

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

UW-Madison

Held in the 1820 Van Hise Hall

Friday, April 11, 2003

9:00 a.m.

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- President Gottschalk presiding -

PRESENT: Regents Axtell, Barry, Boyle, Brandes, Burmaster, Davis, Gottschalk, Gracz, Jones, Marcovich, Mohs, Olivieri, Randall, Rosenzweig, Salas, Smith and Walsh

ABSENT: None

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APPROVAL OF THE MINUTES

The minutes of the March 6th and 7th meetings stood approved as distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Report on the February 28th Meeting of the Higher Educational Aids Board

The board received a written report on the February 28th meeting of the Higher Educational Aids Board.

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Report on the March 12th Meeting of the Wisconsin Technical College System Board

A written report on the March 12th meeting of the Wisconsin Technical College System Board was provided to the regents.

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Report on the March 20th Meeting of the Educational Communications Board

The board received a written report on the March 20th meeting of the Educational Communications Board.

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Report on the April 9th Meeting of the Hospital Authority Board

A written report on the April 9th meeting of the Hospital Authority Board was provided to the regents.

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Joint Finance Committee Vote on Additional Budget Cuts for 2002-2003

Regent President Gottschalk reported on Joint Finance Committee consideration of the university's proposal to meet the \$8.26 million lapse called for by the Governor's budget act for this fiscal year. With only two months left to make this cut, the UW system presented a plan for doing so with minimal impact on students. The plan received approval from the Department of Administration, but was rejected by the Joint Finance Committee, which instructed the university to cut from the smallest portion of its budget – UW System Administration.

This is especially difficult, he stated, as the UW faces at least \$100 million in spending cuts for the coming biennium – a challenge that demands all of the administrative expertise and support that can be mustered. In taking this action, he noted that committee members were seeking to protect instruction and may not have fully understood that these campus funds were unspent and already earmarked to meet the cuts.

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United Council Representatives

Stephanie Hilton, of United Council, reported that the recent Women's Leadership Conference, held at UW-Platteville, was a great success. She expressed appreciation to Regent Burmaster for presenting a welcoming address at the conference and to Regent

Randall for presenting a well-attended workshop on welfare. Conference participants asked that programs and activities that promote diversity be protected in making budget cuts.

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Resolution of Appreciation: Regent Jonathan Barry

Regent Axtell began the presentation with humorous remarks centered on Regent Barry's status as the longest-serving member of the board and his expertise in parliamentary procedure. Stating that he was honored to read the following resolution, Regent Axtell recognized Regent Barry for his dedicated and intelligent service, verbal skills and perceptive comments. The resolution was adopted by acclamation, with a standing ovation to honor Regent Barry.

Resolution of Appreciation: Regent Jonathan Barry

Resolution 8673: WHEREAS, Jonathan Barry has served the citizens of Wisconsin with distinguished service during his 12 years as a member of the University of Wisconsin System Board of Regents; and

WHEREAS, Regent Barry has championed to the citizens of Wisconsin the significant contributions of the UW System to the state's economic prosperity, social progress and continuing advancement; and

WHEREAS, through his leadership on several regent committees, most notably as Chair of Physical Planning and Funding, Personnel Matters Review, Student Discipline and Student Governance Appeals, and Relationship with the University Bookstore, Regent Barry has helped the UW System to be an effective and efficient steward of fiscal and capital resources; and

WHEREAS, through his participation on several prominent Regent Search Committees he has helped the UW System to appoint top-quality individuals as chancellors of UW-Extension, UW-Platteville and UW-River Falls; and

WHEREAS, his representation of the Wisconsin Technical College System on the Board has strengthened the relationships between Wisconsin's two excellent public higher education systems; and

WHEREAS, Regent Barry's service to the UW System caps a distinguished public service career that includes two terms as Dane County Executive, two terms on the Dane County Board of Supervisors and three terms in the State Assembly; and

WHEREAS, as a graduate of UW-Madison, Regent Barry understands the influence, quality and impact of public higher education in Wisconsin and does whatever he can to see that others might benefit from a UW education; and

WHEREAS, Regent Barry personifies the spirit of the Wisconsin Idea by his devotion of time, energy and thoughtful leadership beyond the boundaries of expectation, positively impacting every UW institution across the state;

BE IT THEREFORE RESOLVED, that the Board of Regents of the University of Wisconsin System commends Regent Jonathan Barry for his outstanding service and effective leadership on behalf of higher education in Wisconsin.

President Lyall presented Regent Barry with a UW System medal.

Assistant Vice President Nancy Ives noted that Regent Barry had served for 10 years on the Physical Planning and Funding Committee, during which time he devoted his efforts to protecting the UW's \$6 billion facilities resource and reinvesting in them to ensure the quality needed by students. In those ten years, the board had approved over \$1.5 billion in capital requests, and the amount of all-agency funds received from the Building Commission for maintenance had grown from \$30 to \$150 million a biennium. In recognition of his dedication to investment in existing facilities, she presented him with a plaque-mounted graph showing the marked trend in the past decade from spending GPR money on new space to reinvesting in existing space.

Expressing his appreciation, Regent Barry observed that the graph demonstrates a significant change in policy that was made under the leadership of the board. As a member of the Board of Regents, he said that his effort has always been to convey the mission of the Technical College System which is different from, but woven together with, the mission of the UW System.

He indicated that Dr. Charles McCarthy, head of the Legislative Reference Library, is credited with originating the Technical College System in 1911 by creating a long-range study committee that recommended allowing municipalities to create technical

colleges. Noting that the same Dr. McCarthy started what was to become UW-Extension, he said that the UW, the Technical Colleges, and the K-12 system always have been bound together by the ideas of continuing education, part-time education, and education for everyone.

Referring to the rich diversity of educational choices available in Wisconsin, Regent Barry urged that this richness be protected and perfected so that persons at any stage of life can make their way through levels of study that are clearly articulated, with a clear path of educational choice in front of them. To reach that goal, he felt that program-wide and institution-wide agreements are needed, instead of the numerous agreements that currently exist between individual UW and WTCS programs. In doing a long-range study of the university's mission, he suggested also working with the technical colleges to look for new ways of providing education. In that regard, he suggested that there might be one statewide virtual network that would aggregate educational opportunities. In conclusion, he urged that the two systems be brought closer, while continuing to recognize their distinct missions.

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Statement on the University's Future in a Time of Fiscal Challenge

Regent President Gottschalk quoted as follows from a statement made by President John Weaver to the Board of Regents in April 1975. Noting that the message is just as relevant today as it was then, he expressed the hope that it would serve as an inspiration to strive mightily for the sake of this great institution.

“Your University has never before feared change; it need not fear it now. Indeed, if it is to attain its rightful destiny – if it is, in fact, to validate its greatness – it must always be ready to meet the demands of change with well-considered change.

“Proposals for major change often arise out of some immediate dilemma or problem. The issue now before us, as to whether the State of Wisconsin wishes, or is able, to continue its present level of public university commitments and to pledge emerges in just this fashion. There is an ever-present danger of loss of perspective in attempting to deal with a question of this magnitude on short notice, and in an environment where current economic distress can unduly and unwisely influence decisions concerning the longer range public interest.

“We do not attempt to hide our belief in the priceless cause of public higher education, or do we avoid our responsibility to answer the concerns that have been laid before us...On the other hand we have a commitment to serve Wisconsin citizens who seek and can profit from higher educational opportunity...On the other hand, we cannot serve effectively a constantly growing demand for our services on the basis of static or declining real dollar resources; even though that is precisely the situation we now face.

“The immediate public policy issue becomes clear. If we are to fulfill our missions as historically defined, we need to be certain the state still supports those missions, and supports them with the full realization that they cannot be fulfilled on the

basis of static or declining resources. If we are to plan for long-term fiscal austerity and retrenchment, this needs to be directed with the complete understanding that this will require a most basic change in direction for the State of Wisconsin – a deliberate decision to constrain, for fiscal reasons, the levels of access to educational opportunity that have historically been provided.

“I obviously am not neutral on the issue...nor am I oblivious to the current fiscal dilemma of this state. I happen to believe that this Board’s present course of action and the state’s traditional commitment to public higher education should be sustained. If we face hard times now and then, we will seek to limit our requests to only those things we consider to be the irreducible minimum. However, I am persuaded that this state will recover from its momentary distress. I am convinced that advanced public education for our citizens is an essential ingredient in that recovery, as in long term economic growth and social improvement.

“We are acutely conscious of the fiscal problems that face our state government, and of the fact that unlimited access to new resources is not a realistic possibility for any public institution. Thoughtful people will differ as to the priority to be assigned to higher education among the many claimants for public dollars; they will, indeed, even differ regarding the extent to which government can fully support maximum access to educational opportunity. Notwithstanding these things, there still is clearly a choice – a choice between those who would join me in saying that strong education has built Wisconsin’s very foundations – that quality education is, indeed, still its greatest strength and asset, both for today and tomorrow, and that we have a state’s future at stake in keeping the opportunity for it open and fully available; and there are those who would say that such a goal is no longer realistically possible. It is that critical choice that now hangs in the balance of public decision...It is an almost desperately fateful choice, because of a few irrefutable facts:

“First, enrollments in the System will continue to grow...unless restraining decisions are made now that will operate to limit access to our University System.

“Second, the University of Wisconsin System cannot...provide education of quality for more students without appropriate, compensating increases in resources. Our services are provided by people for people. We should give fair warning, and we must continue to warn, that we cannot go on reducing faculty and staff, as well as support for instructional materials and equipment, and simultaneously undertake the teaching of ever-increasing numbers of students. To attempt such is an inescapable prescription for irreversible mediocrity.

Third, it follows clearly that if our fiscal future includes no enlargement of our present resources...then we cannot provide educational opportunity for all Wisconsin citizens who would, if permitted, seek such services...No other consequence can lead from the established facts.

“Decisions of great importance should not be taken without some sense of history...We should remind ourselves that for well over a century, the people of Wisconsin have held certain propositions to be self-evident:

- (1) That Wisconsin's citizens should have ready access to higher educational opportunity of quality and of relevance to their purposes, interests and abilities.
- (2) That personal and societal need for knowledge constantly increases as a direct function of the complexity of society and the mounting aspirations of our citizens.

“Our unwavering confidence has been that public university education is a public good, and that the public investment in such endeavors is repaid to society many fold, and in countless ways;

- The investment is repaid through the lives and taxes of citizens who realize more fully their potential for making wise personal and civic decisions, and who develop the skills needed for productive lives and careers.
- The investment is repaid through the functioning of communities of scholars which bring the power of vibrant, useful knowledge to bear on the problems of people and their institutions.
- The investment is repaid further through the impact of knowledge on the intellectual, cultural and economic vitality of society in general.
- The investment is an expression of the fact that what a society honors and values best describes its goals. Wisconsin has honored the search for and transmission of knowledge and, in so doing, has established a quality of life that even in the face of sacrifice, its citizens have been unwilling to do without.

“These beliefs and their consequences are both present fact and matters of history. The issue now before the State of Wisconsin is whether it wishes, or is able, to continue its adherence to these beliefs.

“I must now reset my case with you. In turn, you must, without delay, place our case before the people of Wisconsin. You and I, and others, who...have a deep and abiding concern...for longstanding traditions of intellectual pioneering for the public good. The people of Wisconsin have had great faith in public higher education. Above everything, I would covet the hope that through the difficult days of decision that lie immediately ahead, the citizens of Wisconsin will sustain that faith.”

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REPORT OF THE PRESIDENT OF THE SYSTEM

Academic Staff Awards

Introducing the award presentations, President Lyall noted that each year the Board of Regents recognizes the outstanding contributions of two academic staff from UW campuses. These staff, she noted, are the professionals who carry responsibilities in admissions, financial aid, advising and counseling, research, safety and a host of other functions without which quality education could not be delivered. This year's winners were selected by a committee consisting of Regent Brandes, Chair, Regent Axtell, Regent Barry, and Regent Jones.

Stating the board's strong appreciation for the UW's non-instructional academic staff, Regent Brandes indicated that the awards recognize the vital contributions they all make, as well as their institutional loyalty, professionalism, and devotion to serving students and the public. In making selections from 15 impressive nominations, the committee considered extraordinary contributions to the nominee's unit as well as an overall level of service that enhanced the mission of the university. The award recipients each receive \$5,000, which can be used to support their own professional development or to enhance the program or function of their department.

Regent Brandes presented an award for excellence to John Gugerty, Senior Outreach Specialist for the Center on Education and Work, UW-Madison. Mr. Gugerty currently co-directs six projects with funding in excess of \$4 million, including the \$1 million Wisconsin Advanced Placement Distance Learning Consortium, which he created. He also co-directs the \$1.1 million project "Accessibility for All – Failure is Not an Option", which updates web sites to make them accessible to learners with disabilities. He is co-director of a three-year \$857,000 grant for examining factors associated with degree completion and post-school success of university students with disabilities. In addition, he is co-editor for the *Journal for Vocation Special Needs Education* and consulting editor for the publication, *Career Development for Exceptional Individuals*.

J. Trey Duffy, Director of the McBurney Resource Center and former Regents Award for Excellence recipient said the following about Mr. Gugerty: "His contribution to UW-Madison, in particular, and the entire UW System in general, these past 26 years has been nothing short of understated excellence...John Gugerty happily succeeds in a field where so many others struggle just to maintain the status quo...In my opinion, the man lacks nothing but a cape."

Expressing appreciation for the award, Mr. Gugerty thanked the regents, his college, co-workers, and administrators for making it possible.

Regent Jones presented the other award to Susan Foxwell, Director of Research Services, UW-Stout. Ms. Foxwell came to the campus in 1978 as a lecturer in the School of Home Economics. Later, she became a research specialist, associate researcher, and research coordinator before being named to the position of director, in which capacity she

serves as liaison between the university and federal, regional, and private agencies and organizations. She oversees all aspects of grant and contract development and implementation at UW-Stout.

Of her contributions, Dean John Murphy, of the College of Arts and Sciences, wrote: "...Her consistently high standards, positive interactions, innovative solutions, and significant and numerous achievements have helped to further the university mission by positively changing the campus climate regarding research and service. In sum, she has made a difference."

Expressing appreciation for the award, Ms. Foxwell said it was her pleasure to accept it on behalf of all the non-instructional academic staff who work hard every day to benefit the students, the university, and the state. She thanked Chancellor Sorensen, Provost Sedlak, and Senior Vice President Marrett for giving her the encouragement and support that she needed to carry her ideas forward.

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Context for \$250 Million Cut

To put in context the challenge of cutting \$250 million from the base budget, President Lyall related that, in 1905 Andrew Carnegie sold the U.S. Steel Company to J.P. Morgan for \$250 million and used the money to construct more than 65 public libraries in communities across the country. Noting that millions of citizens have started their education in those centers of learning, she indicated that Harry Truman read at the local Carnegie library when he was unable to go to college and that Dwight Eisenhower, along with many others, relied on the library to propel their careers forward. Today's Carnegie libraries still serve millions of small town, rural, and inner city residents, she said, adding that Carnegie had inscribed over the door of each library: "Who enters a library enters the best society in the world."

While \$250 million would not go that far today, she observed that the amount does represent the state investment in educational opportunities for more than 30,000 students attending a UW institution. While understanding the reason for the cut, she urged that the cost also be understood and that the state be challenged to make a commitment to reinvest those dollars for the sake of Wisconsin's future.

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Good News

Wisconsin Public Television gets Cronkite Award

President Lyall commended Wisconsin Public Television on winning the Annenberg Walter Cronkite Award for political journalism for its "Wisconsin Vote" effort that provided in-depth coverage of the state's fall 2002 election campaigns.

Wisconsin Vote was a partnership of Wisconsin Public Television, Wisconsin Public Radio, the *Wisconsin State Journal*, and Wood Communications.

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Tax Assistance at Hand

It was reported by President Lyall that UW-Milwaukee's business students again this year provided help to low-income taxpayers in preparing their state and federal returns. Noting that UW-Milwaukee has a well-respected tax program supported by the accounting industry, she indicated that this service provides hands-on learning experiences for students.

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Carnegie Foundation Honors UW Faculty and System

President Lyall congratulated William Cerbin, of UW-La Crosse, on his selection as a Carnegie Lead Scholar by the Carnegie Foundation for the Advancement of Teaching. Noting that he is one of only two in the nation, she explained that the Lead Scholars will provide guidance for a new cohort of faculty from across the country who gather during the summer to develop course portfolios, new teaching materials, and assessment techniques.

She also announced that the UW System has been named a Leadership Cluster for the next stage of CASTL campus programs, which will involve disseminating and encouraging new teaching techniques throughout the system.

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Sloan and UW-Extension Look at On-line Learning

It was reported by President Lyall that UW-Extension will host a national conference on the "Economics of On-line Learning" later this month. Sponsored by the Sloan Foundation, the conference will bring together on-line learning faculty from more than 25 universities to assess their experiences and discuss what steps are necessary to scale up this delivery mode at a feasible cost. She was pleased that the Sloan Foundation, a leader in this field, is looking to Wisconsin to host this important educational policy discussion.

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UW-Eau Claire Students gets State Recognition

President Lyall commended Philip Yang, a former participant in UW-Eau Claire's Upward Bound program, on being chosen to receive a State TRIO Achievers Award. Noting that Mr. Yang joined the Upward Bound program as an eighth grader who could barely speak English, she indicated that, when the family came to Wisconsin from a

refugee camp in Thailand, no one in the family could read or write. With the help of Upward Bound and a lot of hard work, Mr. Yang went on to earn bachelor's and master's degrees. He now works as an academic advisor at UW-Whitewater.

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UW-Milwaukee Architecture Professor Makes Senior Centers Better

It was reported by President Lyall that Professor Uriel Cohen, co-director of UW-Milwaukee's Institute on Aging and the Environment, was asked by the Alaska Commission on Aging to evaluate and suggest ways to improve the environmental effectiveness of Alaska's 12 senior day-care centers. Professor Cohen's research indicates that some of the most meaningful programs and environments for the elderly are those that make productive use of the residents' unique cultural assets and lifestyles. In this case, he recommended that funding be used for certain features in rural day-care centers, such as a place to process fish, a smokehouse, appropriate kitchen work spaces, a sauna and other community-specific solutions.

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Resolution in Support of Faculty, Staff, and Students called to Military Duty

President Lyall stated the university's pride in the service of faculty, staff and students who were called to active duty in conjunction with the war in Iraq. She noted that policies and programs are in place to help them return to their jobs and studies after their tour of duty is completed.

Regent President Gottschalk read the following resolution, which was adopted by acclamation.

Resolution of Appreciation

Resolution 8674: WHEREAS, University of Wisconsin System faculty, staff and students have been called to active or reserve duty in support of military action in Iraq and the Middle East; and

WHEREAS, these faculty, staff and students are undertaking great risks and they and their families are making tremendous personal sacrifices in the service of our country; and

WHEREAS, their colleagues, friends and neighbors on the campuses and in their communities look forward to their swift and safe return to Wisconsin;

BE IT THEREFORE RESOLVED that the Board of Regents of the University of Wisconsin System declares strong support and gratitude for the valor and dedication of all those in the University of Wisconsin System who are serving their country; and further states a commitment to making every effort to ease their transition when they return to the university.

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

Regent Olivieri, Chair of the Business and Finance Committee, presented the committee's report.

2003-04 Annual Budget Decision Rules

Regent Olivieri pointed out that the Preliminary Budget Allocation Decision Rules will be the key document which the committee will focus upon. In regard to the impact differential tuition programs will have on campuses, Regent Olivieri expressed concern that implementation may be delayed or not approved by the legislature. He encouraged the administration and the regents to emphasize to the legislature the importance of differential tuition programs, and convey this message in a timely manner to prevent interruption of these efforts.

Secondly, Regent Olivieri continued, the allocation rules provided to the campuses prioritizes the budget cuts while minimizing as much as possible the impact on students, teaching and learning. Dealing with this enormous task, he believes the principles provide good guidance, and are consistent. He asked that campus plans be provided to the regents as early as possible.

Third, concerns regarding how to allocate the budget cuts from UW System to the campuses, and the effects of tuition pooling are issues that need to be addressed. Regent Olivieri strongly encouraged the board to include these points in the long range review of the UW System.

Regent Olivieri moved adoption by the Board of Regents of the following resolution, stating that he hoped that if changes need to be made in the second year of the biennium, that it would not be too late in the planning process. The motion was seconded by Regent Davis.

2003-04 Annual Budget Allocation Decision Rules

Resolution 8675: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the 2003-04 annual budget allocation decision rules. If subsequent legislative action modifies either the first year funding increases or reductions noted in

the rules, the UW System would distribute the changes according to the principles set forth in Sections I and III.

Citing the importance of looking at allocation and other issues in the long term planning process, Regent Davis supported adopting the rules at this time.

Regent Randall expressed concerns regarding differential tuition and urged the Board to review the principles used to guide the process.

Regent Walsh made a motion to amend the rules changing the wording from “fair” to “proportionate” in #4 on page 3. Regent Davis seconded the motion.

Questioning the amendment, Regent Randall asked the meaning of proportional. In response, Regent Olivieri pointed out that if other programs take a 5% cut, minority/disadvantaged programs will not take more than a 5% cut.

The amendment was passed unanimously.

Regent Olivieri noted that the committee discussed budget cuts for UW System administration. He stated that in a number of ways System saves money and proposed that at this time no additional cuts be made.

Regent Salas pointed out that he does not support across the board cuts and urged the board to take more time to develop more specific directions to the campuses as to where the cuts should be made. Regarding tuition increases, he questioned the message that is being sent to students and feels that the legislature is not in support of an increase.

Regent Walsh concurred with Regent Salas that the Senate Committee on Education had questions on access and cost. He noted that the rules would apply to whatever level of cuts are made.

President Lyall pointed out that looking at the base budget allocations is an important and timely question which the Board will emphasize in its long term study of the UW System.

Put to the vote, Resolution 8675 was adopted unanimously.

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Trust Funds

Regent Olivieri reported on the National Association of College and University Business Officers (NACUBO) Endowment Study on trust funds. The UW System has about \$284 million in assets. In the last 5-10 year period we have performed in line with our peers in terms of the returns on trust funds and our management and custody fees are also in line with our peer group average.

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Committee Business

The committee reviewed a report on how the campuses deal with federal and non-federal gifts, grants and contracts. There has been, Regent Olivieri observed, tremendous growth over the last six years. Because this is a relevant and important issue, Regent Olivieri suggested it be discussed in the long range study of the UW System.

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Report of the Vice President

Vice President Debbie Durcan reported that the Joint Finance Committee cut System Administration an additional \$361,000. The Legislative Audit Bureau is still in the process of reviewing administrative costs and looking at issues including outside consultants.

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REPORT OF THE EDUCATION COMMITTEE

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

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Report of the Senior Vice President for Academic Affairs

In recognition of National Poetry month, Professor Marnie Bullock Dresser, Professor of English at UW-Richland read several poems. Regent Boyle noted that the humanities provide a joyful and meaningful contribution to the education of our students.

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Report on Orientation Programs and Information Provided to Students on Sexual Assault and Sexual Harassment

Cora Marrett, Senior Vice President, provided information on the legislatively mandated reports on sexual assault and sexual harassment. These reports summarize the various methods institutions are using to provide information on preventing sexual assault and sexual harassment. Disseminating this information to all students is required by law. VP Marrett noted that statistics indicate that the number of reported incidents have increased, which means more individuals are reporting assaults. Each campus is working diligently with student groups and others to increase accurate reporting and more effective prevention efforts.

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2002 Minority and Disadvantaged Student Annual Report

This legislatively mandated report includes information on precollege initiative and activities, enrollment of new undergraduate students of color, retention rates and degrees conferred to targeted race/ethnic groups, expenditures for students of color and disadvantaged student programs, and student financial assistance data.

As the report indicated, several campuses are not doing very well in terms of enrolling students of color. The question was raised about whether investing in pre-college programs is beneficial to the extent that it should be. Chancellor Zimpher suggested looking at the relationship between pre-college programs, PK-16 council and DPI to determine how campuses are doing in terms of recruitment efforts.

Regent Brandes pointed out that in today's market, major corporations are interested in recruiting from diverse student bodies, and that it is not an option anymore, but a requirement if we want major corporations to maintain their interest in our recruits.

Regent Salas requested a further breakdown in the Hispanic category and Dr. Arenas replied that will be done when more specific categories are determined federally.

Citing the importance of campus climate, Regent Davis expressed the need to be aggressive about identifying issues within the system and setting a time frame to promptly proceed with the identified issues.

VP Marrett pointed out that a plan is now in progress to gather information and to organize the statistics systematically based on our own experiences and knowledge and then proceed to determine what else needs to be accomplished.

As leaders we need to look at what we are trying to accomplish, urged Regent Brandes, and create an environment whereby any one can come to our institutions and succeed. In her view, she felt it is important to look at the bigger picture so the appropriate focus is not lost on details and statistics.

In summary, Regent Boyle expressed the committee's strong feeling that we are not making the progress we would like to make. The committee will look at this in depth at the October meeting.

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Academic Program Consolidation

Associate Vice President Ron Singer described what the System and the institutions are doing in terms of identifying the Academic Program Consolidation and Elimination principles. The goal is to strengthen and preserve a high quality, accessible program array that meets the needs of students and the needs of the state

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Approval of Requests to Trustees of the William F. Vilas Trust Estate

Peter Spear, UW-Madison Provost, reported on a proposal for additional undergraduate scholarships and for four Vilas Teaching Professorships. Regent Boyle expressed hope that this will be approved by the trustees.

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Program Authorizations - Second Reading

Two programs were approved by the committee: the B.S./B.A. in Digital Media Development at UW-Stevens Point and the Ph.D. in Health Sciences at UW-Milwaukee. Both programs are being implemented through reallocation and do not require any new resources.

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Revised Mission Statement, UW Colleges: Initial Reading

Chancellor Messner explained that the revisions in the mission statement were primarily in the wording for purposes of clarification. Following a public hearing, the revised Mission Statement will be approved at a future meeting.

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The following resolutions were presented to the Board of Regents as consent agenda items by Regent Boyle. They were seconded by Regents Mohs and carried unanimously.

Implementing s.36.11(22)(b), Wis. Stats., Relating to Sexual Assault and Sexual Harassment

Resolution 8676: That, upon recommendation of the President of the University of Wisconsin System and pursuant to 1989 Wisconsin Act 177, s.36.11(22)(b), Wis. Stats., the Board of Regents hereby accepts the report on implementation of the Act (the report on orientation programs and information provided to students on sexual assault and sexual harassment) and directs that the report be submitted to the Chief Clerk of each house of the Legislature for distribution to the appropriate standing committees under s.13.172(3).

Minority and Disadvantaged Student Annual Report

Resolution 8677: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents accepts the 2002 Minority and Disadvantaged Student Annual Report for submission to the Governor and to the Chief Clerk of each house of the Legislature, pursuant to s.36.25 (14m) (c), Wisc. Stats., for distribution to the appropriate standing committee under s.13.172 (3) Wisc. Stats.

Requests to Trustees of the William F. Vilas Trust Estate

Resolution 8678: That, upon recommendation of the Chancellors of the University of Wisconsin-Madison and the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Board of Regents approves the request to the Trustees of the William F. Vilas Trust Estate for \$5,311,158 for fiscal year July 1, 2003 to June 30, 2004, subject to availability, as provided by the terms of the William F. Vilas Trust, for Support of Scholarships, Fellowships, Professorships, and Special Programs in Arts and Humanities, Social Sciences, Biological Sciences, Physical Sciences and Music.

**UW-Stevens Point: Program Authorization (Implementation)
B.A./B.S. in Web and Digital Media Development**

Resolution 8679: That, upon recommendation of the Chancellor of the University of Wisconsin-Stevens Point and the President of the University of Wisconsin System, the Chancellor be authorized to implement the B.A./B.S. in Web and Digital Media Development.

UW-Milwaukee: Program Authorization (Implementation) Ph.D. in Health Sciences

Resoluton 8680: That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Chancellor be authorized to implement the Ph.D. in Health Sciences.

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REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE

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

Report of the Assistant Vice President

Nancy Ives, Assistant Vice President reported that the Building Commission approved about \$.4M for various projects at their March meeting.

In honor of National Poetry Month, VP Ives read an poem entitled “Three Generations”, an award-winning work, written by “poet laureate” Assistant Vice President Tess Arenas.

A panel of members from four institutions discussed various aspects of Residence Hall Planning on their campuses.

Regent Gracz moved the following resolutions be approved by the Board of Regents as consent agenda items. Regent Rosensweig seconded the motion and it carried unanimously.

Fire Sprinkler Systems Project

Resolution 8681: That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to construct a Scott Residence Hall and Gruenhagen Conference Center Fire Sprinkler Systems project at an estimated total project cost of \$4,891,000 Program Revenue Supported Borrowing.

UW-Oshkosh: Authority to Construct a Scott Residence Hall and Gruenhagen Conference Center Elevator Renovation Project

Resolution 8682: That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to construct a Scott Residence Hall and Gruenhagen Conference Center Elevator Renovation project at an estimated total project cost of \$1,462,000 of Program Revenue Supported Borrowing.

UW-Oshkosh: Authority to Exchange Land

Resolution 8683: That, upon the recommendation of the UW-Oshkosh Chancellor and the President of the University of Wisconsin System, authority be granted to exchange two university-owned parcels of land located at 837 Woodland Avenue and 1579 Pearl Avenue and \$115,850 program revenue cash for one parcel of land adjacent to UW-Oshkosh at 75 Osceola Street and owned by the city of Oshkosh. A Phase II Environmental Assessment of the city-owned parcel indicates no serious environmental issues. There are no relocation costs.

UW-Madison: Mechanical Engineering Power Equipment Cooling System Replacement Project Budget Increase

Resolution 8684: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to increase the project budget for the Mechanical Engineering Power Equipment Cooling System Replacement Project by \$70,000 of Non-GPR Institutional Funds (College of Engineering) for a revised total project cost of \$303,800 (\$100,000 General Fund Supported Borrowing-Facilities Repair and Renovation and \$203,800 Non-GPR Institutional Funds).

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UNFINISHED OR ADDITIONAL BUSINESS

Presentation on Fostering Discovery: Research Contributions to Wisconsin

In introductory remarks, Senior Vice President Cora Marrett noted that universities contribute to the economy in many ways, including transfer to the commercial sector of discoveries and innovations that emerge from campus research. The process of technology transfer begins with a significant discovery and proceeds through disclosure of the discovery, patenting it and then licensing the rights for commercial development.

Since 1925, the Wisconsin Alumni Research Foundation (WARF) has handled technology transfer for UW-Madison. Joining WARF in 2000 was WiSys, the technology transfer manager for other UW institutions. Across the system, she indicated, the process of discovery intersects with teaching and learning. Research projects engage students in the quest for new ideas, and teaching fosters original inquiry and creativity.

Martin Cadwallader, Dean of the UW-Madison Graduate School, began his presentation by announcing that UW-Madison now ranks at the top of universities in spending on research and development, with a total of \$554 million, having recently overtaken the University of Michigan. The vast majority of these funds, he pointed out, come from out of state and contribute to Wisconsin's economy in terms of job generation and other stimulus. He noted that Johns Hopkins University leads in research spending with \$901 million because of its Applied Physical Lab that does only classified research, which is not done at UW-Madison. If classified research spending were removed, that university would be further down the list.

Total research and development spending was composed in 2002 of \$440 million in federal dollars from such agencies as the National Institutes of Health and the National Science Foundation, and \$110 million in non-federal funds from industry contracts, WARF monies and other sources. In addition, there was research in the arts, humanities and social sciences that is not included in the funding figures but still is valuable and adds to the university's prestige through awards for books and other scholarly activity.

Using a multiplier developed by the Association of American Universities, Dr. Caldwell indicated that UW-Madison's expenditures on research generates between 20,000 and 25,000 jobs throughout the state. Each faculty member generates an average of \$200,000 in research spending. Therefore, reduction of 50 faculty would have a \$10 million dollar impact in terms of lost revenue and a further impact in terms of lost jobs.

As to sources of federal revenues, he noted that about half comes from the Department of Health and Human Services, particularly the National Institutes of Health. NIH funding doubled in the last five years, and UW researchers did very well in competing for those dollars. About 17% of revenue comes from the National Science Foundation, with dollars from that source also expected to increase.

With regard to the University Research Park, Dean Cadwallader indicated that both the number of businesses and the number of employees increased rapidly in the past five years. Of the 107 businesses, more than two-thirds involved technology transfer from inventions by UW-Madison faculty and staff. Transfer of the benefits of research to society, he stated, is an obligation and commitment that is very seriously taken.

Turning to challenges and opportunities, he identified first the increasing cost of faculty recruitment and retention. The university's success in research, he pointed out, depends on a corps of exceptional faculty who have reputations that attract new faculty. Noting that there will be a large number of faculty retirements in coming years, he indicated that, if the critical mass of acclaimed faculty is lost and not replaced, it would be very difficult to build up again, given the state's limited resource base.

Another challenge, he continued, is the cost of administering a large amount of research dollars. In addition to the need to process more grants, homeland security is a new and costly issue. For example, there is the need to restrict access to certain agents that are used in research on campus, among other unfunded federal mandates. There also is the need to safeguard human and animal research subjects and to manage potential conflicts of interest in technology transfer activities.

An exciting opportunity, Dean Cadwallader observed, is to engage more undergraduate students in research. An undergraduate symposium for students to present their research results to the campus community has grown from 50 participants when it was established in 1999 to 250 students this year. There also are financial awards, such as the privately funded Hilldale Award of \$5,000 for worthy undergraduate research proposals. The money is used to buy equipment and pay for other needs.

In discussion following the presentation, Regent Jones spoke of the joy and excitement of the undergraduate research that he had experienced as a student. He asked if there were opportunities for UW-Madison students to participate in such conferences as the National Conference on Undergraduate Research that provide opportunities for peer review by other students from across the country.

Dean Cadwallader replied that there is an effort to systematically increase opportunities for students to present research both on campus and at national forums. Faculty also encourage undergraduates to submit research for publication in journals and guide them through the publication process. This kind of experience, he observed, not only prepares students for graduate-level research, but allows them to build a portfolio that is helpful in obtaining employment in private or public sector research.

Noting that gifts, grants, and contracts are very important sources of revenue for the university, Regent Axtell emphasized the need to maintain a critical mass of renowned faculty and asked that the matter be included in the board's upcoming long-term study. One possibility, he suggested, would be creation of a fund that would be used specifically to retain key researchers.

Regent Marcovich noted that the Madison Initiative, which became stalled because of budget problems, had as a key provision the effort to attract clusters of top-notch researchers who would bring large grants with them. He felt that resumption of that program should be a top priority. Dean Cadwallader agreed, noting that faculty hired through that program paid for their salaries many times over.

Regent Mohs pointed out that Wisconsin ranks very low in receipt of federal dollars except in the area of university research, in which it ranks at the top. The competitive advantage in this area, he emphasized, needs to be protected for the sake of the state's economic future.

Regent Olivieri agreed, adding that this successful competition for research money is a story that should be told and repeated as something distinctive in Wisconsin and a great value that the university brings to the state. The jobs resulting from research

and technology transfer expenditures are high knowledge jobs of the kind that are important to the state's economic future.

In response to a question by Regent Olivieri about the challenges of homeland security and possible research opportunities in that area, Dean Cadwallader indicated that one challenge relates to research that is considered sensitive, although it is not classified. Questions arise about publishing the results of research in these areas and access to the research by international students. He added that there will be opportunities to compete for research dollars in areas related to homeland security.

Regent Walsh observed that the greatness of the university is found in the top quality of its faculty and emphasized the importance of conveying the message when recruiting new faculty that the UW is a great place to be.

He asked if funding from WARF is included in the \$110 million in nonfederal research monies, to which Dean Cadwallader replied in the affirmative. In reply to a further question by Regent Walsh, the dean indicated that less than 10% of WARF funding goes for indirect costs, but that the indirect cost rate for federal funding is 44%. Regent Walsh observed that those indirect cost monies benefit the university through maintenance of facilities and in other ways that are broader than the research function.

President Lyall noted UW-Madison's success with cluster hires that attract research support for problems that are interdisciplinary in nature. She asked Dean Cadwallader if the cluster risked breaking apart if one of the faculty in it were to leave. Replying in the affirmative, the dean added that, besides faculty, research dollars and indirect cost monies for buildings and operations also are lost when a cluster breaks apart.

UW-Stevens Point Chancellor Tom George made a presentation about undergraduate research at comprehensive campuses and the role of WiSys in promoting such research. In that regard, he expressed special appreciation to Beth Donley, General Counsel for WARF, whose work has been central to the success of WiSys.

Referring to a study on the benefits of research experiences to undergraduates, he indicated that students surveyed at four liberal arts colleges indicated that research facilitated: 1) Higher-order inquiry skills; 2) confirmation of career choices; 3) transition from personal to professional development; and 4) strengthened confidence in research skills and knowledge.

Chancellor George then gave three examples of research at WiSys aided campuses that involve undergraduate students and have prospects for commercial applications. First, he cited the example of Professor James Cook, at UW-Milwaukee, whose research involves making valium-like compounds that do not have undesirable side effects. Professor Cook has disclosed numerous potential patents to WiSys over the last two years, one of which is under option with a large pharmaceutical company. His work has received support from the National Institute of Mental Health and the National Institute on Alcohol Abuse and Alcoholism.

Professor Brian Smith, of UW-River Falls, does work focusing on plant breeding, with implications for fruit growers throughout the state. Undergraduate researchers work with him on projects that are funded by the Wisconsin Berry Growers Association, the

Wisconsin Department of Agriculture, and the USDA. Students develop expertise in breeding new plant varieties that will thrive in a northern climate and that will provide a stock resource for state growers.

Professor Diane Caporale, of UW-Stevens Point, works with undergraduate students on tick research that has application to Lyme disease and is funded through a very competitive grant from the National Institutes of Health.

Turning to economic development, Chancellor George indicated that Professor Caporale's work may lead to development of a new vaccine for Lyme disease, affecting the biotechnology industry; Professor Cook's group has disclosures under consideration with WiSys, with applications in the pharmaceutical industry; and Professor Smith and his students are working in areas that have a direct impact on Wisconsin fruit growers.

With regard to measures of excellence, the chancellor noted that UW-Eau Claire ranks first in the nation among comprehensives for graduates who go on to complete doctoral programs in chemistry, and UW-Stevens Point ranks second in the nation among comprehensives for graduates who go on to complete doctoral programs in biological sciences.

In conclusion, Chancellor George indicated that, in addition to the sciences, students and faculty are involved in undergraduate research across the range of disciplines on campus, contributing to the economic strength of communities.

In discussion following the presentation, Regent Rosenzweig pointed out that the presentations on research tell very positive and inspiring stories about the contributions of the university to the state and that these kinds of accomplishments need to be better communicated.

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CLOSED SESSION

The meeting was recessed at 11:45 a.m. and reconvened at 12:00 p.m., at which time the following resolution, moved by Regent Marcovich and seconded by Regent Boyle was adopted unanimously on a roll-call vote, with Regents Axtell, Boyle, Burmaster, Davis, Gottschalk, Gracz, Jones, Marcovich, Mohs, Olivieri, Rosenzweig, and Smith (12) voting in the affirmative. There were no negative votes and no abstentions.

Resolution 8685: That, the Board of Regents recess to Closed Session, to confer with Legal Counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*, to consider an Honorary Degree Nomination at UW-Oshkosh, as permitted by s.19.85(1)(f), *Wis. Stats.*, and to consider an appointment of a UW College Dean, as permitted by s.19.85(1)(c), *Wis. Stats.*

The board arose from closed session at 12:15 p.m., having adopted the following resolutions.

Honorary Degree: UW-Oshkosh

Resolution 8686: 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 an Honorary Doctorate Degree to John Gilbert, subject to his acceptance.

UW Colleges: Authorization to Appoint: Dean, UW-Manitowoc

Resolution 8687: That, upon the 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 Glenda K. Gallisath as Dean at the University of Wisconsin-Manitowoc, effective July 1, 2003.

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

Judith A. Temby, Secretary