

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, March 9, 2001
9:00 a.m.

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- President Smith presiding -

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

ABSENT: Regent James

APPROVAL OF MINUTES

There being no additions or corrections, the minutes of the February 9 meeting of the Board stood approved as distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Report on the March 7th meeting of the Hospital Authority Board

The Regents received a written report on the March 7 meeting of the Hospital Authority Board.

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Report on the February 16th Meeting of the Higher Educational Aids Board

A written report on the February 16 meeting of the Higher Educational Aids Board was provided to the Regents.

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Report on Legislative Matters

The Regents received a written report on legislative matters.

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Economic Summit Update: UW Campus Economic Development Plans

Introducing presentations on campus economic development plans, Regent President Smith recalled that in December, after completion of the highly successful Wisconsin Economic Summit, the UW took action on four items:

1. To form a voluntary statewide PK 16 council to foster a more seamless educational system.
2. To increase the percentage of college graduates in Wisconsin through improved graduation rates and programs designed to bring non-resident UW System alumni back to work in Wisconsin.
3. To develop a systemwide strategy for bringing more federal funding to the UW System institutions and, hence, to the state of Wisconsin; and
4. To enhance the university's role in nurturing entrepreneurial activity and technology transfer.

Reporting on progress since that time, Regent Smith said that a great deal has been happening all around the state at many levels and involving many organizations. Four thousand five hundred copies of the Post Economic Summit Report have been distributed, and a CD Rom on the Summit was being mailed to participants. President Lyall and Regent President Smith have been speaking to groups around the state to present the results of the Summit. On February 27th, President Lyall testified on the Summit before the Assembly Committee on Economic Development. Two recent meetings that build on the Summit foundation were the Governor's Conference on Economic Development on February 14th and the Governor's Summit on Venture Capital on February 28th.

The Economic Summit, he observed, has been a hot topic and continues to be widely discussed. The PK-16 Council is a reality, the first meeting having been held a week ago, and the UW System federal funding strategy is moving forward.

Noting that much of the work to follow up on the Economic Summit is being done on UW campuses, Regent Smith said the chancellors have been asked to report on their efforts to serve as catalysts for local and regional economic development. Stating that the scope of activity is impressive, Regent President Smith called upon several chancellors to advise the Board of the progress being made.

Chancellor Kevin Reilly, UW-Extension, noted that Extension is in charge of coordinating four areas of the state with respect to Summit activities. In the La Crosse area, there is continued pursuit of an angel investing group. Work on this had begun before the Summit and was being expanded by Chancellor Hastad. There also are plans for a Regional Economic Summit. At River Falls, Chancellor Lydecker and colleagues held a follow-up workshop development session in January on stemming the brain drain. There also is an initiative to facilitate seamless transfer of credits from technical colleges to UW institutions, built on the extensive articulation agreements in place with UW-River Falls. In addition, representatives of Forward Wisconsin have been given a tour of campus bio-tech laboratories. The campus plans to join forces with Forward Wisconsin on recruiting tours to bring bio-tech businesses into western Wisconsin.

In the central region, UW-Stevens Point will break ground for a Business, Education and Training Center, a joint venture among UW-Stevens Point, Mid-State Technical College and the Portage Business Council. The center's instructors will deliver on-site instruction to adult students in areas such as business administration and information technology, and also will deliver distance education programs. In addition, UW-Stevens Point has contracted with a Madison marketing firm to help sharpen communication of the university's identity. The intent is that the business climate of the entire region will be improved by an enhanced image of the university as a center for higher learning.

In the northern region, the Planning Group met on February 21st to discuss next steps. There will be a follow-up meeting in April to produce a set of venture capital goals for the northern part of the state.

Statewide, Chancellor Reilly continued, UW-Extension will advocate for expansion of Small Business Development Center services targeted at high-tech businesses. This initiative would enhance the SBDC network by adding three regional technology business centers, an on-line entrepreneur institute, and additional technical support for the SBDCs. These resources will help expand new economy industries and create high paying jobs.

Also central to the new economy strategy is the need to support Wisconsin's staple industries. UW-Extension's Agriculture and Natural Resources Education faculty are working with farms and agri-businesses to address such topics as strategic planning, risk management, precision agriculture, robotic milking and biotechnology. Another initiative is to address labor supply and demand through customized surveys and research at the local level.

Finally, UW-Extension is planning to address energy issues by applying for grant funds to open an energy education unit that can help communities understand the dimensions of the energy problem and the range of options available to address them.

Chancellor David Markee, of UW-Platteville, indicated that the State Economic Summit is being followed in southwestern Wisconsin by a Regional Economic Day on April 19. This program, which is being planned by regional government officials, business and industry representatives, and university and technical college representatives, is intended to identify ways to promote economic development in the six-county region.

A second initiative is the university's partnership with the City of Platteville, the Platteville Economic Development Corporation and the local banking community in opening a new business incubator in Platteville.

A third initiative is the university's hiring of a person to work in the area of corporate relations and with the university foundation, as well as teach a course in entrepreneurship and assist with technology transfer from the campus to area businesses.

UW-Eau Claire Chancellor Donald Mash noted that the Chippewa Valley initiative is a regional effort, including the counties of Dunn, Chippewa and Eau Claire. It also is regional in the sense that higher education institutions in the area – UW-Eau Claire, UW-Stout, and the Chippewa Valley Technical College – have a strong partnership in providing leadership for this effort. With respect to brand image, as discussed at the Wisconsin Economic Summit, he noted that the Chippewa Valley has been known for several years as Wisconsin's Technology Valley. While the valley has just three percent of the state's population, the area has 17% of the state's high technology jobs.

Following the Summit, the Industrial Development Corporation put together a group to work on developing an area angel investor network, as well as an electronic angel investor venture capital data base. In another initiative, work is being accelerated to create a high technology incubator for the Chippewa Valley. There also are a number of efforts to deal with "brain drain" and "brain gain" matters. Throughout the region, colleges are sponsoring bus tours, internships and job fairs and other activities to bring to the attention of current students the employment opportunities that await them in the Chippewa Valley.

The Chancellor pointed out that the Chippewa Valley Initiative set forth in the UW's budget request would help to grow jobs in the area. It will enable UW-Eau Claire to expand existing strong programs in computer science, software engineering, and management information systems. UW-Stout will serve as a workforce development broker, enabling companies to get the right educational program among the three area institutions to have their needs met. For example, UW-Eau Claire recently partnered with Chippewa Valley Technical College to provide courses for a chip design program needed by an area business.

Listening sessions prior to the Summit identified the need for specialized engineering programs beyond those currently available in the Chippewa Valley. The UW System currently is doing a needs analysis to determine what kind of program would be most helpful to employers. The need then will be met in a cooperative, efficient regional manner. It is expected that employers will contribute their share to move engineering programming forward.

In conclusion, Chancellor Mash noted that the Economic Summit, the related budget initiatives and the UW Day activities all help to create an informed group of advocates around the state for the university/state partnership.

UW-Oshkosh Chancellor Richard Wells reported that the university hosted a successful campus forum on February 27th in which Faculty Senate leaders and student and staff governance leaders, along with administrators, discussed the regional and state Summit findings and recommendations. This effort was well-received and has been helpful in increasing buy-in and ideas about these matters from the university community.

The CEOs of two- and four-year higher educational institutions in Northeast Wisconsin held their first meeting on March 5th and planned another in May. It was agreed that they would focus on degree program articulation, including the technical colleges, the UW Colleges, UW-Oshkosh and UW-Green Bay. To promote service to older adults, the group has filed a grant application with the Fund for the Improvement of Post Secondary Education for \$1.5 million to support efforts to increase older adult access, retention, and graduation.

In addition, a forum on the Kettl Commission Report will be held at UW-Oshkosh and will feature as guests Representative Gregg Underheim, along with Professor Kettl. Promoting another initiative, Senator Carol Roessler hosted the first meeting of business, political and educational leaders to discuss the need for a Northeast Wisconsin Business Research park. Finally, the Northeast Wisconsin Regional Economic Planning staff will meet with the business co-chairs on March 16th to plan regional efforts for the summer and fall.

In sum, the Chancellor stated, Northeast Wisconsin business leaders are taking ownership of the region's new economy efforts, and the intention is to build upon this business leadership and promote further collaboration among business, educational, and political leaders from across the region. The university is attempting to model this type of effective collaboration within and among higher educational institutions and others in the PK—16 structure.

Chancellor John Miller, UW-Whitewater, provided local, regional, and international examples of initiatives with which the university is involved. At the local level, the university worked with business and government leaders to look for "instant victories" that would promote accelerated movement. Examples include: expanding the universities child care program to help serve people who work in the industrial park;

working on making more housing available in order to bring more workers into the area; and using well-known university programs, such as management computer systems, to develop more job partnerships through technology transfer.

With regard to regional initiatives, the Chancellor recalled that listening sessions before the Summit had identified the need for additional university services in the Janesville/Beloit area. The result was a degree completion program agreement among Blackhawk Technical College, UW-Rock County, and UW-Whitewater.

On an international level, UW-Whitewater's online MBA program has drawn the interest of a number of international corporations with employees in countries around the world.

In summary, the Chancellor observed that a very beneficial result of the listening sessions, the Economic Summit, and UW Day is that the new economy is no longer seen as just a university-driven issue. Communities and other organizations also are becoming involved.

Chancellor Nancy Zimpher, UW-Milwaukee, and Chancellor Jack Keating, UW-Parkside, joined the meeting by video from the Wisconsin Energy Corporation Building in Milwaukee from where a program on building an economic strategy for Southeastern Wisconsin was being launched. A co-sponsor of the event, James Sheehy, of the Metropolitan Milwaukee Association of Commerce, announced that there was a sell-out crowd of over 200 people representing seven counties and a number of constituencies – business, labor, non-profit organizations, education, and government. The focus will be on 14 goals, recruitment and marketing of the area, making ideas into jobs, and connecting commerce and education as part of the future.

Regent President Smith thanked the Chancellors and staff for the important work they are doing on these initiatives that are of critical importance to the university and to the state as a whole.

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Plan 2008

Regent President Smith noted that last fall Regents had raised questions about progress in achieving goals of Plan 2008. While the first formal report is not due until September of this year, he had asked for an interim report to respond to those questions. Noting that this early informal report indicates significant effort and progress has been made, Regent Smith outlined the Plan's goals and measures of progress toward each.

Goal 1: Increase the number of high school graduates of color who apply, are accepted and enroll in UW institutions.

- a. The ten-year goal was to increase participation in pre-college programs from 2,400 to 7,200. After the first two years of the Plan, that goal has been exceeded and participation is increased to 8,050. A recent survey of UW-Milwaukee pre-college participants shows that 92% of respondents have gone on to post-secondary education. Of these, 72% are attending a UW institution, 8% attend a WTCS institution, 3% attend a private institution in Wisconsin, 7% attend an institution out of state, and 5% attend a historically black college.
- b. If new freshmen of color continue to enroll at current rates, the diversity of the overall student body will grow substantially over the next few years. The number of applicants of color has increased by over 25%, admits of color have increased by over 20% and new freshmen of color have increased 20% since 1997. 92% of targeted race/ethnic group applicants and 94% of white student applicants are admitted to the UW System.
- c. New freshmen of color have increased from 1,311 to 1,570. The overall service rate for students of color has remained relatively unchanged at 22%, while the service rate for white students has increased from 32.4% to 33.1%. As indicated by the UW-Milwaukee study, the service rates for students of color who participated in pre-college programs is considerably higher, which indicates that service rates for students of color should increase even more in the coming years.

Goal 2: Encourage partnerships that build the educational pipeline by reaching parents and children at an earlier age. A total of at least 50 new partnerships have been formed between UW institutions and business and community-based organizations, and with public schools.

Goal 3: Close the gap in educational achievement by bringing retention and graduation rates for students of color in line with those of the student body as a whole. Degrees conferred to students of color increased 8.2% since 1996, from 1,676 to 1,813, while degrees earned by white students increased only 2% over that same period. Among students of color, bachelors degrees rose 16%, masters degrees rose 12%, and professional degrees rose 33%. Doctoral degrees declined, reflecting a national trend. The six-year graduation rates for white students is about 61%, while it is about 40% for students of color. This lower rate results in part from matters of campus climate and financial/economic matters that are subjects of campus and statewide initiatives under Plan 2008.

Goal 4: Increase the amount of financial aid available to needy students and reduce their reliance on loans. Among students of color, grants make up 43% to 62% of aid dollars.

Goal 5: Increase the number of faculty, academic staff, classified staff, and administrators of color so that they are represented in the UW system workforce in proportion to their current availability in relevant job pools. In addition, work to increase their future availability as potential employees. Staff of color comprise 9% of total staff. Total staff increased by 1,111 (5%) between 1997/98 and 2000/01, while staff of color increased by 363 (17%). As a percent of the total, faculty of color increased from 9.9% to

11.5% (622 to 718). Academic staff of color decreased slightly from 9.1% to 9% of total academic staff. Actual numbers increased from 909 to 1,020. Classified staff of color increased from 5.9% to 7.2% of total classified staff (559 to 715). The UW System Office of MultiCultural Affairs in partnership with the UW System Offices of General Counsel and Human Resources held a Faculty/Staff Recruitment/Retention Conference in January 2001 for chancellors, provosts, academic deans, affirmative action officers and M/D coordinators. The conference was sponsored by the UW Institute on Race and Ethnicity and by Ameritech.

Goal 6: Foster institutional environments and course development that enhance learning and respect for racial and ethnic diversity. All 15 UW institutions are presently addressing this goal. To improve classroom climate, institutions are developing academic curricula that educates all students to successfully live and work in a multi-cultural world. To create a campus climate that is supportive of all students, institutions have programs and activities that enhance cross-cultural understanding and communication.

Goal 7: Improve the accountability of the UW system and its institutions. Under Plan 2008, each institution is required to submit a biannual report to the UW System Office of Multicultural Affairs. Many UW institutions have created Plan 2008 oversight committees as well. Some campuses also require unit and department level accountability.

In conclusion, Regent President Smith observed that the interim report shows that Plan 2008 is spurring new and successful efforts to achieve diversity on UW campuses.

Regent Olivieri expressed concern about the gap between applicants of color who are admitted and those who enroll. He felt this matter should be addressed aggressively, not only in terms of money, but also in terms of perception and recruitment strategy. In terms of graduation rates, he indicated that it would be helpful to know what is done differently from two years ago as it relates to improving graduation rates. He suggested an audit report to examine the yield rate and graduation rate issues in terms of best practices.

Assistant Vice President Tess Arenas replied that practices are changing in accordance with Plan 2008. Detail on these matters will be provided in the September report.

Regent Krutsch inquired about whether there is a discrepancy for students of color in submitting applications in a timely way. She noted that a program called the Education Summit brings students into a university setting and helps them go through the application process.

Dr. Arenas added that such proactive initiatives are very helpful for students of color who may not be comfortable or familiar with higher education institutions. The Multicultural Information Center does workshops on preparing for the ACT as well as the

importance of applying early. In the first two years of Plan 2008, application rates have increased, and the expectation is that they will increase further.

Regent Olivieri asked if there are specific goals in terms of service rates for students of color, to which President Lyall replied that the goal is for the service rate to be the same as it is for white students.

Regent Benson commented that the partnership between the Department of Public Instruction and the UW System in providing pre-college scholarships is making a significant difference for students of color. He also felt initiatives in standards, testing and teacher education reform will have a positive impact. In addition, he observed that the PK-16 Council's focus on early childhood and the senior year in high school could result in initiatives that will also benefit students of color.

Expressing agreement, President Lyall indicated that one reason for the large increase in pre-college participants in the last two years has been the support of financial scholarships by the Department of Public Instruction.

Regent Benson expressed the hope that it would be possible to add teacher education initiatives to the list of UW priorities if the opportunity should arise. This would be beneficial in helping students of color to complete high school and be prepared for college.

Stating that he found the report encouraging, Regent Randall observed that a few of the institutions provide most of the positive numbers in terms of increased participation of students of color. He urged greater efforts in this regard across the UW System. He also thought it would be helpful to see numbers on participation of students of color in graduate degree programs, as this will help the UW "grow its own" faculty and staff.

Noting that UW-Oshkosh is one of the institutions that needs to make greater efforts, Chancellor Wells reported that the university has retained four recruiters/advisors/critics to provide advice on what about the university is welcoming and what needs improvement. The advisors also indicated that it is difficult to recommend institutions that do not have a critical mass of people of color and that the university needs to be honest about the fact that there is work to be done. Potential students should be told that the university wishes to recruit individual students who will help change the institution and that they will be involved in improving the climate, culture and community.

Adoption of the following resolution was moved by Regent Alexander and seconded by Regent Randall:

Resolution 8317: WHEREAS, the Board of Regents of the University of Wisconsin System recognizes the importance of a diverse environment on all University of Wisconsin campuses, and

WHEREAS, the campuses that comprise the University of Wisconsin System were born of land-grant and teacher colleges, and share a long and proud history of striving to provide greater access and opportunity to those citizens of Wisconsin who are educationally disadvantaged, and

WHEREAS, in the thirty years that have passed since the establishment of the University of Wisconsin system, the Board of Regents has, both collectively and through individual members, expressed a strong and consistent commitment to maintaining and strengthening diversity in the ranks of university students, faculty and staff, and

WHEREAS, a diverse student population on the campuses of the University of Wisconsin System promotes and enhances a beneficial educational experience for all students, and

WHEREAS, in the year 1998, with the goal of further demonstrating and realizing its commitment to increasing access, opportunity, and diversity, the Board of Regents approved and ordered the implementation of Plan 2008.

THEREFORE BE IT RESOLVED, that the Board of Regents of the University of Wisconsin system hereby renews its commitment to promoting diversity, opportunity, and access for all of its students, faculty and staff, and

BE IT FURTHER RESOLVED, that the Board of Regents of the University of Wisconsin system directs the President and each campus' Chancellor and staff to seek new and innovative measures that will bring said goals of the Board of Regents and of Plan 2008 to fruition.

In response to a question by Regent Gracz, Regent Alexander commented that when the Board adopts a multiple-year plan, it is important to follow its progress and

restate to the community and chancellors that this is something that the Board believes is important. Regent Brandes concurred with the need to reaffirm commitment to the plan.

Regent Barry commended UW-Whitewater for its very visible presence in the Milwaukee schools. He felt that partnership contributed greatly to the university's success in increasing enrollment of students of color. Further, UW-Whitewater and some other campuses are pro-actively addressing the serious issue of reading in the early grades and teacher training, as well as giving students a college experience when they are in high school. He emphasized the importance of reaching students at an early age and that universities, as well as K-12 schools, must change in order to make that happen.

Regent Brandes remarked that, in order to thrive, campuses must create a diverse student body with programs that attract and retain that diversity. She encouraged Regents and others to attend the UW System Multicultural Conference on April 27 and 28, at UW-Whitewater, to see the wealth of talent that there is among UW students of color and the richness that it adds to the university.

Regent Mohs commented that the remarks heard today were hopeful and show that real progress can be made in a short period of time. He commended Chancellor Wells for addressing basic needs, such as places where people of color will want to go to church, get their hair cut or buy cosmetics. He also commended mentoring and pre-college guidance to encourage students of color and prepare them for the university experience.

Regent Alexander noted that successful implementation of the plan depends on very motivated and inspiring people on the campuses. He felt that campuses that are doing well should be highlighted in the September report, and those not highlighted would know that they need to improve.

Put to the vote, Resolution 8317 was adopted unanimously.

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Freshman Admissions Policy

Regent President Smith indicated that he had been asked by several Regents for discussion on UW freshman admission policies, which include minority students as a category for non-traditional admission consideration. Noting that there had been considerable discussion about the policies in the media and elsewhere, he felt it was time to make a clear statement regarding those policies. This is a subject, he emphasized, about which principled people can disagree. Like many, he looked forward to the day when justice and equal opportunity are the norm and affirmative action is no longer needed. At this time, however, he believes affirmative action still to be necessary and

sees a compelling need for Plan 2008 and the Board's admission policies that promote equal opportunity.

Regent Smith moved adoption of the following resolution and the motion was seconded by Regent Alexander.

UW Admissions Policy

Resolution 8318: The Board of Regents reaffirms its commitment to the goals of achieving equality of opportunity and access to education as set forth in its Freshman Admission Policy (Regent Policy 72-11) and its Traditional and Nontraditional Freshman Admissions Policy (Regent Policy 87-8) and directs the UW System institutions to continue all possible efforts to achieve the goals of Plan 2008.

He referred to Regent Policy 87-8, which specifies that students who do not meet standard criteria but are members of specific groups – students with physical or learning disabilities, minority students, those with substandard income level, veterans, incarcerated persons, and foreign students – will be evaluated on criteria appropriate with their special circumstances if over age 20, or may be admitted as exceptions if under age 20.

Regent Mohs commented that the position of those who brought forward this motion must be insecure since it was done without notice. He was disappointed that he was not notified given his interest in the subject and that other Regents were not alerted that this important policy question was going to be discussed. This departure from normal procedure, he felt, demonstrates the difficulty that Americans have in thinking about race and the responsibility they feel for what has happened to people of African American heritage. He noted that he has read widely on this subject, spoken with many people who are affected and met with significant thinkers on both sides of the issue. He cited the view of author Shelby Steele that affirmative action in admissions is the “poster child” of efforts by white people to regain the moral high ground and cling to gestures like affirmative action that sacrifice the admissions of a few white students so that lesser qualified minority students can take their place. This is particularly wrong, he felt, because it causes injury to the very people it is intended to help.

Regent Mohs noted that President Lyall and Chancellor Wiley both had written that race is relevant in putting together a balanced entering class. Even though Plan 2008 does not include quotas, implementation of the plan requires setting goals for admission of people of color. Who sets these proportions, he asked, and how is that different from quotas, if used wrongly?

Remarking that his opposition to use of racial preferences in admissions has been construed by some as an overall attack on diversity, Regent Mohs emphasized his firm

support for Plan 2008 which contains a variety of approaches intended to increase the pool of qualified applicants and to retain students of color. It is consistent with that plan to encourage, mentor and support underrepresented students in their efforts to succeed. He did not believe, however, that choosing who will be admitted to the university on the basis of color or ancestry is within the purview of the plan. The effort should be to expand the pool of qualified applicants who will compete for admission without consideration of race.

As a matter of legality, he felt confident that the system now being used for admissions would not pass muster in federal court, although reasonable people could disagree with that position. What he felt could not be argued successfully is that the current admission procedure complies with the requirements of section 36.12 of the Wisconsin Statutes, which states that there shall be no discrimination on the basis of race at the University of Wisconsin. The whole point of affirmative action in admissions, he contended, is to discriminate. Although it would be argued that all admitted students are qualified and that it is impossible to rank order applicants, he pointed out, the statutory prohibition against discrimination on the basis of race is not qualified.

No one contends, Regent Mohs stated, that affirmative action in admissions was intended to be permanent and few would argue that it has produced all the benefits that were intended. Noting that affirmative action in admissions has been in effect for almost 35 years, he said the original proponents believed that it would take 20-25 years to bring minority academic performance to the point where affirmative action would no longer be needed. Now, 10-15 years beyond that point, he commented that the very length of the program has produced the perverse effect of reinforcing the proposition that underachievement by black students is to be expected. Paradoxically, he noted, every black student who achieves becomes part of a proof that black students do not need to be held to different standards, and increasing numbers of black individuals and writers are pleading to be released from the captivity of group identity. The abandonment of affirmative action would respond to that plea.

Referring to an article in *Time* magazine, Regent Mohs noted that the President of Howard University stated that he is not willing to jettison standardized testing because of his conviction that the only way to ensure retention of opportunities created by the civil rights movement is to meet the same standards as everyone else. What is required, he commented, is installing tougher classes in math, science and literature and making sure that students take them, producing better teachers, changing study habits, and above all, creating a new burst of self-confidence, so second class scholarship and low test scores will be made as intolerable as second class citizenship.

Regent Mohs noted that results of the poll he commissioned show that racial preference in admissions is a very unpopular concept in this state. To abandon affirmative action in admissions would make Wisconsin part of a national movement to set these programs aside, following California and Washington as leaders in confronting the failure of a well-intentioned policy. Given 85% opposition to racial preference in admissions by respondents to his poll, he was sure a referendum on this matter would pass overwhelmingly. However, he felt it more appropriate for the Board of Regents to

make the decision since setting admission standards is one of its most important responsibilities.

It is widely held, he said, that hallmarks of advancement in America are merit, a single standard of excellence, and individual, rather than group, rights. He views affirmative action in admissions as violating all three of those principles, in that it is grounded in advancement by racial privilege instead of merit; it is a racially based standard; and it questions the morality of an individual moving ahead while leaving the group behind. The majority of Americans, he felt, including many people of color, agree with these principles and understand that those who work the hardest become the most skilled. Regent Mohs felt the Board should say to Wisconsin citizens that there is one standard of excellence and the same standard will be applied to all students. The result, he felt, would be liberating. When the history of the era is written, he thought affirmative action in admissions would be a minor footnote as a well-intentioned program that failed to produce its promised results.

Regent Mohs said that he would welcome the opportunity to speak with students about this subject. He recognized the deep emotional commitment to affirmative action and noted that he had spoken recently with a high-achieving young woman of color who felt injured by his approach.

He asked if Regents had said and heard all they wanted on this subject, given that it had been brought up without notice at this meeting, or if they would like more time to understand more fully what the university actually does with regard to selecting students. He believed that the positive results in the interim report presented to the Board were created by the type of initiatives described in Plan 2008. On the other hand, he added, there is the independent variable of race-preference admissions, which are not well understood by the Board or the public. It is important, he noted, to know which policies are producing the best results so that scarce resources are spent as effectively as possible.

In conclusion, he asked if the Regents were comfortable that this is a fair and most useful way to bring this subject forward.

Thanking Regent Mohs for his comments, Regent President Smith indicated that numerous Regents with opposing views have asked for this discussion primarily because of issues brought forward earlier by Regent Mohs. It was Regent Smith's decision to frame that discussion around existing admissions policy.

Regent Gracz moved to table the motion in view of the sensitivity of the issue and the lack of notice that it was going to be brought forward. He did not believe that many Regents were prepared to discuss the issue at this meeting and expressed the hope that it could be returned to the Board after the scheduled report on Plan 2008 and after a full discussion of admissions policy.

Seconding the motion, Regent DeSimone noted his experience in working with minority students as a high school principal and his strong and continuing support of minority student scholarships. As the first in his family to have a college education, he believed in the principles of merit and hard work. Much of the funding and effort to help these students, he felt, should be placed in the early grades in order to teach children the

concept of merit early and to give them the start they need to succeed. On the basis of these views, he wanted further discussion of university policies.

With unanimous consent, Regent Brandes received permission to discuss the main motion. Noting that she had studied the subject extensively as it relates to diversity in the workplace as well as university admissions, she emphasized that she does not consider it an issue of race because it affects everyone, not only people of color. She urged that the Board not eliminate affirmative action in admissions because diversity in the student body is essential to offering the highest quality of education for all students.

She did not consider affirmative action in admissions as preferential treatment, but rather as leveling the playing field so that it is equal to all. As a matter of personal experience, she related that one of her children tests very well and will be able to go to school where she wants. The other does not test well, even though he is equally intelligent and will be able to contribute just as much to society. Without preferential admissions, however, he would not be able to study at a school like the UW, not for lack of intelligence but because his mental processing works in a different way due to spending the first years of his life in an orphanage. This experience had brought home to her the importance of having a level playing field where all students have the opportunity to succeed and of creating a diverse environment where all students can have a higher quality of education.

Indicating that he would not give consent for further discussion before voting on this motion, Regent Gracz remarked that the comments by Regent Brandes and Regent Mohs strengthened his position that the matter should be tabled until all Regents could prepare adequately and have an open and frank discussion on this sensitive subject.

The motion to table failed on a roll-call vote, with Regents Barry, DeSimone, Gottschalk, Gracz, Krutsch, and Mohs (6) voting for the motion, and Regents Alexander, Axtell, Benson, Boyle, Brandes, Marcovich, Olivieri, Randall, Schneiders, and Smith (10) voting against it.

Regent Barry moved that the matter be referred to the Education Committee, and the motion was seconded by Regent Gracz.

Speaking in support of his motion, Regent Barry commented that in his 11 years on the Board, he had never seen an issue of this substance and importance brought to the Board unannounced, based on a report received only the preceding day, and absent any information as to how the Board's current policy is working. The current policy, he pointed out, has been in existence since 1987 and does not need reaffirmation. Instead of voting on it at this time, he would prefer to have a full report on how Plan 2008 is working and full information about the use of preferences in admissions. The matter should be referred to the Education Committee, he maintained, so that it could receive the full measure of information and debate, including a public hearing to give all the many interested people in the community and state an opportunity to comment.

If the matter were voted on at this meeting, he indicated that he would move for reconsideration so that it would need to be voted on again the following month. While he

tended to support the current admissions policy, he did not support the process employed at this meeting.

Regent Alexander urged that, if parliamentary procedure is used to keep the matter from being decided at this meeting, it needs nevertheless to be decided soon and on a date certain in order to provide the public with a clear statement of the Board's position. He pointed out that discussion of the issue had been going on since December in the media, classrooms and elsewhere, creating uncertainty for students of color and the campus community as a whole. This is a situation, he said, that is not healthy for students, the university or the state.

Regent Marcovich commented that the issue was not unfamiliar and had been raised unannounced in several previous meetings by Regent Mohs. The resolution before the Board at this meeting was in response to those commentaries. Stating that he was prepared to vote on the matter at this meeting, Regent Marcovich said he needed no further study or preparation.

Regent Krutsch explained that she had voted to table the resolution because she did not consider it good board practice to discuss the issue unannounced and without sufficient background information. She had felt the same way, she added, when Regent Mohs raised the subject at previous meetings. Beyond that, Regent Krutsch observed that it is up to the Board to decide what issues to consider. While she understood Regent Mohs' strong feelings about this subject, she thought the matter should not be considered in the absence of a desire by a majority of the Board and its leadership to put the item on the agenda. It would not be good practice, she indicated, for the Board to take up a matter simply because individual members feel strongly about it.

Noting the sensitivity of the issue, she felt part of the problem has been that for many years administrators have made policy by their practices without real understanding by the general public or even by governing boards. Had there been more openness and attention to these matters along the way, she thought the issue might not have caused the backlash that has occurred. At this point, she felt that the issue might better be decided by elected officials and courts, rather than by governing boards.

Regent Gottschalk stated that he was opposed to and disappointed by the way in which this resolution came forward. He viewed it as a divergence from standard procedures that was unwarranted and unnecessary. While he agreed with Regent Marcovich that the issue should not be studied indefinitely, he felt the method used at this meeting was inappropriate. For that reason, he had voted to table the resolution.

Regent Schneiders commented that, while the issue was not unfamiliar, the motion to vote on it was unexpected. She supported Regent Barry's motion to refer the matter to the Education Committee, although she concurred that the matter needs to be settled soon to alleviate the uncertainty and concern that have been expressed.

Indicating that Board members need more information about current practice, Regent Schneiders referred to language of the Regent Policy providing that members of certain groups who do not meet criteria may be admitted but considered exceptions. Noting that the policy does not explain how they are to be considered, she thought obtaining more information and having a hearing is an appropriate function for the Education Committee. Noting that she had spoken with a state representative who had asked for, but not received, information on numbers of students, retention and graduation rates, she considered it the Board's duty to know the facts about those questions. Therefore, she thought the matter should be referred to the Education Committee for consideration in a timely fashion and that the Board should vote with full information after the Education Committee completed its work.

Regent Brandes commented that she considered this discussion good board practice in that it allowed members to make strong statements to the public on an important issue.

Voting for the resolution, she pointed out, causes the Board to do nothing new and allows the Board to make the statement that it supports the current policy. She had heard nothing at this point that would cause her to want to change that policy. Stating that procedural issues need not impede this vote, she urged the Board to reaffirm the policy that is in place in order to give citizens the security of knowing that the existing policy will continue unless and until information is received that would support a change.

Whether the Board acts at this meeting or at another time, Regent Alexander commented, it is important to convey to the public that there is some finality to the Board's action on this issue and that it will not be raised again the next month or in the near future.

Regent Benson saw no reason for delaying action. He was convinced of the value of the Board's admission policy and felt that by reaffirming it would do nothing but good. The Board should then insist, he said, that the policy be administered effectively by UW3 institutions and that the chancellors and staff do as much as they possibly can to address the issues of minority admissions and success on UW campuses.

Regent Schneiders said that she would vote to reaffirm the policy, although to do so would serve only public relations purposes since the policy would not change. She hoped, however, that the Education Committee would look further into information that had been requested by members of the Board and by legislators.

Regent Smith noted that the Board often reaffirms policies in order to clarify its position or to renew understanding of the Board's stance.

Regent Mohs stated his support for referring the matter to the Education Committee, so that the Regents, as well as families and students, can be thoroughly informed about how the policy works and the effects that it has. After that, the Board could vote with full understanding and he would be satisfied with the outcome. Given the difficulty in raising this issue, he appreciated the fact that the Regent President had brought it to the Board.

Regent Marcovich stated that the purpose of the resolution is to let the public know that the Board supports this policy unless and until it decides to change it. Stating his intention to vote in favor of the resolution, he added that, if the matter were then referred to the Education Committee to look into how the policy is working, he would caution against micro-managing the administration of Board policy.

Noting that he has been an advocate of open discussion by the Board, Regent President Smith stated that this resolution is before the Board because he wanted the issue on the table, and he wanted the Board to discuss it quickly and to provide leadership. The matter, he stated, should be dealt with by the Board and not dealt with in newspapers or in hallways, as has been the case for months. There has been a delicate situation with respect to the budget, he pointed out, adding that he only recently decided that this was the right time to raise the issue. He did not want the issue to interfere with consideration of the budget, which is of critical importance to the university.

A second reason for bringing the issue up at this time, Regent Smith continued, is that the chancellors are in the midst of the admissions process for the coming year and are trying to implement Plan 2008, while a debate goes on in the media that is critical to what they are trying to do. The Board, he stated, must be decisive and must act quickly. Noting that the issue is not new to anyone on the Board, he stated that the Regents must provide the leadership that it is their responsibility to provide.

Endorsing Regent President Smith's comments, Regent Axtell said that he was ready to vote in favor of reaffirming Policy 87-8 as it currently reads primarily because the Board had just voted to reaffirm Plan 2008, one of the most skillful plans in the country. This plan, he noted, is designed to do what the Regents want, which is to create a greater pool of qualified young people, and it does so without using quotas. While he respected Regent Mohs' position, he noted that the issue of affirmative action is inflammatory and that Plan 2008 is a skillful and creative way to deal with the root of the problem.

Regent Axtell thought the Board should make a decision at this meeting to endorse the current policy for the reasons stated by President Smith. While he respected Regent Barry's position, he did not intend to support his motion because of the intent to use parliamentary procedure to delay a vote.

Regent Boyle suggested that, in the spirit of compromise, the Board vote at this meeting to reaffirm the policy and also ask the Education Committee to take up the matter of admissions. He urged the Board to vote at this meeting because of his belief that what was established in Plan 2008 cannot be achieved without Board support of the policy. The Board cannot, he commented, ask the chancellors to create a diverse student body and then take away the tools they need to achieve that. Secondly, he thought that there would be benefit for the Board and the public to have additional information about the admissions process, with the focus on the broader perspective of how all students are admitted, rather than a narrow focus on race.

As Chair of the Education Committee, Regent Brandes pointed out that the Committee would not be able to take up the matter of admission for several months, given the other priority issues already on its agenda.

Regent Krutsch stated that she was persuaded by the comments of Regent President Smith and Regent Axtell. Therefore, she intended to vote at this meeting to reaffirm the policies. With respect to Regent Boyle's suggestion about further review of the admissions matter, she noted that it seemed clear that the majority of the Board supports the current policy. The remaining question, it seemed to her, is whether admission practices accord with Regent policy. In that case, she suggested that the audit function might be the best means of addressing these matters.

Regent Axtell felt that Regent Boyle had provided an excellent solution. It respected the position of the Regent President and the view of the Education Committee Chair. He urged the Board to vote against Regent Barry's motion.

The question was put on the motion to refer the matter to the Education Committee, and it failed on a voice vote.

Regent Barry stated that the tenor of the Board is clear and that he also was hearing from Regent colleagues a willingness to look further at how admission policies are functioning. Therefore, he stated that he would not delay action on a procedural basis.

Urging Regents to vote in favor of the resolution, Regent Axtell added that Regent Mohs had raised some issues that should be addressed – questions about who sets the proportions for preferential admissions and whether parents and students know these proportions. He suggested that those issues be referred to the Plan 2008 group for a report back to the Board in September.

The question was put on Resolution 8318, and it was adopted on a roll-call vote, with Regents Alexander, Axtell, Barry, Benson, Boyle, Brandes, DeSimone, Krutsch, Marcovich, Olivieri, Randall, Schneiders, and Smith (13) voting in favor of the resolution, and Regents Gottschalk, Gracz, and Mohs (3) voting in opposition.

UW Admissions Policy

Resolution 8318: That the Board of Regents reaffirms its commitment to the goals of achieving equality of opportunity and access to education as set forth in its Freshman Admission Policy (Regent Policy 72-11) and its Traditional and Nontraditional Freshman Admissions Policy (Regent Policy 87-8) and directs the UW System institutions to continue all possible efforts to achieve the goals of Plan 2008.

The meeting was recessed at 11:50 a.m. and reconvened at 12:05 p.m.

Regent Boyle suggested that the Education Committee be asked to review, analyze and study the Board's present admission policies in terms of their use by UW institutions and further, in that effort, opportunity be provided for all Regents to better understand what policies are being utilized and how they are being implemented.

Regent President Smith referred the matter to the Education Committee to study how existing admission policies are being implemented and to report to the Board along with the Plan 2008 report in September, or as soon thereafter as possible.

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REPORT OF THE PRESIDENT OF THE SYSTEM

UW Day

President Lyall stated how pleased she was by the success of the first UW Day. Seven hundred alumni and friends visited their legislators in the Capitol during the afternoon, and more than 2,000 people came to Monona Terrace for evening festivities which celebrated the UW System and demonstrated its value as an educational, economic, and cultural resource for the state. The exhibits were excellent, she said, as were the student musicians from 12 different campuses. Governor McCallum received a warm welcome and delivered some very encouraging news concerning the UW's capital budget request. She thanked the private contributors who supported this event: M&I Bank, J.P.Cullen and Sons, Firststar Bank, J.H. Findorff, Kikkoman Foods, and the Evjue Foundation, along with all who made this such a successful and memorable event.

Regent Mohs presented the following resolution and moved its adoption by the Board of Regents. The motion was seconded by Regent Randall and carried unanimously.

UW Day and Badger Action Network

Resolution 8319: Whereas, on March 7, 2001, the University of Wisconsin System held the first-ever UW Day at the Monona Terrace Community and Convention Center where more than 2000 people spent the evening visiting exhibits from each UW institution that showcased their outstanding work in education, research and outreach; and

Whereas, earlier that day, more than 600 people from throughout the state who support, and are affiliated with, the university spent the afternoon in the state capitol visiting with legislators; and

Whereas, the guests at the evening reception participated in dozens of exhibits from each of the UW

campuses and UW-Extension, and were entertained by nearly 400 students in 12 musical groups from throughout the UW System; and

Whereas Governor Scott McCallum addressed the crowd and reiterated his strong support for the university; and

Whereas, through the course of this day, legislators and the public gained a better understanding of, and appreciation for, the importance of the University of Wisconsin to the state's economic vitality and quality of life,

Now, Therefore Be It Resolved:

That the University of Wisconsin Board of Regents commends the many staff and volunteers that participated in making *UW Day: Building Wisconsin's Future* such a great success; and

That the University of Wisconsin Board of Regents thanks the sponsors of the event – M&I Bank, J. P. Cullen and Sons, Firststar Bank, J. H. Findorff and Son, The Kikkoman Foods Foundation, and The Evjue Foundation, the charitable arm of The Capital Times; and

That the University of Wisconsin Board of Regents recognizes and commends the Badger Action Network of the Wisconsin Alumni Association for its leadership in statewide legislative advocacy, and for providing the model for programs, such as UW Day, that contribute to educating and informing legislators and the public of the importance of the University of Wisconsin System.

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PK-16 Council

Reporting that the KP-16 Council is under way, President Lyall reported that she and Superintendent Benson, along with colleagues Ed Chin, of the Wisconsin Technical Colleges, and Rolf Wegenke, of the Association of Independent Colleges, convened the

first Council meeting last week. The Council brings representatives of all the major education entities in the state together on a voluntary basis to foster collaboration among the four sectors in order to make the state's educational opportunities more seamless.

At the first meeting, the Council focused on three areas where it felt useful recommendations could be identified: 1) early childhood education; 2) the senior year of high school; and 3) teacher training and development. Background papers were presented on issues in each of these areas, and the Council identified further research and information needed for the next meeting in June.

President Lyall indicated that she was very pleased with the collegial spirit around the table. She thought they would find that voluntary collaboration can solve problems that bureaucracies cannot. She thanked Superintendent Benson for his leadership in getting the Council started and moving in the right direction.

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UW Women in Science Program Receives Award

President Lyall commended the UW System Women in Science program, for receiving a Theodore Hesburgh Award for faculty development to enhance undergraduate teaching and learning – one of only four such awards given nationally. These awards, named for the former President of the University of Notre Dame, are nationally coveted recognitions of educational innovation and success.

The Women in Science Program was started in 1992 as an effort to attract more women and students of color to science, engineering and mathematics. The program, directed by Professor Heidi Fencel, of the UW-Oshkosh faculty, provides role models of professional women scientists, while increasing faculty expertise in teaching these subjects to women and students of color. It is known that many highly qualified undergraduate students tend to drop out of science and math programs after taking large introductory courses, and it is these courses that are specifically targeted in the program. The program sponsors a national Curriculum Reform Institute, a workshop for new faculty in the sciences and mathematics, a spring retreat, and also maintains a library of teaching materials and laboratory manuals that have proven especially successful for these students. Since its start, the program has fostered the development of 75 new or revised courses in math and the sciences and serves more than 250 different science educators across the UW System.

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Celtic Studies Center

It was reported by President Lyall that the Irish Ministry recently provided support to establish a Center for Celtic Studies at UW-Milwaukee. The Center will offer both UW-M students and the community access to instruction in Gaelic and the opportunity to

hear scholars from Ireland, as well as providing study-abroad options in Ireland, Scotland and Wales. The Center will open next fall.

Zimpher Award

Congratulating Chancellor Zimpher and her spouse, Ken Howey, President Lyall reported that the Holmes Partnership, an organization of university educators that addresses reform of teacher training, has announced creation of a Nancy Lusk Zimpher Award for Best Practice in Partnership and a Ken Howey Award for Contributions to Urban Teacher Education. These will be national awards, recognizing their leadership in the Holmes Group, which has started 75 school and university partnerships across the country. Chancellor Zimpher is completing her tenure as President of the Holmes Group.

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Award to Assistant Vice President Tess Arenas

President Lyall congratulated Assistant President Tess Arenas who received the Dane County YWCA's Women of the Year Award for her efforts to advance multicultural opportunities in higher education.

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REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE

The Committee's report was presented by Regent Gracz, Vice Chair. Resolutions 8320 – 8323 were unanimously approved by the Committee. Regent Gracz moved their adoption as consent agenda items by the Board of Regents. Regent Schneiders seconded the motion and it carried unanimously.

UW-Madison: Authority to Increase Scope and Budget of Biochemistry Building-1985 Wing Renovations for X-Ray Crystallography Project

Resolution 8320: That, upon the recommendation of the of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the project scope and budget by \$120,000 of Gift/Grant Funds for the Biochemistry Building-1985 Wing Renovation for X-Ray Crystallography project, for a revised total project cost of \$2,520,000 (\$2,000,000

Gift Funds and \$520,000 Gift/Grant funds from previously approved Biochemistry/NMR Addition project).

UW-Madison: Authority to Increase Scope and Budget of Robert and Irwin Goodman Softball Complex Project

Resolution 8321: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to expand the project scope and increase the budget for the Robert and Irwin Goodman Softball Complex project by \$200,000 of Gift funds, for a total revised budget of \$1,993,500 (\$1,293,500 Gift funds and \$700,000 Residual Program Revenue Borrowing).

UW-Madison: Authority to Construct a Campus Two-Way Communication System Replacement Project

Resolution 8322: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to install a Campus Two-Way Communication System Replacement project, at an estimated total project cost of \$300,000, using Institutional Funds (non-GPR).

UW-Milwaukee: Authority to Construct a Student Union Fire Alarm System Replacement Project

Resolution 8323: That, upon the recommendation of the UW-Milwaukee Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Student Union Fire Alarm System Replacement project at an estimated cost of \$410,000 Program Revenue Supported Borrowing.

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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 \$1.4 million were approved by the February Building Commission meeting.

Governor McCallum's Announcement

Governor McCallum's announced at UW Day that he supports an investment of over \$250 million in state funds to improve our facilities. This will go a long way towards funding our highest priorities. The Building Commission hearings on the Capital Budget are scheduled for March 19 and 21. A full report will be presented at the April meeting

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

Regent Marcovich, Chair, presented the Committee's report. Resolutions 8324-8326 were unanimously approved by the Committee. Regent Marcovich moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Olivieri and carried unanimously.

University of Wisconsin System Trust Funds Revision of Small Fraction Spending Plan

Resolution 8324: That, upon the recommendation of the Regent Business and Finance Committee, the following revision of the Small Fraction Spending Plan be approved.

"...The fraction will be applied to a three year moving average of endowment valuations (~~36-monthly valuations~~ 12 quarterly valuations)."

"...The formula for determining the ~~annual~~ quarterly amount for the Stabilization Reserve is: . . ."

University of Wisconsin System Trust Funds Revision of Statement of investment Objectives & Guidelines

Resolution 8325: That, upon the recommendation of the Regent Business and Finance Committee, the following revision of the Statement of Investment Objectives & Guidelines be approved.

Investment Objectives and Guidelines
Statement of Purpose & Responsibility

Principal-Long Term Fund

This fund represents the "endowment" portion of the University of Wisconsin System Trust Funds. The accounts invested in this fund include all true endowments, quasi-endowments and designated endowments. The asset allocation for this fund includes significant commitments to equity securities to enhance return and protect purchasing power. ~~An annual~~ **quarterly** distribution is executed based on the small fraction spending plan adopted by the Board of Regents in 1990. ~~Each year~~ **Participant** accounts receive a distribution equal to five percent (5%) of the average market value of the prior three-year period.

Principal-Intermediate Term Fund

This fund is used to invest unspent income from previous years' distributions. It is also used for funds that will be withdrawn for spending within one to three years. The asset allocation for this fund is 100% fixed income securities. All income **is distributed to participants quarterly and capital gains are reinvested in the fund.** ~~and investment gains/losses are distributed to participants annually.~~

Income Fund

This fund is used to invest the cash balances available for spending. The State Investment Fund (managed by the State of Wisconsin Investment Board) ~~and the Common Trust—Cash Investment Fund (managed by Mellon Trust Company)~~ **are is** utilized. All income is distributed to participants **monthly** ~~annually~~.

Contractual Agreement with Pharmacia & Upjohn AB Company

Resolution 8326: 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 Pharmacia & Upjohn AB to be the coordinating and pathology center for the Latanoprost Ocular Pathology Study.

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Support for Federal Funding for Stem Cell Research

Professor James Thomson, Assistant Professor of the Primate Research Lab and Assistant Professor of Anatomy, Medical School, provided the Committee with a background on stem cell research. Professor Thomson explained that, in adults, stem cells exist for some tissues such as skin and that they permit the growth of new tissue. However, these adults stem cells are differentiated, that is, they can only regenerate tissue of the same type. In embryos less than one week of age, stem cells are undifferentiated, and can grow into any type of cell. The stem cells used in research at the UW-Madison are obtained from embryos created by in vitro fertilization for couples experiencing difficulties with conceiving. Embryos that are not transplanted may, with the permission of the couple, be used for research. No embryos are created for purposes of research, and all the embryos that are unused would otherwise be destroyed. Dr. Thomson explained the potential for using stem cells in the treatments of heart disease, juvenile diabetes and Parkinson's disease among many other health issues. However, he cautioned that more research is needed and that effective clinical treatments are probably at least ten years away.

Alta Charo, Professor of Law and Medical Ethics, described how UW-Madison's Bioethics Advisory Committee works and explained that some persons with pro-life views oppose stem cell research even though stem cells come from embryos that will not be transplanted for future growth. She emphasized that the UW only allows the use of stem cells for research if the question to destroy the embryos has already been asked.

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

Support for Federal Funding for Stem Cell Research

Resolution 8327: Research on human embryonic stem cells has enormous potential to improve human health and is critical to finding treatments and cures for diseases such as Parkinsons, Juvenile Diabetes and Alzheimers. Researchers associated with the University of Wisconsin-Madison and supported by the Wisconsin Alumni Research Foundation are on the cutting edge of

developing this research and are leaders in the nation in advancing the promise held by these cells.

Therefore, the Board of Regents of the University of Wisconsin System strongly supports the continuation of human embryonic stem cell research that is conducted according to the highest ethical standards. The Board further supports continued federal funding that will enable research on human embryonic stem cells to move forward rapidly and, at the same time, ensure public access to such advances. Further, the Board strongly opposes state or federal legislation or administrative action that would have the effect of slowing or banning research in this area.

Regent Marcovich requested that a copy of this resolution be forwarded to the Secretary of Health and Human Services and also to all other research universities in this country with the recommendation that they follow suit and adopt this resolution.

Regent Gottschalk requested that this resolution be made an early and important part of our UW's Federal Relations Program, and that it be forwarded to Secretary Thompson and our representatives in Washington. He suggested that they should be provided with a contact person at the UW Bio Ethics Advisory Committee to assist them with this sensitive issue.

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Discussion on Private Capital Investing

Thomas Reinders, Investment Analyst, discussed private capital, which is part of the "alternative" asset class, and includes venture capital investments and private equity investments.

Private Capital advantages include potential for higher returns, increased portfolio diversification, participation in new technologies, and favorable long-term horizon for endowments. Disadvantages include direct investment constraints, market saturation, higher costs, risk of loss, longer realization of returns, large discrepancy between top and bottom managers, and long-term commitment.

UW System Trust Funds implementation issues include:

- Monetary commitment drawn out over time
- Asset allocation; and

- Timing concerns.

The Committee discussed the merits of the fund-to-fund approach to investing in private capital vs. the option of investing in conjunction with the established private capital investing of either WARF or UW Foundation.

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Audit Subcommittee

Ron Yates, Director, provided an overview of the major projects the Office of Internal Audit is conducting. Two projects have recently begun: Protection of Valuable UW Collections, and Outsourcing.

The Legislative Audit Bureau will complete work on the annual A-133 financial compliance audit by April 30, 2001. They recently issued a management letter on UW-Madison's Division of Information Technology and issued a letter report on the UW-Madison Tobacco Research and Intervention Center.

The Student Health and Safety in UW International Education Programs report was presented by Director Yates. Recommendations include:

- Developing protection strategies for students while they are studying abroad;
- Defining responsibility for managing emergencies and addressing problems; and
- Improving the overall program administration.

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

Program Review on Student Health and Safety in UW International Education Programs

Resolution 8328: The Board of Regents of the University of Wisconsin System strongly supports measures that protect the health and safety of all University of Wisconsin students in international education programs. The Board adopts the recommendations in the Office of Internal Audit's *Program Review on Student Health and Safety in UW International Education Programs*, including the development of standard guidelines for assessing program sites and the availability of a

systemwide insurance policy to provide accident, health, medical-evacuation and repatriation coverage for all international education students.

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REPORT OF THE EDUCATION COMMITTEE

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

The committee unanimously approved Resolutions 8329-8330. 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-Madison: Authorization to Recruit: Coach, Men's Basketball

Resolution 8329: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Chancellor be authorized to recruit for a Coach, Men's Basketball, within a salary range that exceeds 75 percent of the President's current salary.

UW-Madison: Appointment of Named Professors

Resolution 8330: 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, effective July 1, 2001:

David Bordwell
Dept. of Communication Arts

Hilldale Professor;

Richard R. Burgess
Dept. of Oncology
McArdle Lab for Cancer Research

James D. Watson
Professor of Oncology

William W. Busse
Dept. of Medicine

Charles E. Reed Professor of Medicine;

Claudia Card

Emma Goldman

Dept. of Philosophy

Professor of Philosophy

Christopher L. Coe
Dept. of Psychology

W.B. Cannon
Professor of BioPsychology

F. Fleming Crim
Dept. of Chemistry

Hilldale Professor;

Judith Kimble
Depts. of Biochemistry and
Medical Genetics
Molecular Biology Lab

Vilas Professor;

Stephen E. Lucas
Dept. of Communication Arts

Evjue-Bascom
Professor in the Humanities;

Alexander Nagel
Dept. of Mathematics

Lipman Bers
Professor of Mathematics;

Bassam Z. Shakhshiri
for
Dept. of Chemistry

William T. Evjue Distinguished Chair
the Wisconsin Idea;

John D. Wright
Dept. of Chemistry

Andreas Christopher Albrecht
Professor of Chemistry.

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Report of the Interim Senior Vice President for Academic Affairs

PK-16 Alignment Standards were discussed by a panel consisting of Fran Gard, Senior Academic Planner, UW System Administration, Mary Schuh, Professor of Mathematics, UW Manitowoc, Professor Fe Evangelista, UW-Whitewater, Rod Montanye, Mathematics teacher at Janesville Craig High School, and George Alexander, Professor of Mathematics at UW-Rock County. Discussion focused on the importance of UW System Teacher Education programs, especially on the alignment standards in their curricula and the steps to facilitate alignment of high school and university mathematics curricula.

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Presentation on Academic Program Review and Development

Interim Senior Vice President Al Beaver along with panelists Dorothy Zeisler-Vralsted, Assistant to the Provost, UW-La Crosse, and Gary Alexander, Senior Academic Planner, Office of Academic Affairs reviewed the process by which campuses and the Office of Academic Affairs prepare new programs for presentation to the Board of Regents.

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Report of the Personnel Matters Review Committee

Presenting the Committee's report on the UW-Superior recommendation for dismissal of Professor John Marder, Regent Barry, chair, noted that the Committee chose a course of action that does not require confirmation by the full Board of Regents. The report read as follows:

Whereas, the Board of Regents of the University of Wisconsin System received a recommendation that John Marder, a tenured Associate Professor in the UW-Superior Department of Communicating Arts, be dismissed for cause; and

Whereas, the Personnel Matters Review Committee pursuant to the Bylaws of the Board has examined the record of the matter created at the institutional level, obtained detailed statements of position from legal counsels for John Marder and the UW-Superior chancellor respectively; and

Whereas, the Personnel Matters Review Committee has examined the Report, Findings and Recommendations of the UW-Superior committee on Faculty Terminations ("CFT") and the various responses submitted to it following its issuance of a Record Supplementation Remand as well as a Motion to compel the submission of proposed findings of fact and conclusions of law based on the record, the reply thereto; and

Whereas, the Personnel Matters Review Committee has concluded that the record made before the UW-Superior Committee on Faculty Terminations is insufficient to support a dismissal for cause of John Marder;

NOW THEREFORE, it is hereby recommended that the Board of Regents take the following action:

1. Direct that the proceeding pending before it for the dismissal of John Marder for cause be discontinued without prejudice with the specific finding that while the charges were advanced with probable cause, the record made before the CFT does not support a dismissal for cause.
2. Inform John Marder that such discontinuation does not preclude the future utilization of his past behaviors which were variously described by the UW-Superior committee on Faculty Terminations as "improper conduct", "unprofessional behavior," "poor judgment and inappropriate conduct by

Professor Marder” in any new disciplinary proceeding which may be precipitated by future wrongful conduct by him warranting such action.

After reading the above report, Regent Barry commented that Chancellor Erlenbach acted in good faith and appropriately, given the facts at his disposal and the management challenge facing him. Much of what occurred had taken place before his administration and left him with a difficult case. While the Personnel Matters Review Committee could not find just cause for dismissal, the members also felt that discontinuation keeps the issue open, so that the matter may be reopened by any wrongful conduct in the future.

Regent Gracz asked if the Board of System had failed the Chancellor by not giving him proper legal advice or support.

Regent Barry replied that, within academia, administrative performance is expected of persons at the departmental level who do not necessarily have the requisite skills and training. In this case, the Faculty Termination Committee did not take a strong stance – an action dating back to the decision of a previous chancellor who chose a discipline short of dismissal. He thought more effort should be put into developing management skills of departmental personnel and that faculty committees involved in governance need to share responsibility as well.

Stating that he was disturbed by something that had occurred since the Committee's action the preceding day, Regent Marcovich read from an article in that morning's *Milwaukee Journal Sentinel*, in which Dr. Marder was quoted as saying the Chancellor was “negligent in his actions”. Noting that this is a serious allegation, he asked that the matter be referred to legal counsel to determine the accuracy of the quotation and whether this is actionable conduct on the part of Dr. Marder. A report should be made to the Personnel Matters Review Committee.

Regent Alexander commented that the outcome is disappointing for the students at UW-Superior where Dr. Marder is not well-respected. He concurred with the need to do whatever is possible to better equip chancellors for situations like this.

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EXECUTIVE SESSION

The meeting was recessed at 12:30 p.m. and reconvened at 12:50 p.m., at which time the following resolution, moved by Regent Randall, was adopted on a unanimous roll-call vote, with Regents Alexander, Axtell, Barry, Boyle, Brandes, Gottschalk, Gracz, Krutsch, Mohs, Olivieri, Randall, Schneiders, and Smith (13) voting for the resolution. There were no dissenting votes and no abstentions.

Resolution 8331: That, the Board of Regents recess into Executive Session, to consider Honorary Degree Nominations at UW-Oshkosh and UW-Parkside, and to consider personal histories related to naming facilities at UW-Whitewater and UW-Green Bay as permitted by S.19.85(1)(f) *Wis. Stats.*, and to consider a compensation adjustment at UW-Madison as permitted by S.19.85(1)(c), to confer with Legal Counsel, as permitted by S.19.85(1)(g), *Wis. Stats.*, and to consider appointment of Chancellor, UW-La Crosse, as permitted by S.19.85(1)(c), *Wis. Stats.*

The Board arose from Executive Session at 1:15 p.m., having adopted the following resolutions:

Resolution 8332: That, upon the recommendation of the Chancellor of the University of Wisconsin-Oshkosh and the President of the University of Wisconsin System, the Board of Regents approves awarding of the following honorary degree by UW-Oshkosh, subject to acceptance by the nominee:

Lorraine Sams, Doctor of Humane Letters

Resolution 8333: That, upon the recommendation of the Chancellor of the University of Wisconsin-Parkside and the President of the University of Wisconsin System, the Board of Regents approves awarding of the following honorary degree by UW-Parkside, subject to acceptance by the nominee:

James A. Banks, Doctor of Humane Letters

Resolution 8334: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the salary for Barry Alvarez as Head Football Coach, be set at an annual salary of \$500,000, effective March 1, 2001.

Resolution 8335: That, upon recommendation of the Special Regent Committee and the President of the University of Wisconsin System, Douglas N. Hastad be appointed

Chancellor of the Univeristy of Wisconsin- La Crosse,
effective March 9, 2001, at an annual salary of
\$145,000.

The meeting was adjourned at 1:15 p.m.

Judith A. Temby, Secretary