

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

Thursday, February 6, 2003

10:30 a.m.

- 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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WELCOME TO THE NEW REGENTS

Regent President Gottschalk began the meeting by introducing four new members of the board:

Danae Davis, Director of Staffing and Diversity at Miller Brewing Company in Milwaukee, was appointed by Governor Doyle to succeed Lolita Schneiders. A graduate of UW-Oshkosh, she was honored by that institution as one of four distinguished alumni for the year 2002. She also holds a degree from the UW Law School.

Peggy Rosenzweig, who succeeds Phyllis Krutsch on the board, is a former State Senator who represented the communities of Wauwatosa, West Allis and the northwest side of Milwaukee. She began her state government career in 1982, representing Wauwatosa in the State Assembly. Regent Rosenzweig is a 1978 graduate of UW-Milwaukee and has five sons who all are graduates of UW-Madison.

Jesus Salas, who succeeds Alfred DeSimone on the board, is an instructor at Milwaukee Area Technical College and at UW-Milwaukee. Regent Salas, who has been active on a number of boards and committees related to Chicano and migratory labor issues, is a graduate of UW-Milwaukee's School of Education and holds a Masters Degree in Political Science from UW-Madison.

David Walsh, who succeeds James Klauser on the board, is an attorney and partner in the Madison office of Foley and Lardner, specializing in telecommunications law. He has served on a number of advisory boards to UW-Madison and received the Distinguished Alumnus Award from the UW Business School in 1997. Regent Walsh holds an undergraduate degree from UW-Madison and a law degree from Harvard.

Also introduced was Mark Bradley, of Wausau, who has been nominated to the board by Governor Doyle and will fill a seat in the future.

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REMARKS BY GOVERNOR DOYLE

Introducing Governor Jim Doyle, Regent President Gottschalk noted that the Governor took his undergraduate degree from UW-Madison and his law degree from Harvard. He began his distinguished career of public service in the Peace Corps. After serving as a lecturer in the UW Law School and as Dane County District Attorney, he was elected to the office of Attorney General in 1990 and became Wisconsin's 44th governor in January of this year.

Governor Doyle began his remarks by stating that he sees the UW as providing opportunity to the state and beyond, holding out the promise of a world class education to qualified Wisconsin students.

Regent Jesus Salas, he continued, is one of the many talented people who have benefited from a UW education and contributed much to the state. Growing up in a family that first came to Wisconsin to do migrant labor, he entered public school here and made his way to the UW where he found the opportunity that led to future success. The Governor stated his commitment to ensure that the UW continues to provide that opportunity to people from all backgrounds.

Turning to Wisconsin's budgetary crisis, he stated that, while the people of the state remain strong and vibrant, state government's fiscal situation is deeply troubled. In these difficult economic times, he said, it is necessary to protect what is most important. In that regard, he pointed out that the state faces a \$452 million deficit in this year alone and a \$3.2 billion deficit in the coming biennium. Stating that the nation's economic slump is not the sole cause of the problem, he explained that Wisconsin's situation was made worse because no money had been put aside for a rainy day.

The Governor observed that, in his travels across the state, people had made clear to him that they want the problem resolved and that they are willing to make sacrifices to get through current difficulties. Now, he said, it is up to state leadership to do what needs to be done. Therefore, he had called the Legislature into special session to deal with

immediate cuts that can be made. He had proposed reductions of \$161 million at this time, recognizing that there are only five months left in the fiscal year and most funds have been committed. In that regard, he expressed appreciation for President Lyall's cooperation and willingness to work on this problem.

Stating that it is very important that the next budget be responsible, fair and balanced without raising taxes, he added that cutting spending thoroughly does not mean cutting it thoughtlessly. In that regard, he said that to slash education would undermine the asset that makes the state most attractive; to walk away from programs that provide health care to seniors and working poor would place the most vulnerable of the state's people in jeopardy; and to walk away from obligations to local government would force those who depend on essential services like police and fire protection to pay the price.

The Governor pointed out that the long-term solution is economic growth that produces the kinds of good-paying jobs that keep university and technical college graduates in Wisconsin and that education is essential to creating economic growth. In the world economy, he indicated, Wisconsin's generations-long commitment to education will help to position the state as a place of highly educated people and a well-trained work force able to provide the sophisticated services that are needed.

Noting that the university has a crucial role to play in that regard, he applauded the efforts made to date and commended Regent Smith for his leadership in expanding the university's role as a vital player in the growth of Wisconsin's economy.

He emphasized that economic opportunity, new jobs and higher wages are needed to make prosperity available to all of the state's citizens. For that reason, he stated, education is his top priority.

The Governor emphasized, however, that the huge budget deficit means that the university, along with all other areas of state funding, will need to do more with less but will not be asked to do more than its share. These budget cuts, he said, will result in a significant reduction in the state workforce. In order to resolve all these problems, he continued, Democrats and Republicans will need to work together without excessive partisanship and with understanding that good ideas can come from both parties, as well as from other parts of state and local government and from the private sector.

In closing, he stated that his proposed budget will be a tough one but will be designed to protect Wisconsin's basic values, the most basic being education.

Stating that the UW must be protected and improved, he pointed out that 29 of 30 high tech clusters in the nation are located near major research universities and that UW – Madison is the largest in terms of research spending of any public university in the country.

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HIGHER EDUCATION REAUTHORIZATION ACT

President Lyall introduced David Ward, President of the American Council on Education and former chancellor of UW-Madison. The ACE represents more than 3,000 two and four-year colleges and universities, both private and public.

Dr. Ward began his presentation by citing a number of issues that overlie political deliberations in Washington about higher education: 1) The prospect of war with Iraq and related security issues; 2) Concern about deficits at both the national and state levels; and 3) The issue of accountability for higher education. He thought the great challenge will be to help Congress identify problem areas, rather than taking actions that impact higher education as a whole and may turn out to have harmful impacts. It is important, he explained, to know where members of Congress stand in these issue areas in order to work effectively with them on reauthorization of the Higher Education Act.

Another matter affecting HEA deliberations, he continued, is the politics of Congress. With the House of Representatives being highly disciplined politically, it is necessary to work with leadership in order to make progress on any given issue. In contrast, considerable bipartisan behavior is found in the Senate, making it possible to build coalitions more readily.

With regard to the executive branch, he indicated that the Department of Education is strongly committed to K-12 education and generally is not as attentive to higher education. In the White House, however, some domestic advisors are quite interested in higher education accountability matters.

To be successful in this environment, Dr. Ward felt it is best to attempt to influence HEA reauthorization in the executive branch before it goes to Congress. He thought that it would be difficult to negotiate about the bill in the House and that most negotiating would occur in the Senate. Changes made in the Senate would need to be approved through a conference committee with the House.

Noting that reauthorization of the Higher Education Act occurs every four to six years, he indicated that the most important issue involves student financial aid, the major problem being the large growth in the proportion of aid distributed by loans, while the level of grant aid, which helps those whose incomes would prevent them from attending college, has not risen nearly as rapidly. The problem is exacerbated at the state level, when tuition is raised to compensate for reductions in state support. With regard to financial aid, ACE supports: Increased funding for Pell Grants; elimination of front fees for federal student loans; increased options for loan repayment; counseling for students who encounter difficulty; discounts for those who find employment in publicly virtuous activities; and increased loan limits for those who need them.

Stating that ACE places great emphasis on access to postsecondary education for low-income students, Dr. Ward explained that, in the second half of this decade and the first half of the next, the children of immigrants will double the number of 18 year olds who want to go to college. Pressure for access will be enormous, with the brunt being felt in California, Texas and Florida, due to the compounding demographic effects of a large burst of immigration in the 1990's.

As to the question of how the federal government can address this issue, Dr. Ward explained that the belief in Washington is that economic development eventually will resolve the states' structural deficits and that federal spending will help to drive up employment and grow the economy.

As access to higher education has increased greatly in most states, taxpayer ability to support that level of access has been strained and the question has arisen as to what proportion of the cost should be paid by students who reap a lifetime of benefit from the education they receive. Without overt policy decisions being made, Dr. Ward said, costs have been shifted to students. While costs have increased fairly slowly and predictably, tuition has increased much faster so that on average students now pay about one-third of the cost and much more in states like Michigan and Pennsylvania.

To address this problem, he suggested rethinking financial aid and viewing it as a way to help states out of their financial deficits. The states could charge moderate tuition to be paid by those who can afford it. These tuition increases would be accompanied by a large infusion of federal financial aid that would allow states to meet the high demand for access and support those students who cannot afford the higher tuition. Private institutions, he noted, have always charged high tuition to those who can afford to pay and financed the education of low-income students. An easily understood and generous federal grant system would permit the states to decide as a matter of policy the proportion of educational cost that should be borne by students rather than simply increasing tuition in response to a budget crisis.

Turning to the matter of accountability, Dr. Ward explained that elsewhere in the world ministries of education create highly uniform systems of higher education, while the genius of higher education in this country is choice and diversity, creating the greatest range of educational options anywhere in the world. American higher education is admired for this diversity, he said, because the message of the 21st century is customization, not standardization, to meet the needs of young adults and society.

Quality control in this diverse setting, he pointed out, is achieved through accreditation. Although many find the process expensive and burdensome, he stated that accreditation still provides the best means of non-governmental regulation of quality through a peer-group structure, giving the public and the government reassurance that their money is being well spent. With the current regional organization, he observed that accreditation is achieving mixed results. He commented that what is needed is a national system with some standardization of basic issues that would also be fitted to the specific mission of the institution. He also suggested that accreditation needs to be more transparent, with Internet availability of the findings of accreditation reviews.

If accreditation could be reformed in that manner, he thought many accountability issues concerning cost could be satisfactorily addressed. As to outcomes assessment, he noted that many states, including Wisconsin, hold their higher education systems accountable for a variety of outcome indicators and it would be redundant and costly to have this process duplicated by the federal government.

Turning to another issue in reauthorization, Dr. Ward referred to Title Six of the Higher Education Act, which funds international trade and area studies. While this portion of the act deals with matters of high national priority, it has relatively little funding, and the Department of Education has decided to take some strong initiatives in this area in connection with K-12 education. In that regard, he pointed out that language acquisition needs to take place before college and, for those without language aptitude, there is not much value added in language study after age 18. One proposal, for example, that might be incorporated into Title Six is that students who show an aptitude for languages in high school might receive grants to study less commonly known languages in college, which would build a base of people with needed language skills. There also is interest in self-paced learning in languages, which is a more effective way to acquire language skills than in classes of students attempting to learn at the same pace.

Another issue for Title Six, he continued, concerns customizing and expanding programs abroad. Currently, 50% of college freshmen wish to study abroad, but only three percent actually achieve that goal. There also is interest, he indicated, in internationalizing both the undergraduate curriculum and the K-12 curriculum.

Noting that there has been a move in Congress in recent years toward less regulation of colleges and universities, he pointed out that security issues raised by the September 11th terrorist attacks have resulted in a move toward heavy re-regulation and unfunded mandates concerning international students. What needs to be done, he indicated, is to work out a system to deal with legitimate security concerns and track foreign students in an efficient and customer friendly way.

A second issue in this area, he noted, is concern in the administration about foreign students taking certain sensitive courses. Indicating that this type of issue would be very difficult to manage on the campus level, he said that ACE's position is that if a subject is sensitive enough to be classified, it should be restricted by rules that apply to all students, both American and foreign.

A third manner of concern, he continued, is surveillance of Middle Eastern and Moslem students which needs to be done in a manner that addresses legitimate security concerns while also protecting civic liberties on campus and avoiding measures that have high costs but low outcomes.

With respect to affirmative action, Dr. Ward indicated that ACE organized a brief on the case before the Supreme Court that was joined by almost every higher education association in Washington. At this point, he explained, there are at least three positions on the matter: 1) The plaintiffs' position that admission to college must be based solely on academic records; 2) the President's position that there is a public interest in diversity, but that the Bakke decision does not provide a constitutional means of achieving it; and 3) the position taken by many in the higher education community that they are open to other means of achieving diversity but that, if the Bakke decision is reversed, it will be difficult to find a means to create an appropriate level of diversity, bearing in mind that the Texas solution may not be found constitutional.

In discussion following the presentation, Regent Burmaster observed that it is important to work in partnership with K-12 education in Title Two. She also suggested that loan forgiveness could be considered as a means of addressing the impending teacher shortage which would help to improve Wisconsin's economic situation.

Dr. Ward concurred, indicated that ACE is focusing on broad policy areas, such as financial aid policy and economic recovery as a means of drawing congressional attention to the area of education.

Regent Burmaster added that it is difficult in a state like Wisconsin, with strong accountability based assessment, to implement a federally imposed system with standardized accountability for K-12 education.

Regent Boyle agreed with Dr. Ward that federally imposed uniform standards would be undesirable for higher education, and noted that the UW System's accountability report provides a series of valuable measures. His main criticism of accreditation is that it focuses on process rather than on outcomes and does not really measure quality in a meaningful way. He asked what ACE is doing to change the criteria used by regional accrediting associations.

Dr. Ward replied that slowness in reforming accreditation to include outcomes assessment comes more from resistance by university governance groups than from resistance by accrediting agencies. Both the North Central and Western accrediting groups are now dividing the process into two stages, with the first focusing on compliance in such areas as fiscal propriety, and the second dealing with outcomes assessment. After that, findings need to be made transparent so that Congress and the public can see that these new accreditations are more about quality assessment than was the case in the past.

Noting that education today is seen as a seamless process throughout life, Regent Randall pointed out that there are other major reauthorizations taking place, such as Head Start and the Work Force Investment Act. He commented that all these acts currently before Congress demand some kind of integrated articulation, and he encouraged ACE and other organizations with advocacy responsibilities to work together on these matters.

Dr. Ward concurred, indicating that it would be helpful to involve the business community with its need for qualified workers. He felt finding a policy that other constituencies could buy into would be more beneficial than the current process in which each group lobbies for its own cause.

Regent Davis expressed interest in a needs-based tuition program and inquired about the likelihood of bipartisan support given the challenge of budget deficits.

Dr. Ward replied that it would be necessary to engage constituencies other than higher education to make the case to the Republican leadership of the House. He thought it also would be necessary to work with groups like the White House forum on business and higher education in order to generate support and mount a broad campaign.

With regard to affirmative action, Regent Davis asked about the basis of ACE's support for the University of Michigan and whether Dr. Ward believes that there is an academic and merit basis on which admission decisions can be made.

In response, Dr. Ward indicated that ACE's history has been strongly connected with the civil rights movement and that his predecessor was involved in helping Michigan with the case and its appeals. The organization, he added, remains a primary coordinator of most matters that have a bearing on civil rights. The Bakke decision, he pointed out, only affects about 25 universities to which admissions are highly competitive, with most others having admissions that are open enough to make it a non-issue. If the Court reverses the Bakke decision, it would infringe for the first time on the autonomy of private institutions, which is of concern to many who do not support affirmative action. The ACE's position is based on preservation of university autonomy and on the array of variables that should be considered in admission decisions.

To the second question, he replied in the affirmative but indicated that a lot of good judgment must be involved. Noting that prediction of college success is difficult, he said the best indicator is the GPA from the last two years of high school and that the SAT is a helpful predictor in the sciences. There is a threshold level below which a student probably will not succeed in college, he said, adding that above that level prediction is difficult because there are many other factors that influence student success. In that regard, he considered it important to take some risks in admission decisions rather than limiting criteria to a narrow number of high school measures.

Regent Salas expressed interest in Dr. Ward's comments on language acquisition and asked how bilingualism can be promoted in a political culture that has generated initiatives against bilingual programs.

In response, Dr. Ward indicated that globalization means that bilingualism will be increasingly important for people to cope as citizens of the world. While the matter is an important political debate, he noted, in 20-30 years a number of states will become bilingual regardless of any policy. To promote language acquisition, he said that language training at the secondary level needs to be improved and that language exposure should begin before high school. At this time, he felt it is being taught too late and in a way that does not work well – three credits at a time. At the university level, he suggested that a student with weak second language skills should be able to take nine credits of it in a semester to have an effective level of exposure. In addition, instructional technology is needed to provide self-paced learning, using the Internet to connect with native speakers. At this point, he felt that foreign languages are being taught quickly and effectively only in the intelligence community and the military and that most people with an undergraduate degree in a language do not speak it very well.

Speaking in opposition to affirmative action in college admissions, Regent Mohs commented that the population of the United States is strongly in favor of eliminating race preferences in admission decisions. Surveys by the *Washington Post* and other entities have shown 80% of respondents oppose such preferences. He found the ACE's brief in the Michigan Case not compelling for two reasons: First, it was based on a sociological study that claimed racially diverse classes to be important in learning. This

claim, he said, does not hold up to scrutiny. Second, he continued, the brief argues that universities be allowed to racially design their own classes, which requires discrimination. He also disagreed with the position that opponents of using racial preferences in admissions favor totally arithmetic admission processes. This, he said, is not the case. The belief is only that racial discrimination should not be part of the process. In conclusion, he stated that he and other opponents of racial preferences will rejoice when the racial and ethnic mix of the student body represents the nation as a whole but do not believe that adding more discrimination to cure the results of past discrimination is the proper means to achieve that goal.

Dr. Ward did not believe that the way Michigan applies preferences is discriminatory, but concurred that American democracy will be best served when higher education serves the full range of talent from its populations.

Regent Jones asked if other organizations were collaborating with the ACE on the reauthorization of the Higher Education Act.

In reply, Dr. Ward indicated that, while the current effort is to reach consensus among higher education associations, it also will be necessary to form a broad coalition with advocacy from sources outside of higher education if major gains are to be made in financial aid and other areas.

Regent Smith noted that many of the subjects addressed by Dr. Ward, including tuition, state support, accreditation and study abroad for students were among those with which the Board of Regents have been dealing for a number of years. On the matter of affirmative action, he noted that the realities of today's world recognize the importance of diversity and asked how the ACE planned to proceed once the Supreme Court hands down its decision.

Dr. Ward replied that workshops are being planned on the basis of different hypothetical outcomes. If the plaintiffs win, he thought college applicants will contest the Texas solution, and higher education organizations would need to decide its position on defending that and other means of achieving diversity. If the court declares the Bakke solution unconstitutional and also sets forth other means to create diversity, institutions would need help in determining how best to deal with admissions in a new environment.

Chancellor Wells commented that affirmative action has not created diverse campuses and that moderate tuition with a strong financial aid component may do more to accomplish that objective.

Dr. Ward agreed that is true on a national basis but added that the elite private institutions would argue that only through Bakke-like solutions can they achieve diversity.

Referring to the administration's position that better preparation in the secondary schools would help to solve the problems that affirmative action tries to address, Chancellor Zimpher observed that there is a disconnect in Washington between the Higher Education Act and the Elementary and Secondary Education Act and a disconnect in dialog between higher education leaders and the Department of Education, along with a lack of federal incentives to create a P-16 educational system.

Dr. Ward agreed but reported that some progress is being made. For example, higher education leaders are meeting with the Department of Education and have discussed such issues as life-long learning. He felt that more discussion of higher education's contributions to pre-college learning would be needed to interest the department in the Higher Education Act reauthorization. The administration also is interested in security and economic growth matters, both of which are areas that can be addressed by higher education.

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2002 ACCOUNTABILITY REPORT

President Lyall began her presentation by noting that the UW System was one of the first in the country to issue public stakeholders reports. Beginning in 1993, the UW accountability reports have shown progress on a series of indicators ranging from access rates and faculty workloads to graduation rates; credits-to-degree; research funding; facilities maintenance; student, employer, alumni and employer satisfaction ratings; study abroad; and undergraduate research opportunities.

Where possible, the report benchmarks the UW against national or state measures and its own progress over time. A balanced scorecard approach is used with recognition that the university serves multiple constituencies, some of whose expectations may conflict.

In addition to presenting 20 performance measures and how the UW is doing in comparison to benchmarks and targets, the report includes sections on the context in which the university operates and the resources available to carry out its mission, a compendium of other relevant reports, and breakdowns by campus of many measures. There also is a set of campus-specific benchmarks and measures. Four indicators common to all campuses are performance related to enrollment targets; retention/graduation targets; student engagement in co-curricular activities including internships, practica, and volunteer work; and performance related to credits-to-degree targets. Other indicators have been added by each institution to reflect its own goals and local impacts.

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Operational Environment

President Lyall reported that demand for UW admission increased substantially as a declining economy sent more students back to college in search of degrees and professional certificates. Although fall 2002 enrollments grew 2,400 FTE over target, the state budget reduced the university's base budget by \$44 million. Despite that reduction the university sustained its commitment to implement the first half of the Economic Stimulus Package by increasing enrollments in high-demand majors and by continuing regional economic partnerships with local businesses across the state. The UW continues to diversify funding sources: GPR now provides 31% of the total budget, down from 33%

at the start of the biennium, while tuition (18%), gifts and grants (29%) and program revenue (22%) provide the rest.

The UW System maintained an overall access rate of 33% of Wisconsin high school graduates, compared to a national average access rate of about 22%. The President noted that it is Wisconsin's high college access rate that drives the higher-than-average state spending on higher education. If the state were to reduce its access rate to the national average, 8,000 fewer Wisconsin high school graduates would have the opportunity to go to college in-state each year, and the economic future of the state would be less bright.

Reporting that a UW education remains affordable compared to other states, she stated that the average cost of a UW education takes about 14% of median family income in Wisconsin compared to 18% nationally. Other states have been increasing state financial aid substantially as tuition rises, and Wisconsin last year took the important step of linking state financial aid to tuition increases as a way to maintain affordability.

Instructional workloads have shifted as campuses work to accommodate base budget cuts and maintain access to courses. Campuses have filled some faculty vacancies with instructional academic staff with the result that faculty now teach 59% of total student credit hours, instructional staff teach 33%, and graduate assistants teach 8%.

External research funding rose by \$41 million last year, reflecting a continuing flow of research advances in biotechnology, genetics, agrigenetics, and engineering materials, as well as the selection of UW campuses as national demonstration sites for important research in teaching and the application of humanities and social sciences to national problems. The President noted that research generates thousands of good-paying jobs statewide and helps Wisconsin retrieve a portion of the funds the state sends to Washington each year. UW research has generated more than \$1 billion in economic impact throughout the state, making it one of the state's most important industries and a key to growing future incomes in Wisconsin. She added, however, that uncertainty about the federal budget deficit and the possibility of war may cloud future prospects for continued growth in research budgets. The UW will be asking Wisconsin's congressional delegation to sustain the national investment in research.

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2002-03 Accountability Indicators

Goal 1: Ensure widespread access and increase the pool of eligible applicants

With regard to this goal, President Lyall reported that the UW has done well in maintaining service rates for traditional Wisconsin high school graduates (33%), increasing participation in pre-college programs (up about 27%) and expanding distance education opportunities statewide (enrollments up 24% and course offerings up 12%). Pre-college programs served more than 10,000 students last year, up from 8,000 the year before. Enrollments of new freshman and degrees granted to students of color rose 7%.

It remains a challenge to increase service to non-traditional students and to bring the service rate for students of color (23%) closer to the overall rate of 33%.

Goal 2: Increase persistence and graduation rates

President Lyall reported that both second-year retention rates (79.5%) and six-year graduation rates (61.9%) exceed their national benchmarks of 72% and 48% respectively. The second-year persistence rate for students of color (74%) is above the national average. A challenge for the future will be to meet new benchmarks by increasing the second-year persistence rate to 82% and the six-year graduation rate to 64% with the fall 2004 cohort of entering students.

UW students rate overall academic support services higher than other institutions nationally, but significantly fewer UW graduates rate the quality of their academic advising as good or excellent. Advising has remained a top priority for budget requests and students at several institutions have supported differential tuition initiatives to improve advising. The university will continue to address this challenge within budget constraints.

Goal 3: Improve learning competencies and foster critical thinking skills

With regard to this goal, President Lyall reported that a large share of UW graduates (75%) believe their education helped them think critically and apply theories and concepts to practical problems. These responses equal the national benchmark responses from other four-year institutions. UW graduates perform beyond the benchmarks in their pass rates on professional exams. A challenge in this area is to ensure that programs keep up with professional practice standards that are rising steadily and often have significant associated costs.

Goal 4: Provide students the ability to function in the global community

It was reported by President Lyall that the number of bachelor's degree recipients who studied abroad for a semester or longer rose slightly (from 3,212 to 3,336) over the past year, constituting about 8.5% of all bachelor's degree graduates, compared to about 3% nationally. Causes for a slowdown in study abroad may include the September 11th terrorist attacks, along with the recession and its impact on families' ability to pay for these experiences.

A survey of recent graduates indicates that significantly fewer UW graduates compared to the national benchmark say that their education contributed to understanding people of other racial or ethnic backgrounds or afforded the opportunity to converse with students whose personal values, political opinions, or religious beliefs differ from their own.

Goal 5: Provide student opportunities for guided research, mentoring, and citizenship learning

With regard to this goal, President Lyall reported that UW graduates participated more in co-curricular activities and did more academic preparation outside of class in teams or other collaborative modes, but had somewhat fewer internship opportunities than national counterparts. UW graduates rate their opportunities to talk with faculty about career plans and their participation in community-based projects far above national averages, but indicate that their opportunities to work with faculty on undergraduate research projects lagged behind other universities. Noting that undergraduate research efforts are relatively new, she expected this indicator to rise over the coming years.

Regarding student use of instructional technology, UW graduates used e-mail more often than national counterparts to communicate with instructors, but used the Internet less often to complete academic assignments, and indicated that their UW education gave them somewhat fewer personal computing skills than they would have wished to gain in college.

Goal 6: Stewardship of resources

It was reported by President Lyall that the UW is meeting its targets for investment in faculty professional development, for keeping administrative costs low, and for reducing the number of credits taken by undergraduates. Both faculty and student satisfaction with availability and quality of computing services is rising. Enrollments in collaborative degree programs involving two or more UW institutions rose, as did the number of 2+2 and other articulation agreements with Wisconsin Technical College institutions. Substantial progress has been made in upgrading classrooms with basic technology, but significant needs still remain to equip classrooms with full distance learning technologies. In that regard, the current state deficit may further constrain progress if capital budget allocations for renovation and maintenance are reduced or frozen.

Overall, the President stated, the UW met or exceeded targets on 11 out of 20 measures; seven measures showed mixed progress; and two (study abroad and increased understanding of racial/ethnic differences) remain challenging.

The good performance documented in this report, President Lyall emphasized, reflects the hard work of thousands of faculty and staff, the leadership of chancellors and public support for the university's mission. Budget cutting challenges, however, are forcing tough choices and will require even greater efforts if the university is to maintain its core capacity to serve Wisconsin in the future.

The President indicated that the report documents a number of continuing challenges and tradeoffs: Substitution of instructional academic staff for faculty as budgets and positions are cut; the struggle to maintain aging buildings and adapt them to modern instructional needs; the effort to increase retention/graduation rates by improving advising; the need to balance service to traditional and non-traditional students; and the need to balance access and affordability. An open dialog with students, elected officials,

graduates and the public is needed, she said, about these tradeoffs and where they are taking the university in the long term.

In closing, President Lyall observed that all share a desire to maintain the long-term capacity of the UW System to educate Wisconsin's sons and daughters and contribute to the state's economic recovery. In the year to come, it will be necessary to ensure that, as required cuts are made, the core capacity to serve Wisconsin's future is not sacrificed.

In discussion following the presentation, Regent Salas expressed particular interest in student access and advising and suggested that institutional reports be made uniform in providing breakdowns of access for students of color by racial/ethnic groups. Consistency in reporting, he indicated, would help in analyzing such problems as the gap in graduation rates between different minority groups and other students. He also suggested that the UW adopt the US census means of breaking the Latino grouping into its respective sub-groups.

Regent Axtell pointed out that the study-abroad participation rate of 8% shows substantial progress from the 4% rate five years ago. He also thought that the report should reflect the fact that the 25% target is an ambitious ten-year goal and that the UW is not way below its target at this time. While the current budget contains \$1 million per year for study-abroad grants, he was concerned that future budget cuts would diminish such opportunities. He suggested that alternate means be explored for supporting deserving students, such as asking campus foundations to seek corporate support so that graduates will have the advantage of these experiences when they enter the work force.

Noting that numbers of non-traditional students have declined over the past 10 years, Regent Axtell asked for an update on what proportion of new applicants are non-traditional students and what can be done to increase service to those students specified in the UW's Enrollment Management 21 plan.

Inquiring about use of survey results in the accountability report, Regent Axtell noted that a major indicator of quality is satisfaction of graduates and employers with the education they have received. Associate Vice President Frank Goldberg explained that surveys are incorporated on a three-year cycle. The National Survey of Student Engagement was used in the first year, followed by a survey of recent graduates. An employer survey that will give include appropriate benchmarks is being sought.

Regent Axtell added that accountability reports originally were intended to earn flexibilities from the state, many of which had not been forthcoming. He suggested better marketing and communication of the report as a powerful measure of accountability. Employer and alumni surveys, he emphasized, are strong indicators of customer satisfaction and provide the report with increased credibility.

Expressing particular interest in the advising issue, Regent Jones said that his experience as a student has borne out the view that students consider this issue a top-priority concern. He asked how anticipated budget reductions will affect student ability

to receive proper advising and to graduate on time. The issue, he pointed out, affects the UW's ability to properly steward taxpayer dollars and to make sure that students become productive, taxpaying citizens.

In response, President Lyall indicated that it would be ideal if students could be required to see an advisor at least once a year and perhaps once a semester. However, she noted, the university lacks the personnel needed to provide that level of service and continues to struggle to provide adequate advising staff. In addition, coming budget cuts are expected to take more positions from the university at a level that will affect all services. While technology could be used to provide some additional advising, she observed that the problem can only be addressed adequately by providing access to advising staff on a fast turnaround basis.

Regent Jones commended student, chancellors, faculty and staff for their efforts to find different and creative ways to address this issue. Recognizing that tough choices will have to be made, he hoped it would be possible to preserve the student/academic advisor ratio because of the important impact of advising on retention and graduation.

Commending President Lyall for an excellent accountability report, Regent Olivieri commented that it is one of the most important documents the board receives and that it measures progress toward reaching the board's priority goals. In terms of the report's message, he felt that there are three areas of particular interest to the public. First, in the area of providing student access, the UW continues to do very well. Second, in graduating students, the UW is making good progress toward its goals and making continuing to improve in that area, although there remain concerns about the gap in graduation rates for students of color. Third, he thought the public is very interested in how well prepared students are for their careers after graduation. Data in this area shows UW students achieve high marks on graduate and professional school admission tests and in other areas. He suggested that these three points be emphasized in articulating the message of the report.

With regard to student access, Regent Olivieri noted the Governor's earlier comments on the importance of access to the state's economy and the commitment to opportunity that the university represents. In making the difficult choices ahead, he urged that enrollments not be reduced in attempts to cope with budget reductions.

In the area of credits to degree, he pointed out that the report shows continued progress in reducing credits without diminishing quality. Noting that this is an important efficiency measure, he observed that some campuses have made exceptional progress and commended the chancellors and faculty for their efforts in that regard.

In that fund raising is an increasingly important part of a chancellor's role, Regent Olivieri noted that the report does not measure progress in raising non-GPR revenue except for research funds, and suggested that goals be set in this area and progress measured on an annual basis.

Regent President Gottschalk noted that, because these funds are raised by private foundations, there is a question about including them in the accountability report.

Regent Rosenzweig recalled that she and others had not focused on the UW's accountability reports when she served in the Legislature and suggested that it might be helpful to modify the format in order to facilitate campus comparisons and to show progress over time. She also thought survey information is important to show how graduates are faring. The question, she observed, is how to best draw attention to the very good story that the report has to tell.

With regard to peer comparisons, Regent Walsh suggested that comparisons to Big Ten states and other nearby peers would be more meaningful to the Legislature than national comparisons. He asked about the availability of that kind of data.

Dr. Goldberg noted that the peer data in the report are for public universities nationally and that different UW institutions have different peer groups.

Regent Boyle indicated that the Education Committee will try to identify a small number of quality-related factors that can be used in a more simplified message to various stakeholders.

Regent Mohs agreed with the importance of selecting key indicators and focusing on them in order to persuasively convey the report's message. He expressed concern about the reduction in courses taught by faculty, which is a measure of quality on which elite universities rank high, and about the possibility of reducing the number of advisors who are needed to maintain quality service to students.

Regent Marcovich observed that, while the accountability report should receive an "A" grade, efforts to convey its message deserve only a "C". He suggested that it might be helpful for regents to engage legislators in face-to-face discussions about the report and answer their questions and concerns.

Regent President Gottschalk suggested that meeting with the appropriate committees in both houses would be the best place to start such a dialog.

Regent Davis concurred, adding that communication needs to be ongoing, rather than limited to one meeting. She welcomed the opportunity to join in marketing the success story contained in the report and agreed that focus should be placed only on key elements, candidly identifying what is going well, what challenges remain, and what is being done about them.

She also felt there are connections that could be further explored among graduation rates, study abroad participation, and preparing for diversity in the world. If these areas were viewed together rather than as separate issues, she thought some solutions might be identified that would be helpful in all three areas.

With regard to surveying employers, she suggested working with universities that may already have done effective employer surveys and with organizations such as the Milwaukee Metropolitan Association of Commerce or the Greater Milwaukee Committee.

Regent Smith suggested that it would be helpful to be specific in identifying what legislative actions the university would like to have taken to deal with particular issues.

Regent Axtell agreed, noting that when the report was first created the objective was to achieve specific flexibilities that would give the President of the System the CEO powers needed to be held accountable for results. He thought there had not been an effective effort to keep that goal in the forefront.

President Lyall noted that flexibilities granted by the state over the past decade have allowed the university to serve about 16,000 more students than peers with the same budget.

Regent Barry suggested producing a list of all state-mandated reports and that the new administration might be amenable to eliminating some of minimal value. In addition, he thought the value of the accountability report should be highlighted.

Discussion was concluded and the meeting adjourned at 1:50 p.m.

Judith A. Temby, Secretary