

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 8, 2002

9:00 a.m.

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- President Smith presiding -

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

ABSENT: Regent Marcovich

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APPROVAL OF THE MINUTES

The minutes of the February 7 and 8 , 2002 meeting stood approved as
distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Suspension of Undergraduate Admissions

Regent President Smith stated that additional cuts to the UW's GPR base and the cap on tuition imposed by the Joint Finance Committee have placed the university in a difficult and complex position. Reporting that the cost is an additional \$20 million for the year 2002-03, he pointed out that these cuts also put at risk some \$58 million in matching money that private sources and companies have put up to fund the UW's economic stimulus package.

Noting that the university represents 37.5% of state operations but would absorb about 50% of the cuts under the Governor's proposal, Regent Smith said the university had agreed to manage that difficult reduction, hoping all the while that the improving economic climate would allow restoration of some of the Governor's cuts. This hope had made the Joint Finance cuts even more discouraging.

At this time, the budget situation is considered as too uncertain to insure that all the students who want to enroll in the UW next fall can be accommodated. Therefore, Regent President Smith had asked President Lyall to suspend all undergraduate admissions to the UW System, effective March 9th, until further notice. It was his hope that the admission suspension would be temporary and could be lifted in the near future.

Emphasizing that the UW must operate like a business, he pointed out that the university cannot enroll students if the money is not there to pay for them. Noting the Board's responsibility to maintain the integrity and quality of the UW System, President Smith stated that these additional cuts leave no choice but to suspend enrollments, until there is better understanding of the impact of the reduction on UW institutions.

Recognizing the impact this action will have on the lives of applicants and their families, he apologized for the inconvenience caused to them, reiterating that the Board has no other choice.

Regent Klauser agreed that this is a regrettable, but necessary, action that must be taken to preserve the quality of the institution. He moved that admissions be suspended, as indicated by Regent President Smith. The motion was seconded by Regent Randall.

In response to a question by Regent Brandes, Regent President Smith explained that all admission acceptances already received or in the mail remain valid. Admission acceptances will be stopped effective March 9 until further information becomes available. President Lyall added that the suspension applies only to undergraduate admissions.

Replying to a question by Regent Barry, Regent Smith indicated that different campuses are in different phases of their admission process, but the process is not complete on any campus at this point.

Regent Axtell asked if admissions had ever been suspended before, to which President Lyall replied that there had been pauses in the admissions process, in which admissions were deferred to the second semester or the following year. However, a suspension had not been done in this way before.

Regent Axtell expressed concern that, if the suspension were to continue for a period of time, the UW could lose many students who would accept other offers or apply to other schools.

Recognizing that the suspension will inconvenience many families, Regent President Smith said the situation will be reviewed on an ongoing basis and that, if warranted, changes will be made as more is learned.

Regent Barry asked what proportion of anticipated fall-entry undergraduates had already been admitted, to which Regent Smith replied that the proportion varied from campus to campus.

Chancellor Wiley added that it is not possible to know at this point how many admission offers will be accepted. Estimates based on past experience are used in making calculations.

Regent Barry suggested that the Executive Committee handle the matter on an ongoing basis so that the Regents can be responsive to changing conditions.

Regent President Smith verified that the Executive Committee will act on behalf of the Board.

Regent Klauser added that, if the situation improved, the Executive Committee could lift the suspension in whole or in part.

Regent Axtell noted the importance of clearly communicating this unprecedented move to the public and making sure it is understood that the suspension does not apply to graduate programs.

Regent Brandes asked that all Regents be given updates on an ongoing basis. She expressed concern that students may accept private school or out-of-state offers while UW admissions are suspended.

Stating his belief that the Board should not suspend admissions at this time, Regent Olivieri pointed out that suspension of admissions is very disruptive and that the Legislature and the Governor are aware that the UW is in a difficult position.

Noting that the admission process is very active at this time of year, Regent Smith said it is preferable to suspend admissions than to have to tell accepted students later on that they could not be admitted after all.

Regent Mohs noted how disruptive budget turmoil is to an organization as large and complex as the university and pointed out the hardship that enrollment uncertainty would bring to families who have paid taxes for many years with the assumption that their children would attend the UW. While suspending admissions is very difficult for these people, he felt compelled to support doing so, knowing that the proposed cuts

otherwise would be very detrimental to the quality of education offered to students. He hoped the suspension would not last long.

Regent Smith emphasized that the UW already had agreed to manage the \$51 million cut in the Governor's budget, while at the same time going forward with half of the Economic Stimulus Package program. As a business person, he considered suspension the only responsible course given the additional 40% reduction that would be imposed by the Joint Finance Committee proposal.

In response to a question by Regent Axtell about hiring of faculty and staff, President Lyall noted that, as part of the ongoing statewide hiring freeze, 220 UW positions will not be filled, based on the Governor's \$50 million reduction. Information now needs to be developed on the effects of another \$20 million reduction on the hiring process, being mindful of the obligation to provide the courses and other educational services that current students need.

Regent Axtell asked the record to show that the Board's action was based on information available at the time, recognizing that the financial impact of the proposed budget reductions would be reviewed on an ongoing basis.

Regent Klauser asked the record to show that the Executive Committee has the authority to act between Board meetings to modify the Board's action if warranted so that the suspension would not last any longer than necessary.

Regent Barry noted that some campuses have more capacity to absorb additional students than others and that it might be found desirable to open admissions to those campuses. He would be comfortable with the action to suspend as long as the Executive Committee has the power to adjust the suspension in whole or in part.

Regent Gottschalk asked the record to show and the public to be informed that the reason for the suspension is to gather data so that appropriate action can be taken on the basis of that information.

Regent Schneiders pointed out that the legislative budget process may not proceed as quickly as might be hoped.

Regent Krutsch asked if responses to applications could identify other campuses that have additional capacity.

Chancellor Mash replied that institutions currently cooperate to make such referrals.

Chancellor Keating emphasized the importance of adjusting the suspension by campus to accommodate differing situations.

Stating that an overall admission suspension is too blunt an instrument to deal with the situation effectively, Regent Olivieri thought the motion should include the notion of different campuses addressing the issue differently, based on their own situations and in consultation with the President.

Chancellor Keating commented that a time-out is needed for the institutions to gather information based on the most recent budget actions.

Regent Smith added that chancellors would have to attempt to renegotiate economic stimulus partnerships worth \$58 million in private matching funds. These partnerships have been under development for almost two years, with private monies already committed, he pointed out, and it now appears that UW institutions may not be able to do their part.

Regent DeSimone emphasized the importance of making clear to the public and their elected representatives that the university cannot deliver the quality and access they demand without the money needed to do so.

Stating that she was not yet comfortable with the motion, Regent Brandes noted the fact that taxpayers expect that their children will be able to attend the university for which they pay. She felt the Board's action should state specifically that students will be accepted on campuses where there is available space so that families do not unnecessarily spend money to find alternatives.

President Lyall added that it also is important to confirm that admissions already made will be honored and that UW institutions will admit as many people as they can serve with quality education. However, she cautioned that there also is an obligation to students already admitted for next year and all those on campus to provide the courses they need to graduate in a timely fashion and to provide the quality education they expect.

Regent Barry stated that he is comfortable with the motion as long as it is well explained to legislators and the public and there is flexibility for institutions to accept as many students as they can.

In response to a question by Regent Burmaster, President Lyall indicated that those students who have been accepted have been so notified. Other applications are pending and students are still able to apply.

Regent Schneiders commented that the proposed action is prudent from a business point of view but would risk inciting public opinion. She suggested a conditional admission that would keep the door open and lessen the impact on students and their families.

Regent Jones asked what would happen to students who applied before March 9th, but had not yet received letters of acceptance, to which President Lyall replied that letters of acceptance mailed before March 9th would be honored but that other applications would be held in suspension until it is decided how the problem can be resolved.

Pointing out that the Board is reacting to the financial implications of the problem, Regent Mohs said that the point of suspending admissions is not to send a message to the Legislature, but to assess the extent to which there is room to admit on certain campuses. While the action would inform the Legislature and public of the problem, the purpose is not to send a message but to deal with economic realities.

Rather than suspending overall admissions, Regent Olivieri thought that institutions should be directed to assess their situations and not proceed with admissions without understanding the financial consequences of the budget proposals for their campuses.

Regent Klauser felt the discussion was consistent and compatible with giving the direction to suspend further admissions but also directing the Executive Committee, the administration and Chancellors to assess the situation, with the hope that the suspension will be short term. Concurring with Regent Schneiders that the financial uncertainty could continue for some time, he added that it is the responsibility of others to remove that uncertainty so the Board can proceed.

Noting that the Legislature has the responsibility to establish priorities, Regent Klauser explained that the state is not in a negative fiscal position, even with the economic slow down. The problem is that there is less money than expected, and more funds have been authorized for expenditure than will be available. Even so, he continued, there is more money in this biennium than in the last one, and the Legislature and Governor have the difficult task of establishing priorities for those dollars. If they determine that the university is less important than other expenditures, he noted, that is their prerogative and the university must manage accordingly.

Therefore, he said, it is the proper role of the Board to instruct management and the Executive Committee to oversee and manage the problem and to make clear the implications of budgetary decisions that are made.

Regent Boyle expressed confidence that the UW's outstanding chancellors will be prudent and innovative in finding the means to serve as many students as possible.

Regent Gottschalk indicated that later in the meeting the Business and Finance Committee would offer a resolution that the Board adopt 2002-03 budget allocation decision rules that contain language for dealing with budget reductions. He asked if those rules would be used to deal with additional proposed cuts, and President Lyall responded in the affirmative.

In reply to a question by Regent Gottschalk about how rapidly the chancellors can analyze their situations in terms of admissions and budgets, President Lyall explained that it would take several days for them to determine where the money would come from, how many positions would need to be cut, where they would come from and how that would affect enrollments by school and program.

Regent Axtell commented that the sense of the Board is clear, fully discussed, and will be set forth in the minutes of the meeting. He felt the worst scenario would be to continue accepting students and later have to tell them they cannot be admitted. He asked for action on the motion.

Regent Klauser restated his motion as follows, and the motion was seconded by Regent Gottschalk.

Resolution 8511: That the Board of Regents directs the Administration and the Chancellors of the UW System to suspend additional undergraduate admissions until such time as the impact of the budget can be determined, and encourages the System to act promptly to admit as many students as possible while maintaining quality.

Put to the vote, the motion was adopted on a voice vote, with Regents Olivieri and Brandes voting in opposition.

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Report on the March 6th Meeting of the Hospital Authority Board

Regent Mohs, a member of the Hospital Authority Board, reported that one issue raised at the meeting concerned the Physical Therapy program, which received perfect marks in its accreditation. However, the accrediting body is going to require that physical therapy programs offer a Ph.D. Because the director of the Wisconsin program, who has done excellent work, does not have a Ph.D., the accreditors are requiring that she be replaced by someone holding that degree.

Regent Mohs expressed the hope that UW-Madison, under the leadership of Chancellor Wiley, would address the subject of escalating degree requirements in the health sciences in collaboration with other universities that also recognize this problem.

Chancellor Wiley added that the accrediting body is specifying a curriculum for what should be a master's program. He observed that this is a case of a self-interested professional group dictating a higher degree than the university believes is necessary. He had raised the issue with a number of other universities, but they agree that even a concerted effort may not make a difference because there are proprietary schools that would be eager to offer the degree if recognized public and private colleges did not. The result, he commented, would not necessarily serve the quality of health care.

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Report of the February 28th Meeting of the Executive Committee

Regent President Smith reported that the Executive Committee had authorized a search for a Provost at UW-Whitewater.

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Report on Governmental Matters

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

The meeting was recessed at 10:20 a.m., and reconvened at 10:35 a.m.

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REPORT OF THE PRESIDENT OF THE SYSTEM

2003-05 Biennial Budget Themes

Introducing the topic of 2003-05 biennial budget themes, President Lyall observed that, despite the current severe budgetary problem, it still is necessary to look to the future and be in a position to continue the commitment to help the state with economic growth and to meet other needs.

Referring to a list of possible budget themes, President Lyall indicated that they reflect the input of the Regents and discussions with the Chancellors. Discussions will continue through the spring and the Board will be asked in June to approve a list of budget items.

The potential themes were grouped under two headings, the first being what the university can do for the state, including economic development initiatives, addressing nursing and teacher shortages, expanding student transfer and completing the Milwaukee Plan.

The second heading has to do with investing in core infrastructure, including maintenance of libraries, instructional technology, student retention, the general education core, and international education. These items, she said, must be addressed in order to deliver what is needed for students and the state.

Under the economic development theme, campuses are working on regional and industry cluster economic initiatives. Also included are proposals on teacher education, nursing and health care that focus on increasing the supply of graduates and retention of current professionals in those fields. The university is working with the Department of Public Instruction to craft a teacher education initiative and through the PK-16 Council to look at supply and demand issues. The UW also is working with the Technical College System on a joint degree completion proposal and on possible healthcare initiatives.

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Good News

Wisconsin at the Olympics

President Lyall reported that a delegation from UW-La Crosse attended the Olympics to provide health care and do research. One of those present was Carl Foster, Professor of Exercise and Sport Science, who was invited by the International Olympic Committee to conduct research on the performance of long-track skaters. Professor

Foster, who has been involved with speed skating since 1979, and John Porcari received a grant from the International Olympic Committee (IOC) to study pacing patterns and power production for speed skaters. Professor Foster also works with the U.S. Speed Skating team, coaching the coaches.

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UW Student Paper Awards

President Lyall congratulated student newspapers at UW-Madison and UW-Platteville on winning awards from the Wisconsin Newspaper Association for excellence in general reporting, photography and news reporting. Student newspapers, she observed, are important teaching and learning opportunities for students.

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New Learning Innovations Leadership

Noting that David J. Ward will complete his tenure as interim director of Learning Innovations on March 15th, President Lyall remarked that UW-Extension and the UW System as a whole are indebted to him for his calm guidance, wise counsel and his business and fiscal acumen. During his tenure, enrollments in Learning Innovations on-line courses grew 50%; its .org services were refocused and reinvigorated; and its relationships with key stakeholders and potential partners were substantially strengthened. After March 15th, the President announced, Barbara Emil will take over as director. She comes to the UW from a position as director of the University of Florida's statewide virtual university. Her leadership, President Lyall said, will make for a smooth transition for a very important unit.

Noting that he had recently toured the Learning Innovations Center, along with Regents Gottschalk and Boyle, Regent Mohs said they had inquired about economic results and received information on GPR support and other revenues. Learning Innovations, he pointed out, is a very valuable enterprise in online education through such programs as the B.S. Degree for nurses that make important contributions to the state. At the visiting Regents' request, the center prepared scenarios, including one with existing funding, one with less funding and one with funding to do what would be needed to maximize its effectiveness. The latter, Regent Mohs noted, is an example of important educational opportunities that cannot be provided due to inability to fully fund programs that would benefit students and the state.

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Saludos Hispanos Award to UW System

President Lyall reported that Saludos Hispanos had named the UW System as one of the nation's 100 top educational opportunities for Hispanics. The UW was cited for providing a high standard of education, career planning and counseling for Hispanic students. UW institutions enrolled over 3,000 Hispanic students last year and more than 800 Hispanic new freshmen. She observed that the UW's listing on the Saludos Hispanos website should raise its visibility nationally as a good place for Hispanic students to study.

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UW-Milwaukee Aids Low-Income Taxpayers at Clinic

President Lyall reported that low-income taxpayers who need help with federal income tax returns or with an IRS audit can get free advice at UW-Milwaukee's Low Income Taxpayer Clinic. Translation services in Spanish and Hmong also are offered free of charge. This clinic, she observed, is a wonderful way for UWM's graduate tax students, alumni from the Master's Program in Management and tax faculty to help low-income clients. The clinic was awarded a grant from the IRS.

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UW-Stout Receives Baldrige Award at Washington, D.C. Ceremony

President Lyall noted that, in a Washington D.C. ceremony the preceding day, President Bush presented the Baldrige Award to Chancellor Sorensen on behalf of UW-Stout – the first university ever to win a Baldrige Award. This award, she noted, is a wonderful accomplishment by UW-Stout and is an honor that benefits the entire UW System

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MEPP Program Wins International Continuing Education Award

President Lyall reported that UW-Madison's Master of Engineering in Professional Practice program won an international award for continuing education – the Outstanding Credit Program Award, given by the University Continuing Education Association. For this award, the MEPP program competed with traditional on-campus programs, as well as other distance education programs across North America. The program prepares engineers for success in project and program management by providing advanced courses in engineering, communications, management and computer skills that are most needed in the workplace. Its flexible Internet-based delivery incorporates daily interaction with a world-class faculty and project-based learning with engineers from leading organizations around the country.

The students in this program, she continued, have demanding full-time jobs, and most of them travel extensively and have long and often unpredictable work schedules. The 30 students selected for admission each year progress together through a fixed two-year curriculum. This format builds a supportive learning community that is a key to its success. Businesses in which its students work include Harley-Davidson, Boeing, GE Medical Systems, Motorola, Hamilton Sundstrand, Kohler, Rockwell, Trane, Mercury Marine, Kraft, AT&T, Caterpillar, Eli Lilly, Genentech, Kellogg, Dean Foods, John Deere, and the U.S. Army.

Key reasons that the program received this recognition, the President remarked, include the performance of graduates in meeting educational objectives, cost effectiveness, and significant contributions to the field of continuing education. The program has a 98% completion rate and a graduation rate of 92% within two years.

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WAA Sponsors March Madness Contest

President Lyall announced that the Wisconsin Alumni Association, in conjunction with the UW System, was sponsoring an online March Madness trivia contest. The prize for winners are basketballs signed by members of the UW-Madison men's basketball team.

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REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE

The Physical Planning and Funding Committee report was presented by Regent Gracz, Chair.

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Report of the Assistant Vice President

Building Commission Actions

It was reported by Assistant Vice President Nancy Ives, that the Building Commission approved about \$ 46M for various projects at their February meeting. She recognized the award recipients which were presented by Governor McCallum to River Architects for *Excellence in Architectural Design* of the UW-La Crosse Wing Technology Center; to Arnold & O'Sheridan of Brookfield an *Excellence in Engineering Design* for the design work on the Chemistry Fume Hood Replacement at UW-Milwaukee; and to Tom Sonnleitner, UW Oshkosh Vice Chancellor for Administrative

Affairs, an *Excellence in Service* award, recognizing his dedication in assisting the Division of Facilities Development in the coordination of building projects on that campus.

Assistant Vice President Ives noted that the state will be closely monitoring the amount of GPR used for debt service. The State has a self-imposed ceiling of no more than 4% of revenues being used to retire debt. Current estimates show that debt service for the bonding already authorized will be at 3.7% of revenues in 2003 and 2004. Ranking criteria approved by the Regents will be used to recommend priorities for the capital budget. These criteria emphasize extending the useful life of existing facilities through maintenance and renovation.

Members of the Committee expressed concern about the division between the state's operating and capital budgets, resulting in facilities coming on line without adequate operating funds. The Committee directed staff to develop alternatives that will ensure adequate operating funds are available.

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UW-Superior: Aquaculture Demonstration Facility

Estimated cost for construction of the Aquaculture Demonstration Facility includes \$3,000,000 Program Revenue Bonding and Native American Gaming Funds under the terms of a long-term, 40-acre land use agreement between the Regents and the Red Cliff Band of Lake Superior Chippewa Indians.

The Committee reiterated concerns that this facility not create a drain on the existing operating budget of UW-Superior or the System. The Committee revised the resolution, adding the following statement: *"It is the intent of the Board that operation of the facility not be funded from the UW System's base budget"*.

The revised resolution was unanimously approved by the Physical Planning and Funding Committee. Regent Gracz moved adoption of the revised resolution by the Board of Regents. It was seconded by Regent Schneiders and carried on a voice vote, with Regent Barry voting in opposition.

UW-Superior: Approval of the Design Report and Authority to Construct the Aquaculture Demonstration Facility

Resolution 8512: That, upon the recommendation of the UW-Superior Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct the Aquaculture Demonstration Facility at an estimated project cost of \$3,000,000 Program Revenue Bonding, Native American Gaming Funds, under the terms of a long-term, 40-acre land use agreement between the University of Wisconsin System Board of Regents and

the Red Cliff Band of Lake Superior Chippewa Indians. It is the intent of the Board that operation of the facility not be funded from the UW System's base budget.

In discussion, Regent Barry reiterated his concern about the funding of the Aquaculture Demonstration Facility. President Lyall added that this is an economic development effort that will help that part of our state, with the expectation that the Legislature will provide the funding. However, the resolution clearly states that it is the intent not to use UW-Superior's base budget for funding the facility.

Resolutions 8513-8515 were unanimously approved by the Physical Planning and Funding Committee. Regent Gracz moved their adoption by the Board of Regents as consent agenda items. The motion was seconded by Regent Schneiders and carried unanimously.

UW Colleges: Authority to Release Leased Property Rights

Resolution 8513: That, upon the recommendation of the UW Colleges Chancellor and the President of the University of Wisconsin System, authority be granted for the officers of the Board of Regents to terminate the leased property rights to land leased from Taylor County for the site of the UW Center-Medford campus.

UW-Green Bay: Authority to Accept a Gift of Land

Resolution 8514: That, upon the recommendation of the UW-Green Bay Chancellor and the President of the University of Wisconsin System, authority be granted to accept a gift of three parcels of land totaling 132 acres located at Point au Sauble on the east shore of Green Bay from the Wisconsin Chapter of the Nature Conservancy.

UW-La Crosse: Authority to Construct A Cartwright Student Center Chilled Water Utility Connection Project

Resolution 8515: That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Cartwright Student Center Chilled Water Utility Connection project at an estimated total project cost of \$236,200, using Program Revenue (Cash).

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

Regent Gottschalk, Chair presented the Business and Finance Committee report.

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Building our Resource Base

Associate Vice President Kathi Sell discussed the State Compact concept. The consensus of the committee was that this is not the time to move aggressively forward with the State Compact.

The committee confirmed its support of linking financial aid increases to tuition increases.

It was suggested by Regent Axtell that the Board and the UW System critically look at ideas to generate new revenue such as concepts of corporate campuses, internet-based learning and exporting educational ideas. He urged campuses to look at ways to reallocate resources, and identify non-essential programs to save resources.

Regent Klauser pointed out that the UW System needs to demonstrate it is operating efficiently and effectively, reducing costs wherever possible, and providing appropriate oversight over auxiliary operations.

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United Council Student Priorities

Maggie Brown , Academic Affairs Director for United Council, reported that student leaders met at UW-Oshkosh to discuss budget priorities in response to requests by Regent President Smith and President Lyall. She emphasized that the two most important issues for students are affordability and retention.

In response to a question from Regent Krutsch about cohort tuition, Ms. Brown responded that students are concerned about the initial sticker shock and the effect it may have on initial access to low-income students.

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National Association of College and University Business Officers Cost of College Report

Vice President Debbie Durcan presented the National Association of College and University Business Officers Cost of College Report. The goal of the project, she indicated, was to develop a uniform methodology to explain in simple and understandable terms the costs incurred in providing one year of undergraduate education. She noted that many of the public and private institutions costs exceed the cost of tuition.

UW-Madison, Platteville and Whitewater participated in the study. Subsidies for students at public four-year institutions range from \$4,000 to \$11,000 per student, while the average for our three participating institutions was \$5,548. Instruction and Student Services costs accounted for about 87% of total cost, with the average for our three UW System institutions at a little over 85%. Financial aid accounted for the remaining 5.5% in the study and only 1.6% within the UW System. Financial aid included institutional aid, but not state or federal aid or loans. Total expenditure per student range from \$7,000 to \$15,000 at public institutions. The average expenditures of the participating UW System institutions was slightly more than \$8,700.

Vice Chancellor John Torphy cautioned the committee regarding some of the difficulties of the methodology and the difficulty to achieve uniformity.

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Report of the Vice President

Deb Durcan, Vice President, reported on a study of colleges and universities between 1989 and 1998 released by The National Center for Education Statistics. Private and public institutions reported separately. The study shows a direct correlation of increases in tuition with decreases in state appropriations for public universities. Tuition was the most important factor. For private colleges, increases in tuition were associated with internal factors such as faculty compensation, institutional aid and revenue from endowment income, private gifts, grants and contracts.

Trends in financial aid indicated that for public universities, two thirds of first time, full-time degree seeking students receive aid from any source on average; for private colleges, three fourths of those students receive aid.

VP Durcan pointed out the administrative cost comparison between the UW System and peer institutions, noting the UW System's 5.77% expenditure vs. the peer average of 10.3%.

Deb Durcan stated that all state agencies and UW System were advised by the Department of Administration Secretary that effective immediately, all in-state and out-of-state travel requests must be approved in advance.

The following resolution was unanimously approved by the Committee. Regent Gottschalk moved its adoption by the Board of Regents. It was seconded by Regent Axtell and carried unanimously.

2002-03 Annual Budget Allocation Decision Rules

Resolution 8516: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the 2002-03 annual budget allocation decision rules. If subsequent legislative action modifies either the second year funding increases or reductions noted in the rules, the UW System would distribute the changes according to the principles set forth in Section III.

In discussion, Regent Schneiders noted that a very small percentage of students vote on segregated fees and suggested the Committee investigate how the cost of segregated fees may obligate students 10-15 years in the future. Regent Brandes pointed out with shared governance all students have the opportunity to vote. Regent Jones emphasized that students are committed to financially doing the right thing. Regent Krutsch added that the Board has oversight responsibility in the area of segregated fees and suggested the Board look at the accurate reflection of costs incurred, pointing out that spending in that category is double what the norm is for other universities.

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REPORT OF THE EDUCATION COMMITTEE

The Committee's report was presented by Regent Boyle, Chair.

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Discussion Items

Resources: State Compact

Regent Boyle reported on the Committee's recommendation to defer discussion at this time with state government regarding alternatives to a state budget compact.

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Quality: The Value of the Liberal Arts

Every student, Regent Boyle stated, should have an opportunity for a quality liberal arts education included in their curriculum.

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DPI Presentation on PI-34

Regent Boyle reported the UW System and the PK 16 Council have endorsed the PI 34 rules and are moving toward developing an electronic portfolio for education majors. Two suggestions are being considered regarding the criteria of success on behalf of the UW System on the PI-34 initiative: (1) Would this improve attendance at some of our schools?; and (2) Would it improve the tenure of our teachers? 25% of first year teachers leave the teaching field after five years which presents a serious problem in our schools. It is hoped that the effort in terms of PI-34 will enhance and reduce this level of attrition.

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Report of the Senior Vice President for Academic Affairs

Cora Marrett, Senior Vice President, reiterated the concept of the importance of a quality education and that there are many parts to a total system that contribute to a quality education. The Office of Academic Affairs focuses on quality, Dr. Marrett remarked, and not on uniformity of activity, as a signature of the UW System.

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UW-Milwaukee Presentation

John Wanat, Provost and Vice Chancellor, described UW-Milwaukee's current array of seventeen doctoral programs, how they relate to their missions and The Milwaukee Idea. Future plans for additional programs in three doctoral categories include: Education/Urban, Environment/Health, and Economic Development.

The committee strongly endorsed this plan and suggested moving hastily towards implementation.

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The Quality of the Undergraduate Experience

Frank Goldberg, Associate Vice President, shared the outcomes of a Retention Conference outlining the following themes:

- All segments of the campus community must participate to increase retention;

- Classroom environment is a critical factor in determining whether students are retained;
- Most students exhibit at least one risk factor for nonretention, necessitating early identification and intervention;
- Student support is needed for successful retention efforts;
- More formal program assessment is needed to document effective retention practices;
- Programs that help students make good decisions about their education are a particularly effective method of improving retention.

Three of our institutions gave examples of the efforts they are undertaking to deal with retention. UW-Eau Claire offers introductory courses to freshman, limited to 20 students, engaging students to all aspects of the community and all aspects of the campus. Other efforts include improving retention by creating connections between students and individual faculty members, mentoring relationships with senior students, and meaningful academic and non academic out-of-class activities. UW-Stevens Point emphasized focusing on undeclared majors, especially at-risk students, and offering academic and career counseling to help students develop realistic goals and plans that allow them to succeed. UW-Stout instituted a seminar in Career Exploration to help undecided students find academic majors which has resulted in a 80% retention rate.

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New Program Authorizations: First Reading

Two new programs were reviewed for authorization. UW-Oshkosh and UW-River Falls proposed B.A./B.S. degrees in Theatre Arts. As this was a first reading, no action was taken at this meeting.

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UW-Parkside Charter School

The Charter School contract with the Racine Charter One Corporation was approved by the Committee. Regent Boyle moved its adoption by the Board of Regents. The motion was seconded by Regent Randall and carried unanimously.

UW-Parkside: Charter School

Resolution 8517: That, upon recommendation of the Chancellor of the University of Wisconsin-Parkside and the President of the University of Wisconsin System, the board approves the Charter School contract with Racine Charter One, Inc.

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ADDITIONAL RESOLUTIONS

2003 Meeting Schedule

Resolution 8518:

Upon motion by Regent Jones, seconded by Regent Axtell, the following resolution was unanimously adopted.

Meeting Schedule 2002-03

2002

January 10 and 11
(Cancelled, circumstances permitting)

February 7 and 8

March 7 and 8

April 4 and 5

May 9 and 10 (UW Fox Valley and
UW-Fond du Lac)

June 6 and 7 (UW-Milwaukee)
(Annual meeting)

July 11 and 12
(Cancelled, circumstances permitting)

August 22 and 23

September 12 and 13

October 10 and 11(UW-Whitewater)

November 7 and 8

December 5 and 6

2003

January 9 and 10
(Cancelled, circumstances permitting)

February 6 and 7

March 6 and 7

April 10 and 11

May 8 and 9 (UW-Stevens Point)

June 5 and 6 (UW-Milwaukee)
(Annual meeting)

July 10 and 11

August 21 and 22
(Cancelled, circumstances permitting)

September 4 and 5

October 9 and 10 (UW-Oshkosh)

November 6 and 7

December 4 and 5

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CLOSED SESSION

The meeting was recessed at 11:30 a.m. and reconvened at 11:50 a.m., at which time the following resolution, moved by Regent Randall, was adopted on a unanimous roll-call vote, with Regents Axtell, Boyle, Burmaster, Gottschalk, Gracz, Jones, Klausner, Krutsch, Mohs, Olivieri, Randall, Schneiders, and Smith (13) voting in the affirmative. There were no dissenting votes and no abstentions.

Resolution 8519: That, the Board of Regents recess into Closed Session, to consider a UW-Oshkosh Honorary Degree Nomination, as permitted by s.19.85(1)(f), *Wis. Stats.*, to confer with Legal Counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*, to consider personal history related to naming a facility at UW-Madison, as permitted by s.19.85(1)(f), *Wis. Stats.*, and to consider appointment of Deans at UW-Baraboo/Sauk Co., UW-Fond du Lac, and Marshfield/Wood Co., as permitted by s.19.85(1)(c), *Wis. Stats.*

The Board arose from closed session at 12:30 p.m., having adopted the following resolutions:

UW-Oshkosh: Honorary Degree

Resolution 8520: That, upon the recommendation of the Chancellor of the University of Wisconsin-Oshkosh, and the President of the University of Wisconsin System, approval be granted to award the following honorary degree.
S. Verna Fowler, Doctor of Humane Letters

UW-Baraboo/Sauk County: Appointment of Campus Dean

Resolution 8521: That, upon recommendation of the Chancellor of the University of Wisconsin Colleges and the President of the University of Wisconsin System, the Chancellor be authorized to appoint Michael Brophy as Dean, UW-Baraboo/Sauk County, at a salary of A\$92,000, effective August 5, 2002.

UW-Fond du Lac: Appointment of Campus Dean

Resolution 8522: That, upon recommendation of the Chancellor of the University of Wisconsin Colleges and the President of the University of Wisconsin System, the Chancellor be authorized to appoint Daniel J. Blankenship as Dean, UW-Fond du Lac, at a salary of A\$92,000, effective July 1, 2002.

UW-Marshfield/Wood County: Appointment of Campus Dean

Resolution 8523: That, upon recommendation of the Chancellor of the University of Wisconsin Colleges and the President of the University of Wisconsin System, the Chancellor be authorized to appoint Andrew J. Keogh as Dean, UW-Marshfield/Wood County, at a salary of A\$92,000, effective July 1, 2002.

The meeting was adjourned at 12:30 p.m.

Judith A. Temby