

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

Held 1820 Van Hise Hall
Thursday, November 8, 2001
10:30 a.m.

- President Smith presiding -

PRESENT: Regents Axtell, Barry, Boyle, Burmaster, DeSimone, Gottschalk, Jones, Klauser, Krutsch, Marcovich, Mohs, Olivieri, Randall, Schneiders and Smith

ABSENT: Regent Brandes and Gracz

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RESOURCES: FEDERAL FUNDING STRATEGY

In opening remarks, Regent President Smith recalled that, at last year's Economic Summit, one of the commitments made by the UW was to strengthen its federal relations program, with the goal of bringing more federal dollars to Wisconsin. He introduced Vice President Linda Weimer for a report on progress to date.

Vice President Weimer reported that, as a first step toward a strengthened program, the UW had engaged former Congressman Steve Gunderson to do a study and help plan a coordinated program. His findings had been presented to the Board in February.

The goals and objectives of the program are: 1) Bring more federal dollars to Wisconsin; 2) Build relations with the federal delegation; 3) Coordinate UW System efforts; 4) Identify federal funding priorities; 5) Build UW System visibility in Washington D.C., and 7) Assist campuses.

Vice President Weimer identified principles underlying those goals: First, to do no harm to existing efforts, particularly to UW-Madison's highly successful program, and good relationships between chancellors and their local congressional representatives; second, to be cautious with respect to earmarking; third, to have a significant information flow and clear communication; fourth, to insure a strong ethical foundation; fifth, to adhere to principles of cooperation and collaboration; and sixth, to exercise patience and forbearance in development of the program.

With regard to measuring success, the following outcomes had been identified: 1) The level of federal support for UW universities; 2) Relationships and cooperation with Congress; 3) Services provided to the delegation; 4) Perception of benefit by the campuses; and 5) New and/or enhanced sources of federal dollars.

Mr. Gunderson had set forth the following steps to success: Plan, prepare and procure. Dr. Weimer noted that most of the efforts this year are in the areas of planning and preparation, although there was success in procurement with respect to the ADL Co-Lab. In terms of planning, a Federal Relations Council had been established for the System, with its principal work being development of a set of priorities for the federal relations program.

In terms of preparation, a position in University Relations has been reallocated for a new federal relations coordinator, and it was anticipated that this position would be filled by January. Until then, Associate Vice President Margaret Lewis is overseeing the federal relations program. Partners who have been engaged include: Steve Gunderson and the Greystone Group; Terry Hartl, Vice President of the American Council on Education, Former Governor Anthony Earl, and Brian Schimming, who heads the state's federal lobbying efforts, among others.

Referring to a recently released economic index, Ms. Weimer noted that Wisconsin remains 50th in the total federal dollars per capita that it receives. On the academic side, however, the news is much better. Wisconsin ranks 19th nationally in academic research and development receipts, 27th in industry research and development and 42nd in total research and development. It is possible, she remarked, to envision collaborations with industry, the state, or private universities to raise further the state's share of federal research and development funding.

Federal funding for the UW System as a whole increased to almost \$630 million in 2000-01, up from \$569 million in 1999-00. While overall funding grew about 10%, funding for grants and contracts grew about 14%. UW-Madison continued its outstanding record in obtaining federal grants and contracts, and there also is considerable growth at other institutions, including UW-Milwaukee, which more than doubled its federal grants and contracts from one year to the next.

With regard to earmarking funds, Dr. Weimer noted that the research university community feels strongly that federal dollars should be won on a competitive basis. She added that federal earmarks totaled \$1.67 billion for the past fiscal year, representing about 1,200 earmarks. Wisconsin ranked 45th in receipt of earmarked funds, with the UW System receiving \$8.1 million.

Vice President Weimer called on UW-Parkside Chancellor Jack Keating, a member of the Federal Relations Council, for remarks on the federal outlook. The Chancellor noted that he had considerable experience in federal relations in his previous positions as Provost of the University of Alaska-Fairbanks and as a researcher at the University of Washington.

Chancellor Keating pointed out the state's congressional delegation needs to be alerted to the UW's interests. Noting that UW-Madison has a book of priorities that is shared with members of Congress, he suggested that the same thing needs to be developed for other UW institutions. He recommended talking with Congressional staff persons, as well as with Congressmen, so that staff experts can watch bills and match them with university expertise and priorities. The major thrust of this effort should be to make all UW institutions strong players in the competition for federal dollars without doing anything to harm UW-Madison's successful efforts.

Associate Vice President Margaret Lewis outlined progress that has been made toward the goals that were set forth, discussing first the goal of coordinating UW System efforts and identifying funding priorities. Indicating that campuses have been submitting funding requests directly to Congressional offices, she noted that there is a need to better coordinate these requests and set funding priorities. There also is a need to coordinate responses to the many requests campuses receive for positions on all kinds of bills, and the Federal Relations Council discussed this matter at a retreat planning session. In addition, there is a need to collaborate with other state agencies and Wisconsin's Washington D.C. office.

With regard to priority identification, the following criteria were identified: 1) Alignment with the mission of the UW System; 2) Protect and build on strengths; 3) Capacity to execute; 4) Relate to national priorities; 5) Ability to make a difference; 6) Unique niche for Wisconsin/competitive edge; 6) Keep what the UW has and add value.

As to the goal of building relations with the federal delegation, Ms. Lewis reported that there have been visits to all of the Washington delegation staffs, individual briefings for members of Congress with President Lyall; and, the Congressional delegation has been invited to participate in a panel at the Economic Summit. In addition, Wisconsin Idea Forums are being launched. These will be a series of one-day public meetings hosted by the UW and rotating among different members of the Congressional delegation, working with each member to identify topics of their choice. Federal agency representatives and university experts would hold a forum on the topic that has been chosen. This would give the federal representatives the opportunity to see what strengths the UW has and would give the UW the opportunity to identify agency priorities. Finally, UW experts are being identified to assist the Congressional delegation members with issues in which they are interested.

With respect to the goal of assisting campuses, effort is being devoted to improving communications. Institutions have been surveyed to identify their strengths, and a newsletter called *Wisconsin Washington Wire* is being created for distribution to everyone involved. In addition the federal relations program is working with the

campuses on the effort to obtain more TRIO funding, and is optimistic about potential grants from the Department of Defense to assist the Academic Co-Lab. Work is being done with campuses on other grant requests and on identifying experts.

With regard to the goal of building visibility in Washington, D.C., Ms. Lewis noted that former UW-Madison Chancellor David Ward's position as President of the American Council on Education provides some opportunity, as do the work of chancellors in Washington and the service of Senior Vice President Marrett and General Counsel Rindskopf Parker on national councils. In addition, UW has the advantage of Professor James Thomson's prominence in stem cell research and Secretary Tommy Thompson's leadership on that issue.

Wisconsin Idea Forums also will increase visibility, as will a planned UW Day in D.C., which will bring together alumni and people working in federal agencies for a reception next spring.

Ms. Lewis indicated that there would likely be a 13% budget increase for the National Institutes of Health; a 5-9% increase for the National Science Foundation; a 19% increase for international studies programs; and a 9.5% increase for the TRIO program. There could be a \$2.5 million grant for the Academic Co-Lab, and there are opportunities for financial aid increases. In addition, the President's Economic Stimulus Package could contain \$2 billion for university research.

Concluding the presentation, Vice President Weimer indicated that the UW will put together priorities, write case statements and work more vigorously with the institutions. Noting that there will be a lot of federal money available, she emphasized that the goal is for Wisconsin to succeed in getting more than its fair share of those funds.

In response to a question by Regent President Smith, Vice President Weimer explained that Wisconsin's ranking of 50th in terms of federal funding is a compilation of all funds, including those for business, government, education, and entitlement programs, including Medicare. Chancellor Keating added that Wisconsin ranks 19th in obtaining higher education research funds.

Regent Marcovich asked if there is an effort to get the state's Congressional delegation together as an informal advocacy group for the UW. If that were possible, he observed, it would save time in terms of contacting individual Congressional representatives and would be more effective in obtaining favorable action.

Vice President Weimer expressed agreement with that idea.

Regent Mohs commented that the culture of the state has not encouraged aggressive pursuit of federal monies.

Chancellor Keating suggested a meeting of the delegation's key staff people who are in a position to follow legislation closely and advise the delegation on matters of interest to the UW.

Regent Olivieri commended UW-Milwaukee for the substantial increase in federal funding that had been obtained. Noting that UW-Milwaukee has a strategy with specific targets in this area, he encouraged development of targets for the overall UW System as well. He also commented that it is important to have a pragmatic strategy with regard to earmarking, noting that the amount of funding distributed in this matter has been increasing.

Referring to the priority on rural economic development, Regent Olivieri inquired about whether there is a strategy for urban economic development as well.

Vice President Weimer replied that rural economic development had been highlighted because of specific proposals that are moving forward in Washington. However, the general area of economic development will be a focus, given the Board's strong interest in these efforts.

Regent Barry observed that the UW could help in the effort to obtain increased funding by becoming a strong resource to the Congressional delegation and encouraging them and their staffs to turn to the UW for assistance.

With regard to the state's low ranking in receipt of federal funds, Regent Schneiders pointed out that Wisconsin does not have military bases that bring large infusions of funding to other states and that Medicare receipts in Wisconsin are below those of some other states. She felt that the Board should build on its strong position in educational funding.

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QUALITY: UW SYSTEMWIDE INFORMATION TECHNOLOGY PLAN

In introductory remarks, Regent President Smith noted that one of the Board's overall themes for the year is a focus on the quality of educational efforts and that instructional technology is an important element of that quality. As to recent accomplishments, he mentioned the student portal created by UW-Madison to provide an individualized view of campus information in a user-friendly, secure web-based format. Another accomplishment was receipt by UW-Milwaukee of an Educause award for its Students Technology Service program, which uses student employees to support campus technology needs and to prepare students for success in the workplace.

Regent Boyle, Chair of the Education Committee, added that a majority of the funding for technology advancements over the past several years has come from reallocation or from gifts and grants. He recognized President Lyall's leadership and the commitment of the UW institutions for the tough decisions that have been made in that regard.

Noting that the Instructional Technology Plan focuses on IT quality as party of the total student learning experience, he noted that a high quality learning experience has a positive impact on retention and graduation rates.

Presenting the fourth system-wide IT plan, Associate Vice President Ed Meachen noted a consistency of vision and accomplishment over the years. Each plan has focused on building a system-wide technology infrastructure that includes a robust network of administrative and academic applications common to most UW institutions, and technology policy derived from working together in close collaboration. Building on this vision, he said, the UW System has developed valuable assets that make this plan possible.

- 1) An infrastructure that enables students, faculty and staff at every institution to participate in a high-quality, technology-rich learning and research environment.
- 2) A world-class knowledge base created by UW staff working collaboratively across institutions. This base enables institutions to avoid costly mistakes in implementing IT systems and substantially reduces time of implementation.
- 3) A set of shared IT utilities that save staff resources, reduce licensing costs, and reduce hardware costs, while providing higher quality service than could be offered by any single campus working independently.

The vision for the 2001-03 plan, Dr. Meachen explained, is to continue to develop the system-wide infrastructure in support of the academic mission. By providing a common level of technology and services across UW institutions, the System will be better positioned to address academic objectives.

One such objective is reflected in "The University of Wisconsin Online" policy passed by the Board in July. This policy stresses the need for a collaborative approach to online learning to reach new audiences and enhance educational quality, along with the need to prepare all students for learning in the future.

The 2001-03 IT Plan is composed of three parts: 1) Teaching and learning applications; 2) the technology infrastructure necessary to support "UW Online", and 3) enabling policies and programs. Each of these parts is divided into specific goals.

The presentation of the plan was divided into three parts: 1) How web-based learning is transforming teaching and learning, both for on-campus instruction and distance learning; 2) advances in the use of technology in teacher education; and 3) how UW institutions are efficiently working together to implement web-based administrative systems that provide information to students, faculty and staff, available any time and anywhere.

With regard to transformation of teaching and learning, Dr. Meachen explained that two of the principle requirements of the University of Wisconsin Online are: 1) Creation of three collaborative online degree or certificate programs offered by two or more institutions; and 2) ensuring that all students of UW institutions understand and use the tools of online learning. He presented a video showing examples of how faculty use online learning to reach place-bound students and how online learning enables students to

form a community of learners. It included a student comment that online interaction can be better than in-person classroom discussion because time is available to formulate thoughtful questions and comments. A faculty member noted that an on-line community can include students from across the United States and from other nations, and a place-bound student with a family expressed appreciation for the ability to learn online whenever her schedule allowed.

Dr. Meachen noted that, while online learning provides access to students anytime and anywhere, most instruction continues to be on campus. There, online learning provides exciting new tools to enhance the traditional classroom, and the UW Online policy directs that all students understand and use online learning tools. One area of particular pride is the collaboration between UW institutions to support faculty and staff in using web-based learning tools. Thanks to the work of web-hosting utilities at UW-Madison and UW-Milwaukee, the number of courses using web-based learning tools has grown dramatically over the past few years. There are now over 7,700 courses using web-based learning tools and over 120,000 student users of these tools.

The UW System, he pointed out, is a national leader both in the number of courses using web-based tools and in the collaborative modes to support instructors on all campuses. He then presented a video showing how online learning provides access to resources anytime and anywhere, allows enhanced communication between students and faculty and among students, and adds online tutorials for students to better understand difficult academic areas. In the video, a music history student commented on the convenience of being able to do a music listening assignment from home; and a faculty member commented that this ease of access, plus being able simultaneously to follow a score on the website, resulted in much better preparation by students for class discussion. Noting the ability to e-mail other students and the professor, another faculty member remarked that technology has invigorated teaching in many ways.

Turning to teacher education, Dr. Meachen recalled that in February 2001 the Teacher Education Best Practices Task Force had presented its report to the Regents. At that meeting, the Board asked that schools and departments of teacher education report as part of the IT Plan how they are incorporating best practices into teacher training.

Among the best practices listed in the plan, he cited the Technology Leadership Cadre at UW-River Falls, which provides technology training for teacher education students and in-service teachers. The Cadre is supported by a Department of Education Catalyst Grant for preparing Tomorrow's Teachers to Use Technology. He introduced Karen Viechnicki, Dean of the College of Education at UW-River Falls and showed a video in which the value of the program was praised by students and teachers.

Vice President for Finance Deborah Durcan presented the portion of the Plan dealing with collaboration in implementing administrative systems, noting that the plan calls for continuing to build student information systems, financial systems, and human resource systems cost effectively and collaboratively.

As an example of the System's effectiveness in building and preserving knowledge collectively, she described the MILER project, which stands for Methodology for Implementation at Lowest Effort and Resources. This project was developed to jointly implement PeopleSoft Student Administration systems at UW-Oshkosh, UW-Green Bay, UW-Madison, UW-Milwaukee, UW-Whitewater, UW-Platteville, and UW-Superior. It consists of ten consultants jointly managed by System Administration and the campuses involved. Their task is to develop a core of expertise in PeopleSoft and in the business processes of campuses and to travel from campus to campus to aid local experts in more rapid implementation with fewer errors.

She then showed a video in which Bruce Maas, the PeopleSoft Project Manager at UW-Milwaukee, John Berens, Chief Information Officer at UW-Oshkosh, and Kathy Pletcher, Chief Information Office at UW-Green Bay explained that this collaboration project has been of critical importance to their institutions. In that regard, Mr. Maas noted that the project has facilitated use of best practices from other campuses, resulting in better service for students, faculty and staff. Mr. Berens indicated that the project has saved UW-Oshkosh \$280,000 in external consulting costs, and Ms. Pletcher said the project has helped UW-Green Bay to get implementation back on track after campus experts left to take other positions.

Vice President Durcan stated that development of these business systems will play an integral role in the University of Wisconsin Online. Availability of these systems on the Web, she noted, enables students to better manage their education. They can register for classes, receive advising, purchase textbooks, and discuss class assignments with their professors. By linking all these systems through "portals", campuses enable students to tailor these resources to their individual needs.

Vice President Durcan explained that, to offer truly collaborative online programs as envisioned in the University of Wisconsin Online, students will need to be able to identify online courses, apply for admission, and register for classes on the Web at multiple institutions in a single transaction within a seamless environment. It would be necessary to build collaborative Web-based programs in order to manage student services, as well as supported administration and data of multiple institutions simultaneously. UW Learning Innovations has already been building such a learner relationship management system (LRMS) that provides students with "one stop shopping" for all the programs UWLI and its partner institutions have created. Students can apply, register, receive services and advising, order books, conduct e-commerce and take courses through one site. Meanwhile, the LRMS is sharing the data, including payments and service requests, with the relevant UW institutions.

She then noted a number of other areas in the IT Plan that are key components of the System-wide technology infrastructure and are key to enabling the University of Wisconsin Online:

1. The need to better manage the network to continue providing high quality service while controlling costs;
2. The need to enhance library services by providing digital resources to students located anywhere;

3. The need to insure accessibility for all students to course materials and administrative resources.
4. The need to deal with intellectual property issues in order to provide easy access to course materials in a digital environment;
5. The need to support research and development in the most cutting edge technologies through projects like the Academic Advanced Distributed Learning Co-Lab.

Some of these areas, Vice President Durcan explained, will require new resources to reach the goals of the IT Plan. For other areas, further reallocation of existing resources is being considered.

Concluding the presentation, she identified the following policy issues to be addressed in moving forward with the University of Wisconsin Online.

1. What are the academic objectives in online learning? Is the intention to increase the number of students served, reach adult learners, share resources between institutions? How should scarce resources be allocated between unserved students and campus-based students?
2. How are online tools best used to enhance teaching and learning?

In discussion following the presentation, Regent Axtell asked how it is known that the UW is a national leader and what the UW is doing that peers are not doing.

Noting that there is no standardized literature to do research on this point, Associate Vice President Meachen explained that his staff had visited a number of other systems over the past year to compare their programs with the UW's. He saw no evidence that other institutions are approaching online learning in the collaborative method being used at the UW, which flows from the bottom up, rather than from the top down. This method enhances both online and classroom learning by drawing on the creativity of faculty and staff.

Regent Axtell asked if there is a marketing plan to take advantage of that leadership position, to which Dr. Meachen replied that, while there is no marketing plans at the System level, individual campuses have done marketing locally, regionally and nationally.

Regent Mohs inquired about the financial implications of the plan, and whether there is a break-even point.

Replying that the plan is expensive, Vice President Durcan noted that, in the past year, institutions identified about \$16 million that they are reallocating collectively for technology. Contributions are being made at the System level to the MILLER project, and a cost sharing model is being developed with the campuses. It is hoped that there will be funding in the 2003-05 budget for a number of technology needs.

Agreeing that start-up is expensive, Regent Mohs asked about the financial projections once the system is up and running.

In response, Dr. Meachen noted that saving money by use of technology has been shown to be something of an illusion, but that technology does enhance value. In addition, technology allows implementation at every institution of a level of programming that many institutions could not implement individually. Noting that this is a long-term plan, he said that what is needed is a stable base of ongoing funding from reallocation and state funding.

Vice President Durcan added that the cost of implementing technology systems collaboratively is significantly less than it would be if each institution were to act on its own.

Regent Boyle pointed out that there are not yet good data relating to the enhancement of educational value through technology and that broad conclusions cannot be drawn at this point.

Agreeing that it is a challenge nationally to measure outcomes in technology enhanced areas of instruction, Dr. Meachen said that this is something that will be addressed in the next two years in collaboration with Schools of Education and other departments. What is available currently is anecdotal information and non-scientific studies comparing classroom and online learning.

Referring to UW-Stout's move to an all lap-top environment, Regent Gottschalk asked if this is the wave of the future and if it will have a significant impact on infrastructure costs by making computer labs obsolete.

Dr. Meachen predicted that technology will take different avenues at different institutions depending on their missions, and that many may never implement a lap-top environment. One lesson he had learned from the history of technology is that one form of technology almost never displaces another, but simply adds another layer to the potential applications that can be used.

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QUALITY: LEARNING INNOVATIONS UPDATE

In opening remarks, Regent President Smith noted that the Board of Regents established Learning Innovations in 1997 to provide support services for online degree and certificate programs for UW institutions, along with establishing external business relationships. This is a unique venture, he pointed out, because it connects the strengths of the public and private sectors to provide quality education to people who otherwise would have difficulty gaining access to the UW. In addition, Learning Innovations can promote economic development by providing business training more efficiently than some traditional methods.

Introducing David J. Ward, Interim Director of Learning Innovations, Regent Boyle indicated that he had asked him to present the Regents with some challenges as they look to the future.

Beginning his presentation, Dr. Ward recalled that the Regents' 21st Century Study in 1995-96 included the following recommendation: "The University of Wisconsin System will establish a goal to use instructional and distance education technologies to develop an enhanced student-centered learning environment and remove time and place as barriers to learning." Learning Innovations (UWLI) was created in 1997 to help implement that recommendation.

In addition to what was stated in the recommendation, the mission of UWLI included: Generating change within the UW System; encouraging collaboration within the UW System; exporting Wisconsin education to the nation/world; and serving as online partner to all 26 UW campuses.

Turning to the scope of UWLI after four years of operation, Dr. Ward identified the following roles:

1. Online partner developing and supporting degree/certificate programs for the 26 UW campuses.
2. Provider of comprehensive support services for learners and faculty.
3. Supplier of e-learning solutions to external clients. The intent of this role is to gain revenue.
4. Sound organization leveraging 100 plus years of UW expertise in distance education, including print-based independent learning.
5. Winner of a number of awards for excellence in education and training.

Dr. Ward stated that UWLI has built competitive advantages for the UW System. The UW name opens doors because it is recognized as a standard of quality around the world. This is an advantage that UWLI exploits for its campus partners.

For learner focus, UWLI has a team of designers that are expert at converting classroom material to online format, using the UW's 109 years of distance education experience. With flexible and scaleable solutions, UWLI is obtaining economies of scale in building courses.

In the beginning, Dr. Ward recalled, it was thought that high quality content alone would make the UW a major player in the online market. However, there is intense competition from many other universities that also offer quality programs. What distinguishes UWLI today, he pointed out, is service to the student and getting out the message of program availability through effective marketing. Also, UWLI has considerable experience in platform capabilities – the containers that courses are put into for delivery to students.

Turning to outcomes, Dr. Ward indicated that currently there are over 115 courses within UW programs that are supported by UWLI. These include: An associate degree program; two B.S. degree programs; three M.S. degree programs; and five certificate programs. Two of these programs are operated as consortiums, with multiple UW campuses working together. One of these is the pioneer nursing program that includes UW-Green Bay, UW-Madison, UW-Milwaukee, UW-Eau Claire, and UW-Oshkosh. The other is the MBA consortium, composed of UW-Oshkosh, UW-La Crosse, UW-Eau Claire, and UW-Parkside. The fact that these campuses are working together, he pointed out, combines their efforts and makes them greater than the sum of their parts.

The number of course sections serviced by UWLI has grown from 26 in the first year to 55 in the second year, to 114 last year. By the end of the current fiscal year, it is estimated that 161 sections will be offered through UWLI.

In the first year, fall enrollments serviced by UWLI were 136 students; in the second year, 366 students; in the third year 967 students; this fall 1,419 students. Total enrollments in the first year were 392; the second year 1,015; the third year 2,215. The estimate for the fourth year is 3,300.

The largest of the programs in which these students are enrolled is the UW Colleges Associate Degree Program, with 686 students, and growing rapidly. The Nursing Program has 333 students, with 200 some students in-state and about 100 in the national program. The MBA Program is just being built, with foundation courses the first to be offered. This already is becoming a popular program, not only in state, but with interest from outside universities in using the UW's foundation courses. Enrollments currently are over 200. UW-Platteville has two fast-growing programs, one in criminal justice and the other in project management, with a total of 200 students.

These students, Dr. Ward continued, are primarily adults gaining access through online education. The average learner in the nursing and MBA programs are 30-40 years old. They are place-bound, have jobs, and are working toward a degree to climb the career ladder.

Dr. Ward identified the following lessons that have been learned by UWLI through the first years of experience:

1. Service to students and effective marketing are the keys to success.
2. The opportunity curve must be managed to match the mission of the university with the mission of the customer.
3. "Industrial strength" processes must be developed. For example, time to build a course has been reduced from 380 hours to 150 hours through process mapping and advice from a consultant.
4. Multiple partnerships must be developed in order to gain leverage.
5. Growth is limited by lack of capital to develop new programs.

The notion of distance education, Dr. Ward observed, has evolved from the initial thought that it could save a lot of money to the realization that, because of the cost of instructional technology, money can be made, but not saved. Today, the focus is on access and quality and on what can be accomplished by broadening access to students in and outside of Wisconsin.

Predicting that there will be increasingly great opportunity and demand for distance education, Dr. Ward stated the belief that it will be one of the cornerstones of the new economy, not only for training the workforce, but for providing jobs as well. In that regard, UWLI can help make the UW System competitive in the new economy.

Dr. Ward listed the following objectives for Learning Innovations in the next few years:

1. Focus on building and servicing UW online programs and enrollments.
2. Build on best Learner Relation Management System advantages. UWLI has one of the best systems for managing online courses by giving students one-stop services. A number of large universities are interested in using the program or having UWLI service their courses.
3. Explore new market opportunities.
4. Continue to strengthen internal management and processes.
5. Diversify funding sources, including opportunities for grants for research and development work and for training.

As targets of opportunity, Dr. Ward first noted programs that benefit economic development, such as UW-Platteville's online Masters Degree in Engineering and its program in Project Management; a new idea for a Certificate program in Information Management; and the MBA program.

Important external opportunities include the ADL Co-Lab, along with the Defense Department's program to develop a standard, called SCORM, for building distance education courses. There also have been inquiries from contacts in the Navy and Army for accelerated work in bio-terrorism and other areas.

Turning to challenges faced by UWLI, Dr. Ward noted three challenges in the area of scaling – managing technology, new thinking about instructional delivery, and scaling up services to serve rapidly increasing numbers of students. The second area of challenge is organizational flexibility within the UW System, including a mechanism for consortial programming that preserves governance traditions, while preventing entanglement in layers of governance structures on multiple campuses. A third area of challenge is obtaining capital to develop new programs.

Dr. Ward concluded his presentation with the following suggestions as to what the Board could do to further UWLI's efforts.

1. Develop a funding source for new program development.
2. Create pilot programs and incentives to encourage online program collaboration.
3. Support infrastructure development.
4. Review and update distance education policies.

In discussion following the presentation, Regent Barry requested the UWLI present a three to five year budget plan for revenues and development costs.

Regent Burmaster suggested that another target of opportunity relates to arrangements with the Department of Public Instruction to strengthen K-12 education.

Chancellor Miller noted that there is an array of UW online programs that are meeting needs for distance education and are not supported by UWLI. As an example, he cited UW-Whitewater's online MBA program that has enrolled over 200 students.

The meeting was adjourned at 12:15 p.m.

Judith A. Temby, Secretary