

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 September 13, 1996

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Held in room 1820 Van Hise Hall  
Friday September 13, 1996  
8:30 a.m.

- President Grebe presiding -

PRESENT: Regents Barry, Benson, Boyle, Brandes, Brown, DeBraska, DeSimone, Grebe, Hempel, James, Krutsch, Lubar, MacNeil, Orr, Smith, and Steil

ABSENT: Regent Randall

**APPROVAL OF MINUTES**

Upon motion by Regent DeSimone, seconded by Regent Steil, minutes of the meeting of the Board of Regents held on August 23, 1996, were unanimously approved as distributed.

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**REPORT OF THE PRESIDENT OF THE BOARD**

**Report on the Hospital Authority Board meeting of September 5**

Regent Grebe called on Regent Orr, who reported that the Hospital Authority Board met on September 5th and accepted the audit report of the year ending June 30,

1996. That audit showed that the net surplus was down last year, which, as he noted, was cause for concern since the hospital has to generate sufficient funds to reinvest in rapidly evolving technology. A rate increase will go into effect this year which will help address this concern; however, Madison's highly competitive market will limit additional rate increases. In discussion following this report, Regent Lubar asked how the University Hospital rates compare to those of other local hospitals, and was informed that they may be slightly higher, a difference that is decreasing so that the hospital can be competitive. Regent Lubar also asked whether a declining trend is anticipated, due to the highly competitive market; Regent Orr replied that efficiencies are being employed to improve cost management and improve competitiveness. Regent James asked about the reported decrease in surplus funds; she was told that the State's share of the creation of the Hospital Authority reduced the surplus funds by \$15 Million.

Regent Orr stated that hospital admissions had increased, length of stay continues to decline, and that there were two months of unusually low intensive care use, which they believe is an aberration. Reminding the Board that the Legislature had required the Hospital Authority to develop a set of networking standards in connection with its creation, he added that the Authority Board recently approved standards which were being brought before the Board of Regents for approval. These standards have four main points: any networking affiliate or partner must have the same kind of a mission or at least a complimentary mission as the University Hospitals and Clinics; the Hospital Authority must have a role in governance in the networking relationship; the Hospital Authority and the Legislative Audit Bureau must have access to financial information; and there must be a regular report to the Authority. Regent Orr moved the adoption of Resolution 7262; seconded by Regent James, it passed unanimously.

#### **UWHC Hospital Authority Networking Standards**

Resolution 7262: That the Board of Regents of the University of Wisconsin System approves the attached Networking Standards. These standards, required by the Affiliation Agreement between the Board of Regents of the University of Wisconsin System and the University of Wisconsin Hospitals and Clinics Authority, have been previously approved by the Board of Directors of the Hospital Authority.

Concluding his report, Regent Orr noted that an additional item (regarding affiliation with Gundersen Lutheran Hospital) had been approved by the Hospital Authority Board and would be brought before the Board of Regents in the Report of the Business and Finance Committee.

### **Report on Legislative Matters**

Regent Grebe noted that a Legislative Report had been submitted by Vice President Olien; there were no questions or comments concerning that report.

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### **National Forum of Student Trustees**

Regent Brown was asked to comment on a project she has been developing with the University of California System Student Regent, Jess Bravin. They have proposed having a National Forum of Student Trustees from different universities, public and private from across the country, to be held at the end of October. The purpose of the forum would be to allow student regents to discuss common issues and problems in order to better serve the systems and schools they serve. Noting that the students participating would be presenting working papers, she added that her fields of interest are in facilities maintenance and advising, which she believes will coordinate well with her current work on the Board. Regent Grebe stated that he believed her colleagues on the Board would support these efforts.

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### **Additional Items**

Concluding his report, Regent Grebe noted that, due to the lack of support for changing the current meeting schedule, the Board of Regents would continue to have its committee meetings on Thursday afternoon and full Board meetings the following morning. Two items of major importance throughout the next year will be the University System's 1997-99 biennial budget, which will be discussed as it goes through the approval process; second, the implementation of the recommendations of the Board of Regents Study of the UW System in the 21<sup>st</sup> Century will receive ongoing attention. He added that each of the standing committees would be addressing the recommendations, and that people interested in following the implementation of the report should carefully observe the work of the committees.

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## **REPORT OF THE PRESIDENT OF THE SYSTEM**

### **The 1996 Board of Regents Teaching Excellence Awards**

President Lyall began her report by asking Regent Krutsch to present the Regent Teaching Excellence Awards. Regent Krutsch began by thanking Regents MacNeil and James for their commitment in helping to select the award winners. She also recognized the assistance of Susan Kahn of the Undergraduate Teaching Improvement Council, and

expressed, on behalf of the whole Board, appreciation to all who participated the nomination process. These awards, Regent Krutsch noted, represent an opportunity for the board to recognize and honor outstanding teachers and departments in the UW System; they also provide a means for the Board to show support for the idea that effective teaching is serious, demanding intellectual work that is fundamental to the university mission in Wisconsin and across America. Summarizing the types of awards, she stated that the individual awards recognize career achievement in teaching. The committee sought nominees committed to teaching and learning; such nominees would seek out, develop and implement extremely effective teaching strategies, demonstrating significant, enduring impact on the intellectual development of their students.

***Professor John Harris, Business Administration Program, UW-Green Bay***

Regent Krutsch then introduced the first award winner -- Professor John Harris, who has taught in the Business Administration Program at UW-Green Bay since 1981. He has been honored by his fellow faculty and students at Green Bay with that institution's Founder's Award for Excellence in Teaching. A popular teacher of courses in Organizational Behavior and Theory, and Organizations in Modern Society, Professor Harris has a reputation for the ability to challenge his students to think critically, with the primary goal being the provision of a demanding but safe place in which learning can occur: his students are asked to "grapple with and think about the important issues related to the topics of the course" in an environment in which "everyone's ideas are valuable and are worthy of discussion." He credits a UW System Undergraduate Teaching Improvement Council seminar on "The Ethics of Teaching" for inspiring a crucial re-evaluation of his course content and its relationship to values and ethics; thus, he encourages students to realize that "each managerial action has a moral component to it." Describing his work further, Regent Krutsch described his ability to instruct his students in the "human and humane dimensions of the business world, from both theoretical and practical viewpoints." Citing a favorite exam question, in which he requests that his students generate and answer their own essay question, Regent Krutsch concluded her description of Professor Harris' merits by observing that his nomination had inspired the longest letter of recommendation ever received by the committee.

Professor Harris, thanking the Board, Chancellor Perkins, Provost Cohen, Dean Kaufman, and his own wife and children, stated that this was the "high point" of his career. Adding that he had been struggling with a "tremendous sense of disbelief" at this "humbling" award, he shared his conclusion that these feelings were the result of his own indebtedness to the role models, mentors and students with whom he had worked. Observing that teaching is a "wonderful opportunity to interact with other people and share ideas and bring energy into life," Professor Harris cited his own experiences as a learner. He concluded that "the most important people in the learning process have been students," upon whom learning depends and who can share their knowledge, insight and passion.

***Professor John Kozlowicz, Department of Political Science, UW Whitewater***

Regent Krutsch then introduced the second award winner, Professor John Kozlowicz, of the Political Science Department at UW-Whitewater, reporting that he has received every teaching award on the UW-Whitewater campus for which he is eligible. Citing Professor Kozlowicz, whose teaching philosophy and practice reflect “those values which are representative of the humanities,” Regent Krutsch added that his commitment to such teaching is not confined to the walls of the university classroom. His community service and teaching extend beyond the UW-Whitewater campus and serve a much greater community through public speaking, participation in continuing education opportunities, and a lecture series he organizes. He has been praised for this “enthusiasm and humor,” and students applaud his accessibility, particularly through his innovative use of learning technologies: such as “virtual office hours” through electronic mail; the use of the Internet to transmit student assignments electronically, make class announcements, and make supplementary course materials available; and the use of multimedia and interactive tutorials into his courses. Concluding her introduction, Regent Krutsch cited a recent article in which Professor Kozlowicz remarked that “calling oneself a teacher is very satisfying. . . . If one teaches, one is doing something very important.”

In his brief comments, Professor Kozlowicz thanked the Board and Chancellor Greenhill. Noting that several members of the UW-Whitewater campus community were present, he added his thanks to them for their support and assistance. In particular, Professor Kozlowicz concurred with Professor Harris’ remarks regarding the importance of students, and added that it was his pleasure to follow his students’ careers and to experience the reward of having contributed to their education -- in this regard, he observed that teaching offered him great pleasure.

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***Department of Biology, UW-Stevens Point***

Four years ago, the Board of Regents added the Teaching Excellence Award for Academic Departments and Programs; this award, Regent Krutsch noted, was developed in response to national discussion of the importance of departmental collaboration to the coherent development of students’ educational and overall intellectual experience. The award is focused on student learning, and takes into account the department’s crucial role in creating academic cultures that value teaching, and that provide incentives and rewards for its improvement. Introducing the 1996 winner, the UW-Stevens Point Department of Biology, Regent Krutsch noted that this department stood out for a number of reasons: the timeliness and range of its curriculum, which includes eighteen different areas of emphasis; the exceptionally high quality of both its faculty and its students; and the broad array of opportunities it offers its students to support their personal, intellectual and career development. Echoing a student’s description of the department’s “unsurpassed commitment to teaching,” Regent Krutsch observed that the development of this “cutting edge” curriculum, award-winning faculty and outstanding students resulted from a culture in which teaching excellence is encouraged, developed, and rewarded among department faculty, beginning with the faculty recruitment process and continuing



throughout each department member's career. Of particular note is the department's commitment to hands-on learning and providing field experience for its students, who have co-authored journal articles and participated at professional meetings. Quoting several former students, Regent Krutsch presented an overview of a "collegial" department that provided an "inspiring" education for which their later success was credited.

Professor Shelley Jansky, Chair, accepting the award on behalf of her colleagues, extended her thanks to the Board of Regents and to Vice Chancellor Howard Thoyre, crediting the UW-Stevens Point administration for its support. She added that the recognition of the fact that they "put heart and soul into teaching every day" was rewarding. Observing that she had a unique perspective on her department, having experienced it as student, faculty and department chair, Professor Jansky praised three key aspects of the department: its commitment to teaching excellence and enthusiasm for teaching; professional and active engagement in research, as well as the desire to involve students, too; and the personal relationships developed with students in the classroom, field and lab.

Professor Jansky then introduced Professor Virgil Thiesfeld, who preceded her as department chair. Adding his expression of thanks to hers, Professor Thiesfeld noted that, while the "joy of teaching is in the students," as department chair for 27 years, it was equally joyous for him to observe a faculty whose passionate commitment to teaching led to excellence in teaching both in and out of the classroom.

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### **UW-System: Twenty-Fifth Anniversary**

Noting that Fall 1996 marks the 25th year of the UW System, President Lyall described the system as "mature" and "successful": In several recent national assessments of higher education, the UW System is identified as having been on the cutting edge in enrollment management, public accountability reporting, access, quality of many undergraduate and graduate programs, research and private fund raising, adoption of post-tenure review for faculty, minimization of administrative costs, and maintaining affordable tuition for residents. She added that the administration had worked to anticipate and meet the challenges necessary to help students prepare for success in their lives and careers.

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### **UW System Summer 1996 Highlights**

Reporting that several important events had taken place over the summer months, President Lyall provided brief overviews of each:

- New chancellors were hired for the Stevens Point, Platteville, and Superior campuses -- a "full complement of chancellors" now leads UW System institutions.

- The IRS dropped its claim for \$81.5 million in withholding on graduate student stipends. Under the agreement reached, remission of out-of-state tuition for teaching assistants remains tax-exempt and the university will withhold future income taxes on research assistants' stipends.
- Congress will continue to exclude employer-paid educational assistance from taxation for two more years; this is important to firms that invest in the professional development of their work force, as well as to university programs that serve continuing education needs.
- The UW System received an \$814,000 grant from the U.S. Department of Education to continue statewide professional development training for K-12 science teachers under the Eisenhower Program. In collaboration with DPI, more than 10,604 K-12 science teachers have been trained by System institutions using these grants over the past eight years.
- UW-Oshkosh celebrates its 125th anniversary this year, having begun as the Oshkosh Normal School (with an initial class of 46 students) in 1871. Having joined the system a century later, today, UW-Oshkosh serves 11,000 students from around the state and the world.
- UW-Milwaukee Fine Arts Professor Stephen Pevnick designed a unique water-droplet fountain for the 26th Olympics in Atlanta, at which UW institutions were also represented by their athletes: Yasmin Farooq (UW-Madison) rowed with the women's crew; Dennis Hall (UW-Stevens Point) competed in Greco-Roman wrestling; Suzy Hamilton (UW-Stevens Point and UW-Madison) ran in the track event; and Eric Mueller (UW-Madison) rowed in the men's quad sculls.
- UW-Extension acquired a new Vice Chancellor and Provost, Kevin Reilly.
- Matching gifts were received for the \$500,000 challenge grant for an endowment for the arts at the UW Center-Marshfield established by Melvin Laird, former U.S. Secretary of Defense and Marshfield native.
- President Lyall concluded her remarks by offering congratulations to Chancellor Kuipers (UW-La Crosse), recently appointed to the National Board of Army ROTC; to Jess and Marilyn Ondell, alumni of UW-La Crosse, who have contributed \$200,000 towards the completion of Phase II of the Cleary Alumni and Friends Center on the campus; and to Regent JoAnne Brandes, recently appointed Chair of the Governor's new 15-member Child Care Council for Wisconsin.

## **REPORT OF THE EDUCATION COMMITTEE**

### **Joint Session: UW Advising Policies and Practices**

Regent Krutsch, Chair, stated that the first portion of the Education Committee meeting was a joint session with the 21st Century Implementation Committee. Dedicated to examining UW Advising Policies and Practices, the session included Senior Vice President Ward's review of current advising policies and practices across the UW System and presentations by Wes Habley, principal investigator for academic advising studies at ACT, and Janet Vandevender, Associate Dean for Academic Affairs, UW-Madison College of Letters and Science.

Dr. Habley discussed academic advising in a national context and discussed several advising models, emphasizing three critical issues: (1) the importance of how advising is defined (e.g., in terms of either efficiency in course selection or effectiveness in helping students use academic resources in ways most appropriate to their needs and abilities); (2) the relationship between academic advising and career/life planning; something that now has the name developmental advising and (3) the relationship between academic advising and student persistence. Dean Vandevender described several advising initiatives at UW-Madison, including the new Cross-College Advising Service (CCAS), which serves students who do not have an intended major or who are in the process of reconsidering their majors, and the Council on Academic Advising, which advises the CCAS director and provides campus wide coordination for advising initiatives. Following the presentations, the combined committees approved Resolution 7263; Regent Krutsch's motion for adoption by the full Board was seconded by Regent Orr, and passed unanimously, with Regent Grebe noting the importance of this issue.

### **UW System: Advising Policies and Practices Overview**

Resolution 7263:	That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the proposed study plan for examining advising programs, leading to the development of best practice recommendations for use by UW System institutions.
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### **Consent Agenda Items**

Regent Krutsch reported that the committees then reconvened separately. In its meeting, the Education Committee approved Resolutions 7264 - 7277; Regent Krutsch moved their adoption as Consent Agenda. Regent MacNeil seconded her motion, and the Resolutions passed unanimously.

### **UW System: Annual Report on Fall 1995-96 Undergraduate Drop Rates**

Resolution 7264: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents accepts the Annual Report on 1995-96 Undergraduate Drop Rates for submission to the Joint Committee on Finance.

**UW System: Research and Public Service Report**

Resolution 7265: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents accepts the Research and Public Service Report for transmittal to the Governor and the Joint Committee on Finance, pursuant to s. 36.45(3), Wis. Stats.

**UW-Eau Claire: Revision of Chapter UWEC 5.04 Faculty Personnel Rules**

Resolution 7266: That, upon recommendation of the Chancellor of the University of Wisconsin-Eau Claire and the President of the University of Wisconsin System, the revision of Chapter UWEC 5.04 of the UW-Eau Claire Faculty Personnel Rules be approved.

**UW-Stevens Point: Authorization to recruit Provost/Vice Chancellor for Academic Affairs**

Resolution 7267: That, upon recommendation of the Chancellor of the University of Wisconsin-Stevens Point and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Provost/Vice Chancellor for Academic Affairs.

**UW-Milwaukee: Authorization to recruit Dean of the Graduate School**

Resolution 7268: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Dean of the Graduate School.

**UW-Madison: Authorization to recruit Associate Professor or Professor Department of Radiology Medical School**

Resolution 7269: 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, Department of Radiology, Medical School (at a salary that may exceed the Executive Salary Group Six maximum).

**UW-Madison: Authorization to recruit Associate Professor or Professor, School of Business**

Resolution 7270: 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, School of Business (at a salary that may exceed the Executive Salary Group Six maximum).

**UW-Madison: Reappointment of Wisconsin Distinguished Professor Department of Chemical Engineering College of Engineering**

Resolution 7271: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Professor Sangtae Kim, Department of Chemical Engineering, College of Engineering, University of Wisconsin-Madison, be reappointed Wisconsin Distinguished Professor, Department of Chemical Engineering, for the period September 1, 1996 to August 31, 2001.

**UW-Madison: Named Professorship: Graaskamp Chair in Real Estate and Urban Land Economics, School of Business,**

Resolution 7272: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Professor James D. Shilling, School of Business, be appointed the Graaskamp Chair in Real Estate and Urban Land Economics, effective October 1, 1996.

**UW-Madison: Named Professorship: Lorin and Marjorie Tiefenthaler Chair in Real Estate, School of Business**

Resolution 7273: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, Professor Kerry Vandell, School of Business, be appointed the Lorin

and Marjorie Tiefenthaler Chair in Real Estate,  
effective immediately.

**UW-Madison: Named Professors: Helfaer Professorships in Chemistry**

Resolution 7274: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the Chancellor of the University of Wisconsin System, the following faculty in the Department of Chemistry be appointed Helfaer Professors in Chemistry, for the period July 1, 1996 to June 30, 2001:

Professor Robert Corn;  
Professor Robert Hamers;  
Professor James Weisshaar.

**UW-Milwaukee: Named Professorship: Sheldon B. Lubar Professor of Finance, School of Business Administration**

Resolution 7275: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, Professor Arthur D. Warga, School of Business Administration, be reappointed the Sheldon B. Lubar Professor of Finance, for the academic years 1996/97 through 98/99.

**UW-Milwaukee: Named Professor: Robert L. and Sally S. Manegold Professorship in Management and Strategic Planning School of Business Administration**

Resolution 7276: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, Professor Paul C. Nystrom be appointed the Robert L. and Sally S. Manegold Professor in Management and Strategic Planning, effective the 1996-97 academic year.

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**Report of the Senior Vice President**

*Wisconsin WebFair 97*

At the Committee meeting, Senior Vice President Ward had also presented a discussion of Wisconsin WebFair 97, an on-line showcase of Wisconsin students' best

educational uses of the Internet and World Wide Web. The WebFair is being organized by a group of volunteers associated with the UW System, together with others from around the state and the midwest. Student home pages will be grouped by grade level and judged by criteria that incorporate educational merit, use of technology, artwork and layout, creativity, and humor.

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***Report on Business Funding: Private Contributions Generated for Matching Funds***

Senior Vice President Ward also provided a report on private contributions generated for the required match for business funding. As President Lyall has reported to the Joint Committee on Finance, UW institutions "raised more than the required private matching funds for 1995-96."

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**New Program Authorizations -- Initial Review**

Regent Krutsch reported that four new program authorizations were brought before the committee for initial review:

- 1) M.S./Ph.D., Population Health, UW-Madison;
- 2) M.S., Communicative Disorders, UW-Whitewater;
- 3) M.S.W., Social Work, which is a collaborative program between UW-Milwaukee and UW-La Crosse.
- 4) B.S., Radiation Therapy, UW-La Crosse.

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**Proposed Work Plan, 1996-97**

The Education Committee reviewed a proposed work plan for 1996-97. This plan will be finalized at the committee's October meeting.

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**Closed Session**

Regent Krutsch concluded her report by noting that the Committee adjourned to Closed Session to consider personnel matters, as permitted by s. 19.85(1)(c), *Wis. Stats.*

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## **REPORT OF THE TWENTY-FIRST CENTURY STUDY IMPLEMENTATION COMMITTEE**

### **Discussion of Committee Workplan and Definition of Key Issues**

Regent Orr, Chair, observed that Regent Krutsch had already discussed the joint meeting between the 21st Century Implementation and the Education Committees.

Following the joint meeting, he reported that the Committee had held its first organizational meeting, taking as its purpose the direction of the implementation recommendations made by the Board in its Study of the UW System of the 21st Century, as well as the development of a long range strategic planning study.

Regarding the implementation of the Study recommendations, Regent Orr observed that many are already being implemented and do not require substantial supervision; others, contained in the biennial budget proposal, will require legislative action; and several items require further group and staff work. The items requiring more attention include:

- addressing advising best practices;
- reducing excess credits;
- developing 4-year graduation contracts, 3+2 and 3+4 programs;
- implementing distance education and other instructional technology innovations;
- examining the status and work of teaching academic staff; and
- developing measures of institutional effectiveness.

These topics have been distributed to the existing committees.

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### **Regent Development Program**

Regent Orr reported that the Committee has proposed that the Board participate in a series of working luncheons over the course of the year. These luncheons, which would focus on presentations on particular topics, would be scheduled on Thursdays prior to regularly scheduled Committee meetings and Chancellors would be invited to participate. Regent Orr concluded by expressing his hope that this would continue the collaboration that had proved effective in the Board of Regents Study of the UW System in the 21<sup>st</sup> Century.

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## **REPORT OF THE BUSINESS AND FINANCE COMMITTEE**

### **Consent Agenda Items**

Regent Hempel, Chair, reported that the Business and Finance Committee had adopted several resolutions and moved their adoption as Consent Agenda Items. Items I.2.b.(1)(d) and I.2.b.(2)(f) had also been adopted by the Committee, but were removed from the consent agenda at the request of Regents James and Brown, respectively. Upon removal of these two items, Regent Hempel's motion to adopt Resolutions 7277 - 7291 was seconded by Regent Barry and unanimously adopted, with Regent Grebe abstaining from the vote on Resolution 7284.

### **UW-Madison: Authority to Increase the Budget for the University Houses Window Replacement Project**

Resolution 7277: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget by \$490,000 (\$340,000 Program Revenue and \$150,000 Program Revenue Supported Borrowing-Maintenance) for the University Houses Window Replacement project, for a revised total project cost of \$1,190,000 (University Housing Funds--\$1,040,000 Program Revenue and \$150,000 Program Revenue Supported Borrowing).

**UW-Platteville: Authority to Construct a Steam Distribution and Condensate Return Line Repair and Replacement Project**

Resolution 7278: That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Steam Distribution and Condensate Return Line Repair and Replacement project at an estimated total project cost of \$340,000 using All-Agency Utilities Repair and Renovation Funds.

**UW-Madison: Approval of the Design Report and Authority to Construct the Barnard Hall and Elizabeth Waters Hall Maintenance Project**

Resolution 7279: 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 Elizabeth Waters Hall and Barnard Hall Maintenance project, at an estimated cost of \$2,643,600, using Program Revenue - Housing funds.

**UW-River Falls: Approval of the Design Report and Authority to Construct the Ames Teacher Education Center Replacement Project**

Resolution 7280: That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority granted to construct the Ames Teacher Education Center Replacement project at a total project cost of \$6,500,000 General Fund Supported Borrowing.

**UW-Stevens Point: Authority to Accept a Gift of 15.48 Acres of Land from Portage County**

Resolution 7281: That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to accept a gift of 15.48 acres of land from Portage County to become part of the university's Schmeckle Reserve Conservancy.

**UW-Stevens Point: Authority to Accept a Gift of 70 Acres of Land in Adams County**

Resolution 7282: That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to accept a gift of 70 acres of land located in the Town of Adams, Adams County, for use by the College of Natural Resources.

**UW System: Report on Base Salary Adjustments to Recognize Competitive Factors Required by s. 36.09(1)(j), Wis.Stats.**

Resolution 7283: That, upon the recommendation of the President of the University of Wisconsin System, the Report on Base Salary Adjustments to Recognize Competitive Factors Required by Section 36.09(1)(j), Wisconsin Statutes, be accepted for transmittal to State Officials.

**UWHC: Approval of Affiliation Agreement Gundersen Lutheran and UW Hospitals and Clinics Authority**

Resolution 7284: That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the Affiliation Agreement for the training of University medical students and Hospital Authority residents be approved.

**UW-Madison: Contractual Agreement with Amgen, Inc.**

Resolution 7285: 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 the agreement with Amgen, Inc., entitled "An Open Label Study of BDNF Given by Daily Subcutaneous Injections to Patients with SLS."

**UW-Madison: Contractual Agreement with Bayer Corporation**

Resolution 7286: 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 \$289,918 in support of the research entitled "To Test the Effect of Compounds X00I on Joint Integrity in Medial Menisectomized Canines."

**UW-Madison: Contractual Agreement with Bayer Corporation**

Resolution 7287: 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 the agreement with Bayer Corporation entitled "A Multicenter, Double-Blind, Placebo Controlled, Parallel Group Study of the Safety, Tolerability and Efficacy of Three Fixed Doses of Isapirone CR (Bay Q 7821) and Fluoxetine in Outpatients with Moderate to Severe Major Depressive Disorder."

**UW-Madison: Contractual Agreement with Cambridge Biotech Corporation**

Resolution 7288: 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 an amendment to the agreement with Cambridge Biotech Corporation entitled "Development of New Technologies for Mastitis Prevention - Challenge Trial 3 and Immunogenicity Trial 3."

**UW-Madison: Contractual Agreement with Glaxo Wellcome, Inc. (aka Burroughs Wellcome Co.)**

Resolution 7289: 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 the agreement with Glaxo Wellcome, Inc. entitled "A Multicenter Evaluation of Wellbutrin (Bupropion Hydrochloride) Sustained Release, Habitrol (Nicotine Transdermal System), and Combination Wellbutrin Sustained Release/Habitrol Treatment versus Placebo as Aids to Smoking Cessation."

**UW-Madison: Contractual Agreement with Kellogg USA, Inc.**

Resolution 7290: 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 an amendment to the agreement with Kellogg USA, Inc., entitled "Sugar Crystallization During Drying of Thin Sugar Films."

**UW-Madison: Contractual Agreement with Medco Research Inc.**

Resolution 7291: 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 Medco Research,

Inc., entitled “AB-02 - A Double-Blind, Placebo-Controlled, Multicenter Trial of the Safety and Efficacy of Adenosine Additive to Cardioplegic Solutions for Prevention of Post-Ischemic Myocardial Dysfunction After Coronary Artery Bypass Surgery (CABG) in Patients with Depressed Ventricular Function.”

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**Deferred Item [I.2.b.(1)(d)]: Authority to Construct an Ingraham Hall Deli Facility, UW-Madison**

Regarding this item, Regent James asked whether the reduction in classroom space incurred by this project had been evaluated, and asked whether cost and income estimates had been performed to consider privatizing this venture. Vice President Brown responded that these questions had also been raised at the recent Building Commission meeting, which deferred discussion of this project for one month so that these suggestions could be investigated; thus, the information would also be available to the Board at the October meeting. Noting that the investigation will clarify these issues, Regent Hempel expressed both the Committee’s understanding that the reduction in classroom space should not cause “undue concern” as well as its interest in the issue of privatization. Both would be elaborated on further at the October meeting, to which discussion of the item was deferred.

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**UW-La Crosse: Authority to Increase the Scope of Work and Budget for the Student Life Center Project**

Regent Brown, having requested the removal of this item from the Consent Agenda, called the Board’s attention to what she considers “an outstanding example of student initiative and cooperative working relationship toward a common goal” represented by this resolution. Approximately ten years ago, students at UW-LaCrosse determined that there was a need for a campus student life center, for which they voluntarily imposed and collected a special student fee to help fund, and worked with UW-LaCrosse and System Administrations to plan and construct. Praising the way in which this initiative demonstrates the “positive force” student input can be within the UW System, Regent Brown moved that Resolution 7292 be adopted. Her motion was seconded by Regent Barry, and was unanimously passed.

Resolution 7292: That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, authority be granted to increase the scope of the Student Life Center project to add shelled-in space for future racquetball courts and other intramural/recreational areas, at an estimated increase of \$254,000 of Program Revenue Supported Borrowing, for a revised estimated total project cost of

\$10,372,000 (\$6,403,000 Program Revenue Supported Borrowing and \$3,969,000 Program Revenue-Segregated Fees).

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### **Investment Objectives and Guidelines**

The committee adopted a revised statement of investment objectives and guidelines for the trust funds principal long term fund. The revision gives the committee the opportunity to increase the percentage of funds invested in equities if and when such a change is advisable.

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### **Report of the Audit Subcommittee**

A report of the Audit Sub-committee had been distributed to the Board, as was an internal audit report submitted by System Administration regarding eleven audits completed during the fourth quarter. The Sub-Committee was also advised that the Legislative Audit Bureau is currently completing the federally required A-133 audit and has just begun the financial statement audit; they are also performing a program audit at UW-Extension.

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### **Report Of Physical Planning Subcommittee**

#### ***Deferred Maintenance Backlog***

Regent Hempel reported that, in addition to Resolutions 7177-7282 and 7292, which had been adopted by the Physical Planning Sub-Committee and later by the Business and Finance Committee and Full Board, Regent Barry (Sub-committee Chair) had also provided a report on the deferred maintenance backlog. A \$180 million backlog still exists (approximately half the amount initially identified). Deferred maintenance needs that have developed since the project began are not included in the report. Regent Hempel added that this report will now be submitted biannually instead of quarterly.

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### **UW-Madison Transitional Programs And Policies For Federally Funded Staff**

Since UW-Madison budgets \$97 million for salaries and \$25 million in fringe benefits from federal grant funds, Regent Hempel stated that the Business and Finance committee had requested a report on variation and anticipated reductions in Federally Funded Research, asking how the campus copes with shortfalls in funds expected from Federal sources. In response to this request, Dean Virginia Henshaw (UW-Madison,

Graduate School) presented information on UW-Madison's transitional programs and policies for Federally funded staff. She reported that, since these funds account for approximately 2,500 FTE, the campus is accustomed to budgeting roughly half a million dollars for transitional funding when there are unanticipated interruptions in the services required by specific projects. Regent Hempel added that the Committee anticipates further discussion due to the "very difficult environment" surrounding granting of Federal research funds.

In discussion following this report, Regent Krutsch invited Chancellor Ward to provide some background on the current and anticipated status of these Federal awards. He stated that while "Federal funds are in some jeopardy," the current shortfall may be due, in part, to delays in payment caused by the government shutdown early this year. The shortfall has been offset somewhat by private funds; however, he observed that there is a strong variation in the allocation of these funds. For example, funds for some programs (such as those in the humanities and international studies) are severely limited, while receipts for other areas (such as engineering, health care and basic science) are increasing. Chancellor Ward reminded the Board that UW-Madison is replacing lost Federal dollars with private funding; however, the lost Federal funds are in areas where new private funds are not being generated. The problem, he concluded, is that a campus cannot develop a strategy based on widely varying revenues that is also sensitive to long-term departmental needs -- he added that recruiting, training and dismissing post-doctoral and graduate students on a short term cycle is very expensive. Furthermore, the problem is campus-wide, and each dean has to examine and understand the particular funding problem of their area. He stressed that this is a problem that has no easy solution.

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### **Report of the Senior Vice President**

#### ***Gifts, Grants And Contracts***

Regent Hempel stated that Vice President Marnocha had reported that 1995-96 total gifts, grants and contracts were \$558 million, a decrease of almost \$50 million from the previous year. Of that amount, \$44 million were in Federal awards. For the two month period that ended August 23, 1996, these gifts, grants and contracts totaled \$141 million, a decrease of \$22 million. A \$31 million decrease in Federal awards was off-set by an increase in non-Federal awards of almost \$9 million.

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### **Committee Workplan For The Year And Key Issues To Be Considered**

Regent Hempel reported that the committee discussed its work plan for the next year. In addition to administrative items which will come before it, the committee will address implementation of recommendations made in the Final Report of the Board of Regents Study of the UW System in the 21<sup>st</sup> Century, including those specifically related to the biennial budget, tuition and pricing issues and campus efficiencies. Committee members have also been asked to suggest additional policy items for consideration.

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**Closed Session**

Regent Hempel concluded her report by noting that the committee adjourned to consider personnel and trust fund matters, as permitted by statutes.

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**CLOSED SESSION**

At 9:45 a.m., the Board recessed for 15 minutes, reconvening at 10:00 a.m., at which time Regent Lubar read Resolution 7293 and moved its adoption by the Board of Regents. The motion was seconded by Regent MacNeil and was adopted on unanimous roll call vote.

Resolution 7293:	That, the Board of Regents recess into closed session, recess into closed session to consider personnel matters, As permitted by s.19.85(1)(c), <i>Wis. Stats.</i> , including annual evaluation; salary adjustments above the group six maximum for faculty members at UW-Milwaukee and UW-Madison and authorization to offer a salary above the group six maximum to a specific individual, UW-Madison; to consider appointments to the UW-Milwaukee, UW-Whitewater and UW Centers Boards Of Visitors, as permitted by s.19.85(f), <i>Wis. Stats.</i> ; and to confer with legal counsel, as permitted by s.19.85(1)(g), <i>Wis. Stats.</i>
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At 11:20 a.m., the Board arose from Closed Session and announced the adoption of Resolutions 7294 - 7299.

**UW-Milwaukee: Appointments to Board of Visitors**

Resolution 7294:	That, upon the recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the following reappointments be made to the UW-Milwaukee Board of Visitors for terms ending in June 1999:
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Nikola Kostich  
JoAnn Molin-Case



And that the following new appointments be made for terms ending in June 1999:

William Beckett  
Socorro Gonzales  
Janie Hatton  
Michael Malmstadt  
Carol Sample

**UW-Milwaukee: Approval of temporary salary adjustments above the Executive Salary Group Six maximum**

Resolution 7295: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the following temporary salary adjustments, resulting in salaries above the Executive Salary Group Six maximum, be approved:

Darryl L. Craig, Associate Professor, School of Business Administration, UW-Milwaukee, to A\$106,321;

Michael S. Schadewald, Associate Professor, School of Business Administration, UW-Milwaukee, to A\$104,011.

**UW-Madison: Approval of temporary salary adjustment above the Executive Salary Group Six maximum**

Resolution 7296: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the following temporary salary adjustment, resulting in a salary above the Executive Salary Group Six maximum, be approved:

William A. Strang, Professor and Associate Dean, School of Business, UW-Madison.

**UW-Madison: Authorization to offer a salary above the Executive Salary Group Six maximum to a specified individual: School of Nursing and College of Engineering**

Resolution 7297: 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 offer a salary above the Executive Group Six Maximum to Professor Patricia Brennan, Case Western Reserve University.

**UW-Whitewater: Appointments to Board of Visitors**

Resolution 7298: That, upon the recommendation of the Chancellor of the University of Wisconsin-Whitewater and the President of the University of Wisconsin System, the following reappointments be made to the UW-Whitewater Board of Visitors for terms ending in June 1999:

Todd Adams  
John Didion  
Lolita Kachel  
Brian Schimming

And that the following new appointments be made for terms ending in June 1999:

B. Bradford Meyers  
Thomas Mowbray  
Mark T. Olm

**UW Centers: Appointments to Board of Visitors**

Resolution 7299: That, upon the recommendation of the Chancellor of the University of Wisconsin Centers and the President of the University of Wisconsin System, the following appointments be made to the UW Centers Board of Visitors for terms ending in 1999:

Charles A. Tubbs (UWC-Rock County)  
Kristin Bell Abell (UWC-Sheboygan County)  
Roy Valichtka (UWC-Fox Valley)  
Janet L. Hubbell (UWC-Washington County)

And that the following appointments be made for a term ending in 1998:

Margaret S. Higley (UWC-Marinette County)

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The meeting ended at 11:20 a.m.

Submitted by

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Judith A. Temby, Secretary