

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, March 7, 2003

9:00 a.m.

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- President Gottschalk presiding -

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

ABSENT: Regent Gracz

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APPROVAL OF THE MINUTES

The minutes of the February 6 and 7, 2003 meetings stood approved as
distributed.

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REPORT OF THE PRESIDENT OF THE BOARD

Report on the March 5th Meeting of the Hospital Authority Board

A written report was provided on the March 5th meeting of the Hospital Authority
Board.

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REPORT OF THE PRESIDENT OF THE SYSTEM

Presentation: What Digital Television Means to the University of Wisconsin

Byron Knight, Director of Broadcasting and Media Innovations, assisted by Paul Stoffel, made a presentation on how digital television provides new opportunities that will help the university fulfill its educational mission.

Conversion from analog to digital television, he explained, is required by the Federal Communications Commission and must occur before June of this year for non-commercial TV. WHA-TV in Madison already has been converted and other stations in the state also will meet the deadline.

While analog television systems work by sending programs as rapidly changing waveforms, Mr. Knight continued, digital television sends programs as ones and zeros - the same language used by computers. The technology of digital television allows the broadcast of high definition television or broadcast of at least four standard definition program streams in the same spectrum space as that required by the high definition signal. At the same time, there still is enough spectrum space left to broadcast data, thus providing wireless access to Internet content.

Pointing out that it is the convergence of television and computing that make exciting educational opportunities possible, he and Mr. Stoffel demonstrated how a course could be delivered to enrolled students throughout Wisconsin in seconds through datacasting. Upon enrollment, the student is given an Internet address to connect to a datacasting server that is connected to Wisconsin Public Television. The digital television signal is sent to a receiver card inside the computer, and the requested course lesson is loaded within a matter of seconds. The receiver card can be obtained for a cost of about \$250.

In conclusion, Mr. Knight presented a map showing television coverage areas and remarked that television provides statewide access to digital information that opens up exciting educational opportunities at both the university and K-12 levels.

In discussion following the presentation, Regent Rosenzweig inquired about portions of the state that did not appear to be included in television coverage areas, and Mr. Knight replied that there are translators that provide a means of reaching people outside the indicated coverage areas.

Regent Walsh asked who would pay for the \$250 computer card that is used to download course lessons, to which Mr. Knight responded that it could be included in the course registration cost or provided on loan to students.

In reply to a further question by Regent Walsh on the status of digitizing transmitters around the state, Mr. Knight indicated that WHA is already on the air, that the Wausau station will follow and that all will be up and running by the first of June. Regent Walsh asked about the status of funding, and Mr. Knight indicated that funds were provided in a previous budget.

Regent Axtell asked if this technology will in time become accessible by PDAs, portable TVs, and cell phones. In reply, Mr. Knight indicated that commercial broadcasters are looking into this matter. Regent Axtell inquired as to whether 3D holographic imaging might be a future phase, to which Mr. Knight replied that it could be, depending on consumer demand.

Regent Walsh asked whether there is a relationship with the cable industry and how security is provided. Mr. Knight indicated that an encrypted log-in would be required in order to receive data. With regard to cable, he explained that the cable industry is only required to deliver broadcast – not data. Wisconsin Public Television and others are working with the FCC to require delivery of the full spectrum for public stations, so that educational material can be provided via cable.

In response to a further question by Regent Walsh about whether lack of delivery by cable would be a significant obstacle to educational programming, Mr. Knight replied that it would be a problem but that it will be solved because the FCC has mandated the transition to digital transmission and wants return of the spectrum currently occupied.

Regent Rosenzweig inquired about the status of federal funding for digital conversion. Mr. Knight indicated that some of the \$390 million in the President's budget bill will be used for the digital transition, in addition to funds in the Public Television Facilities Act. He expected the federal government to provide monies since the states, including Wisconsin, had so far paid the majority of the cost.

In response to a question by Regent Rosenzweig as to whether the 2006 deadline will be pushed back, Mr. Knight explained that the current law provides for the deadline to be 2006 or when 85% of the public can receive digital television. He considered it unlikely that 85% saturation would be reached by 2006 and that availability on cable will be required before that percentage can be attained.

Thanking Mr. Knight for the presentation, President Lyall expressed pride that the UW is on the leading edge of this technology which will be especially valuable for degree completion and other programs for working students who require anytime access.

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Follow-Up on Budget Discussion

President Lyall remarked that the preceding day's discussion had been very helpful with regard to the key challenges of handling the proposed 2003-05 cuts and determining a longer-term strategy that is both realistic and true to the university's mission of service.

With respect to the budget cuts, she recommended working together to ensure that the \$250 million cut is not increased and that the proposed tuition increases are approved. Noting that a \$100 million cut still would remain, she emphasized that a reduction of that magnitude could not be managed with less tuition offset. She further recommended working with the Legislature to stabilize the financial aid portion of the proposal.

Concerning longer-term direction, she expressed the hope that the board would start these discussions soon, perhaps continuing through the summer. She expected to work with Regent President Gottschalk to devise possible formats and approaches.

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Military Duty

Noting that a number of UW students, faculty and staff were being called to active military duty in anticipation of possible war in Iraq, President Lyall indicated that employees called to duty may, for the first 30 days of military leave, elect to receive the difference between their military pay and their university salary. After that period, service time is unpaid leave. For those on unpaid leave, the university will continue to pay the state's share of group life, income continuation, and health insurance. By state law, these employees have rights to return to the same or a similar position at the end of their military leave.

Students called to military duty are given the opportunity to earn a grade in courses under way or to receive a full refund of tuition. The unused portion of room and board contracts will be refunded and student loan repayments will be postponed. The university is committed to ensuring that students called to military duty are treated fairly and do not suffer an academic setback from their interrupted studies.

These policies, she noted, also were followed for students and employees who served in Kosovo and Desert Storm.

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UW Day in Washington D.C.

President Lyall reported that she, Regent Boyle and several chancellors hosted UW Day in D.C. the past week to recognize the large number of UW alumni who are working in Washington. The positions in which they serve include: Deputy managing editor of The Washington Post, brigadier general in the U.S. Air Force, director of the federal Witness Protection Program, former lieutenant governor of the State of Alaska, manager of banking regulation for the Federal Reserve System, manager of the National Committee to Preserve Social Security and Medicare, construction manager of the National Science Foundation's South Pole Station, and secretary of Health and Human Services.

The occasion also honored Wisconsin's congressional delegation, most of whom attended; and Regent Boyle presented a national 4-H award to Secretary Tommy Thompson.

Noting that more than 200 alumni braved a snowstorm to attend, she stated that the UW can be very proud of its alumni in public service. She thanked Kris Andrews and Margaret Lewis for their hard work in planning this event.

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Peace Corps Volunteers

It was reported by President Lyall that UW-Madison again ranked first in the nation in providing volunteers for the Peace Corps, sending 123 graduates to the Peace Corps last year. The University of Michigan ranked second.

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Russian University Officials Learn from UW-Extension

President Lyall reported that a delegation of Russian officials from Kuban State University in Krasnodar, Russia recently visited Wisconsin to study how they might create a university extension system modeled on the Wisconsin Idea. The delegation, hosted by UW-Extension, visited three county offices and learned about UW-Extension's distance learning programs and the Small Business Development Centers.

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Fighting Chestnut Blight

It was reported by President Lyall that Professor Tom Volk and Jane Cummings Carlson, of UW-La Crosse are working to find a way to stop the blight that threatens a unique stand of surviving American chestnut trees in West Salem. Noting that American chestnuts grew to more than 100 feet in height and once blanketed much of American forest land, she indicated that an Asian fungus began to kill chestnut trees in 1904 and that the 5,000 remaining in West Salem are a rare resource.

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Chancellor Zimpher Wins Sacagawea Award

Congratulating Chancellor Zimpher for receiving this honor, President Lyall observed that, without Sacagawea, Lewis and Clark might not have survived their journey and that, without Chancellor Zimpher, UW-Milwaukee and the Milwaukee community would have a real leadership void.

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UW Economic Impact Website

Reporting that the website has been updated with a breakdown by senate district of the economic activity generated by UW campuses, President Lyall recalled that, when David J. Ward presented the system-wide economic impact study the preceding fall, regents had suggested that having this information by legislative district would be useful in carrying the “Engage Wisconsin” message.

She pointed out that the same multiplier effects that generate increase in jobs, incomes, and tax revenues also work in reverse when there are cuts in campus budgets and personnel. In that regard, she noted that, while UW economic activity generated \$400 million in state tax revenues last year, a reduction of \$250 million in the UW’s budget can also be expected to reduce corresponding state revenues. Economic impacts are widespread, she indicated, with even senate districts without a UW campus having significant numbers of jobs and incomes dependent upon UW activities. The website address is: www.wisconsin.edu/impact/index.htm.

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Discussion on Budget Reductions

Regent Barry asked about efforts to inform faculty and staff across the system about the implications of impending budget cuts and strategies for responding to them. He noted that a number of faculty with whom he had spoken did not seem very aware of what is at stake and that legislators with whom he had spoken were not hearing from faculty.

President Lyall indicated that she and Senior Vice President Marrett have met with faculty representatives from across the system, informing them in detail about budget information and asking them to share it with their colleagues on campus. Noting that upcoming listening sessions are expected to heighten awareness, she added that campus budget committees are considering the matter but that full awareness probably will come only when elimination of specific positions and programs are discussed.

Regent Barry commented that it is important for people on campus to understand the magnitude of the cuts and the need for either tuition offset or reduction in the size of the cuts in order to mitigate their impact.

Chancellor Sorensen said that at UW-Stout there are weekly meetings with faculty and staff to share information on the impact of the budget cuts. People on all campuses, he added, are fully engaged in this issue.

Expressing concern about staff who have been working without a contract for the past two years, Regent Salas asked that they be invited to speak about the matter at upcoming listening sessions across the state. He also felt that the need for large tuition increases should not be considered a foregone conclusion without hearing from people at the upcoming sessions about administrative and program reductions that could be made.

President Lyall indicated that, even with the proposed tuition increases, it would be necessary to make \$100 million in personnel and program cuts, including administrative cuts, and that tuition offset revenues will be needed in order to make those cuts without reducing student access.

Chancellor Markee explained that all campus constituents are involved in the budget issue, including classified staff, academic staff, faculty, and students. Detailed processes are in place that are generating new ideas and creative means of saving money.

In addition to meetings, Chancellor Wells added that the campus community is kept informed through email so that the whole campus is engaged and that governance bodies are working hard to try to find ways to make the cuts that are forthcoming.

Regent Rosenzweig said that, while she had stated her support for the tuition increase, she also wanted to hear at the listening sessions from campus and public constituencies about their feelings regarding tuition, student access and program cuts.

Regent Salas referred to the February 28th memo from President Lyall to Department of Administration Secretary Marc Marotta on the budget cuts. Noting that different campuses made the cuts in different ways, he indicated that one campus had focused on cuts in technology, but that another had cut services to disabled persons. Expressing concern about the latter type of cut, he urged the board to review the cuts that are being made.

Regent Marcovich suggested that each of the chancellors specify their plans for program and staff reductions before the listening sessions as a means of making the campus and public fully aware of their impacts. This information, he felt, would make more valuable the input received at the sessions.

Referring to Chancellor Wiley's comments the preceding day on the cuts made over the past ten years, Chancellor Mash observed that, facing the largest budget cut ever proposed, the university already is very lean, with the lowest administrative costs of any university system in the country. He observed that there is a perception that, no matter how deep the cuts, a way will be found to preserve the UW's essential role in the state's future. However, he emphasized, there is no way reductions of the proposed magnitude can be made, even with the proposed tuition increases, without cutting deeply into the personnel of the university, given the fact that 85% - 87% of operating budget costs are for personnel. Noting that cuts in administrative costs and other areas already have been made, he pointed out that there is not much room for additional cuts in those areas. Therefore, he said, there is no way to make the additional cuts without affecting instruction and services to students.

Chancellor Zimpher explained that all groups on campus are very much involved in designing strategies for the cuts. Division heads have been told to propose five and ten percent reduction plans that are currently being vetted. Once the administration responds, they will be made public and everyone will have the opportunity to respond to the plans. UW-Milwaukee already has had two town meetings involving hundreds of people. Noting that the listening sessions would evoke objections to the tuition increases and the deep cuts, she urged that people at the sessions also be asked to address the future of the

university. Stating that the process of making the cuts needs to be transparent, she said the campus process is public and is on the university's website. Noting that any given cut has a range of impacts, she invited regents to attend campus sessions to learn about the tradeoffs that must be made.

Chancellor Wiley urged that the assumption not be made that there must be ways to make deep cuts without harmful impact and that particular items not be identified without full campus input. Noting that he delegates to the deans management of their college budgets, he observed that he could never know enough detail to do a better job than they do and that he had yet to challenge a decision without receiving a good answer as to why it was made. There are all kinds of tradeoffs in making cuts, he noted, adding that every school and college is in a different situation.

Referring to the cuts in the current year mentioned by Regent Salas, Chancellor Shepard noted that most funds for the fiscal year had already been spent or committed through personnel contracts and that it was necessary to use lapsed funds and other expedient means to make the cuts. For the next biennium, processes are in place to make decisions based on thorough deliberation. He emphasized that, even with the tuition offset, it is not possible to avoid cuts in instruction and services to students, because that is where most of the dollars are spent.

Chancellor Keating observed that there is a great deal of stress on campus because of the impending budget cuts and that it is important for the campus community to have time to work through its processes for identifying what needs to be done, rather than prematurely identifying any programs for elimination.

Cautioning against any suggestion of fiscal emergency, Regent Boyle recalled that, when the UW went into fiscal emergency in the 1970s, it took ten years to repair the damage that was done. Such a declaration, he pointed out, creates a confrontational situation amongst faculty and hinders any kind of cooperation among administration, faculty and staff. He also urged the board to be careful not to micromanage what campuses are doing. Stating that the UW has outstanding administrators, he noted that they are delegated responsibility for managing in a prudent way, involving appropriate campus and community people. While it is important for the board to understand the process and its implications, he urged that regents not identify specific items that they feel should or should not be eliminated.

Noting that the Business and Finance Committee had discussed the posture of the UW with regard to the very difficult budget being proposed, Regent Olivieri stated his understanding that it is the board's position that the tuition component is essential and must be kept intact in order to deal with a cut of the magnitude being proposed, noting that it will take great skill to manage the \$100 million cut remaining and still maintain the educational quality and student access that are important goals of the UW. Further, it is felt that the proposed financial aid increase must be protected, although there is concern about the source of funding, and that efforts should be made to solidify a source of support.

Stating his support for that posture, Regent Olivieri indicated that, while he wished the university had been afforded higher priority in terms of budgetary commitment, he is willing to try to protect the budget as proposed, adding a stronger commitment on financial aid, and that the board must defend against any efforts to worsen the proposal.

Noting that the decision is out of the university's hands, Regent Walsh urged that the board be patient and not over commit inasmuch as a great deal could happen before action on the budget is complete. While he agreed that the university should be defended, he said it should be done carefully and in a way that protects the priorities that have been identified. He also expressed concern about the large sums of money being spent by interest groups to advocate for their issues in the legislature. In closing, he cautioned against micromanaging the decisions that will need to be made by the campuses.

Regent Burmaster commented that she was reassured by reports made to the Education Committee about the principles and values that will guide decisions for making the \$100 million cuts for the coming biennium and that any tendency to micromanage was put to rest by those presentations. The cuts that had to be made this year for the emergency budget repair bill, she noted, were made through an entirely different process because of the money already committed and the need to act quickly. She thought it would be helpful for regents to accept Chancellor Zimpher's offer to listen and learn at the campus level.

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REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE

Regent Gerard Randall, Vice Chair, presented the report of the Physical Planning and Funding Committee.

Report of the Assistant Vice President

Nancy Ives, Assistant Vice President reported that the Building Commission approved about \$1 million for various projects at their February meeting.

Three building projects and one employee were presented *Awards of Excellence* by Governor Doyle. HGA, Inc. of Milwaukee received the *Excellence in Architectural Design Award* for the UW-Whitewater Williams Center and Fieldhouse addition; Berners-Schober Associates of Green Bay received the award for *Excellence in Engineering Design* for the UW-Oshkosh Halsey Science Center renovation; and Mared Mechanical of Milwaukee received the award for *Excellence in Construction* for the UW-Milwaukee Chemistry Building Retrofit. The *Excellence in Service* award was presented to UW-Madison facilities engineer Jack Wunder.

Building Commission hearings on the Capital Budget will be held on March 18 and 19. UW System priorities are maintenance and completing major projects begun in the last biennia. Of the 150 projects that have been reviewed by the Department of

Administration, 130 will proceed, 10 are being reviewed and 11 are deferred and will be reconsidered at a later date.

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Regent Randall presented the following resolutions to the Board of Regents as consent agenda items. They were seconded by Regent Rosenzweig and passed unanimously.

UW-Parkside: Authority to Accept the Gift of a facility

Resolution 8665: That, upon the recommendation of the UW-Parkside Chancellor and the President of the University of Wisconsin System, authority be granted to accept the gift of a 4,294 GSF facility on the UW-Parkside campus from K.R. Imaging, Inc., for use as the UW-Parkside Student Health and Counseling Center.

UW-Madison: Authority to Grant an Easement

Resolution 8666: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to the officers of the Board of Regents to grant a .11-acre permanent easement and a .3-acre temporary easement on West Madison Agricultural Research Station land to the city of Madison for the reconstruction of Old Sauk Road.

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REPORT OF THE BUSINESS AND FINANCE COMMITTEE

The report of the Business and Finance Committee was presented by the chair of the committee, Regent Jose Olivieri.

Discussion of All Regents

Governor's Budget

In discussion regarding the Governor's budget, it was emphasized that long-term strategic planning is needed. Other suggestions included involving a diverse group in the planning (Board, faculty, staff, students, legislatures, state budget people); having a "kick-off" session to discuss budget issues; asking the state to engage in reviewing issues, and including legislative leaders in the process from the beginning to the end. A long

range analysis strategy with leadership from President Lyall and Board President Guy Gottschalk was fully supported by the Committee.

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Instructional Technology

Defining what a hybrid course is and where we are in terms of the development of hybrid courses was discussed. Hybrid courses enhance the quality of education and students are encouraged to move towards higher instructional technology in their education. Chancellor Wiley explained that distance courses are often more expensive, but noted that the UW System can charge higher tuition for these kinds of courses to cover the cost of the course.

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Report of the Vice President

Vice President Durcan noted a recent survey of universities dealing with budget deficits. It is apparent that many states are also facing significant budget challenges. VP Durcan reviewed a recent state by state comparison of tuition and fees, income, state appropriations and financial aid published by the National Center for Public Policy and Higher Education.

The Legislative Audit Bureau is in the process of reviewing UW System's administrative expenditures.

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Regent Olivieri presented the following resolution as a consent agenda item. It was seconded by Regent Smith and passed unanimously.

UW-Madison: Authorization to Recruit and Appoint: Coach, Women's Basketball

Resolution 8667: That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Chancellor be authorized to recruit and appoint the Coach, Women's Basketball within a salary range that exceeds 75% of the President's current salary.

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REPORT OF THE EDUCATION COMMITTEE

Regent Boyle, Chair presented the report of the Education Committee.

Academic Programming

Regent Boyle reported the committee's discussion summarized the implications of budgetary cuts for our institutions. In order to deal with this, Regent Boyle stated the importance of having proper procedures in place, appropriate criteria, and appropriate individuals including faculty and staff involved in decision making. Program reviews, Regent Boyle continued, are designed to eliminate programs, merge programs and create new programs. Institutions are upgrading their program array as needs of students and society change throughout Wisconsin and the world. Shared governance, which is legislatively mandated in this state ensures that the decision making process, particularly relating to programs, is followed by the institutions.

Provosts Rebecca Martin of UW-Parkside and Peter Spear of UW-Madison outlined their processes and principles for academic planning.

Provost Spear explained the criteria and principles used by the campus to deal with the budget crisis, such as maintaining UW-Madison as a premier institution. In the last ten years, UW-Madison has eliminated 37 programs, consolidated 25 programs to 9 programs, and implemented 13 new programs. Provost Martin emphasized that a small institution such as UW-Parkside, needs to maintain its limited number of programs to remain a viable institution.

UW System Administration will work with campuses to develop systemwide principles to use in considering academic program planning consolidation and elimination. These principles will be presented to the Board of Regents at the April meeting.

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Program Authorizations

Two programs were presented to the Committee for a first reading. UW-Stevens Point's Provost Virginia Helm introduced the B.S. or B.A. in Web and Digital Media Development. The proposed program had been developed in conjunction with UW-Stevens Point's 2001-03 Biennial Budget Initiative. The goal of this program is to develop knowledgeable managers and leaders to provide employment in the area and encourage economic development.

Dean Randall Lambracht, Dean of the College of Health Sciences, UW-Milwaukee, described the proposed Ph.D. in Health Sciences. Addressing the critical shortage of healthcare workers and the national shortage of qualified doctoral research faculty in the Health Sciences, this program takes advantage of increased federal funding opportunities in the health services field.

A decision on these programs will be made at the April meeting.

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Amendments to Academic Staff Policies and Procedures, UW-Madison

Revisions to the UW-Madison Academic Staff Policies and Procedures have been approved by faculty governance bodies and are recommended by Chancellor John Wiley. If within 90 days the Board chooses to review a policy or procedure, implementation will be suspended pending further action by the campus. The Office of General Counsel will provide direction if there are questions or concerns.

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Discussion

Regent Olivieri applauded the committee's focus on expediting the program approval process as well as the System's agility in responding quickly to deliver programs needed by the state. Regarding program elimination, Regent Olivier urged that careful deliberation be considered in balancing the creation of programs and the elimination of programs. In addition, he felt that program analysis would be helpful in determining whether we are doing a good job in this area.

Noting that funding for new programs comes from existing resources and gift funds at the campuses to support that program, President Lyall stated that unlike other states, Wisconsin does not have resources for new programs. President Lyall indicated that there is a balance between the number of new programs added and those that are eliminated because of the fiscal discipline UW System is under, which is a different environment than many other universities work under.

Regent Mohs noted that with the expertise of our campuses, principles for the criteria used to add or delete programs have been established and they are adept at matching needs to resources. He noted that all campuses will need to be fully engaged in program evaluations as the budget process continues.

Considering financial aid packages and grants for students, Regent Rosensweig pointed out, is a consideration and concern which needs to be emphasized and re-emphasized.

Regent Davis commended the Education Committee for educating the new regents about processes used at each of the campuses to make difficult decisions. She urged the committee to gather feedback on the satisfaction level or effectiveness level at each campus. A process involving all stakeholders, Regent Davis continued, is one that work bests.

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ADDITIONAL RESOLUTIONS

Regent Boyle reported that the University Children's Hospital recently received a \$10 million award from the American Family Insurance Company. The current Children's Hospital, he explained, is inadequate in terms of capacity and facilities for

patient care and for research on children's diseases. For that reason, the Hospital Authority Board had set a new Children's Hospital as one of its top priorities and had launched a major fundraising campaign. Stating that the American Family gift provides an excellent kick off to this effort, he expressed special appreciation to John Flad, a prominent Madison citizen, who was instrumental in helping to secure this wonderful donation.

The following resolution, presented by Regent Boyle, was adopted by acclamation, with direction that copies be forwarded to the chief executive officers of American Family Insurance and the Hospital Authority and to Mr. Flad.

Resolution of Appreciation: American Family Mutual Insurance Company

Resolution 8668: WHEREAS, American Family Insurance has pledged a most generous gift of \$10 million for the construction of a new children's hospital at the University of Wisconsin that will provide critical assistance for seriously ill children and their families; and

WHEREAS, American Family Insurance was founded in Madison in 1927 and has demonstrated its unwavering commitment to Wisconsin communities through contributions to hundreds of deserving non-profit groups that provide services to people in need; and

WHEREAS, this remarkable gift will support construction of an extraordinary facility and will contribute directly to the healing of children by providing a hospital with distinct architecture designed to meet the needs of children and their families; and

WHEREAS, the construction of American Family Children's Hospital at the University of Wisconsin Hospital and Clinics will afford children the opportunity to further benefit from groundbreaking medical research; superior physician specialists, nurses and staff; and world-class resources found at UW-Madison and its Medical School; and

WHEREAS, American Family is an esteemed corporate citizen and friend to the community and has pledged a magnificent gift that will change the lives of hundreds of children and their families from across the nation;

BE IT THEREFORE RESOLVED, that with great appreciation and gratitude, the UW System Board of Regents applauds the leadership of American Family Mutual Insurance Company and praises the company's commitment to children and families in Wisconsin.

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UNFINISHED OR ADDITIONAL BUSINESS

Non-resident Tuition

Regent Axtell referred to a paper on nonresident tuition that showed UW-Madison and UW-Milwaukee charging between \$16,000 and \$17,000 to nonresident undergraduate students, including an increase of \$7,000 within the last year. This tuition level places the UW as the second highest among peers and \$3,000 to \$5,000 above the midpoint. The number of nonresident students has declined by 360 from last year. These data show, Regent Axtell pointed out, that the UW is priced over the market for nonresident students, resulting in a net loss at a time when the income is most needed. He asked that steps be taken to investigate whether this situation can be rectified.

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Listening Sessions

Regent President Gottschalk distributed a list of upcoming listening sessions, with the request that each regent try to attend at least one of them.

Regent Salas inquired about the prospects for having a session in Milwaukee.

It was indicated by President Lyall that the Waukesha session was intended to accommodate the Milwaukee metropolitan area.

Regent Jones felt that it is important that one of the sessions be held on a UW College campus, since others will be in communities with doctoral or comprehensive campuses.

Chancellor Zimpher suggested that the board hold a listening session at UW-Waukesha and that members attend a town meeting at UW-Milwaukee.

Regent Randall noted that a session in Milwaukee would allow attendance by people who would need to travel by public transportation.

President Lyall noted that, while the hearings are open to the public, a group of about 30 participants will be invited to take part in the discussions.

Regent Davis added that the Joint Finance Committee sessions are held in a public hearing format and suggested that a Milwaukee listening session be put on the list as an addition, rather than as a replacement for the Waukesha session.

Regent President concluded the discussion by indicating that the matter would be taken under advisement.

The meeting was recessed at 11:10 a.m. and reconvened at 11:20 a.m., at which the following resolution, moved by Regent Marcovich and seconded by Regent Smith, was adopted unanimously on a roll-call vote, with Regents Axtell, Barry, Boyle, Brandes, Burmaster, Davis, Jones, Marcovich, Mohs, Olivieri, Randall, Salas, Smith, Walsh, and Gottschalk (15) voting in the affirmative. There were no dissenting votes and no abstentions.

Resolution 8669: That, the Board of Regents recess in Closed Session, to confer with Legal Counsel, as permitted by s.19.85(1)(g), *Wis. Stats.*, and to consider an Honorary Degree Nomination at UW-Superior, as permitted by s.19.85(1)(f), *Wis. Stats.*

The Board arose from closed session at 11:35 a.m., having adopted the following resolution:

Resolution 8670: That, upon the recommendation of the Chancellor of the University of Wisconsin-Superior and the President of the University of Wisconsin System, awarding of the following honorary degree is approved, subject to acceptance by the nominee:

Davis Helberg, Doctor of Humane Letters

The meeting was adjourned at 11:35 a.m.

Judith A. Temby, Secretary