



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

REVISED 8/29/07

August 29, 2007

TO: Each Regent

FROM: Judith A. Temby

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

PUBLIC MEETING NOTICE

RE: Agendas and supporting documents for meetings of the Board and Committees to be held at UW-Madison on September 6 and 7, 2007.

Thursday, September 6, 2007

10:00 a.m. – All Regents Invited

- The Strategic Framework of the UW System to Advantage and Advance Wisconsin's Future
1820 Van Hise Hall

12:00 p.m. – Box Lunch

12:30 p.m. – Physical Planning and Funding Committee – All Regents Invited

- UW-Stevens Point: Campus Master Plan Presentation
1820 Van Hise Hall

1:00 p.m. – Education Committee Meeting

1920 Van Hise Hall

Business, Finance, and Audit Committee Meeting

1820 Van Hise Hall

Physical Planning and Funding Committee Meeting

1511 Van Hise Hall

Friday, September 7, 2007

9:00 a.m. – Board of Regents Meeting
1820 Van Hise Hall

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

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

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

The meeting will be webcast at <http://www.uwex.edu/ics/stream/regents/meetings/> Thursday, September 6, 2007, at 10:00 a.m. until approximately 12:00 p.m. and 12:30 p.m. until approximately 1:00 p.m., and Friday, September 7, 2007, at 9:00 a.m. until approximately 12:00 p.m.

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REVISED 8/29/07

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.1. Education Committee - Thursday, September 6, 2007
1920 Van Hise Hall
University of Wisconsin-Madison

10:00 a.m. All Regents (1820 Van Hise)

- The Strategic Framework of the UW System to Advantage and Advance Wisconsin's Future

12:00 p.m. Box Lunch

12:30 p.m. Physical Planning and Funding Committee – All Regents Invited (1820 Van Hise)

- UW-Stevens Point: Campus Master Plan Presentation

1:00 p.m. Education Committee (1920 Van Hise)

- a. Approval of the Minutes of the June 7, 2007, Meeting of the Education Committee.
- b. Education Committee Priorities for 2007-08.
- c. Committee Business:
 1. UW-Green Bay: Mission Revision (Second Reading);
[Resolution I.1.c.(1)]
 2. UW-Stevens Point: Expansion of the Board of Visitors;
[Resolution I.1.c.(2)]
 3. UW-Eau Claire: Revised Faculty Personnel Rules;
[Resolution I.1.c.(3)]
 4. UW-Milwaukee: Revised Faculty Personnel Rules;
[Resolution I.1.c.(4)]
 5. UW-Parkside: Authorization to Recruit a Provost/Vice Chancellor.
[Resolution I.1.c.(5)]
- d. Report of the Senior Vice President:
 1. Academic Staff Regents Award for Program Excellence;
[Resolution I.1.d.(1)]
 2. Statutorily and Regent-Required Report on 2006 Undergraduate Drop Rates.
- e. Additional items may be presented to the Education Committee with its approval.

EDUCATION COMMITTEE

Resolution I.1.c.(1):

That, upon recommendation of the Chancellor of the University of Wisconsin-Green Bay and the President of the University of Wisconsin System, the Board of Regents approves the University of Wisconsin-Green Bay's revised mission statement.

**REVISED MISSION STATEMENT
UNIVERSITY OF WISCONSIN-GREEN BAY
(APPROVAL)**

EXECUTIVE SUMMARY

BACKGROUND

Chapter 36.09(b), Wis. Stats., requires that "the Board, after public hearing at each institution, shall establish for each institution a mission statement delineating specific program responsibilities and types of degrees to be granted."

The University of Wisconsin-Green Bay requests approval for its revised Mission Statement. These changes have been reviewed by the campus and endorsed by the appropriate governance groups. Copies of the UW-Green Bay's current mission and its proposed revised mission are attached.

UW-Green Bay's revised mission statement underwent initial review at the June 8, 2007, meeting of the Education Committee. On July 25, 2007, a public hearing was held on the UW-Green Bay campus and attended by members of the campus and larger Green Bay community. Approximately 200 members of the community were invited to attend the hearing through a personal invitation from Chancellor Shepard. All UW-Green Bay faculty and staff were invited to attend through a campus-wide email. Regent Mary Cuene presided at the hearing. The public hearing was preceded by several feedback sessions held during the 2006-2007 academic year with faculty, staff and student governance groups. Members of the campus and greater Green Bay community were also invited to provide feedback on drafts of the mission statement via a University website and email. The public forum and the feedback sessions resulted in wide campus and community support for UW-Green Bay's revised mission.

REQUESTED ACTION

Approval of Resolution I.1.c.(1), approving UW-Green Bay's revised mission statement.

UW-Green Bay Current Select Mission

The University of Wisconsin-Green Bay is committed to a distinctive academic plan characterized by strong interdisciplinary, problem-focused liberal education that integrates disciplinary and professional programs appropriate to a comprehensive institution. The University prepares students to evaluate critically and to address the complex issues of their professions and the human experience. To this end:

- a) The University maintains a distinctive academic organization of interdisciplinary units to implement its educational philosophy and meet educational goals.
- b) The University offers programs employing a problem-focused approach, including an emphasis on regional, national, and global environmental issues, and encourages innovative teaching in support of that approach.
- c) The University offers interdisciplinary and disciplinary undergraduate programs in the arts, letters and sciences.
- d) The University offers undergraduate professional and pre-professional programs, especially those responsive to metropolitan and regional needs.
- e) The University provides graduate education at the master's level in select areas built upon its undergraduate emphases and strengths, including programs designed to meet the needs of the region.
- f) The University fosters the interchange of ideas and techniques between the University and the community, provides continuing education, and serves as an intellectual, cultural, and economic resources.
- g) The University maintains a broad range of inter-institutional relationships, including those at the national and international levels, in order to provide maximum educational opportunities for its students and faculty.
- h) The University expects scholarly activity, including research scholarship and creative endeavor that supports its programs at the associate and baccalaureate degree level, its selected graduate programs, and its select mission.

**Proposed Revised Version for
Board of Regents Action – September 2007**

Select Mission of the University of Wisconsin-Green Bay

Our Mission

The University of Wisconsin-Green Bay provides an interdisciplinary, problem-focused educational experience that prepares students to think critically and address complex issues in a multicultural and evolving world. The University enriches the quality of life for students and the community by embracing the educational value of diversity, promoting environmental sustainability, encouraging engaged citizenship, and serving as an intellectual, cultural, and economic resource.

Draft

Authorization to Expand
University of Wisconsin-Stevens Point
Board of Visitors

EDUCATION COMMITTEE

Resolution I.1.c.(2):

That, upon recommendation of the Chancellor of the University of Wisconsin-Stevens Point and the President of the University of Wisconsin System, the Board of Regents authorizes the expansion of the UW-Stevens Point Board of Visitors to twenty-five members.

**AUTHORIZATION TO EXPAND THE
UW-STEVENS POINT BOARD OF VISITORS**

EXECUTIVE SUMMARY

BACKGROUND

Regent Resolution 1698 authorizes the establishment of Boards of Visitors at each of the UW System's institutions, as deemed appropriate by the Chancellor. Regent policy also states that, "In general, the number of members of an institutional board of visitors shall not exceed 15. Where special circumstances warrant, permission of the Board of Regents must be requested to exceed this number" (Policy Document 78-6).

DISCUSSION

The Chancellor of the University of Wisconsin-Stevens Point would like to expand the size of that institution's Board of Visitors—known as the Chancellor's Advisory Council—from fifteen members to twenty-five members, thus requiring Board of Regents action as required by Regent policy. The President of the University of Wisconsin System supports the expansion.

REQUESTED ACTION

Approval of Resolution I.1.c.(2), authorizing the University of Wisconsin-Stevens Point to expand its Board of Visitors to twenty-five members.

RELATED REGENT POLICIES

Regent Policy 78-6, Boards of Visitors Reorganization.

Regent Resolution #1697, 4/14/78; amended by Regent Resolution #3853, adopted 7/10/87.

Report of the Special Committee on the Role and Status of the Board of Visitors, Exhibit A, Board of Regent Minutes, July 10, 1987.



August 24, 2007

TO: Board of Regents

FROM: Linda Bunnell *Linda*

RE: Regent Approval of UW-SP Expansion of Board of Visitors

I am requesting that the Regents grant the University of Wisconsin-Stevens Point approval to increase the size of our Chancellor's Advisory Council (Board of Visitors) from 18 to 25 members. Our council members have provided exceptional advice to me on areas of policy formation and university relations. They are outstanding advocates for UWSP and higher education, and they have made their voices heard as we move forward with the Growth Agenda.

By allowing us to increase the size of the Chancellor's Advisory Council, you would give us the opportunity to recruit additional members from the Wausau, Marshfield, and Wisconsin Rapids communities. In order to truly represent the needs of the economic community in Central Wisconsin, we need to have council members from all areas.

Amendments to
Faculty Personnel Rules
University of Wisconsin-Eau Claire

EDUCATION COMMITTEE

Resolution I.1.c.(3):

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

09/07/07

I.1.c.(3)

**FACULTY PERSONNEL RULES
UNIVERSITY OF WISCONSIN-EAU CLAIRE**

EXECUTIVE SUMMARY

BACKGROUND

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

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

The proposed amendments are to the UW-Eau Claire *Faculty Handbook*, and were adopted by the Faculty Senate on April 24, 2007. The proposed changes concern the language regarding minimum degree and the experience required for promotion; they clarify the policies governing promotion in rank.

Following are three versions of the relevant section of the UW-Eau Claire Faculty Handbook: (A) as currently written; (B) with proposed additions in bold and proposed deletions crossed out; (C) as these sections would read subsequent to Board approval.

REQUESTED ACTION

Approval of Resolution I.1.c.(3), approving the amendments to the UW-Eau Claire Faculty Personnel Rules.

DISCUSSION AND RECOMMENDATIONS

UW System Administration recommends approval of these revisions.



University of Wisconsin-Eau Claire

105 Garfield Avenue • P.O. Box 4004 • Eau Claire, WI 54702-4004

RECEIVED

MAY 29 2007

Chancellor's Office
UW-Eau Claire

Date: May 29, 2007
To: Kevin Reilly, President, UW System
From: Brian Levin-Stankevich, Chancellor, UW-Eau Claire
Re: Change in UW-Eau Claire Faculty Personnel Policy

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

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

lb

Attachment: UWEC Senate Action Concerning Promotion Eligibility

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

MEMORANDUM

TO: Board of Regents Education Committee

FROM: Christopher Ashley, Senior System Legal Counsel

RE: Changes to UW-Eau Claire Faculty Rules

DATE: August 23, 2007

As required by s. UWS 2.02, Wisconsin Administrative Code, UW-Eau Claire has forwarded proposed changes to its faculty rules for Board consideration and approval.

As indicated in Chancellor Levin-Stankevich's transmittal letter to President Reilly, the proposed revisions would clarify the minimum degree and experience requirements for promotion in faculty rank.

The UW System Office of General Counsel has reviewed these proposed revisions and finds them to be consistent with State law and applicable Board and UW System policy.

UW-Eau Claire Faculty Personnel Rules – Original Version

MINIMUM DEGREE AND EXPERIENCE REQUIREMENTS FOR PROMOTION

PROFESSOR:

1. Earned terminal degree, as specified by the professional teaching societies which represent the different disciplines (e.g., MFA is the earned terminal degree required for promotion within the art department in studio areas). Faculty members holding such degrees shall not be discriminated against by reason of their not holding a doctorate.
2. A minimum of 12 years of full-time equivalency in teaching and/or professional experience and including no less than 5 years of full-time college teaching. (FS 9/71, 11/71)

ASSOCIATE PROFESSOR:

1. Earned terminal degree (same as above).
2. A minimum of 5 years of full-time equivalency in teaching and/or professional experience and including no less than 3 years of full-time college teaching. (FS 9/71, 11/71, US 12/91)

ASSISTANT PROFESSOR:

1. Earned doctorate, or master's degree plus 30 additional credits plus 5 years of teaching experience.
2. The administration may consider a year of graduate study in residence, with what is considered a fulltime load in a recognized institution, as equivalent to 30 hours of graduate credit beyond the master's degree.

INSTRUCTOR:

Master's degree.

EXCEPTIONS:

Exceptions to these minimum requirements may be made when it is believed that the faculty member's performance and contributions merit promotion.

UW-Eau Claire Faculty Personnel Rules – With Proposed Changes

MINIMUM DEGREE AND EXPERIENCE REQUIREMENTS FOR PROMOTION

Promotion in rank shall not be automatic based solely on years at rank. These policies govern promotion in rank, not initial appointment to a rank at the time of hiring.

Credit for full-time years of experience at a rank shall be established at the time of hire.

Minimum years of full-time experience must be completed by the time of application and do not include the year in which the promotion evaluation occurs.

PROFESSOR:

1. Earned terminal degree, as specified by the professional teaching societies which represent the different disciplines (e.g., MFA is the earned terminal degree required for promotion within the art & design department in studio areas). Faculty members holding such degrees shall not be discriminated against by reason of their not holding a doctorate.
2. A minimum of ~~12~~ **5** years of full-time ~~equivalency in teaching and/or professional~~ **equivalent (FTE)** experience ~~and including no less than 5 years of full-time college teaching at the rank of Associate Professor of which at least 2 years are at the University of Wisconsin – Eau Claire.~~ (FS 9/71, 11/71, US 4/07)

ASSOCIATE PROFESSOR:

1. Earned terminal degree (same as above).
2. A minimum of 5 years of full-time ~~equivalency in teaching and/or professional~~ **equivalent (FTE)** experience ~~and including no less than 3 years of full-time college teaching at the rank of Assistant Professor of which at least 2 years are at the University of Wisconsin – Eau Claire.~~ (FS 9/71, 11/71, US 12/91, 4/07)

ASSISTANT PROFESSOR:

1. Earned ~~doctorate~~ **terminal degree (same as above)** or earned master's degree plus ~~30~~ **completion of coursework for the terminal degree and evidence of active progress toward the completion of the terminal degree.**
2. The administration may consider a year of graduate study in residence, with what is considered a full-time load in a recognized institution, as equivalent to 30 hours of graduate credit beyond the master's degree.

INSTRUCTOR:

Master's degree.

EXCEPTIONS:

Exceptions to these minimum requirements may be made when it is believed that the faculty member's performance and contributions merit promotion.

UW-Eau Claire Faculty Personnel Rules – Revised Version

MINIMUM DEGREE AND EXPERIENCE REQUIREMENTS FOR PROMOTION

Promotion in rank shall not be automatic based solely on years at rank. These policies govern promotion in rank, not initial appointment to a rank at the time of hiring.

Credit for full-time years of experience at a rank shall be established at the time of hire.

Minimum years of full-time experience must be completed by the time of application and do not include the year in which the promotion evaluation occurs.

PROFESSOR:

1. Earned terminal degree, as specified by the professional teaching societies which represent the different disciplines (e.g., MFA is the earned terminal degree required for promotion within the art & design department in studio areas). Faculty members holding such degrees shall not be discriminated against by reason of their not holding a doctorate.
2. A minimum of 5 years of full-time equivalent (FTE) experience at the rank of Associate Professor of which at least 2 years are at the University of Wisconsin – Eau Claire. (FS 9/71, 11/71, US 4/07)

ASSOCIATE PROFESSOR:

1. Earned terminal degree (same as above).
2. A minimum of 5 years of full-time equivalent (FTE) experience at the rank of Assistant Professor of which at least 2 years are at the University of Wisconsin – Eau Claire. (FS 9/71, 11/71, US 12/91, 4/07)

ASSISTANT PROFESSOR:

Earned terminal degree (same as above) or earned master's degree plus completion of coursework for the terminal degree and evidence of active progress toward the completion of the terminal degree.

EXCEPTIONS:

Exceptions to these minimum requirements may be made when it is believed that the faculty member's performance and contributions merit promotion.

Senate Approval: April 24, 2007

Amendments to
Faculty Personnel Rules
University of Wisconsin-Milwaukee

EDUCATION COMMITTEE

Resolution I.1.c.(4):

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

**FACULTY PERSONNEL RULES
UNIVERSITY OF WISCONSIN-MILWAUKEE**

EXECUTIVE SUMMARY

BACKGROUND

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

The proposed amendments to the UW-Milwaukee Faculty Personnel Rules have been approved by the appropriate faculty governance bodies, and are recommended by Chancellor Carlos Santiago. These revisions have also been reviewed by the UW System Office of the General Counsel and the Office of Academic Affairs.

The proposed amendments are to the *UWM Faculty Policies and Procedures* and were adopted by the Faculty Senate on April 19, 2007. The proposed changes reflect the necessity of establishing departmental executive committees to render a decision on tenure. Subsection 5.136, *Notification of Decision of Tenure by Executive Committee* has been added to Section 5.13, *Calculating the Probationary Period for Assistant Professors and Instructors*. In addition, subsection 5.162, *Departmental/School-College Executive Committee Vote on Tenure and Promotion* has been added to Section 5.16, *Appointment, Reappointment, Tenure, Non-Retention and Notification of Assistant Professors*.

Following are three versions of the two relevant sections of the UW-Milwaukee Faculty Handbook: (A) as currently written; (B) with proposed additions in bold and proposed deletions crossed out; (C) as these sections would read subsequent to Board approval.

REQUESTED ACTION

Approval of Resolution I.1.c.(4), approving the amendments to the UW-Milwaukee Faculty Personnel Rules.

DISCUSSION AND RECOMMENDATIONS

UW System Administration recommends approval of these revisions.




Academic Affairs
Provost and Vice Chancellor

Chapman 215
PO Box 413
Milwaukee, WI
53201-0413
414 229-4501 *phone*
414 229-4929 *fax*
http://www3.uwm.edu/Dept/Acad_Aff/

May 16, 2007

MEMORANDUM

TO: Ronald Singer, Associate Vice President
Academic and Student Services
UW System Administration

FROM: 
Rita Cheng
Provost and Vice Chancellor

RE: UWM Faculty Document No. 2553

I am forwarding UW-Milwaukee Faculty Document No. 2553 for your approval.

The action, which was approved by the Faculty Senate on April 19, 2007, proposes the recommendation of the University Committee to clarify the necessity of rendering a decision on tenure by departmental executive committees.

The rationale behind this change is included in the attached documentation.

Chancellor Carlos Santiago and I concur with the recommendation in this document. If you have any questions or concerns please contact my office at your convenience.

Attachment

c: Carlos Santiago, Chancellor
Randy Ryder, Secretary of the University
Judith Temby, Secretary, Board of Regents
Robin Van Harpen, Director, Legal Affairs
Dev Venugopalan, Associate Vice Chancellor

/kmb




Academic Affairs
Provost and Vice Chancellor

Chapman 215
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May 16, 2007

MEMORANDUM

TO: Ronald Singer, Associate Vice President
Academic and Student Services
UW System Administration

FROM: 
Rita Cheng
Provost and Vice Chancellor

RE: UWM Faculty Document No. 2564

I am forwarding UW-Milwaukee Faculty Document No. 2564 for your information.

The action, which was approved by the Faculty Senate on March 15, 2007, proposes adding to the UWM Policies and Procedures 5.16. Appointment, Reappointment, Tenure, Non-Retention and Notification of Assistant Professors.

The rationale behind this change is included in the attached documentation.

Chancellor Carlos Santiago and I concur with the recommendation in this document. If you have any questions or concerns please contact my office at your convenience.

Attachment

c: Carlos Santiago, Chancellor
Randy Ryder, Secretary of the University
Judith Temby, Secretary, Board of Regents
Dev Venugopalan, Associate Vice Chancellor

/kmb

MEMORANDUM

TO: Board of Regents Education Committee

FROM: Christopher Ashley, Senior System Legal Counsel

RE: Changes to UW-Milwaukee Faculty Rules

DATE: August 23, 2007

As required by s. UWS 2.02, Wisconsin Administrative Code, UW-Milwaukee has forwarded proposed changes to its faculty rules for Board consideration and approval.

As indicated in Provost Cheng's transmittal letter to President Reilly, the proposed revisions would clarify the rules to specify that a department's executive committee must render a decision on tenure prior to the end of a faculty member's probationary period.

The UW System Office of General Counsel has reviewed the proposed revisions and finds them to be consistent with State law and applicable Board and UW System policy.

Recommendation of the University Committee to clarify the necessity of rendering a decision on tenure by departmental executive committees.

Rationale for the changes

RATIONALE:

Present UWM faculty policies and procedures do not specify that a department's executive committee is obligated to render a decision (favorable or unfavorable) prior to the end a faculty member's probationary period. The absence of such policy leaves our faculty policies and procedures out of alignment with the American Association of University Professors, *1940 Statement of Principles on Academic Freedom and Tenure*.

Subsection 2 under Academic Tenure, states that:

Notice should be given at least one year prior to expiration of the probationary period if the teacher is not to be continued in service after the expiration of that period.

In 1970 a joint committee of the AAUP and the Association of American Colleges issued interpretative comments on the original 1940 document. The joint committee clarified subsection 2 of Academic Tenure by stating:

The effect of this subparagraph is that a decision on tenure, favorable or unfavorable, must be made at least twelve months prior to the completion of the probationary period. If the decision is negative, the appointment for the following year becomes a terminal one. If the decision is affirmative, the provisions in the 1940 Statement with respect to the termination of service of teachers or investigators after the expiration of a probationary period should apply from the date when the favorable decision is made.

These interpretative comments were adopted by the Council of the American Association of University Professors in April 1970 and endorsed by the Fifty-sixth Annual Meeting as association policy.

AAUP policies have served as a foundation of our own faculty policies and procedures. If the Faculty Senate approves the proposed changes our policies and procedures on this issue will then be aligned with those of AAUP.

Clean copy of original policy

5.13 Calculating the Probationary Period for Assistant Professors and Instructors

- (1) Previous full-time service in other accredited colleges or universities in a rank equivalent to assistant professor or above at the University or previous full-time teaching service as a member of the academic staff at this University, is taken into account in computing a person's probationary service at the University, so that the probationary period shall not exceed seven (7) years in all; provided that if a person receives a probationary appointment after service of more than three (3) years in one or more institutions, a person's probationary status in the University may extend for as long as four (4) years, even though the total probationary period is thereby extended beyond the normal maximum of seven (7) years. In the case of less than full-time appointments, the provisions of 5.13(3) apply. Prior probationary service must be established in writing at the time a faculty appointment is offered.

(Document 1090, 4/20/78, 5/11/78, 11/16/78; UWM Administration approval, 11/22/78; Regent approval, 6/6/80)

- (2) In cases of transfers from other institutions or from the teaching academic staff at this University, with the consent of the person concerned, the department and the dean, it may be agreed in writing at the time the appointment is made, that one whose previous full-time service was performed in those institutions before receiving the doctoral degree (or the degree typically considered terminal in a given discipline), and while a candidate for this degree, may be granted a maximum seven-year probationary period in the University.
- (3) The probationary period for assistant professors and instructors on at least one-half time but not more than three-fourths time appointment is counted as one-half year probationary service; service of greater than three-fourths time is counted as a full year. In no case shall the probationary period exceed fourteen (14) calendar years.

(Document 1189, 2/21/80; UWM Administration approval, 2/27/80; Regent approval, 6/6/80)

- (4) The period of leave of absence is excluded in calculating the probationary period.

(Document 1484, 12/12/85; UWM Administration approval, 12/26/85; Regent approval, 2/7/86)

5.131 Calculating the Probationary Period for Associate Professors and Professors on Probationary Appointments

- (1) The probationary period for associate professors and professors with probationary appointments of at least one-half time but not more than three-fourths time appointment is counted as one-half year probationary service; service of greater than three-fourths time is counted as a full year.
- (2) The period of leave of absence is excluded in calculating the probationary period.
- (3) Previous experience, scholarly accomplishments, scholarly publications and the like may be taken into account in calculating the probationary period of associate professors and professors on probationary appointments. Credit for previous experience will be agreed upon in writing at the time the appointment is made. In no case will the probationary period for associate professors and professors on probationary appointments exceed three (3) years.

(Document 1189, 2/21/80; UWM Administration approval, 2/27/80;
Regent approval, 6/6/80)

5.135 Extension of the Probationary Period

Certain circumstances may impede a faculty member's progress toward achieving tenure, including responsibilities with respect to childbirth/adoption, significant responsibilities with respect to elder/dependent care obligations, disability/chronic illness, or circumstances beyond the control of the faculty member. Written requests for extensions of the probationary period should be made in a timely manner, proximate to the events or circumstances which occasion the request, and include appropriate documentation. A request for extension of the probationary period with respect to childbirth and adoption responsibilities carries with it the presumption of approval. More than one request may be granted but the total time granted for extensions may not ordinarily exceed one year. Multiple extension requests granted for childbirth/adoption may exceed one year. Pursuant to UWS 3.04, Wis. Adm. Code, the procedures for requesting an extension are:

- (1) The faculty member provides a written request to the department executive committee, which forwards the request with its recommendation to the dean and Provost. In cases of childbirth and adoption as well as requests that are related to disability or chronic illness, the faculty member provides a written request directly to the Provost.

- (2) Requests for probationary period extension may be approved by the Provost, after review by the executive committee and the dean and upon consultation with the University Committee. Requests in cases of childbirth/ adoption and those that are related to disability or chronic illness that are provided directly to the Provost shall be approved only after consultation with the University Committee and the department executive committee, as well as notification of the dean. Except to obtain necessary consultative assistance on medical or legal issues, only the Provost and the ADA Coordinator will have access to documentation pertaining to a request related to disability or chronic illness.

(Document 2430, 4/15/04; UWM Administration approval, 4/26/04)

- (3) All requests for probationary period extensions shall be made prior to commencing with a tenure or contract renewal review. With respect to contract renewals, it is presumed that executive committees will extend the contractual period for a minimum of the recommended and approved probationary period extension. With respect to requests related to disability or chronic illness, executive committees will extend the contractual period for a period of time that coincides with the approved probationary period extension.
- (4) If a probationary period extension is approved, a reduction in scholarly productivity during the period of time addressed in the request should not prejudice a subsequent renewal decision. Any faculty member in probationary status more than seven (7) years because of extensions shall be evaluated as if the faculty member had been on probationary status for seven (7) years.
- (5) A denial of a request shall be provided in writing to the faculty member, the department executive committee, and the dean, and shall be based upon clear and convincing reasons. If the request is related to disability or chronic illness and denied by the Provost, only the requesting faculty member will receive notification of the denial.
- (6) A faculty member who believes that a request has been denied unfairly may file an appeal with the University Committee for referral to the Faculty Appeals and Grievances Committee [Section A2.3(3)].

(Document 1949, 10/20/94; UWM Administration approval, 11/14/94;
Regent approval, 3/10/95)

(Document 2180, 2/18/99; UWM Administration approval, 4/12/99;
Regent approval, 5/7/99)

Copy of policy with edits

Therefore, a new subsection would be added following 5.135, called “5.136 Notification of Decision of Tenure by Executive Committee”.

5.13 Calculating the Probationary Period for Assistant Professors and Instructors

- (1) Previous full-time service in other accredited colleges or universities in a rank equivalent to assistant professor or above at the University or previous full-time teaching service as a member of the academic staff at this University, is taken into account in computing a person's probationary service at the University, so that the probationary period shall not exceed seven (7) years in all; provided that if a person receives a probationary appointment after service of more than three (3) years in one or more institutions, a person's probationary status in the University may extend for as long as four (4) years, even though the total probationary period is thereby extended beyond the normal maximum of seven (7) years. In the case of less than full-time appointments, the provisions of 5.13(3) apply. Prior probationary service must be established in writing at the time a faculty appointment is offered.

(Document 1090, 4/20/78, 5/11/78, 11/16/78; UWM Administration approval, 11/22/78; Regent approval, 6/6/80)

- (2) In cases of transfers from other institutions or from the teaching academic staff at this University, with the consent of the person concerned, the department and the dean, it may be agreed in writing at the time the appointment is made, that one whose previous full-time service was performed in those institutions before receiving the doctoral degree (or the degree typically considered terminal in a given discipline), and while a candidate for this degree, may be granted a maximum seven-year probationary period in the University.
- (3) The probationary period for assistant professors and instructors on at least one-half time but not more than three-fourths time appointment is counted as one-half year probationary service; service of greater than three-fourths time is counted as a full year. In no case shall the probationary period exceed fourteen (14) calendar years.

(Document 1189, 2/21/80; UWM Administration approval, 2/27/80; Regent approval, 6/6/80)

- (4) The period of leave of absence is excluded in calculating the probationary period.

(Document 1484, 12/12/85; UWM Administration approval, 12/26/85; Regent approval, 2/7/86)

5.131 Calculating the Probationary Period for Associate Professors and Professors on Probationary Appointments

- (1) The probationary period for associate professors and professors with probationary appointments of at least one-half time but not more than three-fourths time appointment is counted as one-half year probationary service; service of greater than three-fourths time is counted as a full year.
- (2) The period of leave of absence is excluded in calculating the probationary period.
- (3) Previous experience, scholarly accomplishments, scholarly publications and the like may be taken into account in calculating the probationary period of associate professors and professors on probationary appointments. Credit for previous experience will be agreed upon in writing at the time the appointment is made. In no case will the probationary period for associate professors and professors on probationary appointments exceed three (3) years.

(Document 1189, 2/21/80; UWM Administration approval, 2/27/80; Regent approval, 6/6/80)

5.135 Extension of the Probationary Period

Certain circumstances may impede a faculty member's progress toward achieving tenure, including responsibilities with respect to childbirth/adoption, significant responsibilities with respect to elder/dependent care obligations, disability/chronic illness, or circumstances beyond the control of the faculty member. Written requests for extensions of the probationary period should be made in a timely manner, proximate to the events or circumstances which occasion the request, and include appropriate documentation. A request for extension of the probationary period with respect to childbirth and adoption responsibilities carries with it the presumption of approval. More than one request may be granted but the total time granted for extensions may not ordinarily exceed one year. Multiple extension requests granted for childbirth/adoption may exceed one year. Pursuant to UWS 3.04, Wis. Adm. Code, the procedures for requesting an extension are:

- (1) The faculty member provides a written request to the department executive committee, which forwards the request with its recommendation to the dean and Provost. In cases of childbirth and adoption as well as requests that are related to disability or chronic illness, the faculty member provides a written request directly to the Provost.
- (2) Requests for probationary period extension may be approved by the Provost, after review by the executive committee and the dean and upon consultation with the University Committee. Requests in cases of childbirth/ adoption and those that are related to disability or chronic illness that are provided directly to the Provost shall be approved only after consultation with the University Committee and the department executive committee, as well as notification of the dean. Except to obtain necessary consultative assistance on medical or legal issues, only the Provost and the ADA Coordinator will have access to documentation pertaining to a request related to disability or chronic illness.

(Document 2430, 4/15/04; UWM Administration approval, 4/26/04)

- (3) All requests for probationary period extensions shall be made prior to commencing with a tenure or contract renewal review. With respect to contract renewals, it is presumed that executive committees will extend the contractual period for a minimum of the recommended and approved probationary period extension. With respect to requests related to disability or chronic illness, executive committees will extend the contractual period for a period of time that coincides with the approved probationary period extension.
- (4) If a probationary period extension is approved, a reduction in scholarly productivity during the period of time addressed in the request should not prejudice a subsequent renewal decision. Any faculty member in probationary status more than seven (7) years because of extensions shall be evaluated as if the faculty member had been on probationary status for seven (7) years.
- (5) A denial of a request shall be provided in writing to the faculty member, the department executive committee, and the dean, and shall be based upon clear and convincing reasons. If the request is related to disability or chronic illness and denied by the Provost, only the requesting faculty member will receive notification of the denial.

- (6) A faculty member who believes that a request has been denied unfairly may file an appeal with the University Committee for referral to the Faculty Appeals and Grievances Committee [Section A2.3(3)].

(Document 1949, 10/20/94; UWM Administration approval, 11/14/94;
Regent approval, 3/10/95)

(Document 2180, 2/18/99; UWM Administration approval, 4/12/99;
Regent approval, 5/7/99)

5.136 Notification of Decision of Tenure by Executive Committee

- (1) **A decision of tenure, favorable or unfavorable, must be made a least 12 months prior to the completion of the maximum probationary period (or equivalent), unless this right is waived, in writing, by the candidate. The Executive Committee must initiate the review process soon enough to allow for the required notification listed in 5.19 (3) to take place following a negative decision. If the decision is negative, the appointment for the following year becomes a terminal one.**
- (2) **After a negative decision, the executive committee may agree, but is not required, to conduct another tenure review and render a decision during the terminal year. A decision to conduct a tenure review in the terminal year will be communicated to the candidate in writing.**
- (3) **A faculty member who waives his/her right for tenure review or who submits their resignation, may serve out the terminal year without a tenure decision being rendered.**
- (4) **A faculty member who waives his/her right for a tenure review prior to the terminal year, may request, in writing, to be reviewed during their terminal year. The executive committee, at its discretion, may or may not agree to conduct a tenure review during the terminal year. Its decision will be communicated to the candidate in writing.**

Clean copy of revised policy

5.13 Calculating the Probationary Period for Assistant Professors and Instructors

- (1) Previous full-time service in other accredited colleges or universities in a rank equivalent to assistant professor or above at the University or previous full-time teaching service as a member of the academic staff at this University, is taken into account in computing a person's probationary service at the University, so that the probationary period shall not exceed seven (7) years in all; provided that if a person receives a probationary appointment after service of more than three (3) years in one or more institutions, a person's probationary status in the University may extend for as long as four (4) years, even though the total probationary period is thereby extended beyond the normal maximum of seven (7) years. In the case of less than full-time appointments, the provisions of 5.13(3) apply. Prior probationary service must be established in writing at the time a faculty appointment is offered.

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- (1) The probationary period for associate professors and professors with probationary appointments of at least one-half time but not more than three-fourths time appointment is counted as one-half year probationary service; service of greater than three-fourths time is counted as a full year.
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- (2) Requests for probationary period extension may be approved by the Provost, after review by the executive committee and the dean and upon consultation with the University Committee. Requests in cases of childbirth/ adoption and those that are related to disability or chronic illness that are provided directly to the Provost shall be approved only after consultation with the University Committee and the department executive committee, as well as notification of the dean. Except to obtain necessary consultative assistance on medical or legal issues, only the Provost and the ADA Coordinator will have access to documentation pertaining to a request related to disability or chronic illness.

(Document 2430, 4/15/04; UWM Administration approval, 4/26/04)

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- (4) If a probationary period extension is approved, a reduction in scholarly productivity during the period of time addressed in the request should not prejudice a subsequent renewal decision. Any faculty member in probationary status more than seven (7) years because of extensions shall be evaluated as if the faculty member had been on probationary status for seven (7) years.
- (5) A denial of a request shall be provided in writing to the faculty member, the department executive committee, and the dean, and shall be based upon clear and convincing reasons. If the request is related to disability or chronic illness and denied by the Provost, only the requesting faculty member will receive notification of the denial.
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Regent approval, 3/10/95)

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Regent approval, 5/7/99)

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- (6) After a negative decision, the executive committee may agree, but is not required, to conduct another tenure review and render a decision during the terminal year. A decision to conduct a tenure review in the terminal year will be communicated to the candidate in writing.
- (7) A faculty member who waives his/her right for tenure review or who submits their resignation, may serve out the terminal year without a tenure decision being rendered.
- (8) A faculty member who waives his/her right for a tenure review prior to the terminal year, may request, in writing, to be reviewed during their terminal year. The executive committee, at its discretion, may or may not agree to conduct a tenure review during the terminal year. Its decision will be communicated to the candidate in writing.

Rationale for the changes

Recommendation of the University Committee to add to UWM Policies and Procedures, 5.16. Appointment, Reappointment, Tenure, Non-Retention and Notification of Assistant Professors

RATIONALE:

Present UWM Faculty Policies and Procedures do not specify voting procedures for departmental or unit tenure and promotion decisions.

Given the absence of a policy there is a lack of consistency of voting practices across UWM and a fair amount of ambiguity as to how the practice is to be performed.

Therefore the University Committee offers the following proposed addition, “**5.162 Departmental/School-College Executive Committee Vote on Tenure and Promotion**”

Clean copy of original policy

5.16 Appointment, Reappointment, Tenure, Non-Retention and Notification of Assistant Professors

After not more than seven (7) years of probationary service as assistant professor, or instructor and assistant professor, except as provided in 5.13, the faculty member shall be promoted with tenure, not retained, or in exceptional cases, reappointed with tenure. The decision on which course to take is made on recommendation of the appropriate academic executive committee or an ad hoc review committee (ref. 5.181 - 5.186), the dean and the Chancellor to the Board of Regents. The faculty member shall be officially notified of the decision in writing by the appropriate administrative officer in accordance with the provisions of 5.19. If a faculty member is appointed assistant professor from outside the University of Wisconsin--Milwaukee, the appointment is normally for a term of two (2) years. These provisions do not imply any obligation of reappointment, nor do they preclude recommending an assistant professor for promotion or tenure after a period of service less than seven (7) years.

(Document 1809 (Revised), 11/19/92; UWM Administration approval, 11/30/92; Regent approval, 2/5/93)

5.161 Tenure, Non-Retention and Notification of Associate Professors and Professors on Probationary Appointments

After not more than three (3) years of probationary service as associate professor or professor without tenure except as provided in 5.131, the faculty member shall be granted tenure or not retained. The decision on which course to take is made on the recommendation of the appropriate academic executive committee or an ad hoc review committee (ref. 5.181 - 5.186), the dean and the Chancellor to the Board of Regents. The faculty member shall be officially notified of the decision in writing by the appropriate administrative officer in accordance with the provisions of 5.19.

(Document 1189, 2/21/80; UWM Administration approval, 2/27/80; Regent approval, 6/6/80)

(Document 1582A, 3/24/88; UWM Administration approval, 4/1/88; Regent approval, 6/10/88)

(Editorially revised, 9/27/88)

(Document 1809 (Revised), 11/19/92; UWM Administration approval, 11/30/92; Regent approval, 2/5/93)

Copy of policy with edits

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5.162 Departmental/School-College Executive Committee Vote on Tenure and Promotion

The departmental/school/college executive committee shall provide the appropriate notice for all tenure/promotion decisions (see 5.171).

Following deliberations on a tenure/promotion case, the executive committee shall vote by written ballot. This ballot shall contain the motion before the committee, the date of the meeting, the individual's vote (yes, no, abstain), and the signature of the individual voting. These ballots will be collected by the chair of the committee and retained in the confidential personnel files for the duration of the candidate's employment at UWM.

Members of the executive committee must be present in order to vote. Proxy votes are not allowed. In extraordinary circumstances, and with the permission of the executive committee members, a member of the executive committee may participate in the meeting by video or audio teleconferencing assuming they have access to all materials placed before the committee by the candidate.

The vote on a decision of tenure/promotion shall be recorded in the minutes of the executive committee.

In the event the executive committee requires a 2/3 majority for passage of a motion recommending tenure and/or promotion and the vote results in a majority vote that results in a fraction, that fraction will be rounded up to the next highest number.

Clean copy of revised policy

5.16 Appointment, Reappointment, Tenure, Non-Retention and Notification of Assistant Professors

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In the event the executive committee requires a $2/3$ majority for passage of a motion recommending tenure and/or promotion and the vote results in a majority vote that results in a fraction, that fraction will be rounded up to the next highest number.

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

EDUCATION COMMITTEE:

Resolution I.1.c.(5):

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

Request for Authorization to Recruit

Institution: University of Wisconsin-Parkside

Type of Request: Provost and Vice Chancellor Search

Official University Title: Vice Chancellor

Description of Duties:

As chief academic officer, the Provost and Vice Chancellor is responsible for the leadership and administration of the academic affairs of the university. This position reports directly to the Chancellor of the university and serves as the Chancellor's deputy. Primary responsibilities include (1) oversight of academic programs and curricular issues, (2) supervision of the administrators of the undergraduate colleges and graduate program, (3) recommendation of all personnel actions pertaining to faculty and academic staff, (4) direction for budget development, (5) advice on such matters as student needs, administrative organization, facilities planning, personnel policies, community service, and communication, and (6) representation of the Chancellor upon the request of the Chancellor or System President.

Recommended Salary Range: University Senior Executive Group 1

Source of Funds: 102

Replacement Position for: Rebecca Martin

Salary of Previous Incumbent: \$142,428

Justification for the Salary Range:

The 2006-07 Regent executive salary range 1 noted below is built on the 2004-05 actual peer median salary of \$150,000 for non-doctoral institution Vice Chancellors and Provosts, factored by 3.3% for 2005-06. The midpoint of the range is 95% of the 2005-06 predicted peer median of \$154,950, with the minimum 90% and the maximum 110% of those midpoints. The official salary range(s) were determined by the OSER Director with JCOER approval, on April 27, 2006, for 2006-07. For administrative purposes, the "effective salary range" is the highest Minimum and lowest Maximum to ensure that a salary is within the parameters of either salary range.

Vice Chancellors and Provosts Senior Executive Group 1

	<u>Minimum</u>	<u>Midpoint</u>	<u>Maximum</u>
JCOER Approved Range	\$119,144	\$135,229	\$151,314 (7/1/06-3/31/07)
Board of Regents Executive Salary Policy Range	\$121,825	\$138,272	\$154,719 (4/1/-7-6/30/07)
	\$132,482	\$147,203	\$161,923 (2006-07)

Approved by:

Kevin P. Reilly, President
August 23, 2007

**Authorization to Recruit (Approved)(Denied)
By the Board of Regents Executive Committee on _____.**

UW-Parkside Vice Chancellor Competitive Salary Information

2006-07 Board of Regents Senior Executive Salary Range:

2004-05 peer group median salary:	\$150,000
CUPA-HR projects 3.3% increase in 2005-06	<u>x 1.033</u>
2005-06 projected peer group median:	\$154,950
Executive salary policy cost-of living adjustment	<u>.95</u>
Regents Salary Range Midpoint:	\$147,203
Regents Salary Range Minimum (90%):	\$132,482
Regents Salary Range Maximum (110%):	\$161,923

2006-07 Peer Group Salaries:

University of Akron	\$220,000
Oakland University	\$190,528
University of Michigan-Dearborn	\$190,000
Southern Illinois University-Edwardsville	\$185,100
University of Northern Iowa	\$181,178
Grand Valley State University	\$175,329
University of Michigan-Flint	\$173,880
Minnesota State University-Mankato	\$166,293
Eastern Michigan University	\$165,120
St. Cloud State University	\$164,037
University of Illinois-Springfield	\$163,892
Northern Michigan	\$162,318
Eastern Illinois University	\$161,568
University of Minnesota-Duluth	\$160,256
Ferris State University	\$159,331
Saginaw Valley State University	\$155,000
Youngstown State University	\$154,500
Minnesota State University-Moorhead	\$152,709
Northeastern Illinois University	\$151,524
Indiana-Purdue University-Ft. Wayne	\$151,410
Bemidji State University	\$150,196
Indiana University-Southbend	\$143,400
Indiana University-Northwest	\$141,000
Winona State University	\$140,000
University of Southern Indiana	\$135,068
Indiana University-South East	\$129,757

UW System Non-Doctoral Institution Vice Chancellor Salaries 8/1/07

UW-Extension	\$153,370
UW-La Crosse (Interim)	\$150,489
UW-Green Bay	\$147,914
UW-Platteville	\$147,888
UW-Eau Claire	\$147,500
UW-Oshkosh	\$145,000
UW-Stevens Point	\$144,000
UW-Stout	\$144,000
UW-Whitewater (Interim)	\$142,500
UW Colleges (Interim)	\$139,500
UW-Parkside (Interim)	\$139,500
UW-River Falls (Interim)	\$139,500
UW-Superior	\$139,500

Mean	\$162,438
Median	\$160,912

Mean	\$144,666
Median	\$144,000

Authorization to Establish the
Academic Staff Regents Award
for Program Excellence

EDUCATION COMMITTEE

Resolution I.1.d.(1):

That, upon the recommendation of the President of the UW System, in addition to the two existing Regents Academic Staff Excellence Awards for individuals, a \$5,000 Academic Staff Regents Award for Program Excellence be established.

ACADEMIC STAFF REGENTS AWARD FOR PROGRAM EXCELLENCE

EXECUTIVE SUMMARY

BACKGROUND

The UW System Board of Regents sponsors several awards programs which honor the excellence of UW System staff and programs. The Regents Teaching Excellence Awards have recognized excellent teachers among UW System instructional staff since 1992 (two per year), and academic programs or departments since 1993 (one per year). Since 1998, the Board of Regents has made two awards to non-teaching administrative and professional academic staff members at UW System institutions, known as the Regents Academic Staff Excellence Awards for Individuals.

In recognition of the large number of quality non-instructional academic staff programs, and as a complement to the Regents Teaching Excellence Award for Academic Programs or Departments, the Board of Regents is asked to consider an additional annual award designated for non-instructional academic staff programs. The new Award would recognize the important role played by academic staff in supporting students and their success. Each UW institution would be asked to nominate one program composed primarily of academic staff members and demonstrating excellence of performance, initiative and creativity, and outstanding achievement in support of the university's mission. The recipient program will be honored at a Board of Regents meeting.

REQUESTED ACTION

Approval of Resolution I.1.d.(1), approving the establishment of the Academic Staff Regents Award for Program Excellence.

RELATED POLICY

Regent Resolution 7427, authorizing the establishment of the Academic Staff Excellence Awards, 4/11/97.

REPORT ON 2006 UNDERGRADUATE COURSE DROP RATES

BACKGROUND

In September 1988, the University of Wisconsin System Board of Regents passed Resolution 5045 in response to 1987-88 Wisconsin Act 27. Resolution 5045 directs the UW System Administration to:

1. Monitor course drop rates at all UW System institutions.
2. Require all UW System institutions to reduce or maintain course drop rates during any academic year at no more than five percent of the credit hours registered at the close of the tenth day of classes at the beginning of the fall and spring terms.
3. Direct all UW System institutions whose drop rates exceed five percent, effective in the fall of 1989, to develop and implement plans to reduce the drop rate to five percent. Such plans will be subject to the review and approval of System Administration.
4. Report to the Board of Regents whenever the combined rate of dropped credits across the UW System exceeds five percent in any academic year, beginning in the fall of 1990, and make recommendations for further action by the Board of Regents on UW System add/drop policies.

The Legislature's Joint Committee on Finance passed a motion at its September 1988 Hearing, S13.10, which directed the UW System to report to the Committee annually, beginning in 1990, on:

1. Campuses where the undergraduate drop rate exceeded five percent in any semester during that year.
2. The steps being taken to achieve a maximum five percent drop rate at these campuses.

The reporting requirements to the UW System Board of Regents and to the Legislature's Joint Committee on Finance differ. UW System Administration is required to report to the Board of Regents whenever the *systemwide* rate of dropped credits exceeds five percent. The Legislature's Joint Committee on Finance requires UW System Administration to report annually on *campuses* where undergraduate course drop rates exceed five percent in any given semester. The objectives of both the Board of Regents and the Legislative Joint Committee to reduce course drop rates below five percent have been consistently achieved over successive years since the 1990's. In September 1999 and September 2004, the Board of Regents requested that the Joint Committee on Finance eliminate the UW System *Report on Undergraduate Course Drop Rates*. However, the Joint Committee on Finance denied both requests and the report remains a legislative requirement.

REQUESTED ACTION

For information only; no action is required.

DISCUSSION

In this report, the course drop rate refers to completed credits as a proportion of enrolled credits. For the purposes of Resolution 5045, the UW System 2006 annual course drop rate was below the five percent threshold. The UW System has achieved the intent of Resolution 5045 by reducing the number of systemwide dropped credits. In the late 1980s, the systemwide drop rate was 5.5 percent. This has fallen to 3.6 percent in the spring of 2006 (the spring term of the 2005-06 academic year) and to 3.5 percent in the fall of 2006 (the fall term of the 2006-07 academic year). On an annual basis, the drop rate was 3.6 percent in calendar year 2006 (see Table 1). Over the years, the *Report on Undergraduate Course Drop Rates* has demonstrated a reduction in annual course drop rates to a level that has remained well below the mandated five-percent threshold. This trend indicates that course drop rates within the UW System have reached a stable level which is within the guidelines established by both the Regents and the Legislature. A report containing the following information will be sent to the Joint Committee on Finance.

Annual course drop rates among UW institutions were at or below the five-percent threshold except for UW Colleges and UW-Oshkosh. The UW Colleges exceeded the five-percent threshold, with a drop rate of 6.7 percent in the spring of academic year 2005-06, and a drop rate of 6.6 percent in the fall of academic year 2006-07. The UW Colleges' annual drop rate for 2006 stands at 6.7 percent, compared to 7.1 percent in 2001. The UW Colleges continues to take a variety of actions to continue to reduce the drop rate. These include:

1. improved skills assessment upon admission;
2. continued careful advising, especially of under-prepared students;
3. improved freshman orientation sessions dealing with adjusting to college courses and developing more study skills;
4. continued implementation of the *Engaging Students in the First Year Initiative* which is a comprehensive curricular and co-curricular initiative to assist new students with their transition to college;
5. enrollment of over 35 percent of new freshmen into First-Year Seminars which provide additional support and instruction to students to increase their chances of success in college;
6. additional linked courses and learning community formats to facilitate peer support and a more integrated learning experience; and
7. additional service-learning and community service activities to facilitate peer-to-peer and student-to-instructor interactions.

The UW Colleges will continue to work to reduce the course drop rate. However, given the mission of the UW Colleges and the students they serve, a five percent or lower drop rate may not be attainable.

The course drop rate at UW-Oshkosh was 5.2 percent for calendar year 2006. The spring 2005-06 course drop rate exceeded the five-percent threshold at 5.5 percent, and the fall 2006-07 course drop rate was below the five-percent threshold at 4.9 percent. UW-Oshkosh attributes the increase in the drop rate to two factors. First, the instructional calendar at UW-Oshkosh has two

fourteen-week semesters, each followed by a three-week interim term. The calendar may encourage students to drop courses in the fourteen-week term, knowing that credits may be made up in the interim term. Second, in fall 2004, UW-Oshkosh changed its policy to extend the drop deadline date. After this change, the drop rate rose to slightly over 5 percent. However, a positive result of this policy change is that the number of students placed on academic probation and suspension decreased by 22%.

RELATED REGENTS POLICIES

Resolution 5045 (October 1988); Resolution 6153 (July 1992).

TABLE 1

Annual Course Drop Rates for Undergraduates by Institution

	1989	2001	2002	2003	2004	2005	2006
UW-Madison	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Milwaukee	6.8%	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Eau Claire	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Green Bay	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-La Crosse	5.3%	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Oshkosh	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below	5.2%
UW-Parkside	8.8%	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Platteville	7.3%	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-River Falls	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Stevens Point	5.5%	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Stout	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Superior	6.0%	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW-Whitewater	7.2%	At/Below	At/Below	At/Below	At/Below	At/Below	At/Below
UW Colleges*	6.2%	7.1%	6.7%	6.6%	6.5%	6.2%	6.7%

* The 1989 drop rate for UW Colleges is probably underreported.

System Total

	1989	2001	2002	2003	2004	2005	2006
UW System	5.3%	3.0%	3.2%	3.1%	3.2%	3.5%	3.6%

Revised 8/29/07

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.2. Business, Finance, and Audit Committee

September 6, 2007
1820 Van Hise Hall
1220 Linden Drive
Madison, WI 53706

10:00 a.m. All Regents

- The Strategic Framework of the UW System to Advantage and Advance Wisconsin's Future

12:00 p.m. Box Lunch

12:30 p.m. Physical Planning and Funding Committee (All Regents Invited)
1820 Van Hise Hall

- UW-Stevens Point: Campus Master Plan Presentation

1:00 p.m. Business, Finance, and Audit Committee – 1820 Van Hise Hall

- a. Approval of Minutes of the July 12, 2007 Meeting of the Business, Finance, and Audit Committee
- b. Review of Select Terms and Disclosures of UW System Banking Programs
- c. WiSys Update
- d. Trust Fund Items
 - (1) Changes to the Strategic Asset Allocation and Reconfirmation of the Spending Plan
[Resolution I.2.d.(1)]
- e. Audit Issues
 - (1) Quarterly Status Update
- f. Committee Business
 - (1) 2007-09 Biennial Operating Budget Update
 - (2) Quarterly Gifts, Grants, and Contracts Report
 - (3) Committee Goals and Priorities for 2007-08
- g. Report of the Vice President
 - (1) Update on Student Loan Issues and Textbook Costs
- h. Additional items, which may be presented to the Committee with its approval

REVIEW OF SELECT TERMS AND DISCLOSURES OF UW SYSTEM BANKING PROGRAMS

EXECUTIVE SUMMARY

BACKGROUND

Over the past five years, some University of Wisconsin (UW) institutions have entered into contracts with banks or financial service organizations to provide ID/debit card services to their students. The ID/debit cards provide students with enhanced services, such as the ability to make off-campus purchases, and reduce UW administrative costs by automating student refunds. Information related to the ID/debit card programs was presented to the Board of Regents' Business, Finance, and Audit Committee on July 12, 2007. As noted at that time, four UW institutions have ID-card contracts with Higher One, while three have contracts with US Bank. All of these contracts resulted from state-approved procurement processes.

REQUESTED ACTION

This item is for information only.

DISCUSSION

During the July 2007 meeting, the Business, Finance, and Audit Committee requested additional information regarding 1) overdraft fees, 2) disclosure statements associated with UW institutions' ID/debit card programs, 3) the degree of UW student involvement in deciding how any proceeds are used or designated, and 4) comparative information from institutions outside of the UW System regarding each of these items. For purposes of comparison, twelve institutions with ID/debit card programs were identified, including six other Big 10 institutions: University of Minnesota, Northwestern University, Penn State, University of Iowa, University of Michigan, and University of Illinois.

Overdraft Fees

Overdraft fees are fees charged by a bank or financial service organization to a student for overdrawing his or her debit account. The Business, Finance, and Audit Committee inquired whether UW students are charged the same overdraft fees as the general public.

The overdraft fees charged to UW students with ID/debit cards affiliated with US Bank are consistent with fees assessed to other US Bank customers. US Bank charges its general customers \$31 each time an account is overdrawn. Overdraft fees of the three UW institutions that have contracted with US Bank are also \$31 with the first overdraft being fee free.

Higher One accounts are not available to the general public, only to faculty, staff, and students of a contracting institution. Therefore, comparative information does not exist. Higher One charges the same overdraft fees for all institutions with whom it contracts, including four UW campuses. For the first overdraft occurrence, a fee of \$29 is assessed; \$35 is charged for all following occurrences.

Disclosure Statements/Information

General information provided by UW campuses regarding their ID/debit card programs is consistent with other institutions in terms of content and delivery method. While information disclosed by UW institutions varies somewhat, disclosures typically include an overview of the institution's program, general policies, terms of use and privacy policies, frequently asked questions ("FAQ"), and contact information. This information is often presented electronically, either on the campus website and/or on the US Bank or Higher One website. Several institutions indicated that general information was also mailed to students, as well as faculty and staff who were eligible to apply for the card, as part of the application process.

Most institutions with ID/debit card programs, including the UW campuses, do not disclose that revenue is earned from their agreements with banks or financial service organizations or how those proceeds are used. Of the 12 peer institutions reviewed, only one—the University of Illinois—provides such information for its "i-card" program. According to the University of Illinois website:

Through the University's exclusive partnership with TCF Bank to offer optional student checking accounts linked to the i-card, the University receives financial support in the form of annual student scholarships, program marketing support, revenue for each account opened, reimbursement for i-card supplies, furniture for ID Centers, branch rent and other compensation. Students are not required to open an account with TCF Bank and they do not need to have a TCF Bank account in order to use their i-card for other card-authorized services, such as meal plans, on-campus debit accounts, door access, library services, and fee-based services like recreation centers. The University partnership with TCF Bank was formed after a competitive selection process.

Similar to the University of Illinois, UW institutions disclose that participating in their ID/debit card programs is optional or that students are not required to establish an account with the affiliated bank or financial service organization. For example, the UW-Oshkosh website discloses that its program "...is completely optional and it is your choice whether or not you decide to take advantage of this function." However, unlike the example above, UW institutions do not disclose the fact that state-approved procurement processes were used.

Student Input in Decision-making

UW campuses have a higher rate of student involvement in deciding how funds will be used than institutions outside of the UW System. Of the seven UW campuses with

ID/debit card programs, four obtained direct student input when deciding how the proceeds or funds should be used at the institution. The type of student involvement varied. Most campuses sought advice from student government representatives. To a lesser degree, UW campuses also held information meetings and open forums and utilized surveys. Only 2 of the 12 non-UW institutions indicated that student input was used in making decisions regarding the expenditure of proceeds.

UW institutions use the funds generated by ID/debit card programs for a variety of purposes. Many UW campuses use at least a portion of the funds to offset the costs associated with the ID/debit card program, such as salaries, capital expenditures like office equipment, and various administrative expenses. In addition, some campuses, including UW-Oshkosh and UW-Stevens Point, have designated scholarship programs as an intended purpose of the program funds. Finally, other campuses use the funds for other student programs or operations, such as the student unions, thereby limiting the segregated fee rate that is charged to students.

Non-UW institutions also use revenue generated by their ID/debit card programs to fund student scholarship programs and offset program costs; however, the priority with which these initiatives are funded varies. For example, the University of Minnesota has designated scholarship programs as the primary purpose for the proceeds. On the other hand, the University of Iowa, Northwestern University, and University of Illinois fund scholarship programs after program costs are covered. In addition, 5 out of 12 of these institutions indicated that some or all of the funds were assigned to the institution's general fund to be used at the discretion of the institution.

RELATED REGENT POLICIES

None.

University of Wisconsin System Trust Funds
Strategic Asset Allocation and Spending Plan

BUSINESS, FINANCE, AND AUDIT COMMITTEE

Resolution:

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the changes to the strategic asset allocations for the UW Trust Funds' Long Term and Intermediate Term Funds, as described in the report to the Board of Regents entitled "Strategic Asset Allocation and Spending Plan Review: Long Term and Intermediate Term Funds," dated September 7, 2007; and reconfirms the four percent spending plan for the Long Term Fund.

**UNIVERSITY OF WISCONSIN SYSTEM TRUST FUNDS
STRATEGIC ASSET ALLOCATION AND SPENDING PLAN REVIEW:
LONG TERM AND INTERMEDIATE TERM FUNDS**

EXECUTIVE SUMMARY

BACKGROUND

The single most important decision in the investment process is that of asset allocation; that is, deciding how assets are to be allocated among the major investment categories (or asset classes). Studies indicate that well over 90 percent of a portfolio's return can be explained simply by its asset allocation. The strategic, policy asset allocation should represent long-term "equilibrium" or "normal" asset class positions, positions that under normal conditions are expected to best meet an investment portfolio's objectives. Also, in the case of an endowment fund (e.g., the Long Term Fund), decisions regarding the spending policy in conjunction with reasonable return expectations, impact the long term sustainability of the fund. Both strategic asset allocation and spending policy for the UW Trust Funds' Long Term and Intermediate Term Funds are therefore critical investment policies, for which the Business, Finance, and Audit Committee has ultimate responsibility. As such, both elements are to be periodically reviewed.

REQUESTED ACTION

Approval of Resolution I.2.c.(1).

DISCUSSION

The attached report provides the following general recommendations: 1) to improve overall diversification and portfolio "efficiency" (return per unit of risk), and in recognition of fewer opportunities in the Real Assets category, that the target strategic asset allocation for the Long Term Fund be revised; 2) given the fact that return expectations for the Long Term Fund remain in the 7.5 to 7.75 percent range (excluding consideration of any additional return from active management), that the annual spending distribution rate be maintained at four percent; 3) that an "Opportunistic" investment category be created for the Long Term Fund, to represent up to ten percent of Fund assets; 4) that the investment objectives of the Intermediate Term Fund be revised such that they contemplate the potential use of other asset classes and not just fixed income; and 5) that the target strategic asset allocation for the Intermediate Term Fund be revised significantly to include other asset classes, resulting in a portfolio with higher expected returns, lower expected risk, and dramatically improved "efficiency."

Regarding strategic asset allocations, the tables given below indicate the specific changes being recommended for the two Funds.

LONG TERM FUND	<u>Prior Target Allocations</u>	<u>New Target Allocations</u>
Growth and High-Yielding Assets		
U.S. Equities	25.0%	15.0%
Non-U.S. Equities	10.0%	12.5%
Emerging Market Equities	10.0%	10.0%
Private Equity	10.0%	10.0%
High Yield Debt	<u>5.0%</u>	<u>7.5%</u>
	60.0%	55.0%
Event Risk- and Deflation-Hedge Assets		
U.S. Bonds	10.0%	10.0%
U.S. Cash	0.0%	0.0%
Absolute Return	<u>0.0%</u>	<u>10.0%</u>
	10.0%	20.0%
Real and Inflation-Hedge Assets		
U.S. TIPS	7.5%	7.5%
Real Assets	<u>22.5%</u>	<u>17.5%</u>
	<u>30.0%</u>	<u>25.0%</u>
	100.0%	100.0%
Expected Return	7.83%	7.61%
Standard Deviation	10.67%	9.66%
Sharpe Ratio	0.41	0.43

INTERMEDIATE TERM FUND	<u>Current Target Allocations</u>	<u>New Target Allocations</u>
Growth and High-Yielding Assets		
U.S. Equities	0.0%	7.5%
Non-U.S. Equities	0.0%	7.5%
Emerging Market Equities	0.0%	0.0%
Private Equity	0.0%	0.0%
High Yield Debt	<u>0.0%</u>	<u>5.0%</u>
	0.0%	20.0%
Event-Risk and Deflation-Hedge Assets		
U.S. Bonds	100.0%	40.0%
U.S. Cash	0.0%	10.0%
Absolute Return	<u>0.0%</u>	<u>10.0%</u>
	100.0%	60.0%
Real and Inflation-Hedge Assets		
U.S. TIPS	0.0%	20.0%
Real Assets	<u>0.0%</u>	<u>0.0%</u>
	<u>0.0%</u>	<u>20.0%</u>
	100.0%	100.0%
Expected Return	5.25%	5.67%
Standard Deviation	4.60%	4.19%
Sharpe Ratio	0.36	0.52

RELATED REGENT POLICIES

Regent Policy 31-8 (and modifying resolutions): Small Fraction Spending Plan.

Regent Policy 31-9 (and modifying resolutions): Investment Objectives and Guidelines.

UNIVERSITY OF WISCONSIN SYSTEM TRUST FUNDS

Strategic Asset Allocation and Spending Plan Review: Long Term and Intermediate Term Funds

Introduction

This report is a review of the strategic, or policy, asset allocations and spending/distribution plans for the UW System Trust Funds' Long Term Fund and Intermediate Term Funds. (It should be noted that this is the first time an asset allocation analysis has been conducted for the Intermediate Term Fund. Historically, this Fund has been invested entirely in intermediate-maturity, investment-grade fixed income.) The strategic, policy asset allocation should represent the long-term "equilibrium" or "normal" asset class positions for the portfolios, positions that under normal conditions should best meet the Funds' investment objectives.

Overview of the Strategic Asset Allocation Process

The single most significant decision in the investment process is that of asset allocation; that is, deciding how assets are to be allocated among the major investment categories (or asset classes). Studies indicate that well over 90 percent of a portfolio's return can be explained simply by its asset allocation.

By making forward-looking capital market assumptions, based strongly on historical observations and mindful of the importance of "reversion to the mean," and inputting these into a "mean-variance optimizer" program, various "optimal portfolios" can be generated. Optimal portfolios are those that will theoretically produce the highest return for any given level of risk, or the lowest risk for any given return.

Modern portfolio theory demonstrates mathematically that a well-diversified portfolio reduces risk, however measured. In the context of only one asset class and market, such as stocks, diversification can virtually eliminate company-specific risk (as measured by standard deviation) to the point where the only risk remaining is that of the stock market as a whole (so-called "systematic risk") while not reducing expected return. In a multi-asset class context, risk can be further reduced by combining asset classes whose returns do not move in perfect lock-step with each other. For instance, bonds have historically performed well when stocks performed poorly. The resulting portfolio return will always equal the weighted average of the individual asset class returns. So, to the extent that an asset class with a lower expected return and low correlation is combined with one with a higher expected return, risk will be reduced but so too will expected portfolio return. The portfolio will, however, exhibit less risk per unit of return (it will be a more "efficient" portfolio). But, surprisingly, to the extent that an asset with an even higher expected return and risk but low correlation is combined with that same high expected return asset, portfolio risk may actually decline while expected return rises.

The foregoing discussion is intended to help in understanding and interpreting the results of the asset allocation analysis presented in this review. For the time being, and certainly for the purposes of the mean-variance optimization analyses, the focus will continue to be on standard deviation of expected returns as a meaningful measure of portfolio risk. (In the future, estimates of "value at risk" and other probability or simulation-based measures in addition to standard deviation will hopefully be considered.)

Asset allocation is typically and most appropriately done by taking a long-term, strategic view. Resulting target asset allocations are therefore intended to be long-term, fairly static, and not subject to significant shifts unless there have been fundamental changes to long-term equilibrium assumptions or investment objectives. Tactical shifts away from this strategic allocation, based on views that certain asset classes represent unusual, disequilibrium return potential in the shorter term, can be accomplished either by

setting acceptable allocation ranges for asset classes or by opportunistically shifting away from the static target allocation within limits.

Capital Market Assumptions

Forward-looking capital market assumptions are essential in determining which portfolios will exhibit desirable risk/return profiles. These same assumptions are also the key inputs to "mean-variance optimization." They are: 1) expected returns, 2) standard deviations, and 3) correlations.

Expected return is the expected annual arithmetic mean return; that is, it is the expected average or mean of the presumably normal distribution of observed annual returns. Standard deviation is a statistical measure of the dispersion of returns around the expected value (for instance, assuming a normal distribution, there is a roughly 67 percent probability that the observed return will fall within the range of the expected or mean return, plus or minus one standard deviation). All other things being equal, the greater the standard deviation, the more widely the experienced returns may differ from the expected and, therefore, the greater the risk. Correlation is a standardization of the statistical measure called covariance, which is a measure of the degree to which two variables move together over time. The standardization accomplished by the correlation calculation takes into account the variability (standard deviation) of the two individual return series. Correlation coefficients then range within the value -1 to +1. A value of +1 would indicate that the returns of the two assets should move together in a completely positive linear manner; a value of -1 would suggest that their returns move perfectly together, but in opposite directions. Other things being equal, a portfolio of two assets will have lower portfolio risk or variability of returns, with the same expected return, if the assets have a low or negative correlation rather than a high positive correlation. Combining assets with high expected returns but low correlations is therefore ideal.

The various capital market assumptions used for this asset allocation and spending rate review are given in **Attachment 1**. These capital market assumptions are primarily derived from those being used by two of our strategic investment managers (UBS and J.P. Morgan). The assumptions are intended to be conscious of not only long-term historical relationships and averages, but also projected long-term capital market conditions based upon current economic and financial environments. For example, return expectations are structured to be "internally consistent," reflecting a "build-up" of the following components: inflation + the risk-free real rate of return + plus various risk-premiums depending on the riskiness of the asset class in question. Furthermore, in the case of equities, return expectations are also viewed as being comprised of the following "building blocks:" earnings per share growth (which for equities overall should equal nominal GDP growth) + dividend yield + return impact from change in the price-to-earnings (P/E) ratio.

Asset Class Specification

Before capital market assumptions can be developed and the asset allocation process conducted, one must first determine which asset classes are to be included and how they are to be specified. Although there are certain standard broad classifications (e.g., equities and bonds), there remains some controversy over what constitutes a distinct asset class. However, the criteria given below provide a good starting point for asset class specification (this is taken from the CFA Institute's text on portfolio management, Chapter 5, "Asset Allocation," by Sharpe, Chen, Pinto and McLeavy):

- *Assets within an asset class should be relatively homogenous.* Assets within an asset class should have similar attributes. [And they should be subject to the same principal risk factors.]
- *Asset classes should be mutually exclusive.* [That is, they should not overlap.]
- *Asset classes should be diversifying.* For risk-control purposes, an included asset class should not have extremely high expected correlations with other asset classes or with a linear combination of the other asset classes. Otherwise the included asset class will be effectively

- redundant in a portfolio because it will duplicate risk exposures already present. In general, a pair-wise correlation above 0.95 is undesirable.
- *The asset classes as a group should make up a preponderance of world investable wealth.*
 - *The asset class should have the capacity to absorb a significant fraction of the investor's portfolio without seriously affecting the portfolio's liquidity.* Practically, most investors will want to be able to reset or rebalance to a strategic asset allocation without moving asset class prices or incurring high transaction costs.

The asset classes utilized in the analyses presented here are as follows:

Growth and High-Yielding Assets (i.e., higher risk “return drivers”)

U.S. Equities

Non-U.S. Equities

Emerging Market Equities

Private Equity (e.g., venture capital, leveraged buyouts, other private capital)

High Yield Debt (e.g., high yielding corporate debt or bank loans, emerging market debt)

Event-Risk and Deflation-Hedge Assets (i.e., lower risk, “catastrophe insurance”-like)

U.S. Bonds (pure U.S. Treasuries are perhaps ideal here)

U.S. Cash

Absolute Return (this “asset class” is best represented by truly market-neutral hedge funds)

Real and Inflation-Hedge Assets (i.e., physical assets and inflation-protected financial assets)

U.S. TIPS (Treasury Inflation Protection Securities)

Real Assets (e.g., private/public real estate, timber, commodities, possibly infrastructure)

Note also that asset classes are grouped into certain “super-categories” based on the primary roles those asset classes are expected to play within the overall portfolios. It is recognized that expected returns, volatilities, and pair-wise correlations are inherently imperfect representations of true underlying risks and returns. Therefore, optimal portfolios generated using only these inputs may lack some needed judgmental, qualitative assessment of broad risk factors and risk control. This is where it may also be helpful to consider what levels of assets might be prudently devoted to each such “super-category.”

Uses and Objectives of the Funds

Another necessary exercise prior to beginning an asset allocation study for any portfolio is a review of the portfolio's intended uses, objectives, and risk appetite. Given below are Fund descriptions, excerpted from the 2006 Trust Funds Annual Report.

Long Term Fund

This fund is used primarily for donor or Regent-designated endowments and other monies with expected investment horizons of seven to ten years or more. Assets invested in the Long Term Fund receive an annual “spending rate” distribution of a set percentage (currently four percent) of the average market value over the prior twelve quarters (three years). The spending rate percentage is reviewed periodically by Trust Funds and the Business, Finance, and Audit Committee of the Board of Regents. This fund is valued quarterly, allowing for deposits, withdrawals, and transfers on a quarterly basis.

The primary objective of the Long Term Fund is to achieve, net of administrative and investment expenses, significant and sustainable “real returns;” that is, nominal returns net of expenses, over and above the rate of inflation. By distributing such a realistic and sustainable real return stream,

disbursements for current expenditure will grow with the rate of inflation so as to maintain their purchasing power and support level into perpetuity. Other investment objectives for the fund are to outperform various market and peer group benchmarks, such as a more simplistic 70 percent global stocks/30 percent fixed income benchmark, or the median return achieved by university endowments of similar size.

The above description of the Long Term Fund (essentially the “endowment fund”) indicates that its primary objective is return-oriented: to achieve investment returns sufficiently high to cover inflation, expenses, and a meaningful, realistic payout rate for current consumption. A second objective is to do this in a way that limits extreme volatility of returns, and by extension, volatility of distribution levels.

The Intermediate Term Fund is currently described as follows:

Intermediate Term Fund

This fund is used predominately for the following: (1) gifts/bequests for which neither the donor nor the Regents have restricted the use of principal (gifts classified as “quasi-endowments”), and the expected investment horizon is approximately two to five years; (2) other monies with similar investment horizons; and (3) unspent Income Fund balances, which are annually swept into the Intermediate Term Fund. The Intermediate Term Fund is valued quarterly, and assets invested in the Fund receive quarterly distributions of all interest income earned, net of expenses.

The current primary objective of the Intermediate Term Fund is to provide levels of income consistent with high-quality intermediate fixed income investments, while minimizing the probability of loss of principal. In a normal interest rate environment, this fund is expected to yield two to three percentage points more per year than the Income Fund. Other investment objectives for the fund are to outperform various market and peer group benchmarks.

For the Intermediate Term Fund, a primary objective is risk-oriented: to minimize the probability of losses. Part of the current strategy to achieve this objective is to roughly match the duration (present valued-weighted average maturity) of the assets (currently all fixed income) to the duration of the liabilities (or the expected average investment horizon). A second primary objective is to provide a stream of income (transferred to the Income Fund) for current consumption.

Risk Profiles of the Funds

It is relatively easy for an institutional investor to determine what its desired or achievable target rate of return is. Risk, especially of a portfolio as opposed to a single investment, is a much more amorphous concept and is far less concrete than return. For instance, is risk best conveyed by a measure of the variability of returns (like standard deviation), the probability of total loss (virtually zero in a diversified portfolio), the probability that the portfolio will fall by more than x percent in value over the next 12 months (the “value at risk” or VaR concept), etc.? However, in addition to looking at purely quantitative or probabilistic measures of risk, more qualitative indicators of risk tolerance should also be looked at. Such indicators of risk appetite are discussed below for each Fund.

Long Term Fund

- Investment horizon – With over 95 percent of the accounts in the Fund classified as endowments or designated endowments, the appropriate investment horizon is extremely long term, essentially perpetual.

- Fund size – At roughly \$350 million the Fund is large enough to participate in virtually all asset classes. However, small percentage allocations to certain asset classes (probably five percent or less) may necessitate the use of commingled vehicles rather than separate accounts. Commingled vehicles preclude the application of individualized investment guidelines.
- Dependence on distributions – With disbursements totaling almost \$18 million for the fiscal year ended June 30, 2006, Trust Funds income does not represent a significant portion of total campus budgets. However, specific departments and programs do rely on Trust Fund resources. Long-term principal preservation, and, if not mutually exclusive, even additional real growth, are therefore still definite objectives.
- Distribution variability – A predetermined annual spending rate of four percent of the Fund's value (using a three-year moving average) is currently employed. By using a constant percentage and limiting the impact of shorter-term fluctuations in market value, planning for expenditures is facilitated. At the same time, this distribution smoothing technique allows for investment in portfolios with considerable variability of returns.
- Liquidity requirements and cash flow analysis – Generally, the Fund has an obligation or liability to pay out the spending rate, four percent of the Fund annually or one percent quarterly, plus expenses, less new contributions. (To a limited extent, some quasi-endowments are invested partially in the Long Term Fund, which results in the occasional need to liquidate Fund principal as well.) Over the past six years, the Fund has experienced average net quarterly cash flows of only -0.6 percent of assets. The limited nature of quarterly withdrawal requirements coupled with the perpetual time horizon of the Fund suggests that significant allocations can be made to “illiquid” asset classes (e.g., Private Equity, Private Real Estate, and Timber).

Intermediate Term Fund

- Investment horizon – Over 90 percent of the Fund is represented by “quasi-endowments,” where the expected investment horizon is approximately two to five years. Some ten percent of the Fund appears to represent unspent Income Fund balances that have been swept into the Intermediate Fund; these assets should be considered to have an even shorter investment horizon.
- Fund size – At approximately \$60 million, were the Fund considered on a “stand-alone” basis, it would likely not be large enough to participate in some “alternative” asset classes such as Private Equity and Absolute Return, where investment minimums may be quite high. However, since the Long Term Fund participates in these alternative asset classes, investment minimums would likely not be an issue.
- Dependence on distributions – Historically this Fund, invested entirely in U.S. Bonds, has distributed all of its interest income to the Income Fund for spending purposes. However, since all of the assets of the Intermediate Term Fund are considered fully expendable (i.e., principal can be completely spent down too), the level and variability of such spending distributions are essentially irrelevant.
- Liquidity requirements and cash flow analysis – This Fund also permits withdrawals and contributions on a quarterly basis; however, the quarterly cash flows are less certain since all assets are fully expendable. An analysis of the Fund over the past three years indicates that *quarterly* net withdrawals have been as high as -6.4 percent of the Fund, while net contributions have been as high as +8.7 percent. Net quarterly cash flows have averaged +/-3.5 percent of the Fund, but have been essentially zero over the entire period. (That is, contributions have roughly equaled withdrawals. However, during this time all of the Fund’s interest income was being distributed to the Income Fund for spending. Therefore, the Fund may exhibit higher withdrawals going forward if it becomes partly

invested in non- or low- income-generating asset classes.) Given the quarterly cash flow uncertainty of this Fund, the fact that all assets are in theory immediately expendable and that the expected average investment horizon is only two to five years, “illiquid” asset classes do not make sense.

Recommendation of Revised Objective for the Intermediate Term Fund

For some time, the Trust Funds investment staff has been concerned that although the Intermediate Term Fund exhibits moderate risk (volatility of returns), it remains entirely exposed to a single, primary risk factor: interest rates. And although risk of principal loss is low, a sustained period of rising interest rates will likely result in very low or negative returns for the Fund. (In fiscal year 2006, this Fund returned only +0.10%, while its benchmark index was slightly negative for the year.) Also, as the discussion above on the use of the Fund and its risk profile indicate, the Fund does not in fact need to throw off a constant and consistent income stream. Therefore, we suggest that an asset allocation review will reveal that there exists, more diversified and optimal asset allocations for the Intermediate Term Fund. (For instance, it has long been recognized that a adding a small component of equities to an all-bond portfolio will lower risk while improving expected return.) Furthermore, we recommend that the objectives of the Intermediate Term Fund be revised to the following:

The primary objective of the Intermediate Term Fund is to provide competitive investment returns consistent with very moderate levels of volatility (ideally, equal to or lower than that expected from an intermediate, investment-grade bond portfolio) and low probability of loss of principal. Other investment objectives for the fund are to outperform various market and peer group benchmarks.

Strategic Asset Allocation Analyses

Employing the capital market assumptions given in **Attachment 1**, and mindful of the risk tolerance of the Funds from quantitative and qualitative perspectives, hundreds of asset allocation scenarios were generated by using a mean-variance optimizing program. Although there are very significant limitations to mean-variance optimization (e.g., there is uncertainty associated with the assumptions; there is significant sensitivity to small changes in assumptions; covariances change over time and under more extreme conditions; it assumes that the simple "point-estimates" of assumptions are known with certainty and that the outcome is therefore known with certainty; i.e., outcomes do not reflect the probabilities that significantly different outcomes may occur, etc.), the analysis is at least a useful and informative exercise. For instance, it prompts an investor to carefully review expected returns and volatilities of various asset classes, their implied risk premiums, their relationship to each other and whether this makes intuitive sense for capital markets, to "stretch" in terms of giving consideration to new or more non-traditional asset classes, etc. Also, mean-variance optimization can lend some quantitative support to what intuitively seems to make good sense and suggest whether you are at least "heading in the right direction." On the other hand, it is important to note that unless some constraints are employed in the modeling (i.e., reasonable minimums and maximums by asset class), the optimizer will generate many, if not mostly, portfolios that are intuitively unacceptable (e.g., 50 percent or more to Real Assets or Private Equity). Therefore, some “reasonable” constraints were devised and are shown in **Attachment 2**. However, as some of the sample portfolios will show, even reasonably constrained modeling may produce intuitively undesirable asset mixes.

Strategic Asset Allocation Recommendations for the Long Term Fund

For the Long Term Fund, some strategic asset allocation alternatives are provided in **Attachment 3**. For illustrative purposes, a few incremental expected return points were selected (i.e., 7.75, 8.00, and 8.50 percent) and the lowest risk portfolios for these return points are shown. Note too that the previous

strategic asset allocation targets for the Fund (recommended in 2005) are given in the Attachment. Also, illustrative asset allocation alternatives are shown both “with the allocation to Real Assets filled” and “before the allocation to Real Assets is filled.” This is in recognition of the fact that allocations to Real Assets will likely take considerable time to fill, due to the private nature and structure of most of these types of investments and their limited, periodic availability (similar to the Private Equity allocation, which the Fund has been working to fill since 2002). For each strategic asset allocation illustrated, the following data is shown: expected annual return, expected risk (standard deviation of annual returns), and Sharpe ratio (essentially excess return per unit of risk, as one measure of portfolio “efficiency”).

Recommended new strategic asset allocations for the Long Term Fund, both with and without the allocation to Real Assets filled, are provided in **Attachment 4**. To aid in the discussion here of why some changes are being recommended, the prior target allocations and the new target allocations (with Real Assets filled) are also shown in the table below.

<u>LONG TERM FUND</u>		
	<u>Prior Target Allocations</u>	<u>New Target Allocations</u>
Growth and High-Yielding Assets		
U.S. Equities	25.0%	<i>15.0%</i>
Non-U.S. Equities	10.0%	<i>12.5%</i>
Emerging Market Equities	10.0%	<i>10.0%</i>
Private Equity	10.0%	<i>10.0%</i>
High Yield Debt	<u>5.0%</u>	<i>7.5%</i>
	<u>60.0%</u>	<i>55.0%</i>
Event Risk- and Deflation-Hedge Assets		
U.S. Bonds	10.0%	<i>10.0%</i>
U.S. Cash	0.0%	<i>0.0%</i>
Absolute Return	<u>0.0%</u>	<i>10.0%</i>
	<u>10.0%</u>	<i>20.0%</i>
Real and Inflation-Hedge Assets		
U.S. TIPS	7.5%	<i>7.5%</i>
Real Assets	<u>22.5%</u>	<i>17.5%</i>
	<u>30.0%</u>	<i>25.0%</i>
	<u>100.0%</u>	<i>100.0%</i>
<i>Expected Return</i>	7.83%	<i>7.61%</i>
<i>Standard Deviation</i>	10.67%	<i>9.66%</i>
<i>Sharpe Ratio</i>	0.41	<i>0.43</i>

Although the recommended new target allocations for the Long Term Fund reflect a slightly lower return expectation versus the prior target allocation (again, that recommended in 2005), expected volatility is reduced a bit more than commensurately, resulting in an improved Sharpe ratio. The primary changes versus the prior targets are discussed below.

Lower overall allocation to Growth Assets (five percent), particularly U.S. Equities (ten percent), but an increase to Non-U.S. Equities and High Yield Debt (2.5 percent each) – The primary reason for the reduction to Growth Assets as a whole, is the desire to reduce the Fund’s overall exposure to equities and stock market risks, and to provide for the funding of other diversifying asset classes. The reduction to U.S. Equities and increase in Non-U.S. Equities is intended to better reflect the global equity opportunity set. The split of U.S. to total foreign equities (including emerging markets) in the global markets is now roughly 40 percent/60 percent; with 15 percent to U.S., 12.5 percent to Non-U.S., and ten percent to Emerging Market Equities, the U.S. to foreign equity split for the Fund will be 40 percent/60 percent. The increase in High Yield Debt is prompted by its attractive risk/return and correlation characteristics

(in fact, the optimizer generally wants even more of this asset class, as can be seen in the alternative allocations given in Attachment 3), and, to some extent, the fact that this is an expanding asset class (with growing sub-categories) in global capital markets. Also, High Yield Debt is a relatively inefficient market (as are Emerging Market Equities and Private Equity), where there should in theory be greater opportunities for active management to provide excess return (“alpha”). Assuming we can select superior managers in these asset classes, it makes sense to have a prudent bias towards them (at least in the absence of “portable alpha” strategies, a topic for another day).

Higher overall allocation to Event Risk- and Deflation-Hedge Assets, and specifically to Absolute Return (ten percent) – First, by “event-risk” hedging assets, we mean assets that are expected to perform relatively well when events that may unsettle worldwide capital markets occur (e.g., wars, terrorist attacks, liquidity or credit “crunches”). In such cases, a “flight to safety” and away from risky assets typically takes place. (For U.S. Bonds, the sub-category that best fits this bill is pure U.S. Treasuries. In the 2005 asset allocation, a move away from aggregate U.S. bonds to pure nominal Treasuries was recommended and has since been implemented. This recommendation stands. Nominal bonds, of any stripe, also have the added attraction of hedging against possible deflation. Although deflation is generally considered to be less probable than inflation in developed, growing economies, the case of Japan should not be ignored.) The overall allocation increase to Event Risk-Hedge Assets is recommended as a way to further diversify the Fund away from its equity dominance, and to give more weight to the portfolio role of this “super category” of assets. Specifically, this is to be accomplished through a ten percent allocation to Absolute Return-oriented hedge fund strategies. Such strategies are designed to be essentially market-neutral, providing in theory a return source (primarily from manager skill, or “alpha”) that is largely independent of and uncorrelated with movements in the capital markets.

Lower overall allocation to Real and Inflation-Hedge Assets, and specifically to Real Assets (five percent) – We continue to believe that it is desirable to develop and maintain a significant allocation to this “super category” of assets given an endowment’s strong need for inflation protection and real returns. However, since the 2005 recommendation of 22.5 percent to Real Assets was made, Commodities (specifically via passive investment in indexes of commodity futures) have been taken off the table as a viable sub-category of Real Assets (resulting from a re-evaluation of the sources of returns, or lack thereof, to be expected from commodity futures). Sub-categories remaining then are essentially only Real Estate and Timberland (the developing market for Infrastructure assets might also fit here at some point). Although Real Assets is another asset class that, given the model inputs, the optimizer clearly loves (see again **Attachment 3**), a reduction in the target allocation to Real Assets seems prudent at this time.

Global Tactical Asset Allocation in the Long Term Fund

As part of the 2005 asset allocation review for the Long Term Fund, a recommendation was made to invest a meaningful, dedicated portion of the Fund, specifically 25 percent, in the strategy commonly referred to as “*Global Tactical Asset Allocation*” (GTAA). Here, tactical shifts away from long-term strategic asset allocations are conducted, within limits, based upon estimates of relative over- and under-valuation of entire asset classes. This recommendation was approved and has since been fully implemented. No change to the dedicated 25 percent allocation to GTAA is being recommended at this time.

As GTAA represents a conscious departure from strategic asset allocation, our strategic asset allocation targets since the introduction of GTAA are applicable *only to that portion of the Fund (75 percent) not dedicated to GTAA*. Therefore, incorporating the GTAA component as a targeted allocation for the entire Fund (at 25 percent) requires that the dedicated Fund allocations to individual asset classes be adjusted proportionally downward. However, the desired allocations for those asset classes *not* represented at all in the portion of the Fund given over to GTAA are *not* adjusted but remain at their strategic allocation

levels for the entire portfolio. Asset classes not currently represented in the GTAA component are Private Equity and Real Assets (this is due largely to their illiquidity and/or unusual ownership structure).

Given in **Attachment 5** are the recommended “adjusted” asset allocations for the Long Term Fund, both with and without the Real Assets allocation filled, after the incorporation of the 25 percent GTAA component. The last column in the table shows the Fund’s actual current allocations by asset class/strategy. Finally, we thought it would be interesting to look at the history of the Long Term Fund’s asset class/strategy targets. This is depicted in the chart given in **Attachment 6**. The evolution away from a simple stock/bond portfolio is evident.

An “Opportunistic” Investment Category for the Long Term Fund

The concept behind an “*Opportunistic*” investment category is as follows. On occasion, unusual and exceptional investment opportunities may present themselves which could meaningfully improve the risk/return profile of the Fund. Such an investment opportunity would likely represent one of the following situations: 1) it does not quite fit into any currently acceptable asset class or strategy (at least as they are presently defined), or 2) investing in the opportunity would shift the Fund’s strategic asset allocations beyond what is “normally” acceptable. Also, such investments would normally not represent permanent positions; i.e., they would likely have either a term associated with them (e.g., a limited partnership vehicle) or they would eventually be divested or otherwise unwound. (The concept of an Opportunistic category was actually first introduced to the Committee in the asset allocation review of 2002.)

Although not formally proposed in this fashion, we have already essentially begun the incorporation of an Opportunistic component for the Long Term Fund. In March 2007, a \$7 million commitment to GMO’s Emerging Illiquid Fund, L.P. was approved by the Committee and is currently 60 percent funded. Although this fund’s investments and strategies may reflect some elements of Emerging Market Equities and Private Equity, it does not fit neatly into either. Rather, it represented an unusual investment opportunity not fitting squarely into any particular box, and its perceived risk/return profile was very compelling. (This Opportunistic position is reflected in **Attachment 5**, under “Current Actual Allocations.”)

What we would like to do here is formally propose, and incorporate into, the concept of an Opportunistic investment category for the Long Term Fund. *Specifically, we propose that up to ten percent of the Long Term Fund be made available for potential Opportunistic investments. Absent any rare and unusual opportunities or strategies, the allocation to Opportunistic investments would be zero.* When an opportunistic investment is to be made, it would normally be funded either by a roughly proportional reduction in all other asset classes, or the asset class most resembling the opportunistic investment would be used as the primary funding source.

Spending Plan Review for the Long Term Fund

Based upon what kind of long-term returns can be achieved at acceptable levels of risk, and what inflation and expenses will likely be experienced, one is then prepared to review the viability and sustainability of different spending or distribution rates for the Long Term Fund (endowment). For an endowment, spending rates ideally will ensure the preservation not only of principal (the amount invested) but of the purchasing power of that principal into perpetuity, and provide for fairly predictable, inflation-adjusted levels of financial support to the beneficiaries. Even more ideally, the spending rate should allow for some incremental investment return to be effectively “added to principal” to provide for some expansion of financial support and to act as a cushion against the possibility that actual inflation and investment experiences may, at least temporarily, fall short of expectations.

The asset allocation analyses indicate that a reasonable target rate of return for the Long Term Fund remains in the range of 7.5 to 7.75 percent (this range is consistent with that determined in the 2005 asset allocation and spending plan review). It should be noted that *no* alpha or excess return from any active management efforts are contemplated here; that is, the return projections are purely passive and "beta-derived" only, and are hopefully, therefore, more conservative. One input to the spending review that has changed a bit is expected inflation: in 2005, the estimate for annual inflation (CPI) was 2.25 percent; for this analysis, 2.50 percent has been used throughout.

What plausible spending rates do these assumptions suggest? The table below provides the basis for some conclusions.

Achievable Return	7.50% – 7.75%
Expected Excess Return (“Alpha”)	1.00%
Higher Ed Inflation (CPI + 1% = HEPI estimate)	(3.50)%
Investment & Administrative Expenses	(0.75)%
<i>Implied Spending Rate – No Alpha Assumed</i>	<u>3.25% - 3.50%</u>
<i>Implied Spending Rate – Alpha Assumed</i>	<u>4.25% - 4.50%</u>

The annual spending distribution rate was reduced from 4.5 percent to 4.0 percent as of June 30, 2005. Realizing that there is considerable uncertainty in all the estimates given above (other than expenses), the recommendation is to continue to err on the somewhat more conservative side. Therefore, *it is recommended that the spending distribution rate remain unchanged at 4.0 percent.* As trustees and fiduciaries, the Board of Regents is entrusted with ensuring that gifted endowments last into perpetuity, providing the same if not higher level of support to benefiting institutions year after year.

Strategic Asset Allocation Recommendations for the Intermediate Term Fund

For the Intermediate Term Fund, strategic asset allocation alternatives are given in **Attachment 7**. For illustrative purposes here, the focus was on looking at portfolios with expected volatilities equal to or below the current portfolio's, but with equal or greater expected returns.

The recommended new strategic asset allocation for the Intermediate Term Fund is provided in **Attachment 8**. To aid in the discussion of the significant changes being recommended for this Fund, the prior target allocations and the new target allocations are also provided in the table below.

<u>INTERMEDIATE TERM FUND</u>		
	<u>Current Target Allocations</u>	<u>New Target Allocations</u>
Growth and High-Yielding Assets		
U.S. Equities	0.0%	7.5%
Non-U.S. Equities	0.0%	7.5%
Emerging Market Equities	0.0%	0.0%
Private Equity	0.0%	0.0%
High Yield Debt	<u>0.0%</u>	<u>5.0%</u>
	<u>0.0%</u>	<u>20.0%</u>
Event-Risk and Deflation-Hedge Assets		
U.S. Bonds	100.0%	40.0%
U.S. Cash	0.0%	10.0%

Absolute Return	<u>0.0%</u> <u>100.0%</u>	<u>10.0%</u> <u>60.0%</u>
Real and Inflation-Hedge Assets		
U.S. TIPS	0.0%	20.0%
Real Assets	<u>0.0%</u> <u>100.0%</u>	<u>0.0%</u> <u>20.0%</u> <u>100.0%</u>
<i>Expected Return</i>	5.25%	5.67%
<i>Standard Deviation</i>	4.60%	4.19%
<i>Sharpe Ratio</i>	0.36	0.52

For the Intermediate Term Fund, it is easier to discern the advantages of the new strategic asset allocation: diversification and expected return are significantly increased, expected volatility is meaningfully reduced, and the Sharpe ratio is dramatically improved. Furthermore, the Fund will no longer be entirely exposed to one primary risk factor (interest rates) but will have interest rate risk partly hedged through its exposure to asset classes that may improve or hold their own in a rising rate environment (i.e., TIPS, Absolute Return, and even Equities to some extent).

Investment Policy Statement

Following the adoption of new strategic asset allocations for the Long Term and Intermediate Term Funds, a draft formalized “*Investment Policy Statement*” (IPS) will be presented to the Committee at the October 2007 Board meeting. Although the existing policy document entitled “*Investment Objectives and Guidelines*” (Regent Policy 31-9) contains some elements of a robust IPS, it lacks many other important components and focuses more on very detailed investment guidelines for managers running customized portfolios (which are not typically found in an IPS). The new IPS should better delineate the roles and responsibilities of various parties, and it should incorporate and describe the following key elements: overall fund objectives and constraints, approved asset classes and investment strategies, targets and acceptable ranges for asset allocations, spending distribution policies, and qualitative discussion of topics such as overriding investment philosophies, beliefs, and expectations. (Currently, strategic asset allocations are not to be found in any formal policy document, and the spending distribution policy for the Long Term Fund is found in a stand-alone policy entitled “*Small Fraction Spending Plan*” (Regent Policy 31-8).)

Attachment 1

CAPITAL MARKET ASSUMPTIONS

	EXPECTED ANNUAL RETURN	EXPECTED VOLATILITY	CORRELATIONS ¹													
			U.S. Equities	Non-U.S. Equities	Emerging Market Equities	U.S. Bonds	TIPS	High Yield Debt	Cash	Real Assets	Private Equity	Absolute Return	Inflation			
U.S. Equities ²	8.25%	15.5%	1.00													
Non-U.S. Equities	8.50%	16.0%	0.77	1.00												
Emerging Market Equities	9.75%	22.0%	0.66	0.76	1.00											
U.S. Bonds	5.25%	4.6%	0.30	0.19	.22	1.00										
U.S. TIPS	5.00%	4.0%	0.25	0.12	.17	0.80	1.00									
High Yield Debt ³	6.75%	9.0%	0.48	0.36	0.33	0.55	0.44	1.00								
U.S. Cash	4.00%	0.5%	0.04	0.03	-0.19	0.13	-0.05	-0.12	1.00							
Real Assets ⁴	7.00%	10.0%	0.35	0.33	0.29	0.22	0.20	0.22	0.15	1.00						
Private Equity	11.25%	24.5%	0.88	0.74	0.64	0.31	0.26	0.45	-0.11	0.33	1.00					
Absolute Return ⁵	5.75%	4.0%	0.37	0.52	0.59	-0.04	-0.04	0.40	-0.03	0.10	0.62	1.00				
Inflation	2.50%	1.0%	-0.11	-0.05	-0.04	-0.09	0.06	-0.11	0.02	-0.05	-0.07	0.00	1.00			

¹ All correlations figures were provided by UBS Asset Management except those estimates for Cash, Absolute Return, and Inflation, which were provided by JP Morgan ("JPM").

² Expected returns/volatility for U.S. Equities are estimated based on those of underlying "sub-asset classes" (e.g., U.S. Large Cap, U.S. Small Cap).

³ Expected returns/volatility for High Yield Debt are estimated based on those of underlying "sub-asset classes" (e.g., U.S. High Yield, Emerging Market Debt). Correlation estimates are UBS's for "U.S. High Yield."

⁴ Expected returns/volatility for Real Assets are estimated based on those of underlying "sub-asset classes" (e.g., Private/Public Real Estate, Timber, Commodities, Infrastructure). Correlation estimates are UBS's for "U.S. Real Estate."

⁵ Expected returns/volatility for Absolute Return are estimates for truly market-neutral hedge funds. Correlation estimates are JPM's for "Hedge Funds-Arbitrage (Non-Directional)."

Attachment 2

CONSTRAINTS

	LONG TERM FUND		INTERMEDIATE TERM FUND	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
<u>Growth and High-Yielding Assets</u>				
U.S. Equities	15%	30%	0%	20%
Non-U.S. Equities	10%	25%	0%	20%
Emerging Market Equities	5%	15%	0%	10%
Private Equity	5%	20%	0%	0%
High Yield Debt	0%	15%	0%	15%
<u>Event Risk- and Deflation-Hedge Assets</u>				
U.S. Bonds	5%	25%	30%	100%
U.S. Cash	0%	10%	0%	25%
Absolute Return	0%	20%	0%	10%
<u>Real and Inflation-Hedge Assets</u>				
U.S. TIPS ¹	5%	25%	0%	100%
Real Assets	5%	25%	0%	0%

¹ Since filling the Real Assets allocation will likely take significant time, due to the nature of the investment vehicles involved (e.g., limited partnerships offered only periodically) and concerns over current valuations in some cases, potential "interim" asset allocations with Real Assets constrained to 0% are also analyzed

Attachment 3

LONG TERM FUND

2007 Strategic Asset Allocation ("SAA") Analysis¹

	Previous Target SAA (2005)	Some SAA Alternatives (with Real Assets allocation filled)			Some "Interim" SAA Alternatives (before Real Assets allocation filled)		
		A	B	C	D	E	F
<u>Growth and High Yielding Assets</u>							
U.S. Equities	25.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Non-U.S. Equities	10.0%	15.0%	15.0%	15.6%	15.0%	15.0%	21.2%
Emerging Market Equities	10.0%	5.0%	5.2%	15.0%	7.6%	8.3%	15.0%
Private Equity	10.0%	11.1%	15.6%	20.0%	15.1%	18.9%	20.0%
High Yield Debt	5.0%	15.0%	14.2%	0.0%	15.0%	15.0%	15.0%
	60.0%	61.1%	65.0%	65.6%	67.7%	72.2%	86.2%
<u>Event Risk and Deflation Hedge Assets</u>							
U.S. Bonds	10.0%	5.0%	5.0%	5.0%	7.3%	5.0%	5.0%
U.S. Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Absolute Return	0.0%	3.9%	0.0%	0.0%	20.0%	17.8%	3.8%
	10.0%	8.9%	5.0%	5.0%	27.3%	22.8%	8.8%
<u>Real and Inflation Hedge Assets</u>							
U.S. TIPS	7.5%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Real Assets	22.5% ²	25.0%	25.0%	24.4%	0.0%	0.0%	0.0%
	7.5%	30.0%	30.0%	29.4%	5.0%	5.0%	5.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Expected Return	7.83%	7.75%	8.00%	8.50%	7.75%	8.00%	8.50%
Standard Deviation	10.67%	9.90%	10.82%	12.91%	10.51%	11.43%	13.40%
Sharpe Ratio ³	0.41	0.43	0.42	0.39	0.40	0.39	0.37

¹ This analysis focuses on Fund assets not devoted to either "Global Tactical Asset Allocation" (currently 25% of the overall Fund) or any "opportunistic" allocations (currently 1.5% of the Fund); that is, it focuses on Fund assets where a strategic, long-term, essentially static allocation is to be applied

² The 2005 recommended allocation of 22.5% to Real Assets consisted of the following: 10% Real Estate, 7.5% Commodities (futures), and 7.5% Timber.

³ The ratio of the portfolio's excess return (over the market risk-free rate) to the portfolio's risk (standard deviation). This ratio seeks to measure the total risk of the portfolio by considering portfolio risk rather than market risk.

Attachment 4

LONG TERM FUND

2007 Strategic Asset Allocation ("SAA") Analysis¹

	Previous Target SAA (2005)	Recommended New SAA (with Real Assets alloc. filled)	Recommended "Interim" SAA (before Real Assets alloc. filled)
<u>Growth and High Yielding Assets</u>			
U.S. Equities	25.0%	15.0%	20.0%
Non-U.S. Equities	10.0%	12.5%	15.0%
Emerging Market Equities	10.0%	10.0%	10.0%
Private Equity	10.0%	10.0%	10.0%
High Yield Debt	5.0%	7.5%	7.5%
	60.0%	55.0%	62.5%
<u>Event Risk and Deflation Hedge Assets</u>			
U.S. Bonds	10.0%	10%	10.0%
U.S. Cash	0.0%	0%	5.0%
Absolute Return	0.0%	10%	10.0%
	10.0%	20.0%	25.0%
<u>Real and Inflation Hedge Assets</u>			
U.S. TIPS	7.5%	7.5%	12.5%
Real Assets	22.5% ²	17.5%	0.0%
	30.0%	25.0%	12.5%
	100.0%	100.0%	100.0%

Expected Return	7.83%	7.61%	7.46%
Standard Deviation	10.67%	9.66%	10.01%
Sharpe Ratio ³	0.41	0.43	0.40

¹ This analysis focuses on Fund assets not devoted to either "Global Tactical Asset Allocation" (currently 25% of the overall Fund) or any "opportunistic" allocations (currently 1.5% of the Fund); that is, it focuses on Fund assets where a strategic, long-term, essentially static allocation is to be applied

² The 2005 recommended allocation of 22.5% to Real Assets consisted of the following: 10% Real Estate, 7.5% Commodities (futures), and 7.5% Timber.

³ The ratio of the portfolio's excess return (over the market risk-free rate) to the portfolio's risk (standard deviation). This ratio seeks to measure the total risk of the portfolio by considering portfolio risk rather than market risk.

Attachment 5

LONG TERM FUND

2007 Strategic Asset Allocation with GTAA Incorporated¹

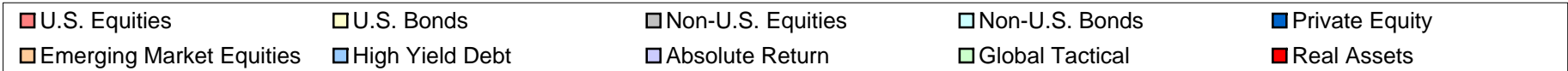
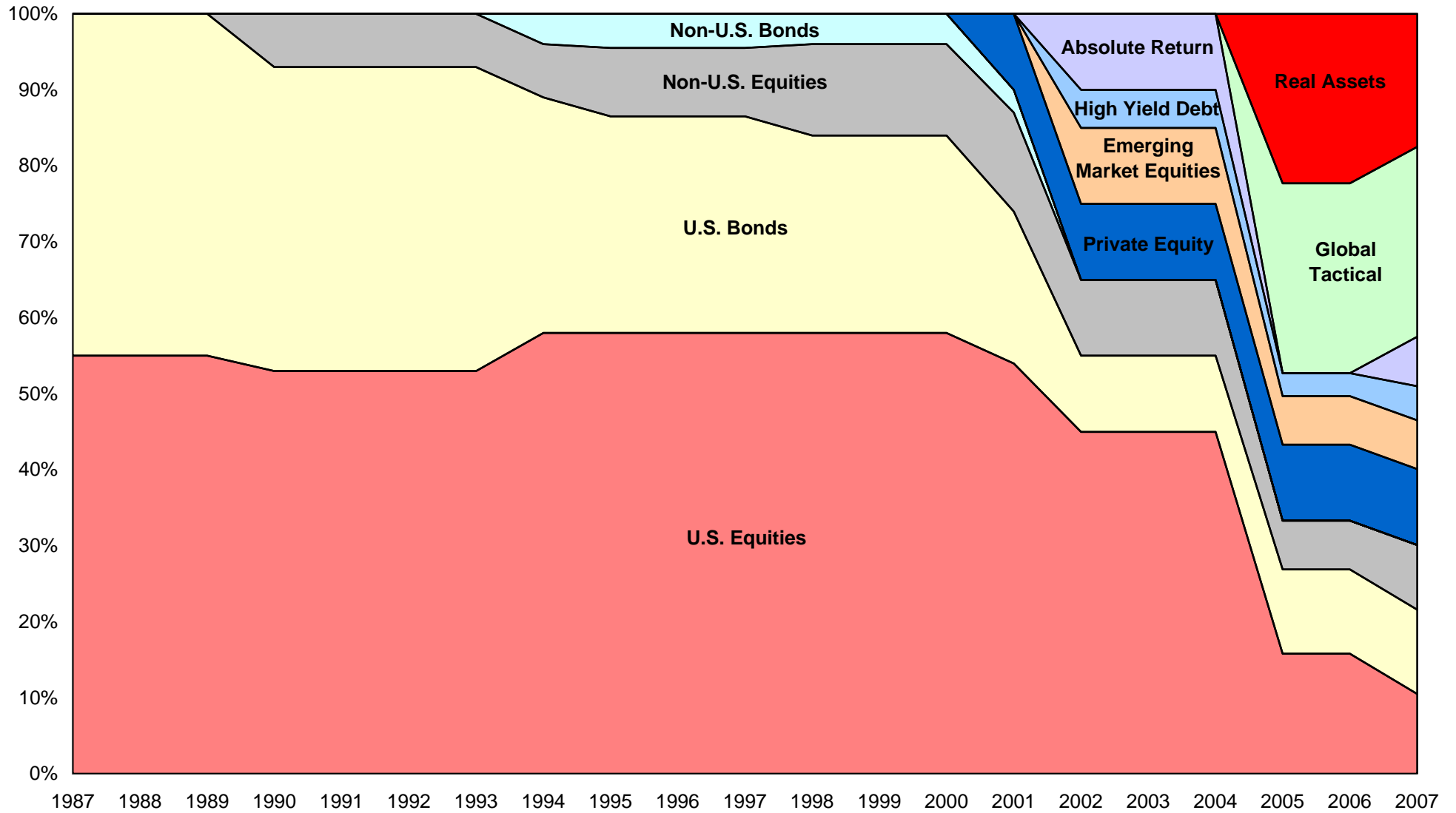
	<i>Recommended New Target Allocations with GTAA (with Real Assets alloc. filled)</i>	<i>Recommended "Interim" Target Allocations with GTAA (before Real Assets alloc. filled)</i>	<i>Current Actual Allocations with GTAA²</i>
<u>Global Tactical Asset Allocation</u>	25.0%	25.0%	25.0%
<u>Growth & High Yielding Assets</u>			
U.S. Equities	10.0%	14.5%	27.2%
Non-U.S. Equities	8.0%	11.0%	11.1%
Emerging Market Equities	6.5%	7.5%	10.8%
Private Equity	10.0%	10.0%	7.0%
High Yield Debt	5.0%	5.0%	3.1%
	<u>39.5%</u>	<u>48.0%</u>	<u>59.2%</u>
<u>Event Risk & Deflation Hedge Assets</u>			
U.S. Bonds	6.5%	7.0%	6.1%
U.S. Cash	0.0%	4.0%	3.7%
Absolute Return	6.5%	7.0%	0.0%
	<u>13.0%</u>	<u>18.0%</u>	<u>9.8%</u>
<u>Real & Inflation Hedge Assets</u>			
U.S. TIPS	5.0%	9.0%	4.6%
Real Assets	17.5%	0.0%	0.0%
	<u>22.5%</u>	<u>9.0%</u>	<u>4.6%</u>
<u>Opportunistic³</u>	0.0%	0.0%	1.4%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

¹ This analysis incorporates the current, and still recommended, 25% allocation of the Fund to "Global Tactical Asset Allocation."

² Actual allocations as of 7/31/2007.

³ The "normal" or strategic allocation to the Opportunistic category would be 0%, but it would be permitted to go as high as 10%.

Attachment 6 Long Term Fund: Asset Allocation Targets 1987-2007



Attachment 7

INTERMEDIATE TERM FUND

2007 Strategic Asset Allocation ("SAA") Analysis

	Current Target SAA	Some SAA Alternatives					
		A	B	C	D	E	F
<u>Growth and High Yielding Assets</u>							
U.S. Equities	0.0%	0.0%	0.0%	0.2%	0.3%	10.0%	7.5%
Non-U.S. Equities	0.0%	7.0%	9.6%	11.1%	11.4%	10.0%	7.5%
Emerging Market Equities	0.0%	0.0%	2.1%	2.5%	2.6%	0.0%	0.0%
Private Equity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
High Yield Debt	0.0%	5.6%	13.5%	15.0%	15.0%	5.0%	5.0%
	0.0%	12.6%	25.3%	28.8%	29.3%	25.0%	20.0%
<u>Event Risk and Deflation Hedge Assets</u>							
U.S. Bonds	100% ¹	30.0%	30.0%	30.0%	30.0%	35.0%	40.0%
U.S. Cash	0.0%	25.0%	18.0%	8.7%	6.6%	10.0%	10.0%
Absolute Return	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
	0.0%	65.0%	58.0%	48.7%	46.6%	55.0%	60.0%
<u>Real and Inflation Hedge Assets</u>							
U.S. TIPS	0.0%	22.4%	16.7%	22.5%	24.1%	15.0%	20.0%
Real Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	0.0%	22.4%	16.7%	22.5%	24.1%	15.0%	20.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Expected Return	5.25%	5.25%	5.64%	5.84%	5.88%	5.83%	5.67%
Standard Deviation	4.60%	3.07%	4.00%	4.50%	4.61%	4.62%	4.19%
Sharpe Ratio ²	0.38	0.57	0.54	0.52	0.52	0.50	0.52

¹ The Fund's allocation to U.S. Bonds is currently benchmarked to the Lehman Brothers Intermediate Aggregate Index.

² The ratio of the portfolio's excess return (over the market risk-free rate) to the portfolio's risk (standard deviation). This ratio seeks to measure the total risk of the portfolio by considering portfolio risk rather than market risk.

Attachment 8

INTERMEDIATE TERM FUND

2007 Strategic Asset Allocation ("SAA") Analysis

	Current Target SAA	Recommended New SAA
<u>Growth and High Yielding Assets</u>		
U.S. Equities	0.0%	7.5%
Non-U.S. Equities	0.0%	7.5%
Emerging Market Equities	0.0%	0.0%
Private Equity	0.0%	0.0%
High Yield Debt	0.0%	5.0%
	0.0%	20.0%
<u>Event Risk and Deflation Hedge Assets</u>		
U.S. Bonds	100% ¹	40.0%
U.S. Cash	0.0%	10.0%
Absolute Return	0.0%	10.0%
	0.0%	60.0%
<u>Real and Inflation Hedge Assets</u>		
U.S. TIPS	0.0%	20.0%
Real Assets	0.0%	0.0%
	0.0%	20.0%
	100.0%	100.0%
<hr/>		
Expected Return	5.25%	5.67%
Standard Deviation	4.60%	4.19%
Sharpe Ratio ²	0.36	0.52

¹ The Fund's allocation to U.S. Bonds is currently benchmarked to the Lehman Brothers Intermediate Aggregate Index.

² The ratio of the portfolio's excess return (over the market risk-free rate) to the portfolio's risk (standard deviation). This ratio seeks to measure the total risk of the portfolio by considering portfolio risk rather than market risk.

OFFICE OF OPERATIONS REVIEW AND AUDIT QUARTERLY STATUS UPDATE

BACKGROUND

This report is presented to the Board of Regents Business, Finance, and Audit Committee to provide: (1) a status report on the major projects the UW System Office of Operations Review and Audit is conducting; and (2) an update on Legislative Audit Bureau projects in the UW System.

REQUESTED ACTION

For information only.

MAJOR OFFICE OF OPERATIONS REVIEW AND AUDIT PROJECTS

- (1) Computer Security Policies, Procedures, and Practices examines how UW institutions structure and manage computer security functions and the extent to which adequate safeguards are in place to minimize the risk of unauthorized access to private information. A report is being drafted.
- (2) Student Mental Health Services will provide information about mental health services UW System institutions provide, policies and procedures related to these services, and UW institutions' preparedness to address student mental health needs and mental health-related emergencies. Fieldwork is continuing.
- (3) Oversight of Student Organizations will identify efforts to manage risk and reduce liability associated with student organization activities. A report is being drafted.
- (4) Academic Fees audits are being conducted at each UW institution to determine the adequacy of policies, procedures, and internal controls related to the assessment and collection of student fees.

LEGISLATIVE AUDIT BUREAU PROJECTS

The Legislative Audit Bureau is currently working on the annual compliance audit of federal grants and expenditures for FY 2006-07, which will be issued in March 2008.

UNIVERSITY OF WISCONSIN SYSTEM
 GIFTS, GRANTS AND CONTRACTS AWARDED
 QUARTERLY REPORT & PRIOR-YEAR COMPARISON
 FISCAL YEAR 2006-2007 - Fourth Quarter

FISCAL YEAR 2006-2007	Public Service	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
Total	89,023,717	62,956,146	2,651,472	139,533,991	73,536,118	769,616,258	122,063,375	1,259,381,078
Federal	49,739,177	42,997,849	40,172	10,475,956	9,200	531,200,485	101,181,438	735,644,277
Nonfederal	39,284,540	19,958,297	2,611,300	129,058,035	73,526,918	238,415,773	20,881,937	523,736,801
FISCAL YEAR 2005-2006								
Total	98,191,547	54,934,045	1,911,563	101,807,722	19,488,998	738,634,032	106,181,708	1,121,149,616
Federal	57,706,815	35,179,357	149,155	10,686,752	0	529,971,164	89,465,135	723,158,378
Nonfederal	40,484,732	19,754,688	1,762,408	91,120,970	19,488,998	208,662,868	16,716,573	397,991,238
INCREASE(DECREASE)								
Total	(9,167,830)	8,022,101	739,909	37,726,269	54,047,119	30,982,226	15,881,667	138,231,462
Federal	(7,967,638)	7,818,492	(108,983)	(210,796)	9,200	1,229,321	11,716,303	12,485,899
Nonfederal	(1,200,192)	203,609	848,892	37,937,065	54,037,919	29,752,905	4,165,364	125,745,563

UNIVERSITY OF WISCONSIN SYSTEM
 GIFTS, GRANTS AND CONTRACTS AWARDED - BY INSTITUTION
 QUARTERLY REPORT & PRIOR-YEAR COMPARISON
 FISCAL YEAR 2006-2007 - Fourth Quarter

	Public Service	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
FISCAL YEAR 2006-2007								
Madison	29,095,673	42,788,591	2,423,583	124,059,601	69,341,445	724,690,700	36,172,836	1,028,572,429
Milwaukee	5,410,142	7,811,677	152,880	2,715,830	0	32,397,581	17,370,999	65,859,109
Eau Claire	1,592,036	1,648,814	0	0	0	1,960,402	6,950,363	12,151,615
Green Bay	12,600	2,467,373	4,000	763,397	4,150,000	547,279	4,288,932	12,233,582
La Crosse	1,448,260	623,631	14,300	889,372	0	3,280,851	4,692,341	10,948,755
Oshkosh	3,336,059	4,770,918	0	0	0	903,588	7,161,862	16,172,427
Parkside	496,696	1,042,457	6,500	116,212	0	195,401	5,089,819	6,947,085
Platteville	741,697	20,911	42,909	646,555	0	90,756	5,255,807	6,798,634
River Falls	633,943	87,858	0	1,873,753	0	40,156	3,896,527	6,532,237
Stevens Point	5,080,766	502,228	4,300	196,590	1,853	2,041,650	7,268,691	15,096,078
Stout	4,025,429	240,945	0	3,160,511	0	181,214	6,478,229	14,086,328
Superior	28,156	75,322	0	698,346	0	2,523,095	2,033,164	5,358,083
Whitewater	503,902	143,304	0	2,326,544	42,820	559,268	6,743,682	10,319,520
Colleges	142,209	630,683	3,000	1,318,042	0	204,317	8,260,123	10,558,374
Extension	36,476,150	0	0	0	0	0	0	36,476,150
System-Wide	0	101,434	0	769,238	0	0	400,000	1,270,672
Totals	89,023,717	62,956,146	2,651,472	139,533,991	73,536,118	769,616,258	122,063,375	1,259,381,078
Madison	20,131,220	25,875,061	0	3,102,859	9,200	497,636,691	18,665,084	565,420,115
Milwaukee	2,791,412	7,337,230	0	0	0	24,961,251	16,451,873	51,541,766
Eau Claire	627,167	1,132,358	0	0	0	1,379,851	6,950,363	10,089,739
Green Bay	0	1,921,906	0	212,871	0	273,374	4,073,562	6,481,713
La Crosse	985,035	588,366	0	767,654	0	2,336,666	4,692,341	9,370,062
Oshkosh	2,736,224	4,297,798	0	0	0	720,241	7,161,862	14,916,125
Parkside	341,443	847,544	0	2,100	0	0	4,946,393	6,137,480
Platteville	635,139	0	40,172	0	0	50,000	5,255,807	5,981,118
River Falls	394,234	0	0	1,382,756	0	0	3,882,107	5,659,097
Stevens Point	3,142,560	59,753	0	0	0	877,430	7,268,691	11,348,434
Stout	3,478,910	144,543	0	1,603,744	0	132,824	5,983,415	11,343,436
Superior	28,156	72,822	0	733,346	0	2,169,864	2,000,164	5,004,352
Whitewater	422,911	0	0	1,241,944	0	529,934	6,186,784	8,381,573
Colleges	0	619,034	0	659,444	0	132,359	7,662,992	9,073,829
Extension	14,024,766	0	0	0	0	0	0	14,024,766
System-Wide	0	101,434	0	769,238	0	0	0	870,672
Federal Totals	49,739,177	42,997,849	40,172	10,475,956	9,200	531,200,485	101,181,438	735,644,277
Madison	8,964,453	16,913,530	2,423,583	120,956,742	69,332,245	227,054,009	17,507,752	463,152,314
Milwaukee	2,618,730	474,447	152,880	2,715,830	0	7,436,330	919,126	14,317,343
Eau Claire	964,869	516,456	0	0	0	580,551	0	2,061,876
Green Bay	12,600	545,467	4,000	550,526	4,150,000	273,905	215,370	5,751,868
La Crosse	463,225	35,265	14,300	121,718	0	944,185	0	1,578,693
Oshkosh	599,835	473,120	0	0	0	183,347	0	1,256,302
Parkside	155,253	194,913	6,500	114,112	0	195,401	143,426	809,605
Platteville	106,558	20,911	2,737	646,555	0	40,756	0	817,516
River Falls	239,709	87,858	0	490,997	0	40,156	14,420	873,140
Stevens Point	1,938,206	442,475	4,300	196,590	1,853	1,164,220	0	3,747,644
Stout	546,518	96,402	0	1,556,767	0	48,390	494,814	2,742,892
Superior	0	2,500	0	(35,000)	0	353,231	33,000	353,731
Whitewater	80,991	143,304	0	1,084,600	42,820	29,334	556,898	1,937,946
Colleges	142,209	11,649	3,000	658,598	0	71,958	597,131	1,484,545
Extension	22,451,384	0	0	0	0	0	0	22,451,384
System-Wide	0	0	0	0	0	0	400,000	400,000
Nonfederal Totals	39,284,540	19,958,297	2,611,300	129,058,035	73,526,918	238,415,773	20,881,937	523,736,801

UNIVERSITY OF WISCONSIN SYSTEM
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 FISCAL YEAR 2006-2007 - Fourth Quarter

	Public Service	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
FISCAL YEAR 2005-2006								
Madison	25,914,159	29,052,611	1,677,708	83,430,555	19,157,490	703,019,796	30,368,094	892,620,413
Milwaukee	6,732,236	10,562,385	77,000	2,560,875	0	24,636,968	16,586,292	61,155,756
Eau Claire	1,428,292	2,060,944	0	0	0	1,304,970	6,379,198	11,173,404
Green Bay	41,760	2,647,611	18,000	844,730	0	1,751,553	3,914,493	9,218,147
La Crosse	2,133,130	1,367,566	26,500	1,272,376	340,927	1,761,103	3,946,021	10,847,623
Oshkosh	7,343,674	5,201,938	0	0	0	777,355	3,833,046	17,156,013
Parkside	670,506	1,186,531	0	185,365	0	394,947	4,294,234	6,731,583
Platteville	784,388	91,558	109,355	556,640	(10,565)	67,975	4,162,280	5,761,631
River Falls	677,217	359,052	0	1,501,851	0	111,362	4,005,789	6,655,271
Stevens Point	5,756,576	819,753	0	964,714	0	2,740,394	6,882,757	17,164,194
Stout	3,575,950	201,665	0	2,158,096	0	88,375	6,184,715	12,208,801
Superior	39,307	92,022	0	699,648	0	1,617,214	1,664,475	4,112,666
Whitewater	507,351	82,517	0	2,833,334	1,146	245,236	6,324,194	9,993,777
Colleges	19,323	19,983	3,000	601,045	0	66,785	7,636,120	8,346,256
Extension	42,567,679	0	0	0	0	0	0	42,567,679
System-Wide	0	1,187,909	0	4,198,492	0	50,000	0	5,436,401
Totals	98,191,547	54,934,045	1,911,563	101,807,722	19,488,998	738,634,032	106,181,708	1,121,149,616
Madison	17,168,244	13,455,200	30,300	2,922,470	0	503,043,499	16,305,133	552,924,846
Milwaukee	4,421,479	10,065,797	5,000	46,893	0	19,687,151	15,955,985	50,182,305
Eau Claire	746,803	1,219,537	0	0	0	904,378	6,379,198	9,249,916
Green Bay	25,760	2,311,002	0	98,891	0	1,018,078	3,793,329	7,247,060
La Crosse	1,817,153	620,137	6,000	881,092	0	1,151,955	3,944,021	8,420,358
Oshkosh	5,428,940	4,661,387	0	0	0	626,564	3,833,046	14,549,937
Parkside	499,179	908,257	0	0	0	353,040	4,071,072	5,831,548
Platteville	634,991	0	107,855	348,516	0	0	4,162,280	5,253,642
River Falls	597,832	276,696	0	980,181	0	44,098	4,005,789	5,904,596
Stevens Point	3,605,251	258,570	0	674,129	0	1,304,897	6,882,757	12,725,604
Stout	3,090,185	122,843	0	1,119,299	0	86,348	5,695,005	10,113,680
Superior	29,307	92,022	0	691,329	0	1,519,315	1,664,475	3,996,448
Whitewater	429,963	0	0	1,870,835	0	227,422	5,740,659	8,268,879
Colleges	6,348	0	0	106,392	0	4,419	7,032,386	7,149,545
Extension	19,205,380	0	0	0	0	0	0	19,205,380
System-Wide	0	1,187,909	0	946,725	0	0	0	2,134,634
Federal Totals	57,706,815	35,179,357	149,155	10,686,752	0	529,971,164	89,465,135	723,158,378
Madison	8,745,915	15,597,411	1,647,408	80,508,085	19,157,490	199,976,297	14,062,961	339,695,567
Milwaukee	2,310,756	496,588	72,000	2,513,982	0	4,949,817	630,307	10,973,451
Eau Claire	681,489	841,407	0	0	0	400,592	0	1,923,488
Green Bay	16,000	336,609	18,000	745,839	0	733,475	121,164	1,971,087
La Crosse	315,977	747,429	20,500	391,284	340,927	609,148	2,000	2,427,265
Oshkosh	1,914,734	540,551	0	0	0	150,791	0	2,606,075
Parkside	171,327	278,274	0	185,365	0	41,907	223,162	900,035
Platteville	149,397	91,558	1,500	208,124	(10,565)	67,975	0	507,989
River Falls	79,385	82,356	0	521,670	0	67,264	0	750,675
Stevens Point	2,151,325	561,183	0	290,585	0	1,435,497	0	4,438,590
Stout	485,765	78,822	0	1,038,797	0	2,027	489,710	2,095,121
Superior	10,000	0	0	8,319	0	97,899	0	116,218
Whitewater	77,388	82,517	0	962,499	1,146	17,814	583,535	1,724,897
Colleges	12,975	19,983	3,000	494,653	0	62,366	603,734	1,196,711
Extension	23,362,299	0	0	0	0	0	0	23,362,299
System-Wide	0	0	0	3,251,767	0	50,000	0	3,301,767
Nonfederal Totals	40,484,732	19,754,688	1,762,408	91,120,970	19,488,998	208,662,868	16,716,573	397,991,238

UNIVERSITY OF WISCONSIN SYSTEM
GIFTS, GRANTS AND CONTRACTS AWARDED - BY INSTITUTION
QUARTERLY REPORT & PRIOR-YEAR COMPARISON
FISCAL YEAR 2006-2007 - Fourth Quarter

	Public Service	Instruction	Libraries	Misc	Phy Plt	Research	Student Aid	Total
INCREASE (DECREASE)								
Madison	3,181,514	13,735,980	745,875	40,629,046	50,183,955	21,670,904	5,804,742	135,952,016
Milwaukee	(1,322,094)	(2,750,708)	75,880	154,955	0	7,760,613	784,707	4,703,353
Eau Claire	163,744	(412,130)	0	0	0	655,432	571,165	978,211
Green Bay	(29,160)	(180,238)	(14,000)	(81,333)	4,150,000	(1,204,274)	374,439	3,015,434
La Crosse	(684,870)	(743,935)	(12,200)	(383,004)	(340,927)	1,519,748	746,320	101,132
Oshkosh	(4,007,615)	(431,020)	0	0	0	126,233	3,328,816	(983,586)
Parkside	(173,810)	(144,074)	6,500	(69,153)	0	(199,546)	795,585	215,502
Platteville	(42,691)	(70,647)	(66,446)	89,914	10,565	22,781	1,093,527	1,037,003
River Falls	(43,274)	(271,194)	0	371,902	0	(71,206)	(109,262)	(123,034)
Stevens Point	(675,810)	(317,525)	4,300	(768,124)	1,853	(698,744)	385,934	(2,068,116)
Stout	449,479	39,280	0	1,002,415	0	92,839	293,514	1,877,527
Superior	(11,151)	(16,700)	0	(1,302)	0	905,881	368,689	1,245,417
Whitewater	(3,448)	60,787	0	(506,791)	41,674	314,033	419,488	325,743
Colleges	122,886	610,700	0	716,997	0	137,532	624,003	2,212,118
Extension	(6,091,529)	0	0	0	0	0	0	(6,091,529)
System-Wide	0	(1,086,475)	0	(3,429,254)	0	(50,000)	400,000	(4,165,729)
Totals	(9,167,830)	8,022,101	739,909	37,726,269	54,047,119	30,982,226	15,881,667	138,231,462
Madison	2,962,976	12,419,861	(30,300)	180,389	9,200	(5,406,808)	2,359,951	12,495,269
Milwaukee	(1,630,067)	(2,728,567)	(5,000)	(46,893)	0	5,274,100	495,888	1,359,461
Eau Claire	(119,636)	(87,179)	0	0	0	475,473	571,165	839,823
Green Bay	(25,760)	(389,096)	0	113,980	0	(744,704)	280,233	(765,347)
La Crosse	(832,118)	(31,771)	(6,000)	(113,438)	0	1,184,711	748,320	949,704
Oshkosh	(2,692,716)	(363,589)	0	0	0	93,677	3,328,816	366,188
Parkside	(157,736)	(60,713)	0	2,100	0	(353,040)	875,321	305,932
Platteville	148	0	(67,683)	(348,516)	0	50,000	1,093,527	727,476
River Falls	(203,598)	(276,696)	0	402,575	0	(44,098)	(123,682)	(245,499)
Stevens Point	(462,691)	(198,817)	0	(674,129)	0	(427,467)	385,934	(1,377,170)
Stout	388,725	21,700	0	484,445	0	46,476	288,410	1,229,756
Superior	(1,151)	(19,200)	0	42,017	0	650,549	335,689	1,007,904
Whitewater	(7,052)	0	0	(628,891)	0	302,512	446,125	112,694
Colleges	(6,348)	619,034	0	553,052	0	127,940	630,606	1,924,284
Extension	(5,180,614)	0	0	0	0	0	0	(5,180,614)
System-Wide	0	(1,086,475)	0	(177,487)	0	0	0	(1,263,962)
Federal Totals	(7,967,638)	7,818,492	(108,983)	(210,796)	9,200	1,229,321	11,716,303	12,485,899
Madison	218,538	1,316,119	776,175	40,448,657	50,174,755	27,077,712	3,444,791	123,456,747
Milwaukee	307,973	(22,141)	80,880	201,848	0	2,486,513	288,819	3,343,892
Eau Claire	283,380	(324,951)	0	0	0	179,959	0	138,388
Green Bay	(3,400)	208,858	(14,000)	(195,313)	4,150,000	(459,570)	94,206	3,780,781
La Crosse	147,248	(712,164)	(6,200)	(269,566)	(340,927)	335,037	(2,000)	(848,572)
Oshkosh	(1,314,899)	(67,431)	0	0	0	32,556	0	(1,349,774)
Parkside	(16,074)	(83,361)	6,500	(71,253)	0	153,494	(79,736)	(90,430)
Platteville	(42,839)	(70,647)	1,237	438,430	10,565	(27,219)	0	309,527
River Falls	160,324	5,502	0	(30,673)	0	(27,108)	14,420	122,465
Stevens Point	(213,119)	(118,708)	4,300	(93,995)	1,853	(271,277)	0	(690,946)
Stout	60,753	17,580	0	517,970	0	46,363	5,104	647,771
Superior	(10,000)	2,500	0	(43,319)	0	255,332	33,000	237,513
Whitewater	3,604	60,787	0	122,100	41,674	11,521	(26,637)	213,049
Colleges	129,234	(8,334)	0	163,945	0	9,592	(6,603)	287,834
Extension	(910,915)	0	0	0	0	0	0	(910,915)
System-Wide	0	0	0	(3,251,767)	0	(50,000)	400,000	(2,901,767)
Nonfederal Totals	(1,200,192)	203,609	848,892	37,937,065	54,037,919	29,752,905	4,165,364	125,745,563

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.3. Physical Planning and Funding Committee

Thursday, September 6, 2007
1220 Linden Drive
Madison, Wisconsin

10:00 a.m. All Regents Invited

- The Strategic Framework of the UW System to Advantage and Advance Wisconsin's Future

12:00 p.m. Lunch

12:30 p.m. Physical Planning and Funding Committee (All Regents Invited) – Room 1820

a. UW-Stevens Point: Campus Master Plan Presentation

1:00 p.m. Physical Planning and Funding Committee – Room 1511

b. Approval of the Minutes of the July 12, 2007 Meeting of the Physical Planning and Funding Committee

c. UW-La Crosse: Authority to Seek a Waiver of s. 16.855 under s. 13.48(19) to Accept a Single Prime Contractor Bid; Approval of the Design Report; and Authority to Adjust the Project Budget and Construct the New Stadium and Fields Project [Resolution I.3.c.]

d. UW System: Authority to Construct All Agency Maintenance and Repair Projects [Resolution I.3.d.]

e. Report of the Assistant Vice President

- Building Commission Actions
- Other

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

Authority to Seek a Waiver of s. 16.855 under s. 13.48(19) to Accept a Single Prime Contractor Bid; Approval of the Design Report; and Authority to Adjust the Project Budget and Construct the New Stadium and Fields Project, UW-La Crosse

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the UW-La Crosse Chancellor and the President of the University of Wisconsin System, the Design Report be approved and authority be granted to: (a) increase the project budget by \$1,000,000 (\$600,000 General Fund Supported Borrowing – All Agency Funds and \$400,000 Gift Funds); (b) seek a waiver of s.16.855 under s.13.48(19) to accept a single prime contractor bid for the project; and (c) construct the project for a total cost of \$15,612,000 (\$600,000 General Fund Supported Borrowing, \$1,750,000 Program Revenue Supported Borrowing, \$750,000 Program Revenue-Cash, and \$12,512,000 Gift Funds).

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action September 2007

1. Institution: The University of Wisconsin-La Crosse
2. Request: Contingent upon enumeration of this project in the 2007-09 Capital Budget, requests approval of the Design Report of the Stadium and Fields project and authority to: (a) increase the project budget by \$1,000,000 (\$600,000 General Fund Supported Borrowing – All Agency Funds and \$400,000 Gift Funds); (b) seek a waiver of s.16.855 under s.13.48(19) to accept a single prime contractor bid for the project; and (c) construct the project for a total cost of \$15,612,000 (\$600,000 General Fund Supported Borrowing, \$1,750,000 Program Revenue Supported Borrowing, \$750,000 Program Revenue-Cash, and \$12,512,000 Gift Funds).
3. Description and Scope of Project: This project will demolish the existing stadium structure, running track, and lighting. It will construct a new 5,800 seat main grandstand with toilet rooms, concession areas, a locker room, press box and private boxes; and a 2,200 seat visitors' side structure that will include a concessions area, toilet rooms, and a locker room. The project includes a new artificial football playing surface, running track, and stadium lighting and sound system. The project also significantly redevelops the surrounding site creating a new women's competition soccer venue, additional field event venues, and multiple student recreation fields. Lighting for the women's soccer field and the student recreation fields is also included. A student fitness center, football locker room, sports medicine room, and new Hall of Honor will also be constructed as part of this project. The Veterans Walkway will include the existing monument, and will be enhanced to blend with the new entrance plaza and the Hall of Honor.

This stadium is the home for UWL football, track & field, soccer, and student recreation sports. The community's use is also very high. It serves the football and track teams of two high schools as well as the community's bugle corps. It is also the site of the annual Wisconsin Interscholastic Athletic Association (WIAA) Track and Field Championships which attracts 35,000 spectators and participants for this two day event. The project is scheduled to start immediately after the championship meet in June of 2008 and be substantially completed by the next year's event or May of 2009. Temporary seats for 2,000 spectators will be brought in annually and placed on permanent pads for the WIAA championships.

A single prime contract is proposed to improve the coordination and sequencing of this project. The many facets of the project (stadium structure, track construction, field lighting installation, and regrading of fields), as well as the critical nature of the construction scheduling (stadium seats, toilets, and timing of the 2009 championships), will require a great deal of coordination between trades which is better achieved with a single prime contractor.

4. Justification of the Request: The existing cast-in-place concrete stadium grandstand structure was constructed in the late 1920's, and it, along with the football field, the running track, the associated practice fields, and tennis courts were owned by the city of La Crosse until the late 1980's. In 1988, these properties were transferred to the Board of Regents with a use agreement that allows the city of La Crosse and two of the local high schools to use the facilities at certain times of the year.

Upon accepting the ownership of the stadium and the associated football field, the State of Wisconsin invested approximately \$1,000,000 into the rehabilitation of the stadium structure because it was in an advanced state of deterioration. However, these minimal repairs only allowed the facility to remain functioning. No significant capital has been invested into the stadium since that time.

The State of Wisconsin funded the conversion of the running track from a surface of loose cinders to a polyurethane bonded rubber track prior to the mid 1980's. The running track also received a structural coat of polyurethane and rubber in 2003. It is the opinion of the polyurethane systems installer and the Division of State Facilities that this is the last structural coat that this track will be able to accept. Consequently, the track will need to be replaced within the next few years. The light towers that illuminate the football field and the visiting side bleachers are all original to construction of the complex, and they are well beyond their life expectancy.

In addition, while the facilities are heavily used, they still do not meet the demand for athletic and recreational space at peak times of usage during the school year. The university wishes to retain large events such as the WIAA championships, while supporting UW-La Crosse athletic and recreational activities and community events and programs. The university also desires to attract National Collegiate Athletic Association (NCAA) track and field events.

This project closely follows a conceptual plan that was developed, with the assistance of master planning consultants, for the replacement of the stadium structure and realignment of the fields complex. This plan was designed to accommodate the existing and future needs of the exterior athletic/student recreation areas in a layout that is consistent with the UW-La Crosse Campus Master Plan.

The majority of funding for the project will come from locally raised gift funds. However, \$2,500,000 of the project will be funded by students. Based on the results of a student body referendum, the UW-La Crosse Student Government Association decided to use \$750,000 of reserves and increase student fees to fund another \$1,750,000 of the project. The fee increase, which was implemented in 2006, was initially two dollars a semester. That amount will increase to three dollars a semester for the 2007-08 academic year. The yearly fees to support the project may vary based on the final debt service amount for the \$1,750,000, the actual student enrollment, and other revenue streams that may result from an improved facility.

5. Budget and Schedule:

Budget Item	%	Cost
Construction		\$12,795,000
Contingency	7.0 %	896,000
A/E Fees	7.5 %	960,000
Other Fees & Reimbursable		86,000
DSF Mgmt. Fee	4.0 %	548,000
Movable Equipment		288,000
Percent for Art	.25 %	<u>39,000</u>
Total Project Cost		\$15,612,000

6. Previous Action:

August 17, 2006
Resolution 9225

As part of the 2005-07 Capital Budget, the Board of Regents recommended enumeration of the new Stadium & Fields Complex project for \$14,612,000 (\$2,500,000 Program Revenue Supported Borrowing and \$12,112,000 Gift Funds). The project was subsequently enumerated in the in the 2005-07 Capital Budget at \$14,612,000.

Authority to Construct All Agency Maintenance
and Repair Projects, UW System

PHYSICAL PLANNING AND FUNDING COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct various maintenance and repair projects at an estimated total cost of \$1,269,000 (\$577,200 General Fund Supported Borrowing; \$338,000 Program Revenue Supported Borrowing; and \$353,800 Program Revenue Cash).

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for
Board of Regents Action
September 2007

1. **Institution:** The University of Wisconsin System
2. **Request:** Requests the authority to construct various maintenance and repair projects at an estimated total cost of \$1,269,000 (\$577,200 General Fund Supported Borrowing; \$338,000 Program Revenue Supported Borrowing; and \$353,800 Program Revenue Cash).

UTILITIES REPAIR & RENOVATION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	PR CASH	GIFT/GRANT	BTF	TOTAL
OSH	07H3I	Titan Stadium Parking Lots	\$ -	\$ 338,000	\$ -	\$ -	\$ -	\$ 338,000
SUP	07H2Y	Utility Pit Pump/Elec Svc Repl	\$ 577,200	\$ -	\$ 353,800	\$ -	\$ -	\$ 931,000
SEPTEMBER 2007 SUBTOTALS			\$ 577,200	\$ 338,000	\$ 353,800	\$ -	\$ -	\$ 1,269,000

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

Utilities Repair and Renovation Requests

OSH – 07H3I - Titan Stadium Parking Lots (\$338,000): This project provides two paved parking lots accommodating a total of 140 stalls adjacent to Titan Stadium. These parking lots will better serve patrons with disabilities and address compliance issues with local zoning codes.

This project converts two dirt and gravel parking lots into asphalt paved parking lots. Project work includes site preparation, storm water remediation, asphalt pavement, concrete curb and gutter, lot markings and striping, site lighting, landscaping, installing approximately 200 LF of new chain link fencing, and site restoration. The northern lot will be constructed and configured to accommodate 80 stalls, and the southern lot will be constructed and configured to accommodate 60 stalls.

The parking facilities do not adequately support the public events held at the Oshkosh Sports Complex (Titan Stadium). The dirt and gravel lots do not provide adequate accommodation for people with disabilities and are not in compliance with ADA or local zoning codes. During dry weather, the lots become quite dusty and dust clouds frequently envelop adjacent neighborhood residences, causing numerous complaints. The parking lot lighting is inadequate and creates a safety concern during evening events.

SUP - 07H2Y - Utility Pit Sump Pump/Electrical Service Replacement (\$931,000): This project provides electrical power distribution to the new academic building, the Rothwell Student Center, and the central chilled water plant in a new looped configuration. This project also resolves groundwater infiltration problems in the utility pits.

This project replaces the 600-volt power distribution system serving the steam and electrical pits from the heating plant. Project work includes replacing approximately 8,400 LF of 2-inch conduit and circuit wire between pits, two enclosed circuit breakers, and one step-down transformer per pit. In areas where the 2-inch conduit is rusted through or otherwise blocked, a flexible conduit will be pulled through a spare campus signal system 4-inch conduit. This project also replaces steam and primary electrical pit sump pumps in twenty-one pits (pits 1-21) and light fixtures in six pits (pits 2, 7, 9, 16, 19 and 20) on the south side of campus. This project installs approximately 2,500 LF of 5KV, 3 phase cable circuit from Pit 6 north along Catlin Avenue to Pit 35 near the Rothwell Student Center. A pad mounted switch will be located at Pit 6 to allow either feeder 3 or feeder 4 to be tapped and extended to Pit 35. A feeder from Pit 35 will be used to provide power to the new Rothwell Student Center and the new chiller plant that will be housed in the new student center building.

The sump pumps and lighting systems consist of a 600-volt, 3 phase circuit which is fed from the heating plant and passes through twenty-one steam and primary electrical pits. Each of these pits contains a transformer and two circuit breakers which provide power for a float operated sump pump and lighting within the pit. On numerous occasions, a sump pump failed to operate resulting in a pit filling with groundwater, shorting out the transformer and tripping the main breaker in the heating plant. This resulted in the loss of power in all pits on this circuit allowing other pits to fill with ground water. It is both time consuming for campus electricians to determine in which of the pits the failure occurred and expensive to replace the transformer. The high temperature and moisture in the steam pits causes some of the electrical equipment to rust. Service persons having to enter the pit are uncomfortable with the 600-volt distribution system within the pit and the condition of the electrical equipment. A new sump pump power and water level monitoring system was bid as part of the renovation of the primary electrical system but the work was not completed due to an insufficient budget.

There have been several steam condensate line replacement projects on campus. One recent project discovered the steel electrical conduit link lying on top of the steam box conduit between pits had thoroughly rusted. It is anticipated that many other electrical conduit links between pits have also failed since they were all installed about the same time period. Feeder circuits 1 and 2 now serve all buildings on the north side of campus. These two feeders are installed in a loop configuration to enhance the reliability of the primary electrical system serving all academic buildings. With construction of a new Rothwell Student Center facility, a new campus chiller plant, and a new academic building, these feeders will not have adequate capacity to supply the existing and new loads without losing the benefit of a loop configuration. Extension of the new loop circuits 3 & 4 will allow the campus to isolate a faulted cable segment and still serve all buildings.

4. Justification of the Request: UW System Administration and the Division of State Facilities continue to work with each institution to develop a comprehensive campus physical development plan, including infrastructure maintenance planning. After a thorough review of approximately 250 All Agency Project proposals and 520 infrastructure planning issues submitted, and the UW All Agency Projects Program funding targets set by the Division of State Facilities (DSF), this request represents high priority University of Wisconsin System infrastructure maintenance, repair, renovation, and upgrade needs. This request focuses on existing facilities and utilities, targets the known maintenance needs, and addresses outstanding health and safety issues. Where possible, similar work throughout a single facility or across multiple facilities has been combined into a single request to provide more efficient project management and project execution.

5. Budget:

General Fund Supported Borrowing	577,200
Program Revenue Supported Borrowing	338,000
Program Revenue Cash.....	<u>353,800</u>
Total Requested Budget \$	1,269,000

6. Previous Action: None.

REVISED 8/31/07

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

September 7, 2007
9:00 a.m.
1820 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin

II.

1. Calling of the Roll
2. Approval of the Minutes of the August 7, 2007 Meeting
3. Report of the President of the Board
4. Report of the President of the System
5. Presentation of 2007 Regents Teaching Excellence Awards
6. Report of the Education Committee
7. Report of the Business, Finance, and Audit Committee
8. Report of the Physical Planning and Funding Committee
9. Additional Resolutions
10. Communications, Petitions, and Memorials
11. Unfinished or Additional Business
 - a. Consideration of 2008 Schedule of Meetings and Visits to Assigned Campuses
12. Move into Closed Session to Consider Approval of a Salary at UW-Madison, as Permitted by s.19.85(1)(c), *Wis. Stats.*, to Consider Personal Histories Related to Naming a Facility at UW-Milwaukee, as Permitted by s.19.85(1)(f), *Wis. Stats.*, and to Confer with Legal Counsel about Pending or Potential Litigation, as Permitted by s. 19.85(1)(g), *Wis. Stats.*

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

D R A F T

BOARD OF REGENTS 2008 SCHEDULE OF MEETINGS AND VISITS TO
ASSIGNED CAMPUSES

February 7 and 8, 2008: Board and Committee Meetings in Madison

March 2008: Regent Visits to Assigned Campuses

April 10 and 11, 2008: Board and Committee Meetings hosted by UW Colleges and
UW-Extension at the Pyle Center, Madison

June 5 and 6, 2008: Board and Committee Meetings at UW-Milwaukee

August 21 and 22, 2008: Board and Committee Meetings in Madison

September 2008: Regent Visits to Assigned Campuses

October 2 and 3, 2008: Board and Committee Meetings at UW-Stevens Point

December 4 and 5, 2008: Board and Committee Meetings at UW-La Crosse

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

President - Mark J. Bradley
Vice President - Charles Pruitt

STANDING COMMITTEES

Executive Committee

Mark J. Bradley (Chair)
Charles Pruitt (Vice Chair)
Elizabeth Burmaster
Danae D. Davis
Milton McPike
Brent Smith
Jesus Salas
Michael J. Spector
David G. Walsh

Business, Finance, and Audit Committee

Brent Smith (Chair)
Eileen Connolly-Keesler (Vice Chair) (Audit Liaison)
Elizabeth Burmaster
Peggy Rosenzweig
Thomas P. Shields

Education Committee

Danae D. Davis (Chair)
Michael J. Spector (Vice Chair)
Judith V. Crain
Mary Quinnette Cuene
Thomas A. Loftus
Colleene P. Thomas

Physical Planning and Funding Committee

Jesus Salas (Chair)
Milton McPike (Vice Chair)
Jeffrey B. Bartell
Michael J. Falbo
David G. Walsh

Personnel Matters Review Committee

Michael J. Spector (Chair)
Jeffrey B. Bartell
Judith V. Crain
Danae D. Davis
Peggy Rosenzweig

Committee on Student Discipline and

Other Student Appeals

Brent Smith (Chair)
Milton McPike
Thomas P. Shields
Michael J. Spector

OTHER COMMITTEES

Liaison to Association of Governing Boards

Eileen Connolly-Keesler

Hospital Authority Board - Regent Members

Milton McPike
Peggy Rosenzweig
David G. Walsh

Wisconsin Technical College System Board

Peggy Rosenzweig, Regent Member

Wisconsin Educational Communications Board

Judith V. Crain, Regent Member

Higher Educational Aids Board

Milton McPike, Regent Member

Research Park Board

David G. Walsh, Regent Member

Teaching Excellence Awards

Danae D. Davis (Chair)
Jeffrey B. Bartell
Milton McPike
Jesus Salas
Colleene P. Thomas

Academic Staff Excellence Awards Committee

Eileen Connolly-Keesler (Chair)
Danae D. Davis
Milton McPike
Jesus Salas
Brent Smith

Public and Community Health Oversight and Advisory Committee

To be appointed

Committee on Regent Response to the Legislative Audit Bureau Audit on Personnel Policies and Practices

Thomas A. Loftus (Chair)
Jeffrey B. Bartell
Eileen Connolly-Keesler
Judith V. Crain
Professor Chris Sadler
Interim Chancellor Richard Telfer
Academic Staff Representative Dennis Shaw

The Regents President and Vice President serve as ex-officio voting members of all Committees.

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

2007 MEETING SCHEDULE

(Held in Madison unless otherwise indicated)

January 4th and 5th (cancelled, circumstances permitting)

February 8th and 9th

March 8th and 9th (at UW-Parkside)

April 12th and 13th (at UW-Oshkosh)

May 10th and 11th

June 7th and 8th (at UW-Milwaukee)

July 12th and 13th

August 23rd and 24th (cancelled, circumstances permitting)

September 6th and 7th

October 4th and 5th (at UW-River Falls)

November 8th and 9th

December 6th and 7th (hosted by UW-Madison)