



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

October 29, 2008

TO: Each Regent

FROM: Judith A. Temby

A handwritten signature in black ink, appearing to read "J. A. Temby".

PUBLIC MEETING NOTICE

Thursday, November 6, 2008

8:15 – 9:15 a.m. – Business, Finance and Audit Committee

- Approval of UW-Oshkosh Pouring Rights Contract
- Annual Public Forum on UW System Trust Funds
19th Floor Conference Room, Van Hise Hall

9:30 – 12:00 p.m. – Board of Regents

- Presentation and Discussion of Academic Workforce Recruitment and Retention Challenges
1820 Van Hise Hall

12:00 – 12:45 p.m. – Box Lunches

12:45 – 2:15 p.m. – Presentation and Discussion of Professional Doctorates in the UW System

2:15 – 2:30 p.m. – Report and Approval of Action Taken by the Business, Finance, and Audit Committee

2:30 – 2:45 p.m. – Break

2:45 – 3:30 p.m. – Presentation of Annual Teaching Excellence Awards
1820 Van Hise Hall

3:30 – 4:30 p.m. – Reception for Teaching Excellence Award Recipients
19th Floor Conference Room, 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, November 6, 2008, at 9:30 a.m. until approximately 3:30 p.m.

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.2. Business, Finance, and Audit Committee

Thursday, November 6, 2008
1920 Van Hise Hall
1220 Linden Drive

8:15 a.m. Business, Finance, and Audit Committee

- a. UW Oshkosh Pouring and Vending Rights Contract with
Pepsi Cola General Bottlers, Inc.
[Resolution I.2.a.]
- b. Annual Public Forum on UW System Trust Fund Investments

9:30 a.m. All Regents – 1820 Van Hise Hall

- Presentation and Discussion of Academic Workforce Recruitment and Retention Challenges

12:00 p.m. Box Lunches

12:45 p.m. All Regents – 1820 Van Hise Hall

- Presentation and Discussion of Professional Doctorate Degrees in the UW System

2:15 p.m. Report and Approval of Action Taken by the Business, Finance, and Audit Committee

2:30 p.m. Break

2:45 p.m. Presentation of Annual Teaching Excellence Awards

3:30 Reception of Teaching Excellence Award Recipients
1920 Van Hise Hall

UW Oshkosh Pouring and Vending Rights Contract
with Pepsi Cola General Bottlers, Inc.

BUSINESS, FINANCE, AND AUDIT COMMITTEE

Resolution:

That, upon recommendation of the Chancellor of the University of Wisconsin Oshkosh and the President of the University of Wisconsin System, the Board of Regents approves a five-year contract, with an option to renew for two additional years, with Pepsi Cola General Bottlers, Inc. to provide exclusive soft drink pouring and vending services to the University of Wisconsin Oshkosh effective November 10, 2008.

**UNIVERSITY OF WISCONSIN OSHKOSH
POURING AND VENDING RIGHTS
CONTRACT WITH PEPSI COLA GENERAL BOTTLERS, INC.**

Executive Summary

BACKGROUND

The University of Wisconsin Oshkosh contracted for third party vending service for the institution beginning in January, 2003. In partnership with students and staff, UW Oshkosh ran a competitive request for proposal process, starting in July 2008, to seek a pouring rights contract for the campus. A pouring rights structure was pursued in order to improve beverage service on campus by obtaining new machines and equipment, increase service requirements, and increase net revenues. The UW Oshkosh administration has been collaborating with student leaders to determine how best to use the additional revenues from the pouring rights contract to maximize benefits to the campus community.

The University of Wisconsin Oshkosh is prepared to enter into a Pouring and Vending Rights service contract with Pepsi Cola General Bottlers, Inc. based on the response to RFP BK9-07. This request is for a five year contract starting November 10, 2008 and ending June 30, 2013, with the option to renew for two additional years.

The University, in offering fountain pouring, vending, and certain sponsorship opportunities to Pepsi Cola, has required specific equipment, services, fees, and pricing guarantees in return. After evaluating two proposals, a decision was made by the evaluation committee to pursue contract negotiation with Pepsi Cola General Bottlers, Inc., the high scoring vendor. The proposed agreement is a result of those negotiations.

REQUESTED ACTION

Approval of Resolution I.2.a.

That, upon recommendation of the Chancellor of the University of Wisconsin Oshkosh and the President of the University of Wisconsin System, the Board of Regents approves a five-year contract with an option to renew for two additional years, with Pepsi Cola General Bottlers, Inc., to provide exclusive soft drink pouring and vending services to the University effective November 10, 2008.

DISCUSSION

Two proposals were received and, after evaluation, a notice of intent was sent to Pepsi Cola. The final terms and provisions of the negotiated contract consolidates both the

fountain and vending service into one contract with significant equipment, service, and financial benefits to the University. The principal provisions of the contract are summarized as follows:

- The agreement is for five -years (with options to renew for two additional years) on the date it is signed on behalf of all parties. The contract will expire June 30, 2013 unless the option(s) for contract renewal is/are exercised.
- Energy star equipment is supplied in all vending locations.
- New fountain service equipment is being provided in dining units.
- The vending component will provide a minimum of \$150,000 per year in commissions.
- The contractor agrees to pay just over \$230,000 in pouring rights royalties for the duration of the contract (5 years) based on the selected exclusion percentage.
- Contract exclusions allow limited competitor product in select locations
- The total value of this contract, with the selected exclusion percentage is approximately \$1,000,000 in revenue for the five-year period to UW Oshkosh.

UW Oshkosh is committed to working with the student body to determine the most effective and beneficial uses of the pouring rights revenues.

RELATED REGENT POLICIES

Regent Resolution 8875, dated June 2004, Authorization to Sign Documents

November 6, 2008

Agenda Item I.2.a.

**UW Oshkosh Pouring and Vending Rights
Contract with Pepsi Cola General Bottlers, Inc.**

Details of the contract are available in the UW System Office of Procurement.



THE BOARD OF REGENTS OF THE UW SYSTEM

**Invite you to the:
ANNUAL PUBLIC FORUM ON UNIVERSITY INVESTMENTS**

The purpose of this annual forum is to provide students, faculty and members of the public an opportunity to express opinions and/or concerns regarding endowed university investments. Participants are encouraged to register to speak by contacting Tom Reinders at: treinders@uwsa.edu or (608) 265-4174.

An investment holdings list and other information can be found at www.uwsa.edu/tfunds

Room 1920, Van Hise Hall
1220 Linden Dr
Madison, WI

Thursday, November 6, 2008
Starting promptly at 8:30 a.m.

Speakers are asked to limit oral remarks to two minutes.
Written testimony is invited and encouraged.

REVISED 10/27/08

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

November 6, 2008
Madison, Wisconsin
Van Hise Hall
1220 Linden Drive
Madison, Wisconsin

II.

- | | | |
|--------------------|----|---|
| 9:30 – 12:00 p.m. | 1. | Calling of the roll. |
| | 2. | Approval of Minutes of the October 2 and 3, 2008 meetings |
| | 3. | UW Board of Regents President and System President's Report (As Necessary) |
| | 4. | Presentation and Discussion of Academic Workforce Recruitment and Retention Challenges |
| 12:00 – 12:45 p.m. | | Box Lunches |
| 12:45 – 2:15 p.m. | 5. | Presentation and Discussion of Professional Doctorates in the UW System |
| 2:15 – 2:30 p.m. | 6. | Report and Approval of Action Taken by the Business, Finance, and Audit Committee |
| 2:30 – 2:45 p.m. | | Break |
| 2:45 – 3:30 p.m. | 7. | Presentation of Annual Teaching Excellence Awards |
| 3:30 p.m.: | 8. | Adjournment of Meeting |
| 3:30 – 4:30 p.m. | | Reception for Teaching Excellence Award Recipients 19 th Floor Conference Room Van Hise Hall |

November 6, 2008

UNIVERSITY OF WISCONSIN SYSTEM ACADEMIC WORKFORCE RECRUITMENT AND RETENTION CHALLENGES

Academic Workforce Goal

The University of Wisconsin System vision is to be the state's premier developer of advanced human potential, the knowledge-economy jobs that employ that potential, and the thriving communities that sustain citizens and businesses alike. This vision is embodied in UW System's Growth Agenda for Wisconsin – a plan to produce more college graduates, stimulate job creation, and strengthen local communities.

The UW System's success in achieving this vision and implementing the Growth Agenda requires the ability to effectively leverage its own human capital. To succeed in an increasingly competitive national and global higher-education marketplace, the UW System must have the means to continue attracting, hiring, and retaining the most diverse and best possible corps of faculty, academic staff, academic leaders, and classified staff. This will require long-term efforts that position the UW System to provide both competitive compensation and supportive work environments.

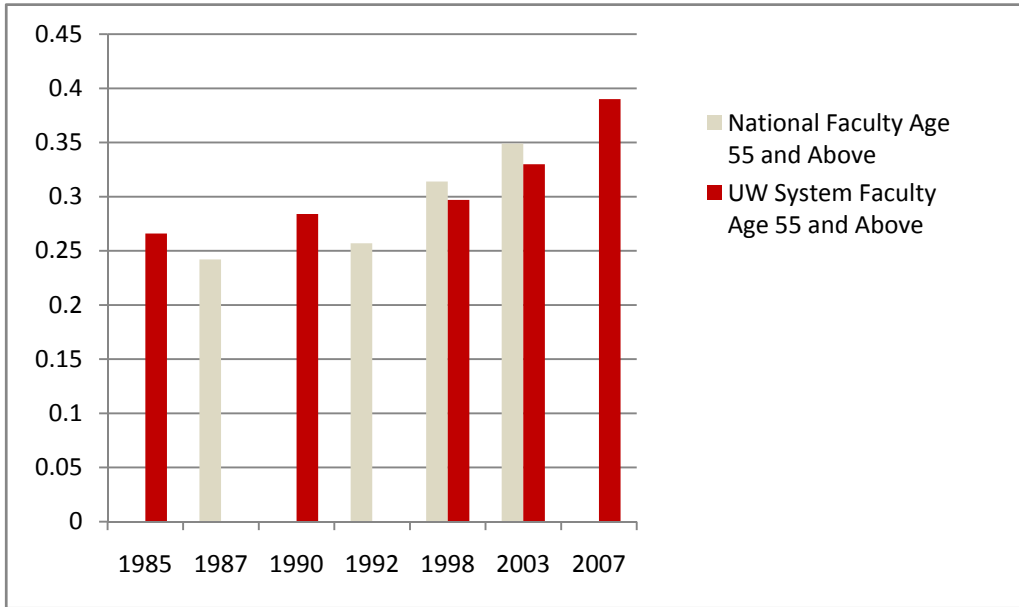
An Increasingly Competitive Environment

“In only a few years, the composition of full-time faculty may look nothing like it did during the expansion years of the 1970s. Why? Part of the reason is simply demographics. The age of the population is beginning to increase rapidly, which will ultimately lead to an unprecedented number of retirements and departures from colleges and universities nationwide.” –Conley, V.M., “Regenerating the Faculty Workforce”

The rapid expansion of higher education in the 1960s and 1970s led to colleges and universities across the nation hiring many new faculty and staff. Decades later, this wave of academic professionals is preparing to retire, creating new challenges and opportunities for the UW System and virtually every other higher educational institution.

Increasingly, departures of UW System faculty and staff will be due to retirements. Wisconsin is not alone in confronting this workforce challenge. According to the National Study of Postsecondary Faculty in the Fall of 2003, 34.9% of full-time faculty members in the United States were 55 or older, compared to 24.2% in the Fall of 1987.

Faculty Age 55 and Above National vs. UW System

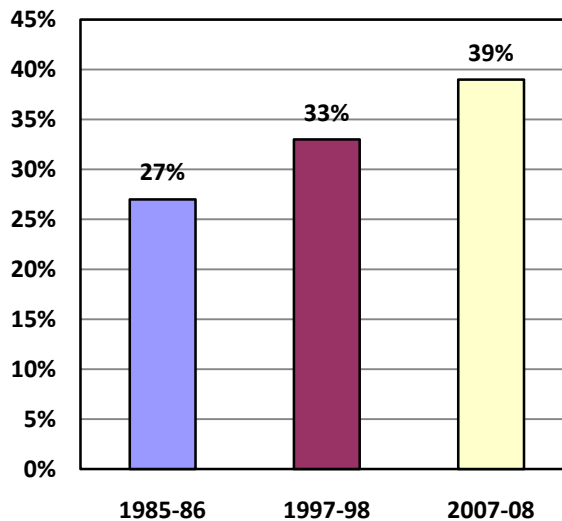


National Age Data Source: National Study of Postsecondary Faculty (NSOPF)

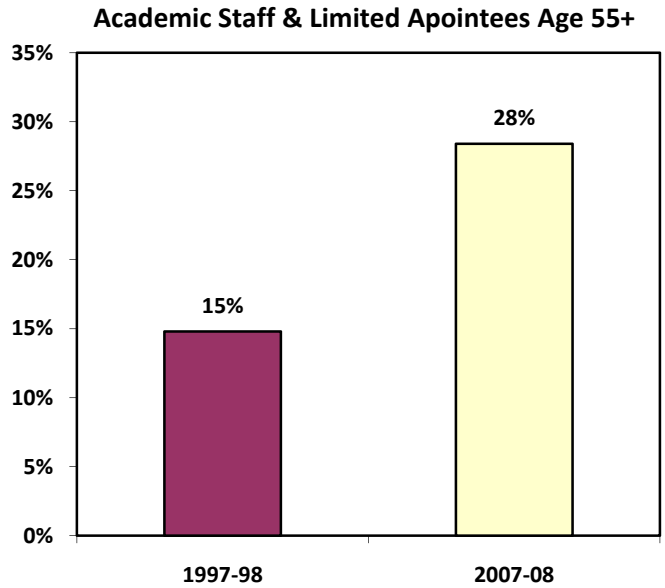
*2007 Data Not Available for National Faculty Age 55 and Above

In 2007-08, 39% (over 2,400) of the UW System faculty members were 55 and older. The number of faculty in this age group has increased steadily for over 20 years, from 27% in 1985-86 to 33% in 1997-98.

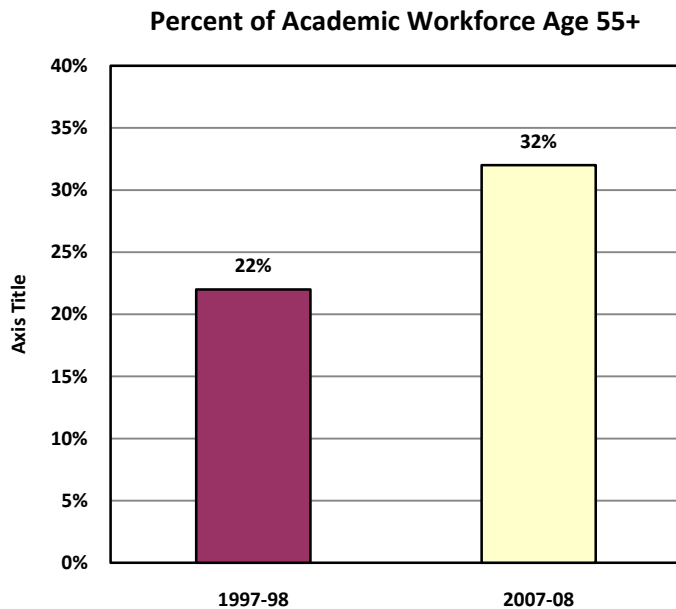
Percent of Faculty Age 55+



Similarly, the age profiles of the UW System's academic staff and limited appointees resemble that of the faculty and its aging trend. The number of staff, with appointments of 50% or more, age 55 and above increased from 15% in 1997-98 to 28% in 2007-08.



Combining the various UW System academic workforce categories noted above, the number of UW System staff in these categories who are now age 55 or older has grown to 32% in 2007-08, up from 22% ten years ago.



As the UW System considers challenges with academic workforce recruitment and retention, the “graying” of our workforce – including both faculty and academic staff – will be a significant consideration. The UW System’s ability to successfully manage this issue will have a major impact on the Growth Agenda for Wisconsin and other efforts to contribute to the state’s long-term economic viability.

National competition for talented faculty, staff, and academic leaders is already intense. As the number of retirements continues to rise, the number of new academic professionals entering the workforce is not likely to alleviate the competition that already exists. Spiking demand may create a national “bidding war” among institutions of higher education seeking to attract the best and brightest individuals.

While this aging of the workforce and impending retirements create significant challenges, they may also present a unique opportunity to increase the diversity of the UW System’s workforce – an important component of larger plans to enroll and educate a broader, deeper cut of the Wisconsin population and more effectively serve under-represented segments of the population. However, the competition for talented faculty of color and other diverse academic professionals will likely be even more intensive than that for other faculty and staff, and Wisconsin must have a competitive compensation package and welcoming work climate to compete in the marketplace and leverage this opportunity.

Today’s Competitive Factors

The UW System continues to work to have competitive salary and benefit packages and to have the means to address specific market factors for individuals and groups of employees. In order to provide competitive salaries and be effective in meeting workforce recruitment and retention challenges, annual pay plans for UW System employees must cover cost-of-living increases, provide for recognition of meritorious performance, and close the gap that exists between relevant market salaries and those earned by UW System faculty and staff. In the absence of being able to establish average salaries that are at or close to the market median salaries through annual pay plans, the UW System is currently utilizing targeted recruitment and retention funds provided by the state as a stopgap measure to address immediate and extraordinary market factors for individuals and groups of employees.

The UW System generally has a competitive advantage with retirement and health care benefits. However, Wisconsin is at a significant disadvantage by not offering full benefits coverage for domestic partners, and by only offering limited tuition reimbursement for employees and none for employee family members.

Unclassified Staff Pay Plans

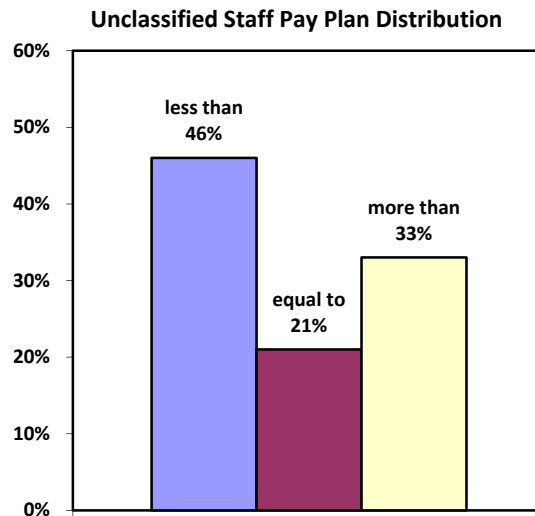
Pursuant to Wisconsin statutes , s.36.09(1)(j) and s.230.12(3)(e), the UW System is authorized to use base funds to provide salary increases to correct salary inequities, fund job reclassifications, fund promotions, and/or recognize competitive factors (market). However, in order to provide general pay plan increases, regardless of the source of the funds, JCOER (Joint Committee on Employment Relations) must provide the authorization. **(See Attachment A for a recent history of UW System pay plan requests and JCOER/Legislature authorized increases.)**

Annual pay plan increases for State-supported positions are traditionally funded by a formula with 69% coming from the State Compensation Reserve and 31% from tuition. At times, the UW System has been authorized, or required, to use more tuition dollars to increase the pay plan for unclassified staff or to fund a greater proportion of the pay plan from tuition.

Faculty, academic staff, and limited appointees, i.e., all “unclassified” UW System staff, have generally been considered as one group for pay plan considerations. That is to say, the percentage of pay plan increases approved for any given biennium is applied to each group equally. However, over the years limited so-called “catch up” pay plans have provided differential increases to faculty and other unclassified staff.

In most years, unclassified staff members have received the same general wage adjustment (GWA) as classified staff in the UW System and other areas of state service. However, the distribution of these funds differs. Regent policy requires that pay plans over 2% must be distributed such that at least 1/3 is distributed on the basis of solid performance, at least 1/3 on the basis of merit/market, and that the remaining 1/3 is used to address these or other compensation needs with appropriate attention focused on salary compression among employees. **(See Attachment B, Guidelines for Establishing 2008-09 Unclassified Pay Plan Adjustments and Salary Rates.)**

For example, the chart below shows the approximate distribution of the 4.3% pay plan increase received for the 2006-07 fiscal year. It shows that 46% received less than 4.3%, 21% received 4.3%, and 33% received more than a 4.3% increase.



If the pay plan is 2% or less, Board policy dictates that the pay plan be distributed across-the-board to all those unclassified staff who have at least a solid performance rating. For classified staff the GWA is distributed across-the-board regardless of the percentage. Additional funds are available in the State Compensation Reserve to address market needs for classified staff to the extent such needs can be documented and funding is available.

Faculty Recruitment and Retention Challenges

Peer institutions' (As established by the 1984 Governor's Faculty Compensation Study Committee, see Attachment C.) salary data is readily available for faculty at UW-Madison, UW-Milwaukee, and the 11 comprehensive institutions. These data are collected annually and peer comparisons are made for each group by assistant, associate, and full professor. Applying a standard methodology established in 1984, a calculation was made of the distance that the UW System institutions' faculty salaries are behind their peers after the 2007-08 salary adjustments.

There are differences in the percentage increase needed to reach peer median salaries by professor, associate professor and assistant professor and by institution. Combining these percentage differences, the Systemwide percentage distance from peer median salaries is 9.89% in 2007-08 which is a decrease from 11.34% in 2006-07. However, it should be noted that the University of California at Los Angeles and Berkeley did not report to AAUP for 2007-08 so these amounts exclude those campuses, which would have been included in Madison's peer group. Some of this closing of the gap can be attributed to UW System's 2006-07, 4.3% pay plan increase being greater than the 4% average pay plan increase at peer institutions. The 9.89% adjusted distance in 2007-08 to peer median salaries is the starting point for estimating the projected distance from peer median salaries of 15.57% that we anticipate at the end of the 2009-11. These assumptions were made in May 2008 and form the basis for the President's Compensation Advisory Committee's recommendation (see page 9) of a 7.78% annual increase each year of the next biennium to close the gap by the end of 2010-11.

Also, an August 2008 study by Midwestern Higher Education Compact (MHEC), *Average Faculty Salaries - A Comparison of Public and Private Institutions by Midwestern State*, shows the UW System below average and at or near the bottom in almost all comparisons by type of institution and rank of faculty. The MHEC study notes that UW-Madison and UW-Milwaukee salary increases for full professors were the lowest of the 20 doctoral institutions surveyed and are the only increases in the Midwest that have not kept pace with inflation.

For UW System's comprehensive institutions, the MHEC study showed the five-year change in salaries for full professors was also the lowest of the 12 states in the study, significantly below the rate of inflation and nearly 10% below the Midwestern average.

Historically, UW System institutions have attempted to address recruitment and retention challenges by reallocating base funds. A series of recent budget reductions, lapses, and reallocations have sharply reduced the ability of institutions to rely on this practice. More recently, a special recruitment and retention fund was requested and made available in the 2005-07 and 2007-09 biennial state budgets. The fund was restricted to faculty and research academic staff only. In the 2009-11 budget request, UW System is seeking additional recruitment and retention funding and the ability to include the use of these targeted funds for instructional academic staff for the first time.

Challenges for Academic Staff and Limited Appointees

Higher education is a people-intensive business, with success predicated not only upon human interaction occurring in classrooms and lecture halls, but also upon the work of talented

academic professionals who serve students in many other ways. In admissions, pre-college outreach programs, academic advising, residence halls, financial aid, libraries and other functions, UW System academic staff and limited appointees work to provide a high-quality educational experience for every student. They also play major roles in the UW System's research enterprise, as well as in vital outreach and Extension programs.

As the UW System seeks to boost college preparation, increase enrollment of first-generation students, and improve graduation rates, the success of the Growth Agenda for Wisconsin will depend, in large part, on the work of academic staff and limited appointees. Likewise, efforts to boost job creation and strengthen communities will depend on this segment of the UW System's workforce.

In 2008, a review was initiated of average salaries for academic staff and limited appointee titles compared to median salary data for peer institutions. The review used data submitted by peer institutions to the national College and University Professional Association for Human Resources (CUPA-HR) Administrative Compensation Survey 2008 and the CUPA-HR Mid-Level Administrative & Professional Survey 2008. This review of non-instructional unclassified salary market competitiveness is similar to the review made annually for faculty salaries. However, with hundreds of titles and no national standard for non-faculty titling, UW System could not find suitable matches for all titles currently in use.

UW System was able to approximate matches to just over half (53.7%) of the non-instructional and limited appointee incumbents with seemingly comparable titles at peer colleges and universities. Information gathered from this study was insufficient to produce a conclusive assessment of salary competitiveness, as this analysis is not as robust as the faculty-to-faculty comparison, and the findings have not yet been appropriately vetted. Some title comparisons, just as with faculty salaries, revealed differences in the gap between our average salaries and peer median salaries with gaps of as much as those for faculty and higher and others closer to peer median salaries. Therefore, without further analysis, it would be imprudent at this time to recommend a departure from the previous practice of having a combined pay plan recommendation for all unclassified staff.

Challenges have been reported in the recruitment and retention of academic staff and limited appointees across the UW System. As with faculty adjustments, UW System institutions have relied on base reallocation of funds to make competitive salary offers and retention adjustments for academic staff and limited appointees. Additional study and review could be performed over the next year to provide a better understanding of the compensation competitiveness challenges for academic staff and limited appointees.

Classified Staff

Increases received by classified staff in the UW System are 8% greater on average when compared with UW System unclassified staff from 2001-03 through the 2005-07 biennium. Classified staff received, on average, a 24.1% increase over base salaries and unclassified staff received a 15.9% increase, on average, over base salaries. To be clear, these are average increases and do not necessarily reflect what individuals received as increases over this time.

While over this time period classified staff and unclassified staff received essentially the same “general wage adjustment,” the difference in pay is mostly due to additional market funds and other contractual amounts being provided for classified staff out of the State’s Compensation Reserve. Except for \$5 million in the 2005-07 biennium for faculty recruitment and retention, any response to market pressure for unclassified staff during this period had to come out of base reallocation and the “general wage adjustment.” Consequently, some employees with solid performance received less than the full “general wage adjustment” so that others could be compensated to respond to market pressures and to recognize extraordinary meritorious performance.

Benefits

For most faculty and staff, the Wisconsin Retirement System benefit provides a competitive advantage compared to other university retirement systems. UW System faculty and staff are eligible for the same retirement benefits as all State employees and State elected officials.

Comparing UW System’s relative competitive advantage or disadvantage with healthcare coverage and employee cost is more complex. However, as a general statement, when comparing health insurance availability, cost, and comprehensiveness of coverage, the UW System healthcare benefits rank near the top compared to employers of all sizes. Again, UW System employees are eligible for the same health care insurance benefits as all State employees and State elected officials. This advantage is considered when recruitment and retention strategies are developed.

That advantage is at least partially offset by the competitive disadvantage of not having a comparable tuition remission policy to peer institutions and the lack of a domestic partner health insurance benefit. Almost all peer institutions provide a significantly greater tuition remission benefit for employees and half provide partial or full tuition remission for eligible children. All but one of UW-Madison’s peer institutions and all other Big Ten institutions offer domestic partner health insurance benefits. For many members of our workforce, the lack of tuition remission and domestic partner health insurance benefits represents a significant competitive disadvantage in recruitment and retention efforts.

Climate

Climate also plays an essential role in workforce recruitment and retention. The importance of establishing an environment of trust and mutual respect between and among all employees and students at each of our institutions cannot be overstated. The effectiveness of a compensation package in attracting and retaining the best and most diverse faculty and staff will be enhanced by an overall positive institutional environment. However, this supportive environment must be coupled with a state government and a citizenry that values a diverse workforce, supports public higher education, understands the role it plays in building a strong Wisconsin, and appreciates the opportunity it provides for all to reach her or his full potential. The UW System is committed tirelessly to enhance that appreciation and understanding on the part of the broader public.

The UW System works continuously toward building university communities that foster a shared commitment to act in the best interests of each person whether student, administrator, faculty, or staff. To do this, UW System institutions promote an educationally purposeful, open, just, disciplined, caring, creative, and celebrative community. Each UW System institution is challenged to consider how these principles are now, or can be, incorporated into day-to-day decision making in order to develop and sustain an environment of trust that enhances performance.

Economic Environment

The UW System also continues to work with its partners in state government and the taxpayers of Wisconsin to be good stewards of the public trust. Through the Growth Agenda for Wisconsin, the UW System provides for the higher learning needs of the state by enrolling more Wisconsin residents and graduating more four-year college-degree holders, attracting college graduates from other states to Wisconsin, and using university resources to grow knowledge-economy jobs for Wisconsin's future.

The Governor's recent announcement that the State is projected to be at a minimum of \$3.1 billion short of revenues in the 2009-11 budget cycle highlights the downturn in the state economy. The national and global picture is at least as problematic and both indicate a possible prolonged recessionary period. We recognize that decisions made on any university programming, including salary adjustments, must consider the fiscal challenges we face.

Compensation Advisory Committee Recommendation

A competitive pay plan and recruitment and retention funds are needed for preemptive steps to keep key faculty and staff from leaving our institutions, respond to outside offers, to fill vacancies created by departures, and fill new positions needed to meet the promise of the Growth Agenda for Wisconsin. President Reilly consulted with his Compensation Advisory Committee (CAC) of faculty and academic staff from each institution earlier this year. This past May, the CAC recommended that President Reilly request a 7.78% increase each year of the biennium in order to close the 15.58 % gap for the biennium between average faculty salaries and peer median salaries for faculty. The table on the next page shows the assumptions and data used in arriving at this recommendation.

| | |
|--|---------------|
| 2007-08 Preliminary Adjusted Distance to Peer Median* | 9.89% |
| 2008-09 Estimated Peer Increase (2007-09 Assumptions) | 3.10% |
| 2008-09 Unclassified Pay Plan Increase plus Recruitment and Retention Funds | <u>-3.62%</u> |
| 2008-09 Estimated Distance to Peer Median | 9.37% |
| 2009-10 Estimated Peer Increase (2007-09 Assumptions) | 3.10% |
| 2010-11 Estimated Peer Increase (2007-09 Assumptions) | <u>3.10%</u> |
| 2009-11 Distance to the Peer Median at the end of the Biennium | 15.57% |
| Annual Pay Plan Increase Needed to Close Gap by 2010-11 | 7.78% |

*Two of UW-Madison's peers did not report, so the distance to the peer median is expected to be larger.

Requested Action

For Discussion Only

No pay plan recommendation will be offered at the November Board meeting. It is important that the President and Board fully consider all factors, including the significant competitive disadvantage being suffered because of this sizable salary gap and the recent decline in the economy, before a final recommendation is acted on at the December meeting.

RELATED REGENT POLICIES AND STATE STATUTES

Regent Resolution 8639

Wisconsin Statutes, s. 20.923(4g), s. 36.09(1)(j), and s. 230.12(3)(e)

Appendices

- A. Unclassified Compensation Adjustments Summary of University Requests and Allowance by Legislature
- B. Guidelines for Establishing 2008-09 Unclassified Pay Plan Adjustments and Salary Rates
- C. Peer Institutions for UW-Madison, UW-Milwaukee, and UW-Comprehensive institutions

Attachment A

UNCLASSIFIED COMPENSATION ADJUSTMENTS
SUMMARY OF UNIVERSITY REQUESTS AND
ALLOWANCE BY LEGISLATURE

| | | <u>Requested by University</u> | | <u>Allowed by Legislature</u> | <u>Comments</u> |
|---------|--------|------------------------------------|-----|-----------------------------------|--|
| 1995-97 | | | | | |
| 1995-96 | Salary | 3.00 | | 1.00 | |
| 1996-97 | Salary | 3.00 | | 2.00 | |
| 1997-99 | | | | | |
| 1997-98 | Salary | 4.00 | | 4.00 | 1% Funded totally on Fees |
| 1998-99 | Salary | 4.00 | | 4.50 | 1% Funded totally on Fees with \$4,000,000 additional GPR to offset |
| 1999-01 | | | | | |
| 1999-00 | Salary | 5.20 | | 5.20 | 3.2% Funded totally on Fees |
| 2000-01 | Salary | 5.20 | | 5.20 | 2.7% Funded totally on Fees with \$28,000,000 additional GPR to offset |
| 2001-03 | | | | | |
| 2001-02 | Salary | 4.20 | (1) | 3.20 | All Fee Funded |
| 2002-03 | Salary | 4.20 | | 4.24 | 3.2% Fee Funded 1.0% GPR Funded Effective 7/1/02 (Sem 1) 2.10 Effective 1/1/03 (Sem 2)-Excl. Senior Executives 2.14 |
| 2003-05 | | | | | |
| 2003-04 | | 4.00 | | 0.00 | |
| 2004-05 | | 4.00 | | 1.00 +.10 | .10 /hr Prorated for Academic Appts Also an additional \$250 lump sum provided |
| 2005-07 | | | | | |
| 2005-06 | | 5.00 | | 2.00 | |
| 2006-07 | | 5.00 | | 4.30 | 2 % July 1, 2006 and 2.25% April 1, 2007 (Equal to 4.30% rolled up) |
| 2007-09 | | | | | |
| 2007-08 | | 5.23 | | 2.00 | |
| 2008-09 | | 5.23 | | 3.02 | 1% July 1, 2008 and 2.00% June 1, 2009 (Equal to 3.02% rolled up) |

GUIDELINES FOR ESTABLISHING
2008-09 UNCLASSIFIED PAY PLAN ADJUSTMENTS
AND SALARY RATES

The following guidelines are based on the Regents' policy adopted under Resolution 8639, for making 2008-09 pay plan adjustments and other UW System instructions for processing salary increases:

- (1) Each chancellor is directed to proceed with faculty and academic staff salary evaluations using a suitable evaluation system, the results of which can be converted to a salary. The salary review should be conducted in accordance with the performance standards outlined in Recommendation #9 of the 1992 Report of the Governor's Commission on University of Wisconsin Compensation. A record of the evaluation judgments shall be made before July 1, as provided in s. 36.09 (1)(j), Wis. Stats.
- (2) The 2008-09 compensation adjustments for faculty, academic staff, and university senior executives shall be provided such that not less than one-third of total compensation shall be distributed on the basis of merit/market and not less than one-third of the total compensation plan shall be distributed on the basis of solid performance. The remaining one-third pay plan allocation may be used to address these and other compensation needs with appropriate attention to pay compression. The President, following consultation with the chancellors, is authorized to earmark up to 10% of the total pay plan each year for the chancellors' discretionary use to meet special compensation needs such as: specific market shortfall by faculty rank and/or academic staff internal/external pay problems; or to reward faculty and academic staff for innovative, and/or collaborative program delivery and/or exceptional performance in support of institution goals; and/or to correct gender pay inequities in the faculty and academic staff, etc.

Merit/Market determinations for faculty should be based on a systematic performance evaluation program which identifies positive contributions by the faculty member to teaching, research, public service and/or the support functions inherent in the institution's mission. Assessment of teaching faculty shall include consideration of student evaluations (Regent Policy Document 20-02, October 4, 1974).

Merit/Market determinations for academic, limited and other unclassified staff shall be based on a systematic performance evaluation program which allows supervisory assessment of meritorious performance in their areas of assigned responsibility.

Solid performance adjustments shall be provided to those faculty and academic staff who have demonstrated satisfactory performance.

- (3) Any and all compensation adjustments must be based on performance; compensation adjustments not based on merit are prohibited. At a minimum, continuing staff who have performed at a satisfactory level shall be entitled to a compensation adjustment from funds set aside to recognize solid performance, except when an employment contract or administrative practice holds to the contrary.
- (4) Each institution will be required to submit its plans for distribution of the compensation adjustments to System Administration for approval before implementation can be accomplished. System Administration is directed to return any institution's distribution plan not in compliance with the Board guidelines to the involved chancellor for corrective action by the appropriate

governance body. Implementation of pay plan adjustments shall be deferred until a distribution plan meets the Board's guidelines.

- (5) The President is authorized each year to increase the systemwide faculty salary minima by up to the full amount of the pay plan and rounded to the nearest hundred dollars. For Category B research and instructional academic staff, the Board authorizes the continuation of the current policy linking titles to the faculty salary minima based on percentage relationships approved in the 1994 Gender and Race Equity Study. Salary ranges for Category A academic staff and university senior executives assigned to senior executive salary groups 1 and 2 will be established in accordance with the pay plan approved by the Joint Committee on Employment Relations. Unless otherwise provided by law, the Board authorizes the President to adjust the Category A salary ranges by up to the full amount of the pay plan.
- (6) Base salaries shall not be less than the salary minima or pay range minimum. The salary increase shall not move the base salary above the academic staff salary range maximum. Unclassified staff who are currently paid above the maximum shall be eligible for a salary increase of up to half of the amount by which the salary ranges have been adjusted.
- (7) Salary adjustments for promotion in faculty rank shall, on an academic year basis, be no less than \$1,000 for promotion to assistant professor, \$1,250 for promotion to associate professor, and \$1,500 for promotion to professor. Institutions may set policies on adjustments for promotions on an annual basis appointment, consistent with these minima.
- (8) Each institution shall complete its actions on stipend schedules for non-represented graduate assistants prior to July 1 and shall establish a factor for adjustments, which can be applied expeditiously to determine stipend increases. Stipend schedules for each graduate assistant category shall be separately established.
- (9) Compensation actions related to the unclassified pay plan and delegated to the chancellors shall be completed in accordance with statutory requirements, legislative intent, Regent's policy, and shall be reported to System Administration to make possible the preparation of payrolls and reporting to the Board of Regents.

In addition to the Board of Regents' resolution, the following processing guidelines are provided:

1. Salary increases under the 2008-09 pay plan must conform to the provisions of the pay plan, thereby averaging 3.02% on an annualized basis of the continuing staff base for all staff. The limit also applies to staff budgeted on extramural and other program revenue funds.
2. In consultation with the governance bodies the chancellor is authorized to distribute unused funds to address salary needs specific to their institutions.
3. The chancellor's discretion to earmark up to 10% of the total pay plan to meet special compensation needs should be calculated and dispersed within and among the faculty and academic staff as discrete employment categories.

4. Regent policy requires that all continuing staff who perform at a satisfactory level must receive a pay plan adjustment, except when an employment contract or administrative practice holds to the contrary.
5. Section 36.09(1)(j), Wis. Stats., allows salary adjustments outside of the pay plan if any of four conditions exist: (1) inequitable compensation for faculty and academic staff with comparable training, experience and responsibilities or affirmative action inequities; (2) job reclassification; (3) promotion; or (4) a response to competitive factors. To be eligible to receive a base adjustment, staff must receive at least the amount the institution has set aside for "solid performance" (as determined by the institution to be at least 1/3 and not more than 2/3's of the total pay plan).
6. Base Salaries for 2008-09 shall not be less than the systemwide salary minima for the assigned title and salary grade.

Special Note: The Regents have directed that the pay plan be distributed based on merit. Because the 2008-09 salary minima have been adjusted by 2.0% on July 1, 2008 and rolled-up again by 1.0% effective April 12, 2009 there may be cases where an individual must receive an additional amount beyond that determined on the basis of performance in order to be paid at the new minima. Amounts above that determined by merit evaluations required to pay individuals at the new minima, should be entered as a base adjustment under the coding "Raise to Campus Minimum." Such base adjustments meet the statutory authority for an equity adjustment because the pay ranges provide a minimum floor for equitable compensation for comparable responsibility. In this way, the amount entered as pay plan conforms to Regent policy and reflects the individual's merit evaluation. Any additional increase required to pay the new minima should be treated as an equity-related base adjustment and, therefore, does not reduce the institution's pay plan merit pool by the amount needed to move to the minima.

7. The salary increase for 2008-09 shall not move a base salary above the UW System salary range maximum for the assigned title.
8. Unclassified staff who are currently paid above the UW System academic staff 2008-09 maximum for the assigned title and salary grade shall be eligible for a salary increase of up to 1.51% (half of the amount by which the salary ranges have been rolled-up under phase I and phase II).
9. Merit increases for staff whose names will not appear in the approved budget, but who are re-appointed outside the budget, are subject to the pay plan guidelines. For any reappointment outside the budget, involving a change in rate of pay, the appointing document shall indicate the prior year or period salary rate and the amount of salary adjustment and percent recommended in the re-appointing action.
10. Stipend schedules for non-represented graduate assistants must be consistent with the statutory mandate for fee remission, as determined by the Chancellors. The 2008-09 stipend schedule should be sent to Renee Stephenson in the System Budget Office by **May 31, 2008**.

11. Agreement between employing departments on pay plan increase amounts for joint appointees whose salaries are paid in more than one department, division or institution, while encouraged, will not be required or monitored. The System Budget Office will accept the figures as submitted and any disproportionate merit amounts from one employing department will automatically result in a change in the percentage-of-time split for the employee involved.
12. Notice of pay plan increases shall not be provided to the individuals affected until System Administration and the Board of Regents have completed reviews, and System Administration indicates that salary notification letters can be released (**tentatively scheduled for June 6, 2008**). Exceptions to the anticipated June 6 release date are permitted on an individual basis if approved by the Chancellor under appropriate circumstances.
13. As with past practice, summer session salaries for those with 9 month academic year appointments will continue at the previous rate with the new rate starting at the beginning of the 2008-2009 academic year.

University of Wisconsin-Madison
Official Peer Group for Faculty
 Adopted March 30, 1984

By Executive Order #27, Governor Anthony Earl established the Faculty Compensation Study Committee, and charged it to “examine the current and historical levels of faculty salaries and other compensation, the internal and external salary pay plan practices of the State and University of Wisconsin System, and the possible funding sources for any recommended changes in compensation.” The Study Committee was co-chaired by State Department of Administration Secretary Doris Hanson and University of Wisconsin System Vice President for Academic Affairs Katharine Lyall.

Recommendations for improvement of faculty salaries included: “UW faculty salaries should be maintained at a position which is competitive with peer institutions and remain in a competitive position in future years.” Several sets of peer institutions were considered, but “for clarity and convenience of the report,” the Study Committee elected to use a cluster analysis set of peer groups developed by the Department of Administration. The peer “cluster” groups were based on a statistical analysis of several factors: “enrollment, student-faculty ratios, proportion of full professors among the total faculty, research expenditures per faculty member, ratio of total degrees awarded, proportion of doctoral degrees to total graduate degrees and proportion of first professional degrees to total graduate degrees, adjusted to reflect considerations of similar mission and quality.” While the cluster analysis peer groups were accepted, the Study Committee acknowledged that the peer groups “do not represent the only nor necessarily the best characterization of peer institutions of University of Wisconsin institutions.”

For the University of Wisconsin-Madison, the cluster analysis peer group includes seven public Big 10 institutions and adds California, UCLA, Washington, and Texas. The eleven peer institutions are:

University of California-Berkeley
 University of California-Los Angeles
 University of Michigan-Ann Arbor
 University of Texas-Austin
 Ohio State University
 Purdue University
 University of Illinois-Urbana
 University of Minnesota-Twin Cities
 Indiana University-Bloomington
 Michigan State University
 University of Washington-Seattle

NOTE: By adopting Resolution 6664 on May 6, 1994 (Regent Policy Document 94-4) the Board of Regents established salary guidelines for UW System Senior Executives that provide “the 1984 faculty peer groups will be utilized as the salary peer groups for the Chancellor and Vice Chancellor positions at the UW institutions.” Therefore, salary ranges for the UW-Madison Chancellor and the UW-Madison Provost and Vice Chancellor are based on salaries paid for comparable positions at the institutions listed above.

University of Wisconsin-Milwaukee
Official Peer Group for Faculty
 Adopted March 30, 1984

By Executive Order #27, Governor Anthony Earl established the Faculty Compensation Study Committee, and charged it to “examine the current and historical levels of faculty salaries and other compensation, the internal and external salary pay plan practices of the State and University of Wisconsin System, and the possible funding sources for any recommended changes in compensation.” The Study Committee was co-chaired by State Department of Administration Secretary Doris Hanson and University of Wisconsin System Vice President for Academic Affairs Katharine Lyall.

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For the University of Wisconsin-Milwaukee, the cluster analysis peer group “contains institutions located in major metropolitan areas that are not ‘flagship’ institutions but offer doctoral level work and have an urban mission.” The fourteen peer institutions are:

Rutgers University-Newark
 State University of New York-Buffalo
 University of Cincinnati
 Georgia State University
 University of Texas-Dallas
 University of Illinois-Chicago
 Wayne State University
 Cleveland State University
 University of Toledo
 University of Akron
 Temple University
 University of Louisville
 University of Missouri-Kansas City
 University of New Orleans

NOTE: By adopting Resolution 6664 on May 6, 1994 (Regent Policy Document 94-4) the Board of Regents established salary guidelines for UW System Senior Executives that provide “the 1984 faculty peer groups will be utilized as the salary peer groups for the Chancellor and Vice Chancellor positions at the UW institutions.” Therefore, salary ranges for the UW-Milwaukee Chancellor and the UW-Milwaukee Provost and Vice Chancellor are based on salaries paid for comparable positions at the institutions listed above.

University of Wisconsin Comprehensive Institutions and UW Colleges
Official Peer Group for Faculty
 Adopted March 30, 1984

By Executive Order #27, Governor Anthony Earl established the Faculty Compensation Study Committee, and charged it to “examine the current and historical levels of faculty salaries and other compensation, the internal and external salary pay plan practices of the State and University of Wisconsin System, and the possible funding sources for any recommended changes in compensation.” The Study Committee was co-chaired by State Department of Administration Secretary Doris Hanson and University of Wisconsin System Vice President for Academic Affairs Katharine Lyall.

Recommendations for improvement of faculty salaries included: “UW faculty salaries should be maintained at a position which is competitive with peer institutions and remain in a competitive position in future years.” Several sets of peer institutions were considered, but “for clarity and convenience of the report,” the Study Committee elected to use a cluster analysis set of peer groups developed by the Department of Administration. The peer “cluster” groups were based on a statistical analysis of several factors: “enrollment, student-faculty ratios, proportion of full professors among the total faculty, research expenditures per faculty member, ratio of total degrees awarded, proportion of doctoral degrees to total graduate degrees and proportion of first professional degrees to total graduate degrees, adjusted to reflect considerations of similar mission and quality.” While the cluster analysis peer groups were accepted, the Study Committee acknowledged that the peer groups “do not represent the only nor necessarily the best characterization of peer institutions of University of Wisconsin institutions.”

For the University of Wisconsin Comprehensive Institutions and UW Colleges, the cluster analysis peer group “has a strong regional orientation. Most four-year public institutions in the states comprising the Big Ten are included; the institutions with substantial doctoral programs and those with small enrollments have been eliminated.” The thirty-three peer institutions are:

| | |
|---|-------------------------------------|
| Eastern Illinois University | Michigan Technological University |
| Western Illinois University | Northern Michigan University |
| Northeastern Illinois University | Oakland University |
| Chicago State University | Western Michigan University |
| Southern Illinois University-Edwardsville | Saginaw Valley State University |
| University of Illinois-Springfield | University of Michigan-Dearborn |
| Indiana University-Northwest | University of Michigan-Flint |
| Indiana University-South Bend | Bemidji State University |
| Indiana University-Purdue University-Fort Wayne | Minnesota State University-Mankato |
| University of Southern Indiana | Minnesota State University-Moorhead |
| Indiana University-Southeast | St. Cloud State University |
| Purdue University-Calumet | Winona State University |
| University of Northern Iowa | University of Minnesota-Duluth |
| Central Michigan University | University of Akron |
| Eastern Michigan University | Wright State University |
| Ferris State University | Youngstown State University |
| Grand Valley State University | |

NOTE: By adopting Resolution 6664 on May 6, 1994 (Regent Policy Document 94-4) the Board of Regents established salary guidelines for UW System Senior Executives that provide “the 1984 faculty peer groups will be utilized as the salary peer groups for the Chancellor and Vice Chancellor positions at the UW institutions.” Therefore, salary ranges for the non-doctoral institution Chancellors and the non-doctoral institution Provosts and Vice Chancellors are based on salaries paid for comparable positions at the institutions listed above.

PROFESSIONAL DOCTORATES IN THE UW SYSTEM

EXECUTIVE SUMMARY

BACKGROUND

The landscape in which higher education institutions are offering professional doctorates is undergoing large-scale transition. Within the last decade, there has been an emergence of newly developing doctoral-level degrees in allied health fields. The new degrees, commonly referred to as “clinical doctorates,” “professional doctorates” or “professional practice doctorates,” have been created as a result of changing professional licensure requirements, added requirements for accreditation in specific fields, or additional disciplinary and practice depth needed in some professions in response to emerging technologies and new knowledge in content areas. In addition, attention is being paid nationally to professional doctorates in non-allied health fields like education and business. The interest in professional doctorates of a more applied nature is growing throughout the country, and more and more comprehensive institutions are seeking to expand their traditional degree-granting authority in order to offer doctoral degrees. This changing context raises a number of policy questions with which individual institutions, governing boards, accreditation agencies, and other higher education organizations must grapple. Recent academic programming discussions and decisions made by the UW System reflect this evolving context for doctoral education.

Within the last three years, the UW System Board of Regents has authorized the implementation of three professional practice doctorates in health-related fields – two as collaborations between two University of Wisconsin institutions, and one as a free-standing program at a doctoral campus. The expansion of these professional practice doctorates raises the question of where they fit within the missions of the UW System’s comprehensive and doctoral institutions, including the broader question of the role of the comprehensive institutions in offering professional practice doctoral degrees. In addition to questions of mission alignment, other policy questions must also be examined in order to address how best to meet student and workforce demands, and issues of access, quality, appropriate degree requirements, pricing, and resources.

The Board has sought out several opportunities to explore these questions. In December 2004, the Board heard a presentation on changes in accreditation requirements and entry level degrees for allied health professions. In December 2007, Deans of the UW Schools of Nursing made a presentation to the Education Committee on the likely move to the Doctorate of Nursing Practice (DNP) as the advanced practice nursing degree. In November 2008, the Board will devote part of its one-day policy meeting to further delve into the set of questions raised by the changing national and state contexts for offering professional practice doctorates, and the appropriate response of the UW System to those changes in the efforts to meet the needs of Wisconsin students, citizens, and the workforce.

REQUESTED ACTION

For information and discussion purposes only; no action is required.

DISCUSSION

Doctor's Degree definitions

Historically, degrees now referred to as professional practice doctorates were called “first-professional degrees.” This term was intended to indicate graduate-level programs required in order to practice certain professions for which there was no baccalaureate training. Recipients of these degrees were licensed to practice at an entry level. These degrees did not contain an independent research component or require a dissertation or thesis.

Recently, the National Center for Education Statistics (NCES) eliminated the category of “first professional degree” altogether. Instead, three categories of doctor's degree have been delineated in order to distinguish between practice- and research-focused degrees (<http://nces.ed.gov/ipeds/glossary/?charindex=D>):

Doctor's degree - professional practice - A doctor's degree that is conferred upon completion of a program providing the knowledge and skills for the recognition, credential, or license required for professional practice. The degree is awarded after a period of study such that the total time to the degree, including both pre-professional and professional preparation, equals at least six full-time equivalent academic years. Some of these degrees were formerly classified as “*first-professional*” and may include: Chiropractic (DC or DCM); Dentistry (DDS or DMD); Law (LLB or JD); Medicine (MD); Optometry (OD); Osteopathic Medicine (DO); Pharmacy (PharmD); Podiatry (DPM, PodD, DP); Veterinary Medicine (DVM); and others, as designated by the awarding institution.

Doctor's degree - research/scholarship - A PhD or other doctor's degree that requires advanced work beyond the master's level, including the preparation and defense of a dissertation based on original research, or the planning and execution of an original project demonstrating substantial artistic or scholarly achievement. Some examples of this type of degree, other than the PhD, include Doctor of Education (EdD), Doctor of Musical Arts (DMA), Doctor of Business Administration (DBA), Doctor of Science (DSc), Doctor of Arts (DA), Doctor of Management (DM), and others, as designated by the awarding institution.

Doctor's degree - other - A doctor's degree that does not meet the definition of a doctor's degree-research/scholarship or a doctor's degree-professional practice.

A glossary, containing definitions and descriptions of what recipients typically do with many of these post-graduate degrees, can be found at the end of this report (See Appendix A).

Doctorates at University of Wisconsin System Institutions

Currently, the vast majority (approximately 134) of doctoral degree programs at UW institutions fall into the research/scholarship category and are offered at UW-Madison and UW-Milwaukee. There are ten professional practice doctoral degrees currently offered, or under development, in the UW System:

1. Doctor of Medicine (pre merger) – UW-Madison
2. Juris Doctorate (pre merger) - UW-Madison
3. Doctor of Veterinary Science (1983) – UW-Madison
4. Doctor of Pharmacy (1989) – UW-Madison
5. Doctor of Audiology (2005)) – UW-Madison/UW-Stevens Point collaborative degree
6. Doctor of Physical Therapy (2006) – UW-Milwaukee/UW-La Crosse collaborative degree
7. Doctor of Physical Therapy (2008) – UW-Madison,
8. Doctor of Nursing Practice – UW-Madison, in development
9. Doctor of Nursing Practice – UW- Milwaukee, in development
10. Doctor of Nursing Practice – UW-Oshkosh/UW-Eau Claire, collaborative degree, in development

To date, professional practice doctorates have been offered exclusively by, or in collaboration with, one of the two UW System doctoral-granting institutions of UW-Madison and UW-Milwaukee. If approved, the planned UW-Oshkosh-UW-Eau Claire collaborative DNP will be the first instance of professional practice doctorate collaboration without a UW doctoral-granting institution included as a partner.

Existing and Pending Collaborative Professional Practice Doctorates in the UW System

In the early 2000's, several disciplines, primarily in applied health professions, reassessed the requirements for their degrees and determined that the field and necessary competencies had changed so significantly that the disciplinary professional organizations recommended that degree levels be increased. In some cases, the change was from a certificate to a baccalaureate degree (radiography); in others, it was from a baccalaureate to a master's degree (occupational therapy); and in still others, it was from a master's degree to a professional doctorate (pharmacy, audiology, physical therapy, and nursing).

When these degree changes were first proposed in the UW System for the disciplines of audiology and physical therapy, an assessment of System policy was conducted regarding whether professional doctorates could be offered outside the two doctoral institutions. This question first arose in the planning of the Doctor of Audiology degree. UW-Madison and UW-Stevens Point each offered a Master's in Audiology. While one was at a doctoral-granting institution, both programs were long-standing, professionally well-respected, fully enrolled, and had strong clinical facilities and ties to local hospitals, clinics, community agencies, and schools. Both institutions had spent years establishing their programs and reputations. The accrediting agency that recommended the move from the Master's to the Doctorate of Audiology concurrently revised the re-accreditation requirements for an audiology program. To meet these new curricular reaccreditation standards, the Audiology program at UW-Madison and UW-Stevens Point decided they could both benefit by developing a collaborative Doctor of Audiology that would draw on the distinctive academic specialties and expertise at each institution. The Board of Regents approved this degree program in 2005.

While this collaborative solution between a comprehensive and doctoral institution postponed the question of whether a comprehensive institution could individually offer a professional practice degree, the examination of UW System policy concluded that nothing in the core missions of the UW

System Doctoral Cluster (UW-Madison and UW-Milwaukee) or the University Cluster (Comprehensive) Institutions precluded the comprehensive institutions from offering these degree programs. According to their core mission statements, UW doctoral institutions are authorized to “offer degree programs at the baccalaureate, master’s, and doctoral levels.” Comprehensive institutions are authorized to offer “selected graduate programs.” (The missions of the UW System, the doctoral and ‘cluster’ institutions, and the select missions of each institution may be found at <http://www.wisconsin.edu/about/mission.htm>).

The question of comprehensive institutions granting professional practice degrees arose again soon thereafter, this time with the discipline of Physical Therapy. UW-La Crosse had a master’s in physical therapy program that was thirty years old and nationally renowned. UW-Milwaukee was proposing a new doctorate in physical therapy. Using the model of the Audiology collaborative degree, UW-La Crosse and UW-Milwaukee developed a collaborative Doctorate of Physical Therapy (DPT) degree, approved by the Board of Regents in 2006. Both institutions are now fully engaged in offering the DPT collaboratively. Students identify a home institution, but have the ability to enroll in many courses at the collaborating institution. All courses are cross-listed at both institutions. The Board of Regents authorized UW-Madison to offer the DPT in 2007.

A third professional practice doctorate, the Doctorate of Nursing Practice, is currently under development at UW-Milwaukee, UW-Madison, and as a collaborative degree at UW-Eau Claire and UW-Oshkosh. As differentiated from the research-focused PhD, the DNP is a clinical degree that is consistent with a terminal clinical degree for many other health care professions including physicians (MD), physical therapists (DPT), pharmacists (PharmD), podiatrists (DPM), audiologists (AudD), and psychologists (PsyD), to name a few. However, the DNP also differs from these other professional practice doctorates in that it is not the degree required for licensure and entry into practice. Entry-level registered nurses will still only require an Applied Degree in Nursing (ADN) or Bachelor’s degree in order to be licensed as a registered nurse and enter the nursing profession. The clinical doctorate or DNP degree is being advocated as the new standard for advanced specialty practice as part of a nationwide initiative to revamp graduate education in nursing. The DNP will provide graduates with the advanced clinical and leadership knowledge and skills necessary to address the complexity of the health care environment. It will not compete with nursing PhD programs because it provides academic preparation for leadership and advanced nursing practice, not for a career in research. Moreover, the DNP will help address the shortage of nursing faculty throughout Wisconsin since DNP-prepared nurses will be able to teach as clinical faculty at the university level.

The Deans of the five UW institutions that currently offer baccalaureate and master’s degrees in nursing met in fall 2007 to determine whether or not to request entitlement to offer the Doctorate of Nursing Practice Degree. The Deans were in agreement that this shift in graduate nursing education was necessary. They also discussed how best to use the existing resources in the state in the most efficient and effective way. The outcome of those conversations, among themselves and with UW System Administration, was to propose three DNP programs, one at UW-Madison, one at UW-Milwaukee, and a collaborative program between two comprehensive institutions, UW-Eau Claire and UW-Oshkosh.

A presentation was made before the Education Committee in December 2007 outlining the need for this degree program, and the proposed approach. These three degree programs will go before the Board of Regents for authorization to implement in spring 2009. The specialties and focus of the

programs offered at UW-Madison and UW-Milwaukee will differ somewhat. The collaborative Doctor of Nursing Practice degree between UW-Oshkosh and UW-Eau Claire is currently entitled and in the program development phase. Both institutions currently offer advanced-practice nursing degrees at the master's level. The advantage in proposing a collaborative program between UW-Oshkosh and UW-Eau Claire is that it will offer students the ability to benefit from the expertise at both institutions and offer the institutions a mechanism to share faculty expertise and a broader array of specialty knowledge.

Professional Doctorates at Peer Institutions

A number of other state systems, including the University of Minnesota and Minnesota State University and College Systems, the University of California and California State University Systems, the State University of New York System, and the University of North Carolina System, have investigated the roles and responsibilities of four-year campuses/institutions offering doctoral degrees to meet the growing and changing workplace for candidates with graduate-level training. They have selectively allowed comprehensive institutions to develop professional doctorates, such as the EdD, and health-related doctorates such as the Doctor of Physical Therapy, the Doctor of Nursing or Nursing Practice, and the Doctor of Pharmacy.

A. Minnesota

The University of Minnesota System offers four professional doctorates: the AuD, EdD, DMA, and DPT. These degrees are primarily offered at the flagship institution in the Twin Cities. The University of Minnesota-Duluth is the only comprehensive to offer an EdD, which aims at producing scholarly practitioners, and is an applied degree for the professional development of educators at all levels. In December 2007, the University of Minnesota Board of Regents approved a proposal to offer the first PhD at an institution (the University of Minnesota-Duluth) other than the flagship campus, in Integrated Biological Sciences. Rules and procedures governing candidacy, examinations, residency, and the thesis for the PhD apply in general to the EdD as well. Although the Minnesota Regents authorized the degree, they affirmed the continued role of the smaller campuses in meeting the mission of undergraduate education.

The Minnesota State Colleges and Universities (MnSCU) offer a mixed picture. Within the MnSCU system, the comprehensive institutions of Moorhead, Mankato, Metropolitan State, St. Cloud State, and Winona State offer applied doctoral degrees. At Moorhead, for instance, these doctoral degrees are firmly anchored in graduate schools and include the Doctor of Nursing Practice, the EdD and a PsyD. At St. Cloud State, the EdD and a DNP are offered. Winona State offers the DNP. Bemidji State, though comparable to the other MnSCU four-year comprehensives in size and with a graduate school in place, offers no professional doctorates.

B. New York

In the State University of New York System (SUNY) comprehensive and smaller, non-flagship campuses, such as Fredonia, Oswego, Courtland, etc., do not offer professional practice doctorates or research doctorates. Campuses designated as "university centers" with developed infrastructure and full access to all services, are allowed to offer doctoral degrees. The officially designated research institutions at Albany, Binghamton, Stony Brook, and Buffalo are university centers and offer both

research and professional practice doctorates. The university colleges, technology colleges, and community colleges in the SUNY System do not offer doctoral degrees of any kind. Professional practice doctorates are also offered at specialized professional colleges created for the delivery of professional practice doctorates.

C. North Carolina

The University of North Carolina offers professional doctorates only at institutions that are designated by Carnegie classifications as doctorate granting and “high research.” For example, East Carolina University, a research institution, offers the DPT, a PhD in Nursing, the DDS, and a PhD in Health Psychology. The institutions listed as having larger programs at the master’s level, such as Appalachian University, the University of North Carolina at Wilmington, and Western Carolina University exclusively offer the EdD as the only professional doctorate. None of the other institutions in the UNC System offer professional doctorates, nor are they seeking degree-granting authority.

D. California

“The state’s Master Plan for Higher Education (Master Plan), formalized in the 1960s, grants exclusive authority to the University of California as the public institution responsible for awarding doctoral degrees; campuses in the California State University (CSU) system are authorized to develop doctoral programs only in partnership with another California university that is eligible to grant doctoral degrees (i.e., UC or an independent institution).”

Source: UC Task Force on Planning for Doctoral & Professional Education, August, 4, 2008

In recent years, the number of professions that require or are proposing to require a doctorate to enter practice has prompted California to re-examine existing master’s programs and develop plans for doctoral-level educational programs. In 2005, California State University (CSU) came forward with a request to the Legislature that it be granted the authority to award certain research or professional practice doctorates, including the EdD.

A compromise was reached that limits the scope of the new CSU doctoral authority specifically to an EdD in Educational Leadership in conjunction with K-12 and/or community college districts. While all degree titles other than this specific EdD were excluded from the bill put forward by CSU, the legislation granted CSU—for the first time in its history—unilateral authority to award a doctoral degree. In 2008, another bill was proposed to authorize CSU to independently award the DNP degree; that bill is pending.

Because there is considerable controversy surrounding this subject, the University of California System (UCS) established a subcommittee to investigate the roles and responsibilities of the system campuses in the delivery of professional practice doctorates. The subcommittee was asked to develop a set of principles and recommendations to help guide decision-makers in determining which doctoral programs the University of California (UC) should offer, and for which doctoral titles UC should strive to retain its sole granting authority among California public higher education institutions. The subcommittee recommended that for professional practice doctoral degrees, the UC and CSU Systems, with the participation of other affected California institutions, should develop principles and a process

for evaluating, on a degree-by-degree basis, the appropriateness of sharing granting authority. Additional information on the work of the recently established UC Task Force on Planning for Doctoral and Professional Education (PDPE) can be found at:

http://www.universityofcalifornia.edu/senate/underreview/MW2DivChairs_PDPE%20Report_Review.pdf.

Reevaluation of the EdD

As some of the above information suggests, the Doctor of Education degree (EdD) blurs the distinction between the research doctorate and the professional practice doctorate. The National Center for Education Statistics defines the EdD as a research degree. In contrast, the state systems examined above—Minnesota and California in particular—consider the EdD a professional practice doctorate, appropriate for individuals seeking advanced preparation as K-12 school practitioners and leaders, and university and community college clinical faculty. A new EdD program geared toward working professionals and begun in California in 2008 is a prime example. The program is a collaboration among UC Santa Cruz, San Jose State, and the California State University Monterey Bay. The goal is to prepare K-12 educators to lead educational transformation in the culturally and linguistically diverse schools of the region that encompasses the Monterey, San Benito, Santa Clara, and Santa Cruz Counties. The program involves practical and professional work, and students' dissertations are expected to have practical implications.

In fact, the EdD is undergoing an intensive process of reevaluation throughout the country, led by the Carnegie Foundation for the Advancement of Teaching. In spring 2007, the Carnegie Foundation launched the Carnegie Project on the Education Doctorate, a three-year effort to “reclaim the education doctorate and to transform it into the degree of choice for the next generation of school and college leaders.” The project arose out of the perception—shared by universities nationally—that there was no clear distinction between the EdD—considered as the professional practice degree—and the more research-oriented PhD, a lack of distinction that undermined the quality of both degrees. The Carnegie Project seeks to restore the distinction and the quality to both degrees, outlining clear paths for potential students based on their career aspirations. Additional information may be found at:

<http://www.carnegiefoundation.org/programs/index.asp?key=1867>.

Doctoral Degree Programming in Transition

Questions remain about the role of predominantly undergraduate institutions in providing doctoral degrees, both for the states surveyed above and other higher education organizations. The Higher Learning Commission of North Central Association of Colleges and Schools formed a Task Force on the Professional Doctorate, which issued a final report and a set of recommendations in June 2006. The Task Force studied the trends and growth in the creation of professional doctorates nationally, focusing predominantly on the accreditation implications of adding professional doctorate programs to the academic program array of institutions whose primary mission had been to provide baccalaureate degree programs. In doing so, however, it also examined questions of: how need for new doctoral programs gets established and by whom; increasing credential pressures; issues of quality and rigor of program content and curricula; institutional context and capacity to offer new doctoral programs; and the relationship of these new degrees to institutional mission.

The Task Force concluded that the professional doctorate should be viewed as different from and not as a substitute for the research doctorate, and that students should acquire professional competencies they would not otherwise gain in existing degree programs within a given profession. It defined what it saw as a need for national consistency in defining and evaluating professional doctorates, a need that could not be met by accreditors alone. Key recommendations included: 1) the need to ensure the capacity of the institution to mount and support effective programs that lead to the award of a professional doctorate by looking at the impact of the degree on the total institution; and 2) quality assurance through rigorous structuring of professional doctorate programs with attention to learning outcomes, curricula, assessment, facilities, the availability of financial resources, and the numbers, credentials and experience of faculty. To view the Task Force Report, go to: <http://www.ncahlc.org/download/TaskForceProfDocFinal0606.pdf>.

UW-Madison also convened a working group on Clinical and Professional Doctorates, which issued a final report to the Provost in April 2008. The working group focused on questions of context, definition, and quality as they related to UW-Madison in particular, and on the practical issues of where to house such programs academically and administratively. A study undertaken by the Council of Graduate Schools, also on the topic of professional doctorates, was published this fall. The Report considers such issues as common standards for professional doctorates, the minimum qualifications of graduate faculty, and other curricular matters related to institutional graduate policy. And the United States is not alone in questioning the changing status of professional doctorates and implications for higher education institutions. Australia, New Zealand, and Europe have also engaged in study and efforts to define expectations for the burgeoning arena of these new doctoral degree programs.

Policy Questions for the UW System

Within this changing culture, there are likely to be more such degree programs developed and proposed both within the UW System and beyond. The growth of professional doctorates presents a series of policy questions to consider. The fundamental question is the role of the UW System's comprehensive institutions in providing professional doctorate education.

A. Is the offering of professional doctorates within the mission of the comprehensive institutions?

As discussed above, the core missions of the Doctoral and University "Cluster" Institutions were established at the time of merger in 1972, and have not been revised since. The core mission of the doctoral cluster provides that UW-Madison and UW-Milwaukee shall, *within the approved differential stated in their select missions...*

- (a) *Offer degree programs at the baccalaureate, master's and doctoral levels.*
- (b) *Offer programs leading to professional degrees at baccalaureate and post-baccalaureate levels.*

The core mission of the University Cluster Institutions provides that:

Within the approved differentiation stated in their select missions, each university in the cluster (our 11 comprehensive institutions) shall:

(a) offer associate and baccalaureate degree level and selected graduate programs within the context of its approved mission statement.

These core missions were adopted at the time of merger, at which time the only professional doctorates offered in Wisconsin were the Doctor of Medicine (M.D.) and Doctor of Law (J.D.) offered at UW-Madison. The language states clearly that offering professional doctorates is within the mission of the UW System's two doctoral institutions. While the cluster mission language does not explicitly mention professional or research doctorates, it also does not preclude comprehensives from offering post-master's degree programs.

Given that a number of additional degree programs have been developed since the implementation of the two core missions, the question arises:

Should the mission of the comprehensive institutions be amended to clearly reflect the authority of the comprehensive institutions to offer professional doctorates, either individually, in collaboration with one of the doctoral institutions, as is the case with the audiology and physical therapy programs, or in collaboration with another comprehensive institution, as is currently being planned in the case of the DNP?

- B. Should UW comprehensive institutions be authorized to offer professional doctorates, either individually, or in collaboration with another comprehensive institution?
1. Alignment with mission:
 - a. Is the particular degree program aligned with the mission of the comprehensive institution? In some cases, these degree programs have existed as master's programs within the select mission of the institution, and have been redesigned as professional doctorates.
 - b. What impact would the offering of such programs have on the primary undergraduate mission of the institution?
 - i. Would offering some high-cost professional doctorates detract from the primary undergraduate mission of the comprehensive institutions?
 - ii. Is it advantageous for students to begin their post-secondary education at an institution that offers the professional doctorate required for entry into the profession they wish to pursue, e.g. physical therapy, audiology?
 2. Resources: How well-aligned is the degree program with the resources of the institution?
 - a. Has the degree program already in existence as a master's program been redesigned as a professional doctorate, or is the professional doctorate a new degree program for the institution?
 - b. Does the institution already have a well-established bachelor's or master's degree program that is transitioning to a doctorate among many peer institutions.
 - c. Does the institution, on its own or in collaboration with other institution(s), have the instructional resources needed to offer the professional doctorate, e.g. faculty, curriculum, facilities, etc.?

- d. Are there efficiencies to be realized in terms of containing current and future costs, or providing greater breadth of opportunities for students through collaboration?
3. Access: What is the appropriate geographic location of programs to ensure that the state's workforce needs are effectively addressed, and that students have reasonable access to the education needed to meet those needs?
4. Pricing: The decisions made regarding the authorization to offer professional doctorates will influence the decisions made by private institutions in their development of these programs. What role should the UW System play in order to ensure that the educational opportunities available to Wisconsin students in fields requiring a professional doctorate are reasonably priced? Will lengthening the time- and cost-to-degree prohibit students from attaining the credentials needed for professional advancement?
5. Quality: How can the UW System ensure that new professional doctorate programs are high-quality in terms of available resources, including faculty, curricula, and facilities. How can the UW System ensure the rigor of academic programming? How will capacity and integrity issues be addressed to ensure that institutions are able to mount and support effective programs leading to the awarding of professional doctorates? And what will the impact be on the System's undergraduate program offerings?

Finally, the UW System needs to consider how professional doctorates offered at comprehensive institutions align with the Growth Agenda for Wisconsin. In doing so, another set of questions emerges: How will additional professional doctoral offerings impact access and affordability for baccalaureate degree-seekers? Will more Wisconsin residents who graduate with baccalaureate degrees stay in Wisconsin to pursue graduate study? Will they attract more college graduates from other states to Wisconsin? Will they aid in the increased development of knowledge-economy jobs throughout the state? Should they be considered as a part of the package of reinvestment for Wisconsin's future? In determining the appropriate policy response to the changing context for professional doctorates—both local and national—careful analysis is needed by the Board of Regents.

RELATED REGENT POLICY

Chapter 36, Wisconsin State Statutes – 36.05(13)
Board of Regents Policy Documents on Mission (Sections 1-1 and 1-2)
University of Wisconsin System Academic Planning and Program Review – Academic Informational Series #1 (ACIS-1 revised June 2006).

APPENDIX A

GLOSSARY: *Selected Professional Doctorates*

Doctor of Medicine (MD)

The Doctor of Medicine is a four-year “first professional” medical degree that enables graduates to meet minimum requirements for licensure and entry-level practice. The degree has been offered at UW-Madison since before merger.

Juris Doctorate (JD)

The J.D. degree is a three-year law degree that replaced the alternative LLB or baccalaureate degree in law and is now the most commonly granted law degree in the U.S. Degree-holders work in all facets of the legal profession. The degree has been offered at UW-Madison since before merger.

Doctor of Veterinary Science (DVM)

The Doctor of Veterinary Medicine is a four-year degree that meets minimum licensure requirements and entry into the profession. The degree has been offered at UW-Madison since 1983.

Doctor of Pharmacy (PharmD)

Beginning in 1996, the four-year Doctor of Pharmacy became the minimum requirement for licensure and professional practice. The degree was instituted to reflect fundamental changes in pharmaceutical philosophy and the enhanced responsibilities of pharmacists to provide additional drug therapy and patient care. The degree has been offered at UW-Madison since 1989.

Doctor of Audiology (AudD)

Expanded curriculum enables practitioners to perform in newly emerging areas of practice to meet the needs of all hearing impaired adults and children in settings such as hospitals, schools, clinics, private practice, and industry. The degree has been jointly offered by UW-Madison and UW-Stevens Point since 2005.

Doctor of Physical Therapy (DPT)

Changing medical practice Statutes (in Wisconsin) and expanded curriculum of DPT enables practitioners to practice in autonomous settings where patients do not need a referral. These include skilled nursing facilities, school systems, private practice clinics, pediatric centers, industrial clinics, rehabilitation centers, and sports facilities. The degree has been offered jointly by UW-Milwaukee and UW-La Crosse since 2006; UW-Madison began offering the degree in 2008.

Doctor of Nursing Practice (DNP)

The clinical doctorate or DNP degree is being advocated as the new standard for advanced specialty practice as part of a nationwide initiative to revamp graduate education in nursing. The expanded curriculum of the DNP provides graduates with the advanced clinical and leadership knowledge and skills necessary to address the increasing complexity of the health care environment. The DNP also offers career advancement to become a nurse educator. The degree is under development at UW-Madison and UW-Milwaukee; a collaborative degree is under development between UW-Eau Claire and UW-Oshkosh.

The following degrees are classified as research PhDs by the National Center for Education Statistics. However, many institutions that offer these degrees characterize them as doctorates for working professionals and practitioners.

Doctor of Education (EdD)

The Doctor of Education is undergoing reevaluation as to what purposes, career paths and students the degree best serves. It is sometimes characterized by those institutions offering it as a doctorate for individuals interested in advanced preparation as K-12 school practitioners and leaders, and university and community college clinical faculty. At other institutions, the EdD is comparable to the PhD in Education and prepares graduates for the professoriate. The degree is not currently offered at any UW System institutions.

Doctor of Business Administration (DBA)

The Doctor of Business Administration is also defined as a research degree. Where offered, however, it is often characterized as a degree for working professionals seeking advancement, or as a degree with the dual purpose of enabling individuals to make a contribution to both professional knowledge and practice in business and management. The degree is not currently offered at any UW System institutions.

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Meeting Schedule 2008

February 7th and 8th, in Madison

March 6th, in Madison

April 10th and 11th, at the Pyle Center, Madison
(Hosted by UW Colleges and UW-Extension)

June 5th and 6th, at UW-Milwaukee

August 21st and 22nd, in Madison

October 2nd and 3rd, at UW-Stevens Point

November 6th, in Madison

December 4th and 5th, at UW-La Crosse