

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Madison, Wisconsin

UW-Madison  
Held in 1820 Van Hise Hall  
November 8, 2007  
11:30 a.m.

- President Bradley presiding -

PRESENT: Regents Bartell, Bradley, Connolly-Keesler, Crain, Cuene,  
Davis, Falbo, Loftus, Pruitt, Rosenzweig, Shields, Smith,  
Spector, Thomas, and Walsh

UNABLE TO ATTEND: Regents Burmaster and McPike

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**UW SYSTEM PARTICIPATION IN THE *COLLEGE PORTRAIT*: A  
VOLUNTARY SYSTEM OF ACCOUNTABILITY PROVIDING  
INFORMATION ON THE UNDERGRADUATE STUDENT  
EXPERIENCE**

Noting that President Reilly has enthusiastically fulfilled his promise that the UW System will be a leader in accountability, Regent President Bradley called on Senior Vice President Rebecca Martin to describe an exciting new initiative.

Dr. Martin began by noting that the Voluntary System of Accountability (VSA) is an initiative sponsored by the National Association of State Universities and Land Grant Colleges, the American Association of State Colleges and Universities, and the Lumina Foundation.

The UW System, she said, has been involved from the beginning in this effort to make readily available transparent, consistent information in a format that is easy for students, parents and other stakeholders to find and compare.

The initiative arose from calls by the Spellings Commission and others for greater accountability and more uniform information. At this time, more than 70 institutions are involved, including all UW institutions. While the current template for the College Portrait website is aimed at four-year institutions, she noted that means need to be found for involvement by the UW Colleges as well.

The template will appear on the website of each participating institution in a location that is easy to find and will offer standard, comparable information in the following categories:

- Student and family information, including student demographics and a cost calculator.
- Student experiences and perceptions, as reported by a national survey that currently is included in the annual *Achieving Excellence* report.
- Student learning outcomes, for which measurement tools are being developed, with support from a \$2.4 million grant.

As related UW System efforts, Dr. Martin cited:

- *Achieving Excellence*, the UW System's annual accountability report, published since 1993, that continues to demonstrate UW System leadership in the area of accountability.
- The Know How 2 Go Campaign, which also is focused in getting information to students.
- The Liberal Education and America's Promise campaign, which is involved in taking learning assessment to the next stage.

In conclusion, Dr. Martin identified the following next steps:

- The National VSA project will be formally launched in December.
- Work will continue on the template to refine reporting and assessment tools.
- Campuses have begun to gather information for the *College Portrait*.
- The portraits are expected to be posted on campus websites next spring.

In discussion following the presentation, Regent Loftus asked if the VSA portraits could be used to compare campuses, and Dr. Martin replied in the affirmative, adding that ways are being sought to incorporate the same information into next year's *Achieving Excellence* report.

President Reilly pointed out that the value-added information provided by assessment of learning outcomes will provide a new means of framing institutions' reputations in terms of how successful they are in educating the student population that they serve.

Noting that the value-added component would not be up and running for several years, Chancellor Wells indicated a need to proceed with caution because of the limitations inherent in assessment tools. For example, it will be necessary to separate the impact of the institution's educational efforts from the impacts of natural student maturation and previous experiences, and the grant funding will be helpful in refining these tools. In addition, campuses will be able to provide other information through links on the website.

President Reilly remarked that, because of its early participation in the VSA, the UW System will be in a position to help shape the process going forward.

In response to a question by Regent Spector, President Reilly indicated that the National Association of System Heads is sponsoring an initiative to assess progress of students of color. With the Equity Scorecard, he said, the UW System is in a leadership position in that regard and will also stay current with the national project.

Concluding the discussion, Regent President Bradley emphasized the importance of seeing the VSA as another in a series of initiatives through which the UW System is demonstrating leadership in accountability. He thanked the chancellors for signing on as early participants in the VSA.

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## **2007-09 BIENNIAL BUDGET UPDATE**

In opening remarks, President Reilly noted that, on October 26<sup>th</sup>, Governor Doyle, Assembly Speaker Mike Huebsch and other legislative leaders came to UW-Madison to sign the 2007-09 state budget and held a second ceremony at UW-Milwaukee. The venues, he remarked, sent a clear message on the centrality of the UW System to the future of Wisconsin. It had been his pleasure to introduce the Governor at both of those events.

After a lengthy process, he said, the state made a "prudent and strategic re-investment in the UW System and its capacity to fuel economic growth across Wisconsin and improve the quality of life for the people of the state."

This success had been possible by a number of factors:

- The Growth Agenda was focused on the state's needs, not the university's desires.
- People made their voices heard in Madison and students from every UW institution signed a joint letter to the Legislature. In that regard, President Reilly recalled, students were more effectively engaged than ever before in his experience.
- Legislators went on record supporting a solid, prudent investment in the UW System, which was urged by constituents, including many business and community leaders.
- 30,000 UW-Madison alumni wrote to their legislators, asking them to fund the UW at levels that would preserve quality and protect the institution's reputation for academic excellence.

As a result of broad support for the Growth Agenda for Wisconsin:

- Governor Doyle incorporated the Growth Agenda in his executive budget.
- The Joint Committee on Finance showed bipartisan support for the Growth Agenda and new academic facilities needed to carry it out.
- Fair-minded legislative leaders from both houses and both parties passed a budget that eliminated targeted cuts, fully funded the Growth Agenda, and funded the university's recruitment and retention fund.

Noting that there is more to be done, President Reilly emphasized that a competitive pay plan is crucial to advancing the Growth Agenda. To achieve that end, the Board of Regents requested a 5.23% per year increase, fully funded from general purpose revenues, with no tuition component. That would have closed in four years the gap between UW salaries and those of peer universities. If that were not attainable, a 4% pay plan in each year, along with use of the recruitment and retention fund, would narrow the gap from 8.5% to 2.5% in four years. It is important to narrow the gap, he pointed out, in order to hire and keep the strong teachers and researchers needed to help move the state forward.

Referring to a \$25 million lapse required in the budget, President Reilly said that, while it strains resources, the lapse will be met in such a way that there will be minimal impact on students.

He was continuing to work with Chancellor Gow and others to ensure that UW-La Crosse could make its contribution to the Growth Agenda. Discussions were proceeding well and it was anticipated that a recommendation would be brought to the Board in December.

In conclusion, he stated that the budget's reinvestment in the UW System will allow the university to take the first steps toward a bright future for Wisconsin.

He then called on Associate Vice President Freda Harris to provide more detail about the biennial budget provisions affecting the university.

Ms. Harris began by pointing out that this is the first time since the 2001-03 biennium that the UW System has received an increase in funding for new initiatives that was larger than the base reductions or lapses required.

The board requested \$198 million in GPR/fees and received \$240 million. Of the total request, \$146 million was for cost to continue items, while the final budget provided \$196 million, adding debt service and inflationary increases for utilities that are included for every state agency.

Of the board's request of \$36 million over two years for the Growth Agenda, excluding UW-La Crosse, the budget provided \$29 million, which almost fully funds the

Growth Agenda beginning in 2008-09. No positions were added in the budget for the Growth Agenda.

The board requested \$4.4 million in tuition authority for the UW-La Crosse initiative over two years, while the final budget provided \$901,400, using a GPR/fee split to fund the initiative for the first year only. The budget did not provide the requested increase of \$2.6 million in the second year.

The board requested and received \$10 million biennially for recruitment and retention of high-demand faculty and research academic staff.

The board's requests for additional staff to support veterans and to staff the Wisconsin Covenant were not included in the final budget. However, the budget created an Office of the Wisconsin Covenant in the Department of Administration and provided funding for veterans' remissions through the Higher Educational Aids Board.

Initiatives funded that were not part of the board's request included Islet Transplantation, an initiative to expand medical practice in rural areas, and one-time funds to match gifts and grants for lung cancer research. In addition, program revenue funding of \$400,000 each was provided for the State Lab of Hygiene and the Veterinary Diagnostic Lab. All of the university's program revenue initiatives were funded as requested. The board also received funding from other sources to support the aquaculture facility and the Discovery Farms.

Turning to the Capital Budget, Ms. Harris reported that, of the \$218.3 million requested by the board for general fund supported borrowing and major projects, \$208.6 million was received. The board requested \$119 million in gifts and grants for major projects and was authorized to use \$107.5 million. \$314.4 million in program revenue supported borrowing was authorized, as was \$28.5 million in other funds.

Enumerated as major projects in the budget were new academic facilities at UW-La Crosse, UW-Madison, UW-Oshkosh, UW-Parkside, and UW-Superior. Also included were academic building remodeling and renovation projects at UW-Green Bay, UW-Oshkosh, UW-Stevens Point, and UW-Stout.

Major projects to be funded by program revenues included union projects for UW-Eau Claire and UW-Madison, although the Memorial Union project for UW-Madison was advance enumerated for 2009-11, rather than included for the current biennium. Residence hall projects at UW-Oshkosh, UW-Parkside, UW-River Falls, and UW-Whitewater also were included. The UW-Madison Lakeshore dormitory was the only program revenue project recommended by the Building Commission that was not included in the budget.

For all-agency fund needs, the board requested \$125 million; and, while the budget provided that amount, the funding must cover all state agencies. This amount was reduced from the State Building Commission's recommendation of \$165 million.

Funding for the Wisconsin Higher Education Grant in the Higher Educational Aids Board budget was provided at the level proposed by the Governor, with a significant increase to \$50 million in 2007-08 and \$55 million in 2008-09. Grants have been released to those students whose funding was on hold until the budget was completed.

Funding for veterans' remissions, through the Higher Educational Aids Board, was provided at the level proposed by the Governor -- \$5 million in 2007-08, increasing to \$6.6 million in 2008-09. The total is less than the projected amount required for 2007-08.

Undergraduate application fees will increase by \$9 and graduate application fees will increase by \$11, generating an additional \$1.1 million annually to support online programming and admission office functions.

Statutory language changes will require:

- Allocation of \$200,000 for establishment of a School of Public Health at UW-Milwaukee, if the board approves the school;
- Allocation of \$25,000 for a short course to introduce Chinese citizens to the Wisconsin Idea;
- Provision of various reports on IT projects to the Board of Regents and the Joint Committee on Information Policy and Technology;
- Provision of information on segregated fees for each institution on its website, including detailed information on organizations and activities for which allocable segregated fees are expended; and
- Submission of an annual report on the number of employees with limited, concurrent, and back-up appointments.

The budget includes the Governor's recommendation to reduce the waiting period for new employees to receive health insurance from six months to two months. His recommendations for tuition remission for certain undocumented persons and domestic partner insurance for state employees were not part of the final budget.

Tuition caps were not included in the budget; and targeted base cuts were removed, including reductions to Wisconsin Public Radio and Television and to the Law School, among others.

In conclusion, Ms. Harris remarked that, while the budget process was long and arduous, the final budget will provide a strong foundation upon which to grow the UW and the state's economy.

In discussion following the presentation, Regent Spector inquired as to whether the money for the School of Public Health at UW-Milwaukee is for planning or whether the school must be approved before the money is made available. In reply, Ms. Harris explained that the board first must decide on whether or not to go forward with the school, after which the money would be re-allocated. It is not additional money and will have to come from other areas.

Regent Bartell inquired about removal of the UW-Madison Lakeshore Dormitory project from the budget. Indicating that it was removed after much discussion, Ms. Harris said that legislators seemed open to future recommendations and other options for

making additional beds available. Currently, she added, there is not enough residence hall space for the freshman class.

With regard to the UW-La Crosse initiative, Regent Loftus asked if it would be fair to say that the Legislature would not raise tuition for use as financial aid.

It was noted by President Reilly that the new proposal being developed by UW-La Crosse would not use tuition for that purpose. All tuition options, however, were still under consideration as part of the Advantage Wisconsin strategic framework.

In response to a question by Regent Loftus regarding the IT provisions in the budget, President Reilly said that the reporting requirements are a means of focusing attention on these large and sometimes difficult projects. Regent Loftus asked if the board must approve individual campus plans, and Ms. Harris replied in the affirmative, adding that the IT requirements do not apply only to the university, but to state government agencies as well.

Noting that the shortfall for veterans' tuition remissions would be greater than originally anticipated, Regent Loftus asked if the amount would be made up from other tuition dollars. Ms. Harris replied that the Legislature made no directive in that regard, but that the shortfall affects the university's budget as a whole.

President Reilly remarked that, because veterans protect all people through their service, the state as a whole should pay for their remissions. While it was hoped that all remissions would be covered, it was encouraging that some funding had been provided.

Regent Pruitt commended President Reilly and the chancellors for their strong and successful leadership in promoting the Growth Agenda for Wisconsin.

President Reilly thanked the UW System Administration external relations team for their excellent work.

Regent Walsh noted that veterans' tuition remissions increased dramatically in 2007 and asked if there were estimates available for the future. Replying that estimates would be provided in time for a legislative hearing the following week, Ms. Harris added that remissions more than doubled in the last year, due to the increase from 50% to 100% in the amount of the remission. Numbers were expected to climb further as more veterans return from the war.

Regent Spector observed that the complex and lengthy process for approving capital projects is inefficient; and President Reilly agreed, adding that work to streamline the process will continue.


Chancellor Wells thanked the regents, faculty, staff and students for their advocacy on behalf of the Growth Agenda. The resulting budget, he said, has improved morale on campus greatly.

Chancellor Wilson expressed appreciation to the deans of the UW Colleges and UW-Extension for their advocacy in speaking with legislators and organizing students and constituents across the state to connect with the Legislature in support of the Growth Agenda.

Regent Davis thanked friends in the Legislature who supported the Growth Agenda, and Regent President Bradley expressed special appreciation to Governor Doyle for his strong support.

Upon motion by Regent Davis, seconded by Regent Shields, the meeting was adjourned at 12:30 p.m.

Submitted by:

A handwritten signature in black ink, appearing to read "J. A. Temby", written over a horizontal line.

Judith A. Temby, Secretary

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