

Minutes  
Business, Finance, and Audit Committee  
Board of Regents of the University of Wisconsin System  
May 10, 2007

The Business, Finance, and Audit Committee met in Joint Session with the Education Committee at 1:25 p.m. in room 1820 Van Hise Hall, UW-Madison. Present were Regents Pruitt, Connolly-Keesler, Rosenzweig, Smith, Crain, Cuene, Davis, Loftus, Semenas, and Spector. Regent Vice President Bradley was also present.

**a. The University of Wisconsin School of Medicine and Public Health: The Wisconsin Partnership Fund for a Healthy Future—Third Annual Report**

Robert Golden, MD, Dean, UW School of Medicine and Public Health and Vice Chancellor for Medical Affairs, UW-Madison, gave the third annual report on the Wisconsin Partnership Fund for a Healthy Future. The Fund aims to advance population health through community collaboration, education, and research. Total awards since 2004 total \$50 million, representing 129 grants.

Dean Golden reported that the Oversight and Advisory Committee (OAC) was allocated 35 percent of the funding for public health initiatives. The OAC awarded 26 new grants for a total of \$6.8 million for Community-Academic Partnerships, Community-Population Health Initiatives, and Community-Based Public Health Education and Training initiatives. The awards are aligned with State health plan priorities including access to primary and preventive health services and targeting obesity.

Dean Golden highlighted the OAC programs, including the Wisconsin Partnership for Childhood Fitness, the Latino Geriatric Center, an Hmong Community Health Promoter Project, and programs that enhance public health education and improve access to health coverage. These programs partner between UW System faculty members and state and community organizations.

Dean Golden reported that the Medical Education and Research Committee (MERC), which was allocated 65% of the funding for strategic medical education and research initiatives, made 11 new awards totaling \$9.4 million. The MERC translates health research results into community practice and strengthens partnerships within the University and with the state. The Institute for Clinical and Translational Research received a \$7 million grant with the hope to leverage this into a \$65 million grant from the National Institutes of Health (NIH).

Dean Golden provided insight into the Fund's priorities for 2007 and beyond. These include reducing health disparities in birth outcomes, collaborations between the OAC and MERC, a comprehensive evaluation of the Wisconsin Partnership program, a vision for the transformation into the School of Medicine and Public Health, and preparing the next five year plan.

Regent Rosenzweig asked about evidence based health policy in Wisconsin and what role the Legislative Council has taken. Dean Golden answered that the leadership of the Wisconsin Partnership Fund for a Healthy Future are available to discuss any issues that the Legislative Council is concerned about. President Reilly added that there has been Legislative interest and support; five Legislators approached the UW System concerning research based knowledge.

Regent Loftus listed several indicators from the Kaiser Foundation that show Wisconsin lagging on major health care issues such as smoking, obesity, and childhood immunizations. Most concerning is the indicator showing Wisconsin last out of reporting states in African American infant mortality, a rate twice that of Minnesota. He asked whether these statistics are a reflection on health policies in Wisconsin, and whether Wisconsin should be looking to policies other states have adopted to increase public health. Dean Golden stated that the two main drivers of public health are education and socio-economic status, and Medicine and Public Health policy can only go so far to correct health problems. Some programs that other states have adopted may be highly publicized but may not be the most effective approach. The policies

adopted by the Wisconsin Partnership Fund must be guided by objective data in order to achieve the most efficient return on resources.

Regent Davis reiterated that Wisconsin ranks last of 39 reporting states in terms of African American infant mortality. This statistic among others shows that Wisconsin is lagging behind other states in terms of the persistence of health disparities and has been for some time. Dean Golden noted that the root causes of health disparities are complex and the solutions will have to be multi-faceted. The UW-Madison School of Medicine and Public Health is working to recruit cohorts of students that will be trained to specifically serve underserved areas. Also, legislative support is being sought for a program equivalent to the Wisconsin Academy of Rural Medicine in Milwaukee's central city, where groups of students would receive clinical training.

Regent Spector commented on the value of diversity in helping to alleviate health disparities. Dean Golden stated that research has shown that diversity in health care providers can result in better compliance in following prescriptions in diverse populations.

Regent Connolly-Keesler asked how the success of programs is measured relative to the large dollar amounts of multi-year grants. Dean Golden noted that one of the criteria analyzed at the end of multi-year grants is sustainability. A program that is successful enough to generate its own resources allows the Wisconsin Partnership Fund to move on to fund the next best project.

Regent Rosenzweig asked how the collaboration is proceeding between community organizations, faculty members, UW-Madison, and UW-Milwaukee. Dean Golden commented that the collaboration is going reasonably well and is headed in the right direction. The focus should be to do more in terms of partnerships. He also noted his encouragement of increased collaboration between the OAC and MERC.

Upon the motion of Regent Smith, and the second of Regent Connolly-Keesler, the Committee unanimously approved Resolution I.2.a.

#### **Resolution I.2.a.**

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 2006 Annual Report of The Wisconsin Partnership Fund for a Healthy Future, which was collaboratively developed by the UW School of Medicine and Public Health and the Oversight and Advisory Committee, in accordance with the Order of the Insurance Commissioner and the Agreement.

The Joint Session with the Education Committee adjourned at 2:13 p.m.

The Business, Finance, and Audit Committee reconvened at 2:22 p.m. in room 1418 Van Hise Hall, UW-Madison. Present were Regents Pruitt, Connolly-Keesler, Rosenzweig, and Smith.

#### **b. Approval of Minutes of the April 12, 2007 Meeting of the Business, Finance, and Audit Committee**

Upon the motion of Regent Smith, and the second of Regent Connolly-Keesler, the minutes of the April 12, 2007 meeting of the Business, Finance, and Audit Committee were approved as presented.

#### **c. Review of Titles: Designated as Limited Appointments in Response to Legislative Audit Bureau Personnel Audit**

Associate Vice President Crist stated that Wisconsin Statutes identify 17 unclassified titles as limited appointments. A person in this type of appointment serves "at will." These appointments provide valuable management flexibility and afford effective and efficient use of resources in response to the changing needs of the UW System.

Mr. Crist reported that individuals accepting limited appointments who are currently members of the faculty or staff have statutory rights to return to such a position upon the termination of a limited appointment. On July 26, 2005, the President of the UW System suspended the practice of offering administrative back-up appointments. On November 11, 2005, the Board of Regents adopted a resolution effectively ending the use of administrative back-up appointments. On December 2, 2005, the UW System President approved the use of limited appointments that require a faculty appointment. There are seven types of limited appointment titles, including Academic Administrators, Special Assistants, Administrative Directors, and Coaching titles.

Associate Vice President Crist noted that, since July 26, 2005, the UW System President has approved a total of 145 positions that have become vacant, and that were previously limited, to continue to be defined as limited appointments. Limited appointment information will be included in a report to be submitted by June 1, 2007 to the Legislative Audit Committee as required by the Legislative Audit Bureau's (LAB) audit of UW System Personnel Policies and Practices.

**d. Consideration of a Salary Adjustment for a Senior Academic Leader to Address Recruitment and Retention Challenges for the Provost at UW-Milwaukee**

President Reilly asked for approval of a base salary adjustment for the provost at UW-Milwaukee to address recruitment and retention challenges. With Board approval, the provost's salary would increase by slightly more than \$7,000, a base adjustment percentage increase of 3.4 percent. The adjusted salary would still fall 9.37 percent behind the peer median and 12.33 percent behind the College and University Professional Association (CUPA) median of comparable budget size universities.

Carlos Santiago, Chancellor, UW-Milwaukee, praised the accomplishments of Provost Cheng. He noted the failed search to replace the Dean of Engineering and the departure of the Vice Chancellor for Administrative Affairs for a significant salary increase as evidence for the need to adequately compensate academic leaders.

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

**Resolution I.2.d.**

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 Provost Cheng be adjusted due to competitive market factors and equity reasons per the attached recommendation, effective May 11, 2007.

#### **e. Audit Related Issues**

##### **(1) Program Review: Textbook Costs in Higher Education**

Julie Gordon, Director, Office of Operations Review and Audit, reported that rising textbook costs is currently receiving both local and national attention. Legislatures in approximately half the states have considered legislation to reduce textbook prices. There is substantial disagreement among studies on the average amount students pay for textbooks, ranging from \$644 to \$900 in 2003-04.

Director Gordon noted that two practices may unnecessarily add to textbook costs: bundling textbooks with supplemental materials and frequently revising textbooks. Bundling is the practice of selling textbooks with other materials, such as workbooks. This practice limits the amount a student may receive when the textbook is sold back to the bookstore, because the value of the consumable material is eliminated. Frequent revisions were also cited as contributing to increasing textbook costs. Publishers reported that textbooks are now revised every 3-4 years, compared with the 4-5 year standard of 20 years ago.

Ms. Gordon stated that the Office found that seven of the four-year institutions and two UW Colleges operate textbook rental programs, where students are charged a segregated fee that covers the use of most required textbooks. The remaining six four-year institutions and eleven UW Colleges require students to purchase their textbooks. The most common reasons given for not establishing a rental program include prohibitive start-up costs, limited book choices, and the possibility that students will not be encouraged to accumulate their own professional library. Institutions may want to consider a small-scale textbook rental program that could primarily include textbooks for large introductory courses. Such a program would limit start-up costs and be effective for courses in which materials and textbooks do not change frequently.

Director Gordon stated that several additional approaches to controlling textbook costs are aimed at increasing the availability of used textbooks and maximizing competition. These include making textbook adoption decisions early, committing to using textbooks for multiple semesters, allowing students to use older edition textbooks, and promoting textbook buybacks. Other approaches are aimed at enhancing the financial aid process. However, because there is not a one-size-fits-all approach, each UW institution, particularly those without a textbook rental program, should review its practices for selecting and selling textbooks. Campuses should be encouraged to include all stakeholders, such as faculty, students, and bookstore managers, in this review process.

Regent Connolly-Keesler and Regent Smith expressed their concern for the rising cost of textbooks and asked what approach would work best to control costs at the campus level. Director Gordon stated that, although campuses can approach the issue through various means, textbook rental programs may be as effective at lowering costs to students as several of the other strategies combined.

Regent Pruitt noted the average price of books at UW System campuses, showing that those without rental programs have much higher textbook costs on average. Vice Chancellor Andrew Soll, UW-Eau Claire, commented that, although rental programs can reduce textbook costs, there are drawbacks, such as high start-up costs and a low degree of acceptance among faculty members. Chancellor David Markee, UW-Platteville, added that, while rental programs work, it takes time before students and faculty accept the programs.

Regent Rosenzweig asked whether purchasing consortiums could work, and joined Regent Pruitt in asking whether the UW System could apply pressure to publishing companies to lower costs. Director

Gordon responded that purchasing consortiums have been unsuccessful, but buyback consortiums, such as those between UW-Oshkosh and UW-Milwaukee, have shown some benefits. Chancellor Markee stated that it is difficult to agree on common course books between departments and campuses.

Upon the motion of Regent Rosenzweig, and the second of Regent Connolly-Keesler, the Committee unanimously approved Resolution I.2.e.(1).

**Resolution I.2.e.(1)**

Whereas, there is debate about the average amount students spend per year on textbooks, increases in textbook costs, combined with increases in other educational costs, make it more difficult for some students to afford a college education, and

Whereas, efforts to control textbook costs are important as part of any effort to increase access to higher education, and

Whereas, the Office of Operations Review and Audit, in its Program Review of Textbook Costs in Higher Education recommends that each UW institution, particularly those without a textbook rental program, involve faculty, students, bookstore managers, and others with relevant experience in the reviewing the institution's practices for selecting and selling textbooks, to identify approaches to control textbook costs;

Therefore, be it resolved that, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents endorses the findings, recommendations, and cost-saving strategies identified in the Office of Operations Review and Audit program review entitled Textbook Costs in Higher Education, and requests that each institution provide to the Board of Regents by its December 2007 meeting, a description of strategies the institution has already adopted to control textbook costs and additional strategies the institution anticipates adopting in the future.

**(2) Legislative Audit Bureau Information Technology Projects Report**

Director Gordon reported that the Legislative Audit Bureau (LAB) issued its audit report analyzing cost and funding information on large information technology (IT) projects of state agencies. Statutes largely exempt the UW System from the Department of Administration's (DOA) IT oversight; therefore, the UW System was a relatively small portion of the audit. The UW System was included primarily because of legislative concerns with one system, the Appointment, Payroll, and Benefits System (APBS).

Ms. Gordon noted that the DOA and UW System both plan to implement Oracle/PeopleSoft software to support the human resources and procurement functions. The LAB audit notes that coordination between the projects will be important. As a result, LAB recommends that the Legislature consider requiring regular reports from UW System on its plan, budget, and schedule for implementing the systems.

**(3) Recommendations for Board Oversight of Major Information Technology Projects**

Ms. Gordon asked the Committee to approve a resolution directing that the Committee receive an annual report of major IT projects. The Committee would receive supplemental reports any time total expenditures are expected to exceed the total annual budget of the Common Systems Review Group. The resolution endorses the recommendations of the LAB in its recent review of IT projects and directs that the reports to the Business, Finance, and Audit Committee be provided to Legislative leaders to help them stay informed of significant IT activity in the UW System.

Upon the motion of Regent Smith, and the second of Regent Rosenzweig, the Committee unanimously approved Resolution I.2.e.(3) revised.

**Resolution I.2.e.(3) revised**

Whereas, the UW System Office of Operations Review and Audit recommended in its February 2007 program review report entitled, “Options for Board Oversight of Major Information Technology Projects,” that UW System management provide the Board of Regents with an inventory of major UW information technology (IT) projects scheduled for implementation and regular status reports on project implementation; and

Whereas, the Operations Review and Audit report recommended that projects under the auspices of the Common Systems Review Group would be appropriate projects to include in an inventory of major projects; and

Whereas, the Operations Review and Audit report recommended status reports be provided at least annually, including project costs, timelines, progress toward meeting established benchmarks, other accomplishments, and any significant changes in plans that will affect project costs and timelines; and

Whereas, the Wisconsin Legislative Audit Bureau recommended in its April 2007 report entitled, “Information Technology Projects,” that the Legislature consider requiring regular reports from UW System on its plan, budget, and schedule for implementing new human resources and procurement IT systems, including plans to modify and standardize related business processes, establish procedures to limit subsequent software customizations, and coordinate its projects with the Department of Administration’s development of the Integrated Business Information System (IBIS) project;

Therefore, be it resolved that the Business, Finance, and Audit Committee:

- (1) accepts the Office of Operations Review and Audit recommendations and requests that the two recommended reports, an inventory of major IT projects and a status report on major IT project implementation, be presented annually to the Business, Finance, and Audit Committee;
- (2) requests that supplementary status reports be provided whenever major IT system implementation expenditures for a given year are projected to exceed the total annual budget of the Common Systems Review Group; and
- (3) endorses the Legislative Audit Bureau recommendations and, further, directs UW System management to provide the recommended inventory of major IT projects and regular or supplementary status reports to legislative leaders each time management prepares these reports for the Board of Regents Business, Finance, and Audit Committee.

**(4) Program Review Follow Up: UW Procedures and Methods for Removing Data From Surplus Computers**

Director Gordon reported that, in January 2005, the Office issued a report on UW policies and procedures for removing data from surplus computers at the time of disposal. The need for policies and procedures in this area has been heightened with the subsequent enactment of a state law that requires notification to individuals whose personal information is accessed by an unauthorized person.

Ms. Gordon noted that the Office recently completed a follow-up review which found that UW institutions have largely implemented the recommendations related to data removal procedures. The recommendation pertaining to confidential data on defective hard drives has been partially implemented, in part because of cost and because the DOA controls statewide purchasing contracts. UW System staff noted they will continue to work with the DOA and consider this recommendation as contracts are renewed in the future.

## **(5) Quarterly Status Update**

Director Gordon discussed the status of the Office's major projects. The review of computer security policies, procedures, and practices examines the extent to which adequate safeguards are in place to minimize the risk of unauthorized access to private information. The review of student mental health services will provide information about UW mental health services. It is expected to be completed in late fall, 2007. The review of oversight of student organizations will identify efforts to manage risk and reduce potential liabilities associated with student organization activities. The review of tuition waivers will focus on policies and practices related to statutory and other tuition and fee remissions, waivers, and discounts. Lastly, academic fees audits are being conducted at each UW institution.

## **f. Committee Business**

### **(1) Student Lending: UW System Business Practices and Code of Conduct**

Executive Senior Vice President Don Mash led a discussion about current business practices related to student lending in the UW System. The UW System must ensure the public trust and give guidance to students obtaining loans while at the same time form appropriate relationships with lenders. The establishment of a code of conduct and adoption of a clear set of guidelines regarding preferred lender lists and lender information will help to address this issue.

Executive Senior Vice President Mash reported that student lending is currently a highly charged political issue. The student loan environment consists of Federal loans and private loans. Federal loans make up the vast majority of loans and they are highly regulated. Private loans make up about 15 percent of the student loan environment. These loans are not highly regulated, often with interest rates much higher than Federal loans.

Executive Senior Vice President Mash asked the Committee to approve a resolution that would direct the establishment of a code of conduct for student loan activity, consistent with that developed by the National Association of Student Financial Aid Administrators (NASFAA), which incorporates elements of codes and policies adopted by other universities and financial aid organizations. The code of conduct would build upon existing State ethics rules.

Campus financial aid directors representing UW-Madison and the UW Colleges provided insight into student loan practices throughout the UW System. Susan Fischer, Director, Student Financial Services, UW-Madison, commented that there is a large need for loans because Federal loans have not kept up with the cost of education. However, private loans do not have the same oversight as Federal loans. She assured the Committee that UW-Madison students are receiving high-quality loans. Evidence of this is shown in the UW-Madison student loan repayment default rate, which is less than 1 percent.

Regent Rosenzweig asked whether the UW System will be able to provide a cost-benefit comparison between private lenders versus government loans. Executive Senior Vice President Mash responded that the UW System wants to ensure that students and their families obtain the best possible loan arrangement for their situations. This would be the case whether a student chooses a private or government lender and regardless of whether the lender is on a preferred lender list. UW System General Counsel Pat Brady added that if legislation that passed the House of Representatives becomes law, comparative information between these two types of loans will be required.

Regent Smith asked about UW-Milwaukee and student loan practices. Provost Rita Cheng explained that the campus recently performed a thorough internal investigation. UW-Milwaukee is confident that the recent request for proposal (RFP) process resulted in the best providers for its students.

Upon the motion of Regent Connolly-Keesler, and the second of Regent Smith, the Committee unanimously approved Resolution I.2.f.(1).

**Resolution I.2.f.(1)**

Whereas, the Board of Regents has the utmost concern for and desires to protect the best interest of students and their families; and

Whereas, the Board of Regents recognizes that students and their families often use education loans as a practical means of financing their college education; and

Whereas, recent investigations into practices regarding education loan programs have raised concerns regarding potential conflicts of interests on the part of campuses and lenders of education loans nationally; and

Whereas, the University of Wisconsin System (UWS) and the Board of Regents are committed to ethical behavior by University employees, and the public requires confidence in the unbiased administration of University programs; and

Whereas, financial aid officials within the UWS have demonstrated these values, as well as a dedication to both students and their profession; and

Whereas, students and families often request assistance and solicit advice in dealing with financial aid issues and selecting a reputable lender; and

Whereas, under the directive of the President of the UWS, the UWS is currently in the process of reviewing practices related to lender lists and lender relationships, including those in written policies, unwritten generally accepted standards, and those practices within the UWS, other institutions of higher education, and industry regulations;

Therefore, be it resolved that, upon the recommendation of the President of the UWS, the Board of Regents directs staff, for adoption at the June meeting of the Board of Regents, to:

- Develop and promulgate a system-wide code of conduct relating to education loans that is consistent with the standards of conduct for state officials and employees under s. 19.41, et seq., Wis. Stats.; UWS 8 and ER-MRS 24, Wis. Adm. Code; and consistent with the code of conduct being developed by the National Association of Student Financial Aid Administrators (NASFAA); and
- Develop and promulgate guidelines for the campuses and their administrators which serve the best interests of students and their families, ensure that any relationships with education loan providers, other entities, and organizations are free from conflicts of interests, and specifically address the development and utilization of lender lists.



## **(2) Overview of Risk Management in the UW System**

Sheri Ackley, Director, Office of Safety and Loss Prevention, discussed risk management in the UW System. The mission of the Office is to provide a safe and healthful higher education environment for faculty, staff, students, and persons utilizing UW System programs and facilities. The campuses of the UW System, other than UW-Madison and UW-Milwaukee, strive to achieve this goal while averaging just one person assigned to safety and risk management.

Ms. Ackley remarked on the UW System's risk environment, noting that the UW has many manufacturing processes. There are foundries, farms, and laboratories. UW employees work with chemical, biological, and nuclear materials. Also, students and faculty members are exposed to risks including study abroad and the activities of student organizations.

Director Ackley commented on the risk management regulatory environment. The UW System is subject to over 400 State and Federal regulations relating to occupational safety, environmental protection, motor vehicle safety, emergency preparedness, and hazardous materials, among others. In addition, many regulations require initial and annual training for employees.

Ms. Ackley reported on the injury incidence rates and worker's compensation costs at UW campuses for fiscal years 2002-2006. For fiscal year 2006 the UW System rated 2.6 injury incidences per 100 workers compared to the national average of 4.7. Worker's compensation costs amounted to \$.22 per \$100 of payroll compared to the general industry average of around \$2.00.

Director Ackley reported that the UW System has over \$12 billion, or 70 percent, of the state's total insured property value. In terms of liability exposure, auto liability is by far the biggest exposure, and environmental and employment practices are among other liabilities. Emerging risks include emergency preparedness and campus security, pandemic issues, and increased international study. Among the emerging risks, increased regulation of high risk chemical facilities would be a great challenge for the UW System.

Ms. Ackley stated that safety and risk management in higher education is ever-changing and a value that needs to be integrated into day to day operations. She commented on some strategies that the UW System employ to manage risk. These include focused safety initiatives, regional safety training, property loss prevention programs, and enterprise risk management.

## **(3) Quarterly Gifts, Grants, and Contracts Report**

Vice President Debbie Durcan reported that awards totaled almost \$865 million for the nine-month period ending March 31, 2007. This represents an increase of almost \$46 million over the same period last year.

### **g. Report of the Vice President**

Vice President Durcan reported that Ed Ruotsinoja has been hired as the new Director of Internal Audit for UW-Madison. The UW System and UW-Madison collaborated on Internal Audit Director recruitments and shared many of the advertising expenses.

Vice President Durcan stated that all the participants of the President's Advisory Group on Tuition and Financial Aid have been identified. The group will be asked to address at least five major topics:

- Principles and guidelines for institutional and program differentials;
- Tuition stratification within the UW System (within and among clusters);
- Per credit tuition versus the plateau;
- The use of tuition revenue to support financial aid; and,
- Establishing competitive non-resident tuition levels.

Ms. Durcan reported that the Internal Revenue Service (IRS) has been conducting an employment tax audit since the fall of 2005 focusing on the 2003 and 2004 tax years. The UW System has responded to about 80 Informational Data Requests (IDRs) and it is expected that the IRS will soon be providing us with their official findings. The IRS has looked issues such as whether UW System payroll tax records reconcile with reports sent to the IRS, whether the exemption for student help for FICA was applied appropriately, whether employees and independent contractors were treated appropriately, and whether 1099 forms were issued where required.

Vice President Durcan updated the Committee on other finance news, stating that negotiations regarding Minnesota reciprocity are ongoing with the hope of reaching an agreement by the end of May, 2007. Also, the UW System is projecting a surplus in the utility appropriation.

**h. 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 Rosenzweig, and the second of Regent Connolly-Keesler, the Business, Finance, and Audit Committee adjourned at 4:30 p.m.

  
Eric Engblom, Recording Secretary