

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, 2001

9:00 a.m.

**APPROVAL OF MINUTES..... 1**

**REPORT OF THE PRESIDENT OF THE BOARD..... 1**

RESOLUTION HONORING GOVERNOR THOMPSON..... 1  
Tommy G. Thompson ..... 2

REPORT ON THE DECEMBER 15<sup>TH</sup> MEETING OF THE EDUCATIONAL COMMUNICATIONS BOARD ..... 3

REPORT ON THE FEBRUARY 7<sup>TH</sup> MEETING OF THE HOSPITAL AUTHORITY BOARD ..... 3

REPORT ON LEGISLATIVE MATTERS ..... 3

REAPPOINTMENT TO EDUCATIONAL COMMUNICATIONS BOARD..... 4

REPORT ON THE JANUARY 24<sup>TH</sup> MEETING OF THE WISCONSIN TECHNICAL COLLEGE SYSTEM BOARD ..... 4

HIGH SCHOOL GRADUATION TEST..... 4

**REPORT OF THE PRESIDENT OF THE SYSTEM..... 5**

ACCOUNTABILITY REPORT, FEBRUARY 2001: "ACHIEVING EXCELLENCE" ..... 5

OPERATIONAL ENVIRONMENT ..... 6

2000-01 ACCOUNTABILITY INDICATORS..... 6

*Report on 1,000 FTE Additional Students ..... 11*  
Report on Access of 1,000 FTE Students ..... 11

*Energy Costs ..... 12*

*UW-Superior Athletic Rankings..... 12*

*Learning Innovations Alliance for On-line Learning ..... 12*

*Grant for Student Technology Service Training ..... 12*

*PK-16 Council ..... 13*

*Award to Wisconsin Public Television..... 13*

*UW Day..... 13*

**REPORT OF THE BUSINESS AND FINANCE COMMITTEE ..... 14**

Blue Cross' Blue Shield By-Laws ..... 14

University of Wisconsin System Trust Funds Revision of Investment Objectives and Guidelines..... 14

VENTURE CAPITAL PRESENTATION BY COMMONFUND..... 15

ANNUAL FINANCIAL REPORT ..... 15

NEW FINANCIAL REPORTING REQUIREMENT FOR PUBLIC COLLEGES AND UNIVERSITIES ..... 15

UW-MADISON ANNUAL RESEARCH REPORT ..... 16

ANNUAL BROADCAST REPORT ..... 16

SYSTEMWIDE SAFETY AND LOSS TRAINING..... 16

REPORT OF THE VICE PRESIDENT..... 16

<b>REPORT OF THE EDUCATION COMMITTEE.....</b>	<b>17</b>
UW System: Report on Technology in Teacher Education in the University of Wisconsin System.....	17
UW-Madison: Authorization to Recruit: Dean, School of Business .....	18
UW-Milwaukee: Authorization to Recruit: Dean, College of Letters and Science .....	18
University of Wisconsin Colleges, UW-Richland: Authorization to Recruit Campus Dean.....	18
UW-Green Bay: Authorization to Recruit: Chancellor .....	18
UW-Milwaukee: Charter School Contract: School of Early Development and Achievement, Inc. ....	18
UW-Madison: Appointment of Named Professors.....	19
<b>REPORT OF THE INTERIM SENIOR VICE PRESIDENT FOR ACADEMIC AFFAIRS .....</b>	<b>20</b>
<i>Presentation: Technology and Teacher Education.....</i>	<i>20</i>
<b>REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE .....</b>	<b>20</b>
UW-Eau Claire: Authority to Construct a Governors Hall Window and Screen Replacement Project.....	20
UW-Green Bay: Authority to Construct Two East Campus Parking Lots .....	21
UW-Madison: Authority to Construct a Howard Temin Lakeshore Path Improvements Project.....	21
UW-River Falls: Authority to Increase the Budget of Horse Barn Project .....	21
<b>REPORT OF THE ASSISTANT VICE PRESIDENT .....</b>	<b>22</b>
<i>Building Commission Report .....</i>	<i>22</i>
<i>Dairy Science Learning Center.....</i>	<i>22</i>
<i>2001-03 Capital Budget.....</i>	<i>22</i>
<b>ADDITIONAL RESOLUTIONS.....</b>	<b>22</b>
2002 Meeting Schedule.....	23
<b>ADDITIONAL BUSINESS .....</b>	<b>23</b>
COMMITTEE ON BOARD EFFECTIVENESS .....	23
<b>EXECUTIVE SESSION.....</b>	<b>23</b>
UW-Stout: Honorary Degree .....	24
UW-Madison: Temporary Base Salary Adjustment .....	24
Request for Review of UW-Milwaukee Decision .....	24
UW System: Salary for Interim Senior Vice President for Academic Affairs .....	24

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- President Smith presiding -

PRESENT: Regents Alexander, Axtell, Boyle, Brandes, De Simone, Gottschalk, Gracz, Krutsch, Marcovich, Mohs, Olivieri, Randall, Schneiders and Smith

ABSENT: Regent Barry, Benson and James

**APPROVAL OF MINUTES**

There being no additions or corrections, the minutes of the December 8, 2000 meeting stood approved as distributed.

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**REPORT OF THE PRESIDENT OF THE BOARD**

**Resolution Honoring Governor Thompson**

Regent Gottschalk read the following resolution of appreciation to Governor Tommy Thompson. The motion was seconded by Regent Schneiders and adopted unanimously.

**Tommy G. Thompson**

Resolution 8293:           Whereas, throughout his 14 distinguished years as Governor of Wisconsin, Tommy G. Thompson has demonstrated a deep commitment to advancing the potential, performance and positive impact of the institutions of the University of Wisconsin System; and

Whereas, by his leadership and actions, Governor Thompson has done all within his power to help keep the UW System among the best, most accessible, and most affordable in the country, and

Whereas, from championing a much-needed program of building renovation and new construction on our campuses, to providing necessary resources and administrative and programmatic flexibilities, to inspiring our institutions to fully utilize their research capacity, to leading the UW System's push into biotechnology as an engine for economic growth and improving the state's quality of life, Governor Thompson has truly helped position the UW System for the 21<sup>st</sup> century New Economy; and

Whereas his leadership on the WisStar, BioStar and HealthStar programs, to name just three examples of his initiatives in support of University research, will benefit thousands of students and thousands of citizens for years to come; and

Whereas, from Parkside to Superior, from Madison to Pasadena, and from Wisconsin around the world, Governor Thompson has promoted the University of Wisconsin System with vision and passion at every turn, helping to create opportunities for a great university system to become even greater – impacting more lives, forging valuable new partnerships, and advancing the mission and work of the Wisconsin Idea; and

Whereas on his final full day in office, Governor Thompson used the occasion of his State-of-the-State address to urge strong Executive and Legislative budgetary support for important UW System initiatives to keep Wisconsin's economy strong and growing;

Therefore be it resolved that the Board of Regents of the University of Wisconsin System highly commends and thanks its very good friend, Governor Tommy G. Thompson, for contributing significantly to the legacy of excellence of public higher education in Wisconsin, wishing him continued great success, good health and much happiness in his national leadership role as Secretary of the U.S. Department of Health and Human Services.

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**Report on the December 15<sup>th</sup> meeting of the Educational Communications Board**

The Board received a written report on the December 15, 2000 meeting of the Educational Communications Board.

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**Report on the February 7<sup>th</sup> meeting of the Hospital Authority Board**

A written report of the February 7, 2001 meeting of the Hospital Authority Board was provided to the Board of Regents.

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**Report on Legislative Matters**

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

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**Reappointment to Educational Communications Board**

Upon motion by Regent Smith, seconded by Regent Gottschalk, Resolution 8294 was adopted unanimously by the Board.

Resolution 8294:           That Regent Patrick Boyle be reappointed to the Educational Communicational Board for a term ending May 1, 2003.

Regent President Smith thanked Regent Boyle for his dedicated service in representing the Board of Regents on the Educational Communications Board.

Regent Boyle noted the Educational Communications Boards' gratitude for Governor Thompson's provision of \$1.4 million for conversion to digital television. He added, however, that there is a further challenge in providing complete conversion for five other stations statewide.

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**Report on the January 24<sup>th</sup> meeting of the Wisconsin Technical College System Board**

A written report on the January 24 meeting of the Wisconsin Technical College System Board was provided to the Regents.

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**High School Graduation Test**

Noting the Board's December action to require taking the high school graduation test, when implemented, a requirement for admission to the UW System, Regent President Smith noted that there are issues that remain to be resolved. The issue is prominent nationally, he indicated, with 19 states already having regulations and eight more considering the matter at this time.

Some of the questions that were raised at the last meeting pertained to treatment of students from other states, returning adult students, private school students, students whose parents opt out of the testing program, students with learning disabilities, and schools that develop their own tests. The Regents, he pointed out, signaled in December that they would review the high school test requirement , recognizing that there are many unanswered questions.

Regent President Smith referred the issue to the Education Committee for further study and report next fall. In doing this study, he indicated the Committee will hear from policy makers in state government, from the public and from students and parents, among others. Until the matter is resolved, he stated, no requirement for taking the graduation test will be included in publications or instructions to student planning to apply to UW institutions.

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

### **Accountability Report, February 2001: "Achieving Excellence"**

Introducing the report, President Lyall noted that the UW was one of the first university systems in the country to issue public stakeholder reports. Beginning in 1993 and continuing on an annual basis, the UW has reported progress on each of 18 individual indicators ranging from access rates and faculty workloads to graduation rates, credits to degree, research funding, faculty retention and tenure rates, workplace safety, facilities maintenance, and employer, alumni and student satisfaction ratings.

Today, she continued, the UW is serving new markets, earning more of its own revenues, and using new instructional technologies barely envisioned in 1993. Therefore, last summer she had appointed a systemwide task force to review the 18 indicators and recommend changes that reflect the way the UW must do business in the 21<sup>st</sup> century. The task force recommended, and the Board of Regents approved, new indicators to reflect:

- Persistence and graduation rates
- Service to nontraditional, adult students
- Study abroad opportunities for students
- Undergraduate research and apprenticeship opportunities
- Adoption/uses of instructional technology by faculty
- Participation in citizenship learning by students
- Stewardship of resources

In addition, a number of the original 18 indicators have been continued to allow tracking progress over long periods of time. The Task Force also recommended that the UW benchmark itself against appropriate national or other standards and that a balanced scorecard approach be used. Such an approach recognizes that, because the UW serves multiple constituencies, some expectations may conflict. Therefore, President Lyall noted the overall picture presented in the report shows the tradeoffs and balances that have been struck with a limited set of resources.

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### **Operational Environment**

Referring to the operational environment over the 1999-2000 period, President Lyall reported that demand for UW admission by traditional Wisconsin high school graduates is rising moderately and enrollments have grown also to maintain a 33% service rate. However, she pointed out, demand for services by nontraditional adult students is growing rapidly and serving these students in greater numbers will be key to curing the "brain drain" and ensuring that Wisconsin has the skilled workforce it needs for the 21<sup>st</sup> century.

Noting that state funding priorities have been shifting away from higher education over the past decade, President said that, to serve growing demand, the UW has diversified its funding sources. GPR has declined to 33% of total budget, while tuition (17%), gifts (31%), and program revenue earned from operations (19%) have all risen. In addition, a larger share of student credit hours (31%) is taught by instructional academic staff, reflecting the loss of 500 faculty positions to budget cuts in the mid-1990s.

Nevertheless, President Lyall observed, a UW education remains very affordable compared to other states and universities. The average cost of attendance at a UW institution is about 17% below the national average for four-year universities and takes about 20% less of an average family's income in Wisconsin compared to the nation.

Use of technology by faculty and students is expanding rapidly, and UW institutions have funded most of these costs from base reallocation (about \$15 million per year). Future cost increases, the President remarked, will need to be funded from other sources, including additional state and student fee funding. UW institutions attract more than \$400 million annually in federal and private research support; university research activities generate nearly \$1 billion economic impact throughout the state, making it one of the state's largest, most productive and most environmentally clean "industries". In addition, she said, UW graduates' college education increases their lifetime earnings by nearly \$750,000, and they enrich the communities in which they live through their work, family life, and community service.

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### **2000-01 Accountability Indicators**

With regard to Goal I: Ensure widespread access and increase the pool of eligible applicants -- President Lyall reported that the performance indicators show that the UW has done well at maintaining access for traditional high school graduates, increasing participation in pre-college programs; and expanding distance education opportunities statewide. The UW continues to enroll 33% of Wisconsin high school graduates somewhere in the UW System; pre-college programs serve more than 5,000 disadvantaged students, and more than 10,000 students were served by UW distance education courses last year. A remaining challenge is to expand access/services to



students of color and nontraditional adult students throughout the state. *Plan 2008* responds to the first challenge and the *EM21 Plan* addresses the second.

Indicators for Goal 2: Increase persistence and graduation rates -- show that both second-year retention rates (78.7%) and six-year graduation rates (59.3%) exceed their national benchmarks of 72% and 48%. Also encouraging, the President reported, is that the second-year persistence rate for students of color in the UW System is at the national average of 71.8%. The UW is challenged to meet new benchmarks by increasing second year persistence rates to 82% and the six-year graduation rate to 64% with the fall 2004 cohort of entering students. Another challenge is to lift graduation rates for students of color over the same period.

The ACT National Alumni Outcomes Survey was used to measure how UW alumni rate academic support and advising services. Support services (financial aid, tutoring, computing) are rated above the national average, but academic advising is rated several points below the national average. The UW has continued to make advising part of biennial budget requests, and United Council also has identified advising as a top priority for students.

Goal 3: Improve learning competencies and foster critical thinking skills - Indicators show that UW alumni rank their education above the national average in giving them the ability to develop original ideas/products, think objectively about attitudes and values, and to define and solve problems. UW students also perform beyond national benchmarks in pass rates on professional exams in nursing, CPA, MCAT, and GRE. The challenge in this area is to ensure that programs keep up with professional practice standards that are rising steadily, with significant associated costs.

Goal 4: Provide students an ability to function in the global community - Indicators show that UW alumni give higher marks than alumni nationally to their education as having helped them learn to get along with people of different attitudes and opinions and from different races, cultures, and backgrounds. Higher percentages of faculty also believe they have an essential role to play in creating a diverse multicultural campus. While the proportion of undergraduates who have studied abroad has risen steadily, the current level of 7% is far from the target of 25%. UW institutions are challenged to find ways to help more students have a good study-abroad experience. This is part of the Board's 2001-03 budget request which, if funded, would enable 1,500 more undergraduates to have this opportunity.

Goal 5: Provide student opportunities for guided research, mentoring, and citizenship learning - Indicators show that UW alumni feel much more positively (than students nationwide) about their opportunities for involvement as students in campus activities and cultural events. Alumni also recognize that UW faculty provide more experiential/field learning opportunities, are more available outside of class, and spend more time advising than their national counterparts, although slightly fewer had the opportunity to work with a faculty member on research. Similarly, UW alumni rank their education as above average in giving them leadership skills but at , or slightly below, national averages in citizenship and giving them an understanding of international issues. UW faculty, on the other hand, are significantly above average in believing that preparing

students for citizenship and community involvement is an important part of the university's mission. These results present the challenges of finding ways to revitalize the Wisconsin Idea within the student culture and to give more students study abroad opportunities.

With regard to use of instructional technology, UW alumni are somewhat more satisfied than the national average with campus computing facilities and instruction. Even so, fewer than half rated their experience as good in this regard. More UW faculty than their national counterparts are using the Internet for assignments and instruction, a trend that is expected to continue to grow. The challenge is to find ways to finance the burgeoning growth in student and faculty use of computers and to provide Internet 2 access for every UW campus. These costs, President Lyall pointed out, are growing exponentially and the ability to continue funding two-thirds of expenses from base reallocation is reaching an end. State support in the next biennial budget has been requested for Internet 2 access, and network costs will need to be a major focus of careful management and future budget priorities.

Goal 6: Stewardship of resources - Indicators show that the UW System is meeting its targets for investment in faculty professional development (1.6% vs. 1% of payroll); for keeping administrative costs low (5.8% vs. 10.4% nationally); and for reducing the average number of credits taken by undergraduates (139 vs. 140 target). Both student and faculty satisfaction with availability of computing resources is rising. A continuing challenge is to upgrade classrooms with technology that can support current instructional techniques and on-line materials, and to reduce the maintenance backlog on UW buildings. Despite investment of \$400 million to renew and repair facilities over the past decade, a backlog of \$800 million still exists. In December, the Board approved a new 10-year plan to eliminate that backlog and included requests for these resources in the 2001-03 biennial budget request.

In summary, President Lyall reported that the UW has met or exceeded targets on 14 out of 20 measures. Three measures show mixed progress, and three show a long way to go (increasing service to nontraditional adult students, helping 25% of undergraduates to study abroad, and reducing the maintenance backlog/upgrading classrooms).

She emphasized that all these dimensions of constituents' expectations challenge the UW to improve performance and educational outcomes for students; to expand partnerships and collaborative work; and to advocate for the resources necessary to achieve these goals.

In conclusion, President Lyall thanked Frank Goldberg and Sharon Wilhelm for compiling this report and thanked the Chancellors and the many individuals at each UW institution that produced the positive results reflected in the report.

Regent Axtell commented that the report is outstanding and one that should be showcased with pride. With respect to the history of the report, Regent Axtell recalled the genesis of accountability reporting as in the 1992 Compensation Commission which recommended that the university should have the right to set tuition and salaries and

should have a unified budget, like most other university systems around the country. The Commission found that in Wisconsin, the University System was being managed by a triumvirate - the Governor, Legislature and Board of Regents - which was not a good management structure because no one knew where the buck stopped. The Commission felt the Board of Regents and the UW System should be given proper management power, but first needed to show accountability.

The Compensation Commission's report led to creation of the Accountability Commission of 1993, which devised accountability measurements. The UW's annual accountability reports since that time, Regent Axtell commented, have been outstanding, with specific outcomes and gains objectively measured. The purpose of these reports was to earn the right to manage the university system, Regent Axtell noted, adding that there has been some progress in that direction but that the objectives of a unified budget, decoupling of personnel rules, and authority over tuition and salaries have not yet been realized.

President Lyall concurred that some additional flexibility has been gained, particularly in the last several years. Another benefit of the accountability reports, she observed, is to enhance credibility with the UW's many different stakeholders, who can obtain from the report a good feel for the university's direction, the tradeoffs that are being made, and the challenges still ahead.

Referring to Goal 5 of the report, Regent Axtell suggested that the definition of study abroad programs be sharpened, so that numbers are uniform in terms of types of experience. He also asked that a *Wisconsin State Journal* feature on student experiences in studying abroad be provided to all Regents.

Regent Olivieri commented that he was pleased both with the structure of the report and the accomplishments shown in achieving targets. He suggested that annual reports from the UW institutions be presented in a similar accountability format.

With respect to service rates, Regent Olivieri expressed concern that the gap between the overall service rate and the service rate to students of color did not appear to be closing. Believing recruitment to be a component of that gap, he urged the UW to address that issue aggressively.

In terms of distance education, Regent Olivieri suggested that the target be a percentage of courses taught. A clear goal, he noted, would be helpful in measuring future progress.

He expressed support for setting targets for graduation rates and study abroad experiences. With respect to the latter, he urged that a plan be developed to move toward the ambitious 25% goal even though additional state funds might not be available. This plan might include advising and other measures that would steer students toward international experiences. With regard to human resources, he asked how the 4% turnover rate for probationary faculty compares with nationwide data.

Concerning collaborative efforts, Regent Olivieri suggested that the target should relate to numbers of credits and student transfers, rather than to the number of articulation agreements. He thought that a single agreement covering transfer of all general education

credits would have more impact on actual collaboration than individual articulation agreements. In terms of credits, he suggested that the Board consider reducing the target from 140 to 137.

Regent Krutsch commented that time to degree is an affordability issue since additional time in school means extra tuition and living expenses for students and families. She suggested that there be a goal of increasing the number of students who graduate in four years and that those numbers be included in future accountability reports. She agreed that credits to degree should be reduced and suggested that it would be helpful to separate data on programs that require 120-125 credits from those requiring more than 140. This could result in a more ambitious goal for reducing credits to degree in those programs without unusually high credit requirements.

With regard to learning outcomes, she pointed out that in its recent report the National Center on Higher Education noted lack of measurement in all states of the extent to which college graduates actually have achieved college level literacy. She urged that thought be given about objective measures that could be used in addition to alumni surveys.

While it is important to encourage study abroad experiences, Regent Krutsch suggested that study of modern world history be included in consideration of how to prepare students for life in the 21<sup>st</sup> century.

Characterizing the Accountability Report as outstanding, Regent Schneiders commented that it is highly informative, readable and well-organized. She agreed that it would be helpful if campus annual reports could be done in a similar format.

Indicating concern about the six-year graduation target, she asked why that amount of time was chosen as a measurement and said that she would like to see data and a goal for graduation in four years.

Regent Alexander added that, if a five-year graduation plan should be implemented in the future, it also would be helpful to have data on graduation within that time frame for all institutions. Noting the disparity in six-year graduation rates between white students and students of color, he thought that, in this area and others in which the targets are particularly challenging, it would be helpful in terms of accountability to outline steps that will be taken to reach the goals that have been set.

Agreeing that this is an excellent report, Regent Mohs said he constantly is impressed with what a complex institution the UW System is to manage. He concurred with Regent Krutsch that the curriculum can play an important role in international education and also can generate enthusiasm for travel abroad.

President Lyall thanked the Regents for their excellent ideas on improving the report. In response to the inquiry by Regent Schneiders about the six-year graduation rate, she explained that it is the standard used by the U.S. Department of Education and other organizations to collect data from around the country and therefore is the only means for comparing the UW to national benchmarks. Noting that the UW System also could report four-year data if the Board wished, she observed that it is important in that regard to ask whether a four-year standard is appropriate for institutions that have large

numbers of commuter and working students and students with family and other responsibilities. Noting the Board's effort to increase the number of adult students, she cautioned that a four-year standard might not be appropriate for most UW institutions.

The President also noted that the UW will be participating next year in a national survey of students which should provide interesting information on whether student perceptions vary from those of alumni.

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### ***Report on 1,000 FTE Additional Students***

President Lyall noted that in the current budget the Legislature provided \$3.8 million to enroll an additional 1,000 students across the System and that \$1 million of that total was directed to Learning Innovations to achieve some of the increases through distance learning. At that time, the Joint Finance Committee had been asked to provide 101 additional positions to hire faculty and staff to serve those additional students. Sixty-seven positions were provided. This report responds to a requirement that the UW report to the Department of Administration and the Joint Finance Committee on the achievement of the additional enrollments.

The report shows that the UW actually enrolled more than 1,000 students. The total came to 1,400, including 150 that were served through distance education courses.

The UW allocated the 67 positions provided by the Joint Finance Committee, plus an additional 34 positions taken from the UW's one percent flexibility allowance, to make up the 101 positions needed to serve these students.

Noting that the last biennium was the first time in more than a decade that funding was provided directly to provide access for additional students, President Lyall expressed gratitude for this added access funding. She noted, however, that the average support of \$3,800 per student was less than the overall average of about \$4,800 per student. She stated the hope that any future access requirements be fully funded so that the instructional support level for other students would not be further eroded.

Upon motion by Regent Axtell, seconded by Regent Krutsch, the following resolution was adopted unanimously by the Board of Regents.

### **Report on Access of 1,000 FTE Students**

Resolution 8295:           Upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the Report on Access of 1,000 FTE Students submission to the Department of Administration and the Joint Committee on Finance.

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### ***Energy Costs***

Noting the rapid rise in energy costs, President Lyall reported that the Governor has issued an executive order directing institutions to implement a variety of energy conservation actions. Thermostats will be turned down to 68 degrees, computers will be turned off when not in use, and buildings will be held below 60 degrees when not occupied on weekends and evenings. Campuses that have the capacity to switch from gas and oil to coal have already done so. The UW System, she pointed out, spends about \$20 million annually in utility costs. The President will be examining with the chancellors some long-term strategies that may also save energy, including the possibility of longer winter and spring breaks in future academic calendars.

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### ***UW-Superior Athletic Rankings***

President Lyall congratulated UW-Superior for having three sports teams ranked nationally in Division III at the same time: Men's basketball, women's hockey, and men's hockey.

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### ***Learning Innovations Alliance for On-line Learning***

It was reported by President Lyall that UW Learning Innovations has formed an alliance with the University of California-Berkely, Penn State University and the University of Washington to advance on-line learning. Initially, the group will focus on benchmarking institutional practices and standards and working with third-party vendors. The alliance hopes that a united approach will help lift the academic standards for on-line teaching and that commercial vendors of on-line learning management systems also will meet higher standards than they now are meeting. The alliance also will support high academic standards in their own course offerings.

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### ***Grant for Student Technology Service Training***

President Lyall referred to UW-Milwaukee's Student Technology Services program that trains students to help the campus with computer installation and maintenance. This program has been very successful in giving students important skills while meeting critical campus needs. Recently, TEACH awarded \$500,000 to UW-Milwaukee, Milwaukee Area Technical College and the Milwaukee Public Schools in a collaborative arrangement to create similar student technology service organizations in four of the public high schools in Milwaukee. UW students will be the trainers and role models for the high school students. The partners are looking for ways to extend this

model beyond the four high schools that will be funded under this grant. The President congratulated all three partners in this exciting venture.

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### ***PK-16 Council***

President Lyall announced that Wisconsin's PK-16 Council will have its first meeting on March 1<sup>st</sup>, at which time the focus for the first year will be established. The Council's mission is to work in partnership with business, government and the schools to advance learning throughout the state. The President expressed special appreciation to Regent Benson for being her partner in getting the Council up and running.

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### ***Award to Wisconsin Public Television***

It was reported by President Lyall that the Corporation for Public Broadcasting has awarded Wisconsin Public Television a \$3 million grant to establish a National Center for Outreach. The Center's mission is to work with broadcasters in their home communities across the country to help them bring together civic organizations, business groups and individuals to work on community problems. Wisconsin Public Television has been a ground breaker in these kinds of outreach activities through such award winning programs as "Safe Night USA", which stimulated an annual set of more than 1,000 safe night parties across the country to underscore the need for having safer communities for youth. "Reach to Learn" is a program sponsored by Wisconsin Public Television and the Children's First Book Project to work with communities on literacy issues. Another current program, "Creating Health" is an initiative on women's health issues. Recalling that last year Wisconsin Public Television won an Emmy for its program on political campaign finance, President Lyall expressed pride in the fact that WPT leads the nation in "putting the public service in public television."

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### ***UW Day***

President Lyall reported that UW Day will be held on March 5, to celebrate the contributions that public universities are making to Wisconsin and its economy. On that day, friends and supporters of every UW institution will gather in Madison and visit legislators to discuss UW issues, to demonstrate the many contributions UW campuses make to their communities across the state, and to enjoy a reception with exhibits and entertainment. She expressed gratitude to Regent Mohs for helping to fund this event and to the Regents and Chancellors who will act as hosts.

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

The Committee's report was presented by Regent Marcovich, Chair. The Business and Finance Committee met in closed session to consider trust fund matters. After the closed session, a joint meeting was held with the Education Committee. An update on implementing the UW System 1999-2001 Information Technology Plan was presented by Deborah Durcan, Vice President for Finance and Ed Meachen, Associate Vice President for Information Technology.

Following the joint meeting, the Business and Finance Committee reconvened. Regent Marcovich presented Resolutions 8296 - 8297, which were approved unanimously by the Committee, and moved their adoption as consent agenda items by the Board of Regents. Regent Krutsch seconded the motion and they were carried unanimously.

### **Blue Cross' Blue Shield By-Laws**

- Resolution 8296:           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 the revised "Agreement to Accept Gifts from Wisconsin United for Health Foundation, Inc. by the University of Wisconsin Foundation and the University of Wisconsin System Board of Regents."
  - Approves the By-Laws for the Oversight & Advisory Committee required under the Commissioner's order.

### **University of Wisconsin System Trust Funds Revision of Investment Objectives and Guidelines**

- Resolution 8297:           That, upon the recommendation of the Regent Business and Finance Committee, the following revision to the Statement of Investment Objectives and Guidelines be approved.

Investment Restrictions - Specific  
Principal - Long Term Fund



### Individual Manager Equity Portfolios

"...Equity managers responsible for domestic portfolio may not invest in ADRs or foreign securities, *except to the extent that such securities are a component of the portfolios' respective benchmark indices.*"

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### **Venture Capital Presentation by Commonfund**

Tim Hickey, Managing Director of Commonfund Capital, Inc., and Peter Burns, Managing Director of Commonfund Securities, Inc. defined private capital as composed of three parts: venture capital, domestic private equity and international private capital. The importance of diversification and access to top managers to improve performance when considering private capital was emphasized.

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### **Annual Financial Report**

Doug Hendrix, Associate Vice President for Financial Administration presented the UW System Annual Financial Report. The financial statements, including the balance sheet, the statement of changes in funds balances, and the statement of current funds revenues, expenditures, and other changes were discussed.

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### **New Financial Reporting Requirement for Public Colleges and Universities**

The Governmental Accounting Standards Board has provided a new financial reporting model and requirement for public colleges and universities for the 2001-02 financial statements.

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### **UW-Madison Annual Research Report**

Graduate School Dean, Virginia Hinshaw, highlighted four areas: healthy research funding, optimism for future growth, significant research findings, including those related to genomics and e-coli bacteria, and other challenges. The committee encouraged support of increased future funding for stem cell research.

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### **Annual Broadcast Report**

Senior Vice President David Olien introduced two presenters who demonstrated emerging technologies which UW broadcast stations are now using.

Heidi Kong, WSUM Station Manager, UW-Madison, gave a demonstration of the audio streaming capabilities of WSUM using Shoutcast software.

Byron Knight, Director of Broadcasting and Media Innovations, UW-Extension, highlighted federal grants for facilities and the National Center for Outreach. He demonstrated Wisconsin Public Radio's web broadcast of the Idea Network and the NPR News and Classical Music Network.

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### **Systemwide Safety and Loss Training**

Ellen James, System Assistant Vice President, discussed Systemwide safety and loss training. A new initiative in collaboration with Learning Innovations has been undertaken to develop web-based training for university employees. The first module will be for hazardous materials communication. A student organization video outlines the potential areas of liability for student organizations and guidelines for limiting liability. As part of the loss prevention program, \$400 thousand in liability insurance premiums has been saved, which is a significant amount.

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

Vice President Debbie Durcan presented the Gifts, Grants and Contracts Quarterly Summary. Total gifts, grants and contracts for this period were \$488.4 million, an increase of \$49.7 million from the comparable period of the previous fiscal year. Federal awards increased \$38.2 million, while non-Federal awards increased \$11.5 million.

The Governor has signed an Executive Order to conserve energy and campuses are doing everything possible.

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## **REPORT OF THE EDUCATION COMMITTEE**

The Education Committee and Business and Finance Committee met in joint session to hear an update on the UW System Technology Plan presented by Debbie Durcan, Vice President for Finance, and Ed Meachen, Associate Vice President for Learning and Information Technology. Addressed were four challenges facing the UW System: (1) the exponential growth of network traffic; (2) combining web-based administrative and academic systems to create an integrated electronic enterprise; (3) finding the resources to support IT initiatives; and (4) becoming more entrepreneurial and flexible within a state regulatory environment. Guidelines for the next two-year systemwide Information Technology Plan will be presented to the Board in June, and the finished plan will be presented at the October meeting.

Regent Brandes, Chair of the Education Committee, presented the Committee's report.

Resolutions 8298-8304 were unanimously approved by the Committee. Regent Brandes moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Axtell and carried unanimously.

### **UW System: Report on Technology in Teacher Education in the University of Wisconsin System**

Resolution 8298:

That the Board of Regents, believing that instructional technology is an essential tool for Wisconsin's educators, both at the PK-12 and college level, directs UW System Administration to: (1) establish a list of best practices in instructional technology training for teachers; (2) disseminate these best practices to UW institutions; (3) require that institutions report, as part of the IT Plan in October 2001, how they are incorporating these best practices into teacher training programs; (4) refer the report, *Technology in Teacher Education in the University of Wisconsin System*, to the Wisconsin PK-16 Leadership Council for its consideration; and (5) work with the Wisconsin Department of Public Instruction, TEACH, the Wisconsin Technical College System, and the Wisconsin Association of Independent Colleges and Universities to pursue a statewide vision for technology in teacher education.

**UW-Madison: Authorization to Recruit: Dean, School of Business**

Resolution 8299: 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 and appoint a Dean, School of Business, within a salary range that exceeds 75 percent of the President's current salary.

**UW-Milwaukee: Authorization to Recruit: Dean, College of Letters and Science**

Resolution 8300: 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 and appoint a Dean, College of Letters and Science, within a salary range that exceeds 75 percent of the President's current salary.

**University of Wisconsin Colleges, UW-Richland: Authorization to Recruit Campus Dean**

Resolution 8301: That, upon recommendation of the Chancellor of the University of Wisconsin Colleges and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Campus Dean, UW-Richland.

**UW-Green Bay: Authorization to Recruit: Chancellor**

Resolution 8302: That, the President of the University of Wisconsin System be authorized to recruit for a Chancellor of the University of Wisconsin-Green Bay, at a salary within Senior Executive Salary Group Three.

**UW-Milwaukee: Charter School Contract: School of Early Development and Achievement, Inc.**

Resolution 8303: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the board approves the Charter School contract with the School for Early Development and Achievement, Inc.

**UW-Madison: Appointment of Named Professors**

Resolution 8304: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the following named professorships be approved

Nicholas L. Abbott Dept. of Chem. Engineering	John T. and Magdalen L. Sobota Chair (retroactive to September 1, 2000);
Laurie Beth Clark Dept. of Art	Emily Mead Baldwin Bell-Bascom Professor in the Creative Arts (effective July 1, 2001);
David J. DeWitt Dept. of Computer Sciences	John P. Morgridge Chair of Computer Sciences (effective January 1, 2001);
Pamela S. Douglas Dept. of Medicine	Dr. Herman and Ailene Tuchman Chair in Clinical Cardiology (retroactive to July 2001);
Brian G. Fox Dept. of Biochemistry	Marvin J. Johnson Professor in Biochemistry (effective January 1, 2001);
Sanford A. Klein Dept. of Mech. Engineering	William A. & Irene Ouweneel-Bascom Professor (effective January 1, 2001);
Regina M. Murphy Dept. of Chem. Engineering	Harvey D. Spangler Chair (retroactive to September 1, 2000);
Thomas C. Osborn Dept. of Agronomy	William A. Rothermel-Bascom Professor in Agronomy (retroactive to July 1, 2000);
John H. Perepezko Dept. of Materials Science & Engineering	IBM-Bascom Professor (effective January 1, 2001);
Jane Piliavin Dept. of Sociology	Conway-Bascom Professor of Sociology (effective July 1, 2001);
Franklin Wilson	Sewell-Bascom Professor of Sociology

Dept. of Sociology (effective July 1, 2001).

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### **Report of the Interim Senior Vice President for Academic Affairs**

#### ***Presentation: Technology and Teacher Education***

The Committee heard a presentation on Technology and Teacher Education. Panelists reviewed a survey of UW institutions regarding the training of PK-12 teachers in the use of technology. In stressing the university-wide responsibility for teacher education, they noted the importance of integrating technology throughout the curriculum and across colleges. They further emphasized the importance of two types of collaboration: (1) among colleges, IT and other units on individual campuses; and (2) the broader collaboration among UW System institutions, PK-12 schools and other stakeholders. Panelists provided several examples from the survey of best practices at UW campuses.

In discussion, Regent Olivieri stressed the importance of making clear the UW System's responsibility for preparing teachers to use technology, and emphasized the fact that both the School of Education and L&S Colleges play a vital role in teacher education.

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### **REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE**

Regent Gracz, Vice Chair, presented the Committee's report. Resolutions 8305-8308 were approved unanimously by the committee. Regent Gracz moved their adoption as consent agenda items by the Board of Regents. Regent Scheinders seconded the motion and carried unanimously.

#### **UW-Eau Claire: Authority to Construct a Governors Hall Window and Screen Replacement Project**

Resolution 8305: That, upon the recommendation of the UW-Eau Claire Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Governors Hall Window and Screen Replacement Project at an estimated total project cost of \$355,000 of Program Revenue-Housing.

**UW-Green Bay: Authority to Construct Two East Campus Parking Lots**

Resolution 8306: That, upon the recommendation of the UW-Green Bay Chancellor and the President of the University of Wisconsin System, authority be granted to construct two east campus parking lots at an estimated total project budget of \$255,800 of Program Revenue–Parking funds.

**UW-Madison: Authority to Construct a Howard Temin Lakeshore Path Improvements Project**

Resolution 8307: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Howard Temin Lakeshore Path Improvements project at an estimated total project cost of \$488,400 [\$390,720 Wisconsin Department of Transportation Statewide Transportation Enhancements Program (STEP) Grant Funds and \$97,680 Program Revenue-Parking Utility Funds].

**UW-River Falls: Authority to Increase the Budget of Horse Barn Project**

Resolution 8308: That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, authority be granted to increase the budget by \$106,000 to construct the Young Horse Training Barn at the Campus Laboratory Farm, for a revised total project cost of \$480,000 (\$454,220 Gift Funds and \$25,780 Institutional Funds).

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## **Report of the Assistant Vice President**

### ***Building Commission Report***

Assistant Vice President Nancy Ives reported that UW System projects totaling about \$6.2 million were approved at the December and January State Building Commission meetings.

Two new members have been appointed to the Building Commission. Senator Mark Meyer from La Crosse replaced Senator Bob Wirch from Kenosha; Representative Jeff Plale from South Milwaukee replaced Rep. Bob Turner from Racine.

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### ***Dairy Science Learning Center***

As an update on the current 1999-01 Capital Budget, Assistant Vice President Ives reported that there is one remaining project with budget problems. This is the new Dairy Science Learning Center at UW-River Falls, currently funded at \$3.4 million. Additional academic and facility planning on campus with input from the new dean, faculty and consultants indicate that an additional \$4.2 million is needed. Chancellor Lydecker outlined the importance of this program to the mission of the University, and pointed out that this is the largest undergraduate dairy program in the country. The existing facilities are extremely dilapidated. The current plan is to proceed with as much of the project as possible with the existing \$3.4 million, and resubmit the balance for funding in the 2003-05 biennium.

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### ***2001-03 Capital Budget***

The Division of Facilities Development has not yet released their recommendations on the 2001-03 Capital Budget. Funding, including bonding, is likely to be tight due to current revenue projections. DFD has indicated that the formal Building Commission action on the Capital Budget will probably occur toward the end of March.

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## **ADDITIONAL RESOLUTIONS**

Upon motion by Regent Smith, seconded by Regent Gottschalk, the following resolution was adopted unanimously by the Board.



**2002 Meeting Schedule**

Resolution 8309: That the Board of Regents adopts the attached meeting schedule for 2002. (Exhibit A)

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**ADDITIONAL BUSINESS**

**Committee on Board Effectiveness**

Regent President Smith reported that the Committee on Board Effectiveness was meeting to review how the Board operates in terms of recommendations for making the Board as effective as it can be. He thanked Regent Krutsch for chairing the Committee and the Regent members for their efforts in that regard.

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**EXECUTIVE SESSION**

The meeting was recessed at 10:30 a.m., and reconvened at 10:40 a.m., at which time the following resolution, moved by Regent Randall, was adopted on a unanimous roll-call vote, with Regents Alexander, Axtell, Boyle, Brandes, Gottschalk, Gracz, Krutsch, Mohs, Olivieri, Randall, Schneiders, and Smith (12) voting "Aye". There were no dissenting votes and no abstentions.

Resolution 8310: That, the Board of Regents recess in Executive Session, to consider Honorary Degree Nominations at UW-Milwaukee and UW-Oshkosh, UW-Stout and UW-Parkside and to consider a student request for review of a decision, UW-Milwaukee as permitted by s.19.85(1)(f), *Wis. Stats.*, and to consider a salary at System Administration and salary adjustments at UW-Madison, as permitted by s.19.85(1)(c), *Wis. Stats.*, and to confer with Legal Counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*

The Board arose from executive session at 11:50 a.m., having adopted the following resolutions:

**UW-Stout: Honorary Degree**

Resolution 8311: That, upon the recommendation, of the Chancellor of the University of Wisconsin-Stout and the President of the University of Wisconsin System, the Board of Regents approves awarding of the following honorary degree by UW-Stout:  
Mr. Fulton Holtby      Doctor of Science

**UW-Madison: Temporary Base Salary Adjustment**

Resolution 8312: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the board approves a temporary base salary adjustment for Paul DeLuca, Associate Dean for Research and Graduate Studies, Medical School, effective February 1, 2001 and resulting in a salary of A\$173,740.

**Request for Review of UW-Milwaukee Decision**

Resolution 8313: That, upon the recommendation of the Committee on Student Discipline and Other Student Appeals, the Board of Regents adopts the attached Decision and Order in the matter of a student appeal from a UW-Milwaukee decision.

**UW System: Salary for Interim Senior Vice President for Academic Affairs**

Resolution 8314: That, upon the recommendation of the President of the University of Wisconsin System, the salary for Albert Beaver as Interim Senior Vice President for Academic Affairs, be set at an annual rate of \$170,000, effective March 1, 2001.

The meeting was adjourned at 11:50 a.m.

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Judith A. Temby, Secretary