



**Board of Regents of the University of Wisconsin System
Office of the Secretary**

1860 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706
(608)262-2324

DATE: April 23, 2010

TO: Each Regent

FROM: Jane S. Radue *JSR*

PUBLIC MEETING NOTICE

May 6, 2010
UW System Board of Regents
Van Hise Hall
1220 Linden Drive
Madison, WI 53706

8:30 a.m. Business, Finance, and Audit Committee – Room 1920

8:30 a.m. Capital Planning and Budget Committee – Room 1418

9:30 a.m. All Regents – Room 1820

1. Calling of the roll
2. Approval of the minutes of the April 8 & 9, 2010 meetings
3. Resolution of appreciation for Regent Eileen Connolly-Keesler

9:45 a.m. All Regents, continued

4. Strategic Financing conversation, facilitated by a representative of the Association of Governing Boards

12:00 p.m. Box lunch

12:30 p.m. All Regents, continued

5. Investing in Wisconsin's Future: UW System's Growth Agenda Accountability Report, 2009-10
6. Student priorities for 2011-13 biennial budget
7. Report and approval of actions taken by the Business, Finance, and Audit Committee

8. Report and approval of actions taken by the Capital Planning and Budget Committee
9. Move into closed session to consider appointment of a UW-Superior interim chancellor, as permitted by s. 19.85(1)(c), *Wis. Stats.*; to consider appointment of a UW-Stevens Point Chancellor, as permitted by s. 19.85(1)(c), *Wis. Stats.*; to consider a student request for review of a UW-Stevens Point decision, as permitted by s. 19.85(1)(f), *Wis. Stats.*; to discuss collective bargaining activities at UW institutions, as permitted by s. 19.85(1)(e), *Wis. Stats.*; and to confer with legal counsel regarding pending or potential litigation, as permitted by s. 19.85(1)(g), *Wis. Stats.*

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 and should be made in advance of the meeting, to the Secretary of the Board at the above address.

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

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

The meeting will be webcast at <http://www.uwex.edu/ics/stream/regents/meetings/> on Thursday, May 6, 2010 at 9:30 a.m. until approximately 2:30 p.m

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.2. Business, Finance, and Audit Committee

Thursday, May 6, 2010
1920 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin

- 8:30 a.m.
- a. Approval of UW-Eau Claire Blugold Commitment Expenditure Plan
[Resolution I.2.a.]
 - b. UW System Trust Funds
 - 1. Request for Principal Expenditure *DEFERRED*
[Resolution I.2.b.1.]
 - c. Committee Business
 - 1. Approval of UW-Whitewater Food Service Contract
[Resolution I.2.c.1.]
 - d. Consent Agenda
 - 1. Approval of the Minutes of the April 8, 2010 Meeting of the Business,
Finance, and Audit Committee
 - e. Additional Items which may be presented to the Committee with its approval

UW-Eau Claire Blugold Commitment
Expenditure Plan

BUSINESS, FINANCE, AND AUDIT COMMITTEE

Resolution:

That, upon the 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 UW-Eau Claire Blugold Commitment Expenditure Plan.

UW-EAU CLAIRE BLUGOLD COMMITMENT EXPENDITURE PLAN

EXECUTIVE SUMMARY

BACKGROUND

In February 2010, the Board of Regents approved the UW-Eau Claire Blugold Commitment. The Blugold Commitment includes a \$1,200 increase to the institution's undergraduate differential tuition, which will be phased in over four years. By 2013-14, the total differential tuition will be \$1,363 per year.

As part of the approval, the Board requested an expenditure plan be provided at the May meeting for its approval.

REQUESTED ACTION

Approval of Resolution I.2.a.

That, upon the 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 UW-Eau Claire Blugold Commitment Expenditure Plan.

DISCUSSION

In Fall 2010, undergraduate differential tuition at UW-Eau Claire will increase to \$463 per year. The differential tuition is anticipated to generate \$4.5 million in 2010-11. These funds will address the three Blugold Commitment goals: 1) Assure affordable access through financial assistance, 2) Enhance academic quality and student success, and 3) Produce more globally competitive graduates for Wisconsin through high-impact practices.

1) Assure affordable access through financial assistance. Based on the formula outlined in the Blugold Commitment proposal, \$1.0 million will be provided for financial assistance to students with need. Awards are based on the FAFSA and will be finalized by June 2010. Financial assistance is anticipated to benefit about 3,000 low- and middle-income students and their families.

2) Enhance academic quality and student success. Over \$860,000 will be allocated through the Provost's Initiative Fund to enhance advising, support liberal education core reform, and address course availability. These initiatives directly impact student retention and time to degree.

- **Advising Support.** Freshman, sophomore, and transfer students require specialized advising that can be more effectively provided by faculty and staff dedicated to the “art and science” of advising. The Blugold Commitment will invest more than \$430,000 and up to 9.25 FTE to enhance advising for these students with a focus on improving second- to third-year retention rates and helping students identify an effective four-year graduation plan.
- **Liberal Education Core Reform.** A multi-year commitment to revising the Liberal Education Core Program (a.k.a., General Education Program) will be energized by an investment of approximately \$174,000 and up to 5 FTE to support pilot testing of a multi-disciplinary, bundled-course framework. Funding will support four teams of faculty to develop, teach, and assess the new bundled courses in advance of a campus-wide Liberal Education Core Program change.
- **Course Availability.** About \$250,000 and up to 6.5 FTE will be invested to design and implement online sections of key bottleneck courses and high-demand prerequisite courses. Up to 5 FTE will be used for disciplinary consultants in the humanities, natural sciences, social sciences, and mathematics to support faculty in online course development. Up to five courses will be developed within each disciplinary area. One full-time and one half-time (1.50 FTE) instructional designer will support the technology needs of online course development and delivery.

3) *Produce more globally competitive graduates for Wisconsin through high-impact practices.* The Blugold Commitment will allocate \$2.6 million to expand the high-impact practices that define the distinctive Eau Claire Advantage. To date, \$1.65 million has already been allocated to a range of initiatives.

In March 2010, Provost Patricia A. Kleine and Student Senate President Michael Umhoefer signed a memorandum of understanding establishing the Blugold Commitment collaborative funding process for the 2010-11 academic year. The process began with a university-wide call for proposals soliciting three types of proposals: 1) Extensions of existing differential tuition projects, 2) New proposals for full implementation in 2010-11, and 3) Pre-proposals for 2011-12. Over 80 proposals have been submitted.

In the coming weeks, submitted proposals will be reviewed by committees composed of students, faculty, and staff. Rank-ordered recommendations will be submitted to a joint student and administration funding analysis committee for final recommendations to the chancellor. Funding will be finalized by May 15 for the 2010-11 academic year

Resources will be invested in six key areas:

- **Faculty-student collaborative research.** A signature of the UW-Eau Claire Advantage, faculty-student collaborative research links students and faculty members and often results in publications and presentations at academic conferences. Nearly \$1.0 million will be invested to significantly expand research opportunities. Focus will be placed on

mentoring diverse students, a population that has a lower participation rate in undergraduate research.

- ***Experiential learning and internships.*** Students who participate in hands-on and applied learning are more likely to persist to graduation and are better prepared for the workforce. Approximately \$450,000 will be invested in new programs to link students to learning outside the classroom. Funding may support opportunities like political science internships in Washington, D.C. and international business/marketing internships.
- ***International and domestic intercultural immersion experiences.*** Globally-prepared students have lived and studied outside the classroom in diverse settings both within the United States and abroad, which challenges their perspectives and enlarges their understanding of the world. Roughly \$185,000 will be invested in piloting faculty- and staff-led immersion experiences such as placing nurses in clinics on Native American reservations; expanding the transformative Civil Rights Pilgrimage; and creating an interdisciplinary, semester-long experience in Argentina.
- ***Capstone experiences.*** Every UW-Eau Claire student is expected to have a culminating experience or capstone course within his or her major. These experiences enrich learning and prepare students for employment, graduate study, and lifelong learning. Approximately \$185,000 will be invested in supporting extraordinary expenses incurred by innovative capstone requirements such as biology field experiences at Pigeon Lake and travel opportunities for students to present their research.
- ***Learning and teaching enhancement.*** In the 2009-10 academic year, students established a special category of funding to support efforts for substantial and lasting impacts on the quality of learning and teaching at UW-Eau Claire. Around \$500,000 will be invested in 2010-11 for projects such as the creation of a freshman seminar in critical reading and writing, and integration of diverse perspectives into the curriculum.
- ***Innovative projects.*** This category supports innovative projects that grow from distinctive and insightful ideas on transforming learning at UW-Eau Claire. Support is primarily for pilot projects that show promise for long-term benefits and future funding through Provost Initiatives. Approximately \$300,000 will be allocated to projects such as establishing a social justice living/learning community, creating a student leadership competition, and designing an exploratory program for undeclared students that connects students with majors and career opportunities.

RELATED REGENT POLICIES

UW-Eau Claire Blugold Commitment and Undergraduate Differential Tuition (February 2010)

Regent Policy Document (RPD) 32-7: Student Involvement in Differential Tuition Initiatives

**2010-11 EXPENDITURE PLAN
UW-EAU CLAIRE BLUGOLD COMMITMENT**

DESCRIPTION	EXISTING COMMITMENTS	ANTICIPATED	FTE
STUDENT ASSISTANCE:		\$ 1,020,390	
PROVOST INITIATIVES:			
ADVISING SUPPORT		\$ 433,710	
LIBERAL EDUCATION CORE REFORM		\$ 174,200	
COURSE AVAILABILITY		\$ 254,175	
<i>SUBTOTAL</i>		\$ 862,085	up to 20.75
BLUGOLD COMMITMENT PROJECTS:			
COLLABORATIVE RESEARCH	\$ 717,427	\$ 997,000	
INTERNSHIPS/EXPERIENTIAL LEARNING	\$ 242,157	\$ 450,000	
INTERNATIONAL/DOMESTIC IMMERSION CAPSTONE	\$ -	\$ 185,000	
LEARNING/TEACHING ENHANCEMENTS	\$ 144,839	\$ 185,000	
INNOVATIVE PROJECTS	\$ 340,207	\$ 500,000	
<i>SUBTOTAL</i>	\$ 205,370	\$ 300,000	
<i>SUBTOTAL</i>	\$ 1,650,000	\$ 2,617,000	up to 9.00
TOTAL ACADEMIC YEAR 2010-11		\$ 4,499,475	up to 22.00

UW System Trust Funds
Request for Principal Expenditure
Benninger Bequest

BUSINESS, FINANCE, AND AUDIT COMMITTEE

Resolution:

That, upon recommendation of the Dean of the UW School of Medicine and Public Health, the Chancellor of UW-Madison, and the President of the University of Wisconsin System, the principal of the bequest from the Norma Benninger Trust u/w/o Merlin C. Benninger is to be made available for spending.

**UW SYSTEM TRUST FUNDS
REQUEST FOR PRINCIPAL EXPENDITURE
Bequest from the Norma Benninger Trust u/w/o Merlin C. Benninger**

EXECUTIVE SUMMARY

BACKGROUND

In the event a donor gives no direction as to the use of a gift's principal, current Board of Regents policy requires that all such quasi-endowments greater than \$250,000 become Board-designated endowments. As a designated endowment, only the income from the gift is made available for expenditure. If an exception to this restriction is desired, whether at the time of initial gift acceptance or at a later date, a request with appropriate justification must be submitted to the Vice President for Finance for consideration at the next meeting of the Business, Finance, and Audit Committee.

REQUESTED ACTION

Approval of Resolution I.2.b.1., request for principal expenditure.

DISCUSSION

A bequest in the amount of \$274,845 has been received from the Norma Benninger Trust under the Will of Merlin C. Benninger. The Will states the following under Article Five, section D:

"Part I shall be distributed to the Regents of the University of Wisconsin to establish a fund to be known as the Merlin and Norma Benninger Medical Research Fund. Although I place no binding restriction on the use of such fund, it is my desire that it be used for cancer and heart disease research."

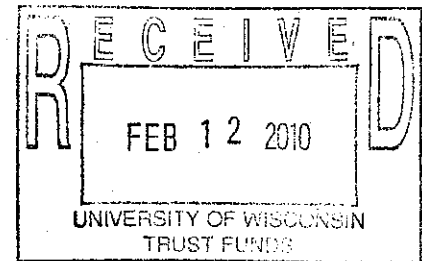
The UW School of Medicine and Public Health is requesting an exception to Board policy, which would otherwise make this a Board-designated endowment fund. The School wishes to use the principal of this gift toward the funding of the second phase of the Wisconsin Institutes for Medical Research, which will include both cancer and cardiovascular components. A letter from Dean Robert Golden describing the School's request in more detail is attached.

RELATED REGENT POLICIES

Regent Policy 31-15: *Policy on Quasi-Endowments.*



DATE: February 4, 2010
TO: Doug Hoerr
UW Trust
From: Robert N. Golden, M.D. *RG*
Dean, UW School of Medicine and Public Health
Re: Norma Benninger Trust



The School of Medicine and Public Health is pleased to accept the gift from the Norma Benninger Trust u/w/o Merlin C. Benninger.

We would like to place the gift into a new account established at the School level, UDD A53. These funds will be held for funding of the second phase of the Wisconsin Institutes for Medical Research (WIMR) which will include both cancer and cardiovascular components, consistent with the will language.

At this time, we would like to request an exception to the Board of Regents policy to endow all gifts in excess of \$250,000. The gift will help meet the remaining funding needs for this urgently needed facility. At this time, Phase II of WIMR is priced at approximately \$135,000,000 of which \$67M has been enumerated already as part of the 2011-2013 state capital budget. Of the remaining need, we have received a fundable score for a Federal stimulus grant of \$15,000,000 and are awaiting final word on a second \$15,000,000 grant. Additionally, the UW Foundation is in the process of finalizing a gift of \$10,000,000 or more for this project. This additional funding will help us reach our total funding goal to commence construction as quickly as possible.

WIMR Phase II is currently the single most important research need of the School of Medicine and Public Health. We have previously requested similar treatment for gifts during Phase I of the facility and may make additional requests based on the receipt of future gifts and project needs at that time. The entirety of this gift, principal and earnings, will be used to help fund the project. As we have done with previous gifts, we will select an appropriate naming opportunity to go along with this gift. We will work with your office to notify the appropriate parties once construction is underway and the naming opportunity has been selected.

If there are any additional questions regarding this gift, please contact Kenneth Mount, Associate Dean for Fiscal Affairs, at (608) 263-4938.

UW-Whitewater
Food Services Contract with
Compass Group USA, by and through its Chartwells Division

BUSINESS, FINANCE, AND AUDIT COMMITTEE

Resolution:

That, upon recommendation of the Chancellor of the University of Wisconsin-Whitewater and the President of the University of Wisconsin System, the Board of Regents approves the contract with Compass Group USA, by and through its Chartwells Division, to provide Dining Services at the University of Wisconsin-Whitewater effective June 1, 2010 for a period of seven years.

**UW-WHITewater FOOD SERVICES CONTRACT
WITH COMPASS GROUP USA, BY AND THROUGH ITS
CHARTWELLS DIVISION**

EXECUTIVE SUMMARY

BACKGROUND

UW-Whitewater invited vendors to submit proposals to operate its dining services, believing there was potential to increase retail sales and enhance its residential dining program. To meet these objectives, UW-Whitewater requested that proposals include innovative management, expansion of campus sustainability, and high quality dining programs. The goal was to create a total dining services program, meeting the needs of the student body, faculty/staff, and a camps and conferences program in addition to catering for a series of unique high-profile programs. UW-Whitewater sought excellence in quality of food and service at a reasonable cost to students.

The University and the contractor will work cooperatively to complement the institutional mission and enhance campus life.

REQUESTED ACTION

Approval of Resolution I.2.c.1.

That, upon recommendation of the Chancellor of the University of Wisconsin-Whitewater and the President of the University of Wisconsin System, the Board of Regents approves the contract with Compass Group USA, by and through its Chartwells Division, to provide Dining Services at the University of Wisconsin-Whitewater effective June 1, 2010 for a period of seven (7) years.

DISCUSSION

UW-Whitewater has contracted for dining services since the 1970's, with its current contract expiring on May 31, 2010. Under a request for proposal process, three vendors submitted proposals. Compass Group USA, by and through its Chartwells Division, received the highest total score. A ten-member evaluation committee including five students, staff, a UW peer member, and UW System Procurement staff completed the scoring process. The Compass Group USA proposal, by and through its Chartwells Division, meets all of UW-Whitewater's desired outcomes.

Contract highlights include:

- The contractor operating all dining services, including the residential dining program, retail operations, catering, summer camps, and conferences.
- Contract revenue valued at over \$6.8 million annually over seven years.
- Contractor investment of \$1,090,000 for updating and upgrading current dining facilities.
- Dining options including national brands such as Uno Chicago Grill and several specialty concepts, such as sub sandwiches, coffee, and bagels.
- A more substantial emphasis on sustainability including a goal to work more closely with local vendors and to have at least one of the restaurants certified as a “green” restaurant.
- Allowing students more flexibility as to when and how they redeem their meal plan meals. This includes transfer meals available in Willy’s Green restaurant and the Center of the Arts as well as continuous dining availability in Esker Hall..
- Increasing exhibition cooking focused on fresh and customized choices for students.
- The addition of a full time Dietitian to food service staff.
- The programmatic enhancements obtained in this contract increased student costs 11% from the previous contract.

RELATED REGENT POLICIES

Regent Policy Document 13-3: Authorization to Sign Documents

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.3. Capital Planning and Budget Committee

Thursday, May 6, 2010
1418 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin

- 8:30 a.m.
- a. Approval of the Minutes of the April 8, 2010 Meeting of the Capital Planning and Budget Committee
 - b. UW-Eau Claire: Authority to Purchase a Parcel of Land with Improvements located at 123 Roosevelt Avenue, Eau Claire, Wisconsin
[Resolution I.3.b.]
 - c. UW-Madison: Approval of the Design Report and Authority to Construct Phase I of the University Research Park II 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 Associate Vice President
 - 1. Building Commission Actions
 - 2. Other
 - f. Additional items which may be presented to the Committee with its approval

Authority to Purchase a Parcel of Land with
Improvements, UW-Eau Claire

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Eau Claire Chancellor and the President of the University of Wisconsin System, authority be granted to purchase a 0.44 acre parcel of land and improvements located at 123 Roosevelt Avenue in the city of Eau Claire at an acquisition cost of \$168,500 Program Revenue–Cash.

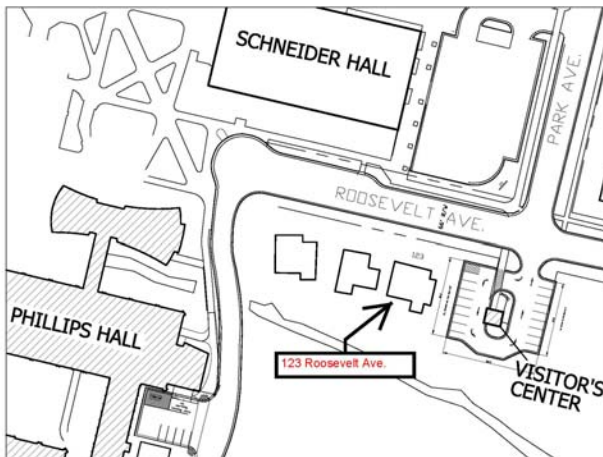
THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action May 2010

1. Institution: The University of Wisconsin-Eau Claire
2. Request: Authority to purchase a 0.44 acre parcel of land and improvements located at 123 Roosevelt Avenue in the city of Eau Claire at an acquisition cost of \$168,500 Program Revenue–Cash.
3. Description and Scope of the Project: This 0.44 acre parcel is located at 123 Roosevelt Avenue. The property is improved with a vacant 1,563 square foot one story, wood frame house and a one stall attached garage. The purchase price is the average of two independent market appraisals of \$172,000 and \$165,000. The owner is willing to sell the parcel at the average of the two estimated fair market values and has accepted an option to purchase. No relocation cost will be incurred as a result of this acquisition.

An environmental audit for the property found no evidence of questionable contaminants or unacceptable environmental hazards.

4. Justification of the Project: The University of Wisconsin System Board of Regents currently owns three of the four parcels that are located at this southeast corner of the main campus. The property directly east of the proposed purchase is currently used as the campus Visitors Center. With this purchase, the university will now own all four lots allowing for redevelopment as identified through the ongoing campus Master Planning process.



5. Previous Action: None.

Approval of the Design Report and Authority to
Construct Phase I of the University Research Park II
Project, UW-Madison

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, the Design Report of the University Research Park II – Phase I project be approved and authority be granted to construct the project for an estimated total project cost of \$4,750,000 Program Revenue Supported Borrowing.

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action May 2010

1. Institution: The University of Wisconsin-Madison
2. Request: Approval of the Design Report and authority to construct Phase I of the University Research Park II at an estimated cost of \$4,750,000 Program Revenue Supported Borrowing.
3. Description and Scope of Project: This project will allow University Research Park Inc. to begin development of University Research Park II, which consists of 274 acres. Phase I of this work will undertake site development work for a 125-acre portion of the new park. This is consistent with the city of Madison's Pioneer Neighborhood Development Plan, which accommodates development of a Research and Development Center.

The development has two sections – north and south. A plat request for the southern 147-acre section was submitted on behalf of the Board of Regents to the city of Madison and approved in January 2010. Approximately 125 acres of the southern section were specifically acquired for development of the park. The remaining southern 22 acres are part of the current College of Agriculture and Life Sciences West Madison Agricultural Research Station. The station and the Madison Community Tower currently use the northern 127-acre section and it remains unplatted.

University Research Park will develop the platted land in phases over the next ten years. The 2005-07 Capital Budget enumerated \$15,000,000 Program Revenue Supported Borrowing for University Research Park II roads and utilities. The existing agricultural research projects and facilities of the West Madison Agricultural Research Station that are located in the southern platted and the northern unplatted sections are not displaced by this initial development and will not be developed.

Phase I work covered by this request encompasses:

- mass grading of a portion of the 125-acre southern section in 2010
- construction of Temin Trail, a main east-west roadway through the park in 2011/2012
- construction of stormwater conveyance corridors in 2010
- installation of plantings, water features, and an entry feature into the park in 2011
- landscaping around the roundabouts at Pleasant View/Mineral Point Roads and Pleasant View/Valley View Roads in 2011.

4. Justification of the Request: University Research Park, Inc. (URP) was organized in 1984 by UW-Madison and the University of Wisconsin System Board of Regents. The first research park, located at Mineral Point Road and Whitney Way, is almost completely developed. An additional 100-120 acres of land to accommodate near-term development is essential to continue to support URP's mission. The development of University Research Park II west of Junction Road (County M) between Valley View Road and Mineral Point Road will continue to provide quality space for faculty entrepreneurs and assist in transferring technology from the campus to the private sector. The campus intends to replicate URP's success of the original research park by developing approximately 40 sites and leasing them to startup or maturing companies derived from technologies emerging from UW-Madison. It is anticipated that the new park will eventually provide 54 building sites for over 200 companies that could employ 10,000 to 15,000 employees in an atmosphere custom-designed to nurture a productive combination of economic and technological development beneficial to both the university and the state.

Unlike most research parks, University Research Park, Inc. receives no city or state funds to support its infrastructure. It is self-sustaining and provides an endowment to UW-Madison supporting technology transfer and economic growth. Debt service resulting from the financing of program revenue supported borrowing will be repaid from proceeds generated by University Research Park, Inc. through leasing land and buildings to private research related companies and developers. The ground leases will be structured to account for the cost of amortizing the debt service for the infrastructure.

5. Budget and Schedule:

Construction	\$3,700,000
Contingency	555,000
AE Design Fee	296,000
DSF Fee	170,200
Other Fees	20,000
Total	\$4,750,000

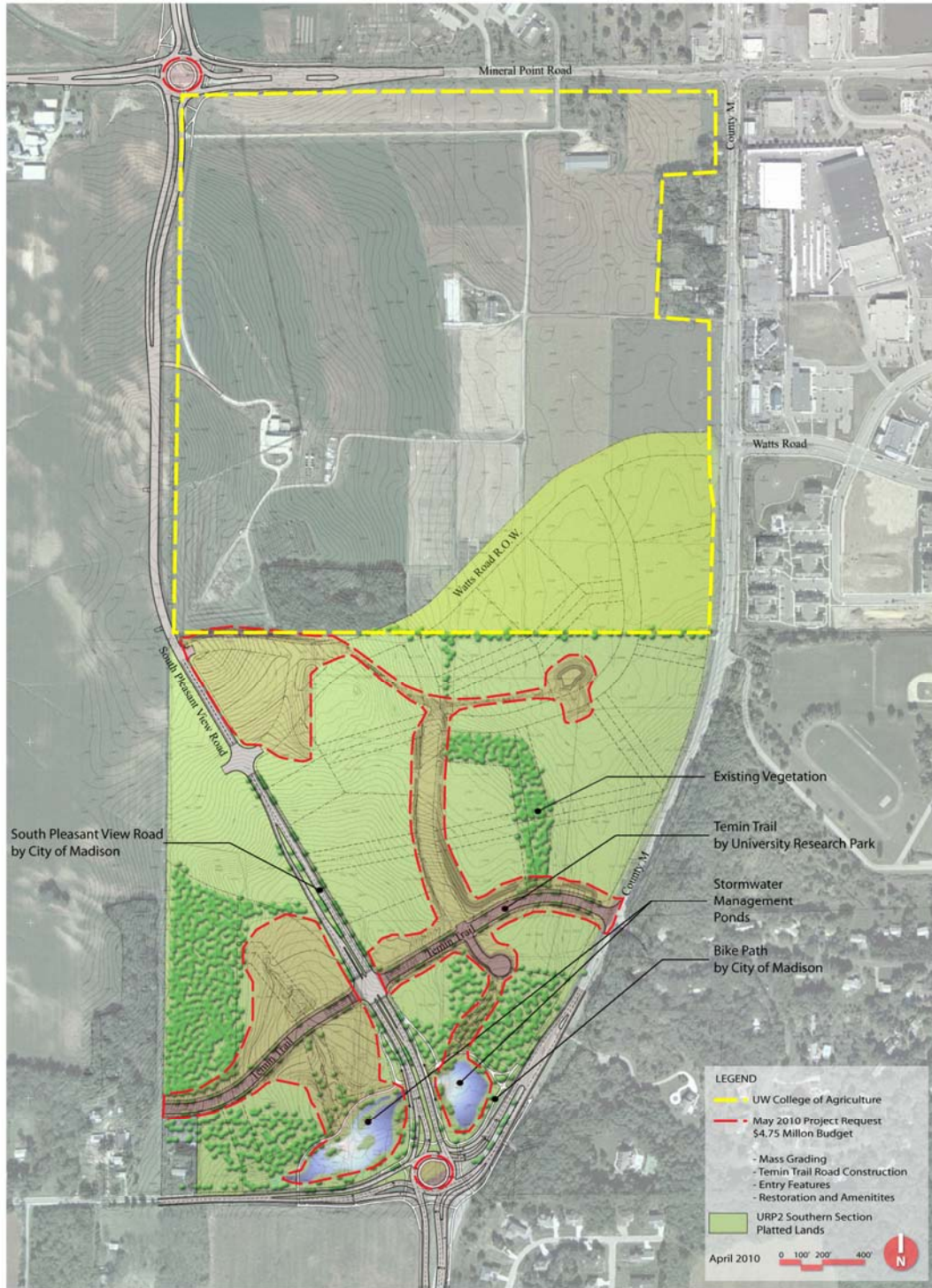
	Bid Opening	Construction Start	Substantial Completion
Mass Grading Work	May 2010	July 2010	July 2011
Temin Trail & Park Amenities	Spring 2011	Summer 2011	Summer 2012

6. Previous Action:

- June 8, 2001
Resolution 8386
- Granted authority to remove the rezoning requirement to acquire approximately 113 acres of land in the Town of Middleton, Dane County, as authorized by Board of Regents action in December of 2000. The acquisition cost is \$4,416,500 Program Revenue Supported Borrowing plus closing costs and environmental abatement costs, if any (funded from University Research Park revenues). Acquisition will remain contingent upon completion of a favorable environmental assessment.
- August 19, 2004
Resolution 8888
- Recommended enumeration of the University Research Park II - Road and Utilities project as part of the 2005-07 Capital Budget at an estimated total cost of \$15,000,000 Program Revenue Supported Borrowing.
- May 5, 2006
Resolution 9191
- Granted authority to acquire 9.358 acres of land in the city of Madison, Dane County for \$3,434,540 Program Revenue Supported Borrowing plus closing costs and any necessary environmental abatement costs (for the expansion of University Research Park).



**UNIVERSITY
RESEARCH PARK²**
UNIVERSITY OF WISCONSIN-MADISON



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

CAPITAL PLANNING AND BUDGET 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 \$18,843,500 (\$6,891,600 General Fund Supported Borrowing; \$8,782,000 Program Revenue Supported Borrowing; \$2,073,900 Program Revenue-Cash; and \$1,096,000 Gifts and Grants).

THE UNIVERSITY OF WISCONSIN SYSTEM

Request for Board of Regents Action May 2010

1. Institution: The University of Wisconsin System
2. Request: Authority to construct various maintenance and repair projects at an estimated total cost of \$18,843,500 (\$6,891,600 General Fund Supported Borrowing; \$8,782,000 Program Revenue Supported Borrowing; \$2,073,900 Program Revenue-Cash; and \$1,096,000 Gifts and Grants).

ENERGY CONSERVATION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	CASH	GIFT/GRANT	ETF	TOTAL
MSN	10C2S	Multi-Bldg/Util Tunnel Energy Conservation (Increase)	\$ -	\$ 5,702,000	\$ -	\$ -	\$ -	\$ 5,702,000
EC SUBTOTALS			\$ -	\$ 5,702,000	\$ -	\$ -	\$ -	\$ 5,702,000

FACILITIES MAINTENANCE & REPAIR

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	CASH	GIFT/GRANT	ETF	TOTAL
MIL	10D1O	Golda Meir/Sandburg Green Roof	\$ -	\$ -	\$ 26,000	\$ 1,096,000	\$ -	\$ 1,122,000
MSN	10D1V	University Club Roof Repl	\$ 139,700	\$ -	\$ 65,700	\$ -	\$ -	\$ 205,400
RVF	10D1Q	Crabtree-Johnson Elev Addn	\$ -	\$ 960,000	\$ -	\$ -	\$ -	\$ 960,000
STO	10D1R	Wigen Hall Restrooms/Windows	\$ -	\$ 2,120,000	\$ -	\$ -	\$ -	\$ 2,120,000
FM&R SUBTOTALS			\$ 139,700	\$ 3,080,000	\$ 91,700	\$ 1,096,000	\$ -	\$ 4,407,400

UTILITIES REPAIR & RENOVATION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	CASH	GIFT/GRANT	ETF	TOTAL
MSN	09H2I	Ag Bulletin-Holt Commons Util Repl	\$ 3,276,500	\$ -	\$ 924,100	\$ -	\$ -	\$ 4,200,600
MSN	09B2F	Central Campus Utili Repr/Renv	\$ 3,384,400	\$ -	\$ 954,600	\$ -	\$ -	\$ 4,339,000
MSN	10D1T	Univ Bay Dr/Lot 31 Reconst	\$ 91,000	\$ -	\$ 103,500	\$ -	\$ -	\$ 194,500
UR&R SUBTOTALS			\$ 6,751,900	\$ -	\$ 1,982,200	\$ -	\$ -	\$ 8,734,100

	GFSB	PRSB	CASH	GIFT/GRANT	ETF	TOTAL
MAY 2010 TOTALS	\$ 6,891,600	\$ 8,782,000	\$ 2,073,900	\$ 1,096,000	\$ -	\$ 18,843,500

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

Energy Conservation Requests

MSN - Multi-Building and Utility Tunnel Energy Conservation (\$5,702,000 increase for a total project cost of \$17,181,000): This project implements energy conservation opportunities in portions of the campus utility tunnel system based on a recently completed comprehensive energy study. The debt service will be paid from the annual energy cost savings from the fuel and utilities appropriation (Fund 109).

Utility tunnels work includes asbestos abatement, replacing pipe insulation and protective jacketing, installing new protective jacketing on piping where none currently exists, replacing expansion joint and valve insulation blankets, and replacing deteriorated and sub-standard expansion joints, piping supports, and valves.

The UW-Madison "We Conserve" energy conservation campaign is underway. This campaign proactively works to reduce energy costs by 20% per square foot by the year 2010. This is consistent with the energy reduction goals established in Executive Order 145 dated April 11, 2006. Completing both projects will provide substantial energy cost savings while having a significant impact on the deferred maintenance of the ventilation systems in these buildings and the campus central utility systems. Simple payback will be 17 years.

Facilities Maintenance and Repair Requests

MIL - Golda Meir Library/Sandburg Hall Commons Green Roof Installation (\$1,122,000):

This project installs 74,000 SF of green roofing systems on Golda Meir Library and Sandburg Hall Commons and 10,000 SF of perennials on the Sandburg Hall Commons patio deck.

This project retrofits 49,000 SF of vegetated mats over the Golda Meir Library roofing system. Safety improvements will be made to control and limit access to the green roofing areas. The roofing design will facilitate the future addition of a photovoltaic power system. This project also replaces 25,000 SF of Sandburg Hall Commons roofing with new vegetated mats over the connector bridges and lobby and installs 10,000 SF of native and endangered Wisconsin perennials in movable planter boxes on the patio deck. Project work also includes redirecting plaza storm water drain lines in the parking structure below to serve two new rain gardens. University Housing will make safety improvements to the roofing areas to control and limit access to the green roofing areas, including the mechanical penthouse roof.

UW-Milwaukee is in the process of transforming the 90-acre and largely impervious campus into a living laboratory for ecological urban storm water design. The process began in 2005 when the Milwaukee Metropolitan Sewerage District funded a campus storm water master plan. This project continues the process and will further establish varied green roofing technologies and demonstrate various storm water management technologies on campus which can be researched for their design potential.

The Golda Meir Library green roof will be accessible to the public by webcam and research efforts will be presented on an energy dashboard located in the library commons and on the campus web site. The green roof will be visible from the Golda Meir Library conferencing facilities and rare book room, as well as surrounding buildings with appropriate height and viewing angles. The Sandburg Commons green roof will complete and compliment the work started under Project 07E2X. The areas included in this project were originally intended for completion under 07E2X, but were omitted due to lack of funding.

MSN - University Club Roof Replacement (\$205,400): This project replaces roof coverings and completes all other associated ancillary work to maintain the building envelope integrity and prevent damage to the building and its contents at 432 East Campus Mall and the University Club building (803 State Street). Project work includes replacing 8,650 SF of steep slope roofing and 2,400 SF of low slope roofing. Three-tab shingles will be replaced with like kind materials and the low slope roofing will be replaced with a new 60-

mil Ethylene Propylene Diene Monomer (EPDM) membrane fully adhered over additional insulation for an increased R-value. All metal flashings will be replaced and the gutters will be repaired.

The roof sections are more than 22 years old. Recent site inspections by the Physical Plant staff and DSF determined these roof sections require replacement to address current leaking, weathered, worn, and/or damaged sections. These repairs will extend the life of the roof sections and prevent moisture from penetrating the building envelope. Several interior and exterior repairs have been required due to the leaking roof.

RVF - Crabtree Hall and Johnson Hall Elevator Additions (\$960,000): This project constructs two new 5-stop passenger elevators to serve two 4-story student residence halls, Crabtree Hall and Johnson Hall. The elevators will be enclosed within a new elevator tower building addition and they will provide access to each floor via existing corridors. Project work includes constructing the elevator shafts alongside the exterior wall of each building with penetrations at each level, allowing access to the existing corridor system, and providing elevator service to all floors, including the basement. The new elevator and controls will meet all ADA accessibility requirements. Construction will occur during the summer when the building will be unoccupied.

The project will also install a new electrical service at Johnson Hall. The interior dry type transformer will be replaced by an exterior pad mounted and oil filled unit of larger capacity. The main distribution panel will be replaced with a switchboard with adequate capacity for a future upgrade of the residence hall electrical distribution system.

This project will provide elevator access to all levels of Crabtree Hall (54,526 GSF) and Johnson Hall (58,145 GSF) for persons with disabilities. Only one of the nine traditional residence halls on campus currently has elevator access. By installing elevators in these buildings, the campus will have accessible residence halls on the east, central, and west portions of the campus. Fully accessible residence halls allow access to all building services such as the laundry room, vending machines, and lounges. The elevators will also be used to assist with freight delivery, maintenance, and custodial tasks.

The 1964 electrical service at Johnson Hall does not have adequate spare capacity to serve the new elevator. The transformer is undersized and the main distribution panel does not have space to accommodate additional circuit breakers. A new transformer and switchboard will have capacity to serve the new elevator as well as provide additional capacity for a future upgrade of the residence hall electrical system.

STO - Wigen Hall Restroom Renovation and Exterior Window Replacement (\$2,120,000): This project expands and renovates the shower rooms and restrooms to meet current ADA accessibility guidelines and replace failing building infrastructure systems, plumbing fixtures, and architectural finishes. This project also replaces all exterior windows with new energy efficient units.

Project work includes completely renovating 6,000 GSF of shower rooms and restrooms, and expanding the restrooms by reallocating space from two residence rooms per floor and

incorporating them into the restroom space. All mechanical, electrical, and plumbing systems will be replaced and upgraded. All plumbing fixtures and architectural finishes will be replaced and upgraded.

Project work also includes replacing all 149 aluminum single pane, double horizontal slider exterior windows with new energy efficient units. The replacement window units will have thermally broken aluminum frames and one-inch thick glazing. The exterior panes will have a low E coating and be made of tinted and tempered glass.

Wigen Hall (44,015 GSF) was constructed in 1970. The shower rooms and restrooms are original to the facility and have required frequent repairs to the failing building systems. Most of the plumbing fixtures are also original to the facility, are in poor condition, and do not conserve water resources. The room configurations do not provide adequate privacy and do not accommodate students with disabilities. The exterior window units are energy inefficient, in poor condition, and require frequent maintenance. Replacement components have become increasingly difficult to obtain for these obsolete units.

Utilities Repair and Renovation Requests

MSN - Agriculture Bulletin Building to Holt Commons Underground Utilities Replacement (\$4,200,600): This project replaces steam pits, concrete box conduit, and steam, condensate return, and compressed air piping between the Agriculture Bulletin Building and Holt Commons. This project also relocates domestic water, electrical power, sanitary sewer, storm sewer, and telecommunications lines as needed to facilitate the project work.

Mechanical utility work includes replacing 1,400 LF of concrete box conduit and the associated steam, condensate return, and compressed air piping. New concrete box conduit and utility piping will be installed between pits 1/10 and 23/10 and between pits 26/10 and 33/10. The new concrete box conduit will be insulated and waterproofed. New 6-inch steam, 3-inch condensate return, and 2-inch compressed air piping will be installed. Six steam pits will be replaced, and some will have elevated entrances to achieve natural ventilation. Four steam pits will be renovated. The concrete box conduit and piping between pits 23/10 and 25/10 will be abandoned in place. Temporary water heaters and steam piping will be installed to keep the dormitories and food service facilities operational. Asbestos abatement of the steam pits and piping insulation will be provided.

Electrical and telecommunications utility work includes relocating 235 LF of underground telecommunications duct banks and associated cabling to maintain connectivity for all buildings when the existing cables are removed during the mechanical utilities activity. Electrical lights, power, and sump pumps with alarms will be provided in all new and renovated steam pits.

Plumbing utility and site work includes rerouting domestic water, sanitary sewer, and storm sewer piping and appurtenances as needed to allow the mechanical utilities activity. Site restoration of pedestrian walkways, roadways, and landscaping will be completed while using best management practices for storm water management.

The steam, condensate return, and compressed air piping in this area of campus are more than 80 years old. The deteriorated concrete box conduits leak. Condensate return and compressed air piping have rusted and need to be replaced. These repairs are required to provide a reliable source of steam for the dormitories and food service facilities in this area of campus. Telecommunications cables were routed through the concrete box conduits and steam pits. This wiring will be removed from the box conduits and installed in new signal conduits.

MSN - Central Campus Utility Repair and Replacement (\$4,339,000): This project renovates high pressure steam, low pressure steam, pumped condensate return, and compressed air utilities distribution systems in three areas of the central campus, north of University Avenue between Elm Drive and Charter Street. This project also upgrades the electrical power and signal systems near the intersection of Charter Street and Observatory Drive.

Project work includes constructing three steam pits, four signal pits, two primary power pits, and one valve vault. 720 LF of concrete box conduit, 55 LF of navigable utility tunnel, and 1,100 LF of concrete ductbank will be constructed with their associated central utility lines as well as 360 LF of new chilled water lines. Each pit in the project areas will be furnished with sump pumps and include alarms that indicate high water and loss of power and will be connected to and report through the building automation system. Project work includes complete site restoration along the reconstructed streets.

The steam pits and box conduits have failed. There are multiple leaks within the condensate and air distribution systems. High-pressure and low-pressure steam lines are nearing the end of their useful lives. The failure of the piping insulation makes the tunnels hazardous for maintenance activities.

The terminated signal package on the southwest corner of the Charter Street and Observatory Drive intersection must be extended by connecting into a new signal pit and routed to the east under Charter Street and along the north side of Observatory Drive. It will then be connected to a pit just north of the Parking Lot 11 entrance. This extension will reduce restoration costs and any disruption caused by the project. Construction of the power duct bank will complete a connection between the north central portion of campus and the newer facilities of the east campus. This project extends future power and signal distribution utilities and supports the goal to remove all of these lines from the steam tunnels in this area.

MSN - University Bay Drive and Lot 131 Reconstruction (\$194,500): This request provides funding to the Village of Shorewood Hills to reconstruct Lot 131, street parking areas, and University Bay Drive between Colgate Road and Oxford Road. Project work includes removal and replacement of the asphalt pavements, landscape restoration, and providing new pavement markings.

Ownership and maintenance of University Bay Drive is shared with the Village of Shorewood Hills (50%) and UW-Madison (50%). The Village of Shorewood Hills is

upgrading their underground utilities as part of this road repair project. The Pavement Surface Evaluation Rating (PASER) for this section of roadway is rated as poor (severe block cracking, alligator cracking, closely spaced longitudinal and traverse cracking, moderate rutting and distortion, and occasional potholes). The parking area is rated as very poor (prominent alligator cracking, severe distortions over 2-inches deep, extensive patching, and potholes).

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 and consideration of approximately 450 All Agency Project proposals and over 4,500 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	\$6,891,600
Program Revenue Supported Borrowing	8,782,000
Program Revenue Cash	2,073,900
Gifts/Grants Funding	<u>1,096,000</u>
Total Requested Budget	\$18,843,500

6. Previous Action:

April 9, 2010 Resolution 9747	Granted authority to construct the UW-Madison - Multi-Building and Utility Tunnel Energy Conservation at an estimated total cost of \$11,479,000 Program Revenue Supported Borrowing.
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STRATEGIC FINANCING DISCUSSION

EXECUTIVE SUMMARY

BACKGROUND

At the February 2010 Board of Regents meeting, the University of Wisconsin System announced new Growth Agenda strategies designed to help support the state's economic recovery and renewal. The plan focuses on translating UW research into new jobs, and increasing the number of UW System graduates who enter the workforce every year. The latter goal, focused on producing more graduates, was the subject of extensive discussion at the April 2010 Board meeting, where UW System announced a specific long-range goal to add 80,000 more (cumulatively) over the next 15 years. Although enrollment in the UW System is at an all-time high, Wisconsin (26%) is below the national average (28%) in the percentage of adults who hold a four-year degree. Wisconsin's per capita income (\$37,767) is also below the national average (\$40,208).

REQUESTED ACTION

For discussion purposes only; no action is required.

DISCUSSION

The UW System will be challenged to meet these growth goals during a time when the number of high school graduates is declining, the economy is struggling, state investments in higher education have been declining, and some families are unsure of their ability to finance college opportunities for themselves and their children. This discussion on Strategic Financing provides an opportunity for the Board to consider options to align resources with action plans to achieve Wisconsin's Growth Agenda goals.

Ellen Chaffee, a senior fellow with the Association of Governing Boards (AGB), director of AGB's Lumina project on Governance for Student Success, and President Emerita of North Dakota's Valley City State University, will lead the Board in a discussion of Strategic Finance and how it can help boards and the universities they govern achieve goals even in difficult times. According to Dr. Chaffee, strategic Finance is defined as "aligning financial decisions -- regarding revenues, creating and maintaining institutional assets, and using those assets -- with the institution's mission and strategic plan" and is "seen as a useful perspective for helping boards and presidents develop a sustainable long-term strategy to align an institution's revenues and expenditures with fulfillment of its mission, assurance of educational quality, and preservation and enhancement of its assets."

During the discussion the Board will receive information on what is happening nationally and why the current business model for higher education is not sustainable. The fiduciary and strategic roles of Boards will be discussed and there will be an opportunity to discuss options to

consider as part of a strategic financing plan. The Board is not expected to develop a strategic financing plan at this meeting, but to consider the key elements of strategic financial planning and what their role in that process might involve. Sound strategic financial planning, particularly for an organization as large and complex as the UW System, would require significant time and effort. Development of the Board's 2011-13 biennial budget request, over the next three meetings of the Board, could be an important first step in the development of such a plan.

An article entitled "[The Possibilities of Strategic Finance](#)," by Ellen Chaffee is attached as background material for the discussion.

RELATED REGENT POLICIES

None

May 6, 2010

Investing in Wisconsin's Future: UW System's Growth Agenda Accountability Report, 2009-10

Executive Summary

BACKGROUND

Since 1993, the UW System has provided detailed annual accountability reports to the citizens of Wisconsin. These reports reflect the UW System's commitment to demonstrating its accountability to the citizens of Wisconsin. Each annual accountability report covers a broad spectrum of higher education performance measures that address diverse constituent interests. Over the years, ongoing refinements and enhancements have been made to these reports to ensure their continued relevance and value as a resource for all potential users.

The current report, *Investing in Wisconsin's Future*, builds upon two earlier publications: *Achieving Excellence*, issued annually from 2001 to 2008, and its predecessor, *Accountability for Achievement*, published from 1993 to 1998. *Accountability for Achievement* was one of the first accountability reports for a university system. The current report reflects the strategic framework for advancing the UW System's Growth Agenda for Wisconsin. *Investing in Wisconsin's Future* is available electronically on the internet at: <http://www.uwsa.edu/opar/accountability/>.

REQUESTED ACTION

Information only.

DISCUSSION

Investing in Wisconsin's Future represents the UW System's continuing commitment to broad-based accountability to the citizens of Wisconsin. All of the measures in *Investing in Wisconsin's Future* were designed with the mission of the UW System in mind, concentrating on the many ways in which the University of Wisconsin seeks to serve its students and the State of Wisconsin. While it is not feasible to report on every possible area of university activity in a single document, *Investing in Wisconsin's Future* attempts to provide a balanced approach representing a broad diversity of stakeholder interests.

Investing in Wisconsin's Future includes updated information on the UW System's progress on its strategic priorities, which serve as the blueprint for the UW System's Growth Agenda for Wisconsin. The performance measures in the report include not only the traditional, widely-used indicators of access, enrollments, retention, graduation, and resource management, but also indicators of the UW System's impact on Wisconsin communities through civic participation, community outreach and engagement, and its contribution to the Wisconsin economy. In this way, the report more fully reflects the ways in which the UW System is investing in Wisconsin's future.

Each of the 15 UW institutions has created its own individual report as a companion to *Investing in Wisconsin's Future*. New this year, these reports have the same structure and expanded framework of the systemwide report to provide common performance measures across institutions, but also highlight the unique accomplishments of each UW campus. The institution-specific reports were produced in response to suggestions from members of the Board of Regents who felt that our accountability efforts would be enhanced by the reporting of institutional measures in a format that is consistent across all campuses. The institutional reports are designed to demonstrate accountability in light of the specific character and mission of each institution and are available electronically at: <http://www.uwsa.edu/opar/accountability/>.

In addition to *Investing in Wisconsin's Future*, the UW System further demonstrates its accountability to the public through participation in the Voluntary System of Accountability (VSA). The VSA is a voluntary initiative of public four-year colleges and universities to provide information to parents and students on measureable educational outcomes in an accessible, understandable, and comparable way. Each UW four-year institution provides a College Portrait as part of this initiative, available at: <http://collegeportraits.org>.

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2010 REGENT MEETING SCHEDULE

February 4 and 5, 2010: In Madison

April 8 and 9, 2010: Hosted by UW Colleges and UW-Extension at UW-Fond du Lac

May 6, 2010: One Day Meeting in Madison

June 10 and 11, 2010: At UW-Milwaukee (Annual Budget)

August 19 and 20, 2010: In Madison (Biennial Budget)

October 7 and 8, 2010: At UW-Oshkosh

November 4, 2010: One Day Meeting in Madison

December 9 and 10, 2010: Hosted by UW-Madison