affiliation agreements as approved by the Hospital Authority Board. Minutes of that meeting [Attachment A] had been distributed previously to the members of the Board of Regents; there were no questions or comments raised concerning them.

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REPORT OF THE PHYSICAL PLANNING AND DEVELOPMENT COMMITTEE

Approval of Consent Agenda Items

Regent Dreyfus, Chair, presented the report, which began with his motion to approve Resolutions 7098 - 7108, which had been unanimously approved by the committee, as consent agenda items. Regent MacNeil seconded the motion, which passed unanimously.

UW-Milwaukee: Authority to construct a Lapham Hall Emergency Power Distribution and Monitoring System project

Resolution 7098: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Lapham Hall Emergency Power Distribution and Monitoring System project at a cost of \$250,000 from General Fund Supported Borrowing - WISTAR Funds.

UW-Milwaukee: Authority to construct a Purin Hall Graduate Student Housing Renovation Project

Resolution 7099: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Purin Hall Graduate Student Housing Renovation project at a cost of \$368,000 from Program Revenue - Residence Life Funds.

UW-Milwaukee: Authority to purchase Nuclear Magnetic Resonance Laboratory Equipment

Resolution 7100: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, authority be granted to purchase Nuclear Magnetic Resonance Laboratory Equipment at an estimated total project budget of \$356,000 (\$178,000 of National Science Foundation Grant Funds and \$178,000 of General Fund Supported Borrowing -WISTAR funds).

UW-Madison: Approval of the Design Report and authority to construct a McClain Athletic Facility Student Academic Services Center project

Resolution 7101: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the Design Report reflecting a scope and budget increase be approved, and authority granted to construct a McClain Athletic Facility Student Academic Services Center project at a revised total cost of \$2,685,848 (\$1,900,000 Gift Funds and \$785,848 Program Revenues - Athletics).

UW-Madison: Authority to construct a Kohl Center Utilities project, and to include as part of the State project replacement of a municipal water main, with City of Madison Funding

Resolution 7102: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to:

- (a) construct a Kohl Center (Sports Arena) Utilities project, at an estimated total project cost of \$2,214,500 from Program Revenues, and
- (b) include, as part of the State project, replacement of a municipal water main, with that cost (estimated at \$250,000) to be paid by the City of Madison.

UW-Madison: Approval of the Design Report and authority to construct an Environmental Management Center

Resolution 7103: 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 an Environmental Management Center - Phase I Safety Department Relocation project, at an estimated total project cost of \$700,000 of Program Revenue Borrowing.

UW-Whitewater: Approval of the Design Report. Authority to Increase the Project Scope and Budget, and to Construct a Parking Lot Expansion and Pedestrian Circulation Project

Resolution 7104: That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, the Design Report be approved, authority granted to increase the Project Scope and Budget by \$26,300, and to construct a Parking Lot Expansion and Pedestrian Circulation project at a cost of \$1,889,000, using Program Revenue Supported Borrowing.

UW-Whitewater: Approval of the Design Report, authority to increase budget, and authority to construct, the Drumlin Dining Hall Remodeling Project

Resolution 7105: That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, the Design Report be approved, authority granted to increase the project budget by \$229,000, and to construct the Drumlin Dining Hall Remodeling project, at a revised project cost of \$750,000 using Program Revenue Supported Borrowing.

UW-Whitewater: Authority to purchase replacement residence hall furnishings

Resolution 7106: That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, authority be granted to purchase replacement furnishings for Knilans and Wellers Residence Halls at a cost of \$549,000, using Program Revenue Supported Borrowing.

UW Center-Waukesha County: Approval of the Plan for Waukesha County to fund a Northview Hall Third floor renewal project and authority to seek state funding for movable and special equipment

Resolution 7107: That, upon the recommendation of the UW Centers Chancellor and the President of the University of Wisconsin System, approval be granted of the plan for Waukesha County to fund a Northview Hall Third Floor Renewal Project and authority to seek State funding for movable equipment, at an estimated cost of \$76,200.

Authority to seek amendment to Chapter UWS 18. Wisconsin Administrative Code

Resolution 7108: That UW System staff be directed to prepare in proper form, and submit to the Legislative Council Rules Clearinghouse for review, proposed amendments to ss. UWS 18.02 and UWS 18.06(1), Wisconsin Administrative Code, concerning the discharge of pollutants to storm waters and storm sewers on university lands; and further

That the Secretary of the Board of Regents be directed to file a notice of hearing with the Revisor of Statutes for inclusion in the Wisconsin Administrative Register, the purpose of the hearing being to consider the amendments to ss. UWS 18.02 and UWS 18.06(1), Wisconsin Administrative Code, concerning the discharge of pollutants to storm waters and storm sewers on university lands, said hearing to be held on May 9, 1996 in Room 1820 Van Hise Hall, 1220 Linden Drive, Madison, Wisconsin at 1:00 p.m.

Regent Dreyfus then introduced and commented on Resolutions 7109 - 7112, each of which authorize institutions to honor particular individuals. His motion to approve these items was seconded by Regent DeSimone, and the resolutions passed unanimously. Resolution 7109 requested approval to name the pavilion and plaza area adjacent to UW-Madison's Kohl Center the "Nicholas-Johnson Pavilion and Plaza"; this was a condition of a recent \$10

million contribution in support of construction of this facility. Resolution 7110 requested authority to name a laboratory at UW-Milwaukee the "Joseph D. McPherson Laboratory" to honor the contributions of a respected faculty member in the Department of Electrical Engineering and Computer Science. Regent Dreyfus informed the Board that Nelis Kampegna, a long time librarian for UW-Stevens Point, had worked many years in the Archives to be named for him (Resolution 7111); John Anderson, for whom a room in the University Center will be named, was a community relations and public information liaison for that campus (Resolution 7112).

UW-Madison: Authority to name the pavilion and plaza adjacent to the multi-purpose sports arena

Resolution 7109: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to name the pavilion and plaza adjacent to the multi-purpose sports arena the "Nicholas-Johnson Pavilion and Plaza."

UW-Milwaukee: Authority to name room in the Engineering and Mathematical Sciences Building

Resolution 7110: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, authority be granted to name Room E203 in the Engineering and Mathematical Sciences Building the "Joseph D. McPherson Laboratory."

UW-Stevens Point: Authority to name the Albertson Center for Learning Resources' University Archives

Resolution 7111: That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to name the Albertson Center for Learning Resources' University Archives the "Nelis R. Kampenga University Archives."

UW-Stevens Point: Authority to name the University Center's Communications Room

Resolution 7112: That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to name the University Center's Communications Room the "Anderson Room."

Report of the Vice President for Physical Planning and Development

Regent Dreyfus stated that Vice President Brown reviewed the quarterly progress report on the UW System's Deferred Maintenance Backlog. The report, which covered the period from October 1 through December 31, 1995, shows that approximately \$157.8 million has been applied toward the deferred maintenance

backlog, leaving a current balance of \$206.2 million. The 10-year schedule at \$36 million per year would anticipate expenditures totaling \$162 million at this date. Regent Dreyfus noted that while these figures lag projections by about \$5 million, some of the categories of projects reflect a variation from the schedule: utilities and health and safety projects are currently running ahead of schedule, while facilities repair and renovation are behind schedule - primarily due to changes in definitions of project categories. Furthermore, Regent Dreyfus noted that the \$364 million target was identified five years ago and maintenance needs are accruing as facilities continue to age.

Closed Session

Regent Dreyfus concluded his report by stating that the committee convened in closed session to consider personal histories, as permitted by section 19.85(1)(f), Wis. Stat., relating to naming a stadium at UW-Whitewater. The Committee arose from closed session with no report.

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

Approval of Consent Agenda Items

Regent Gelatt, Chair, began his report with the introduction of Resolutions 7113-7120, which had been unanimously approved by the Business and Finance Committee, and moved their approval by the Board of Regents as consent agenda items. Regent MacNeil seconded his motion, and the Resolutions were unanimously approved.

Contractual Agreement with Hoffman-La Roche Inc.

Resolution 7113: 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 Hoffmann-La Roche, Inc., entitled "Klonopin Dose Optimization Study."

Contractual Agreement with Low Emissions Technologies Research and Development Partnership

Resolution 7114: 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 approves this contractual agreement which will provide \$260,000 in support for the research.

Sale of public radio frequency WGBW-FM (UW-Green Bay)

Resolution 7115: That, upon the recommendation of the President of the University of Wisconsin and the Chancellor of the University of Wisconsin-Extension, the Board of Regents authorize UW-Extension to establish a new license for WHID-FM (Green Bay), which will operate at 88.1 MHz with 13,000 watts of power, and to sell the existing FCC frequency and equipment for radio station WGBW-FM (Green Bay), which operates at 91.5 MHz with 750 watts of power.

Approval of findings and recommendations of the Joint Educational Communications Board/UW Board of Regents Report

Resolution 7116: That, upon the recommendation of the President of the University of Wisconsin, the Board of Regents approves the findings and recommendations of the Joint Educational Communications Board/University of Wisconsin Board of Regents Report, under Section 9117, 1995 Wisconsin Act 27, and directs that it be transmitted to the Governor and the Joint Committee on Finance.

1996-97 Unclassified Staff Pay Plan Guidelines

Resolution 7117: That upon the recommendation of the President of the University of Wisconsin System, the 1996-97 General Distribution Plan and Guidelines for unclassified staff be approved as follows:

- (1) The 1996-97 compensation adjustments for faculty and academic staff shall be provided such that not less than one-third of total compensation shall be distributed on the basis of merit/market and not less than one-third of the total compensation plan shall be distributed on the basis of solid performance. Each institution shall complete its merit evaluations for continuing unclassified staff prior to April 1, 1996.

Merit/market determinations for faculty should be based on a systematic performance evaluation program which identifies positive contributions by the faculty member to teaching, research, public service and/or the support functions inherent in the institution's mission. Assessment of teaching faculty shall include consideration of student evaluations (Regent Policy Document 74-13, October 4, 1974).

Merit/market determinations for academic, limited and other unclassified staff shall be based on a systematic performance evaluation program which allows supervisory assessment of meritorious performance in their areas of assigned responsibility.

Solid performance adjustments shall be provided to those faculty and academic staff who have demonstrated satisfactory performance.

- (2) The board adopts the salary minima and maxima in attachments 1 and 2 which have been adjusted by 2.0% for 1996-97. The 1996-97 pay plan awards and salary minima and maxima are effective July 1, 1996 for annual basis employees, the start of the academic year pay period for those on academic year appointments, and other dates as set by the Chancellors for persons with appointment periods commencing at times other than July 1 and the beginning of the academic year. No pay plan or budget allocation increase may be granted which would set the salary above the salary range maximum. Those individuals whose current salary is above the 1996-97 salary range maxima may not receive more than a 1.0% increase.
- (3) System Administration shall provide a 2% pay plan allocation to each institution.
- (4) Each institution shall adjust its stipend schedules for non-represented graduate assistants by 2% to match the amount and effective dates authorized under the faculty and academic staff pay plan. Stipend schedules for each graduate assistant category shall be separately established.
- (5) Each institution is required to present its plans for distribution of the compensation adjustments for approval by System Administration before implementation can be accomplished.
- (6) Salary adjustments for promotions in faculty rank shall, on an academic year equivalent basis, be no less than \$500 for promotion to assistant professor, \$750 for promotion to associate professor, and \$1,000 for promotion to professor. Institutions may set policies on adjustments for promotions, including amounts

for promotions of faculty on annual basis appointments, consistent with these minima.

- (7) The Board affirms the delegated authority of the President of the System and the Chancellors to establish individual salaries at or below the Group 6 maximum (\$96,572) of the State Executive Pay Plan for 1996-97 within state policy and the funds appropriated for that year, with appropriate annual budget documentation to be reported to the Regents for information.
- (8) The President shall submit to the board for approval, proposed salary adjustments for individuals covered by the State Executive Pay Plan and all staff with salaries above the Group 6 maximum.
- (9) Compensation actions related to the unclassified pay plan shall be completed in accordance with statutory requirements, legislative intent and Regents' policy and shall be reported to the System Administration by April 15, 1996.
- (10) System Administration shall develop policies to encourage instructional productivity as a part of the development of the pay plan recommendation for the 1997-99 biennium.

If changes are required to these guidelines as a result of actions by either the Joint Committee on Employment Relations or legislation, the Executive Committee, in consultation with the System President, is authorized to act to modify the guidelines to be consistent with those actions.

Requested increase in mandatory refundable fees for United Council

Resolution 7118: That, upon the recommendation of the President of the University of Wisconsin System, the current mandatory refundable fee for United Council of University of Wisconsin Student Governments be increased from \$.75 to \$.95 per semester and summer session, effective with the fall semester of the 1996-97 academic year.

Consultant's report on mainframe computer services at UW-Madison

Resolution 7119: 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 approves transmittal of the Consultant's report on mainframe computer services at UW-Madison to

the Joint Committee on Finance, the Joint Committee on Information Policy, and the State Auditor.

Tuition/Fee Experiments for Distance Education and Collaborative Programming

Resolution 7120: That, upon the recommendation of the President of the University of Wisconsin System, System Administration is authorized to establish tuition/fee pilot projects for distance education, and report back to the Business and Finance Committee on the results of this pilot following the 1996-97 academic year.

Following Regent Gelatt's report, Regent Lubar commented that the report on mainframe computer services at UW-Madison (Resolution 7119) communicated that those services rank well when compared with those of peer institutions.

Annual Report on UW System Broadcast Stations

Regent Gelatt stated that Special Assistant Takemoto reported on the UW System broadcast stations, noting that the Board is licensee to 11 radio and one TV station located on the UW System campuses. The stations are staffed with UW faculty, staff and students, and the station managers submit an annual report assuring compliance with FCC regulations providing program listings, budget, personnel and technical maintenance activities. All reports are on file in the public record.

Report of the Vice President

Gifts, Grants and Contracts

Vice President Marnocha reported to the Committee that total gifts, grants and contracts for the seven-month period ended January 19, 1996, were \$349.5 million, a decrease of \$42 million over the previous year. \$28.7 million of this decline was in Federal awards with the balance (\$13.3 million) occurring in non-Federal awards. The large decrease in Federal awards was a result of the Federal government shutdown earlier this year.

Closed Session

Regent Gelatt reported that the Business and Finance Committee adjourned to closed session pursuant to s. 19.85(1)(e), Wis. Stats., to discuss Trust Funds matters. Upon arising from closed session, the Audit Subcommittee convened.

Audit Subcommittee

Quarterly Internal Audit Report

Regent Gelatt stated that Internal Audit Director Brunkow provided the Subcommittee with the third quarter report, in which he noted 14 audits in progress and reported on findings of recently-completed audits. He also indicated that the Legislative Audit Bureau is performing the federally-required A-133 audit and the State of Wisconsin's financial statement audit. They are doing limited scope work on computer data security for the UW System financial statement audit and also doing program review at the State Lab of Hygiene.

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Closed Session

Concluding his report, Regent Gelatt added that the Audit Subcommittee adjourned to closed session pursuant to s. 19.85(1)(f), Wis. Stats., for preliminary investigation of specific personnel issues. No report was issued when the Subcommittee adjourned.

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REPORT OF THE EDUCATION COMMITTEE

Approval of Consent Agenda Items

Regent Krutsch, Chair of the Education Committee, began her report with the introduction of Resolutions 7121 - 7129, which had been adopted by the Committee. She moved their adoption as consent agenda items; the motion was seconded by Regent MacNeil and carried unanimously.

Authorization to recruit: Chancellor, UW-Platteville

Resolution 7121: That the President of the University of Wisconsin System be authorized to recruit for a Chancellor of the University of Wisconsin-Platteville.

Authorization to recruit: Dean, UW Center-Sheboygan County

Resolution 7122: That, upon recommendation of the Chancellor of the University of Wisconsin Centers and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Dean of the University of Wisconsin Center-Sheboygan County.

Authorization to recruit: Associate Professor or Professor and Director of Anatomic Pathology, Medical School, UW-Madison, at a salary that may exceed the Executive Salary Group Six Maximum

Resolution 7123: 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 an Associate Professor or Professor and Director of Anatomic Pathology, Department of Pathology and Laboratory Medicine, Medical School, UW-Madison (at a salary that may exceed the Salary Group Six maximum).

Authorization to recruit: Associate Professor or Professor, Associate Dean for Clinical Affairs (Milwaukee) and Director of Perinatal Services, Milwaukee Clinical campus, Medical School UW-Madison at a salary that may exceed the executive salary group six maximum

Resolution 7124: 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 an Associate Professor or Professor, Associate Dean for Clinical Affairs (Milwaukee) and Director of Perinatal Services, Milwaukee Clinical Campus, Medical School, UW-Madison (at a salary that may exceed the Salary Group Six maximum).

Authorization to recruit: Dean and Director of Cooperative Extension at UW-Extension, at a salary that may exceed the Salary Group Six Maximum

Resolution 7125: That, upon recommendation of the Chancellor of the University of Wisconsin-Extension and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Dean and Director of Cooperative Extension, UW-Extension, UW-Madison (at a salary that may exceed the Salary group Six maximum).

UW-Green Bay: Appointment of the Ben J. and Joyce Rosenberg Professorship

Resolution 7126: That, upon recommendation of the Chancellor of the University of Wisconsin-Green Bay and the President of the University of Wisconsin System, the status of Craig A. Lockard, Professor of Social Change and Development, University of Wisconsin-Green Bay, be changed to the Ben J. and Joyce Rosenberg Professor of Social Change and Development, University of Wisconsin-Green Bay, for the period July 1, 1996 to June 30, 2001.

UW-Madison: Appointment of the Friday Chair in Vegetable Production Research

Resolution 7127: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Professor Larry Binning, Department of Horticulture, College of Agricultural and Life Sciences, University of Wisconsin-Madison, be appointed to the Friday Chair in Vegetable Production Research, retroactive to October 30, 1992.

UW-Madison: Appointment of the Friday Chair in Vegetable Processing Research

Resolution 7128: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Professor Joachim von Elbe, Department of Food Science, College of Agricultural and Life Sciences, University of Wisconsin-Madison, be appointed to the Friday Chair in Vegetable Processing Research, retroactive to October 30, 1992.

UW-Madison: Appointment of the Helfaer Professorship in Chemistry

Resolution 7129: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the status of Professor Paul M. Treichel, Jr., Department of Chemistry, College of Letters and Science, University of Wisconsin-Madison, be changed to the Helfaer Professor in Chemistry, effective immediately.

Special Regent Committee for UW-Platteville Chancellorship

After Regent Krutsch's report, Regent Grebe announced the appointment of a Regent Committee to participate in the Chancellor search for UW-Platteville, authorized by Resolution 7121. He will serve as the chair of the committee, and will be joined by Regents Steil, James, Hempel and Brown.

Report of the Senior Vice President for Academic Affairs

Report: The Student Information System

Regent Krutsch reported that Senior Vice President Ward had invited Dr. Larry Rubin, Academic Planner, and Kris McGrew, Director of the HELP office, to demonstrate the pilot on-line Student Information System (SIS) program.

This program is designed to integrate current and future electronic communication applications that provide information via the World Wide Web to secondary and postsecondary students; this integrated approach for accessing, sending and receiving student information will include such applications as the UW Electronic Admissions Application, Transfer Information System, Distance Education Clearinghouse, and, in the future, this initiative will be linked to the current UW toll-free telephone information service. Information providers and users of SIS will include staff from various student service offices at UW institutions, such as admissions, registration, financial aid and residence life; high school counselors; students and parents; and other postsecondary institutions in Wisconsin, including the Wisconsin Technical College System. The committee's consensus was that this exciting project--a comprehensive and unique information delivery and exchange system--must be updated regularly to ensure delivery of current information; Regent Benson observed that school districts are very excited about it, and that access to the Internet for every high school in the state is crucial.

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Update: Statewide Implementation of the Early Math Placement Program

Senior Vice President Ward's report included an update on the statewide implementation of the early math placement program. He said that the Early Math Placement Test (EMPT), an abbreviated version of the UW System Mathematics Placement Test for incoming freshmen, is given to high school juniors. Their performance indicates where they would begin, were they to take a mathematics course at a UW System institution, at the time the test is administered. Regent Krutsch noted that other states have found that students who participated in similar programs needed less remedial instruction in math; had significantly higher placement test scores as entering freshmen; and had higher grades in mathematics courses as freshmen. Given these benefits, the UW System and the Department of Public Instruction are taking the initiative to implement the test statewide by spring of 1997, and to make it available to all Wisconsin high school juniors by that time. Regent Krutsch reported that the committee also heard a panel discussion on the subject. The panel consisted of James Sobota, Professor of Mathematics (UW-La Crosse) and Chair of the UW System Early Math Placement Test Committee; Ingrid Holzner, Senior Lecturer in Mathematics (UW-Milwaukee); and Debbie Weyer, Teacher of Mathematics and Early Math Placement Coordinator at Greendale High School. She added that there was strong support in the Committee for this project, and that Regent Smith had asked if there are barriers to statewide implementation and if cost is a major factor.

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Delegation of Additional Authority to Chancellors

Senior Vice President Ward also informed the committee that, under authority delegated by the board, President Lyall is planning to delegate additional appointment authority to the chancellors, rescinding the prior approval restrictions and delegating to chancellors full authority for recruitment, appointment and salary adjustments below the Group 6 salary

maximum. Approval of tenure appointments or promotions to tenure will continue to be made by the board via the annual budget action. In discussion following Regent Krutsch's report, Regent Gelatt asked what relationship this modification bears to prior discussions of terms of employment. President Lyall replied that this delegation of authority is within current boundaries of position control; the only difference is that the chancellors will now have the authority to make those appointments instead of having to obtain prior approval from the President. Regent Gelatt then asked whether policies would be "reasonably consistent" for academic staff if System Administration is not directly involved in the appointment process; President Lyall assured him that there would be no more inconsistency than there is now. Regent Grebe added that the delegation of authority includes an obligation on institutions to report after the fact so that System can monitor its use.

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Status Report: Remedial Education in the UW System

Reporting that the Committee advanced the agenda, Regent Krutsch noted that Senior Vice President Ward had said that, although he is pleased with the decline in the percentage of students needing remedial courses, further programs, such as the Early Math Placement Test, need to be instituted and progress must be made in reducing the variation in placement cut-off scores across campuses. Wisconsin's 1994 remediation statistics show that approximately 6.9% of its students entered remediation programs for English and 14.2% entered Math program. In contrast, of the more than 200,000 California State University System students from the top one-third of their high school classes, 47% enroll in remedial mathematics and 41% in remedial English. Regent MacNeil had asked whether students from some high schools were in greater need of remediation than students from other schools, and whether the university reports back to the schools on their students' status. Senior Vice President Ward responded that the UW System plans to reinstitute such reporting.

As part of this discussion, Dr. Richard Sawyer and Jack Reese from the American College Testing Company gave a presentation on the use of ACT tests and services for remedial and advanced course placement. Dr. Sawyer noted that, since all UW students take the ACT before admission, a rich database exists; furthermore, ACT is ready to help perform research using that data. Summarizing the discussion that followed this presentation, Regent Krutsch reported that Regent Smith had asked about the relationship between ACT scores and high school grades, and if maturation is also considered. Dr. Sawyer responded that certain courses are predictive of ACT scores: the more rigorous the courses taken and the higher the grades earned, the higher the ACT scores. He added that placement is more accurate when both ACT scores and high school grades are used. Responding to a question asking why local placement tests are used when the ACT is available, Professor Sobota responded that the UW System can tailor its test to particular and changing local elements and can test all students at the end of the fourth year of high school rather than in the junior year.

UW-Stout: Academic Reorganization

Regent Krutsch reported that the committee then considered the proposed academic reorganization of UW-Stout. Chancellor Sorensen told the Committee that consolidating existing programs from four schools into three colleges will eliminate one level of mid-management administrative costs. He assured the Committee that no students would be adversely affected by this change. Regent Krutsch moved that Resolution 7130; it was seconded by Regent Randall, and passed unanimously.

Resolution 7130: 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, pursuant to s. 36.09(1)(gm)(3.), Wis. Stats., approves the following academic reorganization for the University of Wisconsin-Stout, effective July 1, 1996:

discontinuing the School of Education and Human Services, the School of Human Environmental Sciences, the School of Industry and Technology, and the School of Liberal Studies,

and restructuring their component academic departments and programs into three new units, the College of Arts and Sciences, the College of Human Development, and the College of Technology, Engineering and Management.

Report: North Central Accreditation, UW-Milwaukee

Regent Krutsch reported that, in discussing the report on the recent North Central Accreditation of UW-Milwaukee, Chancellor Schroeder had described the process UW-Milwaukee used to develop the self-study and the logistics involved in planning for the visiting team. The institution's progress in developing a strategic planning process will be the subject of a focused review, to be conducted in three years. She added that Regent Smith had raised questions about the cost and value of such accreditation exercises, while she had questioned the value of the current system of regional accreditation, in terms of cost compared with benefit.

Modifications to UWS 17

Regent Krutsch reported that the last item of the committee's regular agenda regarded modifications to Chapter UWS 17 proposed by the Senate Education and Financial Institutions Committee. Regent Krutsch moved the adoption of Resolution 7131, which had been adopted by the Education Committee. This Resolution makes the modifications to Chapter UWS 17 as requested, authorizes the document to be transmitted to both houses of the legislature, and agrees to file the requested report at the designated time.

Regent Smith seconded her motion; the Resolution was unanimously approved.

Resolution 7131: That, upon recommendation of the President of the University of Wisconsin System, the modifications to Chapter UWS 17, Wisconsin Administrative Code, proposed by the Senate Education and Financial Institutions Committee be made, and transmitted by the Secretary of the Board to both houses of the legislature; and further

that the report requested by the Committee be filed at the designated time.

Closed Session Action

Concluding her report, Regent Krutsch added that the Committee adjourned to closed session to consider personnel matters, as permitted by s. 19.85(1)(c), Wis. Stats.

ADDITIONAL OR UNFINISHED BUSINESS

Election of the Assistant Secretary to the Board of Regents

Regent Grebe reported that the position of Assistant Secretary to the Board of Regents is vacant due to the retirement of Marlene Alsmo. President Lyall and Senior Vice President Sanders have recommended Pat Takemoto, a special assistant to Vice President Sanders, to fill that position. There were no other nominations; Regent Lubar moved that Ms. Takemoto be elected to fill the position. The motion was seconded by Regent Steil, and passed unanimously.

At 10:23 a.m., the Board recessed for five minutes.

CLOSED SESSION

At 10:28 a.m., the Board reconvened and Regent Lubar moved the adoption of Resolution 7132. The motion was seconded by Regent Steil and adopted by unanimous roll call vote, with Regents Barry, Brown, DeSimone, Dreyfus, Gelatt, Grebe, Krutsch, Lubar, MacNeil, Randall, Smith, and Steil (12) voting in the affirmative.

Resolution 7132: That, the Board of Regents recess into closed session for possible action on honorary degree nominations at UW-Superior, UW-Stout, UW-Milwaukee, and UW-River Falls; to consider a student appeal at UW-Madison; and to consider an appeal from a personnel decision at UW-River Falls; and to consider naming a facility after a person at UW-Whitewater, as permitted by s.19.85(1)(f), *Wis. Stats.*, for consideration of extension of a leave of absence at UW-Madison as permitted by s.19.85(1)(c), *Wis. Stats.*, for competitive or bargaining reasons as permitted by s.19.85(1)(e), *Wis. Stats.*, and to confer with legal counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*

The meeting concluded at 11:20 a.m., at which time the Board announced the adoption of Resolutions 7133 - 7138.

UW-Stout: Honorary Degree

Resolution 7133: That, upon the recommendation of the Chancellor of the University of Wisconsin-Stout and the President of the University of Wisconsin System, the University of Wisconsin-Stout be authorized to award the following honorary degree, subject to acceptance by the nominee:

Robert Cervenka, Doctorate of Science

UW-Milwaukee: Honorary Degrees

Resolution 7134: That, upon the recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the University of Wisconsin-Milwaukee be authorized to award the following honorary degrees, subject to acceptance by the nominees:

Alfred M. Beeton, Doctor of Science
Dennis J. Keuster, Doctor of Commercial Science

UW-Madison: Request for Extension of a Leave of Absence

Resolution 7135: That, upon the recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the leave of absence for Joseph Lau, Professor, Department of East Asian Languages and Literature, be extended through the 1996-97 academic year.

UW-River Falls: Request for Regent Review of a Personnel Decision

Resolution 7136: That the Board of Regents denies the request for Regent review of a UW-River Falls decision in a personnel matter.

UW-Madison: Student Appeal Concerning an Admission Decision

Resolution 7137: That, upon recommendation of the Committee on Student Discipline and Student Appeals, the Board of Regents denies the appeal which has been submitted concerning a student admission decision at UW-Madison.

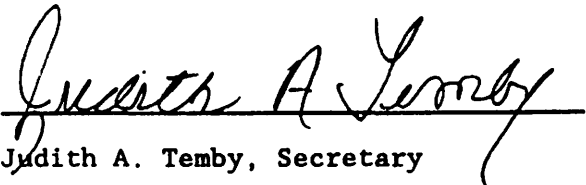
At this time, the Board of Regents is announcing the adoption of Resolution 7138, which was adopted in the November 10, 1995 Meeting of the Board of Regents. (Announcement of its adoption was delayed pending acceptance by the honorary degree recipients.)

UW-Madison: Honorary Degrees

Resolution 7138: That, upon the recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, approval is granted for the University of Wisconsin-Madison to confer the following honorary degrees, subject to acceptance by the nominees:

Etta Zuber Falconer:	Honorary Doctor of Science
Francis K. Graham:	Honorary Doctor of Science
Ralph F. Hirschmann:	Honorary Doctor of Science
Frederick J. Mancheski:	Honorary Doctor of Science
Robert Serber:	Honorary Doctor of Science
James Tobin:	Honorary Doctor of Law

The meeting was adjourned at 11:20 a.m.


Judith A. Temby, Secretary

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

EXECUTIVE COMMITTEE

Minutes of the Meeting

January 3, 1996

4:00 p.m.

Held by telephone conference

Executive Committee Members participating: Regent Grebe, Chair; Regent Lubar, Regent Dreyfus, Regent Gelatt, Regent Krutsch, Regent Orr, and Regent Steil. Regent James also participated.

Executive Committee Members not participating: None

Also present for the telephone conference were: President Lyall, Chancellor Ward, Vice President Olien, Wayne McGown, Charles Stathas, Judith Temby, and representatives of the Governor's Office, the Department of Administration, the Legislative Fiscal Bureau, the Center for Health Sciences, and the media.

Upon motion by Regent Dreyfus, seconded by Regent Lubar, the minutes of the Executive Committee meeting of June 28, 1995, were approved as distributed.

The lease and affiliation agreements, along with proposed legislative changes, as approved by the UW Hospital and Clinics Authority Board, were presented and discussed with the Executive Committee. Mr. McGown summarized the main ingredients in the agreements as follows.

The affiliation agreement sets forth the hospital's continuing support of the UW medical, nursing and pharmacy programs and the hospital's continuing role as a teaching hospital. The agreement also provides that charity care will continue as under existing policy, with eligibility determined by the hospital. Auditors have recommended that an appropriate level of cash reserves for the hospital and clinics operations is in the range of \$82-\$106 million. These reserves will be important in holding down the cost of issuing bonds.

Under the agreement, the Authority will develop standards for outreach networking. The existing subsidiary corporations previously established for networking purposes will be abolished.

The lease agreement sets forth the real estate relations between the Hospital Authority and the UW. Projects starting at the \$250,000 level will require review by the Authority Board, the Chancellor, the Board of Regents and the Department of Administration.

The proposed legislative changes would make a number of revisions to the agreements, including: (1) Elimination of the five-year limit to the lease and affiliation agreements. This is necessary to make bonds attractive to potential investors. (2) Authorization for the hospital to assume certain employer responsibilities and duties with respect for management of state employees. (3) Permission for the Hospital Authority to use the state record center.

Upon motion by Regent Orr, seconded by Regent Dreyfus, the following resolution was adopted unanimously:

Resolution 7095: That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the proposed legislative changes submitted by the University of Wisconsin Hospitals and Clinics Authority Board of Directors, be endorsed for review and consideration by the Legislature and Governor.

Upon motion by Regent Dreyfus, seconded by Regent Steil, the following resolution was adopted unanimously:

Resolution 7096: That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the Affiliation and Lease Agreements, as amended, with the University of Wisconsin Hospital and Clinics Authority be approved; and that the President of the Board of Regents of the University of Wisconsin System be authorized to sign these agreements which both commence on June 29, 1996.

Mr. McGown presented the cost savings report prepared in compliance with the legislation creating the Hospital Authority. The report identifies \$175,600 as costs saved by UW-Madison as the Authority takes over various administrative functions. It was explained that the figure is not higher because over the years most UW services to the hospital have shifted to a program revenue basis. Regent Gelatt suggested that there might be economy in having hospital computer services provided by an outside entity. Regent Orr and Chancellor Ward commented on the need for continuing cost savings to keep competitive in the rapidly changing health care field.

Upon motion by Regent Dreyfus, seconded by Regent Lubar, the following resolution was adopted unanimously:

Resolution 7097: That, upon recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the Report on Anticipated Savings to the UW System from Transfer of UWHC Operations to UWHC-Authority, be approved for submission to the Governor and to the Joint Committee on Finance of the Legislature.

At 4:45 p.m., it was moved by Regent Lubar and seconded by Regent Dreyfus that the Executive Committee recess into closed session to consider contract negotiations, as permitted by s.19.85(1)(e), Wis. Stats. The motion was adopted on a unanimous roll-call vote, with Regents Grebe, Lubar, Dreyfus, Gelatt, James, Krutsch, Orr, and Steil (8) voting in the affirmative. There were no dissenting votes and no abstentions.

The Committee arose from closed session at 5:00 p.m., at which time the meeting was adjourned.


Judith A. Temby, Secretary

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