



Board of Regents of the University of Wisconsin System
Office of the Secretary
1860 Van Hise Hall
Madison, Wisconsin 53706
(608)262-2324

September 28, 2005

REVISED

TO: Each Regent

FROM: Judith A. Temby

A handwritten signature in dark ink, appearing to read "J. A. Temby", written over the printed name.

PUBLIC MEETING NOTICE

RE: Agendas and supporting documents for meetings of the Board and Committees to be held at UW-Madison on October 6 and 7, 2005.

Thursday, October 6, 2005

11:30 a.m. – Education Committee meeting

All Regents invited

1820 Van Hise Hall

12:30 p.m. – Box lunch – 1820 Van Hise Hall

1:00 p.m. -

Education Committee meeting

Room 1820 Van Hise Hall

1:00 p.m. -

Joint Committee meeting:

Business and Finance Committee

Physical Planning and Funding Committee

Room 1920 Van Hise Hall

1:30 p.m. -

Business and Finance Committee reconvene

Room 1920 Van Hise Hall

Physical Planning and Funding Committee reconvene

Room 1511 Van Hise Hall

Friday, October 7, 2005

9:00 a.m. – Board of Regents meeting

1820 Van Hise Hall

Persons wishing to comment on specific agenda items may request permission to speak at Regent Committee meetings. Requests to speak at the full Board meeting are granted only on a selective basis. Requests to speak should be made in advance of the meeting and should be communicated to the Secretary of the Board at the above address.

Persons with disabilities requesting an accommodation to attend are asked to contact Judith Temby in advance of the meeting at (608) 262-2324.

Information regarding agenda items can be found on the web at <http://www.uwsa.edu/bor/meetings.htm> or may be obtained from the Office of the Secretary, 1860 Van Hise Hall, Madison, Wisconsin 53706 (608)262-2324.

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Information regarding agenda items can be found on the web at <http://www.uwsa.edu/bor/meetings.htm> or may be obtained from the Office of the Secretary, 1860 Van Hise Hall, Madison, Wisconsin 53706 (608)262-2324.

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REVISED

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I. Items for consideration in Regent committees

1. Education Committee - Thursday, October 6, 2005
1820 Van Hise Hall
1220 Linden Drive, Madison
1:00 p.m.

11: 30 a.m. Education Committee – All Regents Invited

- Rename the University of Wisconsin Medical School to the University of Wisconsin School of Medicine and Public Health.

12:30 p.m. Box Lunch

1:00 p.m. Education Committee

- a. Approval of the minutes of the September 9, 2005, meeting of the Education Committee.
- b. Follow-up on All-Regent Discussion: Rename the University of Wisconsin Medical School to the University of Wisconsin School of Medicine and Public Health.
[Resolution I.1.b.]
- c. Continued Review of Personnel Policies and Practices: Insight from University of Wisconsin Institutions and Statutorily-Authorized Governance Groups.
- d. University of Wisconsin-Milwaukee Charter School Contract Amendment for the Milwaukee Academy of Science.
[Resolution I.1.d.]
- e. Program Authorizations – Second Readings:
 1. Online M.B.A., University of Wisconsin Consortial Degree;
[Resolution I.1.e.(1)]
 2. B.S. in Golf Enterprise Management, University of Wisconsin-Stout.
[Resolution I.1.e.(2)]
- f. Revised Faculty Personnel Rules: Revision to Dismissal for Cause Policy, University of Wisconsin-Eau Claire.
[Resolution I.1.f.]
- g. Report of the Senior Vice President for Academic Affairs: Education Committee Planning for 2005-06.
- h. Additional items may be presented to the Education Committee with its approval.

EDUCATION COMMITTEE

Resolution I.1.b.:

That, upon recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the name of the University of Wisconsin Medical School be changed to the University of Wisconsin School of Medicine and Public Health.

RENAME THE UNIVERSITY OF WISCONSIN MEDICAL SCHOOL

EXECUTIVE SUMMARY

BACKGROUND

Academic Information Series 1. revised, requires that any request to "establish, rename, or eliminate a College, School, or Division" receive Board approval. The University of Wisconsin Medical School requests authorization to change its name to the University of Wisconsin School of Medicine and Public Health. This change has been endorsed by the UW-Madison Faculty Senate, Chancellor John Wiley, and Provost Peter Spear.

The proposal to change the name of the UW Medical School to the UW School of Medicine and Public Health represents the culmination of a decade of school-wide public health initiatives. These initiatives include the creation of the M.S. and the Ph.D. programs in population health sciences, and the Master of Public Health degree, which address the redirection and the needs of healthcare in the 21st century to:

- Maximize the health and functioning of both individual patients and communities;
- Balance and integrate personal healthcare with broader community-wide initiatives targeting the entire population, with an emphasis on rural and underserved populations; and
- Promote health improvement and disease prevention as well as diagnosis and treatment.

REQUESTED ACTION

Approval of Resolution I.1.b., approving the name change of the University of Wisconsin Medical School.

DISCUSSION

Society currently faces a mix of health problems unlike any other in recorded history, including new infectious diseases, health disparities among population groups, high rates of infant mortality, problems related to aging and environmental pollution, and a crisis in health care costs and accessibility. Meeting these challenges by integrating medicine and public health provides the best approach to addressing these issues.

The UW Medical School is poised to bridge biomedical and population health sciences as it integrates public health into its mission. The school's strategic plan for 2004-06 emphasizes the unique resources and opportunities that promote that integration. This effort has been accelerated by the establishment of a \$300 million endowment resulting from the conversion of Blue Cross/Blue Shield United of Wisconsin to a for-profit entity and the subsequent distribution of the funds to the UW Medical School for the purpose of improving the health of the public.

The Wisconsin Partnership Fund for a Healthy Future, the plan guiding the use of these funds, has provided the mechanism to launch the establishment of the UW School of Medicine and Public Health, designed to provide a balanced, complementary relationship between traditional medicine and public health. An integrated school of medicine and public health will play a pivotal role in enhancing the training of future health professionals by focusing on health improvement and disease prevention as well as healthcare. With a statewide mission, the school will work with partners in rural and urban communities across Wisconsin.

The UW Medical School has been steadily building the foundation for an integrated School of Medicine and Public Health, and they have done so with other partners both across the Madison campus and the state. Following are only a few of the examples:

- Consolidation of the Department of Population Health Sciences and public health faculty and staff in the WARF building, promoting collaboration and coordination both within the Medical School and across schools and colleges;
- Creation of the UW Population Health Institute and expansion of the Center for Tobacco Research and Intervention and the Office of Rural Health;
- Implementation of the Master of Public Health (M.P.H.) program, engaging interdisciplinary faculty leaders in public health across campus;
- Revision of the medical student curriculum to incorporate public health principles;
- Support of a balanced portfolio of basic, clinical and population health research;
- Creation of the Center for the Study of Cultural Diversity in Health Care to deal with problems and issues related to health disparities in minority populations and to promote the education of culturally competent health professionals; and
- Creation of the Center for Urban Population Health on the Milwaukee Clinical Campus to improve the health of urban populations through community outreach, health promotion and health services research.

Support for the name change has been widespread within and beyond the Medical School. Endorsements include: letters of support from the deans of nursing, pharmacy, letters and science, veterinary medicine, engineering, and human ecology; a letter of support from the Milwaukee commissioner of health. In addition to approval by the University Academic Planning Council and the University Committee, approval has been granted by the following: the Medical School basic science and clinical chairs and faculty; the Medical School Academic Planning Council; the Alumni Association Executive Committee; and the Medical Student Association.

RECOMMENDATION

The University of Wisconsin System recommends approval of Resolution I.1.b., approving the name change of the University of Wisconsin Medical School to the University of Wisconsin School of Medicine and Public Health.

RELATED POLICIES

Academic Information Series 1. revised (ACIS-1). Academic Program Planning and Program Review (May, 2000).



September 27, 2005

To: Ronald M. Singer, Associate Vice President for Academic Affairs
University of Wisconsin System Administration

Peter D. Spear, Provost

Medical School name change to School of Medicine and Public Health

In accordance with ACIS-1, I am writing to inform you of UW-Madison's proposal to change the name of the Medical School to the School of Medicine and Public Health. This name change has been approved through the appropriate governance channels at UW-Madison and I am forwarding this request and the attached materials to you with my support.

Please contact Philip Farrell, dean of the Medical School, or Jocelyn Milner if you have any questions.

Attachments

xc: Philip Farrell, Dean, Medical School
Joanne Berg, Associate Vice Chancellor for Enrollment Management and Registrar
Toni Good, Senior Editor, University Communications
Jocelyn Milner, Director, Academic Planning and Analysis, Office of the Provost

20 April 2005

TO: Peter Spear, Ph.D., Provost

FROM: Philip M. Farrell, M.D., Ph.D., Dean
on behalf of the UW Medical School Academic Planning Council and Faculty

With great enthusiasm, I am forwarding a proposal for UAPC, UC/Faculty Senate, and Board of Regents review that, if approved, would lead to a change in the name of our school from the “University of Wisconsin Medical School” to the “University of Wisconsin School of Medicine and Public Health.” It was developed by an APC subcommittee during the fall/winter, approved by our APC on 16 March 2005, approved by our faculty at a publicly noticed meeting on 18 April 2005, re-endorsed by APC today, and approved by the Executive Committee of the UW Medical Alumni Association. All of these approvals have been unanimously affirmative votes. It has also been discussed with our current medical students, who find this change timely and appropriate. In addition, the proposal has been endorsed by Deans Katharyn May, School of Nursing; Jeanette Roberts, School of Pharmacy; Gary Sandefur, College of Letters and Science; Paul Percy, College of Engineering; and Daryl Buss, School of Veterinary Medicine and the Medical School Department Chairs.

I would also like to emphasize that the proposed institutional name change was envisioned as we developed the Wisconsin Partnership Fund. More specifically, the Five Year Plan approved by the Board of Regents on 5 December 2003 included the following goal, which was endorsed by the Wisconsin United For Health Foundation Board on 26 March 2004 when that group approved transfer of the \$300 million Blue Cross/Blue Shield gift.

Seek approval for an integrated School of Medicine and Public Health at the University of Wisconsin-Madison and obtain accreditation from the Council on Education for Public Health (CEPH) for the MPH program and seek subsequent accreditation for an integrated School of Medicine and Public Health. This will include developing appropriate UW Medical School leadership, multidisciplinary faculty and academic staff to advance accreditation requirements in the five areas of expertise: biostatistics, epidemiology, environmental health sciences, health services administration, and social and behavioral sciences.

The enclosed 2004-2006 Strategic Plan approved by our APC and faculty provides more information on objectives in public/population health scholarly activities. We are delighted that our progress has been more than satisfactory with all strategic objectives, including those of the Wisconsin Partnership Fund. For instance, the MPH curriculum is fully developed and 25 students will begin next semester. Furthermore, we have developed a Public Health Leadership Institute with Milwaukee for statewide continuing education of Wisconsin’s public health workforce.

Peter Spear, Ph.D.
20 April 2005
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Finally, in advancing this proposal, I want to thank the Deans and participating faculty of the schools/colleges that are partnering with us in this initiative, including Nursing, Pharmacy, Veterinary Medicine, Engineering, and key elements of the College of Letters and Science such as the LaFollette School of Public Affairs. They recognize that public health education and research as a cross-college initiative will be beneficial for all.

Please let me know if you have any questions or need more information. I look forward to meeting with the UAPC and UC.

xc: Chancellor John Wiley

University of Wisconsin School of Medicine and Public Health

Purpose: To change the name of the University of Wisconsin Medical School to the University of Wisconsin School of Medicine and Public Health.

Need: Such a change will reflect the redirection of healthcare in the 21st century. It will support the vision of the Institute of Medicine (IOM), an arm of the National Academies of Science, that “medical schools and schools of public health should collaborate on educational and scientific programs that address our most prevalent and troublesome chronic diseases.” The IOM has also stated, “The healthcare system of the 21st century should maximize the health and functioning of both individual patients and communities. To accomplish this goal, the system should balance and integrate needs for personal healthcare with broader community-wide initiatives that target the entire population.”

Background: While there are 27 schools of public health in the United States varying in size, scope and priorities, the schools are typically free standing and have limited collaborations with other academic units. The sole exception to this model is Yale University, where the School of Public Health developed within the Medical School. In fact, medical schools and public health schools in many settings compete for resources and recognition, resulting in a lack of coordination and integration of their complementary missions. This schism has been addressed by the “Medicine and Public Health Initiative,” established over a decade ago by the American Medical Association (AMA) and the American Public Health Association (APHA), to bring together public health and medicine in reshaping health education, research and practice.

The UW Medical School is poised to bridge the disciplines of biomedical and population health sciences as it progressively moves to integrate public health into its mission. The School’s strategic plan for 2004-06 has embraced this concept in its vision statement by emphasizing the unique resources and opportunities that promote integration. This effort has been accelerated by the establishment of a \$300 million endowment resulting from the conversion of the Blue Cross/Blue Shield United for Wisconsin and the subsequent distribution of the funds to the UW Medical School for the purpose of improving the health of the public. *The Wisconsin Partnership Fund for a Healthy Future*, the plan UW Medical School developed for the use of these funds, has provided the catalyst to enable the School to launch the establishment of a University of Wisconsin School of Medicine and Public Health. This change is a key goal of the plan.

Achieving this goal will provide the people of Wisconsin with a balanced, complementary relationship between traditional medicine and public health. An integrated school of medicine and public health will also play a pivotal role in defining and addressing public health issues. And it will broaden the training of future health professionals by focusing on health improvement and disease prevention as well as healthcare. Moreover, it will facilitate meeting the goal set by the IOM that a substantial number of medical school graduates are fully trained in public health at the MPH level.

And, importantly, it embraces The Wisconsin Idea by promoting partnerships between the Medical School and communities statewide to improve the health of the public.

Structure and Activities Supporting a Name Change: There has been a steady and consistent progression in the School's activities preparing the foundation for -- and ultimately leading to the realization of -- the goal of transformation. Some of the key steps have been:

- Establishing the Biostatistics and Medical Informatics Department, enhancing the School's capabilities in evaluation and outcomes research;
- Changing the name of the Department of Preventive Medicine to the Department of Population Health Sciences with emphasis on epidemiology, public health, and health services research and establishing master and doctorate programs in population health sciences;
- Consolidating the Department of Population Health Sciences and public health faculty and staff in the WARF building, promoting collaboration and coordination both within the Medical School and across schools and colleges;
- Establishing the Wisconsin Area Health Education Centers (AHEC) System which works closely with local public health agencies, has board representation from the public health community, and participates in developing community health worker programs statewide;
- Creating the Public Health and Health Policy Institute, promoting the building of bridges between the academic community and policy makers;
- Creating the Center for the Study of Cultural Diversity in Health Care to deal with problems and issues related to health disparities in minority populations and to promote the education of culturally competent health professionals;
- Creating the Center for Urban Population Health on the Milwaukee Clinical Campus to improve the health of urban populations through community outreach, health promotion and health services research;
- Expanding environmental health sciences through collaborations with the State Laboratory of Hygiene and the Environmental Toxicology Center;
- Expanding the Office of Rural Health and appointing an Associate Dean for Rural and Community Health to address shortages of health services in rural areas;

- Expanding the support and activities of the Center for Tobacco Research and Intervention, which is dedicated to reducing the prevalence of tobacco use;
- Implementing the mission and vision of *The Wisconsin Partnership Fund for a Healthy Future* to advance population health in Wisconsin and to make Wisconsin the healthiest state through community-academic partnerships and medical education and research initiatives;
- Developing a Global Health Program, in association with the schools of Nursing, Pharmacy, and Veterinary Medicine and with the UW International Institute, to address public health needs abroad in selected regions with underserved populations;
- Implementing the priorities in the strategic plan 2004-2006 to strengthen the Medical School's capabilities in disease prevention, health promotion, and healthcare delivery through population-oriented education and research programs;
- Awarding grants by the Wisconsin Partnership Program to community organizations statewide for health improvement projects and for public health education and training initiatives; and
- Implementing the Master of Public Health (MPH) program, which engages broad interdisciplinary faculty leaders in public health from across campus, and includes distance education opportunities for the public health workforce.

Next Steps: Society currently faces a mix of health problems unlike any other in recorded history, including new infectious diseases, health disparities among population groups, high rates of infant mortality, problems related to an aging population, environmental pollution by toxic chemicals, and a crisis in health care costs and accessibility. The consensus is that a new kind of public health is required to successfully meet these challenges. Embracing a framework based on examining and understanding the complex interactions among biological, behavioral, and environmental determinants as they offset human health provides the best approach to addressing these issues.

The UW Medical School is ideally positioned to embrace this framework and to carry out an expanded mission incorporating public health. Indeed, it has an obligation to advance changes that result in the betterment of public health. Moreover, the School has been given an unprecedented opportunity through the Wisconsin Partnership Program to be a leader in effecting significant and lasting changes in the education of health professionals, and in ensuring that the promotion of health is on equal footing with the treatment of disease.

Changing the School's name provides a visible commitment to the integration of medicine and public health and is the next logical step in transforming the School for the following reasons:

- Achieves the vision of the IOM, without having to build bridges between existing and competitive schools of medicine and public health.
- The foundation has already been built for such a change, as indicated by the accomplishments listed above.
- Resources are available through the Wisconsin Partnership Fund into perpetuity, enabling the Medical School to be on the cutting edge of health promotion and disease prevention initiatives.
- Improving the health of the public requires the blending of traditional medicine with public health.
- Ongoing changes in the curriculum and training of students and expansion of population based research support integration.
- Integration enhances opportunities for program development across medical school departments, extramural funding and collaborations with other academic units.
- Supports the Wisconsin State Laboratory of Hygiene, which provides an important bridge between research and education and the implementation of public health programs and emergency responses.
- Promotes partnerships with the State and with local community organizations to combat the most troublesome health problems facing the people of Wisconsin.
- Provides evidence to the public and to the academic community that health care must embrace the concept of health promotion.
- Places the Medical School in a leadership role, both locally and nationally, to help solve major public health issues through the redirection of health care delivery.
- Expands The Wisconsin Idea in the 21st century to focus on development of a statewide health resources network as a bridge between the Medical School and the people of Wisconsin, thus addressing a UW-Madison strategic priority.

- Sets the stage for a collaborative, cross college public health initiative involving faculty from Nursing, Pharmacy, Veterinary Medicine, the LaFollette School of Public Affairs, and the Center for Demography as well as the State Laboratory of Hygiene.

As we change the School's name to the University of Wisconsin School of Medicine and Public Health, we must also change its mission statement to reflect a broadened, more comprehensive perspective and the ongoing expansion of community-linked health promotion, disease-prevention programs.

Current Mission Statement: Meeting the health needs of Wisconsin and beyond through excellence in research, education, patient care and service.

Proposed Mission Statement: Meeting the *public health and healthcare* needs of Wisconsin and beyond through excellence in research, education, patient care and *population-based services* in collaboration with other UW academic units and Wisconsin's public health community.

May 2005

The University of Wisconsin-Milwaukee
Office of Charter Schools Contract Amendment
for the Milwaukee Academy of Science

EDUCATION COMMITTEE

Resolution I.1.d.:

That, upon recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Board of Regents approves the contract amendment with the Milwaukee Science Consortium, Inc., for the Milwaukee Academy of Science.

**UNIVERSITY OF WISCONSIN-MILWAUKEE
OFFICE OF CHARTER SCHOOLS CONTRACT AMENDMENT
WITH MILWAUKEE SCIENCE CONSORTIUM, INC.**

EXECUTIVE SUMMARY

INTRODUCTION

When the Milwaukee Academy of Science (MAS) was created in 1999, Edison School, Inc., (Edison) was hired to manage the school. As a result, the initial contract between the Board of Regents and Milwaukee Science Consortium, Inc., (the Consortium), contained several references to Edison and the responsibilities Edison had in managing the school. As of July 1, 2005, the Consortium, terminated its contract with Edison and is managing the school directly. This change requires that the contract between the Board of Regents and the Consortium be modified to remove references to Edison School and to reassign responsibilities.

For that reason, the University of Wisconsin-Milwaukee's Office of Charter Schools is bringing the amended contract before the Board of Regents. The contract amendment was developed by the Milwaukee Academy of Science's legal counsel in concert with the University of Wisconsin-Milwaukee Office of Legal Affairs, and approved by the University of Wisconsin System General Counsel. The amended contract documents the required changes. The impact on the operation of the Milwaukee Academy of Science is minimal because the school has maintained the same leadership team and teaching core.

REQUESTED ACTION

Approval of Resolution I.1.d., approving the Charter School contract amendment with the Milwaukee Science Consortium, Inc., to operate a public school known as Milwaukee Academy of Science.

RELATED REGENT POLICIES

Regent Resolution 7905 (May 7, 1999).



Academic Affairs
Provost and Vice Chancellor

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Acad_Aff/](http://www.uwm.edu/Dept/Acad_Aff/)

September 23, 2005

To: Cora B. Marrett
Senior Vice President for Academic Affairs, University of Wisconsin-System

From: Rita Cheng
Provost and Vice Chancellor

Re: Recommendation that the Second Amendment to the Charter School Contract with Milwaukee Science Consortium, Inc. Documenting the Termination of the Consortiums Relationship with Edison School, Inc. be Approved

The Office of Charter Schools (Office) has recommended to Chancellor Santiago and me that a second amendment to the charter contract with the Milwaukee Science Consortium, Inc. (Consortium) operating a public school known as Milwaukee Academy of Science (MAS) be approved.

When MAS was created in 1999, Edison School, Inc. (Edison) was hired to manage the school. As a result, the initial contract between the Board of Regents and the Consortium, the school's parent organization, contained several references to Edison and the responsibilities Edison had in managing the school. As of July 1, 2005, the Consortium, terminated its contract with Edison and is managing the school directly. This change requires that the contract between the Board of Regents and Consortium, Inc. be modified to remove references to Edison and to reassign responsibilities. The attached contract amendment developed by the school's legal council and UWM Legal Affairs documents the required changes. The amendment results in little substantial change in that the school has maintained the same leadership team and teaching core.

I am requesting that this be placed on the agenda for the Board of Regents Education Committee meeting in October 2005.

A copy of the contract amendment is attached and has also been transmitted electronically to Janice Sheppard of UW System Academic and Students Services and to Pat Brady of UW System Office of the General Counsel.

If you have questions, please feel free to contact my office at 414-229-4501 or Professor Robert Kattman, Director, Office of Charter Schools at 414-229-4682.

cc: Carlos Santiago, Chancellor
Robin Van Harpen, Senior University Legal Counsel
Kirstin Goetz, University Legal Counsel
Robert Kattman, Director, Office of Charter Schools

SECOND AMENDMENT TO THE CHARTER SCHOOL CONTRACT

between

The Board of Regents of the University of Wisconsin System
on behalf of the University of Wisconsin—Milwaukee

and

The Milwaukee Science Education Consortium, Inc.

THIS SECOND AMENDMENT TO THE CHARTER SCHOOL CONTRACT (this “Second Amendment”) is made and entered into this ____ day of _____, 2005, by and between the Board of Regents for the University of Wisconsin System on behalf of the University of Wisconsin—Milwaukee (“University”) and The Milwaukee Science Consortium, Inc. (“Grantee”).

RECITALS

WHEREAS on October 22, 1999, the University and the Grantee entered into a Charter School Contract (“Original Contract”) whereby the University established by charter the Charter School known as The Milwaukee Academy of Science (“Charter School”); and

WHEREAS, Grantee entered into an Agreement (“Management Agreement”) with Edison Schools Inc. (“Edison”) dated as of January 11, 2000 (“Commencement Date”), pursuant to which Edison agreed to manage the Charter School; and

WHEREAS, on June 10, 2004, the University and the Grantee executed a First Amendment to the Charter School Contract (“First Amendment”) extending the term of the Original Contract for a period of five (5) years from and after July 1, 2004; and

WHEREAS, on June 23, 2005, Grantee and Edison entered into a Transition Agreement pursuant to which, as of June 30, 2005 (“Expiration Date”), the Management Agreement was terminated and then became of no further force or effect; and

WHEREAS, the University and the Grantee have also agreed that the terms of the Original Contract and the First Amendment (together, the “Charter Contract”) should further be modified as expressly set forth in this Second Amendment.

NOW, THEREFORE, in consideration of the terms and conditions set forth below, the University and the Grantee agree as follows:

1. The text of Section 3.1(2)(a) in the Original Contract is hereby deleted and the following is inserted in that place: “The Charter School will be under the direction of a President, to be selected by the Grantee.”
2. The text of Section 3.1(2)(b) in the Original Contract is hereby deleted and the following is inserted in that place: “The duly appointed President of the Charter School shall assemble and chair a Leadership Team, consisting of at least the School’s associate principals, lead teachers, special education coordinator, business manager, and social workers.”
3. The text of Section 3.1(3) in the Original Contract is hereby deleted and the following is inserted in that place:

“(3) A description of the educational program of the School:

Curriculum. The objectives, content and skills to be taught in the main subject areas of the School shall be based upon the Wisconsin Model Academic Standards. In addition, the Assessment Framework for Reading and for Math, developed by the Department, shall provide further guidance for instructional scope and sequence. The School will utilize assessment framework in other subject areas as they are developed.

The instructional materials used by the School shall be selected based on the needs of the student population served and current research to support its student academic standards and to accomplish the School's goals. The curriculum shall be regularly reviewed by teachers, by lead team members, and by the Grantee's standing Committee on Instruction, which shall include School staff representatives and members of the Grantee's board of directors. The Committee on Instruction shall meet regularly to discuss curricular issues affecting the School and to make recommendations to deal with these issues.

Professional Development. The School shall use a program of early student release and professional development (currently known as "Wednesday University") as its primary vehicle for delivering professional development to its teachers. Under this program, at least one afternoon each week while classes are in session shall routinely be devoted to professional development activities. These activities may vary from collaborative planning sessions in grade level teams to courses offered for graduate credit on a topic that is relevant to the needs of the school and its improvement goals. Teachers shall be provided with training in the curriculum prior to the start of the school year and continued feedback shall be provided throughout the year.

Students with Disabilities. The School shall serve as its own Local Education Agency (LEA) according to all applicable Laws and Regulations."

4. The text of Section 3.1(4) in the Original Contract is hereby deleted and the following is inserted in that place:

"(4) The methods that the school will use to enable pupils to attain the educational goals under § 118.01 will include:

- (a) The guiding principles developed during the School's strategic planning process:
 - Relentless pursuit of success for all students;
 - Encouragement of students to prepare for meaningful careers, particularly in science, and to be able to apply scientific concepts in their lives;
 - Clear expectations for personal and professional accountability for staff and shared leadership within the School;

- Commitment to professional development to facilitate quality in the classroom and to follow best practices in science education;
- Engagement of the whole family of the student in a diverse learning community; and
- Partnership with the Grantee’s board of directors and others in the community to achieve the School’s mission and goals.”

5. The text of Section 3.1(6) in the Original Contract is hereby deleted and the following is inserted in that place:

“The governance structure of the School, including the method to be followed by the School to ensure parental involvement:

Sections 6.A (Lines of Authority and Responsibility”), 6.B (“Roles and Responsibilities of Staff”) and 6.c (“Parent and Community Involvement”) of the Grantee’s Charter School Application are hereby expressly incorporated into this Section 3.1(6).”

6. The following text of Section 5.1(3) in the Original Contract is hereby deleted: “The Parties understand and agree that Grantee intends to engage Edison Schools, Inc. as a third-party provider of educational management services, and that Edison Schools, Inc.’s compensation shall be determined substantially as outlined in the attached Appendix A.”

7. The text of Appendix A in the Original Contract is hereby deleted.

The undersigned have read, understand, and agree to comply with and be bound by the terms and conditions as set forth in this Second Amendment. Except as specifically modified by this Second Amendment, the Charter Contract shall continue in full force and effect between the University and Grantee, shall be binding upon and inure to the benefit of the University, the Grantee, and their respective successors and permitted assigns, and hence is hereby ratified and confirmed.

FOR GRANTEE:

FOR THE UNIVERSITY:

T. Michael Bolger, Esq.

Name

President
Title

Chancellor
Title

Date

Date

Program Authorization (Implementation)
Consortial Master of Business Administration
UW-Eau Claire, UW-La Crosse, UW-Oshkosh,
UW-Parkside and UW-Extension Learning Innovations

EDUCATION COMMITTEE

Resolution I.1.e.(1):

That, upon recommendation of the Chancellors of the University of Wisconsin-Eau Claire, the University of Wisconsin-La Crosse, the University of Wisconsin-Oshkosh, the University of Wisconsin-Parkside and the University of Wisconsin-Extension, and the President of the University of Wisconsin System, the Chancellors be authorized to implement the Consortial Master of Business Administration.

NEW PROGRAM AUTHORIZATION
Master of Business Administration
University of Wisconsin Consortial Degree
UW-Eau Claire, UW-La Crosse, UW-Oshkosh, UW-Parkside and UW-Extension

IMPLEMENTATION

EXECUTIVE SUMMARY

BACKGROUND

In accordance with the procedures outlined in Academic Planning and Program Review (ACIS-1.0 revised), the new program proposal for a Consortial Master of Business Administration (Consortial M.B.A.) is presented to the Board of Regents for implementation. If approved, the program will be subject to a regent-mandated review to begin five years after its implementation. The consortium institutions and System Administration will conduct that review jointly, and report the results to the Board.

The proposed program is presented by a consortium representing UW-Eau Claire, UW-La Crosse, UW-Oshkosh, UW-Parkside, and UW-Extension Learning Innovations. The four UW degree-granting institutions each hold the entitlement to offer an M.B.A. degree, and each is accredited by the Association to Advance Collegiate Schools of Business (AACSB International). The Consortial M.B.A. will be offered entirely online.

REQUESTED ACTION

Approval of Resolution I.1.e.(1), authorizing the implementation of the Consortial M.B.A. at UW-Eau Claire, UW-La Crosse, UW-Oshkosh, UW-Parkside, and UW-Extension Learning Innovations.

DISCUSSION

Program Description

The curriculum for the proposed Consortial M.B.A. program consists of a required core of four interdisciplinary four-credit modules plus 14 credits of electives. It is designed to meet the needs of working adults. It will be possible for students to complete the program in two years, but it is anticipated that most students will take two-and-one-half to three years to complete the program. The core modules include Strategies for Managing of Ongoing Operations, Developing New Products and Services, Managing Strategically in a Global Environment, and Focusing on the Future. These courses will be team-taught by faculty members from the respective disciplines at the four business programs. Electives such as Organizational Leadership and Change, Project Management, E-Business Fundamentals, Securing Company Information, Marketing Agreements, and Emerging Markets have already been developed and shared among the consortium institutions.

Learning Innovations will handle all aspects of the program relating to technical and instructional design support for course development, maintenance and revision, student access and technical support, and faculty access and technical support. UW-Eau Claire will assume the role of Administrative Coordinator for the Consortium until such time as all or part of that role can be assumed by Learning Innovations. The Consortium Executive Committee will consist of the dean from each of the consortium member business programs, and the Dean of Outreach and E-Learning Extension at UW-Extension. The Consortium Executive Committee approves all policies and procedures of the M.B.A. Consortium and provides general oversight for the program. Academic oversight will be provided by the Consortium Academic Standards and Assessment Committee, comprised of the four M.B.A. Program directors and a faculty member from each of the four business programs.

Program Goals and Objectives

The program is designed to prepare graduates who embrace diversity, communicate with members of the global business environment, engage in teamwork, and have a sense of social and ethical responsibility. Graduates will also be prepared to anticipate the needs of customers, employees, stockholders, and other organizational stakeholders; secure competitive advantage through emphasis on quality, technology, and innovation; and evaluate organizations and predict their future success through interpretation of their financial data.

The curriculum is based on the business growth cycle. Each of the core modules has specific learning objectives. They include:

- Understanding the complexities of managing day-to-day operations of a business;
- Understanding key issues involved in the development of a new product/service, business venture, subsidiary or division;
- Examining telecommunication needs and options in planning for growth;
- Developing tools to analyze and position an organization for competitiveness in a global marketplace; and
- Investigating the dynamics of change and the importance of corporate strategies in leading the organization of the future.

Students will engage in both individual and group work in the online environment to meet these learning objectives. Specific activities will include writing a comprehensive development plan, designing a marketing research study, developing a budget for a new product, examining worldwide competition and globalization issues, and investigating and identifying information technology issues supporting the organization of the future.

Relation to Institutional Mission

The proposed online Consortial M.B.A. is consistent with the institutional mission and strategic plans of all participating institutions. It is also consistent with UW System priorities. On July 12, 2001, the UW Board of Regents approved the Executive Group on Online Learning report and endorsed the vision of a coordinated and collaborative approach to online learning across the UW system. This was intended to educationally serve those Wisconsin residents for whom traditional, campus-based programs were not as readily accessible, and to export

knowledge and import financial resources by extending the UW educational brand beyond the state's borders. The proposed program is consistent with these objectives and represents a coordinated and collaborative approach to online learning.

Diversity

Students in the proposed program will be exposed to diversity in the curriculum and through fellow students and faculty. The proposed Consortial M.B.A. will meet the AACSB International standards. These accreditation standards require that institutions demonstrate diversity in the program. There are specific requirements for the infusion of diversity into the curriculum. In addition to providing a curriculum that fosters flexibility and sensitivity toward cultural differences, there is a commitment to attracting a diverse student body. Students will be asked to provide information on their racial/ethnic heritage on the program application so that the progress can be measured. The program will be marketed to companies with a diverse work force. It will also be marketed internationally so that future cohorts will have a mixture of United States and international students. The faculty will provide diverse points of view. Twenty-four percent of the faculty teaching in the program are women; sixteen percent of the faculty are from countries other than the United States.

Need

In February of 2003 the staff of the UW System Market Research Office conducted a study within the state of Wisconsin. The market research indicated that within the state there is demand for such a program from primarily working adults who are not able to attend classes offered on campus.

The participating institutions are already collaborating to offer online foundation courses preparing students to enter the M.B.A., as well as a range of core and elective M.B.A. courses. The audience served by the online offerings is primarily comprised of working adults, with an estimated 90 percent of students enrolled already employed at businesses primarily throughout Wisconsin. Enrollments have been steadily increasing, with 420 course enrollments during the spring of 2005. Over the past four years, 31 different courses have been offered, with a total enrollment of 2,475 students. The completion rate for students enrolled in these courses is approximately 90 percent. The percentage of students receiving tuition assistance from their employers ranges from 75 percent to 90 percent.

Comparable Programs

UW-Whitewater currently offers an online M.B.A. degree, which differs from the proposed program in the structure of the curriculum, the delivery methodology, and in the number and focus of emphasis areas. These two programs will provide Wisconsin residents and a national audience a choice in an online program. The two programs are currently sharing electives. This expands the choices available to online students and avoids unnecessary duplication of courses. The Deans of the two programs will continue to explore additional opportunities for collaboration.

There are numerous online M.B.A. programs offered by institutions in the United States. There are three other multi-university online M.B.A. programs within the United States provided by institutions in the Penn State, Georgia, and Texas systems. In the two latter cases, the student is required to select a home campus and then takes courses that meet that school's requirements using courses offered by the consortium.

Collaboration

The Consortial M.B.A. is a single program which represents the collaborative efforts of four UW comprehensive institutions and UW-Extension Learning Innovations. Unlike other multi-university online M.B.A. programs, prospective students will apply to a single program. Enrolled students will all take the core modules and choose from electives approved by the Consortium and taught by faculty from the participating comprehensive institutions. They will all pay the same tuition. The program builds on the history of working together to develop and offer online foundation courses that began in 1998.

Use of Technology/Distance Education

This is an entirely online program. Learning Innovations will provide technical support for the Desire2Learn software used to deliver the courses. Learning Innovations will also provide extensive training and technical support for faculty and staff, including introducing them to distance education standards concerning such design issues as types and frequency of interactions, student-to-student and student-to-faculty presentation of course materials, and creation and handling of assignments and discussion.

Academic and Career Advising

Learning Innovations will provide learner support services and will interact with campus student service personnel as necessary to coordinate the delivery of these services. Academic advising via telephone and e-mail will be done by the program director and specific faculty as the need arises. As the target audience for this program is working adults, the need for career advising is expected to be small.

Projected Enrollment

The courses for this program have been offered to a pilot group of students. These are identified as "continuing students" for the implementation year. Estimates of future enrollments, which are reflected in the financial statements, are presented in the following table:

Year	Implementation 2005-2006	2006-2007	2007-2008
New students admitted	32	35	35
Continuing students	25	35	45
Total enrollment	57	70	80
Graduating students	15	20	25

Assessment and Program Evaluation

The Consortium Academic Standards and Assessment Committee will oversee program assessment and evaluation. The goals of the M.B.A. program are assessed via a variety of direct and indirect methods. Direct assessments include case studies, individual projects, (written) discussions as well as other embedded assessments. Each course has several indirect assessments. Students are surveyed three times – once at the midpoint and again at the end of the course using online instruments, and once a year through a live interview. These materials are reviewed at an annual meeting of selected faculty. Program alterations are then recorded and summarized in annual maintenance reports required by AACSB International.

Evaluation from External Reviewers

The outside reviewers identified the collaboration and the integrated core courses as strengths of this proposed program. Both reviewers are familiar with the standards of the business school accrediting body and provided input on the relationship of the proposed program to those standards. The program proposal was strengthened by incorporating their suggestions and additions.

Resource Needs

Course development for this program was funded by reallocation of funds from the consortial partners. The program will be self-supporting through program revenue generated. Many of the students will be new to the UW System. UW-Eau Claire as Administrative Manager will serve as the fiscal agent. The Executive Committee is responsible for day to day financial and instructional operation of the program.

When fully implemented, it is anticipated that program revenue will exceed the costs as is indicated on the attached budget. The net profit/loss will be shared equally among the five partners. Should there be a loss, representatives of the five consortial partners will investigate the cause and make necessary adjustments in the program. A comprehensive review of the financial status of the program will be included in the regular five-year joint review.

RECOMMENDATION

The University of Wisconsin System recommends approval of Resolution I.1.e.(1), authorizing the implementation of the Consortial M.B.A.

RELATED REGENT POLICIES

University of Wisconsin System Academic Planning and Program Review
(November 10, 1995), Academic Informational Series #1 (ACIS-1.0 revised)

[illegible]

Program Authorization (Implementation)
B.S. in Golf Enterprise Management
University of Wisconsin-Stout

EDUCATION COMMITTEE

Resolution I.1.e.(2):

That, upon recommendation of the Chancellor of the University of Wisconsin-Stout and the President of the University of Wisconsin System, the Chancellor be authorized to implement the B.S. in Golf Enterprise Management.

**NEW PROGRAM AUTHORIZATION
B.S. in Golf Enterprise Management
University of Wisconsin-Stout**

IMPLEMENTATION

EXECUTIVE SUMMARY

BACKGROUND

In accordance with the procedures outlined in Academic Planning and Program Review (ACIS-1.0 revised), the new program proposal for a B.S. in Golf Enterprise Management at the University of Wisconsin-Stout is presented to the Board of Regents for implementation. If approved, the program will be subject to a regent-mandated review to begin five years after its implementation. UW-Stout and System Administration will conduct that review jointly, and report the results to the Board.

The B.S. in Golf Enterprise Management has been planned in response to golf industry encouragement to address their management needs. UW-Stout's existing programs in hospitality and tourism, food and beverage management, customer service, and general business administration have helped to position UW-Stout for this new and unique program. The B.S. in Golf Enterprise Management is consistent with UW-Stout's mission, reputation, and faculty expertise.

REQUESTED ACTION

Approval of Resolution I.1.e.(2), authorizing the implementation of the B.S. in Golf Enterprise Management, UW-Stout.

DISCUSSION

Program Description

The B.S. in Golf Enterprise Management is designed to prepare graduates for entry-level management positions, with a primary focus on the management of golf course properties. The program has been planned to address the need in the golf industry for employees with a comprehensive baccalaureate education in business, customer service, food, and beverage and retail management, in addition to golf-specific content in customer development and retention, golf course design, and turf management. The curriculum includes 42 credits in general education, including advanced courses in mathematics and economics; 53 credits in professional studies focused on golf business management, hospitality and tourism, and turf management; and 29 elective credits guided by faculty advisement to meet students' professional goals. The program includes existing curriculum from UW-Stout, three new courses in golf management at UW-Stout, and three new courses in turf management developed in collaboration with UW-River Falls.

Program Goals and Objectives

Both general education and professional goals and objectives have been established for the proposed programs. The general education component will address communication, reasoning, analytical, and critical thinking skills. The professional component of the program will provide exposure to all facets of the business of golf industry through an interdisciplinary curriculum. Students will have

an opportunity to integrate skills developed in both general education and the professional courses through participation in cooperative and internship experiences. Students may elect to take a minor or specialization to fulfill the elective credits. For example, selecting an array of business courses to fulfill the elective requirement will enable students to earn a business minor.

Relation to Institutional Mission

The proposed B.S. in Golf Enterprise Management is consistent with the mission and capacities of UW-Stout. UW-Stout serves a unique role in the UW System as a special mission institution which is: “characterized by a distinctive array of programs leading to professional careers focused on the needs of society. These programs are presented through an approach to learning which involves combining theory, practice, and experimentation. Extending this special mission into the future requires that instruction, research, and public service programs be adapted and modified as the needs of society change.

UW-Stout offers undergraduate and graduate programs leading to professional careers in industry, commerce, education, and human services through the study of technology, applied mathematics and science, art, business, industrial management, human behavior, family and consumer sciences, and manufacturing-related engineering and technologies.”

Diversity

Special efforts will be made to recruit women and minorities into the program as they are underrepresented at the management level in the golf industry. UW-Stout recently became a member of the Native American Tourism Association of Wisconsin and will use this as a vehicle for recruiting Native American students. We will contact the Multicultural Golf Association of America, Inc., to promote the program, and work with the Ladies Professional Golf Association to make women aware of the opportunities available in the golf industry.

Need

To assess potential employment opportunities for graduates of the proposed B.S. in Golf Enterprise Management, an electronic survey of 125 golf course owners in Wisconsin and Minnesota was conducted in February, 2005, by a UW-Stout professor. The responses of Wisconsin and Minnesota golf course owners indicated that the proposed program would address the management needs of their facilities. They also indicated that it is likely that there will be employment opportunities for graduates of the program at their facilities in the next few years.

Student interest in the proposed program has been strong. Over 200 prospective students have indicated that they wish to be kept apprised of the program’s status and notified when the program becomes available. The strong student demand, combined with the needs of employers in the golf industry, indicate that this will be a viable program.

Comparable Programs

There are no comparable B.S. programs within the state. Nationally there are sixteen colleges and universities that offer Professional Golf Management (P.G.M.) programs through the Professional Golfers Association. The only program currently available in the Midwest is at Ferris State University in Michigan. The P.G.M. programs have a player aptitude requirement, i.e., an eight or lower handicap, indicative of a highly skilled golfer. Player aptitude is not a required skill for the proposed B.S. in Golf Enterprise Management program, which will allow greater program access to a wider student audience. The proposed program will place strong emphasis on developing business management skills in food and

beverage, retail sales, service management, turf maintenance, human resources, and marketing, including customer development and retention.

Collaboration

The University of Wisconsin-River Falls will provide the turf-related courses not offered at UW-Stout to minimize duplication of curriculum across the UW System. UW-River Falls is also interested in having the Golf Enterprise Management Specialization available as an option for their students. In addition, turf courses from the UW-Madison Turf program and the Southwest Wisconsin Technical College Golf Course Management program will articulate seamlessly into the proposed Golf Enterprise Management program. The program will also develop an articulation agreement with Southwest Technical College and their program in Golf Course Management.

Use of Technology/Distance Education

The new courses for the Golf Enterprise Management program are being developed as online offerings. A specialized template using the Learn@UWStout platform has been designed and will be used for consistency for the six Golf Enterprise Management-designated offerings. Students will also be developing an electronic portfolio which will be an integral component of the program's assessment plan.

Academic and Career Advising

UW-Stout has a comprehensive advisement plan for students in its programs. The Program Director is responsible for the total curriculum of the program and is charged with aiding students in meeting all program requirements.

Freshmen participate in the First Year Advising program to facilitate their transition into college and improve retention. The First Year Advisement program provides students with an orientation to the university and assistance with registration for general education and program-specific courses recommended by the Program Director. During the second semester of the first year, students will be assigned to an academic advisor. The advisor will be a faculty/staff member with expertise in the area of Golf Enterprise Management. The Program Director will conduct training sessions with the advisors on the program's curriculum and career opportunities.

The Co-op and Placement Services Office will assist students with obtaining cooperative education experiences in Golf Enterprise Management. This office also provides workshops on resume development and job interviewing, helping to prepare students for placement into co-ops, internships and permanent employment upon graduation.

Projected Enrollment (5 years)

Year	Implementation Year	Year 2	Year 3	Year 4	Year 5
New students admitted*	30	45	60	75	100
Continuing students**		30	75	135	180
Total enrollment		75	135	210	280
Graduating students				30	45

*Includes freshmen and transfers from other institutions

**Includes continuing G.E.M. students and internal transfers from other UW-Stout programs

***Student attrition in the program should be less than the number of internal student transfers.

Assessment and Program Evaluation

Students in the proposed Golf Enterprise Management will be assessed primarily through traditional exams, projects and grades. In addition, students will develop and submit a portfolio containing evidence and artifacts demonstrating their achievement of the general education and professional skills learning outcomes. The portfolio will include employer and faculty mentor evaluations from the student's two cooperative education or field experiences, as well as a self-evaluation of performance in the position by the student. The cooperative education/field experience papers written by the student will become part of the portfolio and will be assessed by the faculty mentor on the integration of the knowledge and skills obtained through the practical experiences in the golf industry. Ongoing program evaluation will occur through meetings and discussions with the Program Committee and the Golf Enterprise Management Board of Advisors.

Evaluation from External Reviewers

The proposal was reviewed by two consultants. Both reviewers endorsed the proposal citing a strong industry and student demand for the program. In addition, the reviewers both noted that the curriculum offers an updated approach with a focus on core business, management, hospitality, customer service, and leadership skills compared to the traditional P.G.M. model. The flexibility of the curriculum and the opportunity for online courses were recognized as program strengths.

Resource Needs

The operating budget within the College of Human Development supports the existing specialization in Golf Enterprise Management. These resources will support the proposed program and the additional resources required will be provided through internal reallocation. As enrollment increases, additional reallocations will be made as necessary.

Program planning and development have been supported by funds donated by golf business and industry partners. To date, \$250,000 has been donated with a portion of those funds targeted for student scholarships. Additional funding from industry partners is anticipated and will be used for student scholarships and instructional laboratory support.

RECOMMENDATION

The University of Wisconsin System recommends approval of Resolution I.1.e.(2), authorizing the implementation of the B.S. in Golf Enterprise Management, UW-Stout.

RELATED REGENT POLICIES

University of Wisconsin System Academic Planning and Program Review (November 10, 1995), Academic Informational Series #1 (ACIS-1.0 revised)

GOLF ENTERPRISE MANAGEMENT BUDGET

Estimated Total Costs and Income

	First Year		Second Year		Third Year	
COSTS						
CURRENT	#FTE	Dollars	#FTE	Dollars	#FTE	Dollars
Personnel:¹						
Fac/Acad Staff	.833	\$35,000	1.25	\$53,571	1.75	\$76,500
Grad Assistants	.25	\$4,773	.25	\$4,869	.33	\$6,555
Classified Staff	.15	\$4,500	.15	\$4,590	.15	\$4,682
Non-personnel:						
S&E		\$3,775		\$5,665		\$7,931
Capital Equip.		0		0		0
Library		\$1,800		\$1,800		\$1,800
Computing		\$148		\$198		\$268
SUBTOTAL		\$49,996		\$70,693		\$97,736
ADDITIONAL	#FTE	Dollars	#FTE	Dollars	#FTE	Dollars
Personnel:	.25	\$12,500	.50	\$25,500	.75	\$39,015
Non-personnel:						
S&E and Travel		\$2,500		\$4,000		\$6,500
SUBTOTAL		\$15,000		\$29,500		\$45,515
TOTAL COSTS		\$64,996		\$100,193		\$143,251
RESOURCES						
CURRENT						
GPR		\$49,996		\$70,693		\$97,736
Other		0		0		0
SUBTOTAL		\$49,996		\$70,693		\$97,736
ADDITIONAL	#FTE	Dollars	#FTE	Dollars	#FTE	Dollars
Personnel:	.25	\$12,500	.50	\$25,500	.75	\$39,015
Non-personnel:						
S&E and Travel		\$2,500		\$4,000		\$6,500
SUBTOTAL		\$15,000		\$29,500		\$45,515
TOTAL RESOURCES		\$64,996		\$100,193		\$143,251

¹ 2% annual increase in salaries included

Amendments to
Faculty Personnel Rules
University of Wisconsin-Eau Claire

EDUCATION COMMITTEE

Resolution I.1.f.:

That, upon recommendation of the Chancellor of the University of Wisconsin-Eau Claire and the President of the University of Wisconsin System, the Board of Regents approves the amendments to the UW-Eau Claire Faculty Personnel Rules.

FACULTY PERSONNEL RULES UNIVERSITY OF WISCONSIN-EAU CLAIRE

EXECUTIVE SUMMARY

BACKGROUND

Section UWS 2.02, Wisconsin Administrative Code ("Faculty Rules: Coverage and Delegation") requires that rules, policies, and procedures developed by each institution in the System pursuant to Chapters UWS 3, 4, 5, 6 and 8 must be approved by the Board of Regents before they take effect.

The proposed amendments to the UW-Eau Claire Faculty Personnel Rules have been debated and approved by the appropriate faculty governance bodies, and are recommended by Interim Chancellor Vicki Lord Larson. These revisions have also been reviewed by the UW System Office of the General Counsel and the Office of Academic Affairs.

UW-Eau Claire has been in the process of updating current personnel policies contained within its *Faculty and Academic Staff Handbook* to ensure that the policies reflect current practices and are clearly defined. The attached revised personnel policy undertakes clarification of the procedures, requirements and rights for dismissal for cause, grievances, and non-renewals for faculty at UW-Eau Claire. The revised language more clearly states UW-Eau Claire's policy and aligns it more directly with UW System policy.

REQUESTED ACTION

Approval of Resolution I.1.f., approving the amendments to the UW-Eau Claire Faculty Personnel Rules.

DISCUSSION AND RECOMMENDATIONS

UW System Administration recommends approval of these revisions.



UNIVERSITY of WISCONSIN - EAU CLAIRE

Office of the Chancellor • 204 Schofield Hall • 715/836-3566

June 23, 2005

TO: President Kevin P. Reilly
Senior Vice President Cora Marrett

FROM: Vicki Lord Larson *Vicki Lord Larson*
Interim Chancellor

RE: Change in UW-Eau Claire Faculty Personnel Policy

Wisconsin Administrative Code, Chapter UWS 2, requires that changes in faculty personnel policies be forwarded to the Board of Regents for review. Thus, I am forwarding to you the attached change in faculty personnel policy for the Regents' review; this change has been approved by the governance body and by me.

UW-Eau Claire has been in the process of updating current personnel policies contained within its *Faculty and Academic Staff Handbook* to ensure that the policies reflect current practices and are clearly defined. The attached revised personnel policy on dismissal for cause for faculty more clearly states the current UW-Eau Claire policy.

If you have questions, please contact either Interim Associate Vice Chancellor Andrew Phillips or me.

JM/eb

Attachment

c: Interim Provost and Vice Chancellor Steven Tallant
Interim Associate Vice Chancellor Andrew Phillips
Administrative Officer Jan Morse
UW System Legal Counsel Chris Ashley

MOTION FOR THE UNIVERSITY SENATE

The University Senate Faculty Personnel Committee by a vote of 4-1-1 (for, against, abstain), on 03-Mar-2005 recommends to the University Senate that the current language on Dismissal for Cause in the Faculty and Academic Staff Handbook be replaced with the following language:

Page 5.28

Dismissal For Cause

Faculty Personnel Rules

UWEC 4.01 Dismissal for Cause

Any faculty member having tenure may be dismissed only by the board and for just cause and only after due notice and hearing. Any faculty member having a probationary appointment may be dismissed prior to the end of his/her term of appointment only by the board and for just cause and only after due notice.

A decision not to renew a probationary appointment or not to grant tenure does not constitute a dismissal (UWEC 3.07 and UWEC 3.08). Grievances alleging discrimination on the basis of sex, race, color, national origin, religion, handicap, or age shall be filed with the Affirmative Action Officer, according to procedures outlined in the UWEC Affirmative Action Plan.

Members of the faculty are entitled to enjoy and exercise all rights of a United State citizen and the rights and privileges of academic freedom as they generally understood in the academic community. This policy shall be observed in determining whether or not just cause for dismissal exists. The burden of proof of the existence of just cause for a dismissal is on the administration.

UWEC 4.02 Responsibility for Charges

See UWS 4.02: Responsibility for charges.

UWEC 4.03 Standing faculty committee

The faculty committee to operate as a hearing agent under UWS 4 shall be a committee of five faculty selected from the standing Faculty Termination Review Committee as follows:

The Chair of the Faculty Termination Review Committee shall call a meeting of the full committee and conduct the meeting at which the five-member Hearing Committee is selected. Those members of the Faculty Termination Review Committee who are not qualified to serve on the Hearing Committee as provided by UWS 4.06(b) shall first disqualify themselves. Then five members from those remaining shall be selected by lot to constitute the Hearing Committee. The Hearing Committee shall then elect a chair and proceed to conduct its business. (US 12/94).

This committee shall operate as the hearing agent for the board pursuant to UWS 4., and conduct the hearing, make a verbatim record of the hearing, prepare a summary of the evidence and transmit such record and summary along with its recommended findings of law and decision to the board according to s. UWS 4.07.

UWEC 4.04 Hearing Procedures for Dismissal Appeals

1. If a faculty member requests a hearing within twenty calendar days from the service of the statement of specific charges (twenty-five calendar days if notice is by first class mail and publication), such hearing shall be convened no later than twenty calendar days after the request, except that this time limit may be extended by mutual consent of the parties or by order of the Hearing Committee.
2. The request for a hearing must be submitted in writing to the chair of the Faculty Termination Review Committee.
3. Within five working days of receipt of the hearing request, the Faculty Termination Review Committee Chair shall acknowledge, in writing, receipt of the request and shall provide a copy of the acknowledgement to the petitioner's dean or director. In the acknowledgement the chair shall ask the petitioner to submit a clear written statement of the reasons for the hearing request and any relevant documentation. The chair shall request, in writing, that the dean or director provide a copy of the statement of charges and any other relevant documentation. Such documentation may include (but is not limited to) information regarding the sequence of events leading to the charge(s), correspondence regarding pertinent events in the case, names of individuals with direct knowledge of those events, and commentary regarding the nature of their knowledge. All documentation must be submitted to the Hearing Committee chair by the date set at the Pre-Hearing Conference (see UWEC 4.04, par. 6 and 7). Documents from the petitioner and from the dean or director will be exchanged on the date set at the pre-hearing conference. Documents shall not be shared by the committee with either party prior to this date.
4. Hearing Procedures for Dismissal Cases
 - a. The Hearing Committee shall conduct a Pre-Hearing Conference within ten calendar days of receipt of the original hearing request. The Pre-Hearing Conference shall be held with all parties involved to:
 - 1) confirm the names and official mailing addresses of all parties involved,
 - 2) confirm that there is a dismissal appeal to be heard,
 - 3) identify the applicable UWS and UWEC rules having jurisdiction over the matter,
 - 4) state clearly the charge(s), the petitioner's interest in the matter, the remedy being sought,

- 5) hear any opening statements, pre-hearing motions, or closing statements made by the parties,
- 6) decide whether the hearing will be open or closed,
- 7) stipulate facts agreed upon, and
- 8) determine a timetable for the exchange of witness lists and documents.

A written summary of the Pre-Hearing Conference shall be distributed to all parties involved within one working day of the conclusion of the Pre-Hearing Conference.

- b. The Hearing Committee subsequently shall convene to hear the appeal. The hearing shall proceed according to UWS and UWEC 4.04, 4.05, and 4.06. In consultation with the Hearing Committee, the chair shall be responsible for maintaining the decorum of the hearing and determining the relevance of the questions asked. It is recommended that the Hearing Committee pursue the following order of business:
 - 1) The chair shall summarize the purpose of the hearing and the issues involved.
 - 2) The chair shall ask both parties (the institution or its representative first and the petitioner second) whether they have any questions before the hearing proceeds. This order of presentation should be maintained consistently throughout the hearing.
 - 3) The chair shall ask whether each party wishes to make an opening statement.
 - 4) Each party shall have the opportunity to present documents and witnesses to support the case. Each party may pose questions to the witnesses.
 - 5) The chair shall ask whether each party wishes to make a closing statement.
 - 6) The chair shall inquire if there are any final questions and shall close the hearing.
 - c. Except as provided in UWS 4.06(1)(c), the final deliberation of the Hearing Committee in the formulation of its recommendation(s) shall be in closed meeting as provided by Subchapter V, Chapter 19, Wis. Stats. The Hearing Committee shall allow for a minority report in all of its recommendations. The Hearing Committee's recommendations and the consideration thereof will proceed as specified in UWS and UWEC 4.07.
6. The Hearing Committee is authorized to develop additional procedures not inconsistent with the provisions of Chapters UWS 4 and UWEC 4.
 7. The timelines for hearings cited in UWS or UWEC rules may be extended by mutual consent of the parties involved or by order of the Hearing Committee.

UWEC 4.05 Adequate Due Process

See UWS 4.05: Adequate Due Process.

UWEC 4.06 Procedural Guarantees

See UWS 4.06: Procedural Guidelines.

UWEC 4.07 Recommendation to the chancellor; to the regents

1. The faculty hearing committee shall send to the chancellor and to the faculty member concerned, as soon as practicable after conclusion of the hearing, a verbatim record of the testimony and a written copy of its report, findings, and recommendations. The report shall include:
 - (a) the names and official mailing addresses of all parties involved,
 - (b) a statement of the petitioner's request and the UWS and UWEC chapters and sections under which it was filed,
 - (c) the Hearing Committee's findings of fact,
 - (d) the Hearing Committee's conclusions of law, i.e., its rationale as to whether the alleged charges are valid or not, and
 - (e) the Hearing Committee's recommendations to the Chancellor to
 1. dismiss the staff member,
 2. impose a lesser disciplinary action, or
 3. find in favor of the staff member, dismiss the charges against the staff member, and remove any record of the charges from the staff member's personnel file
2. Within 20 calendar days after receipt of this material the chancellor shall review it and afford the faculty member an opportunity discuss it. The chancellor shall prepare a written recommendation within 20 calendar days following the meeting with the faculty member, unless his/her proposed recommendation differs substantially from that of the committee. If the chancellor's proposed recommendations differ substantially from those of the faculty hearing committee, the chancellor shall promptly consult the faculty hearing committee and provide the committee with a reasonable opportunity for a written response prior to forwarding his/her recommendation. If the recommendation is for dismissal, the recommendation shall be submitted through the president of the system to the board. A copy of the faculty hearing committee's report and recommendations shall be forwarded through the president of the system to the board along with the chancellor's recommendation. A copy of the chancellor's recommendation shall also be sent to the faculty member concerned and to the faculty committee.

3. Disciplinary action other than dismissal may be taken by the chancellor, after affording the faculty member an opportunity to be heard on the record. Upon written request by the faculty member, such action shall be submitted as a recommendation through the president to the board, with a copy of the faculty hearing committee's report and recommendation.

UWEC 4.08 Board Review

See UWS 4.08: Board Review.

UWEC 4.09 Suspension from Duties

See UWS 4.09: Suspension from Duties

UWEC 4.10 Date of Dismissal

See UWS 4.10: Date of Dismissal.

Current Verbiage

UWS 4 PROCEDURES FOR DISMISSAL

UWEC 4.03 Standing Faculty Committee

The faculty committee to operate as a hearing agent under UWS 4 shall be a committee of five faculty selected from the standing Faculty Termination Review Committee as follows:

The Chair of the Faculty Termination Review Committee¹ shall call a meeting of the full committee and conduct the meeting at which the five-member Hearing Committee is selected. Those members of the Faculty Termination Review Committee who are not qualified to serve on the Hearing Committee as provided by UWS 4.06(b), or because of an official leave, shall first be disqualified. Then five members from those remaining shall be selected by lot to constitute the Hearing Committee. The Hearing Committee shall then elect a chair and proceed to conduct its business. (US 11/03)

UWEC 4.05 Adequate Due Process

If replacements are needed because of further disqualifications under UWS 4.06(d) or because of official leaves, they shall be selected by lot from those qualified members of the Termination Review Committee not originally selected by lot to serve on the Hearing Committee. If further replacements are needed, they shall be selected by lot from eligible members of the Faculty Complaint and Grievance Committee. In those rare cases where further replacements are still needed, they shall be selected by the University Senate Executive Committee from eligible members of the faculty at large. (US 11/03)

UWS 4.06 PROCEDURAL GUARANTEES

The first order of business shall be consideration of request for legal counsel, as provided by UWS 4.06(f), either from the Office of General Counsel, UW System, or from the Attorney General's office. (FS 4/75)

¹ Grievances alleging discrimination on the basis of sex, race, color, national origin, religion, handicap, or age shall be filed with the Affirmative Action Officer, according to procedures outlined in the institution's Affirmative Action Plan.

Appeals concerning promotion in rank follow the procedure described on p. 28, Chapter 5.

Appeals concerning nonrenewal of faculty members follow the procedure described on p. 23, Chapter 5.

UNIVERSITY OF WISCONSIN-EAU CLAIRE

NOTIFICATION OF UNIVERSITY SENATE ACTION

TO: The Chancellor

REFERRAL DATE: May 11, 2005

RE: Senate Action Concerning: Dismissal for Cause

DATE of Senate Action: May 10, 2005

FROM: _____
(Signed) University Senate Chair

TEXT OF MOTION:

That the *Faculty and Academic Staff Handbook*, Dismissal for Cause, Chapter 5, page 28 be changed as follows:

UWEC 4.01 Dismissal for Cause

Any faculty member having tenure may be dismissed only by the board and for just cause and only after due notice and hearing. Any faculty member having a probationary appointment may be dismissed prior to the end of his/her term of appointment only by the board and for just cause and only after due notice.

A decision not to renew a probationary appointment or not to grant tenure does not constitute a dismissal (UWEC 3.07 and UWEC 3.08). Grievances alleging discrimination on the basis of sex, race, color, national origin, religion, handicap, or age shall be filed with the Affirmative Action Officer, according to procedures outlined in the UWEC Affirmative Action Plan.

Members of the faculty are entitled to enjoy and exercise all rights of a United State citizen and the rights and privileges of academic freedom as they are generally understood in the academic community. This policy shall be observed in determining whether or not just cause for dismissal exists. The burden of proof of the existence of just cause for a dismissal is on the administration.

UWEC 4.02 Responsibility for Charges

See UWS 4.02: Responsibility for charges.

UWEC 4.03 Standing faculty committee

The faculty committee to operate as a hearing agent under UWS 4 shall be a committee of five faculty selected from the standing Faculty Termination Review Committee as follows:

(cont.)

IMPLEMENTATION: Upon Approval

Appropriate response is requested. Please notify the Senate by completing this form and returning the yellow copy to the University Senate Office.

___ Approved, authorized for implementation

___ Held for further consideration

___ Not approved

___ Received/acknowledged

Chancellor's Signature

Date of Response

White copy for Chancellor; Pink copy for Provost/Vice Chancellor; Yellow copy for University Senate Office
rev 10/99

The Chair of the Faculty Termination Review Committee[†] shall call a meeting of the full committee and conduct the meeting at which the five-member Hearing Committee is selected. Those members of the Faculty Termination Review Committee who are not qualified to serve on the Hearing Committee as provided by UWS 4.06(b), ~~or because of an official leave~~, shall first ~~be disqualified by themselves~~. Then five members from those remaining shall be selected by lot to constitute the Hearing Committee. The Hearing Committee shall then elect a chair and proceed to conduct its business.

If replacements are needed because of further disqualifications under UWS 4.06(d) or because of official leaves, they shall be selected by lot from those qualified members of the Termination Review Committee not originally selected by lot to serve on the Hearing Committee. If further replacements are needed, they shall be selected by lot from eligible members of the Faculty Complaint and Grievance Committee. In those rare cases where further replacements are still needed, they shall be selected by the University Senate Executive Committee from eligible members of the faculty at large.

This committee shall operate as the hearing agent for the board pursuant to s. 227.59 Stats., and conduct the hearing, make a verbatim record of the hearing, prepare a summary of the evidence and transmit such record and summary along with its recommended findings of law and decision to the board according to s. UWS 4.07.

~~†Grievances alleging discrimination on the basis of sex, race, color, national origin, religion, handicap, or age shall be filed with the Affirmative Action Officer, according to procedures outlined in the institution's Affirmative Action Plan.~~

~~Appeals concerning promotion in rank follow the procedure described on p. 28, Chapter 5.~~

~~Appeals concerning nonrenewal of faculty members follow the procedure described on p. 23, Chapter 5.~~

UWEC 4.04 Hearing Procedures for Dismissal Appeals

1. If a faculty member requests a hearing within twenty calendar days from the service of the statement of specific charges (twenty-five calendar days if notice is by first class mail and publication), such hearing shall be convened no later than twenty calendar days after the request, except that this time limit may be extended by mutual consent of the parties or by order of the Hearing Committee.
2. The request for a hearing must be submitted in writing to the chair of the Faculty Termination Review Committee.
3. Within five working days of receipt of the hearing request, the Faculty Termination Review Committee Chair shall acknowledge, in writing, receipt of the request and shall provide a copy of the acknowledgement to the petitioner's dean or director. In the acknowledgement the chair shall ask the petitioner to submit a clear written statement of the reasons for the hearing request and any relevant documentation. The chair shall request, in writing, that the dean or director provide a copy of the statement of charges and any other relevant documentation. Such documentation may include (but is not limited to) information regarding the sequence of events leading to the charge(s), correspondence regarding pertinent events in the case, names of individuals with direct knowledge of those events, and commentary regarding the nature of their knowledge. All documentation must be submitted to the Hearing Committee chair by the date set at the Pre-Hearing Conference (see UWEC 4.04, par. 6 and 7). Documents from the petitioner and from the dean or director will be exchanged on the date set at the pre-hearing conference. Documents shall not be shared by the committee with either party prior to this date.
4. Hearing Procedures for Dismissal Cases
 - a. The Hearing Committee shall conduct a Pre-Hearing Conference within ten calendar days of receipt of the original hearing request. The Pre-Hearing Conference shall be held with all parties involved to:
 - 1) confirm the names and official mailing addresses of all parties involved,
 - 2) confirm that there is a dismissal appeal to be heard,
 - 3) identify the applicable UWS and UWEC rules having jurisdiction over the matter,
 - 4) state clearly the charge(s), the petitioner's interest in the matter, the remedy being sought,
 - 5) hear any opening statements, pre-hearing motions, or closing statements made by the parties,
 - 6) decide whether the hearing will be open or closed,

7) stipulate facts agreed upon, and

8) determine a timetable for the exchange of witness lists and documents.

A written summary of the Pre-Hearing Conference shall be distributed to all parties involved within one working day of the conclusion of the Pre-Hearing Conference.

b. The Hearing Committee subsequently shall convene to hear the appeal. The hearing shall proceed according to UWS and UWEC 4.04, 4.05, and 4.06. In consultation with the Hearing Committee, the chair shall be responsible for maintaining the decorum of the hearing and determining the relevance of the questions asked. It is recommended that the Hearing Committee pursue the following order of business:

1) The chair shall summarize the purpose of the hearing and the issues involved.

2) The chair shall ask both parties (the institution or its representative first and the petitioner second) whether they have any questions before the hearing proceeds. This order of presentation should be maintained consistently throughout the hearing.

3) The chair shall ask whether each party wishes to make an opening statement.

4) Each party shall have the opportunity to present documents and witnesses to support the case. Each party may pose questions to the witnesses.

5) The chair shall ask whether each party wishes to make a closing statement.

6) The chair shall inquire if there are any final questions and shall close the hearing.

c. Notwithstanding UWS 4.06(1)(b), the final deliberation of the Hearing Committee in the formulation of its recommendation(s) shall be in closed meeting as provided by Subchapter V, Chapter 19, Wis. Stats. The Hearing Committee shall allow for a minority report in all of its recommendations. The Hearing Committee's recommendations and the consideration thereof will proceed as specified in UWS and UWEC 4.07.

6. The Hearing Committee is authorized to develop additional procedures not inconsistent with the provisions of Chapters UWS 4 and UWEC 4.

7. The timelines for hearings cited in UWS or UWEC rules may be extended by mutual consent of the parties involved or by order of the Hearing Committee.

UWEC 4.05 Adequate Due Process

See UWS 4.05: Adequate Due Process.

If replacements are needed because of further disqualifications under UWS 4.06(d) or because of official leaves, they shall be selected by lot from those qualified members of the Termination Review Committee not originally selected by lot to serve on the Hearing Committee. If further replacements are needed, they shall be selected by lot from eligible members of the Faculty Complaint and Grievance Committee. In those rare cases where further replacements are still needed, they shall be selected by the University Senate Executive Committee from eligible members of the faculty at large. (US 11/03)

UWEC 4.06 Procedural Guarantees

See UWS 4.06: Procedural Guidelines.

The first order of business shall be consideration of request for legal counsel, as provided by UWS 4.06(f), either from the Office of General Counsel, UW System, or from the Attorney General's office. (FS 4/75)

UWEC 4.07 Recommendation to the chancellor; to the regents

1. The faculty hearing committee shall send to the chancellor and to the faculty member concerned, as soon as practicable after conclusion of the hearing, a verbatim record of the testimony and a written copy of its report, findings, and recommendations. The report shall include:

(a) the names and official mailing addresses of all parties involved,

- (b) a statement of the petitioner's request and the UWS and UWEC chapters and sections under which it was filed,
 - (c) the Hearing Committee's findings of fact,
 - (d) the Hearing Committee's conclusions of law, i.e., its rationale as to whether the alleged charges are valid or not, and
 - (e) the Hearing Committee's recommendations to the Chancellor to
 - 1. dismiss the faculty member,
 - 2. impose a lesser disciplinary action, or
 - 3. find in favor of the faculty member, dismiss the charges against the faculty member, and remove any record of the charges from the faculty member's personnel file
2. Within 20 calendar days after receipt of this material the chancellor shall review it and afford the faculty member an opportunity discuss it. The chancellor shall prepare a written recommendation within 20 calendar days following the meeting with the faculty member, unless his/her proposed recommendation differs substantially from that of the committee. If the chancellor's proposed recommendations differ substantially from those of the faculty hearing committee, the chancellor shall promptly consult the faculty hearing committee and provide the committee with a reasonable opportunity for a written response prior to forwarding his/her recommendation. If the recommendation is for dismissal, the recommendation shall be submitted through the president of the system to the board. A copy of the faculty hearing committee's report and recommendations shall be forwarded through the president of the system to the board along with the chancellor's recommendation. A copy of the chancellor's recommendation shall also be sent to the faculty member concerned and to the faculty committee.
3. Disciplinary action other than dismissal may be taken by the chancellor, after affording the faculty member an opportunity to be heard on the record. Upon written request by the faculty member, such action shall be submitted as a recommendation through the president to the board, with a copy of the faculty hearing committee's report and recommendation.

UWEC 4.08 Board Review

See UWS 4.08: Board Review.

UWEC 4.09 Suspension from Duties

See UWS 4.09: Suspension from Duties

UWEC 4.10 Date of Dismissal

See UWS 4.10: Date of Dismissal.

REVISED

I.2. Business and Finance Committee Meeting

Thursday, October 6, 2005

1920 Van Hise Hall

1220 Linden Drive

11:30 p.m. Education Committee – All Regents Invited

- Rename the University of Wisconsin Medical School to the University of Wisconsin School of Medicine and Public Health.

12:30 p.m. Box Lunch

1:00 p.m. Joint session with Physical Planning and Funding Committee

- UW-La Crosse: Campus Master Plan Presentation

1:30 p.m. Business and Finance Committee Meeting

- a. Approval of Minutes of the September 8, 2005 meeting of the Business and Finance Committee
- b. Continued Review of Personnel Policies and Practices:
 - (1) Insight from University of Wisconsin Institutions and Statutorily-Authorized Governance Groups
 - (2) Revised Sick Leave Policy for University of Wisconsin Employees
 - (3) Review of the Internal Audit Function
- c. Business and Finance Committee Goals and Plans for 2005-2006
- d. Operations Review and Audit
 - (1) Safeguarding Student Social Security Numbers in the UW System
[Resolution I.2.d.(1)]
 - (2) Quarterly Project Update
- e. Trust Funds
 - (1) 2005 Proxy Season Voting Results
- f. Business of the Committee
 - (1) Statutorily Mandated Report: Serving Adult Students of the University of Wisconsin through Biennial Budget Appropriations
[Resolution I.2.f.(1)]
 - (2) Statutorily Mandated Report: FTE Positions Created by the University of Wisconsin System in 2004-2005
[Resolution I.2.f.(2)]
- g. Report of the Vice President
- h. Additional items, which may be presented to the Committee with its approval
- i. Closed session to consider trust fund matters as permitted by s.19.85(1)(e) *Wis. Stats.*

Health Care Provider Certification of Medical Necessity Requirement for Faculty, Limited Appointees, and Academic Staff use of Sick Leave

Background

Currently there is no written policy regarding when the University will require a health professional certification of the medical necessity for use of sick leave for faculty, limited appointees, and academic staff. The Board of Regents at its September 9, 2005 meeting directed the following as part of a broader resolution on the Review of Employment Policies and Practices;

- (6) UW System Administration, in consultation with UW institutions, shall develop a revised sick leave policy by October 1, 2005 that specifies the time period after which a health professional's certification for use of sick leave will be required;

Following the September 9, 2005 Board meeting, consultation was sought and received from Chancellors, Provosts, UW System Human Resource Professionals, Academic Staff Representatives, Faculty Representatives, and Faculty and Academic Staff governance groups.

In addition, Karen Timberlake, Director of the Office of State Employment Relations, provided the following statement to give the broader State context for possible changes the UW System might want to make with regard to health care provider certification of sick leave usage:

For classified staff, and non-UWS unclassified staff, sick leave use is governed by the state and federal family and medical leave acts, Wis. Admin. Code s. 18.03, and agency work rules and specific sick leave policies. Some of those agency policies are tailored to the unique business functions of the agencies, e.g. 24 x 7, law enforcement, and patient care operations. In every case there is the expectation that employees are using sick leave only for the reasons authorized by state and federal statutes and by the relevant administrative code. In addition, supervisors have the right and obligation to request medical verification of sick leave use if there is some reason to believe that the request for sick leave is inappropriate. Depending on the individual circumstances, these requests for verification may be when an employee calls in sick (e.g., employee asked for Friday off, request was denied, employee then calls in sick, or employee has a pattern of sick calls on Fridays or Mondays), or after an absence of several days or more. These questions are highly fact specific, and agencies find that leaving the discretion with managers, within the statutory and rule framework, has allowed the flexibility to respond as circumstances dictate. (emphasis added)

UW System Administration staff also contacted seven private employers, plus the Madison Public Schools, and asked if/when they require an employee who has used consecutive sick days to provide a health care provider's certification to substantiate the need for leave due to an illness or injury. If they had different requirements, management versus other employees, we only included the management requirements. It should also be noted that staff asked how they would handle an absence that did not fall under FMLA.

American Family has no strict guidelines for non-FMLA leave. Requesting the certification is at the manager's discretion after three days of absence due to illness/injury.

Blue Cross United of WI, Miller Brewery, Rayovac, Madison Newspapers, and Madison Public Schools require a fitness for duty release or physician certification after five days of absence due to illness/injury.

CUNA Mutual requires a physician certification after ten days of absence due to illness or injury. This also triggers FMLA, if applicable.

MG&E requires medical certification for sick leave when the circumstances of the leave may be questionable or when the employee has high sick leave usage over time. The request may be made by the supervisor or HR.

A call was also made to Legislative Council Staff to determine the policy that is used for legislative staff since they are not covered by the Wisconsin Administrative Code, Employment Relations (ER) 18, referred to by Director Timberlake above; however, we did not receive a call back in time for this report.

Federal and Wisconsin Family Medical Leave

Director Timberlake, private employers, and our own sick leave policy make reference to Federal and or Wisconsin Family Medical Leave Acts. The following provides some brief information on these laws.

The Federal Medical Leave Act requires employees to provide 30-days prior notice of the need for FMLA/WFMLA, if possible. The Act permits employees to take unpaid leave or any available paid leave due to a serious health condition in specific situations as defined in the Acts. The State law does not impose a requirement for physician certification, but it does state that any applicable leave policy must be in writing. If an employee expresses the need for leave, the employer is expected to request any additional required information, such as a physician certification, within two days of the employee's notice of the need to take leave. At the time the employer requests certification, the employer must also advise an employee of the anticipated consequences of failing to provide adequate certification. The employee must provide the requested certification to the employer but the employer must allow at least 15 calendar days after the request, unless it is not practicable under the particular circumstances to do so.

If the employer's sick or medical leave plan imposes medical certification requirements that are less stringent than the certification requirements of FMLA, and the employee or employer elects to substitute paid sick, vacation, personal or family leave for unpaid FMLA leave where authorized, only the employer's less stringent sick leave certification requirements may be imposed. In other words, if the UW System adopts a requirement that medical certification is not needed until an absence of 10 or more days, we cannot require physician certification for FMLA until there has been a 10-day absence.

The FMLA and the WFMLA include differing definitions of “health care provider.” Using the broadest definition of health care provider by combining the Federal and State Medical Leave Act definitions, *health care provider* means:

(1) doctors of medicine or osteopathy authorized to practice medicine or surgery in the State; (2) podiatrists, dentists, psychologists, social workers, marriage and family therapists, professional counselors, speech-language pathologists or audiologists, optometrists, chiropractors, certified occupational therapists, occupational therapy assistants, respiratory care practitioners, and acupuncturists; (3) nurses, nurse practitioners, and nurse-midwives, as authorized to practice under State law; or (4).Christian Science practitioners.

Authorized Use of Sick Leave

Finally, the following three options being recommended for Regent consideration and action do not change the existing approved uses of sick leave stated in University Personnel Guideline (UPG) 10.04 (A) as follows:

10.04 Use of Sick Leave

- A. Faculty and academic staff of the University of Wisconsin System may use their accumulated sick leave for:
1. Absence due to personal illness, injury, disability, pregnancy or adoption,
 2. Attendance upon an immediate family member whose health or medical condition requires the employee's direct care; and
 3. The death of an immediate family member.

Options for Regent Consideration and Action

Assurance of Appropriate Use Option

UW institutions shall be authorized to require written certification from a health care provider to verify the medical necessity for the employee's absence.

UW institutions need to be assured that when an employee is using sick leave he or she is using it for the purpose for which sick leave is intended as defined in UPG 10.

When in doubt, the institutions have the authority and are required to obtain certification of the appropriateness of the use regardless of the length of absence.

Supervisors will be provided a copy of the revised UPG 10, along with instruction and training on the application of policy by the Director of Human Resources of the UW institution or other appropriate officer, depending on the needs and organizational structure of the specific institution.

Rationale: This option would essentially make UW System unclassified employees subject to the same regulations as other unclassified state employees, represented classified staff, and non-represented classified staff. It would authorize a request for written certification even after one or two days if there has suspected abuse.

10 Day Trigger Option

UW institutions shall require written certification from a health care provider of the medical necessity for use of sick leave for absences of more than 10 consecutive full working days, except where the use of sick leave is authorized in advance, pursuant to the Wisconsin or Federal Family and Medical Leave Acts.

Where an institution is aware of an emergency that prevents communicating with or obtaining information about the condition of the employee, such written certification shall not be required until such time as communication is possible and appropriate, given the condition of the employee.

In cases of suspected abuse of the sick leave privilege, the institution shall be authorized to require written certification from a health care provider to verify the medical necessity for the employee's absence regardless of the length of absence.

Supervisors will be provided a copy of the revised UPG 10, along with instruction and training on the application of policy by the Director of Human Resources of the UW institution or other appropriate officer, depending on the needs and organizational structure of the specific institution.

Rationale: FMLA and Wis. Administrative rules were considered which includes a list of "automatic" triggers for FMLA, one of which is an illness that requires the employee to stay home for **3 or more days**.

ER 18.03(4)(c), Wis. Adm. Code sets forth the criteria for use of sick leave for classified and unclassified state employees. One of the allowable reasons for using sick leave is "For temporary emergency medical care of ill or injured members of the immediate family for a limited period of time to permit the employee to make other arrangements. Use of sick leave for temporary emergency care of immediate family

members **is limited to 5 work days** for any one illness or injury; however, the use of sick leave may be extended to cover unusual circumstances provided prior approval is obtained from the appointing authority."

There is, therefore, a basis to set the requirement for the health care professional certification at either 3 or 5 days of sick leave. However, flu could cause an employee to miss a week of work and may require an unnecessary physician visit. We also do not want to create an administrative burden for the UW System or the Health Care System. The 10 day trigger also provides the University some protection in the case of an employee who may want to return before it is medically advisable rather than visit a health care provider.

5 Day Trigger Option

This option is the same as the 10 Day Trigger Option with the trigger date for the certification from a health care provider of the medical necessity for use of sick leave for absences of more than 5 consecutive full working days rather than for 10.

Rationale: When looking at the private sector the 5 day trigger time seemed to be more common practice. In addition, feedback from the UW institutions in some cases indicated that 10 days was too long and that 5 would be the recommended trigger.

REVIEW OF THE UW SYSTEM INTERNAL AUDIT FUNCTION

Introduction

At the September Board of Regents meeting, several questions were raised regarding the audit function of the UW System. Questions included, “Is the audit function sufficient – not just at the UW System office, but on the individual campuses as well? Does the President have the tools he needs to manage the UW System into the future? Should the internal auditor report directly to the Board of Regents? Are there models in other states – Minnesota was mentioned – that might be useful to consider applying to the UW System?” Questions surrounding the audit function concluded in item 8 of Board of Regents Resolution I.2.c., dated September 9, 2005: “In light of Sarbanes-Oxley regulations, the President shall review and prepare for the Board a recommendation on whether the internal audit function is sufficient and whether the System Auditor shall report directly to the President and the Board.”

Background

The Institute of Internal Auditors, in its International Standards for Professional Practice, defines internal auditing as an “independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.” Among the purposes of internal audit are to assist top management in identifying and assessing strategic risks and to help the governing board carry out its financial responsibilities.

This review addresses: the role of the UW System Administration Office of Operations Review and Audit; the role of UW campus auditors; the role of the UW’s external auditors; the current structure for audit reporting in the UW System and other university systems; advantages and disadvantages of an audit function that reports directly to a board; implications of the Sarbanes-Oxley Act of 2002 for higher education; and the sufficiency of the UW System audit function.

UW System Administration Office of Operations Review and Audit

The UW System Administration Office of Operations Review and Audit is designed to serve as an internal management consultant for the Board of Regents, the Office of the President and other UW System offices, and the UW institutions. The office assesses the performance of administrative and other operations, reviews the implementation of Board of Regents policies, assists UW institutions with special investigations, and conducts research and analysis. Following the completion of a program review, changes to policies and practices may be recommended systemwide, or at a particular UW institution.

Prior to 1996 the UW System Office of Internal Audit, now Operations Review and Audit, was responsible for conducting most audits within UW System, with the exception of those performed at UW-Madison and UW-Milwaukee. These UW System audits were primarily

operational or financial in nature. For example, UW System auditors regularly conducted detailed audits of UW institutions' academic fee policies and internal controls; bursars' operations; and cash management in food-service, retail services, and other revenue-generating operations. Significant UW System staff resources were devoted to individual campuses for extended periods of time.

A 1996 reorganization of UW System Administration reduced the number of central office audit staff and changed the focus of the audit function to a program-review and policy-analysis function, with most projects addressing systemwide issues. The central-office unit was eventually re-named the Office of Operations Review and Audit to more accurately reflect the type of work performed. The following mission statement affirms:

The Office of Operations Review and Audit is responsible for providing objective review and analysis to assure that University of Wisconsin programs, policies and practices are conducted in accordance with state law and Board of Regents policy. The Office helps ensure University operations are proper, efficient and effective. Specific responsibilities include:

- Reviewing the status of Board of Regents policy implementation;
- Reviewing the effectiveness with which the UW institutions or UW System Administration have implemented state or federal legislative requirements;
- Conducting research and analysis in other operational areas of interest to the Board of Regents or the UW institutions;
- Recommending any necessary changes in programs, policies, or practices at the UW System or institution level; and
- Working with the audit offices at the UW institutions to provide assurances to the Board of Regents that necessary financial and management controls are present.

A review of university systems in other states indicates that their system-level audit offices have similar roles. The mission of the audit function in the University of California System, for example, is "to assist the Board of Regents and University management in the discharge of their oversight, management and operating responsibilities through independent audits and consultations." In the University of Illinois System, the audit mission is to "provide independent and objective assessment and consulting services to add value and improve university operations," with no function, activity or unit of the university exempt from review. In the Minnesota State Colleges and University System, the audit function "assists the Board of Trustees, Chancellor, presidents and all other levels of management" by providing "independent and objective assurance and consulting services." While a variety of reporting structures are employed in these systems, independence is typically assured by having the audit director report

to a level within the organization that allows the internal audit function to determine the scope of audit work, perform the work, and communicate the results with autonomy.

The UW System Office of Operations Review and Audit is staffed with a Director and six professional auditors and analysts with extensive experience in policy analysis, program evaluation, and financial auditing. They conduct various types of reviews and audits, including program reviews; management reviews; financial audits; financial-mismanagement reviews; and special studies, such as research conducted for the Achieving Operating Efficiencies Work Group for the Board of Regents' Charting a New Course for the UW System effort. Projects for the Office of Operations Review and Audit are generally initiated in several ways:

1. The Office staff identifies current issues in higher education or Board of Regents policies that may be dated and in need of updating.
2. Other units within UW System Administration, such as the Office of Safety and Loss Prevention or Academic Affairs, request Operations Review involvement in a project.
3. Individual UW institutions occasionally request assistance in reviewing sensitive issues.
4. The Board of Regents can request special audits and reviews.

(The attachment is a partial listing of some of the program review reports the Office has completed in the past several years.)

A review of the results of a 1999 survey by the Association of College and University Auditors (ACUA) suggests a long list of possible sources for audit projects. The list includes internal-audit staff, executive management, and operating management. Also included are the board or audit committee and external auditors. In addition, the ACUA survey mentions risk analysis/evaluations. This last approach is one that the UW System is considering adding in the future, as the Office of Operations Review and Audit is currently developing a risk assessment survey tool that can be used to identify potential risk areas for review. In addition, several specific recommendations to strengthen Board involvement in initiating and reviewing audits are made in the final section of this paper.

UW Campus Auditors

The role of campus auditors in the UW System is to provide objective analyses of financial and operational activities. These auditors typically report to the chief business officer at each UW institution and prepare reports for use at the institution. UW auditors' duties are varied and can include:

- evaluating systems of control that safeguard assets;
- examining financial transactions for accuracy;
- reviewing capital equipment inventory procedures;

- counting petty cash funds;
- assessing data security risks; reviewing internal controls for payroll; and
- reviewing compliance with state and UW System policies.

The System Office of Operations Review and Audit also plays a role in the audit function at the UW campuses. The Office convenes periodic meetings of the campus auditors, organizes training opportunities, and serves as a System-level point of contact when UW institutions discover possible breaches of fiscal integrity. The Office also periodically collects information from UW institutions to ensure that audit activity is occurring in six core areas: (1) cash handling; (2) payroll/personnel; (3) property control; (4) auxiliary operations; (5) tuition and segregated fee revenues; and (6) major information technology systems.

After the 1996 systemwide reorganization, each UW institution established at least one auditor position with responsibility for conducting campus-based financial and management audits. This structure reduced the travel costs previously associated with having UW System Administration auditors conduct routine financial and operational audits. It also allowed campus-based auditors to meet the individual needs of each institution in a timely manner.

More recently, some UW institutions have significantly reduced or eliminated the staff assigned to the audit function. The table compares the number of authorized and filled audit positions in the UW System.

UW System Audit Positions

INSTITUTION	AUTHORIZED POSITIONS	FILLED POSITIONS
UW System Admin.	10	8*
Madison	6	6
Milwaukee	5	3
Eau Claire	1	1
Green Bay	1	0
La Crosse	1	0
Oshkosh	1	.5
Parkside	1	.6
Platteville	1	1
River Falls	1	0
Stevens Point	1	1
Stout	1	1
Superior	1	0
Whitewater	1	1
Colleges	1	1
Extension	1	1
Total	34	25.1

Source: 2004-05 Redbook Budget and supplemental information. The Budget shows .5 auditor for La Crosse and none for Superior; each previously had one position.

*Includes program assistant position.

Since it is inappropriate to not have an internal-audit oversight function at each campus, the Chief Business Officer-Provost workgroup that is reviewing administrative functions is examining whether there are opportunities to share audit resources among the institutions. The workgroup's recommendations will be presented to the Board later this fall.

One key option that the workgroup is considering is having campuses share audit resources geographically. Given the audit positions eliminated at the campuses, this arrangement would provide coverage at each campus, as well as reduce overall costs. One option would pull together three to five UW institutions in a region and assign anywhere from two to eight auditors to that region.

In addition, the Office of Operations Review and Audit would continue to conduct systemwide analyses and perform a coordinative role, ensuring that each campus has adequate audit coverage and that auditors conduct certain essential audits and reviews. Occasionally, Office of Operations Review and Audit staff may need to be assigned to assist campus-based auditors, should the number of staff assigned to a region be insufficient. However, this new arrangement would reduce the Office's ability to conduct systemwide reviews.

External Audit

The Legislative Audit Bureau (LAB) acts as the external auditor for the UW System. There is a formal contractual relationship in place which covers the performance of the annual federally-mandated A-133 audit covering all federal grants and contracts, as well as the annual financial audit covering the financial statements, prepared in accordance with Generally Accepted Accounting Principles. In addition, LAB performs reviews and issues letter reports (e.g., UW-Madison's Surplus with a Purpose (SWAP) and Materials Distribution System (MDS)) and comprehensive program evaluations (e.g., Review of Administrative Staffing).

Reporting Structure

Administratively, the Director of the Office of Operations Review and Audit reports to the University of Wisconsin System Vice President for Finance. In addition, it has been clearly understood that the Operations Review Director has an informal (i.e., "dotted-line") reporting relationship to the university President and to the Board of Regents, primarily through the Business and Finance Committee. The Director can consult with the President and the Board directly, if necessary.

Prior to October 2001, the Director also reported on program review reports to the Audit Subcommittee of the Board of Regents Business and Finance Committee. In late 2001, the Board eliminated the Audit Subcommittee and established a new protocol, whereby the Vice President for Finance submitted completed program review reports to the Board's Executive Committee. A decision was to be made on a case-by-case basis about whether the reports would be forwarded to the Education Committee, Business and Finance Committee, or Physical Planning and Funding Committee.

In practice, most reports have been presented to the Business and Finance Committee, and this process was formalized in 2005, when the Director began to report periodically, usually quarterly, to the Business and Finance Committee. The Director's status report includes a summary of completed projects, an update on projects the Office is conducting, and information about projects LAB is conducting within the UW System. The status report also includes information about the types of projects the campus auditors have completed.

A comparison of administrative reporting structures based on the 18 university systems that the UW System uses for administrative-cost comparisons shows that among the 16 systems for which information is available, in 10 instances (63 percent) the audit function reports to the president or chief executive officer; in five (31 percent), to a vice president; and in one case, to chief legal counsel.

Auditors in individual Big Ten institutions more often report to a vice president (or equivalent-level executive), as they do in the individual UW institutions. A Big 10 Audit Conference survey of the reporting structure in the Big Ten institutions found that auditors at seven of the 11 institutions (64 percent) reported administratively to a vice president; three (27 percent) reported to the president; and one reported to the institution's corporate controller.

Direct Reporting to a Board

The Chronicle of Higher Education, in a June 10, 2005 article, noted that the Sarbanes-Oxley Act has caused some academic institutions to expand internal auditors' authority and strengthen their link to the institutions' governing boards. The article presented various views on the ideal reporting structure for internal audit departments. One view is that internal auditors should report directly to the governing board's audit committee, because this structure provides checks and balances on university presidents and chief financial officers. Another view, as expressed by the president of the Association of Governing Boards of Universities and Colleges, is that an auditor only needs to have the option of requesting a private meeting with a governing board, because most problems auditors identify would be uncontroversial, and the president should have the opportunity to address them.

The Chronicle article highlighted the internal audit department in the Minnesota State Colleges and Universities System. The department, established in 1997, reports directly to the Board of Trustees. Staff contacted the Executive Director of Internal Auditing in the Minnesota State system for more information about that system's reporting structure. In Minnesota all auditors for the 32-campus system are centralized, and the individual campuses do not have their own auditors. The Executive Director indicated that approximately one-half of the Internal Auditing projects are reviews of policy issues, and the remainder are compliance audits or responses to specific campus requests. The Board requests projects through an informal process, usually once a year.

The Executive Director reports to the Board of Trustees through the Board's Audit Committee, which is responsible for hiring and all other personnel actions with respect to the Executive Director. The Board also hires the external auditors for the system. The Executive Director has the authority to take audit issues directly to the Board without consulting with the

Chancellor (the system's chief executive officer). However, all operational audit issues are discussed with the Chancellor before they are brought to the Board; and in many cases the Chancellor presents them to the Board, supported by the Executive Director. The Executive Director noted that only once, in the case of a fraud allegation, has he gone to the Board without discussing an issue with the Chancellor.

The Executive Director of Internal Auditing provided a list of benefits and challenges of the Minnesota State reporting structure. Benefits of reporting directly to the Board include "an independent channel for reporting significant exceptions to the board," "an opportunity for the board to spotlight issues of particular concern," and "a presence for demonstrating board interests to administrators, faculty, and staff." Challenges for the Board include preserving "the independence of the internal audit function by protecting it from assignments that should be left to management," selecting "priority issues," and focusing on "strategic and policy issues" instead of operational detail.

The Executive Director stressed that for any reporting structure to be effective, a good working relationship with both the Board and the chief executive officer is essential. Also important is having Board members who actively support the audit function.

Some Higher-Education Implications of Sarbanes-Oxley Act of 2002

The Sarbanes-Oxley Act of 2002 was designed to protect investors in publicly-traded corporations by improving the accuracy and reliability of corporate disclosures. While the Act does not apply to higher education institutions *per se*, aspects of the Act may have application to higher education as good business practices.

With respect to the audit function, Sarbanes-Oxley recommends that an audit committee or its equivalent have at least one financial expert and that the committee exercise control over external auditors. The National Association of College and University Business Officers (NACUBO) recommends that institutions that do not have an audit committee should assign the audit function to another committee of the board of trustees and add "audit" to that committee's title. In the UW System, the Board of Regents' Business and Finance Committee acts as the audit committee, and the Committee's Vice Chair has been functioning as the "audit liaison." Last year, the Chair and Vice Chair of the Regents' Business and Finance Committee met independently with Legislative Audit Bureau staff. It is anticipated that this practice will continue in future years. In addition, LAB formally communicates with the Board each year about LAB's responsibilities in completing the financial audit.

The Act also requires that audit committees establish procedures for receiving and handling complaints companies receive about accounting, internal controls, and auditing matters. Procedures should also be in place for confidential, anonymous complaints from employees. NACUBO recommends that, as a good practice, universities establish confidential complaint mechanisms for employees, with the audit committee reviewing the nature and disposition of any reported matters. A plan for an employee-complaint procedure of this type was presented to the Regents' Business and Finance Committee in June 2005 and will be piloted at UW-Milwaukee beginning in early 2006.

Sufficiency of the UW System Audit Function

In light of the current audit structure within the UW System and the guidance provided by Sarbanes-Oxley, the UW System and the Board of Regents could consider several enhancements to current procedures. Among the considerations:

1. Reporting

The Board's September 2005 resolution asked whether the Director of Operations Review and Audit should report directly to the President and the Board.

- One option would be to formalize the existing reporting relationship to the Vice President for Finance with direct access to the President and the Business and Finance Committee, whenever deemed necessary.
- A second option would be to change the reporting relationship to a direct report to the President, with direct access to the Business and Finance Committee, if necessary.
- A third option would be to change the reporting relationship to a direct report to the Business and Finance Committee.

2. Committee Structure

Among the NACUBO recommendations regarding the Sarbanes-Oxley Act is to assign the audit function to a committee of the board and use "audit" in the committee's name. The Board of Regents eliminated the audit subcommittee several years ago.

- One option would be to have the Board of Regents formally designate the Business and Finance Committee as the "audit" committee for the Board.
- A second option would be to change the name of the Business and Finance Committee to the Business, Finance, and Audit Committee and to formally designate it as the audit committee for the Board.
- A third option would be to establish a separate audit committee.
- As an additional action for any of these options, the Board could formally establish the Vice Chair of the Business and Finance Committee as "Audit Liaison."

3. Approval of the Audit Plan

The mission and objectives of the Office of Operations Review and Audit -- to review the implementation of Board policies; provide assurances to the Board that necessary financial and management controls are present at the UW institutions; and conduct research and analysis in operational areas of interest to the Board -- link it closely with the Board of Regents.

- One option would be to continue the current methods of developing Operations Review projects, with the Operations Review Director periodically reporting certain information to a committee of the Board.
- A second option would be to establish a formal mechanism for Board members outside of the Business and Finance Committee to communicate requests for audits, reviews, or studies.
- A third option would be to require Board approval of a proposed audit plan and prescribed reporting to the Board on the reviews completed.

Recommendations to Strengthen the Audit Function

Based upon the review of the UW System internal audit function, current practices within higher education, and best practices outlined by NACUBO in light of Sarbanes-Oxley, the President of the UW System recommends strengthening the internal audit function by the following:

1. The Business and Finance Committee will be officially designated as the audit committee of the Board of Regents, and the Director will meet quarterly with the Committee.
2. The Vice Chair of the Business and Finance Committee will be officially designated as the audit liaison to the Board of Regents.
3. Any Regent may submit a request for an audit, or review, for consideration by the Business and Finance Committee through the Audit Liaison.
4. The Director will present an audit plan for periodic approval by the Business and Finance Committee, report to the Committee on audits completed and underway, and solicit from the Committee input for proposed audits and reviews.
5. At the sole discretion of the Director, he or she will have unfettered access to the UW System President and the Board at any time.
6. The Director will meet at least quarterly in a private conference with the UW System President.
7. The organizational chart will be formalized to show the special reporting and access relationships described above between the Director and the Board, and the Director and the UW System President.

Attachment
Examples of Office of Operations Review and Audit Program-Review Reports

REPORT	TYPE OF ANALYSIS
Policies and Procedures for the Care and Use of Animals in Research	Analyzed animal research activities at UW System institutions and compliance with federal regulations. Included recommendations for strengthening the UW System's animal care and use programs.
UW-Madison Applied Security Analysis Program (ASAP)	Assessed whether student management of UW System trust funds complied with Board of Regents investment policies, reviewed oversight procedures, and compared the program with other student-managed investment fund programs.
Children's Centers at University of Wisconsin Institutions	Reviewed the mission and role of the UW children's centers, the availability of child care services at UW institutions, program administration, and financial operations. Identified best practices and offered recommendations on accreditation and other areas.
Implementation of Federal Student Right-to-Know and Campus Security and Crime Information Requirements	Assessed compliance with the federal Student Right-to-Know and Campus Security Act, which requires higher education institutions to provide students and employees with certain information on crime statistics, financial assistance and other areas. Identified best practices for compiling and providing the required information.
Stewardship of University of Wisconsin Art, Science, and Special Library Collections	Reviewed UW System institutions' practices for documenting, caring for, and insuring valuable collections of rare books, scientific items, and artwork. Recommended improving procedures and expanding Regent Policy Document 73-15 beyond art collections.
Special Course Fees at University of Wisconsin Institutions	Examined implementation of the UW System policy on special course fees, reviewing the range of special course fees, fee authorization processes, and assessment and collection procedures.
Occupational Health and Safety Training for UW Employees	Identified federal and state health and safety training requirements. Examined training methods and administration at UW institutions and other higher education institutions.
Student Credit Card Debt and Policies on Credit Card Solicitation on UW Property	Examined national and UW studies on credit card ownership and the extent of credit card debt among university students, UW policies on credit card companies' soliciting on campus, and institutions' efforts to inform students about using credit cards and incurring debt.
UW Residence Hall Programming, Occupancy Requirements, and Safety	Reviewed Regent Policy Document 72-6, which requires certain freshmen and sophomores to live in residence halls at most UW institutions; programs available in residence halls; and residence hall safety, including crime prevention and fire safety.
UW Student Health Services and Policies	Analyzed student health services, staffing, and facilities; health care standards; and health-services funding. Recommended substantial revisions to Regent Policy Document 78-9, Basic Health Module.
Procedures and Methods for Removing Data from Surplus Computers	Addressed information privacy laws, methods for removing data from personal computers before they are discarded, and computer-disposal procedures.

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM**REPORT OF THE
COMMITTEE ON RETREAT FOLLOW UP
SEPTEMBER 8, 2005**

Regent President David Walsh asked us to consider the broad-ranging discussion among Regents, Chancellors, and senior UW System staff at the Regents' retreat held in July 2005, and report to the full Board and the Chancellors on initiatives and strategies the Board of Regents might want to pursue during the coming year. President Kevin Reilly's statement is a helpful starting point for this task. He reminds us that "our job as a public university is to be Wisconsin's premier developer of advanced human potential, of the jobs that employ that potential, and of the flourishing communities that sustain it."

If that is the role the UW System is to play, we believe the Board of Regents should focus its attention in the coming year on four primary themes.

1. Improve Access To the UW System

- Talent, creativity and drive are not the exclusive purview of wealthy families. We need to keep higher education affordable for all qualified Wisconsin people to help them develop their potential.
- As a public institution of higher education, we should examine the current level of cost sharing for a higher education between Wisconsin students and their families on the one hand, and state taxpayers on the other.
- We should establish clear and convincing goals for an appropriate division between taxpayer support and tuition, and those goals should keep in mind our commitment to Plan 2008.

2. Do Our Share to Increase Baccalaureate Degrees in Wisconsin

- An educated citizenry is a benefit for society at large and for the individuals who obtain the education. Moreover, the evidence establishes a link between a region's economic development and the number of its baccalaureate degree holders.
- We should seek ways to creatively manage our resources, and make the case for additional resources if needed, to produce more baccalaureate degree holders in Wisconsin while maintaining the quality of the degrees awarded by our campuses. This should include creative ways to attract and retain non-traditional students.
- We should coordinate our efforts to achieve this goal with Wisconsin's other system of public higher education, the Wisconsin Technical College System.

3. Improve the Quality of the Student Experience On Our Campuses

- We should develop strong theory- and evidence-based policies for appropriate student-faculty ratios and student support services on our campuses.
- We should then develop a clear and convincing plan for how we can efficiently allocate existing resources, and make the case for additional resources if needed, to implement these policies.

4. Strengthen and Build Relationships with Our Stakeholders

- We should clearly define the roles that Regents, the System President, and our Chancellors should play in communicating with our stakeholders.
- This process must be a two-way communication: we should be good listeners first and then strong advocates for the goals that we have established.

Respectfully submitted,

Regent Mark Bradley
Regent Danae Davis
Senior Executive Vice President Donald Mash
Regent Charles Pruitt
Regent Michael Spector

Office of Operations Review and Audit
Report on Safeguarding Student Social Security Numbers

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, pursuant to the report, "Safeguarding Student Social Security Numbers in the UW System," concurs with by the UW System Office of Operations Review and Audit, the Board of Regents directs that University of Wisconsin System institutions shall: collect and use student Social Security Numbers only as permitted or required by federal or state law, and only as reasonably necessary for the proper administration or accomplishment of the institutions' business, governmental, and educational purposes; provide the notice required by Section 7(b) of the Federal Privacy Act of 1974 whenever they request that students disclose their Social Security Numbers; and limit access to and the display of records containing student Social Security Numbers.

Office of Operations Review and Audit



Program Review

**Safeguarding Student Social Security Numbers
in the UW System**

August 2005

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EXECUTIVE SUMMARY

Identity theft is the fastest growing white-collar crime in the United States. Various studies indicate that Social Security numbers (SSNs) play a pivotal role in identity theft, and that SSNs are still widely used for various purposes by higher educational institutions. This report describes practices UW System institutions use when soliciting SSNs from students, some ways UW System institutions have used student SSNs, and measures and efforts UW System institutions have taken to safeguard student SSNs.

Collecting Social Security Numbers

The federal Privacy Act of 1974 requires any federal, state, or local governmental agency to provide proper notice when requesting that an individual disclose his or her SSN. The review found that while many UW institution forms no longer ask for the SSN, some forms still ask students to provide the SSN, even though the SSN does not appear to be necessary, and some of these forms do not include the required notice. The report recommends that UW institutions review all institutional forms soliciting SSNs from students to determine whether SSNs are necessary and, if they are, that institutions include the proper notice.

Alternatives to Social Security Numbers

The review found that all UW System institutions have stopped using the SSN as the student identification (ID) number, as required by Chapter 36, Wis. Stats. Although SSNs are stored in student data systems, UW System institutions no longer use the SSN as a record identifier. Some institutions have also limited the display of the SSN on student data systems or official documents. The report recommends each UW institution review its current uses of student SSNs and establish a process for determining appropriate future uses of student SSNs.

Student Records Access and Safeguards

The review found that UW System institutions have taken steps to ensure that only authorized personnel have access to student records that contain personally identifiable and confidential information. These steps include granting access only to those who must have the access to perform their job functions, shredding documents that are no longer needed, and employing proper technologies to secure computer networks. Some institutional officials acknowledged that securing paper records on students remains a challenge, as these records are maintained at various locations on campus and storage space is limited.

System Guidance on Social Security Number Collection and Uses

In order to ensure consistent safeguards across the UW System, a sample or boilerplate notice for SSN disclosure may be helpful. Increasing student and staff awareness about identity theft and limiting the collection and use of SSNs will help to reduce the risk of students becoming victims of identity theft. The report recommends that UW System Board of Regents or System Administration provide guidance on the collection, use, and maintenance of student SSNs.

SCOPE

The University of Wisconsin System Office of Operations Review and Audit reviewed University of Wisconsin (UW) System institutions' practices in regard to collecting, using, and safeguarding student Social Security numbers. During the review, we talked to staff at UW-Eau Claire, Extension, Madison, Milwaukee, Stevens Point, Stout, and Superior, and UW Colleges. These staff were identified by the institutions and most were the registrars or supervisors of student records. We also contacted registrars at the remaining institutions. In addition, we interviewed staff from the admissions, financial aid, business, graduate school, student affairs, and information technology offices at some UW institutions. Finally, we reviewed forms that UW System institutions and some other higher educational institutions had posted on their websites.

BACKGROUND

Social Security numbers were first created by the federal government in 1936 to track employees' earnings and retirement benefits. Since 1936, numerous legislative actions expanded the collection and use of SSNs. Because of their unique and unchanging characteristics, SSNs have also been used for purposes other than those authorized by federal or state laws. While such collection and use are permissive, certain steps are necessary to protect Social Security numbers, since their characteristics make them susceptible to identity theft. [Identity theft is the use of someone's name, address, Social Security number (SSN), bank or credit card account number, or other identifying information without his or her knowledge, to commit fraud or other crimes.]

Identity theft is the fastest growing white-collar crime in the United States.¹ According to a 2003 survey conducted by the Federal Trade Commission (FTC), identity theft losses to businesses and financial institutions totaled nearly \$48 billion, and consumer victims reported \$5 billion in out-of-pocket expenses in 2002 alone.² Since November 1999, when the FTC began to track the number of identity theft complaints, the number of complaints the FTC has received has increased steadily. In calendar year 2003, the FTC received 215,000 identity theft complaints, a 33 percent increase from 2002.³ Not all incidents of identity theft are filed with the FTC. The Office of the Inspector General in the Social Security Administration estimates that there were about a half million identity theft incidents in 2000 and expects the number to more than triple, to 1.7 million, in 2005.⁴

Various analyses indicate that SSNs play a pivotal role in identity theft. A 1999 study conducted by the U.S. Sentencing Commission found that SSNs are used as breeder information to create

¹ Sakamoto, Jan. "Identity Theft: Arm Yourself." October 1, 2004 <<http://www.crimestoppers-honolulu.org/tips/idtheft.htm>>.

² Federal Trade Commission. "Identify Theft Survey Report." October 1, 2004 <<http://www.ftc.gov/os/2003/09/synovatoreport.pdf>>.

³ Federal Trade Commission, *National and State Trends in Fraud and Identity Theft, January – December 2003* (Washington, D.C.: January 22, 2004).

⁴ Office of the Inspector General, Social Security Administration. "Social Security Number Misuse, Identity Theft and the Internet." November 4, 2004 <http://www.ssa.gov/oig/executive_operations/factsheet1.htm>.

false identification documents, such as drivers' licenses, and both the SSNs and drivers' licenses are most frequently used to generate fraudulent identifiers.⁵ Some identity theft court cases also confirm that the SSN is central to committing fraud.

Evidence suggests that university students, faculty, and staff are not immune to identity theft. For instance:

- The *Bulldog News*, a University of Pennsylvania newspaper, reported that in November 2002 a man was arrested for stealing the names and SSNs of some 150 students from the University of California-Riverside and using the stolen information to obtain credit cards, running up more than \$200,000 in charges in the students' names.⁶
- The *Daily Egyptian*, a Southern Illinois University (SIU) newspaper, reported on a former student who wanted to prove a point about how easily students' SSNs can fall into unauthorized hands by picking through a garbage dumpster. The former student found an appointment list containing names, SSNs, addresses, and telephone numbers of several SIU students.⁷
- The *SecurityFocus.com* reported that in 2003 a University of Texas student was charged for breaking into a school database and stealing more than 55,000 student, faculty, and staff names and SSNs.⁸

More recently, there are reports of hackers gaining access to some university computer systems. While there is no indication the hackers have used the information for illegal activity, the incidents have cost the affected institutions time and money to notify students and staff whose personal information may have been compromised and have embarrassed the institutions.

These and other incidents are significant because it appears that SSNs are still widely used as identifiers by higher educational institutions. A 2002 survey by the American Association of Collegiate Registrars and Admissions Officers showed that nearly half of the colleges nationwide still use SSNs as the primary means of tracking students in academic databases.⁹ Some institutions still use SSNs as student identification numbers, and the SSNs are printed on the face of the student identification cards.

⁵ U.S. Sentencing Commission, *Identity Theft Final Report* (Washington, D.C.: Dec. 15, 1999).

⁶ Bowen, Debra. "Don't Be a Victim of Identity Theft." *The Bulldog News*, December 16, 2002.

⁷ Katzman, Dave. "Student ID Numbers Found in Garbage." April 24, 2003 <<http://www.dailyegyptian.com/spring96/050296/security.html>>.

⁸ Brulliard, Karin. "Student Charged with Hacking at U-Texas." October 19, 2004 <<http://www.securityfocus.com/news/3174>>.

⁹ Foster, Andrea L. "ID Theft Turns Students Into Privacy Activists, Colleges respond by reducing reliance on Social Security numbers in databases." *Chronicle of Higher Education*, August 2, 2002.

DISCUSSION AND RECOMMENDATIONS

The goal of this review was to gauge UW System institutions' practices specific to student SSNs. Since federal laws and regulations specifically require SSNs for payroll and tax records and for financial aid, we focused our review on the collection and use of student SSNs on academic records, where such requirements do not exist. This report describes: 1) practices UW System institutions use when soliciting SSNs from students; 2) some ways UW System institutions have used student SSNs; and 3) measures and efforts UW System institutions have taken to safeguard student SSNs.

COLLECTING SOCIAL SECURITY NUMBERS

In response to the widespread use of Social Security numbers and the growing concern for the privacy risks associated with their use, Congress passed the Privacy Act of 1974. The Act requires any federal, state, or local government agency that requests an individual to disclose his or her social security number to inform him or her: 1) whether the disclosure is mandatory or voluntary; 2) by what statutory or other authority the number is solicited; and 3) what uses will be made of the number.

We obtained some institutional forms from UW staff and UW System institutions' websites. The forms are used mainly in the registrar's office, admissions, and financial aid offices; and they do not represent all of the forms used in these offices. We found that some of the forms ask students to provide only their student identification (ID) number, and some forms ask the students for either the ID number or the SSN. We did find a number of forms on which only the SSN is requested, and we reviewed these forms. We analyzed the notice provided to students for consistency with the Privacy Act of 1974 and discussed with UW staff the need for the SSN on some of the forms where an SSN may not be required:

- *Admission Applications:* Applying for admission to the UW System institutions is done largely online. All UW System institutions use the UW System electronic application for undergraduate admissions, and all but UW-Madison use the UW System electronic application for graduate admissions, as well. UW-Madison generates a slightly different paper application for its paper recruiting materials. UW-Madison's professional schools and the School of Business also have their own admission applications. In addition to the application for admission, the individual schools may require supplemental admission information. All of the admission applications we reviewed ask for the SSN. UW staff indicated that the SSN is collected to crossmatch against existing student records, and leaving out the SSN does not nullify the application. The table below summarizes the results of our analysis of the admission applications we reviewed.

**Analysis of Social Security Number Collection in Various UW Admissions Applications
and the Notice Provided to Students: Fall 2004**

UW INSTITUTION	APPLICATION	NOTICE PROVIDED TO STUDENTS
Systemwide	UW System Application for Undergraduate Admission (electronic application)	Notice is consistent with the Privacy Act of 1974.
	UW System Application for Undergraduate Admission (paper application)	Notice is consistent with the Privacy Act of 1974.
	UW System Application for Graduate Admission (electronic application)	Notice is consistent with the Privacy Act of 1974.
	University Special Student Application (electronic application)	Notice contains statutory authority and uses of the SSN but not whether submission of the SSN is voluntary or mandatory.
Eau Claire	Special Student Application (paper application)	Notice does not include source of authority to solicit SSN.
La Crosse	Upward Bound Student Application (paper application)	No notice provided.
Madison	UW-Madison Application for Undergraduate Admission (paper application)	Notice is consistent with the Privacy Act of 1974.
	UW-Madison Online Application for Graduate School	Notice does not include source of authority to solicit SSN.
	University Special and Guest Student Application (paper application)	No notice provided.
	Supplemental Application to the Doctoral Degree in Library and Information Studies (paper application)	No notice provided.
	Association of American Veterinary Medical Colleges Web Application (UW-Madison School of Veterinary Medicine)	Notice does not include source of authority to solicit SSN.
	School of Pharmacy Application for Admission to the Doctor of Pharmacy Program (electronic application)	No notice provided.
	UW Law School Application for Admission (paper application)	No notice provided.
Milwaukee	Application for Graduate Non-Degree Admission (paper application)	Notice does not include source of authority to solicit SSN.
Superior	Application for Admission to the Extended Degree Program (paper application)	Notice is consistent with the Privacy Act of 1974.

Sources: UW System institutions and websites.

- ***Financial Aid-Related Forms:*** The main application for financial aid is the Federal Free Application for Student Aid (FAFSA). UW System institutions have also customized some federal forms for institutional use, including student loan promissory notes, loan payment

deferral forms, and entrance and exit interview forms. These forms ask for the SSN, and UW staff indicated that they collect the SSN to meet federal requirements.

Some UW System institutions have also developed institutional forms for financial aid-related purposes. Examples of these institutional forms include Veterans Certification, verification worksheets for dependent and independent students, Statement of Non-Tax Filer, Scholarship Notification, Prior Degree/Verify Enrollment Form, Verification of Parent College Enrollment, and Athletic Award Notification. These forms ask the students to provide their SSNs, but the required notice is not given. Some UW institutions are considering revising some of the institutional forms where the SSN is not necessary.

- *Course and Grade Forms:* We reviewed forms that UW System institutions have developed for adding or dropping courses, changing grades, repeating a course, verifying enrollment, and requesting transcripts. Most ask for a student number, either the ID number or the SSN, or both. However, we found some forms that request only the SSN, and these forms do not provide any notice to students as required by the Privacy Act of 1974.
- *Other Forms:* We noticed some miscellaneous forms on which the SSN is requested without the required notice and for which the need was not apparent. Examples include an online form prospective students use to request additional information about the UW institution and a teacher intern application.

Asking students to provide their SSNs is required by law in some cases. In other cases, the SSNs are not required by law but are necessary for UW operations. This determination is best made by the UW System institutions, weighing the need for SSNs for program operations against the risk to student privacy. Thus, ***we recommend that UW System institutions: 1) review all institutional forms soliciting the SSN from students to determine whether SSNs are necessary and, if they are, 2) include the proper notice, consistent with the Privacy Act of 1974.*** The University of Texas System and the University of Illinois have developed sample and boilerplate notices for their institutions. (See Appendix 2 for University of Texas System sample notices.) Since our review, a number of UW System institutions have indicated they will review their institutional forms and include the proper notice.

Some higher educational institutions have taken formal steps to limit the collection of the SSN to better protect student privacy. For instance:

- Purdue University authorizes only the Office of Admissions and the Graduate School to produce forms asking applicants to provide a SSN.
- The University of Pennsylvania Task Force on Privacy and Personal Information, created in response to concerns about increasing threats to personal privacy, recommended that SSNs not be required on any university form unless mandated by law.
- The University of Illinois allows SSNs to be collected only in circumstances where the collection is mandated by a government agency.

- All university forms or documents requesting the SSN at the University of Northern Colorado must be approved by the institution's Social Security Usage Committee.

These and some other higher educational institutions took actions to reduce the collection of SSNs largely on their own initiatives. However, a number of states have enacted legislation specifically aimed at protecting SSNs and, in some cases, reducing the collection of SSNs is suggested as a means to better protect SSNs.

ALTERNATIVES TO SOCIAL SECURITY NUMBERS

Because of their unique characteristics, SSNs are used for a variety of purposes. We reviewed how UW System institutions have used student SSNs as student and record identifiers and what alternatives are available.

Student Identification Numbers

The main concern with the use of student SSNs as an identifier is the protection of student privacy. Uses must be consistent with state law and federal requirements, such as the Family Educational Rights and Privacy Act (FERPA).

Wisconsin is one of a number of states, including California, Colorado, Maryland, Michigan, New York, Texas, and Washington, that have enacted or proposed legislation aimed at limiting the use of the SSN as the student identification number in public higher educational institutions. Chapter 36, Wis. Stats, limits the use of the SSN as an ID number in the UW System. Section 36.11(35), Wis. Stats., prohibits the UW System from assigning students an ID number that is identical to or incorporates the students' SSNs.

A number of higher educational institutions in other states have also established policies or are moving toward limiting the use of SSNs as ID numbers. These institutions include Georgia Institute of Technology, Rutgers University, Indiana State University, the University of Florida, the University of Iowa, and the University of Minnesota-Twin Cities.

Staff at all but two of the degree-granting UW System institutions reported that they have assigned students randomly-generated numbers as their ID numbers. UW-Madison and UW-Milwaukee assign all new students random ID numbers but allow continuing students to keep their old ID cards, which still have the students' SSNs printed on them. As of the fall 2004 semester, the registrars at UW-Madison and UW-Milwaukee reported that about four percent and 25 percent, respectively, of the total number of enrolled students still had the old ID cards. Both institutions have undertaken efforts to urge these students to replace their old ID cards and to automatically assign returning students a randomly-generated ID number.

Record Identifiers

UW System institution staff reported that the SSN is not the only key information that UW System institutions use to identify student records. We reviewed information related to student

databases, transcripts, and loan payment invoices at seven degree-granting institutions and the UW-Extension to determine the extent to which SSNs are used for student records:

- *Student Information Databases*: Most degree-granting UW System institutions use the PeopleSoft database for student-record administration, and PeopleSoft uses the random ID number, rather than the SSN, as the key record identifier and for record linkage in student information databases. Four UW System institutions – UW-Eau Claire, La Crosse, Stevens Point, and Stout – use other systems, and these systems have also been programmed to use information other than the SSN as the key record identifier. In all of these student-record systems, the SSN is a data element stored in the system databases and is displayed on certain database screens.

Some UW institution staff with whom we spoke indicated that the SSN remains a popular key identifier in record searches, as students often do not remember their ID number. While the student's name and date of birth combined can also be an identifier, they don't produce the match as accurately and efficiently as the SSN. These staff also believe that the SSN will be used less over time as students grow accustomed to their random ID numbers. However, it is unlikely that the random ID numbers will ever achieve the popularity of the SSN, as the random ID is unique to the institution in which the student is enrolled.

- *Transcripts*: Six of the seven degree-granting UW System institutions whose staff we interviewed reported that their institutions do not include the SSN on unofficial transcripts. However, most of these seven include the SSN on the official transcript. UW-Milwaukee did not include the SSN on the official transcript, but is now doing so again because of the demand from students and institutions to which these students apply. On the other hand, UW-Madison used to have the SSN on the official transcript, but has recently stopped doing so because of the increased concern for privacy.

Practices at other institutions vary. UW-Madison's registrar informally surveyed higher educational institutions that are members of the American Association of Universities and found that three-quarters of the 44 schools that responded to the survey include the SSN on the student's official transcript. However one-third of this group plans to remove the SSN soon or to use a truncated SSN. We contacted five Big Ten institutions and found that two of them do not include the SSN on the official transcript; two currently include the SSN on the official transcript but will remove the SSN when the migration to a new student record system is complete; and one of the five plans to keep the SSN on the official transcript. On the other hand, UW-Madison indicates it has never used the SSN on the official transcript.

- *Loan Payment Invoices*: UW System contracts with University Accounting Services (UAS) and Educational Computer Systems, Inc. (ECSI) to process billing for federal loans and most long-term institutional loans. According to UAS, student SSNs are included on the paper loan payment invoices. Since our review, UW-Madison indicates that ECSI has removed the SSNs from their invoices based on a request from UW-Madison. UW-Madison also directly processes billing for Perkins Loans taken out at UW-Madison, UW-Green Bay, and UW Colleges. These invoices currently do include student SSNs, but UW-Madison indicates it is working to limit the view to all but the last four digits.

Limiting the use of SSNs in student records is important to ensure compliance with FERPA. UW institution staff indicated that they do not disclose personally identifiable information, such as SSNs, from student records without the prior written consent of the students. However, class rosters and grade reports containing students' names and ID numbers are sometimes posted or made available for public view. Such posting or public display is considered by some to be a violation of FERPA, as the disclosure of the SSN for students who still have the SSN as their ID numbers is done without prior consent of the affected students. Transcripts, loan payment invoices, and other academic records containing the students' SSNs delivered to the wrong address may also increase the risk of loss of privacy.

To ensure that student SSNs are used only when absolutely necessary and in compliance with state or federal laws, some higher educational institutions have established structures for determining how their institutions use student SSNs. While the actions are viewed by some as being bureaucratic, the structures have been hailed by others as models for higher education institutions:

- University of Texas System: Upon passage of a Texas law protecting the confidentiality of SSNs, the university system convened a task force to evaluate and recommend a strategy for a comprehensive, coordinated approach to the collection, maintenance, and dissemination of SSNs on a systemwide basis. One product of the task force was the system's policy on protecting the confidentiality of SSNs. The policy calls for reduced use and display of SSNs.
- University of Illinois: To better protect information the University of Illinois collects about individual students, faculty, and staff, the Vice President for Business and Finance formed a committee to draft a policy for the university on the collection, maintenance, and use of SSNs. The policy the university adopted calls for each of its three campuses to appoint an administrator, the "SSN czar," who is responsible for overseeing the use of SSNs.
- University of Northern Colorado: To implement the Colorado law to protect the confidentiality of the SSN, the university established the Social Security Number Usage Committee. The committee is composed of the Registrar, Director of Admissions, Director of Human Resources, Assistant Vice President for Information Technology or their designee, and Director of Institutional Research. The committee must approve all forms soliciting the students' SSNs and uses of students' SSNs.

Continuing use of the student SSNs will continue to be critical for some UW System institution operations. However, each use must be consistent with state and federal laws, and then only after a determination that the use is necessary. To ensure that this is achieved, ***we recommend that each UW System institution review its current uses of student SSNs and establish a process for determining the appropriate future uses of student SSNs.*** Transcripts and loan payment invoices are just two of the areas in which a determination is necessary. At most of the UW System institutions included in our review, the registrar already functions as the institutional contact for FERPA-related issues. It would be natural for the registrar to have a key role in any process considered.

STUDENT RECORDS ACCESS AND SAFEGUARDS

Student SSNs are found among many student records, both paper and electronic. Social Security numbers do not necessarily require extra protection. Once collected, however, the SSNs become a part of other confidential and private information that must be protected. We reviewed UW System institutions' practices on UW employee access to paper student records, measures UW System institutions put in place to protect electronic records from external access, and employee training and other safeguards.

Paper Records

Some UW institution staff indicated that storage space is a problem at their institutions and the limited storage space limits their ability to protect paper student records. A number of UW System institutions have moved or are considering moving toward digitizing their paper records. These records could include admission applications, financial aid-related forms, course change forms, and other department-generated forms. However, UW institutions still have large volumes of paper records at various locations on campus.

Active student records are typically maintained in or near the individual university offices generating the records. Some records are maintained in a locked room, whether a separate storage room or a supervisor's office. Some are maintained in file drawers or on shelves in a designated area, often an area that is accessible to anyone who enters the office. However, staff indicated that university employees affiliated with offices that would typically have authorized access to the records would seek permission before accessing the files.

Older student records are kept in designated storage rooms, and UW officials reported that these rooms are locked and few university individuals have access to these rooms. Some records are disposed of after the required record-retention period.

The process for accessing individual student paper record files varies. Some offices use a log and require university staff to sign in to check out student files. Others operate on a less formal basis.

Some UW officials acknowledged that their institutions' measures to secure paper records could be strengthened. In addition to the lack of storage space, paper records on students are maintained across campus, making it challenging to properly secure all of the records. Limited storage space and decentralized recordkeeping will likely remain challenges for UW System institutions. One option is to move toward digitizing the paper records. Another option is to reduce the collection of personally identifiable information, the direction preferred by some higher educational institutions.

To the extent that paper records continue to include SSNs, during this review we identified some simple good practices for protecting paper records. These include: 1) closing and putting away student folders after use; and 2) shredding documents containing personally identifiable information that are no longer needed.

Electronic Records

We identified some of the technologies UW System institutions use to protect student information in electronic databases and computer networks. Some computer experts agree that no student-record database and computer network are absolutely failsafe against unauthorized external access. However, UW institution officials expressed confidence that the measures their institutions put in place to control access to student electronic records are adequate to safeguard against unauthorized access.

Student Database Protection

UW System institutions protect students' SSNs from unauthorized external access by restricting access to the student information database, where student records are maintained. The student information database is typically stored on a server. This server is connected to other application servers, forming a network, which enables UW employees and students to access the student records. Access to the database is through the application, such as PeopleSoft, and through direct connection.

Access to the student database through the application is managed by the application itself, which typically requires a login ID and password. The login ID and password are granted by the designated security administrator on a need-to-know basis.

UW System institutions also institute multiple levels of access. The level of access is determined by the security administrators. UW System institutions appear to approach access to SSNs differently. Some UW System institutions, including UW-Madison and UW-Green Bay, do not allow university employees with the lowest level of access to view the students' SSNs. UW-Madison also limits the view to the last four digits of an SSN for certain access levels. UW-Extension and UW-Stout are considering an approach similar to UW-Madison's and UW-Green Bay's. Even though UW-Extension may be considering a similar approach, UW-Extension's current approach has sufficient safeguards against unauthorized access. UW-Extension recently completed an internal review of its computer network control and found no significant weaknesses.

UW institution officials noted that UW employees who need access to student records must submit requests through their respective department management. The designated security administrators must approve the requests. Decisions to grant access are based on the employees' job functions or on the purposes for the request. Direct connection access to the student database is granted almost exclusively to UW employees whose job functions require exporting certain student information to other applications for institutional research and analysis.

Computer Network Protection

To prevent unauthorized users from accessing student records, including SSNs and other personally identifiable information, UW System institution staff indicated their institutions have implemented some standard computer-network security measures. A computer network is simply a system of interconnected computers. The network allows users to share resources, but

also makes it vulnerable to unauthorized users. Some of the protections various UW institutions have put in place include:

- Firewall: A machine or software can create a protective barrier between two computer networks, sometimes even hiding an internal network from an external network, such as the Internet, or blocking or limiting traffic between these networks.
- Encryption: To protect the data flowing freely between computer networks, UW System institutions use a private key to encrypt the data when transmitting them over the Internet, converting them into a form that cannot be easily understood by individuals without the key.
- Vulnerability Probing: UW System institutions periodically assess their computer networks for weaknesses that might enable unauthorized users to break into the networks.
- Virus Scanning: UW System institutions use virus scanning software to constantly scan for viruses and disinfect them before they cause damage.

UW institution officials we interviewed expressed a high level of confidence in the security measures of their electronic student records. Without conducting an information technology security review, we cannot make a determination as to the effectiveness of the measures UW System institutions have put in place to protect against unauthorized access to student SSNs. However, some good practices that UW System institution staff indicated their institutions have emphasized with their employees include:

- turning off, logging off, or locking the computer monitor if and when employees go away from their desks even for a very short time;
- requiring passwords to have certain characteristics and level of complexity, and to be changed on a regular basis;
- guarding login IDs and passwords by having the staff log in for a student who needs access to the student information system, rather than giving the login ID and password to the student; and
- requiring employees who are granted access to student information systems to sign an agreement acknowledging to keep all records confidential.

Also, information technology websites at some UW institutions, including those for UW-Eau Claire Computing and Networking Services, UW-Madison Division of Information and Technology, UW-Milwaukee Computer Security Incident Response Team, and UW-Stevens Point Information Technology, include tips to students and staff on setting and guarding login ID and passwords.

Employee Training and Other Safeguards

A number of UW institution officials and some experts agree that the best measures for guarding against inappropriate disclosure of and unauthorized access to students' personally identifiable information, including the SSN, are to stress good practices and to provide information and training to employees on privacy and confidentiality. Employees can be reminded, for example:

- to ask students to write down their SSNs on a piece of paper and then shred these papers, rather than having students give their SSNs verbally when they might be overheard; and
- to avoid providing student SSNs over the phone, even to individuals who have authorized access to the information.

In addition, UW System institutions post FERPA information on the institutions' websites. UW-Milwaukee includes in its requirements for access to the student-record system an online tutorial on FERPA.

Some UW institution officials who also serve as their institutions' FERPA contacts indicated that they have held training and seminars on privacy and confidentiality for faculty and staff. They also indicated that supervisors in departments that handle student records extensively cover privacy and confidentiality issues with new employees. Generally, UW staff with whom we spoke indicated that access to student information that includes SSNs is granted to university employees on a "need to know" basis, provided that the information is used for legitimate university or educational purposes.

SYSTEMWIDE GUIDANCE ON SOCIAL SECURITY NUMBER COLLECTION AND USES

We conducted a search of other higher educational institution websites for policies on the collection and use of student Social Security numbers. We found that some higher educational institutions have adopted policies or guidelines specific to SSNs. Appendix 2 summarizes some of the policies or guidelines we reviewed. Also, Appendix 3 shows a resolution on the collection, storage, use, and disclosure of SSNs adopted by the Connecticut State University System.

The SSN policies and guidelines we reviewed emphasize different areas. Generally, these policies and guidelines restrict the collection, use, and display of the SSN and require proper notice when the SSN is solicited. While most of the policies and guidelines are institution specific, we did find some systemwide policies and guidelines at Connecticut State, University System of Georgia, Illinois State, and the University of Texas.

Regent Policy Document (RPD) 97-2, "Policy on Use of University Information Technology Resources," calls for UW System institutions to take reasonable precautions to protect electronic documents containing private and confidential information. Some UW System institutions, including UW-Green Bay, Madison, and Milwaukee, have adopted institutional policies on student-record privacy or FERPA-related guidelines.

Based on the instances we found in our review, we concluded that some instances where student SSNs are solicited and used do not appear necessary. Even when the collection is determined necessary for UW operations, UW System institutions have sometimes not provided the proper notice. Some UW institution officials with whom we spoke recommended that UW System legal counsel develop the notice, in order to be consistent across the UW System.

UW officials with whom we spoke indicated that they are aware of identity theft issues. We did not assess the overall level of awareness at the staff level. However, evidence suggests that identity theft incidents will likely continue to increase in the near future. Increasing staff and student awareness about identify theft, limiting the collection and use of student SSNs, and safeguarding the SSNs collected will help to reduce the risk of students becoming victims of identity theft. ***We recommend that UW Board of Regents or System Administration provide systemwide guidance on the collection, use, and maintenance of student SSNs.*** Adopting a Board of Regents resolution or establishing a systemwide policy statement would provide some guidance for UW institutions. Publishing resource information on UW System and institution web sites for staff and students about identity theft and privacy information could also increase awareness, and thus enhance UW institutions' efforts to safeguard SSNs.

CONCLUSION

Our review indicates that UW System institutions have reduced the use of student Social Security numbers. All degree-granting UW institutions have stopped using the SSN as the student identification number and as the key identifier to student information databases. At the same time, we found a significant number of other instances where SSNs continue to be solicited and used. Some instances are required by law and others are not, but are necessary for UW operations.

UW System institutions have implemented measures to safeguard student records that contain SSNs and other personal and confidential information. However, we also found instances where SSNs are solicited without the proper notice required by federal law and where the SSN is used in ways that may increase the risk to student privacy. Thus, we have recommended that:

- UW System institutions review all institutional forms soliciting the SSN from students to determine whether SSNs are necessary and, if they are, ensure that the forms include the proper notice, consistent with the Privacy Act of 1974;
- UW System institutions review their current uses of student SSNs and establish a process for determining the appropriate future uses of student SSNs; and
- UW Board of Regents or System Administration provide systemwide guidance on the collection, use, and maintenance of student SSNs.

Appendix 1

University Of Texas System Sample Disclosures

Disclosure for the employment process.

Disclosure of your social security number (“SSN”) is requested as part of your application for employment with The University of Texas at _____ (the “University”). During the employment application process, your SSN will be used as a unique number in order to identify you within the University’s current applicant tracking system. Disclosure of your SSN at the time that you apply for employment is voluntary, but disclosure of your SSN is mandatory before you may be employed by the University. Federal law requires the University to report income and SSNs for all employees to whom compensation is paid. Employee SSNs are maintained and used by the University for payroll, benefits, internal verification, and administrative purposes, to verify employment, and to conduct background checks for security sensitive positions. The University reports SSNs to Federal and State agencies or their contractors as authorized or required by law and for benefits purposes. Further disclosure of your SSN is governed by the Public Information Act (Chapter 552 of the Texas Government Code) and other applicable law.

Disclosure for the student application process.

Disclosure of your Social Security Number (“SSN”) is requested for the student records system of The University of Texas _____ (the “University”) and for compliance with Federal and State reporting requirements. Federal law requires that you provide your SSN if you are applying for financial aid. Although an SSN is not required for admission to the University, failure to provide your SSN may result in delays in processing your application or in the University’s inability to match your application with transcripts, test scores, and other materials. Student SSNs are maintained and used by the University for financial aid, internal verification, and administrative purposes, and for reports to Federal and State agencies as required by law. The privacy and confidentiality of student records is protected by law and the University will not disclose your SSN without your consent for any other purposes except as allowed by law.

General mandatory disclosure.

Disclosure of your Social Security Number (“SSN”) is required of you in order for The University of Texas at _____ to [state intended use of SSN], as mandated by [Federal] [State] law. Further disclosure of your SSN is governed by the Public Information Act (Chapter 552 of the Texas Government Code) and other applicable law.

General voluntary disclosure.

Disclosure of your social security number (SSN) is requested from you in order for The University of Texas at _____ to [state intended use of SSN]. No statute or other authority requires that you disclose your SSN for that purpose. Failure to provide your SSN, however, may result in [state what may happen if the individual fails to provide SSN]. Further disclosure of your SSN is governed by the Public Information Act (Chapter 552 of the Texas Government Code) and other applicable law.

Appendix 2

Examples of Policies or Guidelines on Social Security Number Use and Collection Adopted by other Higher Educational Institutions

INSTITUTION	TITLE AND YEAR ADOPTED	POLICY EMPHASIS
Ball State University	Social Security Number Policy (date unknown)	Discontinue the use of SSNs as the student ID number; limit public display of SSNs; properly destroy documents containing SSNs; use, collect, and disclose SSNs only as permitted by laws.
Connecticut State University System	Board of Trustees Resolution (2002)	Use and display SSNs only as permitted by law, and provide proper notice when soliciting SSNs.
Georgia Institute of Technology	Social Security Number Policy (2002)	Limit collection and release of SSNs.
Illinois State University	Use of Social Security Numbers by Illinois State University (1996)	Restrict access to and use of SSNs.
Indiana University South Bend	Student ID/Social Security Number Policy (date unknown)	Make disclosure of SSNs voluntary; use a special number other than the SSN as the student ID; and limit disclosure of SSNs outside of the university.
North Carolina State University	Use of the Social Security Account Number by the University (date unknown)	Call for collection and use of SSNs to be consistent with federal laws and regulations.
Purdue University	Requesting Social Security Numbers for Educational, Employment and Other Recordkeeping Purposes (1978)	Limit solicitation of SSNs and use of SSN as ID number, and recommend language for notice when soliciting SSNs.
Temple University	Social Security Number Usage Policy (2004)	Use SSNs only as permitted by law or required by practical necessity; eliminate use of SSNs as primary identifier; and increase protection of SSNs and other personal and confidential information.
University of California-Los Angeles	Federal Privacy Act – Notices Regarding Social Security Numbers (1999)	Provide a summary of requirements with which university must comply when soliciting and using SSNs.
University of California-Santa Barbara	Collection and Use of Social Security Number (1985)	Provide a summary of requirements with which the university must comply when soliciting and using SSNs.
University of Michigan	Discontinuation of Use of Social Security Numbers as Common Identifiers at the University of Michigan (1996)	Discontinue the use of SSNs as common identifiers and as the key to information databases.
University of Northern Colorado	Student/Employee Identification Number Regulation (date unknown)	Establish the SSN Usage Committee to oversee SSN usage, and provide recommended language for notice when soliciting SSNs.
University of Texas System	Protecting the Confidentiality of Social Security Numbers (2004)	Reduce collection, use, and public display of SSNs; control access to SSNs; and establish accountability for protecting the confidentiality of SSNs.
University System of Georgia	Protecting Student Identity – Principles of Good Practice (2002)	Establish institutional policies and procedures for collection and use of SSNs; stop using SSNs as student ID number.

Source: Institution websites

Appendix 3

RESOLUTION

concerning

THE COLLECTION, STORAGE, USE AND DISCLOSURE OF SOCIAL SECURITY NUMBERS

June 14, 2002

- WHEREAS, The Board of Trustees desires to protect the confidentiality and privacy of students and employees of the Connecticut State University System concerning the collection, use and disclosure of Social Security Numbers, and
- WHEREAS, The Board of Trustees deems it appropriate to institute a policy with regard to obtaining, using and disclosing such numbers; now be it
- RESOLVED, That, except in those cases and for those purposes in which Federal or State law permits or requires obtaining, using or disclosing a person's Social Security Number for identification or other prescribed reasons, no person shall be required to provide his or her Social Security Number to the Connecticut State University System or its universities, and no data system in the Connecticut State University System will publicly identify a person with a code or an identifying number that contains a reference to or duplicates a person's Social Security Number or otherwise uses or discloses a Social Security Number unless so permitted or required by Federal or State law, and be it further
- RESOLVED, That offices within the Connecticut State University System may continue to request, collect, store, or maintain Social Security numbers as permitted or required by Federal or State law, and be it further
- RESOLVED, That whenever Social Security Numbers are collected, stored, maintained, used or reported, students, faculty or staff in the Connecticut State University System must be notified, except as otherwise precluded by Federal or State law, (generally or individually, as the case may be) of any use or disclosure of their Social Security Number and personnel responsible for keeping, maintaining or disclosing Social Security Numbers pursuant to applicable Federal or State law must be notified that Social Security Numbers are confidential and must be protected from disclosure except as permitted or required by Federal or State law, and be it further
- RESOLVED, That compliance with this policy will be implemented as soon as is practicable.

A Certified True Copy:

William J. Cibes, Jr.
Chancellor

Source: Connecticut State University System. <http://w3.sysoff.ctstateu.edu/web/CSUweb_Trustees.nsf/b7989b92524436ce852569d8004a4615/1de026ca02e8dbde85256bdb006882d4?OpenDocument>

OFFICE OF OPERATIONS REVIEW AND AUDIT QUARTERLY PROJECT UPDATE

BACKGROUND

This report is presented to the Board of Regents Business and Finance Committee to provide:

(1) a status report on the major projects the UW System Office of Operations Review and Audit is conducting; (2) an update on Legislative Audit Bureau projects in the UW System; (3) a summary of a completed program review project; and (4) an overview of the federal Sarbanes-Oxley Act of 2002.

REQUESTED ACTION

For information only.

MAJOR OFFICE OF OPERATIONS REVIEW AND AUDIT PROJECTS

- (1) Police and Security Operations examines the authority and responsibilities of campus police and public safety operations, services provided, and such administrative areas as staffing and equipment. A report is nearly completed.
- (2) Early-Return-to-Work Efforts is focused on initiatives that seek to return ill or injured employees to work as soon as medically feasible. A report is being drafted.
- (3) Oversight of Student Organizations identifies efforts to manage risk and reduce liability associated with student organization activities. A report is being drafted.
- (4) Tuition Waivers will review policies and practices related to statutory and other tuition and fee remissions, waivers, and discounts. Fieldwork is continuing.
- (5) Student Health Insurance is focused on insurance practices in the UW System and elsewhere, types and cost of student health insurance coverage, and advantages and disadvantages of mandatory health insurance coverage. Fieldwork is continuing.
- (6) Academic Fees audits are being conducted at each UW institution to determine the adequacy of policies, procedures, and internal controls related to the assessment and collection of student fees.

LEGISLATIVE AUDIT BUREAU PROJECTS

The Legislative Audit Bureau (LAB) has been conducting several UW System-related projects:

- (1) UW-specific project: In a letter-report issued in August 2005, LAB responded to legislative inquiries about the profitability and salaries associated with UW-Madison's Materials

Distribution Service (MDS) and Surplus with a Purpose (SWAP) programs. The report noted that MDS revenues had increased, primarily because of an increase in the number of product vendors; and SWAP revenues had increased due to increased activity. Expenditures increased at similar rates. Also, the report noted that most salary increases were within expected ranges.

- (2) Statewide projects: The following statewide projects include the UW: (a) a letter report on state workers' compensation benefits, issued in August 2005, noted that from fiscal year 2000 to fiscal year 2004, the UW System's benefit payments increased by 19.6 percent; (b) a review of the state's economic development programs, including programs in the UW System, is due to be completed in fall 2005; and (c) the annual statewide single audit of major federal programs for FY 2004-05 is in progress and will be released in March 2006.

COMPLETED PROJECT

Safeguarding Student Social Security Numbers focuses on UW institutions' practices for collecting, using, and protecting student Social Security numbers.

EFFECT OF FEDERAL LAW

The Sarbanes-Oxley Act of 2002 was enacted by Congress in response to unprecedented corporate and accounting scandals. The purpose of the Act is to protect investors of publicly traded companies by improving the accuracy and reliability of corporate disclosures and the accountability and independence of corporate senior management. While the Act does not apply to public or not-for-profit entities, it does highlight best business practices that address the universal concern for accountability.

The National Association of College and University Business Officers (NACUBO) issued an advisory report identifying provisions in the Act that can serve as best business practices for universities. The NACUBO report focuses on having strong oversight by the audit committee and enhancing controls over financial operations. Some of the recommendations include: establishing an audit committee, giving the audit committee direct control over the external auditors, rotating the external auditor, requiring a code of ethics for senior financial managers, requiring that senior financial management staff certify the accuracy of financial statements, and requiring that reports on internal controls be submitted to the audit committee.

UW SYSTEM TRUST FUNDS 2005 PROXY VOTING SEASON RESULTS

EXECUTIVE SUMMARY

BACKGROUND

As provided in Regent Policy 92-4, to the extent that public equity securities are held in separately managed accounts, UW System Trust Funds actively votes its shareholder proxies on “non-routine” items related to corporate governance and social issues including discrimination, the environment, and social injury (as addressed in Regent Policies 74-3(a), 78-1, 78-2, and 97-1). Voting recommendations for such proxies were provided to the Business and Finance Committee for their approval earlier this year. The report given here provides information on the actual results of those specific voting efforts, as well as an overview of the year’s proxy season in its entirety.

REQUESTED ACTION

This item is for informational purposes only.

DISCUSSION

The 2005 proxy season ended with the filing of 331 proposals related to social issues. Through the end of June, 168 of those proposals have resulted in shareholder votes, 103 were withdrawn, and 60 were allowed to be omitted by the Securities and Exchange Commission (SEC). The large number of proxies resulting in votes makes 2005 one of the more active spring proxy seasons of recent years. Of the 168 proposals that have been voted on, final or preliminary vote results are in for 154. Approximately 16 percent of the voted issues have received support levels greater than 15 percent, up slightly from last year.

Categories of proposals that have won relatively strong support for the 2005 proxy season included the following requests of companies: expand or report on their fair employment policies; disclose their political contributions and policy; report on sustainability; review and disclose their climate change strategies; and consider how the related pandemics of AIDS, tuberculosis and malaria in developing countries may affect their businesses. All of these categories averaged support of at least ten percent, with several individual proposals winning well over 20 percent.

Another indication of this year’s success in shareholder activism are the 111 withdrawn resolutions. This represents the most withdrawals in one year since the dissolution of apartheid put an end to shareholder campaigns against companies doing business in South Africa in the early 1990s. Generally, a “withdrawal” of a shareholder

proposal indicates that an agreement was reached between the proponent and the company, usually in the form of a concession made by the company.

Regarding social issues which received little shareholder support this year, only 18 of the 154 final votes received less than three percent support. Categories of proposals that received low support for the 2005 proxy season included military spending, tobacco production and marketing, animal testing, and bioengineering. None of the proposals in these categories achieved percentage support beyond single digits, and the average support level was less than six percent.

The UW Trust Funds submitted voting instructions for 76 proposals (including “non-routine” corporate governance proposals), compared with 144 and 136 proposals for the past two years, respectively. Of the 76 proxies actively voted, 33 came to votes, 27 were withdrawn, and 16 were omitted. The primary submissions for the UW Trust Funds on social issues involved the environment and global climate change (15), human rights and labor standards (14), and equal opportunity reporting (8). For corporate governance issues, the UW’s primary submissions involved future golden parachutes reporting (11), poison pill reporting (10), and limitations against auditors (3). The full report, *2005 Proxy Voting Season Results*, giving more detail on the actual voting results and the entire proxy season, is attached.

RELATED REGENT POLICIES

Regent Policy 92-4: Procedures and Guidelines for Voting Proxies.

Regent Policy 74-3(a): Investments and the Environment

Regent Policy 78-1: Investment of Trust Funds

Regent Policy 78-2: Interpretation of Policy 78-1 Relating to Divestiture

Regent Policy 97-1: Investment and Social Responsibility

UW SYSTEM TRUST FUNDS 2005 PROXY VOTING SEASON RESULTS

Introduction

This report summarizes the results of the shareholder proposals for the 2005 proxy season. The UW System Trust Funds actively participates in voting on issues involving “non-routine” items related to corporate governance, and social issues including discrimination, the environment, and social injury as addressed in Regent Policies 74-3 (a), 78-1, 78-2, and 97-1. An attachment to this report gives the detailed listing of the specific UW Trust Funds votes for the 2005 season, as well as the overall results for each shareholder proposal.

Regarding the outcome for a given shareholder proposal, there are three possibilities: the resolution comes to a vote, is withdrawn, or is omitted. If the proposal comes to a vote, the following guidelines apply: First-year proxy proposals must win at least three percent support to qualify for resubmission an additional year, second-year proposals must get at least six percent, and proposals in their third-year or more must receive at least ten percent. Any proposal which fails these support levels may not be resubmitted at the company for another three years. It is important to note that shareholder proposals are phrased as a request and are intended to open a dialogue between shareholders and company management; that is, they are generally not binding on the company regardless of the level of support received. A withdrawn proposal generally indicates that an agreement was reached between the proponent and the company, usually in the form of a concession made by the company. For most shareholder activists, success in working out agreements that enable them to withdraw resolutions is a greater victory than a high vote of support. A proposal may be omitted by the Securities and Exchange Commission (SEC) at the request of the involved company. The SEC’s shareholder proposal rule lists 13 substantive reasons why shareholder resolutions can be omitted, ranging from vagueness to irrelevance.

UW Trust Funds subscribes to the Investor Responsibility Research Center (IRRC) for proxy research and voting data. All of the data and statistics included in this report have been provided by the IRRC.

2005 Proxy Season Summary

The 2005 proxy season ended with the filing of 331 proposals related to social issues. Through the end of June, 168 of those proposals have resulted in shareholder votes, 103 were withdrawn, and 60 were allowed to be omitted by the SEC (a summary table is included below). The large number of proxies resulting in votes makes 2005 one of the more active proxy seasons of recent years. Of the 168 proposals that have been voted on, final or preliminary vote results are in for 154.

Approximately 16 percent of the total issues voted have received support levels greater than 15 percent, up slightly from last year. Categories of proposals that have won relatively strong support for the 2005 proxy season included the following requests of companies: expand

or report on their fair employment policies; disclose their political contributions and policy; report on sustainability; review and disclose their climate change strategies; and consider how the related pandemics of AIDS, tuberculosis and malaria in developing countries may affect their businesses. All of these categories averaged support of at least ten percent, with several individual proposals winning well over 20 percent. [Mathiasen & Voorhes, IRRC 2005]

In contrast, categories of proposals that received low shareholder support for the 2005 proxy season included military spending, tobacco production and marketing, animal testing, and bioengineering. None of these categories have received high support levels in recent proxy seasons and no individual proposals in these areas achieved percentage support beyond single digits in 2005. The average support was less than six percent.

Proponents have withdrawn 103 resolutions in 2005. This represents the most withdrawals in one year since the dissolution of apartheid ended shareholder campaigns against companies doing business in South Africa in the early 1990s. Of the 103 withdrawals this year, 21 were in regards to shareholder proposals to bar discrimination against employees on the basis of sexual orientation. Withdrawal agreements have been common for discrimination-related issues in recent years. Another 22 resolutions were withdrawn in the energy and environmental area, 16 of which involved global warming issues. Resolutions dealing with sales of violent video games, a new issue this year, reached withdrawal agreements for all five resolutions in the category this year.

The number of resolutions that the SEC agreed companies could omit was also up in 2005. As of the end of June, 60 resolutions had been omitted, compared with 49 for each of the last two years. One reason for the increased omissions was the growing shareholder campaign asking companies to report on the movement of jobs overseas. The SEC staff agreed with the involved companies that such proposals raised “ordinary business” issues, defined as routine business practices in which shareholders should not have a say. Other issues that the SEC staff ruled as ordinary business were the depiction of smoking in movies and TV, and selective resolutions relating to environmental risk. [Mathiasen & Voorhes, IRRC 2005] The ordinary business exclusion was the major reason why the SEC staff allowed companies to exclude resolutions. Overall, more than 30 resolutions were omitted on ordinary business grounds.

The 2005 proxy season was notable for a new campaign, led by the American Federation of State, County and Municipal Employees (AFSCME), and the state of Minnesota, questioning drug companies on their policies opposing drug reimportation. Drug reimportation involves U.S. citizens buying American-made prescription drugs from countries to which U.S. pharmaceutical companies export their products, either by traveling there to buy drugs or purchasing them through the mail. The drug reimportation category averaged over 15 percent support, high for a first-year social issue.

A summary of the overall number and status of the social issue proposals over the past four years is given in the following table:

Social Issues Proposals 2001-2005*					
	2001	2002	2003	2004	2005
Filed	244	268	267	327	331
Omitted	32	31	45	49	60
Withdrawn	60	89	91	81	103
Voted On	140	145	129	186	168
*For meetings January 1 through June 30					

In addition, the following chart depicts a summary, by major social issue category, of the voting results for the past four proxy seasons.

Support Levels for Selected Social Issues*					
Subject	2005 Resolutions	Average support 2005	Average support 2004	Average Support 2003	Average Support 2002
Environment: Global Warming	11	10.8%	16.7%	17.2%	19.0%
Environment: Nuclear Power	3	6.9%	8.6%	N/A	N/A
Environment: Genetic Engineering	8	5.7%	7.0%	N/A	N/A
Environment: Pollutants/Other	12	9.1%	14.7%	6.2%	13.6%
Equal Employment Opportunity	9	18.6%	24.7%	18.3%	13.0%
Executive Pay & Social Performance	10	8.6%	8.3%	9.5%	9.2%
Global Labor Standards	14	11.4%	16.6%	9.8%	10.4%
Drug Development & Marketing	7	16.6%	6.4%	3.7%	3.7%
Disease Pandemics	5	12.5%	19.7%	N/A	N/A
Human Rights Issues	8	8.8%	8.0%	7.8%	7.0%
Military Issues	3	5.9%	6.6%	7.0%	5.8%
Northern Ireland	4	10.4%	9.1%	12.8%	13.6%
Political Giving/Ties	30	10.4%	9.1%	5.9%	N/A
Sustainability Reporting	8	14.5%	25.1%	24.6%	N/A
Charitable Contributions	10	6.6%	6.6%	7.7%	N/A
Board Diversity	4	29.3%	7.0%	30.7%	N/A
Animal Welfare	4	29.3%	7.0%	30.7%	N/A
Tobacco Production and Marketing	9	2.7%	5.8%	5.7%	4.7%

*All vote support levels shown are calculated according to the formula the SEC uses to determine resubmission eligibility: the percentage of shares voted "for" out of the total voted "for" and "against," excluding abstentions. First-year proposals must win at least three percent support under the formula to qualify for resubmission an additional year, second-year proposals must get at least six percent, and proposals in their third- year or more must score at least ten percent. Any proposal which fails to clear these support levels may not be resubmitted at the company for another three years. It is important to note that shareholder proposals are phrased as a request and are intended to open a dialogue between shareholders and company management; that is, they are generally not binding on the company regardless of the level of support received.

A brief discussion of each of the major social issue proposals for the 2005 season is now provided below.

Animal Welfare

People for the Ethical Treatment of Animals (PETA) resurfaced as a resolution proponent on a large scale in 2005. PETA sponsored 25 resolutions this year; among those were 15 that continued an old campaign asking companies to use non-animal test methods. Seven resolutions were part of a new campaign asking grocers and restaurants to review and report on their suppliers' animal slaughter methods. The resolutions also ask companies to consider the use of "controlled atmosphere killing" (CAK) of animals, which PETA and other groups (including the U.S. Humane Society) view as more humane. Under CAK, the live animals are sealed in a chamber in which oxygen is gradually replaced with inert gas, and then appear to die peacefully. [Mathiasen & Voorhes, IRRC 2005]

Shareholders generally did not support proposals restricting animal testing. Of the ten resolutions on this subject, only two, at Bristol-Myers Squibb and Chevron, passed the resubmission requirement of three percent for first-year proposals. With the exception of a second-year proposal at General Electric, all of the other proposals on animal testing gained less than three percent support. PETA withdrew four of their animal testing proposals, at Dow Chemical, Exxon Mobil, Johnson & Johnson, and Schering-Plough, when the companies agreed to continue meetings with PETA over the issue.

Board Diversity

Nine resolutions were proposed on the issue of board diversity. The Calvert Social Investment Group, which has continued to pursue companies with no women or minorities on their boards, proposed five of the resolutions; all five were withdrawn. The other four resolutions were proposed by church groups. One of the four, a resolution before Rite-Aid shareholders, sponsored by the Methodists' General Board of Pensions and Health Benefits, is notable as it received a near-majority support of 47 percent. This was the highest support vote ever on a board diversity proposal. The withdrawals and high vote results on board diversity signal that investors are giving the issue significant attention.

Charitable Contributions

Corporate charitable giving has remained a topic of debate among shareholders, even though corporate charitable giving averages just over one percent of pretax income. Some shareholders have criticized certain corporate contributions as not being related to the company's goals or for violating various social values (such as contributions to Planned Parenthood by anti-abortion activists, or contributions to organizations conducting stem cell research). [Voorhes, IRRC 2005] This year, however, only one resolution on charitable contributions came to a vote: a proposal from Trillium asking Avon Products to provide more information about its fundraising for breast cancer research. The issue received six percent support. Resolutions on charitable contributions at Boeing, Chevron, Verizon and Wachovia were all omitted, primarily because U.S. companies are not required to report on the charitable contributions they make directly, and many companies have tax-exempt foundations for their philanthropic programs.

Energy and the Environment

The diverse energy and environment category produced the most resolutions again this year. It included 65 proposals, of which about half resulted in shareholder votes. The largest category was climate change, which saw a record 34 resolutions filed, 16 of which were eventually withdrawn. Only three resolutions this year fell into the energy category, all on nuclear power risks. The remaining proposals in the energy and environment category consisted of 18 resolutions involving environmental management and reporting.

The campaign on climate change had a notable success at Exxon Mobil. A proposal from religious investors asked the company to report on how it will meet the Kyoto Protocol greenhouse gas reduction targets of countries in which it operates. The resolution received a strong 28 percent support, the highest yet at the company on climate change. Exxon Mobil, which received its first shareholder proposal on the subject in 1990, maintains that the scientific evidence of climate change “remains inconclusive.” Exxon’s position puts it at odds with many reputable scientific organizations, including the Intergovernmental Panel on Climate Change. [Cogan, IRRC 2005] In addition, a second-year proposal at Exxon, asking it to report on the research data that supports its stated position on climate change, received support of ten percent, up slightly from the year before. Another high-scoring proposal on climate change took place at Vintage Petroleum, which received 27 percent support for the proposal that it report how the company plans to “significantly reduce carbon dioxide and other greenhouse gas emissions.” [Mathiasen & Voorhes, IRRC 2005]

Shareholders expanded the focus of the climate change campaign this year with resolutions to five homebuilding and property management companies on their efforts to reduce greenhouse gas emissions. The U.S. housing market accounts for more than 20 percent of the nation’s greenhouse gas emissions, with the average home producing more emissions than the average car. [Mathiasen & Voorhes, IRRC 2005] Of the five companies that received the resolution, however, none earned more than single-digit support.

The shareholder campaign on greenhouse gas emissions also received low support at the major auto manufacturers. A first-year proposal at Ford Motor, which asked it to explain its lobbying against tighter fuel economy, obtained only six percent support. A third-year proposal asking General Motors to report how it plans to reduce greenhouse gas emissions received only six percent support, not enough for resubmission.

Investors have rarely given much support to the environmental category involving genetic engineering and genetically-modified organisms in food. This year was no exception, as none of the proposals gained more than single-digit support. First-year proposals at Du Pont, McDonald’s, Wendy’s, and Whole Foods easily cleared the three percent support required for resubmission, but repeat proposals at Kellogg and Monsanto did not receive enough support for resubmission.

The remaining environmental issues that came to votes covered a wide array of issues, often ones that were specific to the company involved. The highest vote of these

issues came at General Electric, where shareholder proponents for the sixth consecutive year asked the company to disclose the costs of its delay in cleaning up PCB contamination in the Hudson and Housatonic Rivers. The proposal received its highest support this year, with 28 percent. Another proposal, asking Chevron and Exxon Mobil to report on how oil development in certain natural and cultural sites (such as the Arctic National Wildlife Refuge) would affect the environment and their operations, received eight percent support at each company.

Equal Employment

Resolutions requesting companies to expand or report on their fair employment policies constituted a major category again this year, both in terms of the number of proposals submitted and the support they received. Twenty-nine equal opportunity proposals were filed in 2005. Twenty-three of those proposals asked companies to change their policies to prohibit discrimination because of sexual orientation. Three other resolutions asked companies adopt the ten-point “Equality Principles on Sexual Orientation,” which cover issues such as discrimination in advertising in addition to employment. Proponents also filed four resolutions asking companies to report on their equal employment opportunity statistics, especially with regard to race and sex. [Mathiasen & Voorhes, IRRC 2005]

Of the 29 proposals submitted, 21 were withdrawn. All but two of the proposals which came to votes received double-digit support. The highest scoring proposals were the ones asking Emerson Electric and Exxon Mobil to pledge not to discriminate on the basis of employees’ sexual orientation, receiving 40 percent and 30 percent, respectively.

Executive Pay

Proponents filed 18 resolutions on linking executive compensation to performance on social issues, only ten of which came to votes. Several of these proposals were very general, asking for a company commitment to tie executive pay rate decisions to overall progress on social issues. Other resolutions raised some familiar questions, such as listing the distribution of stock options by race and gender. Of the proposals with final vote results, all but one won enough support for resubmission. The highest-scoring proposal came at Wal-Mart, where a second-year request that it outline, by race and sex, which employees receive stock options, won 15 percent support.

Global Labor Standards

The number of proxy resolutions on global labor standards continues to decline. Twenty-three resolutions were filed this year, down from 27 and 31 for the previous two years, respectively. Shareholder activists seem to have left the issue in the hands of the New York City pension funds, which continue to ask companies to adopt the International Labor Organization (ILO) workplace human rights standards as well as employ independent monitoring to verify compliance of the standards.

Of the 11 proposals in this category where vote results are available, only two failed to meet their resubmission requirements. The highest support levels were for proposals at Bard (29 percent) and Bed Bath & Beyond (22 percent). In addition, proposals on monitoring the core ILO standards, at Cooper Industries, Du Pont, Hasbro, and Kimberly-Clark, received support of eight to ten percent. A repeat proposal at Disney, asking the company to review the labor standards at its Chinese suppliers, saw its support fall this year to nine percent from 29 percent last year.

Health

Activist proponents have continued to pursue corporate social responsibility issues in the health area, both domestically and internationally. In the domestic area, resolutions the past few years on pharmaceutical firms' drug pricing and marketing policies have not received more than single-digit support, with most failing to get enough support for resubmission. This year, however, two groups of shareholders, the state of Minnesota and the American Federation of State, County and Municipal Employees (AFCME), proposed several resolutions on allowing drug reimportation from Canada. (Drug reimportation involves U.S. citizens buying American-made prescription drugs from countries to which U.S. pharmaceutical companies export their products.) The new proposals have been well received by shareholders. Minnesota's proposal asking for a report on reimportation received 29 percent support at Pfizer, 25 percent at Merck, and nearly 14 percent at Eli Lilly. AFSCME's reimportation proposal was more extensive, asking companies to not just report on reimportation but also to not oppose the practice. AFSCME's resolution received 23 percent support at Wyeth but did less well at Pfizer (11 percent) and Eli Lilly (4 percent). [Mathiasen & Voorhes, IRRC, 2005]

On the international side of health-related proposals, church groups continued their campaign to get companies to review the economic effect of AIDS, tuberculosis, and malaria on their business strategies as well as report on their initiatives. Ten resolutions on international health pandemics were submitted to companies. In a departure from previous years, the 2005 resolutions apply to developing countries in Asia as well as those of Africa. The resolutions received varied results. One proposal, which was in its first year at Gilead Sciences, received 32 percent support, the highest ever for a healthcare proposal that was not supported by management. In contrast, second-year proposals at Abbott Laboratories, Bristol-Myers Squibb, Caterpillar, and Merck received only seven to nine percent support, close to their support levels from 2004. Four of the ten health pandemic resolutions were withdrawn, including those at Chevron, General Motors, Johnson & Johnson, and Pfizer. At Chevron, where the resolution had come to a vote in 2004, the withdrawal agreement was based on the company creating a global AIDS policy, including provisions for treatment of employees and dependents living with HIV. The first year proposal at General Motors was withdrawn when the company demonstrated that it had an HIV policy in place in several developing countries, including Asia. [Mathiasen & Voorhes, IRRC 2005]

Human Rights

Proponents filed 12 resolutions on human rights issues. Five of the proposals were part of Harrington Investments' five-year campaign asking companies to endorse an 11-point labor and human rights code called the "China Principles." The highest-scoring human rights proposal came at Boeing, which was asked for the third consecutive year to adopt a comprehensive human rights policy. This resolution received a strong 21 percent support. None of the other proposals on human rights issues were able to achieve more than single-digit support.

Job Loss

A new labor campaign for 2005, led by the United Association Fund, included proposals that asked companies to issue a detailed "Job Loss and Dislocation Impact Statement" on their elimination of jobs and relocation of jobs to foreign countries. Many of the 18 companies involved challenged the resolution at the SEC, arguing that it was an ordinary business issue. The SEC staff agreed that the job loss resolutions could be omitted at 10 of the companies on ordinary business grounds because "it dealt with the management of the work force." The resolution did come to a vote at one company in 2005, Maytag, receiving nearly 12 percent support. Proponents were able to work out withdrawal agreements at the seven other companies. The labor union sponsors of the campaign are preparing a revised resolution for 2006 which they hope will pass SEC scrutiny.

Military Issues

Religious groups have been filing resolutions with defense companies almost since social policy resolutions were first introduced in the early 1970s. There were fewer than usual in 2005, however, and none of the defense contracting proposals exceeded eight percent support. A second-year proposal asking United Technologies to develop ethical criteria for pursuing military contracting work failed to reach the six percent support needed for resubmission, but a similar proposal at Boeing, also in its second year, received 8 percent support. A resolution asking Raytheon to consider applying ethical criteria to its weapons contracts was withdrawn after productive discussions of the company's policies. Also withdrawn were all four of the resolutions sponsored by the New York City pension funds asking companies to review their operations in countries that allegedly sponsor terrorism.

Northern Ireland

The New York City-led campaign on Northern Ireland is now 20 years old; resolutions generally ask companies to implement the MacBride Principles against religious discrimination in employment in Northern Ireland. Resolutions were proposed to five companies this year. Four of those resulted in votes, all being presented to shareholders for at least the third consecutive year. Only proposals at Claire's Stores and Yum Brands achieved the ten percent support needed for resubmission, with 12 percent and 15 percent, respectively. One resolution was withdrawn when it turned out that the company had left Northern Ireland.

Political Contributions

The shareholder campaign to get companies to detail their political contributions and policy went into its second year and included 30 resolutions. The proposals primarily ask companies to report on the decision makers and corporate rationale for political giving. While the majority of the resolution proponents were labor unions, church groups took the lead in approaching drug companies, out of concern that they may be using political contributions to influence legislation.

Of the 30 total proposals, 22 came to votes and averaged about 11 percent support, but that average included a wide variation. Almost all of the proposals, including those at Abbott Laboratories, American Express, Caremark, Citigroup, Eli Lilly, First Energy, Loews, Merck, Wal-Mart, Waste Management, and Wyeth, received enough support for resubmission in 2006.

Sustainability

In just a few years since it first emerged as a proxy voting issue in 2002, sustainability reporting has become one of the most strongly supported social issues. Sustainability is defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs. Advocates of sustainability reporting contend that companies which focus on and manage sustainability will improve their long-term shareholder value. [Mathiasen & Voorhes, IRRC 2005] This year, 16 broad-based sustainability resolutions were filed, down from last year's high of 28. Of the total, ten came to votes while three were withdrawn and another three omitted. New York City pension funds' proposal at Cooper Tire & Rubber received the highest support with 23 percent. The ten voted proposals averaged 15 percent support.

Tobacco Issues

The number of resolutions on tobacco issues continued to drop in 2005, falling to 13 from 18 in 2004 and 24 in 2003. All of the resolutions that came to votes were at tobacco companies. For the first time in years, there were no proposals asking insurance or health care companies to divest tobacco stocks, and a campaign to get media companies to moderate the depiction of smoking in movies and television was effectively removed by the SEC.

Votes in favor of proposals asking tobacco companies to pull back their marketing practices or to reduce the harm their products cause have received low support in recent years, presumably because many of the investors who would be most sympathetic intentionally do not own tobacco stocks. [Mathiasen & Voorhes, IRRC 2005] This year's votes were especially low, as the nine proposals voted on averaged less than three percent support, and only one, a first-year proposal asking Altria to make fire-safe cigarettes, received enough support for resubmission.

Predatory Lending

The predatory lending issue was pursued this year by the Community Reinvestment Association of North Carolina, with proposals to Bank of America, Republic Bancorp, and Wells Fargo asking that they take certain steps to prevent the practice. Bank of America argued that the details of the request made the proposal an ordinary business issue, and the SEC staff agreed. But the other two companies did not challenge the resolution, and it received a low two percent support at Republic and five percent support at Wells Fargo.

Violent Videos

Church groups introduced a new issue in 2005 regarding the sale of violent video games to minors. The issue was submitted at five retailers: Best Buy, Circuit City, Target, Toys ‘R’ Us, and Wal-Mart. While results from previous years suggest that proposals dealing with product sales could be omitted on ordinary business grounds, the issue has gained attention, as a New York City report indicated that safeguards against such sales were not being enforced. As a result, all five companies worked out withdrawal agreements with the resolution proponents.

2005 UW Trust Funds Proxy Results Summary

UW Trust Funds submitted voting instructions for 76 proposals (including “non-routine” corporate governance proposals), compared with 144 and 136 proposals for the past two years. The decline in votes submitted is due only to a lack of appropriate resolutions for the holdings of the Trust Funds. Of the proxies submitted for voting, 34 came to votes, 27 were withdrawn, and 15 were omitted.

The primary submissions for the UW Trust Funds on social issues involved the environment and global climate change (15), human rights and labor standards (14), and equal opportunity reporting (8). For corporate governance issues, the UW’s primary submissions involved future golden parachutes reporting (11), poison pill reporting (10), and limitations against auditors (3).

The highest support vote on an individual social issue came at Exxon Mobil. The resolution, asking the company to adopt a sexual orientation non-discrimination policy, received 30 percent support. Equal opportunity reporting also showed the strongest support at the overall category level. Eight equal opportunity votes were submitted by the Trust Funds, with five resulting in votes. All five received strong support, ranging from 15 percent to 30 percent. The remaining 3 equal opportunity resolutions were withdrawn.

The *UW Trust Funds 2005 Proxy Season Voting List*, providing details on the individual voting results, is attached.

REFERENCES

1. Mathiasen, Carolyn, and Voorhes, Meg. *IRRC Corporate Social Issues Reporter*, June/July 2005.
2. Cogan, Doug. *IRRC Global Climate Change Report*, March, 2005.
3. DiSimone, Peter. *IRRC Equal Employment Opportunity Report*, March 2, 2005.
4. Voorhes, Meg. *IRRC Charitable Contributions Report*, March, 2004.

UW Trust Funds
2005 Proxy Season Voting List: Proposals Under Preapproved Issues

Security Description	Mtg Date	Proposal	Policy	Vote	Result
ADVANCED AUTO PTS INC	5/18	Adopt sexual orientation non-discrimination policy	78-1	Affirmative	22.0%
AGCO CORP	4/21	Issue sustainability report	74-3/97-1	Affirmative	Withdrawn
ALBERTSON'S	6/1	Issue sustainability report	74-3/97-1	Affirmative	Omitted
ALCOA INC	4/22	Adopt sexual orientation non-discrimination policy	78-1	Affirmative	Withdrawn
ALCOA INC	4/22	Shareholder approval by auditors	CG	Affirmative	Withdrawn
ALLERGAN INC	4/26	Report on greenhouse gas emissions	74-3	Affirmative	Withdrawn
ALTRIA	4/27	Limit consulting by auditors	CG	Affirmative	Omitted
AMGEN INC	4/27	Report on equal opportunity and plans against glass ceiling	78-1	Affirmative	Withdrawn
APPLE COMPUTER INC	4/21	Implement ILO Global Labor Standards	97-1	Affirmative	Withdrawn
AT&T CORP	5/1	Vote on future golden parachutes	CG	Affirmative	60.6%
AT&T CORP	5/1	Redeem or vote on poison pill	CG	Affirmative	66.6%
AVON PRODUCTS	5/5	Report on phasing out parabens in products	74-3	Affirmative	Withdrawn
BARD INC	4/20	Implement ILO Global Labor Standards	97-1	Affirmative	28.9%
BRISTOL-MEYERS SQUIBB	5/6	Report on parabens in products	74-3	Affirmative	Omitted
CIRCUIT CITY GROUP	6/1	Vote on future golden parachutes	CG	Affirmative	Withdrawn
CONOCO PHILLIPS	5/1	Report on protecting key natural sites	74-3	Affirmative	Withdrawn
COSTCO WHOLESALE	4/28	Report on land development policy	74-3	Affirmative	4.0%
COSTCO WHOLESALE	4/28	Implement ILO Global Labor Standards	97-1	Affirmative	5.3%
CSX CORP	5/4	Vote on future golden parachutes	CG	Affirmative	Withdrawn
CUMMINS INC	5/10	Adopt Code of Conduct for China Operations	97-1	Affirmative	9.3%
CVS CORP	5/12	Vote on future golden parachutes	CG	Affirmative	Withdrawn
EXXON MOBIL	5/25	Review security arrangements in Indonesia	97-1	Affirmative	7.6%
EXXON MOBIL	5/25	Report on protecting key natural sites	74-3	Affirmative	8.1%
EXXON MOBIL	5/25	Report on global climate change	74-3	Affirmative	10.3%
EXXON MOBIL	5/25	Report on Kyoto compliance plans	74-3	Affirmative	28.4%
EXXON MOBIL	5/25	Adopt sexual orientation non-discrimination policy	78-1	Affirmative	29.5%
EXXON MOBIL	5/25	Implement ILO Global Labor Standards	97-1	Affirmative	Withdrawn
FIRSTENERGY CORP	5/17	Report on greenhouse gas emissions	74-3	Affirmative	Withdrawn
FORD MOTOR	5/12	Report on lobbying against tighter fuel economy	74-3	Affirmative	6.2%
FORD MOTOR	5/12	Report on global climate change	74-3	Affirmative	Omitted
FORD MOTOR	5/12	Report on greenhouse gas emissions	74-3	Affirmative	Withdrawn
FORTUNE BRANDS INC	4/26	Redeem or vote on poison pill	CG	Affirmative	Omitted
GENERAL DYNAMICS	4/27	Disclose costs of PCB cleanup	74-3	Affirmative	Withdrawn
GENERAL DYNAMICS	4/27	Issue sustainability report	74-3/97-1	Affirmative	Withdrawn
GENERAL DYNAMICS	4/27	Report on waste storage at nuclear plant	74-3	Affirmative	Withdrawn
GLOBAL INDUSTRIES	5/1	Shareholder approval by auditors	CG	Affirmative	Withdrawn
HOME DEPOT INC	5/1	Implement ILO Global Labor Standards	97-1	Affirmative	Omitted
HOME DEPOT INC	5/1	Report on equal opportunity and plans against glass ceiling	78-1	Affirmative	30.0%
HOME DEPOT INC	5/1	Vote on future golden parachutes	CG	Affirmative	55.9%
HOME DEPOT INC	5/1	Redeem or vote on poison pill	CG	Affirmative	Omitted
IBM	4/26	Adopt Code of Conduct for China Operations	97-1	Affirmative	Omitted
IBM	4/26	Report on product responsibility/recycling	74-3	Affirmative	Withdrawn
ILLINOIS TOOL WORKS	5/6	Adopt Code of Conduct for China Operations	97-1	Affirmative	Withdrawn
JOHNSON & JOHNSON	4/28	Report on AIDS pandemic impact	97-1	Affirmative	Withdrawn
JP MORGAN CHASE	5/17	Report on global climate change risk	74-3	Affirmative	Omitted
JP MORGAN CHASE	5/17	Vote on future golden parachutes	CG	Affirmative	Omitted
KIMBERLY CLARK	4/28	Implement ILO Global Labor Standards	97-1	Affirmative	8.5%
KIMBERLY CLARK	4/28	Redeem or vote on poison pill	CG	Affirmative	Omitted
KOHL'S	4/27	Vote on future golden parachutes	CG	Affirmative	53.3%
KROGER CO	6/1	Vote on future golden parachutes	CG	Affirmative	Awaiting Results
KROGER CO	6/1	Vote on future golden parachutes	CG	Affirmative	Awaiting Results
KROGER CO	6/1	Issue sustainability report	74-3/97-1	Affirmative	Omitted
LOCKHEED MARTIN	4/28	Review /develop broad social standards	97-1	Affirmative	4.2%
MCDONALD'S CORP	5/11	Report on genetically engineered food	97-1	Affirmative	7.6%
MCDONALD'S CORP	5/11	Report on plans to answer obesity concerns	97-1	Affirmative	Withdrawn
MCGRAW HILL	4/27	Redeem or vote on poison pill	CG	Affirmative	72.2%
MORGAN STANLEY	3/15	Redeem or vote on poison pill	CG	Affirmative	Omitted
MOTOROLA	5/2	Redeem or vote on poison pill	CG	Affirmative	Omitted
NUCOR CORP	5/12	Adopt sexual orientation non-discrimination policy	78-1	Affirmative	Withdrawn
NUCOR CORP	5/12	Report on greenhouse gas emissions	74-3	Affirmative	Withdrawn
OCCIDENTAL PETROLEUM	5/6	Vote on future golden parachutes	CG	Affirmative	68.1%
PFIZER INC	4/28	Report on drug price restraint efforts	97-1	Affirmative	11.1%
PFIZER INC	4/28	Report on AIDS pandemic impact	97-1	Affirmative	Withdrawn
PG&E CORP	4/20	Redeem or vote on poison pill	CG	Affirmative	29.0%

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2005 Proxy Season Voting List: Proposals Under Preapproved Issues

PG&E CORP	4/20	Vote on future golden parachutes	CG	Affirmative	55.7%
PNC FINANCIAL SERVICES	4/26	Shareholder approval of auditors	CG	Affirmative	Withdrawn
REYNOLDS AMERICAN	5/6	Redeem or vote on poison pill	CG	Affirmative	Omitted
SEMPRA ENERGY	4/5	Redeem or vote on poison pill	CG	Affirmative	71.7%
TEREX CORP	5/19	Issue sustainability report	74-3/97-1	Affirmative	Awaiting Results
TJX	6/1	Implement ILO Global Labor Standards	97-1	Affirmative	8.6%
TJX	6/1	Report on vendor labor standards	97-1	Affirmative	9.3%
WACHOVIA CORP	4/19	Report on global climate change	74-3	Affirmative	Omitted
WAL MART STORES INC	6/1	Report on stock options by race/sex	78-1	Affirmative	15.0%
WAL MART STORES INC	6/1	Issue sustainability report	74-3/97-1	Affirmative	16.2%
WAL MART STORES INC	6/1	Report on equal opportunity and plans against glass ceiling	78-1	Affirmative	18.8%
WAL MART STORES INC	6/1	Report on genetically engineered food	97-1	Affirmative	Withdrawn

Note: A "CG" designation represents a non-routine Corporate Governance proposal.

Report on Using the Continuing
Appropriation to Serve Adult Students

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents accepts the report on Cost Recovery Activity, Credit Enrollment and Unduplicated Student Headcount by Program and Age, 2004-05 Academic Year for submission to the Joint Committee on Finance.

REPORT ON USING THE CONTINUING APPROPRIATION TO SERVE ADULT STUDENTS

EXECUTIVE SUMMARY

BACKGROUND

In the 1997-99 Biennial Budget, the UW System was given continuing appropriation authority for continuing education program revenue funds. With the passage of the 1999-2001 Biennial Budget, this authority was extended, in part, to the regular tuition appropriation. The flexibility in the use of tuition revenue has contributed to the UW System's ability to serve adult/non-traditional students. The current enrollment policy continues to place a strong priority on services and programming to adult students. 2001 Wisconsin Act 16 [36.11(44)] requires the UW System Board of Regents to report annually on activity in 100 percent tuition funded courses. The attached report fulfills that requirement.

REQUESTED ACTION

Acceptance of the report on Cost Recovery Activity, Credits Generated and Unduplicated Student Headcount by Program and Age, 2004-05 Academic Year, for submission to the Joint Committee on Finance.

DISCUSSION

2001 Wisconsin Act 16 [36.11(44)] states that the Board of Regents will report on "each course offered by the system for which the academic fees or tuition charged equals at least 100% of the cost of offering the course."

For many years, UW System institutions, through inter-institutional agreements with UW-Extension, have offered credit and non-credit continuing education courses off-campus and during evening/weekend hours. By policy, these courses must be priced to cover the direct cost of instruction. In recent years, the additional tuition flexibility has allowed UW institutions to develop degree credit programs for adults that are priced to cover at least the direct cost of instruction. In a few instances, for example UW-Milwaukee's Executive MBA and UW-Madison's Masters of Engineering-Professional Practice, programs have been developed that cover 100% of all costs associated with the programs.

The attached report covering the academic year 2004-05 was constructed using data from the UW System Central Data Request database along with information provided by the campuses on programs offered under service based pricing and distance education pricing policies.

The attached report, Cost Recovery Activity, Credits Generated and Unduplicated Student Headcount by Program and Age, shows that UW institutions served over 14,500 adult/non-traditional students (undergraduates age 25 and older and graduate students age 30 and older) in courses and programs that covered at least the direct cost of instruction. These students generated nearly 66,000 credits across the UW institutions.

RELATED REGENT POLICIES

Regent Resolution 8126, June 8, 2000.

University of Wisconsin System
Cost Recovery Activity
Credits Generated and Unduplicated Student Headcount by Program and Age
2004-05 Academic Year

	Under 25/30 Years Old*		25/30 Years and Older*		Total	
	Credits	Students	Credits	Students	Credits	Students
Madison						
Professional French Studies (MS)	289	24	46	5	335	29
Biotechnology (MS)	276	19	341	25	617	44
Master of Engineering (ME)	194	19	756	78	950	97
Collaborative Nursing Program	13	2	459	61	472	63
Extension**	26,769	7,456	3,299	991	30,069	8,447
Total	27,541	7,520	4,901	1,160	32,443	8,680
Milwaukee						
Nursing (PHD)	316	28			316	28
Liberal Studies (MS)	77	8	250	39	327	47
Library and Info Science (MS)	1,701	135	2,579	274	4,280	409
Information Resources (BS)	2,341	100	1,676	103	4,017	203
Executive MBA	62	3	826	44	888	47
Collaborative Nursing Program	22	3	202	28	224	31
Extension**	57,280	12,212	16,201	3,747	73,481	15,959
Total	61,799	12,489	21,734	4,235	83,533	16,724
Eau Claire						
Collaborative Nursing Program	45	3	198	20	243	23
Contract Courses	224	74	680	271	904	345
Extension**	1,975	494	311	144	2,286	638
Total	2,244	571	1,189	435	3,433	1,006
Green Bay						
Collaborative Nursing Program	78	6	867	107	945	113
National Nursing Program	4	1	326	52	330	53
Extension**	1,955	490	1,433	607	3,388	1,097
Total	2,037	497	2,626	766	4,663	1,263
La Crosse						
Extension**	3,982	436	5,089	913	9,071	1,349
Total	3,982	436	5,089	913	9,071	1,349
Oshkosh						
Collaborative Nursing Program	22	5	447	88	469	93
Accelerated Nursing Program	460	18	1325	51	1785	69
Contract Courses	1,301	326	2,000	619	3,301	945
Extension**	364	106	765	305	1,129	411
Total	2,147	455	4,538	1,063	6,685	1,518
Parkside						
Extension**	15	10	344	182	359	192
Total	15	10	344	182	359	192
Platteville						
Project Management (MS)	315	40	991	140	1,306	180
Criminal Justice (MS)	172	31	135	32	307	63
Engineering (MS)	210	23	339	46	549	69
Extension**	49	27	598	350	647	377
Total	746	121	2,063	568	2,809	689

*Age breakouts consist of: (1) undergraduates under 25 versus 25 and older and (2) graduate students under 30 versus 30 and older.

**Extension activity includes only extension credits not included in the specifically identified programs.

University of Wisconsin System
Cost Recovery Activity
Credits Generated and Unduplicated Student Headcount by Program and Age
2004-05 Academic Year

	Under 25/30 Years Old*		25/30 Years and Older*		Total	
	Credits	Students	Credits	Students	Credits	Students
River Falls						
Management (MS)	116	14	298	54	414	68
School Psychology (EDS)	165	9	165	9	330	18
Extension**	3,241	1,009	2,029	615	5,270	1,624
Total	3,522	1,032	2,492	678	6,014	1,710
Stevens Point						
General Studies (BS)	1,007	57	656	51	1,663	108
Extension**	1,611	432	3,056	1,038	4,667	1,470
Total	2,618	489	3,712	1,089	6,330	1,578
Stout						
Vocational Rehabilitation (MS)	628	27	654	48	1282	75
Training and Development (MS)	471	31	687	71	1,158	102
Career & Technical Education (MS)	149	19	471	71	620	90
Career, Technical Ed & Training (BS)	196	9	1,151	106	1,347	115
Service Management (BS)	2,974	120	375	24	3,349	144
Graphic Communications Man. (BS)	3,489	145	201	9	3,690	154
Industrial Management (BS)	788	51	2,329	204	3,117	255
Career & Technical Education (EdS)	0	0	174	22	174	22
Contract Courses	431	223	83	43	514	266
Extension**	1,506	622	2,208	1,021	3,714	1,643
Total	10,632	1,247	8,333	1,619	18,965	2,866
Superior						
Extension **	1,131	391	892	326	2,023	717
Total	1,131	391	892	326	2,023	717
Whitewater						
Extension **	5,350	1,312	3,356	842	8,705	2,154
Total	5,350	1,312	3,356	842	8,705	2,154
Colleges						
UW Online	3136	612	4450	716	7586	1328
Extension **	1,433	287	136	37	1,569	324
Total	4,569	899	4,586	753	9,155	1,652
Total						
Specific Programs	21,672	2,185	26,137	3,511	47,809	5,696
Extension **	106,660	25,284	39,717	11,118	146,377	36,402
Total	128,332	27,469	65,853	14,629	194,186	42,098

*Age breakouts consist of: (1) undergraduates under 25 versus 25 and older and (2) graduate students under 30 versus 30 and older.

**Extension activity includes only extension credits not included in the specifically identified programs.

Report on General Purpose Revenue
Positions Created or Abolished
Required by s. 16.505(2p)(a), *Wis. Stats.*

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, the Report on 2004-05 Full-Time Equivalent Positions Created or Abolished Required by Section 16.505(2p)(a), Wisconsin Statutes, be accepted for transmittal to State Officials.

REPORT ON GENERAL PURPOSE REVENUE POSITIONS CREATED OR ABOLISHED

BACKGROUND

The 2001-03 biennial budget bill, Wisconsin Act 16, included a statutory change [s. 16.505(2p)(a)] allowing the Board of Regents of the University of Wisconsin System to create or abolish a full-time equivalent academic staff or faculty position or portion thereof from revenues appropriated under s. 20.285(1)(a), the major GPR appropriation for the System. It also required the Board to report to the Department of Administration and the co-chairpersons of the Joint Committee on Finance the number of positions created or abolished by the Board under this subsection during the preceding fiscal year.

Section 16.505(2p)(b) required the Board and the Department of Administration to establish a memorandum of understanding for identifying and accounting for the cost of funding any positions created, including any amounts that the board may include in a certification to the Department of Administration under s. 20.928(1). The statutes required the Board and DOA to enter into the memorandum or understanding no later than September 1, 2002. The Department of Administration and the President of the University of Wisconsin System signed a memorandum of understanding November 29 and 30, 2001.

REQUESTED ACTION

Approval of Resolution I.2.f.(2) to forward the Report on Full-Time Equivalent Positions Created or Abolished to the Legislative Joint Committee on Finance and the Department of Administration.

DISCUSSION AND RECOMMENDATIONS

Under the terms of the agreement signed with the Department of Administration, the University of Wisconsin System did not create any full-time equivalent positions in 2004-05.

RELATED REGENT POLICY

None

REVISED

I.3. Physical Planning and Funding Committee

Thursday, October 6, 2005
Van Hise Hall
1220 Linden Drive

- 11:30 a.m. Education Committee - All Regents Invited
- Rename the University of Wisconsin Medical School to the University of Wisconsin School of Medicine and Public Health
- 12:30 p.m. Box Lunch
- 1:30 p.m. Joint session with Business and Finance Committee – Room 1920
- a. UW-La Crosse: Campus Master Plan Presentation
- 1:00 p.m. Physical Planning and Funding Committee Meeting - Room 1511
- b. Approval of the Minutes of the September 8, 2005 Meeting of the Physical Planning and Funding Committee
 - c. UW-La Crosse: Authority to Expand the Campus Boundary
[Resolution I.3.c.]
 - d. UW-Platteville: Naming of the Living and Learning Center
[Resolution I.3.d.]
 - e. UW-Platteville: Naming of the Physical Plant Building
[Resolution I.3.e.]
 - f. UW System: Facility Maintenance and Repair Projects
[Resolution I.3.f.]
 - g. UW System: Authority to Plan Major Projects
[Resolution I.3.g.]
 - h. Report of the Assistant Vice President:
Building Commission Actions
 - x. Additional items which may be presented to the Committee with its approval

Authority to Expand the Campus Boundary,
UW-La Crosse

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, authority be granted to expand the campus boundary at the east edge to include property currently owned by the School District of La Crosse.

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action October 2005

1. Institution: The University of Wisconsin–La Crosse
2. Request: Requests authority to expand the campus boundary at the east edge to include property currently owned by the School District of La Crosse.
3. Description and Scope of Project: The property to be included within the campus boundary is an irregular shaped parcel of land located on the east edge of campus, address 2101 Campbell Road (see map). The land is currently owned by the School District of La Crosse and the site is occupied by Emerson Elementary School and its associated parking lot and playground. The parcel is not currently for sale, but the school district has indicated an interest in divesting itself of the facility and associated land. The school district has been analyzing enrollment trends and is advocating the consolidation of its many properties along with the possible construction of newer, more centralized facilities. This public discussion has resulted in multiple parties expressing interest in obtaining the Emerson School site.
4. Justification of the Request: For several biennia, UW-La Crosse campus development plans have identified a shortage of adequate space for outdoor athletic, recreation, green space, and parking. An existing cemetery located along the north edge of the campus prohibits the university from acquiring additional space in that direction. Also, neighborhoods consisting of single family homes and some rental properties located along the west and south edges of campus, and the desire of the city to maintain that tax base, effectively prohibit the university from acquiring additional space in those directions. Consequently, the possible future acquisition of the elementary school property, which is not currently on the tax rolls, provides the only realistic opportunity to obtain additional space for the university campus.

The recently completed UW-La Crosse Master Plan calls for the revision of the campus boundary to include the La Crosse School District property because not only would the property provide valuable space for the university, but it is equally important that a conflicting land use not be established at that location. The local community, the school district, and the city government are all aware of the desire of the university to obtain the property in the event that the school district decides to dispose of it. Revision of the boundary would allow the university to more formally notify all of the interested parties of this interest and it would allow the city to plan for the long term land use of the property.

5. Previous Action: None.

Authority to name the Living and Learning
Center, UW-Platteville

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority to name the Living and Learning Center on the University Farm, the "Cooper Living and Learning Center".

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action October 2005

1. Institution: The University of Wisconsin-Platteville
2. Request: Requests authority to name the UW-Platteville Living and Learning Center on the University Farm, the "Cooper Living and Learning Center".
3. Summary and Background: This request is in accordance with the University of Wisconsin Board of Regents policy 96-1 which requires that every request to name a facility after a person be brought to the Physical Planning and Funding Committee for discussion in closed session at least one month before a request for formal action by the board. A proposal to name the Living and Learning Center after Jerry and Fran Cooper was discussed in closed session by the Board of Regents in September 2005. Further, the naming policy states that if the request involves a living individual who has been formally associated with the University of Wisconsin System, or has held a paid public office, a waiting period is required unless a situation is presented where a gift stipulates the naming. This naming is a stipulation of a gift given by Mr. and Mrs. Cooper for the benefit of the University Farm.
4. Biographical Information: Jerry and Fran Cooper have a long and dedicated association with the University of Wisconsin-Platteville. They have served as active members of the Pioneer Patrons and as participating members of the University Alumni Association. Jerry has been honored by the University of Wisconsin-Platteville Foundation as a Distinguished Service Award recipient. In 2003, he received the honor of being nominated for the Distinguished Alumni Award.

Jerry and Fran both obtained B.S. degrees from UW-Platteville and are life long Wisconsin residents who currently reside in Richland Center, Wisconsin. Jerry entered the university in 1949, and after a year, served our country for two years during the Korean Conflict. He resumed his studies in Platteville in 1952 and graduated in 1956. Fran received her degree in 1981.

The Coopers have a long history of giving to the University. In 1986, the Coopers initiated a scholarship fund for students studying agriculture and began their second scholarship fund in the year of 2000.

Recently the Coopers have named the UW-Platteville as the recipient of a substantial trust and they continue to contribute to the University on an annual basis. In recognition of the Coopers' commitment to the UW-Platteville, we request that Living and Learning Center on the University Farm be named the "Cooper Living and Learning Center".

5. Previous Action: A proposal to name the Living and Learning Center after Jerry and Fran Cooper was discussed in closed session at the September 2005 Board of Regents meeting.

Authority to Name the Physical Plant Building,
UW-Platteville

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the UW-Platteville Chancellor and the President of the University of Wisconsin System, authority be granted to name the UW-Platteville Physical Plant Building, the "Fred Geise Building".

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action October 2005

1. Institution: The University of Wisconsin-Platteville
2. Request: Requests authority to name the UW-Platteville Physical Plant Building, the "Fred Geise Building".
3. Summary and Background: This request is in accordance with the University of Wisconsin Board of Regents policy 96-1 which requires that every request to name a facility after a person be brought to the Physical Planning and Funding Committee for discussion in closed session at least one month before a request for formal action by the board. A proposal to name the Physical Plant Building after Mr. Geise was discussed in closed session by the Board of Regents in September 2005. Further, the naming policy states that if the request involves a living individual who has been formally associated with the University of Wisconsin System, or has held a paid public office, a waiting period is required unless a situation is presented where a gift stipulates the naming. Normally, at least five years must have elapsed from the time a person has terminated formal association with the university or left the paid public office. This naming is a stipulation of a gift given by the family of Mr. Geise in recognition of his many years of service to the University of Wisconsin-Platteville.
4. Biographical Information: Fred Geise provided 36 years of dedicated service to the university, its students, their families, and the state of Wisconsin. Mr. Geise directed the efforts of the physical plant operations at UW-Platteville from 1936 until his retirement in 1972.

During his outstanding years of service, Mr. Geise oversaw the construction of 47 major building projects. The projects entailed 1.5 million gross square feet and when combined, accounted for over 26 million dollars of funding. In today's dollars that would represent 180 million dollars. Fred was responsible for the maintenance and upkeep of each of the facilities. Platteville has long been known for its excellent facilities, both in appearance and functionality. Without Fred Geise and his work at UW-Platteville, much of the growth and reputation of the campus would not be intact. He was deeply respected not just by the administration, but also by those with whom he worked.

Fred Geise was a mentor and advisor to other physical plant directors at each of the UW System institutions. His knowledge of the buildings and the means to maintain the facilities was constantly sought by his colleagues. In recognition of the many contributions made by Mr. Geise to UW-Platteville, we request that the Physical Plant Building be named the "Fred Geise Building".

5. Previous Action: A proposal to name the Physical Plant Building after Fred Geise was discussed in closed session at the September 2005 Board of Regents meeting.

Authority to Construct Various Facility
Maintenance and Repair Projects, UW System

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct various maintenance and repair projects at an estimated total cost of \$12,100,200 (\$6,748,600 General Fund Supported Borrowing, \$1,403,600 Program Revenue Supported Borrowing, and \$3,948,000 Program Revenue-Cash).

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action October 2005

1. Institution: The University of Wisconsin System
2. Request: Requests authority to construct various maintenance and repair projects at an estimated total cost of \$12,100,200 (\$6,748,600 General Fund Supported Borrowing, \$1,403,600 Program Revenue Supported Borrowing, and \$3,948,000 Program Revenue-Cash).

FACILITIES MAINTENANCE & REPAIR

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	PR CASH	GIFT/GRANT	BTF	TOTAL
WTW	05I2E	Wells Hall Ext Window Repl	\$ -	\$ 1,403,600	\$ -	\$ -	\$ -	\$ 1,403,600
FM&R SUBTOTALS			\$ -	\$ 1,403,600	\$ -	\$ -	\$ -	\$ 1,403,600

HEALTH, SAFETY, & ENVIRONMENTAL PROTECTION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	PR CASH	GIFT/GRANT	BTF	TOTAL
LAX	04L1T	Htg Plnt Pollution Cntrl Sys	\$ 2,554,600	\$ -	\$ 1,500,400	\$ -	\$ -	\$ 4,055,000
STP	04L1E	Htg Plnt Pollution Cntrl Sys	\$ 2,363,400	\$ -	\$ 1,448,600	\$ -	\$ -	\$ 3,812,000
HS&E SUBTOTALS			\$ 4,918,000	\$ -	\$ 2,949,000	\$ -	\$ -	\$ 7,867,000

UTILITIES REPAIR & RENOVATION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	PR CASH	GIFT/GRANT	BTF	TOTAL
MSN	05I2D	Elm Dr. Force Main Repl	\$ 237,000	\$ -	\$ 63,000	\$ -	\$ -	\$ 300,000
PLT	05B1K	New Res Hall Site Utility Ext	\$ 1,481,100	\$ -	\$ 869,900	\$ -	\$ -	\$ 2,351,000
STO	05I2C	Steam Pit #11 Repair	\$ 112,500	\$ -	\$ 66,100	\$ -	\$ -	\$ 178,600
UR&R SUBTOTALS			\$ 1,830,600	\$ -	\$ 999,000	\$ -	\$ -	\$ 2,829,600

	GFSB	PRSB	PR CASH	GIFT/GRANT	BTF	TOTAL
OCTOBER 2005 AGENDA TOTALS	\$ 6,748,600	\$ 1,403,600	\$ 3,948,000	\$ -	\$ -	\$ 12,100,200

3. Description and Scope of Project: This request constructs maintenance, repair, renovation, and upgrades through the All Agency Projects Program.

Facilities Maintenance and Repair Requests

WTW – 05I2E – Wells Hall Exterior Window Replacement (\$1,403,600): This project replaces all 770 student resident room exterior aluminum horizontal slider window units with new energy efficient and functional units with thermally broken insulated frames, commercial grade insulated glass, and screens. All window units planned for replacement are four panel design with screens, primary and storm sashes on each side, and located on the second through tenth floors. Replacement windows will be sized so the rough openings do not require adjustment and window unit dimensions will be standardized. Fixed exterior windows are not included in the project scope. Project work includes removing and disposing the existing sashes, frames, screens, and glazing; exterior masonry and caulking repair around rough openings as required; and interior finishes patching and refinishing around rough openings as required.

Wells Hall was constructed in 1967 as a 10-story high-rise student residence. The single glazed horizontal slider window units are original to the facility, are significantly worn, energy inefficient by design, and have exceeded their useful life. The majority of UW-Whitewater student residences were constructed in the mid 1960's through early 1970's with similar window units, and all are in similar condition. This project is Phase I of replacing all student residence hall exterior windows.

Maintenance records show half of student complaints are window related. The condition of the unit and/or opening presents numerous challenges (security, bug infestation, drafts) for maintenance staff. Since the rough openings and window units are not standardized, it was necessary to stock multiple types, styles, and sizes of replacement parts and obtaining useful replacement parts became more problematic. Nearly 40 years after the original installation, replacement parts are either not available or cost prohibitive.

Health, Safety, and Environmental Protection

LAX – 04L1T – Heating Plant Pollution Control System (\$4,055,000): This project constructs a new air pollution control system to control particulate and heavy metal emissions from the flue gas exhaust of the two water tube boilers. The pollution control system will be contained within a heating plant addition adjacent to the main chimney. The boiler breeching is in poor condition and portions of it will need to be replaced. The heating plant's electrical service and emergency generator will be upgraded and converted from 208-volt three phase to 480-volt three phase power.

The proposed pollution control system will provide compliance with the recently enacted industrial boiler maximum achievable control technology (MACT). The Clean Air Act defines a major source for hazardous air pollutants as a source that has the potential to emit 10 tons a year or more of a single air toxic or 25 tons a year or more of a combination of air toxics. The UW-La Crosse heating plant falls within this definition and is required to meet the regulatory pollution limits for industrial boilers by a mandated compliance date of September 13, 2007.

An engineering study determined that the most cost effective solution to assure continued compliance with the applicable emission limit is the installation of pollution control equipment to clean the exhaust flue gases of the heating plant's coal fired boilers. Using cleaner fuels such as natural gas and/or fuel oil to replace a portion or all of the coal usage would result in major operating cost premiums. The plant will be purchasing more natural gas and/or fuel oil in competition with residential and commercial customers. Installing the new collection system and continued use of coal at these plants is the best cost-effective long-term alternative.

STP – 04L1E – Heating Plant Pollution Control System (\$3,812,000): This project constructs a new air pollution control system to control particulate and heavy metal emissions from the flue gas exhaust of the two water tube boilers with vibra-grate stokers. The pollution control system will be contained within a heating plant addition adjacent to the main chimney. The heating plant's electrical service and emergency generator will be upgraded and converted from a 120/240-volt system to a 480-volt three phase system.

The proposed pollution control system will provide compliance with the recently enacted industrial boiler maximum achievable control technology (MACT). The Clean Air Act defines a major source for hazardous air pollutants as a source that has the potential to emit 10 tons a year or more of a single air toxic or 25 tons a year or more of a combination of air toxics. The UW-Stevens Point heating plant falls within this definition and is required to meet the regulatory pollution limits for industrial boilers by a mandated compliance date of September 13, 2007.

An engineering study determined that the most cost effective solution to assure continued compliance with the applicable emission limit is the installation of pollution control equipment to clean the exhaust flue gases of the heating plant's coal fired boilers. Using cleaner fuels such as natural gas and/or fuel oil to replace a portion or all of the coal usage would result in major operating cost premiums. The plant would be purchasing more natural gas and/or fuel oil in competition with residential and commercial customers. Installing the new collection system and continued use of coal at these plants is the best cost-effective long-term alternative.

Utilities Repair and Renovation Requests

MSN – 05I2D – Elm Drive Force Main Replacement (\$300,000): This project replaces the remaining original sections of 8-inch force main from the Elm Dr. sewer lift station. The northern section starts at the lift station and continues to just north of Observatory Drive where a new section has already been installed by the Central Campus Utility Improvement (Project No. 04A1W). The replacement force main continues just south of the Elm Drive/Observatory Drive intersection and runs down Elm Drive to a manhole located between the Horse Barn and the Stock Pavilion. The piping will be replaced by approximately 800 LF of 8-inch ductile iron sanitary sewer force main. The project includes restoration of the natural landscaping and pavement areas disturbed by the excavation work.

The original sections of force main were installed in 1958 and have broken twice in the last few years. Additional breaks pose environmental concerns since the raw sewage could permeate into Lake Mendota.

PLT – 05B1K – New Residence Hall Site Utility Extension (\$2,351,000): This project extends steam, condensate, power, and signal utilities to the northwest corner of the new residence hall site boundary. This project constructs approximately 1,450 linear feet of concrete box steam conduit containing a 6-inch high pressure steam and 3-inch condensate return line and electrical power and signal ductbank system from the central heating plant. The ductbank will contain four 5-inch power conduits, one 15-kilovolt feeder circuit and six 4-inch signal conduits. New manholes will be constructed at the end of both the mechanical and power/signal utility extensions to provide termination points for this project and convenient start points for the future residence hall project. The project extends fiber optic cable from the campus data network hub in Gardner Hall and coaxial cable from the campus television network, including sufficient cable lengths coiled in the new terminal manhole for extension and termination into the new residence hall's main telecommunication closet.

Background: UW-Platteville's Tri-State Initiative is expected to increase enrollment from the

current 5,800 to approximately to 7,800 FTE by the fall of 2011. This plan increases enrollment of out-of-state students in engineering and technology-based business programs and gradually expands the number of engineering majors from 1,600 to a target level of 2,600 by the year 2011.

This project provides the required utility extensions to a new student residence hall anticipated for occupancy in August 2006. The nine existing residence halls (constructed 1961-1969) are currently operating at overflow capacity, housing 2,400 students in the spring of 2004. The campus currently has sufficient housing demand to fill the new 348-bed residence hall without the projected enrollment increases from the Tri-State Initiative.

STO – 05I2C – Steam Pit No. 11 Repair (\$178,600): This project replaces approximately 165 linear feet of concrete box conduit, 10-inch steam line, and 5-inch condensate line passing through Steam Pit No. 11, located on the southeast corner of the 3rd Street and 10th Avenue intersection. Project work includes abandoning existing box conduit and utility lines in place, installing new concrete box conduit and utility lines, installing a new ventilated pit at the northeast corner of the 3rd Street and 10th Avenue intersection, and site restoration as required to replace disturbed pavements and landscaping areas.

The steam and condensate lines, steam pit walls, and structural anchors have deteriorated because of high humidity and lack of ventilation. The sheet metal decking in the adjacent concrete box conduit has rusted through and collapsed on top of the steam and condensate lines causing additional saturation and deterioration of the pipe insulation. The steam pit is located within the pedestrian walkway boundaries on a street corner. The access hatch is flush with the sidewalk preventing the pit from being ventilated and allowing runoff and deicing salt to enter the pit. In addition, the access hatch is heavy and awkward, and potentially dangerous for maintenance staff to open and close.

4. Justification of the Request: UW System Administration and Division of State Facilities continue to work with each institution to develop a comprehensive campus physical development plan, including infrastructure maintenance planning. After a thorough review of approximately 350 all agency project proposals and 2,200 infrastructure planning issues submitted, and the UW All Agency Projects Program funding targets set by the Division of State Facilities (DSF), this request represents high priority University of Wisconsin System infrastructure maintenance, repair, renovation, and upgrade needs. This request focuses on existing facilities and utilities, targets the known maintenance needs, and addresses outstanding health and safety issues. Where possible, similar work throughout a single facility or across multiple facilities has been combined into a single request to provide more efficient project management and project execution.

5. Budget:

General Fund Supported Borrowing	\$ 6,748,600
Program Revenue Supported Borrowing	1,403,600
Program Revenue-Cash	<u>3,948,000</u>
..... Total Requested Budget	\$12,100,200

6. Previous Action: None.

Authority to Request Planning Funds for Four
2007-2009 Major Projects, UW System

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to request the release of \$3,088,000 Building Trust Funds–Planning, and use of \$515,000 Program Revenue-Cash and Gifts to prepare preliminary plans and design reports for the following 2007-2009 major projects:

Projects are listed in alphabetical order by institution.

Inst	Project Name	Total Project Budget	GSFB	Gifts/ Grants	BTF- Planning	PR-Cash Gifts
LAC	New Academic Building	\$33.5 M	\$27.5 M	\$6.0 M	\$596,000	\$130,000
OSH	New Academic Building	\$48.0 M	\$40.0 M	\$8.0 M	\$992,000	\$198,000
PKS	Commun. Arts Remodel & Addition	\$32.1 M	\$32.1 M	\$0.0	\$811,000	\$0
SUP	New Academic Building	\$32.8 M	\$25.8 M	\$7.0 M	\$689,000	\$187,000
	TOTALS				\$3,088,000	\$515,000

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action October 2005

1. Institution: The University of Wisconsin System
2. Request: Requests approval to request the release of \$3,088,000 Building Trust Funds–Planning, and use of \$515,000 Program Revenue–Cash and Gifts to prepare preliminary plans and design reports for the following 2007-2009 major projects:

Projects are listed in alphabetical order by institution.

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SUP	New Academic Building	\$32.8 M	\$25.8 M	\$7.0 M	\$689,000	\$187,000
	TOTALS				\$3,088,000	\$515,000

3. Description and Scope of Project: Consultants will be retained to prepare preliminary plans, cost estimates and design reports for the following projects, with funding and construction occurring in the 2007-2009 biennium:

La Crosse - New Academic Building:

This project constructs a new 120,750 ASF/182,600 GSF academic building at the center of campus, including 72,500 ASF of classroom space equipped with the latest technology. Construction of this building is the first in a sequence of events to address space needs across the campus. Various academic and student service departments will relocate to this building to resolve space deficiencies across campus.

Two residence halls, 41-year-old Baird and 44-year-old Trowbridge, and Wilder Hall a 53-year-old former residence hall which is now an office building, will be demolished to provide a site for the new building. The demolition of these three buildings totaling 117,000 GSF eliminates an estimated \$1,100,000 of maintenance needs.

Oshkosh – New Academic Building

This project constructs a new 137,300 ASF/212,600 GSF academic building that includes 43,100 ASF of general assignment classrooms, 11,000 ASF of dry laboratories, 2,000 ASF of wet laboratories, 2,000 ASF of research laboratories, 13,900 ASF of computer laboratories, and 64,700 ASF of faculty offices and support space. This project is the first in a sequence of events that replaces inadequate classrooms, provides consolidation of academic departments, and relieves overcrowding.

Approximately forty percent of the classrooms on campus lack the appropriate geometry and size to accommodate current teaching methods and section sizes. The College of Business Administration (COBA) is currently housed in Clow Hall, a building that contains many of these inadequate classrooms. Since Clow cannot be remodeled to provide classrooms that support current business course teaching methods, new space will be constructed with appropriate classrooms, and COBA will be moved to this new space. Clow can then be remodeled to address overcrowding in the College of Education and the College of Nursing. The new building also provides for consolidation of College of Letters and Science functions that are currently scattered across campus, relieving overcrowding across campus.

Parkside – Communication Arts Remodeling and Addition

This project remodels 68,400 GSF of existing space in the Communication Arts building, and 14,990 GSF of space in Molinaro Hall. It also constructs 30,800 ASF/52,500 GSF of additions to Communication Arts and a 2,000 ASF/3,200 GSF addition to Molinaro Hall. The remodeled and new space accommodates music, theater and visual arts functions, and provides new classrooms equipped with the latest technology.

The Communication Arts Building was constructed in 1971 to serve minimal needs for fine arts space. As the institution has matured, the demand for fine arts classes has grown. As a result the existing music, theater, and visual arts spaces lack both the proper configurations and adequate sizes to support current instruction. Since there is only one performance space on campus, a 650 seat theater, instruction that occurs in this space conflicts with use of this space for performances. Space exists in Molinaro Hall that is no longer needed for engineering courses, but is suitable, with minor remodeling, for visual arts three-dimensional courses. The space vacated by three-dimensional art in Communication Arts can then be reallocated for other arts functions. Finally, the mix of classrooms on campus does not support present section sizes. This project provides more medium-sized classrooms to address that imbalance.

Superior - New Academic Building:

This project constructs a new, 97,800 ASF / 153,000 GSF academic building. Of this space 59,000 ASF is replacement space for Sundquist Hall, a former residence hall, and McCaskill Hall, a former elementary school, which are both demolished through this project. An additional 24,000 ASF replaces substandard classrooms across campus. Twelve departments are relocated from Sundquist Hall, McCaskill Hall, and Old Main. The demolition of Sundquist and McCaskill eliminates an estimated \$10,000,000 of maintenance needs.

A majority of campus faculty are housed in Sundquist Hall, a 1950 converted residence hall with serious deficiencies and a history of persistent leaking despite multiple repairs. Information technology support functions are housed in the basement of Old Main and in McCaskill Hall which will be consolidated in the new building. This project is the first step of a long-range plan that improves classrooms and computer labs, provides relief to a

large number of overcrowded areas, efficiently consolidates functions, eliminates space deficiencies, and eliminates backlog facilities maintenance.

4. Justification of the Request: The release of planning funds will enable the selection of Architect/Engineers for the above projects to prepare plans and design reports. Approval of design reports and authority to construct these projects will be sought when planning is complete and detailed budgets have been developed.
5. Budgets: Detailed budgets will be developed by consultants.
6. Previous Action:

August 19, 2004
Resolution 8888

Recommended that as part of the university's 2005-2007 Capital Budget request nine projects be submitted to the Department of Administration and the State Building Commission for planning and design in 2005-2007, with funding and construction in the 2007-2009 biennium.

April 7, 2005

Concurred with a recommendation, in a presentation on priority ranking for GSFB projects, which identified four projects for advance planning in 2005-2007 for construction in the 2007-2009 biennium. Subsequently, the State Building Commission also concurred with the same recommendation.

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

October 7, 2005
9:00 a.m.
1860 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin

1. Calling of the roll
2. Approval of the minutes of the September 8 and 9, 2005 meetings
3. Report of the President of the Board
 - a. Report on the September 27 and 28, 2005 meetings of the Wisconsin Technical College System Board
 - b. Report on the October 5, 2005 meeting of the Hospital Authority Board
 - c. Additional items that the President of the Board may report or present to the Board
4. Report of the President of the System
5. Presentation of 2005 Regents' Teaching Excellence Awards
6. Report of the Business and Finance Committee
7. Report of the Education Committee
8. Report of the Physical Planning and Funding Committee
9. Regent Meeting Improvement Status Report
10. Additional Resolutions
11. Communications, petitions, memorials
12. Unfinished or additional business
13. Recess into closed session to consider UW-Madison honorary degrees, as permitted by s.19.85(1)(f), *Wis. Stats.*, and to confer with legal counsel concerning pending or potential litigation, as permitted by s.19.85(1)(g), *Wis. Stats.*

The closed session may be moved up for consideration during any recess called during the regular meeting agenda. The regular meeting will reconvene in open session following completion of the closed session.

Agenda October 7, 2005

**Board of Regents of
The University of Wisconsin System**

Meeting Schedule 2005-06

2005

January 6 and 7 (cancelled, circumstances
permitting)

February 10 and 11

March 10 and 11

April 7 and 8

May 5 and 6 (UW-Stout)

June 9 and 10 (UW-Milwaukee)
(Annual meeting)

July 7 and 8 (UW-Madison Arboretum)

August 18 and 19
(Cancelled, circumstances permitting)

September 8 and 9 (UW-Extension)

October 6 and 7

November 10 and 11

December 8 and 9

2006

January 5 and 6 (cancelled, circumstances
permitting)

February 9 and 10

March 9 and 10

April 6 and 7 (UW-Green Bay)

May 4 and 5

June 8 and 9 (UW-Milwaukee)
(Annual meeting)

July 6 and 7 (cancelled, circumstances
permitting)

August 17 and 18

September 7 and 8

October 5 and 6 (UW-Platteville)

November 9 and 10

December 7 and 8

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

President - David G. Walsh
Vice President - Mark J. Bradley

STANDING COMMITTEES

Executive Committee

David G. Walsh (Chair)
Mark J. Bradley (Vice Chair)
Roger E. Axtell
Elizabeth Burmaster
Milton McPike
Charles Pruitt
Jesus Salas
Christopher M. Semenas
Michael J. Spector

Business and Finance Committee

Charles Pruitt (Chair)
Eileen Connolly-Keesler (Vice Chair)
Thomas A. Loftus
Gerard A. Randall
Peggy Rosenzweig
Brent Smith

Education Committee

Elizabeth Burmaster (Chair)
Danae D. Davis (Vice Chair)
Roger E. Axtell
Milton McPike
Christopher M. Semenas
Michael J. Spector

Physical Planning and Funding Committee

Jesus Salas (Chair)
Gregory L. Gracz (Vice Chair)
Judith V. Crain

Personnel Matters Review Committee

Danae D. Davis (Chair)
Roger E. Axtell
Judith V. Crain
Gerard A. Randall
Michael J. Spector

Committee on Student Discipline and Other Student Appeals

Brent Smith (Chair)
Milton McPike
Charles Pruitt
Christopher M. Semenas

OTHER COMMITTEES

Liaison to Association of Governing Boards

Eileen Connolly-Keesler

Hospital Authority Board - Regent Members

Roger E. Axtell (Vice Chair)
Thomas A. Loftus
Peggy Rosenzweig

Wisconsin Technical College System Board

Peggy Rosenzweig, Regent Member

Wisconsin Educational Communications Board

Eileen Connolly-Keesler, Regent Member

Higher Educational Aids Board

Milton McPike, Regent Member

Research Park Board

Mark J. Bradley, Regent Member

Teaching Excellence Awards

Danae D. Davis (Chair)
Charles Pruitt
Jesus Salas
Christopher M. Semenas

Academic Staff Excellence Awards Committee

Brent Smith (Chair)
Judith V. Crain
Milton McPike

Public and Community Health Oversight and Advisory Committee

Patrick Boyle, Regent Liaison

Regent Meeting Improvement Committee

Eileen Connolly-Keesler (Chair)
Roger E. Axtell
Michael Falbo
Charles Pruitt

Committee on Retreat Follow Up

Mark J. Bradley (Chair)
Danae D. Davis
Don Mash
Charles Pruitt
Michael J. Spector

Special Regent Committee for UW-Eau Claire

Chancellor Search
Peggy Rosenzweig (Chair)
Eileen Connolly-Keesler
Charles Pruitt
Jesus Salas

Special Regent Committee for UW-Colleges and UW-Extension Chancellor Search

Danae D. Davis (Chair)
Mark J. Bradley
Elizabeth Burmaster
Milton McPike