

Minutes
Business, Finance, and Audit Committee
Board of Regents of the University of Wisconsin System
April 12, 2007

The Business, Finance, and Audit Committee met at 2:08 p.m. in room 306, Reeve Memorial Union, UW-Oshkosh. Present were Regents Pruitt, Burmaster, and Smith.

a. Approval of Minutes of the March 8, 2007 Meeting of the Business, Finance, and Audit Committee

Upon the motion of Regent Burmaster, and the second of Regent Smith, the minutes of the March 8, 2007 meeting of the Business, Finance, and Audit Committee were approved as presented.

b. UW-Oshkosh Presentation: “UW-Oshkosh’s Role in Northeast Wisconsin’s Growth Agenda: Diversifying our Revenue Sources”

Tom Sonnleitner, Vice Chancellor, Administrative Services, UW-Oshkosh, highlighted current programs helping to meet the pressing needs of the region and ways in which the campus is seeking out new revenue streams to support the Growth Agenda. With just 14 percent of its operating budget coming from federal funds and 28 percent from the state, the campus has to look for other revenue streams to increase funding.

Vice Chancellor Sonnleitner commented that the UW System is much leaner than many other institutions of higher education. UW-Oshkosh is one of the leaner institutions in the system, spending less than 6 percent of the budget on administration.

Mr. Sonnleitner noted that UW-Oshkosh has a large economic impact on the region. Total impact amounts to about \$500 million, including almost \$31 million in direct spending by students, mostly to the housing sector. Future enrollment increases are expected to add to the region’s prosperity.

Vice Chancellor Sonnleitner stated that, over the next six years, the university has drafted a plan to increase enrollment by 12.5 percent. The campus plans to increase student retention rates, students of color, and adult nontraditional students.

Mr. Sonnleitner stated that cost recovery programs have created a net revenue-sharing model for UW-Oshkosh. These strategic collaborative initiatives have created \$650,000 in new funding despite the downward trend in state funding. One of these cost recovery programs is the Accelerated Nursing Program, the intensive one-year program designed to help meet the critical shortage of nurses.

Art Rathjen, President, UW-Oshkosh Foundation, stated that as UW-Oshkosh thrives, so do the communities of the region. The largest predictor of economic well-being in communities is the percentage of college graduates. With regional needs growing, UW-Oshkosh has recognized the need for more college graduates and more programs that address future business needs.

Mr. Rathjen commented that 97 percent of UW-Oshkosh freshman are from Wisconsin and 76 percent of alumni now live in Wisconsin. Nearly 30,000 of UW-Oshkosh’s alumni in Wisconsin live in the New North.

Mr. Rathjen noted that UW-Oshkosh has begun its first comprehensive capital campaign with a goal to raise \$24 million. The fundraising campaign will, in part, support a new academic building, collaborative research, and financial assistance for students’ tuition, books, room, and board. He remarked that the need for scholarships is paramount in order to help students afford their education.

c. Evaluation of Targeted Tuition Programs and Extension of Return to Wisconsin Program

Lynn Paulson, Assistant Vice President for Budget and Planning, discussed the Return to Wisconsin program, the Tri-State Initiative at UW-Platteville, and the Midwest Student Exchange Program. He noted that the Board approved these programs in response to a significant drop in non-

resident enrollments after UW System non-resident tuitions increased at a higher rate than those of peer institutions.

Assistant Vice President Paulson stated that the Return to Wisconsin program, which allows descendants of UW alumni to receive a discount on nonresident tuition, is in its third year. Participating institutions include UW-Eau Claire, UW-Green Bay, UW-La Crosse, UW-Oshkosh, UW-Parkside, UW-River Falls, UW-Stevens Point, and UW-Whitewater. The pilot enrolled 49 students in 2006-07. The majority of these students are now enrolled at UW-Whitewater, UW-La Crosse, and UW-Stevens Point.

Mr. Paulson discussed the Tri-State Initiative at UW-Platteville which established a special tuition for new students from Illinois and Iowa who enroll in fields that address the workforce needs of Wisconsin businesses. Incoming freshmen students enrolling through the Tri-State Initiative pay resident tuition and fees plus a \$4,000 premium. In the fall of 2006, 408 students were enrolled in the program. UW-Platteville Chancellor Markee commented that the program was designed to accommodate up to 2,000 students. The additional revenue generated by the program is helping to pay for academic facilities.

Assistant Vice President Paulson gave the Committee information about the Midwest Student Exchange Program (MSEP). It offers students from Midwestern states the opportunity to attend universities in the region on a space-available basis, at discounted nonresident tuition rates. The UW System is in the first year of participation in MSEP, and has enrolled 90 undergraduates and 12 graduate students under the program. UW-Eau Claire, UW-Green Bay, UW-La Crosse, UW-Platteville, UW-Stevens Point, UW-Stout, UW-Whitewater, and UW-Marinette are currently participating in the MSEP program. UW-Milwaukee and UW-Oshkosh will begin participation during the 2007-08 academic year.

Regents Pruitt and Burmaster both emphasized that no Wisconsin residents are displaced by these programs. Nonresident students pay higher tuition rates than Wisconsin students and excess revenues over costs are utilized to support Wisconsin residents.

Upon the motion of Regent Smith, and the second of Regent Burmaster, the Committee unanimously approved Resolution I.2.c.

Resolution I.2.c.

Whereas, the Board of Regents approved the Return to Wisconsin tuition program in November 2003 as a pilot program to offer discounted tuition to children of alumni who reside out of state; and

Whereas, the Return to Wisconsin tuition program:

- Provides a modest increase in funding per student for Wisconsin residents without additional GPR appropriations;
- Attracts high quality undergraduate students without displacing Wisconsin resident students;
- Addresses “brain gain” interests by increasing the number of high quality students coming to Wisconsin for their education and potentially staying for their careers;
- Increases the geographic diversity of the student body to enrich the educational experience of all; and
- Creates stronger ties with alumni, possibly resulting in greater future giving; and

Whereas, the Return to Wisconsin tuition program enrolled 36 nonresident children and/or grandchildren of alumni in 2005-06, and 49 in 2006-07;

Therefore, be it resolved that, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves the extension of the Return to Wisconsin tuition program at UW-Eau Claire, UW-Green Bay, UW-La Crosse, UW-Oshkosh, UW-

Parkside, UW-River Falls, UW-Stevens Point, and UW-Whitewater for an additional three years.

d. Review and Approval of Selected Differential Tuition Programs

Vice President Debbie Durcan stated that the UW-Oshkosh, UW-River Falls, and UW-Madison differential tuition proposals all comply with the Board's policies on differential tuition. The Board encouraged institutions to propose and implement differential tuition rates for unique programs with strong demand or special operating costs. In 1999, the Board approved guidelines outlining student involvement in differential tuition, and, in 2004, the Board approved the first programmatic differential tuitions at the undergraduate level for four areas of study at UW-Milwaukee.

Vice President Durcan noted that differential tuition has a fairly long history within the UW System and has been a way to stratify tuition levels among institutions. Each year, as part of the annual budget and tuition-setting process, the Board approves a comprehensive listing of differential tuitions.

Ms. Durcan stated that differentials at the undergraduate level in high cost programs such as Business and Engineering are quite common in other states. Other states also appear to have a low cost option, typically in their two year colleges. Within the UW System, there is support for per credit tuition. Currently, only UW-Stout charges tuition on a per credit basis.

Vice President Durcan reported that UW System staff has developed a framework of tuition policy questions in light of the need to take a comprehensive look at UW System tuition policy. A working group will address these issues and provide an initial report to the Committee at the June meeting. However, while the UW System looks toward the future, students have expressed strong support for the three differential tuition proposals presented for action and the increased services the differentials will provide.

Regent Smith asked how many differential tuition programs exist in the UW System and whether the Board has ever turned down a requested proposal. Freda Harris, Assistant Vice President for Budget and Planning, stated that there are approximately fifteen differential tuition programs across the UW System. The Board has approved all such proposals presented to it, but not all requests for differentials have been recommended by the UW System President for Board action. President Reilly added that only programs with strong demonstrated student support are forwarded to the Board.

Regent Pruitt pointed out that he received a letter of concern from the United Council of UW Students regarding the use of differential tuition. The United Council is concerned that the downward trend in state funding for higher education has shifted the cost of important programs to students.

(1) UW-Oshkosh – Reaffirmation and Extension of Campus-wide Differential Tuition

Petra Roter, Vice Chancellor for Student Affairs, UW-Oshkosh, asked the Committee to approve and extend the \$55 per semester differential tuition for UW-Oshkosh undergraduate students. The fee is annually reviewed by a committee made up of one advisor and ten students appointed by the Oshkosh Student Association. The student association unanimously supported reauthorizing the fee. Any future increases in the fee would have to be approved by student governance. There is no expectation of increasing the differential for the foreseeable future. She thanked Jeff Koch and Jenifer Thomas, students at UW-Oshkosh, for their participation in the differential tuition process.

Vice Chancellor Roter commented that in December, 2002 the Board of Regents approved the differential tuition to support the Oshkosh Personal Development Compact. This program offers student assessments, advising, co-curricular opportunities, and wellness services. Other areas which have been made available through the differential tuition include career advising and counseling through the funding of a Professional Career Counseling Specialist, four professional career advisors, and the College Student Inventory. The College Student Inventory is a valuable tool that helps students develop personalized plans for academic and professional success. It has also made available paid work experience to over 185 UW-Oshkosh students.

Upon the motion of Regent Smith, and the second of Regent Pruitt, the Committee unanimously approved Resolution I.2.d.(1).

Resolution I.2.d.(1)

That, upon the recommendation of the President of the University of Wisconsin System and the students and Chancellor of the University of Wisconsin-Oshkosh, the Board of Regents approves the ongoing reauthorization of differential tuition for undergraduate students at UW-Oshkosh.

(2) UW-River Falls – Campus-wide Differential Tuition Proposal

Don Betz, Chancellor, UW-River Falls, asked the Committee to approve a differential tuition for undergraduate students at UW-River Falls beginning in the 2007-08 academic year. Tuition will increase \$72 per year. The funding would support a program called “Campus Connections for Success,” which would support enhanced library services, a testing and tutoring center, and opportunities for research, scholarship, and creative activities. The differential tuition would be fixed for four years, after which it would be reviewed for reauthorization by a campus oversight committee of students, faculty, and staff.

Joe Eggers, Student Senate President, UW-River Falls, noted that the Student Senate unanimously passed a motion to approve the proposed differential tuition initiative. An oversight committee will ensure the funding is being spent appropriately. In addition, this oversight committee will lead a reauthorization review of the initiative after four academic years.

Jim Vierling, Student at River Falls, commented that UW-River Falls students have indicated dissatisfaction with the hours that they are able to access the library. Revenue from the differential tuition will provide extended library hours as well as extended access to a computer lab within the library.

Natalie Hagberg, Student at River Falls, remarked that the differential tuition revenue will allow UW-River Falls to create a central location for students to take exams and diagnostic testing for students with disabilities. The Center will also provide an area for students to take the GRE, GMAT, and other pre-professional exams. The Center will house the institution’s tutoring services and will provide services for students who speak English as a second language (ESL).

Upon the motion of Regent Smith, and the second of Regent Pruitt, the Committee unanimously approved Resolution I.2.d.(2).

Resolution I.2.d.(2)

That, upon the recommendation of the President of the University of Wisconsin System and the students and Chancellor of the University of Wisconsin-River Falls, the Board of Regents approves differential tuition for all UW-River Falls undergraduate students beginning in the fall Semester of 2007-08. Tuition will increase \$36 per semester (\$72 per year). The differential will be prorated for part-time students.

(3) UW-Madison - School of Business Differential Tuition Proposal

Michael Knetter, Dean, School of Business, UW-Madison, asked the Committee to approve a new differential tuition for UW-Madison undergraduates in the School of Business. The differential would be \$500 per semester for those in the Bachelor’s of Business Administration (BBA). The school has not received the support it needs in the form of state tax dollars due to the state’s fiscal pressures in recent years. The differential is needed to maintain the high quality of the program.

Dean Knetter noted that the school has stepped up efforts to raise private funds from alumni, and much of those funds support capital improvements. Alumni are more willing to donate funds for student scholarships; however, it is more difficult to ask alumni to donate funds to pay for operating costs because that responsibility has typically fallen to the state.

Dean Knetter stated that an important component of the differential is to provide an increase in financial aid. The Business School is also expected to be able to raise additional funds for scholarships.

Eric Eickhoff, UW-Madison sophomore and President of Future Business Leaders of America (FBLA), commented that the differential tuition proposal was approved by representatives of Business School students. Students, parents, employers, and alumni support the proposal because they recognize the value of the education students receive from the school.

Regent Pruitt expressed concern for students of lower income levels, and asked whether these students will be held harmless by increasing access to financial aid. Darrell Bazzell, Vice Chancellor for Administration, UW-Madison, noted that twenty-five percent of the funds raised through the differential tuition would be used for financial aid. If that is found to be insufficient, other funds will be used to ensure that lower income students will be held harmless.

Regent Burmaster also expressed concern about the availability of financial aid for lower income and minority students and asked what has been done at other Big 10 universities. Mr. Bazzell noted that other business schools face these same pressures, but many of them have already adopted differential tuition programs that have enabled them to meet the needs of their students.

Jesse Siegelman, UW-Madison junior Finance and Real Estate major and past President of the Undergraduate Business Leadership Council, stated that the Council is a group of the Presidents of the Business School's student organizations. An overwhelming majority of the council voted to approve the differential tuition. Students want to keep their professors rather than lose them to private universities or others that have already approved a differential.

Kim Hughes, UW-Madison senior Marketing major and President of the student marketing association Mu Kappa Tau, remarked that 85 percent of School of Business students are members of one of the Business School's student organizations. The Undergraduate Business Leadership Council's vote expresses their strong support for the differential tuition proposal.

Upon the motion of Regent Smith, and the second of Regent Pruitt, the Committee unanimously approved Resolution I.2.d.(3).

Resolution I.2.d.(3)

That, upon the recommendation of the President of the University of Wisconsin System and the students and Chancellor of the University of Wisconsin-Madison, the Board of Regents approves differential tuition rates for all UW-Madison undergraduate students enrolled in the Bachelor's of Business Administration (BBA) major and Certificate in Business (CIB) program. For BBA majors, tuition will increase by \$500 per semester (\$1,000 per year). CIB tuition will increase by \$150 per semester (\$300 per year).

e. Consideration of Salary Adjustments for Senior Academic Leaders to address Recruitment and Retention Challenges for Chancellors at UW Colleges/UW-Extension and UW-Eau Claire and a Provost at UW-Whitewater

President Kevin Reilly stated that at the February, 2006 meeting, the Board endorsed a new process to periodically conduct a review and assessment of individual academic leader's salaries to determine whether there is a need for an adjustment in the salary due to competitive market factors and equity reasons. He asked the Committee to consider salary adjustments for Chancellors at UW Colleges/UW-Extension and UW-Eau Claire, and a Provost at UW-Whitewater.

President Reilly told the Committee that UW Colleges/UW-Extension Chancellor Wilson has made remarkable progress in integrating administrative functions and establishing a shared vision for the two institutions under his leadership. UW-Eau Claire Chancellor Levin-Stankevich is respected by area business and community leaders for engaging in strategic planning efforts and for advancing UW-Eau Claire's contributions toward economic development. UW-Whitewater Provost Telfer has encouraged cross-campus collaborations, played a key role in securing the recent 10-year reaccreditation for UW-Whitewater, and will step in as interim Chancellor when Chancellor Saunders leaves the university for a different post.

Upon the motion of Regent Smith, and the second of Regent Burmaster, the Committee unanimously approved Resolution I.2.e.

Resolution I.2.e.

Whereas, pursuant to ss. 20.923(4g) and 36.09(1)(j), Wisconsin Statutes, the salaries of UW System senior academic leaders must be set within the salary ranges established by the Board of Regents, and based upon a formula derived from the salaries paid by peer institutions to their academic leaders, and

Whereas in addition, section 36.09(1)(j), Wisconsin Statutes, authorizes the Board of Regents to increase chancellors' and other university senior academic leaders' salaries to address salary inequities or to recognize competitive factors in the periods between pay plan adjustments, and

Whereas at the February 2006 Board of Regents meeting the Business, Finance, and Audit Committee endorsed the recommendation that the President of the UW System periodically perform a review and assessment of individual chancellors' salaries to determine whether there is a need for an adjustment to recognize competitive factors or correct salary inequities among senior academic leadership, as allowed by law, and

Whereas the Board of Regents affirms that leadership is critically important to the performance of our institutions and the students and citizens they serve and therefore places a high value on recruiting and retaining our outstanding senior academic leaders.

Now, therefore be it resolved;

That, upon recommendation of the President of the University of Wisconsin System, the annual salary for Chancellor Levin-Stankevich, Chancellor Wilson, and Provost Telfer be adjusted due to competitive market factors and equity reasons per the attached recommendation, effective April 13, 2007.

f. Trust Funds

(1) Annual Endowment Peer Benchmarking Report

Assistant Trust Officer Doug Hoerr highlighted information from the Annual Endowment Peer Benchmarking Report, noting that it utilizes three informational sources: 1) the 2006 National Association of College and University Business Officers (NACUBO) Survey; 2) the 2006 Commonfund Benchmarks Study; and, 3) the informal Big Ten survey conducted by Penn State University.

Assistant Trust Officer Hoerr stated that the Trust Funds' investment return exceeded the average performance of its peer group for the one, three, five, and ten-year periods ending June 30, 2006. The improved performance over recent years is due to several factors, including increased exposure to equities and alternative assets. UW Trust Funds' investment-related fees appear to be below the averages of all peer groups. Also, while UW Trust Funds' spending rate methodology is typical, the percentage spending rate of 4 percent is somewhat more conservative and remains below the peer average of 4.7 percent. He also pointed out that while the UW System Trust Funds utilizes investment guidelines for social responsibility, only 12-18 percent of peers have socially responsible investment guidelines.

(2) Voting of 2007 Non-Routine Proxy Proposals

Tom Reinders, Investment Portfolio Analyst, stated that Regent policy stipulates that the Committee must review significant, non-routine issues to develop a voting position. Shareholders concerned with companies' management of social and environmental issues have filed more than 320 proposals so far for U.S. firms' annual meetings in 2007. The dominant social issues for the 2007 season were the environment and sustainability, corporate political contributions, equal employment opportunity, global labor practices, and animal welfare. Trust Funds' investment managers will be directed to vote in the affirmative for most of the proxies related to these issues, as they fall under the 20 social issues or themes that the Committee has already approved for active voting.

Mr. Reinders commented that, for corporate governance issues, nearly 450 governance-related shareholder resolutions have been filed for 2007. The dominant governance issues focus on executive compensation and board election reform.

Mr. Reinders remarked that shareholders are seeking companies to be held accountable for how corporate political dollars are spent. A typical resolution on this issue asks firms to report on their corporate political contributions. The Committee adopted a position in favor of resolutions that typically asks firms to report on their corporate political contributions.

Upon the motion of Regent Smith, and the second of Regent Burmaster, the Committee unanimously approved Resolution I.2.f.(2).

Resolution I.2.f.(2)

That, upon recommendation of the President of the University of Wisconsin System, the non-routine shareholder proxy proposals for UW System Trust Funds, as presented in the attachment, be voted in the affirmative.

(3) Acceptance of Bequests over \$50,000

Assistant Trust Officer Hoerr stated that individual bequests of \$50,000 or more are brought to the Board so that they can, via resolution, be formally accepted and recognized. These most significant gifts for the prior period were:

- Irene Marsh Trust - over \$100,000 to UW-Madison for cancer research;
- Dan P. Murphy Estate - \$75,000 to UW-Madison's School of Education, to establish the School of Education Program Fund, which will be used to further the School's goals and programs;
- Bennett Tollefson Estate - \$50,000 to UW-Madison's Department of Mechanical Engineering, which is available to support the departments programs;
- Frank Gabriel Estate - \$1 million to the McArdle Laboratory, to establish the Frank H. Gabriel McArdle Laboratory Cancer Research Fund, which will provide a perpetual source of income to support cancer research;
- Jan Horton Senescall Trust - nearly \$600,000 to UW-Madison for research in mental diseases, illness and retardation, with special emphasis on the mental retardation of children;
- Marion Peabody and Cary Peabody Family Trusts - approximately \$150,000 is expected for UW-Madison's School of Medicine and Public Health in memory of Marion M. Peabody, RN, and Cary S. Peabody, MD; and,
- Proceeds from Sale of the Ann Carroll Hanson Forest - \$2.2 million has been received, \$1.5 million to establish the Nelson-Hanson Trust, the income from which will support an endowed chair in the Nelson Institute for Environmental Studies at UW-Madison and \$700,000 to establish the Hanson Forest Trust Fund, which will be available for storm water management and facility maintenance improvements at the UW Arboretum.

Upon the motion of Regent Smith, and the second of Regent Burmaster, the Committee unanimously approved Resolution I.2.f.(3).

Resolution I.2.f.(3)

That, upon the recommendation of the President of the University of Wisconsin System and the Chancellors of the benefiting University of Wisconsin institutions, the bequests detailed on the attached list be accepted for the purposes designated by the donors, or where unrestricted by the donors, by the benefiting institution, and that the Trust Officer or Assistant Trust Officers be authorized to sign receipts and do all things necessary to effect the transfers for the benefit of the University of Wisconsin.

Let it be herewith further resolved, that the President and Board of Regents of the University of Wisconsin System, the Chancellors of the benefiting University of Wisconsin institutions, and the Deans and Chairs of the benefiting Colleges and Departments, express their sincere thanks and appreciation to the donors and their families for their generosity and their devotion to the values and ideals represented by the University of Wisconsin System. These gifts will be used to sustain and further the quality and scholarship of the University and its students.

g. Committee Business

(1) UW-Madison Division of Intercollegiate Athletics Contract with Learfield Communications

Vince Sweeney, Senior Associate Athletic Director for External Relations, UW-Madison, asked for the Committee's approval of changes in contract language and extension of the intercollegiate athletics agreement with Learfield Communications. The contract provides for marketing and multimedia services related to UW-Madison athletics programming. Notable changes from the current agreement with Learfield include extending the contract term an additional 10 years to the year 2019 and increasing annual rights fees for the last two years of the current contract totaling more than \$2 million.

Senior Associate Athletic Director Sweeney highlighted the proposal to amend and restate the agreement. Learfield will donate funds each year of the contract to fully endow a scholarship in the UW-Madison School of Journalism and Mass Communication. Each year of the Agreement, Learfield will provide up to three paid internship opportunities on its staff for University students or graduates. Learfield will continue to provide the Division with a significant number of advertising and promotional opportunities.

Regent Burmaster asked whether there was concern during negotiations about the length of the term of the contract. Mr. Sweeney responded that the contract is slightly longer than contracts of the past; however, the amount of guaranteed fees would have been less for a shorter contract.

Committee members asked for a comparison between this contract and the contracts of other universities. Mr. Sweeney stated that UW-Madison officials believe this would be one of the best contracts in the country. It provides a minimum guarantee which is significantly higher than the current contract and also protects the university if gross revenues significantly decline over the life of the contract.

Upon the motion of Regent Smith, and the second of Regent Burmaster, the Committee unanimously approved Resolution I.2.g.(1).

Resolution I.2.g.(1)

That upon, recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, the Board of Regents approves the amended and restated agreement with Learfield Communications, which will provide certain marketing and multi-media rights through June 30, 2019.

(2) University of Wisconsin System Public Records Management Policy

General Counsel Pat Brady discussed proposed changes to the UW System records management policy. She noted that Laura Dunek, Regent Records Policy Advisor, led a group of UW System staff that developed the records management policy. The new records management policies are meant to enhance the organization, management, retention, and disposal of public records created by the university through clearly stated retention guidelines and archival processes. The policy will facilitate the effective, transparent conduct of public business, ensure public accountability, and preserve the history of UW System institutions by fulfilling state and federal legal requirements for public records management.

Upon the motion of Regent Smith, and the second of Regent Burmaster, the Committee unanimously approved Resolution I.2.g.(2).

Resolution I.2.g.(2)

Whereas, University of Wisconsin institutions create, receive, and manage public records when transacting public business on behalf of the University; and

Whereas, the University of Wisconsin System has a long-standing commitment to adopting business practices that ensure public records are properly managed in compliance with state and federal legal requirements; and

Whereas, increasingly complex state and federal legal requirements for public records management, rapid technological advances in the functions performed by the information technology and digitization systems utilized by UW System institutions, and best business practices within the field of records management, suggest the need for a comprehensive and coordinated approach to public records management within the UW System;

Therefore, be it resolved, upon recommendation of the President of the University of Wisconsin System, the Board of Regents adopts the Public Records Management Policy, as attached.

(3) New Format for the Regent Policy Documents

General Counsel Brady discussed proposed changes to the numbering and organization of Regent Policy Documents. The documents currently follow a chronological numbering system, which assigns each policy a number that combines the year in which the policy was approved together with the number of policies passed in that year. This system can make it difficult for members of the public and University employees to efficiently search the Regent Policy Documents.

General Counsel Brady commented that the proposed changes move away from a numbering scheme based on the year a particular policy was initially approved toward one based more on topical area. It is believed that this new approach will provide a more coherent organization of Regent policies and facilitate easier access to related policies.

Upon the motion of Regent Burmaster, and the second of Regent Smith, the Committee unanimously approved Resolution I.2.g.(3).

Resolution I.2.g.(3)

Whereas, the Regent Policy Documents of the University of Wisconsin System follow a chronological numbering system, under which each policy is assigned a number that combines the year in which the policy was approved with the sequential number of the policy within that year;

Whereas, this numbering system can make it difficult for members of the public and University employees to efficiently search the Regent Policy Documents, especially using web-based information technology tools;

Whereas, a new organizational structure and format categorizing the policies by topic and assigning each policy a number based upon its sequential position within each topical category will provide greater public transparency in the governance of the UW System because the Regent Policy Documents will be easier to research using web-based information technology systems;

Therefore, be it resolved, upon recommendation of the President of the University of Wisconsin System, the Board of Regents adopts the organizational structure and format for the Regent Policy Documents of the University of Wisconsin System as set forth in the attached document.

h. Report of the Vice President

Vice President Durcan updated the Committee on the Legislative Audit Bureau's (LAB) A-133 federally mandated audit of federal funds. University questioned costs were extremely low, only \$12,802 of \$1.2 billion of federally funded expenditures. This is statistically insignificant at about one one-thousandth of a percent. The state-wide information technology (IT) audit is expected to be released in mid April. Also, the Special Regent Committee on the Response to the LAB Audit on Personnel Policies and Practices met and discussed recommendations of the Fringe Benefit Advisory Committee. The Business, Finance, and Audit Committee will receive a report at the May meeting. A report to the Joint Audit Committee is due June 1.

Ms. Durcan commented that the Common Systems Review Group met in the prior month to prioritize and approve next year's budget as well as to strategically think about how to leverage these investments to increase value to students, faculty, and staff. With the help of an outside facilitator, the group worked on identifying short, medium, and long term strategic plans for IT with particular emphasis on how technology can support and enhance the Growth Agenda. Once the efforts are finalized, the group plans to make a comprehensive presentation to the Committee.

Vice President Durcan remarked that the current utilities projection through March, 2007 shows a surplus. System staff will continue to monitor this item monthly.

i. Additional items, which may be presented to the Committee with its approval

No additional items were presented to the Committee.

Upon the motion of Regent Burmaster, and the second of Regent Smith, the Business, Finance, and Audit Committee adjourned at 4:43 p.m.


Eric Engbloom, Recording Secretary