Minutes Business and Finance Committee Board of Regents of the University of Wisconsin System

November 4, 2004

The Business and Finance Committee met with all Regents invited at 12:33 p.m. in Room 1820 Van Hise Hall, UW-Madison, to discuss a report and action on salary ranges, salaries, and pay plan recommendations for faculty, staff, and academic leaders. Present were Regents Bradley, Connolly-Keesler, Pruitt, Randall and Rosenzweig. Regents Axtell, Burmaster, Davis, Gottschalk, McPike, Olivieri, Richlen, Salas, Smith, President Marcovich and Vice President Walsh were also present.

a. Report and Action on Salary Ranges, Salaries, and Pay Plan Recommendations for Faculty, Staff, and Academic Leaders

Regent Bradley stated that salaries for faculty, staff and academic leaders within the UW System are falling seriously behind their peers at other universities. While faculty are not necessarily behind in terms of salaries paid to other workers in Wisconsin, the state must consider the market from which these employees are recruited.

Regent Bradley explained that in considering compensation levels for university employees, the Board is required by state statute to take three steps. First, the Board must set salary ranges for chancellors, two vice chancellors, two senior executives and the UW System President. Second, the Board must recommend salary ranges for vice presidents and vice chancellors for consideration by the Legislature's Joint Committee on Employee Relations (JCOER). Finally, the Board must recommend a pay plan for faculty and unclassified academic staff, for consideration by the state Office of Employee Relations.

Regent Bradley commented that the pay plan recommendation resolutions do not grant pay raises to all individuals in the executive salary groups. Rather, the resolutions would raise the pay ranges for the executive salary groups. The resolutions do not consider any adjustments to tuition levels. The board will not revisit tuition levels until next spring. The Board does not currently have the Governor's budget, JCOER's pay plan recommendation or the Legislature's reaction to the Governor's budget.

Regent Bradley noted that the general compensation distribution plan and guidelines for the 2003-05 pay plan were adopted by the Board in December 2002 as Resolution 8639, and recommended that the merit-based pay distribution guidelines adopted by Resolution 8639 should apply to any 2005-07 pay plan greater than 2% in any year. The pay distribution would be based on one-third merit, one-third performance and one-third across the board. If the state approves a pay plan of 2% or less, it should be distributed across the board to satisfactory performers because such an amount represents a cost-of-living adjustment.

Stephanie Hilton, President, United Council of UW Students, stated that students passed a resolution at the October General Assembly in favor of the spirit of the resolution adjusting the salaries of seven Chancellors at the comprehensive institutions and two vice presidents. Students want to ensure that all UW System employees are paid fairly and competitively. It is imperative that their dedication to the UW System is recognized. However, students want to be clear that additional funds for the salary adjustments should not come from additional tuition increases, auxiliary reserves, student fees, nor the attrition or removal of faculty positions. Students expect that the campuses impacted will do all they can to use salary savings from other administrative positions to pay for the adjustments.

Ms. Hilton commented on the compensation package for the 2005-07 biennial budget, noting that it is an opportunity for the state to demonstrate its commitment to the UW System. Students feel that this compensation package is vital in the retention and future recruitment, of faculty, staff, campus, and UW System leaders. If the Joint Committee on Employee Relations determines there is not enough money in the state's compensation fund to cover the necessary salary increases, students expect that the Board will revisit its 2005-07 biennial budget priorities. The compensation package must be funded; however it cannot be funded solely on the backs of students. Students are standing firm on a five percent tuition cap. If the state does not fund the compensation package, it is up to the Board to re-prioritize base budget items and fund the remainder of the compensation package from the base budget.

Ms. Hilton noted that the resolution also includes an endorsement for state group health insurance for domestic partners, and directs the UW System President to work with the Governor and Legislature to turn this request into a reality. Students support offering domestic partner benefits, not just to remain competitive with other higher education institutions, but because it is the equitable and right thing to do.

Josh Healey, a member of the Multicultural Student Coalition at UW-Madison, stated that the students he represents are against the pay raises included in the pay plan recommendation resolutions. Any available funding should be used to alleviate the tuition burden on students, many of whom struggle to pay tuition at current levels. The state must come up with a reasonable budget and offer more funds for students in the form of financial aid. Mr. Healey noted that access is a top priority of students and questioned the Board's priorities in taking up these resolutions at the present time.

Regent Bradley reiterated that the pay plan recommendation resolutions will change the salary ranges for executive salary groups, as opposed to granting individual raises to personnel within those groups. The only exception to this is to raise the salary of seven chancellors and two vice presidents to the minimum of their salary range. The Board is under statutory obligation to transmit this information to the state. November is the month when this is normally done, and delaying it would set the process back.

Regent Axtell commented that the pay plan recommendation resolutions were not arbitrarily created, and reiterated the Board's statutory requirement to submit salary recommendations. The information used to form these resolutions was gathered using scientific data and research. There are many variables to consider in the future, and everything is written in pencil at this time, with erasers coming down the line.

Regent Salas noted that the Board should direct campuses to contribute savings from administrative efficiencies toward increases in salaries for academic leaders, rather than funding those increases from tuition increases.

Regent Rosenzweig stated that the language in Resolution I.2.a.(1) should be modified to reaffirm the Board's desire to keep tuition increases to 5 percent or less in the coming biennium. Regent Burmaster noted her support of that affirmation to give students and families peace of mind during the state budget process. Regent Richlen also supported the added language, noting that this is an overriding concern of students.

Regent President Marcovich commented that the Board should be very careful in the wording of the resolution because the two issues, pay plan recommendations and tuition, are not directly linked. Also, JCOER, the Committee that will receive the Board's recommendations, is not a funding authority.

Regent Vice President Walsh cautioned that language such as this should not be added to Resolution I.2.a.(1). The Board is statutorily required to provide pay plan recommendations to the state, and adding language about tuition would dilute the resolution. At this time the Board does not know how much General Purpose Revenue (GPR) will be available.

The Board agreed to consider a third resolution put forward by Regent Rosenzweig at the Friday Board meeting to reaffirm the board's commitment to tuition increases of 5 percent or less in the coming biennium.

Regent Pruitt commented that he strongly supported raising the ranges for Chancellors. Chancellors have paid a loyalty tax in the form of decreasing compensation for too long. The Board has a moral and business obligation to address this issue; however, this is not the right time to raise the salary range of the two vice presidents. That compensation discussion should follow but not precede the Board's analysis of other pieces of business, including the Legislative Audit Bureau (LAB) administrative audit and the organizational structure review of UW System Administration. Regent Gottschalk respectfully disagreed, noting that the salaries of the two vice presidents will continue to fall further behind.

Regent Olivieri noted that a 6.3 percent increase in each year of the biennium would be necessary to get employees caught up to their peers, and asked why the recommendation was only for 5 percent. Regent Bradley explained that the lower amount was recommended because the Board should be mindful of the State of Wisconsin's economic position, but that an increase less than 5 percent would further exacerbate the discrepancy.

Regent Randall made a motion to remove language in Resolution I.2.a.(2) that asks the state to consider offering domestic partnership health care benefits to state employees, and stated that this language should be included in a separate resolution. The motion failed for lack of a second.

Regent Gottschalk noted his support of domestic partner benefits, but stated that it would be unwise to keep this language in the resolution because it could lead to a partisan battle.

Regent Randall reiterated that this language could lead to a partisan battle, and, along with Regent Olivieri, asked for additional information on the cost and definition of providing domestic partner health care benefits.

Regent Davis respectfully disagreed with the proposed change to the resolution, and commented that domestic partnership benefits can be a very effective recruiting tool.

Regent Pruitt noted that UW-Madison and Pennsylvania State University are the only Big Ten campuses that do not offer domestic partnership benefits. Also, the Committee has repeatedly heard compelling testimony from UW System representatives that domestic partnership benefits are critical to campuses.

Regent Salas stated his support for keeping the language regarding domestic partnership health care benefits in Resolution I.2.a.(2).

Upon the motion of Regent Pruitt, and the second of Regent Rosenzweig, the Committee amended the final paragraph of Resolution I.2.a.(1) as originally presented such that the salaries of the two UW System Vice Presidents will not be immediately raised to the minimum of the recommended range. The Committee approved the amended Resolution I.2.a.(1).

Resolution I.2.a.(1)

Whereas, s. 20.923 (4g), Wis. Stats., gives the Board of Regents the authority to establish salary ranges for: System President; Senior Vice Presidents; Chancellors; UW-Madison Vice Chancellor; and, UW-Milwaukee Vice Chancellor; and

Whereas, s. 20.923 (4g), also provides that the Board of Regents must recommend the salary ranges for vice presidents and non-doctoral institution vice chancellors/provosts; and

Whereas, s. 20.923 (4g), goes on to state; "The board of regents shall set the salaries for these positions within the ranges to which the positions are assigned to reflect the hierarchical structure of the system, to recognize merit, to permit orderly salary progression and to recognize competitive factors;" and

Whereas, on October 10, 2003, the Board adopted Resolution 8736 to amend the Senior Executive Salary Policy (Regent Policy Document 94-4) "to reflect current law regarding the Board of Regents authority to determine executive salary ranges and set executive salaries, and to specify that salary ranges for an ensuing fiscal year will be adopted by resolution by a majority of the full membership of the Board in open session by roll call at a regularly scheduled meeting;" and

Whereas, during the 2003-04 fiscal year the Board of Regents did not adopt executive salary ranges pursuant to RPD 94-4 for the ensuing (2004-05) fiscal year; and

Whereas, the proposed salary range dollar values noted in the attached table (Appendix A) of proposed executive salary ranges are constructed according to RPD 94-4, with the midpoints of the ranges set at 95% of the 2004-05 predicted peer medians and the minimums set at 90% and the maximums set at 110% of those midpoints; and

Whereas, senior executives did not receive consideration for the 2.1% increase that all other unclassified staff were considered for as part of Phase II of the 2002-03 pay plan to be effective January 1, 2003; and

Whereas, our academic leaders are 16% below predicted peer group median salaries this fiscal year; and

Whereas, the Legislative Audit Bureau, Report 04-10, September 2004, acknowledged that based on data available through the College and University Professional Association for Human Resources annual survey, "the salaries of 20 UW System senior executives are below the national median for universities with comparable budgets."

Now, therefore be it resolved;

That, in accordance with Regents Executive Salary Policy, the Board adopts 2004-05 salary ranges for academic leaders in senior executive salary groups as set forth in Appendix A; and

That, again in accordance with Regents Executive Salary Policy, the Board directs that those salaries of the seven Chancellors of comprehensive institutions who are not serving interim appointments who are all below the range minimums established in this resolution be raised to those minimums effective November 1, 2004.

Upon the motion of Regent Rosenzweig, and the second of Regent Connolly-Keesler, the Committee approved Resolution I.2.a.(2). Regent Randall abstained.

Resolution I.2.a.(2)

Whereas, pursuant to s. 230.12(3)(e) Wis. Stats., the Regents are charged with the responsibility to recommend to the Director, Office of State Employment Relations a proposal for adjusting compensation and employee benefits for university faculty, academic staff, and senior executives for the 2005-07 biennium; and,

Whereas, the Director shall submit a proposal for same, which shall be based upon the competitive ability of the Board of Regents to recruit and retain qualified faculty and academic staff, data collected as to rates of pay for comparable work in other public services, universities and commercial and industrial establishments, recommendations of the Board of Regents and any special studies carried on as to the need for any changes in compensation and employee benefits to cover each year of the biennium; and,

Whereas, the Board of Regents has considered those factors and heard from constituents in two public listening sessions and concluded that to recruit and retain faculty and academic staff a salary increase of 6.3 percent each year is needed; and,

Whereas, the Board of Regents recognizes a 6.3 percent salary increase is needed in order to obtain competitive faculty salaries by the end of the biennium but will only cut the market gap for academic staff by less than half of what is needed to bring us to competitive academic staff salaries; and,

Whereas, the Board of Regents is cognizant of the difficulty of funding the needed pay plan in the current fiscal climate including lack of availability of full funding in the compensation reserve, of tuition revenue sources, and of base budget reallocation capabilities, our combined request of 5

percent in each year of the 2005-07 biennium from all sources is less than what is needed as noted above; and.

Whereas, the Board of Regents is acutely aware of the negative impact that a lack of domestic partner health care benefits has on our ability to attract and retain not just individuals who would take advantage of this benefit but all faculty and academic staff.

Now, therefore be it resolved;

That the Board of Regents directs the UW System President to notify the Governor and the Legislature that the UW System has identified a need for a 6.3 percent salary increase each year of the 2005-07 biennium for faculty, academic staff and university senior executives in order to obtain competitive faculty salaries and to begin to close the gap with academic staff salaries by the end of the biennium; and

That the Board of Regents directs the UW System President to transmit to the Director of the Office of State Employment Relations, currently available information on unclassified salaries for UW System peer institutions and related economic indices, and request that the Director recommend to the Joint Committee on Employment Relations (JCOER) a salary increase of two percent each year provided sufficient funds are placed in the biennial budget to distribute at least three percent each year to address market adjusted salary needs of the faculty and academic staff; and

That the Board of Regents directs the UW System President to recommend to the Director of the Office of State Employment Relations for transmission to JCOER that:

The UW System be authorized to increase the academic staff salary ranges by the full amount of the pay plan and monies provided to address market adjusted salary needs each year; and,

The salary ranges for university senior executive salary groups one (Vice Chancellors at non-doctoral institutions) and two (Vice Presidents) set by the Board of Regents pursuant to their Executive Salary Policy be adopted; (see Appendix A) and,

The Board of Regents endorses state group health insurance for domestic partners of all state employees and encourages the Governor and the Legislature to amend state statutes to provide that benefit and directs the UW System President to work with the Governor and the Legislature toward that end; and

That the Board of Regents adopts the 2003-05 pay plan distribution guidelines for 2005-07 if the pay plan exceeds two percent each year. However, the Board suspends those pay plan distribution guidelines if the authorized amount for an unclassified pay plan is two percent or less in any year, and directs that in such instance the pay plan percentage be distributed across-the-board to all those who have at least a solid performance rating, with any unused funds distributed by the Chancellor in consultation with the governance bodies to address salary needs specific to their institution; and

That the Board of Regents directs that any and all monies provided to address market adjusted salary needs that may be provided in the biennial budget shall be distributed to correct market needs and salary needs specific to each institution with due regard to establishing average salaries at peer group medians.

The Business and Finance Committee recessed at 2:20 p.m. and reconvened at 2:26 p.m. in Room 1920 Van Hise Hall, UW-Madison. Present were Regents Bradley, Connolly-Keesler, Pruitt, Randall and Rosenzweig.

b. Approval of Minutes of the October 7, 2004 meeting of the Business and Finance Committee

Upon the motion of Regent Connolly-Keesler, and the second of Regent Pruitt, the minutes of the October 7, 2004, meeting of the Business and Finance Committee were approved as presented.

c. UW System Trust Funds Discussion - Guidelines for Expenditure of Principal

Assistant Trust Officer Doug Hoerr noted that the effect of the proposed resolution is to raise from \$50,000 to \$250,000 the threshold at which gifts, where the donor is silent as to use of principal, are automatically classified as Board-designated endowments such that only earnings become available for expenditure.

The Committee amended Resolution I.2.c., deleting the suggested guidelines in order to give future Boards more flexibility in managing these types of gifts.

Upon the motion of Regent Connolly-Keesler, and the second of Regent Randall, the Committee approved Resolution I.2.c.

Resolution I.2.c

That, upon recommendation of the President of the University of Wisconsin System, all new quasiendowments greater than \$250,000 where the donor is silent as to the expenditure of principal be identified as designated endowments, with only the income from the trust available for expenditure in accordance with the terms of the trust agreement. (However, where the donor explicitly states that the principal of the gift be made available for expenditure, this policy will not apply.) If a university wants an exception to this proposed rule, the request for exception, with appropriate justification, should be contained in the university's recommendation for acceptance and be incorporated in the Regent resolution. If at a later date, the university wishes to seek an exception to the Regent imposed restriction, it should submit a request to the Office of the Vice President for Finance for consideration at the next meeting of the Business and Finance Committee.

As the revised policy replaces that provided under Resolution 5631 of October 5, 1990, Resolution 5631 is hereby rescinded.

d. Business of the Committee

(1) Annual Sick Leave Report

Susan Chamberlain, Assistant Vice President for Human Resources Information Services, UW System, stated that the State Legislature established a cap, effective August 1, 1987, on the amount of unused sick leave that can be converted annually by faculty and academic staff to pay for group health insurance upon retirement. The annual conversion of sick leave credits is capped at 8.5 days for those with annual appointments and 6.4 days for those with academic year appointments.

Ms. Chamberlain stated that the sick leave conversion cap established in 1987 can be waived by the Secretary of the Department of Administration (DOA) if three conditions are met. First, the institution's sick leave accounting system for faculty and academic staff is comparable to the system used by DOA for state employees in the classified service. Second, for teaching faculty and academic staff, the administrative procedures for crediting and using earned sick leave is on a standard comparable to a scheduled 40-hour

work week. Finally, the institution regularly reports on its sick leave accounting system to the Board of Regents.

Assistant Vice President Chamberlain noted the results of the sick leave analysis are within the normal range of experience over the prior 13 years. Faculty and teaching academic staff averaged 1.1 days of sick leave used in fiscal year 2003-04. Non-teaching academic staff averaged 3.4 days of sick leave used in fiscal year 2003-04. The sick leave conversion program is a benefit to all state employees, and a valuable tool for recruitment and retention of faculty and staff.

Regent Bradley asked why UW-Extension sick leave use was different from the other campuses. Ms. Chamberlain noted that the biggest reason is that UW-Extension employees are mostly employed on an on an annual basis, whereas other campuses' employees are mostly employed on an academic year basis.

The Committee suggested that this may be a report that the UW System should ask to be eliminated since the results of the report have been virtually the same over the past 13 years.

(2) Annual Gifts-in-Kind Report

Vice President Durcan presented the statutorily required annual gifts-in-kind report to the Committee.

(3) Quarterly Gifts, Grants and Contracts Report

Vice President Durcan presented the summaries of gifts, grants and contracts awarded to the institutions of the UW System for the first quarter of fiscal year 2004-05.

Total gifts, grants and contracts were \$434 million, an increase of \$40 million over the same period of the preceding fiscal year. Federal awards increased by \$60 million, while non-Federal awards decreased by \$20 million.

(4) Annual Broadcast Report

Regent Randall asked about the status of the conversion to a digital format. Malcolm Brett, Director of Wisconsin Public Television, noted their compliance with the timeline of the federally mandated conversion.

(5) Report on Administrative Base Cut Exercise

Vice President Durcan stated that the UW System is working on a response to the requirement to submit a plan to reduce all nonfederally-funded state administrative operations appropriations by 10% as outlined in the Governor's biennial budget instructions. The response will be general because of the impact on campuses of the \$250 million cut in the past biennium. The campuses have a very open and inclusive process about dealing with budget cuts, and if this cut materializes the Chancellors would set that process in motion.

Ms. Durcan commented that there is considerable concern about creating a lot of tension, bad morale and ill will across the campuses if the UW System were to do this for an exercise. Should the cuts come to fruition that process would have to occur. The Regents will be copied on the transmittal to DOA.

e. Report of the Vice President

Vice President Durcan stated that since the last Business and Finance Committee meeting, DOA released a report on contractual expenditures by agency for fiscal year 2004. Unfortunately, because several expenditure classifications in the university's accounting system roll up into limited classifications in the state's system, the figures cited for the UW System of about \$220 million, were overstated by \$104 million. Expenditures for subgrants on federal contracts, scholarship payments and contractual payments to visiting

athletic teams were examples of items erroneously included in the report. UW System staff are working to get the numbers corrected in the official report.

Ms. Durcan noted that the UW System is currently estimating a \$31 million utility budget shortfall for this fiscal year. This is composed of \$23.5 million General Purpose Revenue (GPR) share and \$7.5 million tuition share using the traditional split. The shortfall is due to a combination of factors, including an original utility budget in fiscal year 2004-05 that was less than fiscal year 2003-04 of \$1.2 million, a preexisting structural deficit of \$6.4 million, a transfer of fiscal year 2004-05 budget authority to fiscal year 2003-04 to cover last year's deficit of \$10.7 million, unbudgeted co-generation plant debt service of \$2.1 million, co-generation plant operating costs of \$1.5 million and increasing utility prices of \$9.1 million.

Vice President Durcan remarked that the UW System is required to return to the Joint Finance Committee (JFC) in January with a projected shortfall as well as energy efficiency measures. UW System staff are meeting with DOA to discuss how to resolve this issue.

Vice President Durcan commented that she and Tom Sonnleitner, Vice Chancellor for Administration at UW-Oshkosh, are serving in leadership roles with the National Association of College and University Business Officers (NACUBO). This is the primary professional organization for chief business officers throughout higher education.

Ms. Durcan noted that she and Mr. Sonnleitner recently attended a leadership planning meeting directed at identifying the key critical issues facing higher education finance officers across the country. These issues include:

- changes to the economic model of public higher education;
- the role of tuition in the new economic model;
- tuition discounting and enrollment management;
- the value of research universities to the state and the country;
- the infrastructure needed for research, particularly facilities;
- the need to look to alternative revenue sources;
- increasing costs related to utilities and fringe benefits;
- incentives for academic program development;
- the implications of open source software as well as the potential Oracle takeover of PeopleSoft;
- efficiencies and effectiveness; and,
- governance and deregulation, including the Colorado Taxpayer Bill of Rights (TABOR) and voucher model, and the Virginia proposal to separate from State support.

Vice President Durcan noted that the chief business officers of UW System institutions will be meeting in early December. The group will be discussing many issues that are of national interest as well as internal issues such as achieving administrative efficiency, responding to the Legislative Audit Bureau (LAB) audit and working more effectively with DOA.

f. Closed session to consider trust fund matters as permitted by s.19.85(1)(e) Wis. Stats.

Upon the motion of Regent Connolly-Keesler, and the second of Regent Pruitt, the Business and Finance Committee adjourned to Closed Session at 2:53 p.m. Present were Regents Bradley, Connolly-Keesler, Pruitt, Randall and Rosenzweig.

g. Annual Trust Funds Public Forum - Room 4151 Grainger Hall

The Business and Finance Committee recessed at 3:05 p.m. and reconvened at 3:30 p.m. for the annual Trust Funds Public Forum in Room 4151 Grainger Hall. Present were Regents Bradley, Connolly-Keesler, Pruitt, Randall and Rosenzweig. Regent Richlen was also present.

The Committee heard from nine speakers who asked the Board to be more active in following their guidelines on social responsibility and to consider proactive screening of companies.

The speakers hoped the Board would take a more active role in divestiture in the future, especially of such firms as Caterpillar, Halliburton, Walmart, and Tyson Foods.

Speakers were supportive of the annual forum, proxy voting and the fact that all of UW System's investments are now on the internet.

The Business and Finance Committee adjourned at 4:24 p.m.
Eric Engbloom, Recording Secretary

Appendix A

Proposed 2004-05 Regent Salary Ranges for Senior Executive Groups 3, 4, 5, 6, 7, 8, and 9

	Senior Exec	2002 03	Regent Sala	ary Dongo	Proposed 2004-05 Regents Salary Range			
Position Title	Group	Minimum			Minimum		<u>Maximum</u>	
System President	9	\$275,608	\$306,231	\$336,854	\$277,541	\$308,379	\$339,217	
UW Madison Chancellor	8	\$274,327	\$304,808	\$335,288	\$297,968	\$331,075	\$364,183	
UW-Milwaukee Chancello	r 7	\$205,232	\$228,035	\$250,839	\$232,767	\$258,629	\$284,492	
UW-Madison Vice Chanc	6	\$201,243	\$223,603	\$245,963	\$198,148	\$220,165	\$242,181	
Senior Vice President	5	\$203,278	\$225,865	\$248,451	\$195,166	\$216,851	\$238,536	
UW-Milwaukee V Chanc	4	\$185,353	\$205,948	\$226,542	\$179,128	\$199,031	\$218,934	
Chancellors (Comprehensives, Colleges, & F	3 Extension)	\$164,686	\$182,985	\$201,283	\$168,622	\$187,357	\$206,093	

Proposed 2004-05 Regent Salary Ranges for Senior Executive Groups 1 and 2 to be Recommended to the Director, Office of State Employment Relations for Transmission to JCOER

	Senior	2002-3 Regents Salary Range				Proposed		
	Exec					2004-05 Regents Salary		
Range								
Position Title	<u>Group</u>	Minimum	Midpoint	<u>Maximum</u>	Minimum	Midpoint	<u>Maximum</u>	
Vice President	2	\$144,796	\$160,884	\$176,973	\$157,145	\$174,606	\$192,066	
Vice Chancellors (Comprehensives, Colleges, &	1 Extension)	\$117,978	\$131,087	\$144,196	\$125,917	\$139,907	\$153,898	

Sr. Executive Proposed Ranges for 2004-05-1.doc