

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Held in 1820 Van Hise Hall  
1220 Linden Drive  
Madison, Wisconsin

Thursday, September 8, 2011  
9:30 a.m.

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Held in 1820 Van Hise Hall 1220 Linden Drive  
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Thursday, September 8, 2011  
9:30 a.m.

- President Spector presiding -

PRESENT: Regents Jeffrey Bartell, Mark Bradley, Judith Crain, Danae Davis, Anthony Evers, Michael Falbo, Edmund Manydeeds, Katherine Pointer, Charles Pruitt, Troy Sherven, Brent Smith, Michael Spector, Mark Tyler, and José Vásquez

UNABLE TO ATTEND: Regents John Drew and David Walsh

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**APPROVAL OF THE MINUTES OF THE JUNE 2011 BOARD MEETING**

The minutes of the June 9 and 10, 2011 meetings, as distributed, were approved on a voice vote.

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**PRESIDENTS' GREETING AND INTRODUCTIONS**

Greeting Board members after the Labor Day holiday, President Spector began the meeting by introducing a new colleague, student-Regent Katherine Pointer. Regent Pointer is a sophomore at UW-Madison, where she is double-majoring in Political Science and Economics and, among other things, is a knowledgeable and enthusiastic sports fan. She is a graduate of De Pere High School and attended UW-La Crosse during her freshman year, where she was Vice Chairman of the College Republicans and was elected to the position of Freshman Senator on the university's Student Senate. She also served on the Segregated University Fee Allocation Committee. Regent Pointer worked extensively for Senator Ron Johnson's successful campaign for the U.S. Senate in 2010, and spent the past summer in Washington, D.C., working for the Republican National Committee's finance team. She anticipates graduating from UW-Madison in 2014. President Spector welcomed Regent Pointer to the Board.

He then turned to President Reilly Kevin to introduce new UW-Superior Chancellor Renée Wachter, who arrived on the campus earlier in the summer. She previously served as the founding Dean of the School of Business at Truman State University in Missouri.

President Reilly also welcomed back to UW-Madison Interim Chancellor David Ward, who previously served as chancellor at UW-Madison from 1993 to 2000, and then led the American Council on Education, the umbrella higher education national association in Washington, D.C., for seven years. President Reilly said that Chancellor Ward knows the campus from the ground up, and he also understands Wisconsin's culture and traditions. Given his national and global leadership in higher education, he brings a fresh perspective and a well-informed view of the higher education landscape both here and around the country.

In addition, President Reilly introduced Dr. Joan Prince, Vice Chancellor of Partnerships and Innovation at UW-Milwaukee. This year, Dr. Prince is participating in the ACE Fellows Program, the nation's premier higher-education leadership development program for preparing senior leaders to serve American colleges and universities. For her project, Dr. Prince will be building on the work of the Association of Governing Boards and her own personal experience of more than 20 years of board-governance research and practice as she develops a case study of the University of North Carolina System. She will be examining system and trustee board-president partnerships, with the ultimate goal of understanding what governance practices have emerged as best practices to support higher education governing boards, particularly in the midst of political and economic change.

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## **RESOLUTION OF APPRECIATION FOR REGENT TOM LOFTUS'S SERVICE ON THE BOARD**

President Spector said that along with the welcomes would come a good-bye, as the present meeting marked the final appearance of Board members' "one-of-a-kind colleague," Regent Tom Loftus. Regent Loftus had served on the Board since 2005. President Spector called upon Regent Crain to present a resolution of appreciation to Regent Loftus.

Regent Crain said that she was honored to offer the resolution of appreciation, recognizing the service of Regent Loftus as a member of the University of Wisconsin System Board of Regents. She said that she had been an admirer of his for a very long time, well before becoming his colleague on the Board. She greatly admired his respected record of public service to the state and country, his leadership, and the principles for which he stood.

Regent Loftus's extraordinary efforts and achievements in the public sector will forever be documented in the history of the state of Wisconsin, and they are emphasized in the resolution of appreciation. He has had an extraordinary career, which continues, and during the prior six years, his knowledge and experience greatly benefitted the work of the Board and Wisconsin public higher education. His contributions on the Board have been substantial and unique. Regent Crain said that he was a truly irreplaceable Regent.

Most importantly, she said, there had been no greater advocate on behalf of the state’s highly-respected University of Wisconsin System universities, colleges, and the Extension. He knows and articulates this history better than anyone, and has been an important and essential part of the partnership of state government and the university system. Also, she said that there had been no more passionate, effective voice emphasizing the fundamental responsibility of the state of Wisconsin to provide a comprehensive system of quality higher education accessible to all.

Regent Crain said that Regent Loftus’s consistent, persistent, and insistent focus on students and their voices – all students on all campuses, including veterans – had been remarkable. Regent Crain also cited Regent Loftus’s leadership in bringing important issues to the table, an example being his strong advocacy on the issue of academic freedom. He was responsible for the recent attention the Regents gave to the importance of academic freedom and its proud history in Wisconsin.

Regent Crain said that when he is on a roll, Regent Loftus’s eloquence is second to none. She said she enjoyed listening to his carefully articulated rationale, although there was occasionally uncertainty about what would be forthcoming when he requested the floor. He is very specific and pointed in his incisive comments about the issue at hand. He has kept Board members on their toes, which is a great compliment to him.

Saying that Regents are honored to have served with Regent Loftus, she said that he had strengthened the Board of Regents as no one else could have. She said that Board members respected his courage in standing for what matters; his sagacious judgment, developed from wide experience; his savvy in working with the political process; and his vision and belief in an ability to be a part of bringing a better future for Wisconsin citizens. She said that he would be missed, along with his wit and talent for going to the core to state the truth.

One thing in particular that Regent Crain said she would miss was the “delicious long moment” when there was about to be a major debate by the members of the Board: the Board President recognizes Regent Loftus to speak, and “there is a long pregnant pause as Tom purses his lips and clears his throat and we know we are about to...be nailed with we know not what! But we also know that we cannot afford not to listen if we want to find our way to doing what is right.” Regent Crain concluded her remarks by saying that with the loss of Tom Loftus, “this will be a duller place.”

Regent Crain proceeded to offer the resolution of appreciation to Regent Loftus, which was greeted with a standing ovation and approved by acclamation.

#### **Resolution of Appreciation for Tom Loftus**

Resolution 9967:       WHEREAS, Tom Loftus dedicated six years of exceptional service to the University of Wisconsin System Board of Regents, from 2005 to 2011; and

WHEREAS, Tom, who earned degrees from UW-Whitewater and UW-Madison, has had a distinguished career of public service,

including service in the Wisconsin Legislature from 1977 to 1991 – holding the position of Speaker of the Assembly for eight years, during which time he created and served as chair of the Committee on the Future of the University of Wisconsin System, a subject about which he cares deeply; and

WHEREAS, Tom has been a strong advocate for students, faculty, staff, and Wisconsin residents through his service on all three standing committees – Capital Planning and Budget; Education; and Business, Finance and Audit – as well as numerous special committees, including chairing the Regent Response to the Legislative Audit Bureau Audit on Personnel Policies and Practices, and serving on the Hospital Authority Board; and

WHEREAS, Tom helped to identify talented chancellors to lead our institutions to even greater future success through his service on three UW chancellor selection committees, at UW-La Crosse and UW-Madison, and chairing the search at UW-Platteville; and

WHEREAS, Tom has brought a global perspective, political insight, and diplomatic efficacy to his role as a Regent, having served as Special Advisor to the Director General of the World Health Organization and as the United States Ambassador to the Kingdom of Norway, where he was awarded the Grand Cross, the highest order of the Royal Norwegian Order; and

WHEREAS, Tom never shied from calling on his fellow Regents to take a stand on issues of principle, strongly articulating the importance of preserving a high quality, integrated statewide system of public higher education, and leading a discussion of the history of academic freedom in the UW System, which was entered into the Board's official records, to reflect the Board's steadfast commitment to academic freedom and its paramount importance within the UW System;

BE IT THEREFORE RESOLVED that the Board of Regents of the University of Wisconsin System hereby offers thanks and commendation to Tom Loftus for his many life achievements, at home and abroad, and for his continual “sifting and winnowing” that was the essence of his skilled stewardship on behalf of higher education in Wisconsin.

Regent Loftus took the podium, thanking Regent Crain for her kind words. He began his remarks by saying that the best thing for a person serving on the Board of Regents to do is to meet and work with the other Regents, the chancellors, and the staff. He said that he had learned much about their lives and their dedication, and had benefited from it greatly.

Regent Loftus offered a few observations about his past six years on the Board of Regents. He said that the Regents have two jobs: one is to choose chancellors, and the other is to advance the budget. There are many other important things, but these are the two items that make the place work. Regent Loftus said that having been on three chancellor-selection committees, he felt that perhaps more Regents should be involved on the selection committees. Also, looking back, he said that he wished Regents could have had two rounds of interviews with the candidates each time, as it is difficult to make a decision based on one round of interviews.

When he was in the Legislature, he said, he was not a fan of student-Regents, even though he voted for this provision in legislation. He found, however, that student-Regents, particularly since they have a two-year term, focus on the needs of the students and talk about tuition. This would be lost without the student-Regents; it has been very beneficial when the student-Regents have spoken up forcefully about student priorities.

Regent Loftus noted, as had Regent Crain, the historic nature of the Board's recent reaffirmation and establishment of a record once more with respect to a commitment to academic freedom. "We are all sifters and winners now," he said; the Board's action was explicitly about the System, not just UW-Madison.

Another major accomplishment of the Board was to make sure that everyone knows that the System is the future of higher education in Wisconsin. Regent Loftus complimented the leadership of the Board, particularly that of then-President Pruitt, as well as President Reilly, during the period when the System was under question. Through calm and reasoned leadership they proposed an alternative that was sensible, and that rational people could endorse.

Regent Loftus also praised the return of UW-Madison Interim Chancellor David Ward, a wonderful stroke after a bleak period. Chancellor Ward is a wonderful leader, he said.

Offering words of advice, Regent Loftus said that the System, as it goes forward, might entertain an exercise of fitting the size of the university system to the resources the Legislature is willing to provide. There is no real future in the Legislature's pulling away support and the Board of Regents making it up somehow. He suggested that Board look at what a System would look like if it had to operate within the confines of what the Legislature has appropriated.

In closing, Regent Loftus thanked his wife, Joanne, and said that it had been his honor to serve with his fellow Regents. He offered sincere thanks and closed by saying, "On Wisconsin University System."

President Spector thanked Regent Crain and Regent Loftus for their remarks and noted that retiring Regent Danae Davis would be honored later in the meeting. It is hoped that at a future meeting, resolutions of appreciation can be offered for Stan Davis and Betty Womack, two other colleagues whose terms have ended. Regent Stan Davis was the Technical College representative and has been replaced by Regent Tyler. Regent Womack and her husband have moved to Houston, Texas, where they retired to be closer to family.

## **REPORT OF THE PRESIDENT'S ADVISORY COMMITTEE ON THE ROLES OF UW SYSTEM ADMINISTRATION**

### ***Background***

President Spector noted that he and President Reilly had met with Governor Walker the day before for about 40 minutes. The Governor was cordial, well prepared, and very interesting, he said. President Reilly briefed the Governor on what would be discussed at the present Board meeting. President Spector said that he thanked the Governor for the appointment of the two new student-Regents, and urged him to follow up with further appointments so that they can be integrated into the Board committees and otherwise. President Spector said it was a good discussion and expressed the hope that other meetings would occur in the future.

Turning to the main focus of the day, President Spector said that the Board had a single, but very significant topic on its agenda, the changing roles and responsibilities of UW System Administration. The changes currently proposed for the UW System constitute its most significant restructuring in the 40 years since the System itself was formed through the merger of the University of Wisconsin and the Wisconsin State Universities back in 1971. Such grand-scale changes do not happen overnight and are not random. They are the measured product of long-time hopes, current circumstances and vision, and much hard work. Although the opportunity was unexpected, this does not detract from its potential for true transformation, President Spector observed.

A rare confluence of challenges and opportunities has arisen, in the form of the current economic climate, the continued decline in state funding, and a legislative requirement to make major reductions in System Administration. At the same time, the UW System has been given unprecedented new operational flexibilities. These challenging circumstances and new opportunities provide the backdrop and the impetus for many of the changes that are being proposed.

In addition, President Spector noted that the national landscape of higher education is changing, and the System must adapt. The focus of the day's meeting would be a multi-faceted proposal from President Reilly on two separate, but interrelated, topics. The plan for the day would be to hear from Regent Pruitt, chair of President Reilly's Advisory Committee on the Roles of UW System Administration, the committee created in May to provide an extensive and in-depth analysis of UW System Administration, as well as recommendations for how it should restructure its operations. Regent Pruitt had agreed to chair the committee at President Spector's request. President Spector thanked Regent Pruitt for his leadership of the committee, and also echoed Regent Loftus's comments about Regent Pruitt's leadership at a difficult time.

Following Regent Pruitt's presentation on the process and findings of the Advisory Committee would be President Reilly's explanation of his response to the report, and then questions, answers, and comments.



## ***Presentation of the Report of the President's Advisory Committee on the Roles of UW System Administration***

### **Acknowledgements**

Thanking President Spector, Regent Pruitt began his remarks by acknowledging that his role was more that of a messenger, rather than of a framer, architect, or creator of the President's Advisory Committee on the Roles of UW System Administration. He said that he was pleased to chair the committee, and he thanked President Reilly for assembling a remarkable group of impressive, diverse, and dedicated individuals. Members gave up valuable time over the summer months to attend meetings, review materials, and actively participate in the shaping of the final report. It was a pleasure to be associated with them, and all of them care deeply about the University of Wisconsin System.

Regent Pruitt recognized and thanked the Regent-colleagues who served with him on the committee – Jeff Bartell, Judy Crain, and Brent Smith, as well as Regent Emeritus Jay Smith – for their insight, leadership, and resoluteness. He also acknowledged the work of the other members of the committee, some of whom were present as he spoke; Jess Lathrop from the Board of Regents Office; Bob Jokisch from Academic Affairs; and Terry MacTaggart, who served as the group's facilitator and brought a welcome, outside-of-Wisconsin, national perspective.

### **Advisory Committee's Charge**

Reviewing the beginnings of the process, Regent Pruitt recalled that President Reilly charged the committee to provide him with advice on two related goals: (1) a short-term goal related to reducing System Administration's operating budget by \$2.4 million; and (2) a longer-term goal of reshaping the working relationships between System Administration and the UW System institutions.

President Reilly challenged the committee to give careful and strategic consideration to reshaping System Administration in a way that: (1) preserves what is necessary and effective; (2) sheds what is best done elsewhere or not at all; and (3) considers opportunities to better serve core stakeholders – the Board of Regents, UW System institutions, and the people of Wisconsin.

Regent Pruitt explained that the committee took a 360-degree look at what System Administration was currently doing and what it should be doing in the future, attempting to answer the questions President Spector posed in July, about what the UW System does, how it does it, and why it does it.

### **New Model for Leadership and Administration**

Regent Pruitt said that the committee heard from many voices and had a lot of spirited discussions. There were disagreements. However, the committee reached a level of consensus and agreement on virtually everything that appears in the committee's report. The result was a report

that proposes significant changes and recommends a new model for leadership and administration throughout the UW System.

This new model proposes significant changes, but the changes are also accompanied by continuity. Regent Pruitt noted that some aspects of the model are familiar. The model assumes that the Board of Regents will continue to serve as the governing board for all campuses in the University of Wisconsin System. It further assumes that the Board will continue to place a high priority on advancing the *Growth Agenda* and Inclusive Excellence. The historic roles of the Regents, the President, and System Administration for providing leadership and advocacy remain intact. Above all else, the commitment of the University of Wisconsin System to exceptionally high academic standards, to the principles of broad access and affordability, and to the progressive aspirations of the Wisconsin Idea is unchanged and unwavering.

Regent Pruitt then described the changes, saying that the Advisory Committee strongly believed that institutions must be allowed to operate with greater flexibility and responsiveness, to develop innovations that lower costs and raise new revenues, and to take advantage of opportunities for growth in the marketplace for education and research.

This new model of leadership and administration envisions a System Administration that is more focused on its essential tasks and streamlined in its operations. This model envisions a decision-making environment in which greater authority, responsibility, and accountability for performance is vested in the UW System institutions and their leaders, and those institutions enjoy the flexibility to operate in a more innovative fashion. This new, more decentralized, flexible, and collaborative model can represent a distinct competitive advantage for the state of Wisconsin as it prepares more graduates to perform both as thoughtful citizens, and professionals in a knowledge-based economy.

Regent Pruitt said that these changes would require a substantial delegation of authority, responsibility, and accountability to the UW institutions, and would further empower chancellors to lead their universities with less reliance on System Administration in academic and operational matters.

Prior to developing recommendations for President Reilly, members of the Advisory Committee identified five outcomes they wanted the recommendations to address. Those five outcomes were: (1) leadership that is broadly shared with UW institutions, that incorporates advocacy and communication with UW System's stakeholders; (2) accountability with a focus on results rather than process, that is shared with institutions, and continues to serve Regent, institution, and state needs; (3) decision-making that is more distributed to Chancellors and consensus oriented; (4) governance that is more transparent and participatory; and (5) a culture that values the distinctive missions of the institutions and that emphasizes two-way communication and shared decision-making.

## **Recommendations**

The committee's report included 21 recommendations to encourage President Reilly to lead a serious, long-term shift in the orientation and operation of UW System. Regent Pruitt said that the committee believed that this shift in orientation would allow institutions to better serve the needs of their key constituencies – students, their regions, and the state. While the current model has served the System well over the years, current challenges would require changes, he said.

Rather than reviewing each recommendation individually, Regent Pruitt said that he would briefly discuss the reasoning underlying them. Several of the Advisory Committee's recommendations address the distribution of authority, responsibility and accountability within the UW System. The committee recommended that planning and decision-making responsibility and authority be shifted to the institutions whenever possible, unless there is a paramount need for coordination and consistency, or the result would lead to excessive cost or unnecessary duplication of effort. Other exceptions could include situations in which System Administration provides a unique service that cannot be replicated at an institution, or in which Regent policy or other requirements necessitate centralized administration.

The recommendations ask President Reilly to forge ahead with implementing and expanding the Wisconsin Idea Partnership, seeking greater independence from unnecessary and costly state regulations, while shifting more authority and responsibility to the UW System institutions. The UW System is one of the most heavily regulated university systems in the country, with much of the regulation coming not from UW System or the Board of Regents, but from state mandates. As the UW System and the Board commit to encouraging flexible and entrepreneurial universities, the System's partners need to continue and accelerate what they began in the last budget and provide additional freedoms to UW campuses.

The committee also recommended changes to the academic program-approval process in ways that save time, increase flexibility for institutions, and reduce staffing requirements. In general, changes should be made with attention to the differing capacities of the individual UW institutions.

The Advisory Committee also made several recommendations related to streamlining System Administration processes and efforts, such as consolidating multiple grant programs, transferring to institutions responsibilities related to leading constituent groups and some systemwide activities in Academic Affairs. It was also recommended that UW System audit staff focus on audits that are a priority for the Board of Regents.

Regent Pruitt said that System Administration should provide leadership and service to UW institutions by emphasizing the following activities: interpreting, training, monitoring, advocating, and consulting. System Administration's role in day-to-day transactional activities should be de-emphasized. Efforts to rebalance System Administration priorities and staffing should include an emphasis on providing services to UW institutions.

In addition, the Advisory Committee recommended that the Board of Regents and the President set priorities by limiting initiatives that impose new requirements, to ensure that efforts are focused and scarce resources are well deployed. Other recommendations emphasize the distinctive role that institutions play in contributing to the goals of Inclusive Excellence, and the importance of reviewing existing operations to assess needs and priorities, and to enhancing the UW System's capacity to lead, coordinate, and respond to economic development opportunities.

The Advisory Committee made several recommendations focused on the advocacy role of System Administration. Specifically, the committee asked President Reilly to explore the benefits and drawbacks of establishing institution-level boards. These boards may have value for many institutions, although "one size doesn't fit all," Regent Pruitt said. The committee also recommended taking steps to increase UW System Administration's capacity to advocate for UW institutions and for higher education in Wisconsin. Finally, the committee included recommendations that System Administration work toward greater transparency regarding budgeting, allocating resources, and financial matters, and that it further engage chancellors in developing and implementing policies.

### **Critical Functions for Board of Regents**

In searching for the right balance between centralization and a distributive model of authority and responsibility, the committee was convinced that certain functions under the leadership of the Board of Regents remain critical for Wisconsin's future and the future of higher education in our state. These include: (1) advocating for strong and continued state investment in the UW System, and support for overriding higher education goals such as the *Growth Agenda* and Inclusive Excellence; (2) ensuring effective transfer of students within the UW System, and between the UW System and other higher education sectors; (3) ensuring and incentivizing collaboration between institutions; (4) ensuring accountability to the people of Wisconsin by measuring progress on student retention, graduation, and access for Wisconsin residents; and (5) setting final tuition rates that ensure access to a high-quality education for Wisconsin residents. These functions continue to be important priorities for the System and the Board of Regents.

Regent Pruitt said that the Advisory Committee also recognized that change would occur over time and offered ideas for implementing its recommendations. The committee suggested that at least twice a year, the Board meeting agenda include an opportunity for chancellors, provosts, and chief business officers to share progress, successes and setbacks related to reshaping the roles of System Administration. Other ways to secure ongoing feedback and suggestions for change from these and other individuals may also be valuable. The committee also recommended that President Reilly ask his staff to initiate a review of all operational policies and procedures within System Administration, looking for opportunities to delegate responsibility to the institutions.

In closing his remarks, Regent Pruitt stressed the committee's strong belief that the University of Wisconsin System needs to look internally and reshape how it operates in order to meet the *Growth Agenda* goals of increasing the number of highly-prepared college graduates, growing more well-paying jobs, and growing stronger communities, while at the same time managing in an environment of increasingly tight state resources. UW institutions must be allowed

to operate with greater flexibility and responsiveness, to develop innovations that lower costs and raise new revenues, and to take advantage of opportunities for growth. Regent Pruitt expressed the hope that the recommendations the Advisory Committee offered represented a first step toward moving forward to better serve and educate the citizens of Wisconsin.

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## **UW SYSTEM PRESIDENT’S RESPONSE TO THE PRESIDENT’S ADVISORY COMMITTEE REPORT AND PROPOSED UW SYSTEM ADMINISTRATION BUDGET REDUCTION PLAN**

### ***Response to Advisory Committee***

President Reilly, responding to Regent Pruitt’s presentation of the Advisory Committee’s report, thanked Regent Pruitt for leading the group, and thanked the other members for their hard work, as well. Regent Pruitt admirably took on the task of chairing the committee even after his tumultuous year as President of the Board.

### **Reshaping UW System Administration for the 21st Century**

Referring to his written response to the report of the President’s Advisory Committee on the Roles of UW System Administration, President Reilly said he would go back to the cliché that “a crisis is a terrible thing to waste.” Anybody would agree that a cut of 25 percent to any organization’s budget constitutes a crisis. President Reilly said he asked colleagues on the committee to think about the exercise they were going through not just as a budget-cut or position-reduction exercise, but as an opportunity to reshape the UW System Administration and its relationship with the institutions for the 21<sup>st</sup> century.

The UW System is one of the nation’s most respected and admired systems of higher education. UW institutions are increasingly essential building blocks for a stronger Wisconsin, economically, culturally, internationally. The work of the committee provided a guide to the best ways for the System to evolve and to become more effective, efficient, nimble, innovative, and entrepreneurial. President Reilly said that the committee did as he had asked them to do.

Included in his written response was an excerpt from a draft report from the National Center for Higher Education Management Systems, a well-respected, independent corporation in Colorado that works with public systems, which asserts that systems of higher education “are increasingly being asked to shift their focus from the management of institutions to the connection of public higher education to the needs of the state.” In Wisconsin, this shift manifested itself in the 2011-13 biennial state budget. With support from the Legislature and from the Governor, the final budget bill incorporated many themes and statutory changes endorsed by the Board as components of the Wisconsin Idea Partnership. The Advisory Committee wants the System to keep pushing forward with that framework. With a number of operational flexibilities in areas like budgeting, financial

management, and personnel systems, it is time to reshape the relationship between UW System Administration and the UW institutions.

### **Delegated Leadership**

President Reilly said that his response identified several big, strategic changes, including new ways to involve more fully the 14 UW chancellors in helping to develop systemwide policies. Embracing this move toward delegated leadership, UW System Administration is implementing a new management philosophy, calling for more consultation and more local control. UW System Administration is finding ways to move authority and responsibility to the institutions, trusting others to take on those responsibilities, and then holding them accountable for the final outcomes.

President Reilly said that he would touch on three areas in which he recommended such shifts in authority. In each of these areas, there are direct implications for the Board to keep in mind for its work:

- (1) **Academic Program Review**: In academic program review, President Reilly said that he was recommending restructuring the process of reviewing and approving new undergraduate and graduate degrees, with a goal of driving down the length of the process to no more than four months, so that UW institutions can be more responsive to the demand for new degree programs. In so doing, he said he was acknowledging that faculty experts who design new degree programs were in the best position to evaluate the curriculum for academic quality and rigor. With additional oversight from their deans, provosts, chancellors, and the many outside accrediting agencies that accredit programs, plenty of qualified people will be focused on academic excellence. At the UW System level, the available limited resources would be used to help the governing Board ensure that unnecessary duplication in degree programs or, on the other hand, gaping holes in program arrays, are avoided.

The academic program review process has two main parts, the review for academic quality and the program-array review. President Reilly said that he was suggesting that the review for academic quality no longer occur at the System level, because that gets done effectively elsewhere, but rather that the System-level focus be on ensuring that there is not wasteful duplication.

- (2) **Operations Review and Audit**: In a second area, President Reilly said he was recommending that the UW System's auditing resources focus on work related to the enforcement of Board policies and work that helps the Board uphold its fiduciary responsibilities as trustees. With an emphasis on compliance, more local responsibility for audits and formal reviews that focus on areas of best practices in educational administration, facilities management, student services, can be delegated to the institutions. He said that he had heard over time that programmatic audits at the System level have too often been too generic for chancellors to translate the audits into meaningful, positive changes on their campuses. President Reilly said that each of the campuses has a local audit staff, and he was suggesting that they take on the main responsibility for programmatic audits. He added the caveat that if Board members believe a program or a set of programs need review, that can be done at any time.

- (3) **Economic Development**: President Reilly noted that the UW System’s colleges, universities, and the Extension network across the state offer a wide and deep variety of programs to enhance the business and economic climate of Wisconsin. These range from Small Business Development Centers, to entrepreneurial “boot camps,” to support for faculty and staff who bring their intellectual property to market. They also include county economic development agents in Extension, customized contract training, high-quality undergraduate and graduate degree programs in business, and industry partnerships that focus both on research and talent development. These efforts have not been organized and coordinated strategically enough, in partnership with local and state governments and with the corporate sector.

Both the recent “Be Bold Wisconsin” report and the UW System’s *Research to Jobs* Task Force recommended a more targeted approach to the UW’s investment in economic development. Based on these and other recommendations, President Reilly said he initiated conversations with Paul Jadin, the chief executive of the Wisconsin Economic Development Corporation (WEDC), the former Department of Commerce. They talked about establishing a position in UW System Administration to coordinate with the new state entity to ensure that all UW System economic development initiatives and offerings produce maximum return on investment for the future of the state. A search for the position was put on hold because of budget cuts, but WEDC had now graciously agreed to co-fund that position. After reducing UW System Administration’s GPR budget by 25 percent, some of the remaining resources could be re-allocated to co-fund this kind of leadership position in economic development.

President Reilly said that President Dan Clancy of the Wisconsin Technical College System also expressed enthusiasm about working with the UW System to bring the full strength of all Wisconsin’s public higher education institutions to bear, together with the WEDC, on creating a more competitive Wisconsin.

President Reilly observed, as had Regent Pruitt, that change would be a long-term process, requiring the Regents and the UW System to refocus their priorities. Position descriptions and individual goals would need to be reviewed, to ensure that people are focused on the right things. System policies must align with the desire to leverage the new state flexibilities fully and distribute leadership responsibility widely.

### ***Budget Reduction Plan***

Wisconsin Act 32, the biennial budget bill, required the System to cut nearly \$2.5 million from UW System Administration’s general purpose revenue (GPR) budget. A Budget Reduction Plan, included in the Board materials with President Reilly’s written response, must be submitted to the Joint Committee on Finance and to the Department of Administration (DOA) Secretary by September 15.

### **Position Reductions**

The budget bill also required the elimination of 51.17 UW System Administration staff positions; under the plan, most of the savings would come from the elimination of those positions,

and the salary savings and related fringe benefit savings associated with some of the vacant positions.

President Reilly said that, anticipating that these cuts were coming, System Administration tried to be prudent in its hiring decisions and had put off filling a number of vacancies intentionally over the past year or so. Thanks to that advance planning, vacant positions could be used to achieve much of the savings, leaving eight positions with people in them to be cut. Together, they add up to the mandated 25-percent cut to UW System Administration's GPR budget.

Some of the eliminated positions relate to the reorganization at UW System, including the restructuring in the Academic Affairs area. Others reflect a general slimming-down of the administrative functions performed at UW System Administration. President Reilly noted that these savings could not be achieved without some risk, as a leaner UW System Administration staff continues to lead and serve universities and colleges that are enrolling record numbers of students.

Institutions are implementing budget cuts and staffing reductions of their own. While System Administration is taking a 25-percent cut, the campuses are taking about an 11-percent cut, each of them in their own terms. Cutting such a significant portion of any organization's budget dictates that it forego some activities, using remaining resources to focus on higher priorities. In doing so, the organization should try to minimize the liability resulting from those reductions. The strategy presented in the Budget Reduction Plan does that.

### **Continuation of Growth Agenda**

In pushing forward with new ideas, revised priorities, and reduced budgets, it is worth holding onto the UW System's *Growth Agenda for Wisconsin*, a vision of a more prosperous state, driven by well-prepared college graduates and job-creating research. Done correctly, the transformation of UW System Administration and the delegation of authority to the institutions can strengthen the System's ability to realize the *Growth Agenda* vision.

### **Accountability**

A commitment to accountability will not change. President Reilly said that he would ask chancellors to report back to him by June 1, 2012, on how the new flexibilities from the state and changes at UW System Administration are affecting their local operations, where further flexibilities may be needed, and how UW System Administration might help fully implement the flexibilities they have and achieve the new ones that continue to be needed.

President Reilly said that he had spoken with the Secretary of DOA and the co-chairs of Joint Finance, those to whom the Regents must report on September 15; to the leadership of the higher education committees in the Legislature; and to the Governor. All were enthusiastic, based on the verbal summary that he gave to them, he said.

As he concluded his remarks, President Reilly said that the challenges of this time called upon the System to be as transformative and forward-looking, as were the founders of the UW



System in their time. Thanks to the hard work of UW System Administration staff and their counterparts at UW institutions who have served students and taxpayers so well over 40 years, the university system in Wisconsin is second to none. President Reilly proposed to champion the reforms that he and Regent Pruitt had described.

### ***Regent Discussion***

President Spector thanked President Reilly and Regent Pruitt for their reports and said that the end-game would be to vote on two resolutions. He asked that Regents focus first on two primary issues: (1) Academic Affairs, with an emphasis on a major overhaul in the process of reviewing and approving new degree offerings; and (2) major new roles and responsibilities for UW Chancellors. After those items, the other questions, answers, and comments would be discussed. President Spector also invited other Advisory Committee members to comment.

### **Advisory Committee Members' Initial Observations**

Chancellor Wells, a member of the Advisory Committee, said that working on the committee was a great experience, and there was a lot of great dialogue. It was important to reaffirm how UW institutions, UW System, and the Colleges have the lowest amount of administrative overhead in the nation. Having to cut further out of System Administration staff was no easy task; doing it thoughtfully, with a cultural frame for change, was the smart way to do this. Chancellor Wells expressed his deep appreciation for colleagues in UW System Administration, saying that they are outstanding and work hard.

Regent Crain said that she felt privileged to serve as a member of the Advisory Committee. The committee was a great experience, and members learned from each other and did some very difficult work. She said she appreciated the staffing, as well. In the area of Academic Affairs, she felt tensions because of her background on the Board; it must be understood that things can and must be adapted over time. There may be an impression that the Academic Affairs area of System Administration was especially hit in the report. It is important to recognize that the work that has been done in Academic Affairs has been extremely important to the strength of the System and to the campuses. There have to be changes now, and this is causing pain and concern for various people. She said that while she supported the change in direction for Academic Affairs, it would be important to ensure that quality would be strengthened, even without the interchange between UW System Administration and the institutions.

Regent Bartell echoed that the committee experience was terrific, and the choice of members was wonderful; representatives from throughout the System all had very valuable viewpoints that were considered. Also, the report is not window dressing; it suggests a sea change in attitudes, relationships, authority, and the culture of this System, and is not simply a reaction to budget cuts. Further, Regent Bartell said that he was very impressed with President Reilly's response. It clearly reflects an enthusiastic acceptance of the recommendations, not what you might expect from an administration whose authority is suggested to be limited.

Regent Bartell noted that the committee report includes an important business model, or decision-making system, for pushing the flexibilities to the institution level. This can be found on page 14 of the report. As Regent Pruitt mentioned, there are factors to be considered in determining whether the authority should be delegated, having to do with systemwide visioning or priority; coordination and consistency; excessive costs or unnecessary duplication; unique service provided at the System level that cannot be duplicated; and the necessity to implement a policy, Regent policy, or state or federal regulations. This is a test that can be applied in every area of management and administration to guide implementation of the recommendations in the report.

### **Changes in Regents' Roles and Relationships with UW Institutions**

Vice President Smith, another committee member, posed a question about how Regents' jobs will be different as changes take place. How will Board meetings be different? What different decisions will the Board make?

President Reilly responded, saying that since the change would be long-term, the answer to these questions was not yet known. He cited some changes that had already occurred. Chancellors had begun to join the weekly phone call with the President and Vice President of the Board to talk about Regent meeting planning, for instance, helping to shape issues that the Board will be taking up. President Reilly said that three chancellors now sit on his cabinet and participate in the weekly meetings, helping to shape issues brought to the Board. He said he hoped that this would mean that issues will have been more thought out and better articulated by the time they get to the Board, which will, in turn, help the Board make better decisions about issues that affect the System.

President Reilly said that a practical example of the effect of the changes on the Board would be in the area of academic program review, where the Board would be spending less time looking at degree proposals for quality issues, and more time on broader policy issues. Adjustments would be made over time.

President Spector commented that the most likely effect would be that the Education Committee's agenda will be somewhat shorter. He recalled from his experience that a fair amount of time was spent on the justification of degree programs.

President Reilly responded that some of those write-ups were about the need for those programs and why they should be part of the program array. Those cases will continue to be made. The Education Committee will need to continue to look at them in detail.

Chancellor Wells commented that Vice President Smith had raised a good question. Commenting from the perspective of a university campus, he said that the new business model would flip the locus, or focus, such that the university, college, or UW-Extension would now be the focus, rather than the central administration. The Board remains responsible for helping with the budget and picking chancellors, for instance. However, there are more major revenue streams now. As campuses are embarking on creative and innovative things, they would like to be able to call Regents, as well as UW System Administration colleagues, to give advice.

Chancellor Wells used the example of strategic financial planning, saying that a budget is simply an expenditure plan, while strategic financial planning is looking out and trying to figure out how to diversify the revenue, to continue to keep pressure on the state and the federal government to keep funding, to try to keep the tuition and fee increases as low as possible, and also to identify other ways of generating revenue. UW-Oshkosh uses its foundation board and council of advisors, but he said the campus would like to call on Regents, many of whom have significant expertise in various areas, to help campus administrators think through decisions and to minimize the risk associated with being more innovative, creative, and entrepreneurial. Help and advice from the Regents would be welcome as the focus shifts to individual campuses.

President Spector recognized Regent Falbo, who commented that the Advisory Committee's and President Reilly's reports were a great start in this evolutionary process. He said that he would like to offer a thought on a structure, to be considered down the road: it is possible to have universities and colleges without a system; however, a system is not possible without universities and colleges. The weighting of the leadership falls to the universities and the colleges, under the guidance of the President of the System, and with the support and the services provided by the System. While great steps had been made in establishing institutions' governance, they have not gone far enough. The chancellors, under the guidance of the President, should have the most input into how the System runs, because there is no System without them. This relates to a business philosophy of having leadership from all subsidiaries. It may be valuable to move further toward moving the responsibility and authority to the universities, the subsidiary level.

Regent Vásquez, saying that he would like to follow up on Regent Falbo's thoughts, said that while many details needed to be worked out, from a governing board perspective, it would be important to ensure that the role of the Board did not evolve to the point where it is perceived as simply a rubber-stamping or a "Johnny-come-lately" body, giving approvals after the fact, with limited ability to affect what occurs in the System. Regent Vásquez urged that there be even more communication with the governing body. He said that he was comfortable with what he was hearing about the chancellors and advisory boards and other ideas; however, he stressed the importance of preserving the true governance role and accountability of the governing body. Otherwise, it could be questioned whether all decisions are actually made at the campus level, with everything being decided by the time it comes to the Board of Regents.

President Spector recognized Chancellor Gow, who said that chancellors had extensive input into all of the discussions, not only through their representatives on the committee, but through other conversations; President Reilly had urged chancellors to be candid about what they would like to see. Commenting on academic program review, the chancellor said that this is one of the most important things done at a university. Faculty, in particular, take the process very seriously, and rigorous structures are in place on campus so that before a program is ever even brought outside of the university, it has been thoroughly vetted. When accrediting agencies are considered, both for specific disciplines and the regional accreditor, the Higher Learning Commission of the North Central Association, much is being done with respect to program quality. The changes being discussed would give Regents the opportunity to explore bigger questions about academics on the campuses. Therefore, Chancellor Gow said, the changes being discussed seemed logical to him.

President Spector asked if Chancellor Gow had any comments on the role of the Chancellors. Chancellor Gow said that he was privileged to be one of the three chancellors participating in the cabinet, along with Chancellors Wachter and Wells. The meetings had allowed him to hear what people in the cabinet have been thinking, and cabinet members have been gracious in soliciting the chancellors' input. Chancellors will rotate after a year, and then others will have an opportunity. It is a powerful idea that is low-cost and welcome.

Chancellor Gow noted that UW-La Crosse opened two wonderful new buildings, enrollment is way up, and positions have been added through differential tuition. These things would not have happened without the teamwork with the Board, System Administration, and the campuses. The proposed plan seemed sensible, he said, and it was impressive that it was put together so expeditiously.

Interim Chancellor Ward commented on the roles of the Board. He said that one role is the national and global context. Higher education policy is a generic issue. The debate is not occurring only in Wisconsin, but also in Europe, in Oregon, Maryland, and Georgia. Both the fiscal challenge and how to organize highly differentiated institutions within a state are common problems. He suggested raising the level of the policy discussion by comparison with what had been going on elsewhere. Internationally, what creates stress is the overbearing role of ministries of education, as distinct from governing boards between state governments and universities.

The other big difference is the differentiation of Wisconsin's institutions, so that they can be excellent in a niche, with not everybody identical in doing the same thing; this has developed radically in the last two decades. When the UW System was formed, most institutions were based on tuition and GPR, with a little bit of extra support; the most extreme distortion of that model is UW-Madison, but every institution, in different ways, has a unique constellation of revenues, and their success is the way they fit into their mission. This creates a different problem. Instead of a standardized pattern of dealing with very similar institutions, the System has developed this highly differentiated structure, and each of the institutions have peer groups that are quite different, and they are relating to those different but also similar institutions.

Interim Chancellor Ward said that higher education works when it is very differentiated, when different kinds of institutions know how to connect. And inter-institutional "collaboration with difference" is something that is more challenging. Systems can foster and be the patron of inter-institutional collaboration. For example, someone has to be facilitating student transfer, which must work if the system is differentiated, and institutions are different, and more than half of institutions' students have credits at more than one institution. Individual institutions do not do transfer well; inter-institutional collaboration makes that work. By raising the policy level up, recognizing all of the various mission niches, and recognizing that they are already getting a lot of peer feedback, consideration can be given to the orchestral way in which programs fit together to develop a niche that is competitive. Movement in this direction is occurring.

Whatever may have happened in the spring, Interim Chancellor Ward continued, it created a dialogue. The dialogue here was intense, but he observed from ACE that all systems are thinking about how to create a more federated, more campus-structured situation. However, in becoming institutionally focused, there is still a need for coordination. Whether it is a system or something

else, there will always be that need. It is not only Wisconsin that is considering these matters; in fact, Wisconsin may have an opportunity to lead in this area.

Regent Spector returned to Regent Falbo, who clarified his earlier remarks: he said that he did not foresee the Board of Regents' relinquishing its responsibilities but, rather, going about them in a different way, in a way that does not take as much oversight because of the successes at the System, university, college, and Extension level. Having seen success in Academic Affairs over the years, for example, the Board can conclude that it can give less oversight to this area and can move on to other things, even though Academic Affairs is still the Board's responsibility. If something changes, this approach can change. The Board has the ultimate power to effect change, through the hiring process. Thus, Regent Falbo said that the Board can be helpful by doing less in areas already determined to be successful.

Regent Evers spoke next, saying that he applauded the work of the people involved in the Advisory Committee report and that he was happy to know that implementation would evolve over time. From his experience in the K-12 arena, he said that it is important to approach change with one's eyes wide open. He said that he had witnessed decentralization that led to bad results, inconsistent quality, and duplication of services. He said that he understood that mechanisms would remain in place to prevent those things from happening, but he observed that decentralization in the Milwaukee Public Schools did not work. He cautioned that Regents should be aware of this risk.

Regent Walsh said that there were a lot of lessons in the previous eight months, starting in January. He said that the lesson for him was that the state of Wisconsin said that the UW System is important, and that it is important to move forward as a System. The challenge was how to make the System better, and more responsive. Again mentioning lessons learned, Regent Walsh said that what pleased him was that the Advisory Committee report dealt with cuts initially but, in fact, is a significant change and reflects bold moves. The matter of academic program review is a question of trust. The report is not all about money, but also about making culture changes.

Regent Walsh commented, however, that having been on the Board as long as anyone, and having served as President, he remembered how things change quickly as different challenges arise, such as the current economic problems, a free-speech problem, or bad management. The System must still be centralized, and not balkanized. Acknowledging Regent Falbo's analogy to subsidiaries, Regent Walsh said that what was important was that the state of Wisconsin said that access to a high-quality educational system is important.

Regent Walsh noted that staff at System Administration had been remarkable. Among the reasons the System is world class are that it is accountable, efficient, and cost-effective; it is ironic that the System is being told to cut those costs. The System has also provided information to all of the state of Wisconsin; the aggregating, analyzing, and reporting of data, along with the transparency of the System, allows anybody in the System, state, and Legislature to ask questions. It is important to maintain that ability. Regent Walsh said that he personally would like to thank the staff for all that they have done. They have shared the responsibility for the mission of access and high quality and have done so with a great commitment.

President Spector said that Regent Walsh spoke for others, as well, in commending the staff for all that had been done over the years to make the System what it is.

President Spector called upon Regent Manydeeds, who commented that Regents' duties are laid out in the statutes. He said that he supported the proposals that had been discussed, but he asked whether the statutes were broad enough to cover the proposals, or whether statutory changes would be needed.

President Reilly responded, saying that some of the statutory changes that were necessary to get some of the flexibilities that were asked for were made in the state budget bill. Others may need to be made as further flexibilities are sought from the state. President Reilly asked General Counsel Stafford to comment on whether any of the proposed changes required immediate statutory change. The General Counsel said that the kind of high-level plan being discussed would not require statutory change, but some aspects would require Regent-policy change or other changes; statutory change may be required later, depending on how the implementation evolves.

Regent Manydeeds suggested that it would be important to be attentive to this issue. He commented that if he were given a duty or responsibility under the statute, it would be problematic for him to not follow the statutory directive.

Regent Sherven observed that there was concern, from student perspective, about what impact the changes would have on the student groups' relationship with UW System, as a whole. He asked about the potential impact on student groups and shared governance.

President Reilly responded, first stressing the importance and effectiveness of the elected shared-governance faculty, staff, and students meeting with System Administration. A host of cross-institutional, systemwide issues are addressed by governance groups' dealing first with their chancellors, but then with the System level. President Reilly said that he did not envision the changes weakening the relationship with students. Consultation with students is something that it would be important to keep.

President Spector recognized Regent Vásquez, who noted that he had received a phone call from an individual who had been contacted by a legislator about the legislative Task Force. Regent Vásquez asked about the status of the task force, and how the Advisory Committee's work would interact or interface with the Task Force's work.

President Reilly said that the Legislature would be appointing the great majority of the people who serve on the Task Force. The only official appointment so far was Representative Doyle from the La Crosse area. Legislative offices had been talking to others, reaching out, getting suggestions and talking to people about whether they might like to serve on the Task Force. He said that there seemed to be a growing feeling among some legislators that they should push back the due date for the report, to a date later than January 1, 2012.

The UW System has working groups formed on each of the six areas that the Task Force will address, to develop a good base of information to provide for the Task Force's consideration. The

law requires that UW System Administration staff the Task Force, along with the Legislative Fiscal Bureau and DOA.

Regent Spector called for other comments, and Regent Crain suggested that other members of the committee may want to speak. President Reilly suggested that provosts from the Advisory Committee comment on the discussion about academic program review.

In response, UW-Whitewater Provost Bev Kopper said that the provosts had had a lot of discussions about the changes related to Academic Affairs. The academic program review process is taken extremely seriously on the campuses; the System has oversight at various levels related to that. She suggested that the provosts as a group would welcome the changes.

President Reilly suggested that Interim Senior Vice President Nook might like to comment. Dr. Nook noted that he had the unique experience of serving as both a provost and the Interim Senior Vice President for Academic Affairs while on the Advisory Committee, as his role changed during the course of the committee's work. At a provosts' retreat before the committee meetings, provosts had an opportunity to discuss the issues and workings of Academic Affairs at System Administration, especially the program review process.

Dr. Nook said that in the course of this process, provosts realized that they spend a great deal of time on campus vetting program-development proposals. It is not an easy process on a campus for a department to develop a proposal and move it through the department's process, sometimes also through a college-level approval process, then on to a university-wide faculty senate approval process, followed by the deans' approval, and the approval of provosts and administrative leaders. At the same time, campuses are following the process at the System level. Dr. Nook said that in his four years at UW-Stevens Point, any time that the campus brought an entitlement to the table, the planning process was already completed. There was a general feeling among the provosts that quality was watched very closely during the academic process; in many cases, outside oversight was also involved, through departmental or university accrediting bodies.

Interim Senior Vice President Nook said that provosts also supported other recommendations in the Advisory Committee report, such as those related to grants and the distribution of some of the programs for which System Administration was responsible; the changes would move some advisory groups to the campuses, and allow individual campuses to develop a level of expertise. Another reason that the report may have focused on Academic Affairs was that many of the changes that the System and universities and colleges were seeking in other areas were granted in the form of flexibility for budgets and other operational areas.

President Reilly added that criticism had been expressed that the program review process takes too long, causing institutions to lose out on opportunities to offer certain degree programs, sometimes ceding that ground to other higher education institutions, which would charge students a lot more for those same programs.

President Spector asked for comments specifically on the budget-reduction proposal. In response, Regent Manydeeds expressed concern about reductions in Inclusive Excellence and the

loss of positions that may be useful in reminding the System of the desire to include people and to see that they are successful and graduate.

President Reilly responded by saying that the committee and he did not intend to lose sight of the System's commitment to Inclusive Excellence as a framework for reminding people that diversity and inclusion are important to the state of Wisconsin. At the same time, the goal is to pull together resources related to diversity and Inclusive Excellence in a way that makes them more strategically directed. A couple of years before, President Reilly said that he invited a number of people to be on a President's Diversity Council – Regent Davis served on the council, as did Michael Morgan when he was the DOA Secretary, and Cory Nettles – and a persistent question that group asked was how it was determined which programs were working well, and which could be stopped, with the resources used more effectively. The current process was an opportunity to consider the diversity area, keeping a strong focus on the goals of Inclusive Excellence, while continuing to report on those goals in the Accountability Report and making them an important part of the *More Graduates* program.

Interim Senior Vice President Nook commented on the personnel changes within the Office of Academic Affairs, saying the office would be giving up 7.5 full-time-equivalent staff out of 40, a 17-percent cut. The Institute for Race and Ethnicity is one unit taking a large cut; four positions happen to all be open. The office would also give up an Associate Vice President position. The unit devoted to equity, diversity, and inclusion, and led by Associate Vice President Vicki Washington, would not be going away. Rather, there would be an opportunity to increase what could be done in Inclusive Excellence as Academic Affairs overall is refocused. Dr. Nook suggested Ms. Washington might wish to comment.

Associate Vice President Washington commented that as the System moved out of *Plan 2008*, there was awareness that much of work related to Inclusive Excellence had existed on the margins of institutional operations and in academic success for students. The aim of Inclusive Excellence is to facilitate a more comprehensive, thorough approach to this work at the institutions. The goal is to get many more people involved in understanding what is required for many more students to succeed, particularly students from families or backgrounds with limited access to higher educational opportunities, or from schools that have not provided the requisite academic rigor to provide good preparation for college.

Associate Vice President Washington said that a comprehensive approach was necessary; institutions had suggested that there had been too many disparate initiatives leading to the same ends. Inclusive Excellence is focused on the strategic work needed to accomplish the goals of diversity and inclusion, and the hope is that this can be integrated into institutions' work on *More Graduates*. To achieve the ultimate aim of having more baccalaureate degree holders in the state, the System must do a better job of graduating students and ensuring that more students have access to high-demand majors, that they are successfully completing those majors, and that they are prepared for graduate and professional schools in greater numbers. Thus, the aims of Inclusive Excellence are designed to facilitate that work in a more cohesive and directed way at the institutions.



Regent Vásquez, observing that the idea of delegating greater responsibility to campuses, along with Regent Loftus's comments about building a System according to the Legislature's budget, caused him to feel nervous, because these things could convey the impression that the university is over-staffed or over-budgeted, which is not the case. He wondered how the changes described would affect institutions' day-to-day operations if institutions must do more locally because it is not being done centrally.

President Spector asked if chancellors would like to comment. Chancellor Shields said that, in many ways, the issue of Inclusive Excellence has to be dealt with at the campus level. To effectively recruit students and integrate them into the campus, and to achieve greater retention and higher graduation rates, is a very campus- and labor-intensive process. He also commented that he did not know how to do more with less.

Associate Vice President Washington, underscoring what Chancellor Shields said, noted that there is no way at a System level to impact the daily lives of students in the same way that the institutions can. The System staff can work with and collaborate with institutions, to try to provide them with the best resources, research, and knowledge of practices to support them in their efforts. With respect to the Institute for Race and Ethnicity, historically much of their work had been focused on grant-making, support for faculty in the area of race and ethnic studies, and conferences. A lot of that work had already been absorbed elsewhere as the staff in that office retired.

Regent Crain commented that Inclusive Excellence was a good example of an area that the Board has felt was a great priority. She said that she had no doubt that the Board would continue to think that this is fundamental. However, it will be important to keep track of the efforts in this area. It is true that it is at the campus level that things will happen, but the Board is responsible for how well the System is doing in this area.

Regent Bartell, returning to the chancellors' role, said that one thing the committee heard, and that he had heard before, was that chancellors felt that they needed more direct input to the Regents, in policy-making and decision-making. The committee discussed mechanisms for ways that chancellors could communicate their ideas directly to the Regents. President Reilly's response to the report includes new roles for the chancellors, such as serving on the President's cabinet and working directly with Regents in helping to shape UW System policy. Regent Bartell said that he would like to ask if chancellors had ideas about how to communicate their viewpoints more directly to Regents.

Chancellor Telfer commented that he and Chancellor Harden are serving on the committee with Regent leadership and System leadership on Wednesday mornings. This offers direct impact. He said he felt the chancellors were heard in this setting and were contributing to the discussions.

Regent Bartell said that the Board has had a system where Regents are assigned to a campus to develop relationships with the leadership, faculty, academic staff, students, and community leaders on that campus, at least for one year – the Regent buddy system. He said he found it very helpful, and he thought the institutions did, as well. He wondered whether this process could be more formalized or institutionalized, and made part of the communication system being discussed.

President Spector commented that he had made a preliminary list of who he thought should be buddies with which campuses, but had held up on finishing it because he thought it very important that the new Regents be appointed so that they could participate in this process. He observed that he thought it was a good mechanism for dialogue, and the opportunity to spend time at the institutions, and this should be continued.

Chancellor Harden said that he thought the Regent-buddy system was helpful. It had allowed him to get to know some of the Regents. He also commented that he felt the System leadership encouraged a relationship in which chancellors can talk directly with Regents; there is a significant amount of trust among the Board of Regents here and among the chancellors, which is not necessarily the case in other systems. This continued ability to interact candidly should be stated as a priority.

Chancellor Wells expressed agreement and said that another idea is to float some big, bold ideas that are being considered on campus, and ask what Regents would like to be involved with thinking those through more strategically.

Chancellor Wells, returning to the Inclusive Excellence topic, also noted that special units that were responsible for affecting change oftentimes got marginalized, and a philosophy related to diversity was not spread throughout the heart of the institution. Whether the goal is diversity, retention, or recruitment of students, the majority of people in the rest of the institution do not think this is their responsibility, because there is a work unit that does that. One of the big revolutionary ideas about Inclusive Excellence is that it is everybody's responsibility. It may be necessary to do something differently as a faculty member, academic staff member, or chancellor; but it is more important to be involved in Inclusive Excellence, or in the recruitment and retention of students. This is a way of having greater efficiency. Ultimately, everyone on campus should build on these goals; the Board should hold universities accountable in this area, Chancellor Wells said.

Chancellor Levin-Stankevich, commenting on the Regent-buddy idea, said that he had been very appreciative of the accessibility of Regents when the campus has had major initiatives. He said that he would not want to lose this contact with Regents, but also does not want to take up their time as individuals. When Regent buddies visit campus, they meet the faculty leadership and student leadership, separate from administrators. Having one board for all campuses can create some distance, and the campus visits help to personalize the relationship and to build trust among people who know the Regents are listening to them.

Regent Falbo apologized for what could be a possible misinterpretation of his earlier remarks. He said that he was not trying to say that the System was not important, but rather that the System should add value. If the universities and colleges are great on their own, the added value of the System is to make them greater, and the System does do that.

Regent Falbo also noted that if there is confidence that things are being done right, this will allow more efficiencies at the campus level in a time of cuts. However, there is a limit to the cuts; at some point, core work will be affected, and he said he was very worried about that.

Regent Vásquez, stating that he supported a buddy-campus system, said that one of the strengths of the System's structure is that the Board of Regents does not approach things in a parochial way, as can happen on other boards. Rather, the Board's focus is the state of Wisconsin, and this is a strength. Thus, while the buddy concept should be continued, Regent Vásquez said, he expressed the hope that it does not lead unintentionally to a regionalization or parochialism that would change the way the Board works.

President Spector said that this caution was well taken. He said he felt strongly, based on experience, that the Board can strike a fair balance between the individual schools and the State as a whole.

President Spector said he would welcome a motion in support of Resolution 9968, endorsing President Reilly's response to the President's Advisory Committee on the Roles of UW System Administration. Regent Pruitt offered the motion, which was seconded by Regent Bartell and adopted by the Board on a voice vote:

**Endorsement of Response to the President's Advisory Committee on the Roles of UW System Administration**

Resolution 9968: That the Board of Regents endorses President Reilly's response to the report of the President's Advisory Committee on the Roles of UW System Administration and expresses strong support for the policy changes and actions outlined in the response.

President Spector next called for a motion in support of Resolution 9969, approving the University of Wisconsin System Administration 2011-13 Budget Reduction Plan. Regent Davis offered the motion, which was seconded by Regent Vásquez and adopted by the Board on a voice vote:

**Approval of University of Wisconsin System Administration 2011-13 Budget Reduction Plan**

Resolution 9969: That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves the University of Wisconsin System Administration 2011-13 Budget Reduction Plan and the President's submission of the plan to the Secretary of the Department of Administration and to the Joint Finance Committee of the Wisconsin Legislature on or before September 15, 2011.

After the votes on the motions, President Reilly said that the spring had been rough; it took hard work for the Advisory Committee to produce its report, and hard work would continue as System Administration figures out with the chancellors' help how to best respond to the report. President Reilly said he wanted to compliment the chancellors and their leadership at the institutions during the course of this process, and to thank the Board of Regents for its vote of confidence. He said he looked forward to working together to take this evolutionary and transformative change forward.

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The Board recessed for lunch at 11:50 a.m. and reconvened at 12:25 p.m.

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## **RESOLUTION OF APPRECIATION FOR REGENT DANAЕ DAVIS’S SERVICE ON THE BOARD**

President Spector turned to Regent Pruitt to present the resolution of appreciation to Regent Danae Davis.

Regent Pruitt said that as he was thinking about what to say about Regent Danae Davis, he began to think about how life is about choices. You know you make good ones and it turns out pretty well; you make not-so-good ones, and things do not turn out quite so well.

Regent Pruitt said that this caused him to remember the story about the fellow who is having trouble hearing: He goes to his doctor, and the doctor examines him and says, “Joe, how much are you drinking these days?” Joe says, “Well, about six to eight beers a day.” Doctor says, “Joe, you’ve got to quit, it’s clearly affecting your hearing.” Six weeks later Joe returns to the doctor and checks his hearing and it hadn’t gotten any better. The doctor says, “Joe, did you take my advice and stop drinking?” Joe says, “Nope, I tried, but it turns out I liked what I was drinking a whole lot more than I liked what I was hearing.”

Life is about choices, and Regent Pruitt said that Regent Davis had made some very good choices along the way. She chose to go from Milwaukee to UW-Oshkosh, where she excelled, but also caused her share of commotion. Even so, she graduated from UW-Oshkosh and took her place among their most distinguished alumni. Board members may recall that when the Board met at UW-Oshkosh, members were greeted by a large photo of Regent Davis. Turning to the photo, now on display in the Board room, Regent Pruitt said that this was both appropriate and well-earned in terms of her extraordinary service to that campus and her extraordinary role as one of their most distinguished alumni.

Regent Pruitt said that Regent Davis then went on to attend the UW Law School, and then into a career in public service, first at the state level and then at the city of Milwaukee, where he first met her and she became his friend, more than 20 years ago.

After that, it was a choice to try the private sector or, “the dark side,” when she went to head diversity affairs at Miller Brewing Company. When the time and opportunity came again, she could not resist making a different choice, both when she joined the Board of Regents eight years earlier, and as the Executive Director of an organization that she cares so deeply about, Pearls for Teen Girls. All the while, she and Fred raised a son, Kweisi, who by all accounts shares her deep and abiding passion for people, policy and politics.

Ernest Hemingway once wrote that, “As you get older, it is harder to have heroes, but it is more necessary.” Regent Pruitt said that Danae Davis was one of his heroes. Serving with her on the Board, he had watched and learned so much from her that, as he was trying to encapsulate it into a few words, he was hard-pressed to do so. He said that he came up with three terms: committed leader, passionate mentor, and fearless advocate:

- (1) Committed leader: Dr. King once said, “If you are a street sweeper, sweep the streets like Shakespeare wrote poetry, like Rembrandt painted pictures, like Beethoven wrote music. Sweep the streets so well that when you’re gone, all the hosts of heaven and earth will say, ‘Here was a street sweeper who did her job well.’” As a student, a public servant, a corporate and non-profit leader, and a citizen Board member, Danae has done all her jobs with the same skill and talent that Beethoven brought to his music and Shakespeare to his poetry.

In her time on the Board, Regent Davis made all members focus on things that really matter but, without her, might have fallen by the wayside; things such as how to make the K-12 education system work to better prepare students for college; such as the importance of supporting strong charter schools that are doing remarkable things in the city of Milwaukee; and such as the vital role the UW’s Schools of Education play in training and educating leaders. UW-Milwaukee remembers Regent Davis’s commitment and leadership, and her persistent and eloquent voice that helped make the UWM School of Public Health a reality.

- (2) Passionate mentor: George Eliot once wrote, “It is never too late to be what you might have been.” With Pearls for Teen Girls, Regent Davis every day shows the young girls who have become her life how they can be “what you might have been.” Regent Pruitt said that in his humble opinion, it comes down to her remarkable ability to “focus on one.” This is why she was so good at picking chancellors and university leadership for the System. She has a remarkable ability to look you in the eye and size you up. That can go either way, but in the process of selecting university leaders, it has gone a long and good way in terms of helping this university system have some of the finest university leaders in the country. It is no accident that she chaired the selection committees that chose David Wilson to head the UW Colleges and UW-Extension, or that she chaired the committee that selected Mike Lovell to lead UWM. She brought to those processes that highly personalized, look-into-your-soul kind of conversation that she brings to so many discussions of policy, but also to the everyday interactions with the students, faculty, staff, and leadership of the University of Wisconsin.

That “focus on one” and willingness to help and mentor one person at a time, has applied to all of her colleagues who have served with her on the Board. Recalling May 2003, when he was appointed to the Board, President Pruitt said that he had no clue what he was supposed to do or what was expected of him. One of the things that helped get him through was knowing that Danae was here, that she would mentor him, help him, and pick him up if he fell or made a fool of himself. This was something she has done for so many others on the Board of Regents and in the UW community over the years, and it is something that will be missed, but all will have been enriched by her having done it.

- (3) Fearless advocate: In countless ways and places, Regent Davis advocated fearlessly for a simple but powerful idea, that ultimately, the System will never achieve true institutional

excellence without diversity, equity, and inclusion. The strength of her leadership on this simple but powerful idea, from those days at UW-Oshkosh, through the corporate world, and during the last eight-plus years in the university world, has made the System better. Her fearless advocacy for keeping the university system together, and her insistence early on that the Board be “for something” was both inspiring and incredibly important. Eleanor Roosevelt advised us to “Do something every day that scares you.” Regent Pruitt told Regent Davis that she must be scared a lot, but all are in awe of the fact that she has been willing to do that every day.

Closing his remarks, Regent Pruitt said, “And so my friend, we say goodbye for now, but know with absolute assurance that your legacy remains here in this room, with all the people you’ve mentored, helped and inspired, on campuses from one end of Wisconsin to the other. And we know with equal certainty that we will continue to look to you for inspiration, courage and a healthy dose of passion as you pursue all those new avenues to continue to make a difference and be the change you want to see in the world.”

Regent Pruitt then read the resolution of appreciation for Regent Davis. The resolution was met with a standing ovation and was adopted by acclamation.

#### **Resolution of Appreciation for Danae Davis**

Resolution 9970: WHEREAS, Danae Davis has dedicated more than eight years of exemplary service as a Regent of the University of Wisconsin System, from 2003 to 2011; and

WHEREAS, drawing upon her 30 years of leadership experience in the public and corporate sectors, Danae has been a tremendously active, engaged member during her tenure on the Board, serving on what may be a record-setting 14 committees, and serving as chair for seven of them; and

WHEREAS, Danae is a proud alumna of two UW schools, having earned her law degree at the UW Law School, and her bachelor’s degree from UW-Oshkosh, where, in 2002, she was honored as one of four distinguished alumni, an indication that her alma mater takes great pride in her contributions to society and lifelong civic engagement; and

WHEREAS, she has played a significant role in guiding the selection of university leadership, serving as a member of the chancellor search committees for UW-Parkside and UW-River Falls, chairing three chancellor search committees for UW- Milwaukee, UW-Whitewater, and the joint position for UW Colleges and UW-Extension, as well as serving on the search committee for UW System President; and

WHEREAS, Danae has been a strong leader in strengthening UW System accountability measures, seeking to use the data to “more nimbly duplicate” what works at individual institutions and citing the Equity Scorecard as an exemplary program that creates an effective framework for diversity in its promotion of equitable opportunities for all students; and

WHEREAS, she has worked to publicly honor and reward the commitment of extraordinary UW educators, serving on all three of the Regents Award Committees – Teaching Excellence, Academic Staff Excellence, and, most recently, Diversity – and in all areas has been a staunch and articulate advocate for advancing excellence, affordability, and accessibility within the UW System; and

WHEREAS, few voices in public higher education in Wisconsin have sounded the call more fervently that there can be no institutional excellence without diversity, equity, and inclusion; and her compelling advocacy to expand educational and leadership opportunities for youth has been a source of energy and inspiration for fellow Board members; and

WHEREAS, such is her passion for social justice that Danae lives the dictum in her professional and personal life that one “must be the change you want to see in the world;”

BE IT THEREFORE RESOLVED that the Board of Regents of the University of Wisconsin System commends Danae Davis for her distinguished service on behalf of higher education in Wisconsin and wishes her continued success empowering Milwaukee’s leaders of tomorrow, helping them to fulfill their lifelong dreams.

Regent Davis expressed her sincere thanks to Regent Pruitt for his kind words. Greeting her fellow Regent colleagues; President Kevin Reilly; the “fantastic” UW System staff; “the best team of chancellors in public higher education;” the “awesome” provosts, faculty, students, administrators, and friends, Regent Davis said that the day had mixed meaning for her. She thanked all present for contributing to the most impactful experience of her entire life. She thanked Governor Jim Doyle for the honor and privilege of serving on the UW System’s Board of Regents for the past eight-plus years.

Regent Davis said that as she contemplated all that had been accomplished together, she thought of three things: courage, leadership, and honor.

- (1) Courage: Regent Davis said that she was extremely proud of the fact that the Board, and the leaders throughout the System, had the courage to do the right thing. Examples that came to mind include: the systemwide holistic admissions policy, the steadfast support for domestic partner benefits, and the unabashed commitment to finding ways to exemplify a commitment to

diversity and inclusion throughout the educational ecosystem. She said that it was her fervent hope that the Board will continue to make Inclusive Excellence among its key priorities, and that she will continue to hear about examples of progress being made to close the achievement, retention, and graduation gaps between the System's diverse students, and that at the campus level, the faculty reflects the diversity of the students and world.

- (2) Leadership: Serving as the chair of the Education Committee was a very special experience in leadership, in a number of ways. It was an excellent way to learn, understand, and influence educational policy at a macro-level. Whether the topic was charter schools, new masters, doctoral, and undergraduate programs, or cross-campus collaborative programs such as nursing, the committee was able to respectfully, robustly, and completely discuss, recommend, and set policies that enabled the System to provide educational opportunities for today's and tomorrow's students. Some discussions were not without controversy, but Regent Davis said that she was proud to say that by keeping their eyes on the ultimate student prize, members were able to resolve their differences, grow in their experiences, and learn from each other. This is true leadership, she said: "getting out of our personal way to do the greater good for our students and their families." Regent Davis said that she had been able to take what she had learned about higher education policy and translate opportunities to a vast array of teens, adults, and families, as well as to other leaders in her community, and she was grateful for the opportunity to do so.
- (3) Honor: Regent Davis said that it had been an honor to serve as a member of the UW System's Board of Regents. It was an honor to be nominated and confirmed from among many talented, committed, and likely UW alumni. It was also an honor to have worked with so many Regents and administrators. She said she started counting, and then lost count; she served with six Regent Presidents, two System Presidents, lots of chancellors and probably at least two dozen or more provosts, and interacted with many, many student leaders from across the many institutions; that is an honor. In looking at what had been accomplished for the good of all constituents, Regent Davis said that she had no regrets and loads of proud moments that she would never forget, thanks to all of those with whom she worked.

Saying that it is risky to call out individuals, and that all occupy a special place in her heart, Regent Davis said that she must mention a few special people. Telling Assistant Secretary Ann Nottestad that no one had taken better care of her, Regent Davis mentioned the gluten-free meals, hotel reservations for meetings around the state, and warm smiles and hugs at every meeting; she thanked Ms. Nottestad for never saying "no" to her, "even though you probably did and I didn't know it."

Regent Davis acknowledged Rebecca Karoff, Special Assistant to the Senior Vice President for Academic Affairs, as being exceptionally bright, competent, and committed to the greater good. Regent Davis said that she learned a lot from Ms. Karoff, in a very gentle way. She also said that she had been wearing her art (earrings), and that she was particularly thankful for her guidance and support when Regent Davis was chair of the Board's Education Committee.

Regent Davis said that she again wanted to publicly and passionately thank former Senior Vice President Rebecca Martin, even though she had recently left the UW System, for being an "awesome, thoughtful, courageous leader." Regent Davis said that she and Dr. Martin were very



aligned philosophically, and with respect to passions and expectations in the world of higher education. “Our belief that we must stand for what is right is also the glue that kept us together.” Regent Davis said that they accomplished great things together, and she would be forever grateful for Dr. Martin’s stewardship.

Thanking Associate Vice President Vicki Washington, Regent Davis said that there is no one more knowledgeable, nor passionate, about diversity and inclusion. Ms. Washington’s work, harder than most, was to be persistent and to keep all aspects of the System informed about how and why to be accountable for diversity in mind and spirit. Regent Davis said, “Your journey ahead will not be easy, and I thank you so very much for your friendship.”

Regent Davis said that there was no finer leader for her alma mater, UW-Oshkosh, than Chancellor Rick Wells. She said that he had been consistent, a real trooper, and persistent with respect to diversity, even when the numbers might dissuade him from continuing the fight. The numbers today say that his leadership and campus team efforts are paying off. She thanked Chancellor Wells for making her proud to say that UWO is her alma mater.

From Regent Judy Crain’s leadership as chair of the Education Committee, Regent Davis said she learned humility, true respect for governance, and inclusion of those with opinions different from her own. Regent Davis told Regent Crain that she had truly been remarkable, and very forthright. Regent Davis said that Regent Crain had always endeavored to put all of her cards on the table, and though the two would probably never be exactly in agreement on charter schools, Regent Davis said the two respected each other. She thanked Regent Crain for this.

Regent Davis said that she had enjoyed, to varying degrees, the leadership of all six Regent Board Presidents. Regent Pruitt was the epitome of unassuming, yet powerfully effective, leadership. His stewardship during the turbulence and transition was masterful. She said she marveled at his ability to run a business and be all over the state at the same time. No one has the command of words with such passion and effectiveness as he does, she said. She especially thanked Regent Pruitt for his leadership and friendship, and also thanked all of the Board Presidents from throughout the years.

Referring to Senior Vice President Michael Morgan, Regent Davis said that he was her dear friend, and she was excited and proud when President Reilly made the courageous and right decision to hire Mr. Morgan as Interim Senior Vice President. His exceptional acumen, quick study of processes, terrific attention to detail, and strategic mind are awesome, she said. Also, he understands intrinsically what the student experience needs to be like, for not just the students, but also for their families, as he influences higher education policies. She thanked Mr. Morgan for saying yes to the opportunity to join the UW System.

Regent Davis concluded her remarks by saying that all good things come to an end. The new path will always include her devotion to increasing access to public higher education, and she said she would always be passionate in supporting the System’s assets, represented in the best public higher educational system in the nation. Telling President Reilly that the road ahead would not be easy, she said he was clearly the best person to lead the System, going forward. His commitment and tenacity are very appreciated, she said. Wishing all present the best, she urged that if “you keep

your eyes on the students as our prizes, you will all do the right thing in these changing times that we are in.” She said it had been a wonderful ride and expressed thanks to all for contributing to a memorable experience.

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## **REPORT OF THE CAPITAL PLANNING AND BUDGET COMMITTEE**

President Spector called upon Regent Bartell to present the report of the Capital Planning and Budget Committee, which had met prior to the full Board of Regents meeting earlier in the morning. Regent Bartell said that the minutes of the July committee meeting were approved, and seven resolutions also were unanimously approved and would be presented as consent agenda items.

### **UW-Madison General Library System Storage Facility Project**

Resolution 9971, brought by UW-Madison, requested authority to seek a waiver from the State Building Commission to allow a design-build entity to design and construct the \$1.5- million gift-funded General Library System Storage Facility project, which will provide storage space for campus libraries. The project will construct a pre-engineered addition to the existing warehouse which does not require the level of programming or design of typical building projects.

### **UW-Madison Multi-Building Energy Conservation Project**

Regent Bartell reported that Resolution 9972 requested authority to construct a UW-Madison Multi-Building Energy Conservation - Phase III project, which will implement a wide range of energy conservation measures in three academic buildings (Biotron, Mechanical Engineering, and Microbial Sciences) and lighting retrofits in 24 buildings across campus, as recommended by a comprehensive energy study. These energy conservation measures are expected to result in annual energy cost savings of approximately \$1.6 million, with a simple payback of 10 years.

### **UW-Stevens Point North DeBot Residence Halls Renovation Project**

Resolution 9973, brought by UW-Stevens Point, requested authority to construct the North DeBot Residence Halls Renovation - Phase I project, which will renovate Burroughs Residence Hall during the summer of 2012 and Knutzen Residence Hall during the summer of 2013 in the North DeBot residence hall quadrant of campus. These are the fifth and sixth halls on campus to be renovated, and both halls will receive significant upgrades. The renovations in both buildings are expected to achieve the sustainable design and operation level for certification as a LEED Existing Building as outlined by the U.S. Green Building Council.

### **UW-Stout Fleming Hall Renovation Project**

Regent Bartell said that Resolution 9974 requested authority to construct the UW-Stout Fleming Hall Renovation project. The existing building would be completely renovated to provide

198 beds in a traditional dormitory style of double-occupancy rooms and four triple- occupancy rooms. The renovation work will completely replace all plumbing, mechanical, electrical, and telecommunications systems and will add an automatic sprinkler system. Interior finishes will be upgraded, and exterior windows and doors will be replaced. Fleming Hall is the second project in a multi-year plan to upgrade and renovate the entire housing stock at UW- Stout. This project will be funded by a room rate increase of \$150.

### **UW-Whitewater Young Auditorium Dance Studio Addition Project**

Resolution 9975 requested approval to adjust the budget and construct the UW- Whitewater Young Auditorium Dance Studio Addition project. This \$1.1-million gift-funded project will construct an addition to the Young Auditorium that will house a dance studio and provide adequate classroom and rehearsal space to meet the standards of the National Association of the Schools of Dance (NASD). The budget adjustment will furnish the funds required to provide an additional air handling unit and the mezzanine space to house that unit.

### **All Agency Maintenance & Repair Projects**

Resolution 9976 requested authority to construct four All Agency Maintenance and Repair projects at four of the campuses, totaling about \$12 million. The projects include utility improvements, restroom renovations, and the reconstruction of parking lots.

### **Procedures for Implementing Capital Projects**

Resolution 9977 requested approval of the Procedures for Implementing Capital Projects. This item was prompted by 2011 Wisconsin Act 32, which exempts certain capital projects of the University of Wisconsin System from Building Commission approval and Division of State Facilities management. The Act required that procedures for bidding projects be developed by the Board of Regents and approved by the State Building Commission and the Joint Committee on Finance.

### ***Consent Agenda***

Regent Bartell then moved the adoption of Resolutions 9971, 9972, 9973, 9974, 9975, 9976, and 9977, which were adopted unanimously by the Capital Planning and Budget Committee. Regent Crain seconded the motion, and the six resolutions were adopted on a voice vote.

### **Authority to Seek a Waiver of Wis. Stats. § 16.855 under Provisions of Wis. Stats. § 13.48 (19) to Allow a Design-Build Entity to Design and Construct the General Library System Storage Facility Project, UW-Madison**

Resolution 9971: That, upon the recommendation of the UW-Madison Interim Chancellor and the President of the University of Wisconsin System, authority be granted to seek a waiver of Wis. Stats. § 16.855 under provisions of Wis. Stats. § 13.48 (19) to allow a design-build entity,

selected through a Request for Proposals (RFP) process, to design and construct a General Library System Storage Facility project at a total project cost of \$1,500,000 Gift Funds.

**Authority to Construct a Multi-Building Energy Conservation-Phase III Project, UW-Madison**

Resolution 9972: That, upon the recommendation of the UW-Madison Interim Chancellor and the President of the University of Wisconsin System, authority be granted to construct the Multi-Building Energy Conservation - Phase III project at a total project cost of \$16,589,500 Program Revenue Supported Borrowing.

**Approval of the Design Report and Authority to Construct the Burroughs and Knutzen Residence Halls Renovation Project, UW-Stevens Point**

Resolution 9973: That, upon the recommendation of the UW-Stevens Point Chancellor and the President of the University of Wisconsin System, the Design Report of the North DeBot Residence Halls Renovation - Phase I project be approved and authority be granted to construct the project for a total cost of \$11,720,000 Program Revenue Supported Borrowing.

**Approval of the Design Report and Authority to Construct the Fleming Hall Renovation Project, UW-Stout**

Resolution 9974: That, upon the recommendation of the UW-Stout Chancellor and the President of the University of Wisconsin System, the Design Report of the Fleming Hall Renovation project be approved and authority be granted to construct the project at an estimated total project cost of \$6,599,000 Program Revenue Supported Borrowing.

**Approval of the Design Report and Authority to Construct the Young Auditorium Dance Studio Addition Project, UW-Whitewater**

Resolution 9975: That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, the Design Report of the Young Auditorium Dance Studio Addition project be approved and authority be granted to (a) increase the scope and budget by \$183,000 Gift/Grant Funds and (b) construct the project at a total cost of \$1,123,000 Gift/Grant Funds.

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

Resolution 9976: 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 \$12,087,600 (\$5,805,400 General Fund Supported Borrowing and \$6,282,200 Program Revenue Supported Borrowing).

**Approval of the Procedures for Implementing Capital Projects under Wis. Stats. § 36.11(53), UW System**

Resolution 9977: That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents adopts the Procedures for the Design and Construction of Gift and Grant Funded Projects Under \$500,000.

***Report of the Associate Vice President***

Regent Bartell noted that Associate Vice President David Miller had reported to the Capital Planning and Budget Committee that the Building Commission approved about \$82.5 million for projects at its July meeting. The funding for those projects is approximately \$46 million in general fund supported borrowing and \$36.5 million in program revenue.

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The Board recessed at 1:00 p.m. and reconvened at 1:12 p.m.

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**CLOSED SESSION**

President Spector asked that Vice President Smith present the resolution to move into closed session. The motion was seconded and was adopted on a roll-call vote, with Regents Bartell, Bradley, Crain, Davis, Evers, Falbo, Manydeeds, Pointer, Pruitt, Sherven, Smith, Spector, Tyler, and Walsh voting in the affirmative. There were no dissenting votes and no abstentions.

**Closed Session Motion**

Resolution 9978: That the Board of Regents move into closed session to confer with legal counsel regarding pending or potential litigation, as permitted by s. 19.85(1)(g), Wis. Stats.

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The meeting was adjourned at 1:25 p.m.

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Submitted by:

/s/ Jane S. Radue

Jane S. Radue, Secretary of the Board