

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Kenosha, Wisconsin

UW-Parkside

Held in the Galbraith Room/Wyllie 363

Friday, March 9, 2007

9:00 a.m.

- President Walsh presiding -

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- President Walsh presiding -

PRESENT: Regents Bartell, Bradley, Burmaster, Connolly-Keesler, Crain,
Cuene, Davis, Falbo, McPike, Pruitt, Rosenzweig, Salas,
Semenas, Smith, Spector, and Walsh

UNABLE TO ATTEND: Regents Loftus and Shields

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Approval of the Minutes of the February 9, 2007 Meeting

The minutes of the February 9, 2007 meeting were approved as distributed, upon motion by Regent Davis, seconded by Regent Bartell.

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REPORT OF THE PRESIDENT OF THE BOARD

Meeting of Assembly Committee on Higher Education

Regent President Walsh reported that he, President Reilly and other UW representatives made appearances on topics before the committee. On the matter of the Legislative Audit Bureau report on UW personnel policies, President Walsh spoke in

particular about back-up appointments. Except for certain concurrent appointments provided by law, back-up appointments are no longer being provided.

The Assembly committee also considered the Waukesha study and proposed disciplinary process rules. The rules will continue to move forward toward promulgation.

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2007-09 Biennial Budget

Regent President Walsh reported that he continued to be in communication with members of the Executive Branch about the biennial budget. In that regard, he expressed appreciation for Governor Doyle's support of the Growth Agenda and his position that the UW System is the key to the state's economic future.

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Report on the March 2, 2007 Meeting of the Higher Educational Aids Board

A written report was provided.

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Report on the March 7, 2007 Meeting of the Hospital Authority Board

A written report was provided.

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Resolution of Appreciation: Regent Emeritus Gerard A. Randall, Jr.

Thanking Regent Emeritus Randall for his dedicated service on the board, Regent President Walsh remarked that he has shown great commitment to the underserved, inclusion and diversity; and that he has cared deeply about student academic performance, including academic success of athletes. During his tenure on the board, Regent Randall served as vice president of the board and as vice chair of two committees. He also was instrumental in the selection of key university leaders, having chaired the committee on selection of a UW Centers Chancellor and as a member of committees for chancellors of UW-Superior, UW-Oshkosh and UW-Milwaukee.

Regent President Walsh then read the following resolution, which was adopted by acclamation, with a standing ovation in honor of Regent Emeritus Randall. A plaque containing the resolution was presented by Regent President Walsh, and President Reilly presented a framed UW System medallion.

Resolution 9303: WHEREAS, Gerard A. Randall, Jr. has served since 1994 as a dedicated and active member of the University of Wisconsin System Board of Regents; and

WHEREAS, he previously served as Regent vice president, and vice chair of the Executive Committee, and completes his service as the Board's most senior member; and

WHEREAS, as a member and vice chair of the Education Committee and its 21st Century subcommittee, Regent Randall contributed knowledge about teaching and learning as he helped guide student services at all UW campuses; and

WHEREAS, he served as an effective steward of state and university resources, and capital investments across the UW System, as a member and vice chair of the Physical Planning and Funding Committee, and as a member of the Business, Finance and Audit Committee; and

WHEREAS, Regent Randall helped highlight the achievements of accomplished UW academic staff members as a member and chair of the selection committee on Academic Staff Excellence Awards; and

WHEREAS, Randall has served as chair of the Personnel Matters Review Committee, as a member of the Committee on Student Discipline and Other Student Appeals, as well as a liaison to the Wisconsin Technical College System Board, Higher Educational Aids Board, and the Association of Governing Boards; and

WHEREAS, Regent Randall took part in shaping the future for several UW campuses, having chaired the Regent Committee to select the UW Centers Chancellor and having helped select leadership for UW-Oshkosh, UW-Milwaukee, and UW-Superior; and

WHEREAS, he has been a compelling advocate for diversity and inclusion at all levels of the university, including pre-college programs and outreach to K-12 schools, and in the spirit of the Wisconsin Idea, he provided a voice on behalf of students, faculty and staff from all backgrounds;

BE IT THEREFORE RESOLVED, that the Board of Regents of the University of Wisconsin System highly commends Regent Emeritus Gerard A. Randall, Jr., for

his distinguished service and contributions to the citizens of Wisconsin and the institutions of the UW System.

Expressing appreciation for the recognition, Regent Emeritus Randall thanked former Governor Tommy Thompson for the opportunity to serve with many people who share his commitment to higher education.

When he joined the board in 1994, Regent Emeritus Randall recalled, he was mentored by former Governor and Regent Lee Dreyfus, by Regent President Michael Grebe and by UW System President Katharine Lyall, all of whom he thanked for their wisdom, guidance and talent. He also expressed appreciation to Secretary Temby and her staff for their assistance over the years.

Congratulating Regent Falbo, his successor on the board, Regent Emeritus Randall predicted that he would be a great asset to the UW during his time of service.

Noting that, at the time of his appointment, he was the only African American on the board, Regent Randall remarked that, thanks to Governor Doyle, the board now is the most diverse in its history. Pointing out that next year Plan 2008 will be up for extension for another decade, he urged the board to continue working courageously on behalf of diversity.

In 1994, he recalled, the board was reviewing teacher education programs, an effort that signaled its commitment to the education of every Wisconsin child – a commitment that is continued today, particularly by Regent Superintendent Burmaster and the PK-16 Council. Citing the Milwaukee partnership as the premier PK-16 effort, he noted that the program has garnered \$50 million and that it is important to continue to foster the work of such councils.

The role of UW-Milwaukee, Regent Emeritus Randall observed, has evolved under Chancellor Santiago's bold leadership towards making the university a powerful enhancer of economic growth. Support for those efforts and for establishment of a school of public health show the board's commitment to moving UW-Milwaukee's mission forward. Stating that UW-Milwaukee is a key to success of the Growth Agenda for Wisconsin, he emphasized that the Growth Agenda is critical to ensuring access and affordability for students.

Noting that the other UW institutions also are led by visionary chancellors, he urged that the board support them in their efforts to move forward. In that regard, he cited the need for competitive and proper compensation for leaders, faculty and staff.

In conclusion, Regent Emeritus Randall indicated that he will miss his colleagues on the board and in the UW System and that he will very much miss attending commencements and helping to launch graduates into the world. Remarking that the state is in great hands, he said that he would leave the board with the same charge that he has given to new graduates: "Enlighten, ennoble, and be just."

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REPORT OF THE PRESIDENT OF THE SYSTEM

UW-Parkside Presentation: Campus-Community Engagement

In introductory remarks, President Reilly remarked that, when Chancellor Keating arrived at UW-Parkside in 1998, the campus was not at one of its high points and that the great spirit that exists today in the campus and community is due to his leadership.

UW-Parkside, he said, is well-known for reaching out to and engagement with the surrounding communities. In that regard, the university is the only one in Wisconsin to have earned the “Community Engagement” classification from the Carnegie Foundation for the Advancement of Teaching.

In opening remarks, Chancellor Keating said that the presentation would emphasize the academic excellence of the campus and its students and what the students, faculty and staff can bring to the community through the university’s service learning emphasis.

The first portion of the presentation was made by Tom Schnaubelt, Dean of Community Engagement and Service Learning, who noted that his position was created in 2005 and that he reports to the provost.

The Center for Community Partnerships was established in 1997, with support from the UW-Parkside, UW-Extension, and community partners. In addition to the Carnegie Foundation classification, the university also had been placed on the President’s Civic Honor Roll.

Examples of campus/community partnerships, he continued, include the Center for Environmental Education, Demonstration, and Applied Research and the Root River Environmental Education and Community Center (REC). Both of these partnerships have the following goals:

- Increase and improve K-16 and public access to environmental education opportunities
- Foster and support interdisciplinary environmental research
- Demonstrate innovative, ecologically sound residential and commercial products and business practices
- Build awareness and appreciation for the Great Lakes ecosystem and connected watersheds.

The Center for Environmental Education, Demonstration, and Applied Research is working in partnership with the City of Kenosha Parks Department to restore the Southport Beach House, which is on the National Registry of Historic Buildings. Nearby Chiwaukee Prairie also provides educational opportunities.

John Skalbeck, Assistant Professor of GEO Sciences, then described an REC partnership with the City of Racine Parks, Recreation and Cultural Services Department and the River Bend Nature Center to bring environmental education to underrepresented communities by creating a bike path to Lake Michigan with an area for boat rentals. A grant for the project had been received from the Wisconsin Coastal Management Program.

In conclusion, the dean identified the following as next steps: Use grants to restore the Southport Beach House; expand partnerships with schools and governmental agencies; connect to teaching and research and link to economic development; and obtain more external support.

The next portion of the presentation consisted of a description by students of a military truck market research project that they conducted for Modine Manufacturing Company.

The first speaker was Thad Gabron, a member of the project team, who will receive his MBA this spring. He described Modine as a global company, with its world headquarters in Racine, that has been in business for over 90 years and has annual sales over \$1 billion. The company is a world leader in thermal management and specializes in heating and cooling heat transfer products for a wide range of markets.

To explore opportunities in the military vehicle market, as suggested by the team, it was necessary to locate key customers and competitors and to perform an extensive market analysis. The business objectives were to: 1) identify the military vehicle market size and segments produced by different global regions; 2) identify needs for the market; 3) identify heat-transfer competitors and products being offered; and 4) to perform market analysis using the data gathered. The project deliverables were: 1) a high-level summary; 2) a detailed database that includes a tool for sales forecasting; and 3) market analysis for the three product segments. Mr. Gabron then showed a project plan and supply chain model showing how Modine could supply to manufacturers who, in turn, would supply products to the market.

The next speaker was Sabha Museteif, project manager, who explained how the team performed customer research, including sales history. The team then produced a high-level summary and made a number of recommendations, including: 1) purchase of subscriptions to *Jane's Defense Journal*; 2) a web-ex conference with Jane's to learn more about their search functionality; 3) frequent updating of the database; and 4) continuing the UW-Parkside project through spring 2007 to complete the international portion of the analysis.

Project challenges included: the large size of the project and difficulty finding information, with some sources being privately held. The team put together a database for Modine to use, broken into domestic and international segments, that showed each customer and competitor. Modine is using this information to develop a strategy for 2007-08.

Congratulating the students for their excellent work, Regent Salas noted that the experience will enhance their academic credentials and career prospects. He asked if

students could be compensated for such work. Chancellor Keating and the students replied that they received degree credit for the work and they also were given internships.

Regent President Walsh asked if the students signed confidentiality agreements, and they responded in the affirmative.

In reply to a further question by Regent President Walsh, Chancellor Keating indicated that the center sponsoring the project is privately funded and focuses on promoting economic growth.

The final speaker was Patrick Liesch, a UW-Parkside student, who discussed research that he performed with Vera Kold, of the Department of Chemistry faculty on organosilicates as potential biosignatures. This research, he explained, is in the field of astro-biology, which combines chemistry, biology, and physics to look for life elsewhere in the universe.

The objectives of the research are to determine if organic material on meteorites can be detected and identified without demineralizing the meteorite; whether organic material in the meteorite can be identified while bound to the mineral component; and whether important biomolecules give useful biosignatures while bound to the mineral component.

As to the significance of the research, Mr. Liesch indicated that preservation of biomolecules could serve as an indication of past or present life on Mars. Stardust gathered from trails of comets could also be studied, as could rock coatings and desert varnish. Organic substances studied were amino acids, sugars, Maillard products, metal complexes of Maillard products, acid halides, alcohols, and ATP/AMP.

Biologically relevant compounds could be preserved as silicates by two mechanisms: Entombment or chemical bonding. In entombment, the biomaterials cause polymerization of the silicic acid and become entombed in the silicic acid polymer. In the second mechanism, bio-molecules make chemical bonds with the silicic acid to create organic silicates. Using infra-red spectroscopy, a beam is shined at a sample, producing spectra that correspond to chemical bonds or entombment. It also can show the organic molecules that are trapped.

Conclusions of the research were that: 1) amino acids, alcohols, and acid halides appear to follow the entombment mechanism; 2) sugars point to organosilicate formation (in solution); 3) amino acids and their Maillard products catalyze the D/H exchange in the manner which is specific for these bio-molecules; and 4) tentative infra-red band assignments were made.

In closing remarks, Mr. Liesch expressed appreciation to the Wisconsin Space Grant Consortium and NASA for funding the research and to the UW-Parkside Undergraduate Research Apprenticeship Program for the research stipend it provided.

Chancellor Keating observed that Mr. Liesch's remarks showed that research is one of the best teaching tools.

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Growth Agenda for Wisconsin

Reporting that the Growth Agenda continues to gain support around the state, President Reilly said that the preceding week he had asked for support for Growth Agenda plans in Northeastern Wisconsin, joining UW-Madison Chancellor John Wiley and UW-Fox Valley Dean Jim Perry for a visit with Appleton community and business leaders.

They spoke to the Fox Valley Chamber of Commerce, where a large crowd attended an early morning breakfast to learn more about the Growth Agenda. They also spoke to a room full of people for a meeting of the Downtown Appleton Rotary Club and met with the editorial board of the *Appleton Post Crescent*.

In two weeks, he planned to take the Growth Agenda message to Superior by speaking with campus governance groups and meeting with the news media. He and Chancellor Erlenbach also would meet with members of the Chamber of Commerce and with the Sunrise Rotary.

More letters of support have been received for the Growth Agenda.

- In Superior, there were expressions of support from business leaders, foundation board members, the mayor of Superior, colleagues at Wisconsin Indianhead Technical College and from former Regent President Toby Marcovich. All of them believe that the Growth Agenda and UW-Superior's Liberal Arts Initiative are important for graduating students who can use their UW education to strengthen Wisconsin's economy
- Dennis Kropp, the mayor of Menomonie, wrote to support the UW-Eau Claire/UW-Stout NanoSTEM initiative as "realistic and essential . . . to develop and sustain a vibrant economy in this state."
- Strong support also has been received from the board of "New North", an economic development organization for the Green Bay, Appleton, and Oshkosh region. The group wants to make it possible for more Wisconsin adults to earn baccalaureate degrees and urged the Governor and Legislature to make the Northeast Wisconsin Growth Agenda a high priority in the state budget.

President Reilly reported that the Legislature's Joint Committee on Finance had scheduled public hearings on the budget around the state during the end of March and the beginning of April. The sessions would begin March 20th at UW-Milwaukee, and on March 22nd the committee planned to formally discuss the UW System's budget. He and Regent President Walsh would attend that session, along with system colleagues and staff from the Legislative Fiscal Bureau. The Joint Committee on Finance also would take public testimony in DeForest, Chippewa Falls, Prairie du Chien, Rhinelander, and conclude with a session in Green Bay on April 12th.

In these session, the president said, legislators would hear from even more citizens who support a substantial re-investment in the university.

Business Summit

President Reilly reported that the following week there would be an event sponsored by through a PK-16/business partnership that would provide a venue for business leaders to talk about what skills will be needed by students as they prepare for the workforce. He thanked Regent Superintendent Burmaster for her leadership in making this event possible.

Regent Burmaster added that more than 190 business representatives would attend the event at the Monona Terrace Convention Center in Madison. Regent Burmaster, President Reilly, Dan Clancy, president of the Wisconsin Technical System, and Rolf Wegenke, president of the Wisconsin Association of Independent Colleges and Universities, structured the event with Competitive Wisconsin. Regent Crain also planned to attend. The business representatives would be asked to provide expectations of the knowledge and skills that eighth graders should develop, which in turn would inform the process for review of K-12 model academic standards. In order to be successful, Regent Burmaster pointed out, the Growth Agenda needs to start in grade schools.

Asked if there would be representation from the Milwaukee area and other parts of the state, Regent Burmaster replied in the affirmative.

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REPORT OF THE PHYSICAL PLANNING AND FUNDING COMMITTEE

Regent Salas, chair, presented the committee's report.

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UW-Parkside Campus Master Plan Presentation

Regent Salas reported that the committee convened with all regents invited for a presentation on the UW-Parkside master plan, which emphasizes the importance of creating a vibrant campus that supports the university's diversity, access, and success of its students.

The plan is based on three principles: Enhancing the university's image and identity through better vehicular and pedestrian way-finding and circulation; keeping the campus green and promoting an ethic of sustainability; and promoting a more unified campus community through careful planning and design.

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UW-Madison: Authority to Demolish the A.W. Peterson Building and the Food Research Institute Building for Purposes of Site Development

It was noted that the Peterson building site will be used for expansion of the Chazen Museum of Art.

The committee approved a resolution granting the requested authority for inclusion in the consent agenda.

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UW-Stevens Point: Authority to Amend the Campus Boundary and Purchase an Improved Parcel of Land for Future Development Purposes

The committee was informed that the university is in the process of developing a master plan and that this request is part of that plan.

A resolution granting the requested authority was approved for inclusion in the consent agenda.

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Consent Agenda

Regent Salas moved adoption of Resolutions 9304 and 9305 as consent agenda items. The motion was seconded by Regent Bartell and carried on a unanimous voice vote.

UW-Madison: Authority to Demolish the A.W. Peterson Building and the Food Research Institute Building for Purposes of Site Development

Resolution 9304: That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to demolish the A.W. Peterson Office Building, located at 750 University Avenue and the Food Research Institute Building located at 1925 Willow Drive on the UW-Madison campus for a total estimated cost of \$1,096,400 Building Trust Funds.

UW-Stevens Point: Authority to Amend the Campus Boundary and Purchase an Improved Parcel of Land for Future Development Purposes

Resolution 9305: That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, authority be granted to: (a) amend the campus boundary to extend one parcel west of existing campus land on Portage Street west of Isadore Street in the city of Stevens Point, and (b) purchase a

0.143 acre parcel of land and property improvements located at 1730 Portage Street in the city of Stevens Point at an acquisition cost of \$112,000, using Program Revenue-Cash.

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REPORT OF THE BUSINESS, FINANCE, AND AUDIT COMMITTEE

Regent Pruitt, chair, presented the committee’s report.

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Recommendations from the Segregated Fee Review Follow-Up Committee

Stephen Summers, UW-Whitewater deputy assistant chancellor for student affairs and chair of the Segregated Fee Review Follow-up Committee, reported that the committee was composed of five students, including Regent Shields, and four administrators from UW campuses.

The audit included five recommendations related to: cash accumulation for capital projects; expiration of debt service payments; review of non-allocable budgets by the segregated university fee advisory committees (SUFAC); identifying the segregated fee impact when capital projects are considered; and presentation of segregated fees in the annual operating budget.

Mr. Summers indicated that the recommendations would strengthen regent policy relating to student consultation and provide a well-considered plan for student participation.

After discussion, the committee made two amendments to the resolution. At the suggestion of Regent Salas, language was added to emphasize student roles in formulating allocable and non-allocable segregated fee budgets. Following a discussion on the importance of transparency, the resolution was amended to eliminate the notion of redirecting segregated fees that were intended for debt service, with the intent that any such use should require a positive action.

The committee unanimously approved the resolution, as amended.

Adoption by the board of Resolution 9306 was moved by Regent Pruitt and seconded by Regent Rosenzweig.

Recommendations from Segregated Fee Review Follow-Up Committee

Resolution 9306: That, upon the recommendation of the President of the University of Wisconsin System, Regent Policy 88-6,

“Policy and Procedures for Segregated University Fees,” be amended to read as follows:

1. The Board reaffirms that the institutions are responsible for defining the allocable and non-allocable portions of the student fee and that only allocable fee disputes may be brought before the Board for resolution, in accordance with the Student Governance Guidelines and FPPP 37;
2. The Board affirms that:
 - Students shall be given an opportunity to review and offer advice concerning the budget of each activity and program that is funded primarily with non-allocable segregated fees.
 - Every effort should be made to provide sufficient time for students to formulate allocable segregated fee budgets and to review non-allocable segregated fee budgets as provided in institutional policies.
 - Each campus administration shall, in consultation with its student governance groups, develop specific procedures to ensure that there is an opportunity for the Segregated University Fee Advisory Committee (SUFAC) to conduct a timely and meaningful review of the non-allocable segregated fee budget. A copy of these procedures, signed by appropriate campus administrators and student representatives, shall be filed with the UW System President’s designee. The agreed upon procedures shall be consistently followed from one year to the next and any changes to those procedures will be documented and filed with the UW System President’s designee. Consistent with section B.1 of Regent Policy 86-4, “Guidelines for Student Governance,” the President’s designee shall mediate if a campus administration and its student representatives cannot reach agreement upon the procedures to be followed.
 - Each campus administration shall also develop, in consultation with its student governance groups, a format for presenting non-allocable segregated fee funded budgets to SUFAC that is standardized within an institution to the greatest extent possible.
 - Any proposed major remodeling or major new construction project as defined by section 20.924(1)(a), *Wis. Stats.*, that will increase the non-allocable portion of the segregated university fee on any campus shall be reviewed by the Chancellor with appropriate student representation. There will be specific action by the

SUFAC on the project in question, which will be presented as part of the required information for the Regents at the time the project is advanced for approval.

- When debt service is no longer required, the related segregated fee shall cease.
 - The status of all major capital projects for which fee collection has begun, but construction has not, shall be explicitly discussed by campus administrators with SUFAC when non-allocable fee budgets are presented for review.
 - All ad hoc system-wide committees and task forces formed to deal with issues of segregated fee support shall have student membership.
3. Any appeals to the Board for resolution of irreconcilable differences between the students and the chancellor on the recommended disposition of allocable segregated fees should be filed in the Office of the System President by April 1; and
 4. The Board adopts the following criteria for appeals for inclusion in the “Student Governance Guidelines”:

In considering an appeal, the Board will ask the following questions:

- Has the item been defined by the institution, in consultation with the students, as an allocable fee?
- Has the chancellor discussed the difference(s) with the students and provided an opportunity for the students to reconsider their recommendation?
- Does the student-proposed budget item require the university to violate any statute, administrative code, policy, or contract?
- Is the basis for the chancellor’s decision substantial (i.e., are there significant policy or management reasons for differing from the students’ recommendation)?
- Is the expenditure related to a legitimate education purpose within the meaning of section 36.27(1), *Wis. Stats.*?

In response to a question by Regent Spector, Vice President Durcan explained that segregated fees are divided into allocable fees for student organizations and activities, which require a high level of student approval and oversight, and non-allocable

fees that are levied for such items as student health services, debt services on student recreation centers, and salaries. While students have considerable input into non-allocable fee matters, responsibility for decisions rest with the chancellor. The suggested revisions, she said, reaffirm, strengthen, and more clearly articulate these student involvements.

In reply to a question by Regent Falbo, Ms. Durcan said that segregated fees are paid as part of the tuition bill.

Regent Spector inquired about student votes on capital projects, and Ms. Durcan indicated that the Business, Finance, and Audit Committee decided not to recommend that votes be mandated. While some campuses use referenda, others rely on actions by student governments; and it was felt that individual campus cultures should be honored.

Andrew Soll, vice chancellor for business and student services at UW-Eau Claire, added that the SUFACs develop and vote on allocable fee budgets. These are sent to the chancellor who, in turn, forwards them to the UW System administration and the Board of Regents. There is less discretion about non-allocable fees, which involve commitments that are multi-year in nature. For those fees, UW-Eau Claire uses advisory boards composed largely of students; but these boards do not have approval authority. Recommendations flow from the advisory boards to him, then to the chancellor, and then on to the UW System office and the board.

While it was a strong recommendation of the committee of students and financial officers that there should not be a policy on referenda, Regent Rosenzweig said that she still felt concerned that some students might feel disenfranchised.

Vice President Durcan added that the committee recommendations were vetted by campus student governments and by United Council. They received support from those groups.

Regent Crain inquired about the reason for the second amendment made by the Business, Finance, and Audit Committee.

In reply, Ms. Durcan explained that, at the end of a bond payment, a decision has sometimes been made, with student knowledge and involvement, to use a similar amount of fees to pay for something else.

Regent Pruitt said the purpose of the amendment was not to fix a problem but to make a clear statement of policy regarding an accountable process.

Regent Salas noted that, as chair of the Physical Planning and Funding Committee, he had begun reporting of any segregated fee component to capital projects even before it was recommended by the audit.

Regent Semenas commented that, from a student perspective, he was comfortable with what was recommended and that he believed the question of whether or not to employ referenda should be left up to the individual campus. He thanked the Business, Finance, and Audit Committee for its recommendation and amendments.

The question was put on Resolution 9306, and it was adopted on a unanimous voice vote.

Regent Smith reported for the Business, Finance, and Audit Committee on the next three items.

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UW-Parkside Presentation: Administrative Efficiencies and Economic Development

Chancellor Keating described administrative efficiencies achieved and how he had to restructure and cut administrative functions to meet required budget cuts. He also commented on the campus' contributions to the economic development of the corridor between Milwaukee and Chicago and about environmental stewardship activities at UW-Parkside.

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2007-08 Annual Distribution Adjustments

Freda Harris, associate vice president for budget and planning, discussed fiscal year 2007-08 budget distribution adjustments based on the Governor's budget. She suggested allocation methodologies for the funding of faculty recruitment and retention, the Lawton Undergraduate Minority Retention Grant and Advanced Opportunity Program, utilities, student technology fees, and the pay plan when approved, among other items.

The committee approved a resolution on this matter for inclusion in the consent agenda.

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Consideration of Salary Adjustments for Senior Academic Leaders to address Recruitment and Retention Challenges for Chancellors at UW-River Falls and UW-Whitewater and for Provost at UW-Green Bay

President Reilly recalled that last year the board endorsed a new process for periodic review of individual academic leaders' salaries to determine whether there is need for adjustment to recognize competitive factors or to correct salary inequities.

Under this process, the committee discussed and enthusiastically approved for inclusion in the consent agenda salary adjustments for the chancellors of UW-River Falls and UW-Whitewater and the provost of UW-Green Bay.

Regent Pruitt presented the remainder of the committee's report.

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Audit Related Issues

Program Review: Options for Board Oversight of Major Information Technology Projects

Noting that this review was requested by Regent Rosenzweig, Regent Pruitt reported that Julie Gordon, director of the Office of Operations Review and Audit, indicated that the office analyzed oversight practices in higher education with particular attention to large information technology projects and the intention of finding ways to enhance board oversight of such projects. In that regard, Regent Pruitt referred to problems with the recent UW appointment, payroll and benefits system project and to the commitment by President Reilly and the board to ensure that such a problem would not happen again.

Director Gordon indicated that recent major IT projects included the shared financial system, the student administration system, the library system, the course management system, and the appointment, payroll and benefits system.

The report provided two main recommendations to strengthen board oversight:

- UW System management should provide the board with an inventory of major IT projects scheduled; and
- Provide regular status reports to the board on project implementation.

Chief Information Officer Ed Meachen provided assurances about what is being done differently to enhance oversight of large IT projects. The committee planned to revisit this audit and its recommendations after completion of the Legislative Audit Bureau's statewide IT audit, so that ideas from the LAB audit could be incorporated in its recommendations.

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Report of the Vice President

Minnesota Reciprocity Update

Vice President Durcan reported that, while negotiations continued between Wisconsin and Minnesota, fall 2007 entering students would have at least four years to complete their undergraduate degrees under the current reciprocity terms.

Utilities Projection

It was reported by Vice President Durcan that the utilities estimate through January anticipated a surplus.

College Savings Board

Ms. Durcan reported that EdVest, Wisconsin's 529 college savings plan, had reached the \$2 billion mark. Only six years after the plan was launched, there were over

220,000 accounts. Wisconsin currently has the 13th largest Section 529 plan in the nation.

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Consent Agenda

The following resolutions, moved by Regent Pruitt and seconded by Regent Rosenzweig, were adopted by the board as consent agenda items on a unanimous voice vote.

2007-08 Annual Distribution Adjustments

Resolution 9307: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the 2007-08 annual distribution adjustments. If subsequent legislative action modifies the first year funding noted, the UW System would distribute the changes according to the guidelines set forth in Sections I and II of the Annual Distribution Adjustments document.

Consideration of Salary Adjustments for Senior Academic Leaders to Address Recruitment and Retention Challenges for Chancellors at UW-River Falls and UW-Whitewater and Provost at UW-Green Bay

Resolution 9308: 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 Betz, Chancellor Saunders, and Provost Hammersmith be adjusted due to competitive market factors and equity reasons per the attached recommendation, effective March 9, 2007.

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- Regent Vice President Bradley presiding -

REPORT OF THE EDUCATION COMMITTEE

Regent Davis, chair, presented the committee's report.

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Chippewa Valley Technical College Associate of Science Degree Liberal Arts Transfer Program

Regent Davis reported that this matter had been considered at an Education Committee meeting to which all regents had been invited and that a resolution was approved for inclusion in the consent agenda.

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UW System Waukesha Study Update

Regent Davis reported that the Board of Regents received a report from UW-Milwaukee Chancellor Carlos Santiago and UW Colleges/UW-Extension Chancellor David Wilson that reviewed three options: 1) merging UW-Waukesha with UW-Milwaukee; 2) creating a new stand-alone four-year campus; and 3) creating a university

center at UW-Waukesha. The report concluded that the university center option would be most cost effective.

President Reilly and UW-Waukesha Dean Patrick Schmitt provided information on baccalaureate and master's degree programs already being offered at UW-Waukesha, including MBA programs from UW-Milwaukee and UW-Whitewater, as well as the UW-Milwaukee Connections Program, which offers bachelor's degrees in Organizational Administration, Information Resources, and Communications. President Reilly added that 50-70 baccalaureate degrees are offered statewide at the UW Colleges by UW four-year institutions.

Noting that UW-Waukesha is not a stand-alone institution, but part of a 13 campus UW College System, Chancellor Wilson pointed out that the colleges share a registrar and staff in financial aid, information technology, and human resources. Therefore, there would be no additional efficiencies from merging with UW-Milwaukee. UW-Waukesha and the other UW Colleges, he added, offer top-quality faculty, small classes, the lowest tuition in the UW System, friendly and knowledgeable advisors, and a guaranteed transfer program. Dean Schmitt said that UW-Waukesha also is committed to looking at new models that utilize partnerships.

UW-Platteville Chancellor David Markee discussed that university's plans to offer Engineering at UW-Waukesha; and UW-Whitewater Chancellor Martha Saunders described the MBA program currently offered at UW-Waukesha, adding that discussions have begun on offering a degree in Education there as well. Chancellor Santiago confirmed UW-Milwaukee's commitment to providing degrees in Waukesha County in ways that make academic and financial sense.

Assistant Vice President Lynn Paulson provided information on the financial analysis that was done to arrive at the conclusion that a university center would be the most cost-effective option and outlined the assumptions built into the analysis.

The committee then heard from two students who had served on the Waukesha Study Group. Joshua Mann, vice president of the United Council of UW Students, asked the board to preserve the academic mission and services UW-Waukesha currently provides in order to best serve student needs and interests. Alan Stager, president of the Student Governance Association at UW-Waukesha said that UW College students across the state would be watching to see how a university center model could impact the services that they receive. Both students advocated for preservation of UW-Waukesha as a two-year college and preservation of the intimate classroom experience that it offers.

Speaking on behalf of the Waukesha County Action Network, Carla Rutley said that her organization and the university agree that Waukesha County needs more access to baccalaureate and master's degrees. She urged cooperation and enhanced communication with the Waukesha business community as plans move forward.

Lee Esler, a resident of Waukesha and chair of the Homeowners' Association, urged that any expansion of the UW in Waukesha be done in a way that is consistent with student access to a liberal arts education. He commented that the cost of providing mass transit between the UW-Milwaukee and UW-Waukesha campuses might be unmanageable both for students and the universities. Finally, he predicted that, if the

Waukesha campus were to expand, neighbors would be unlikely to support having residence halls near the university.

Tom Mihal, a Waukesha County attorney and graduate of UW-Waukesha, expressed support for creating a university center as a means of serving the community, while preserving UW-Waukesha's core mission.

President Reilly concluded the discussion by stating that the UW System will cooperate with Waukesha's business community to conduct a formal assessment of workforce educational needs, as suggested in a letter from State Representatives Zipperer and Nass. He also expressed agreement with the need to improve communication with the business community.

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UW-Stout: Presentation on Polytechnic Designation

In introductory remarks, Interim Senior Vice President Rebecca Martin observed that the polytechnic designation requested by UW-Stout would build on the university's rich history, enhance student opportunities and enhance branding and marketing strategies. The designation, she said, has strong support in the campus and community.

Chancellor Charles Sorensen described polytechnics as comprehensive universities offering professional, career-focused programs in the arts, social and related behavioral sciences, engineering, education, and natural sciences and technology that engage students in active applied learning and research. Noting that UW-Stout already has the educational foundation to become a polytechnic, he predicted that the new designation would allow it to serve both the state's need for education of its citizens and as a catalyst for economic growth in the 21st century.

Professor Forrest Shultz, Faculty Senate chair, described UW-Stout's growth plans in polymer and computer/electrical engineering, nanotechnology and bioinformatics. He referred to active learning experienced by students through engagement in real-world situations and described technology transfer activities that have a significant effect on Wisconsin's economy.

Christine Christofferson, a UW-Stout student, commented on the value of hands-on learning that she gained from working with faculty on research as a freshman and on her own research project as a sophomore.

Chancellor Sorensen concluded the presentation by indicating that UW-Stout has been considering a polytechnic designation for a number of years and has received positive input from external groups and approval by faculty, academic staff, and student governance bodies.

The committee approved a resolution supporting the designation for inclusion in the consent agenda.

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UW-La Crosse: Authorization to Recruit for Provost

Noting that Provost Elizabeth Hitch had been named vice president for academic affairs at Utah Valley State University, Regent Davis observed that she has been a great leader for UW-La Crosse, including her recent service as interim chancellor, and that she will be missed by many at her institution, throughout the UW System and across the state.

The committee approved a resolution granting the authorization to recruit for inclusion in the consent agenda.

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Consent Agenda

Adoption by the board of Resolutions 9309, 9310, and 9311 was moved by Regent Davis and seconded by Regent Cuene. At the request of Regent Spector, Resolution 9310 was removed from the consent agenda.

The question was put on Resolutions 9309 and 9311, and they were adopted on a unanimous voice vote.

Approval of Chippewa Valley Technical College Associate of Science Degree Liberal Arts Transfer Program

Resolution 9309: That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the Chippewa Valley Technical College Associate of Science Degree Liberal Arts Transfer Program. This degree program will be delivered collaboratively between CVTC and University of Wisconsin System institutions, utilizing courses and resources of both Systems. The degree program will consist of a curriculum of CVTC courses in disciplines that it currently offers as part of its applied associate degree programs (approximately two-thirds of the 34-course curriculum), with the remaining one-third of the courses offered by UW System institutions through a variety of existing course options.

Authorization to Recruit: Provost and Vice Chancellor University of Wisconsin-La Crosse

Resolution 9311: That, the President of the University of Wisconsin System be authorized to recruit for a Provost and Vice Chancellor of the University of Wisconsin-La Crosse, at a salary within the Board of Regents salary range for university senior executive salary group one.

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UW-Stout: Designation as Wisconsin's Polytechnic University

Regent Spector asked if the Board of Regents should authorize the designation, rather than simply supporting it.

President Reilly explained that, under current policy, the board would need to act on a name change, but not a designation.

Regent Bradley added that the UW-Stout designation is a matter of branding, similar to UW-Superior's designation as Wisconsin's Liberal Arts College.

Stating his support for the resolution, Regent Semenas added that UW-Stout was not seeking to change its mission but simply to better describe what it already does.

Regent Spector pointed out that, in the future, there could be the desire on the part of an institution to adopt a designation that would be duplicative of another institution.

President Reilly noted that the chancellors discussed and expressed approval for UW-Stout's chosen designation.

The question was put on Resolution 9210, and it was adopted on a unanimous voice vote.

The University of Wisconsin-Stout Designation as Wisconsin's Polytechnic University

Resolution 9310: That, upon recommendation of the Chancellor of the University of Wisconsin-Stout and the President of the University of Wisconsin System, the Board of Regents supports the designation of UW-Stout as Wisconsin's Polytechnic University.

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ADDITIONAL RESOLUTIONS

UW-Parkside: Resolution of Appreciation

In introductory remarks, Regent Falbo recalled that, when Chancellor Keating arrived at UW-Parkside, they went together to introduce the new chancellor to the business community and recruit foundation board members. Chancellor Keating, he said, understands the importance of public/private partnerships and community involvement. As a result, UW-Parkside "has been transformed in very positive ways."

The following resolution, presented by Regent Falbo, was adopted by acclamation, with a standing ovation in appreciation to UW-Parkside.

UW-Parkside: Resolution of Appreciation

Resolution 9312: **WHEREAS**, UW-Parkside has graciously welcomed the Board of Regents to the community for the Board’s first visit to the campus since 1999;

WHEREAS, UW-Parkside supports, embraces, and celebrates its diverse student population, and has prioritized academic excellence and increased accessibility as the major tenets of its campus “Growth Agenda” for southeastern Wisconsin; and

WHEREAS, UW-Parkside actively pursues community engagement, and encourages its students and faculty to conduct work and research projects that benefit the region and its residents; and

WHEREAS, Regents were impressed by the foundation for UW-Parkside’s master plan for campus facilities, and were pleased to participate in a groundbreaking ceremony for new campus construction; and

WHEREAS, UW-Parkside has successfully instituted a “brain gain” strategy, educating area residents and encouraging them to remain in the region to strengthen the economy and communities of southeastern Wisconsin;

BE IT THEREFORE RESOLVED that the Board of Regents of the University of Wisconsin System thanks UW-Parkside for hosting the Board’s March 2007 meeting, and commends Chancellor Jack Keating and all the campus’s faculty, staff and students for their roles in creating access and excellence at UW-Parkside.

The meeting was recessed at 11:25 a.m. and reconvened at 11:45 a.m.

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CLOSED SESSION

The meeting was reconvened at 11:45 a.m., at which time the following resolution, moved by Regent Semenas and seconded by Regent McPike was adopted on a unanimous roll-call vote, with Regents Bradley, Burmaster, Crain, Cuene, Davis, Falbo, McPike, Pruitt, Rosenzweig, Salas, Semenas, Smith, and Spector (13) voting in the affirmative. There were no dissenting votes and no abstentions.

Resolution 9313: Move into Closed Session to consider a salary adjustment for UW-Extension provost and to consider an employment contract amendment for UW-Madison football offensive coordinator, as permitted by s.19.85(1)(c), *Wis. Stats.*, to confer with legal counsel regarding pending or potential litigation, as permitted by s.19.85(1)(g), *Wis. Stats.*, and to consider honorary degree nominations at UW-Oshkosh as permitted by s.19.85(1)(f), *Wis. Stats.*

During the closed session, the following resolutions were adopted:

UW-Madison: Approval of Revised Contract for Assistant Football Coach

Resolution 9314: 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 does hereby approve the attached revised contract for Assistant Football Coach Paul Chryst.

UW-Extension: Approval of Base Salary Adjustment for Provost

Resolution 9315: Whereas, Marvin Van Kekerix has been assigned expanded responsibility for strategic planning across both UW Colleges and UW-Extension effective April 1, 2007, and

Whereas, Chancellor David Wilson has requested a base salary adjustment in consideration of an expanded role for Marvin Van Kekerix under his restructuring plan for UW Colleges and UW-Extension and based on a review of external market/competitive factors and internal salary equity considerations, and

Whereas, a pay plan increase of \$3,704 was approved by the Board previously to be effective on April 1, 2007.

Now, therefore be it resolved;

That, upon the recommendation the Chancellor of UW Colleges and UW-Extension and of the UW System President, the base salary for Marvin Van Kekerix, be set at \$153,370 effective April 1, 2007, in recognition of his expanded leadership role in strategic planning and programmatic collaborative initiatives across UW Colleges and UW-Extension, and to reflect the previously approved phased 2006-07 pay plan for faculty and academic staff approved by the legislature's Joint Committee on Employment Relations.

The meeting was adjourned at 12:55 p.m.

Submitted by:

Judith A. Temby, Secretary