

**BOARD OF REGENTS
BUSINESS, FINANCE, AND AUDIT COMMITTEE
APRIL 12, 2012
UW-SUPERIOR
YELLOWJACKET UNION – ROOM 203**

Joint Meeting of the Capital Planning and Budget Committee and the Business, Finance, and Audit Committee (UW-Superior, Yellowjacket Union, Room 203)

The Joint Meeting of the Capital Planning and Budget Committee and the Business, Finance, and Audit Committee was called to order at 1:33 pm by Regent Jeffrey Bartell. Regents Edward Manydeeds, Katherine Pointer, Gary Roberts, David Walsh, Michael Falbo, Mark Bradley, Troy Sherven, and Gerald Whitburn were present. Regents John Drew and Charles Pruitt were absent.

- **UW-Superior Presentation: “A Campus Transformed”**
The Committee met jointly to hear from UW-Superior on the physical transformation of their campus. Jan Hanson, UW-Superior Vice Chancellor of Administration and Finance, gave an overview of the campus transformation prompted by the 1999 Master Plan. She highlighted renovations, demolitions, property acquisitions, and the addition and replacement of buildings resulting in over a \$200 million capital investment in the campus. Harry Anderson, Acting Director of Campus Recreation, addressed the positive impact the Marcovich Wellness Center and the Yellowjacket Union has on the campus and the surrounding community. He said community relations have strengthened due to the Marcovich Wellness Center offering community memberships and programming. He also said the Yellowjacket Union is a vibrant, energetic space that promotes student life, expands educational opportunities, improves institutional services and has helped create a sense of community on campus. Vice Chancellor Hanson continued with her presentation by highlighting the renovations of the Jim Dan Hill Library and introduced Dr. Terry McGlasson who focused on improvements in Swenson Hall. Dr. McGlasson noted changes to the building such as improved lighting, art work, and updated classrooms and lecture halls. He said an environment does affect how teachers teach and how students learn. The updated building gives added richness to campus life and an understanding that learning is valued, and students are valued. As a side note, Vice Chancellor Hanson said the Swensons also provide 40 annual full scholarships for needy math and science students. She made special note to express how their generosity is very appreciated. Vice Chancellor Hanson addressed housing needs at UW-Superior. She noted that several residence halls have been or will be renovated, and the campus will need to address market needs of student housing. She went on to say they have double-loaded housing, some of the oldest housing stock in the state, and that developers have approached the university about potential activity. She said the Master Plan will be updated for future growth with a focus on residential options, as

well as the athletic field. Vice Chancellor Hanson introduced Jason Serck, City of Superior Planning and Port Director, who commented on the excellent partnership between the city, county, and university. He indicated UW-Superior does an exceptional job of serving the city, county, and students. Regent Whitburn asked Mr. Serck how long he had been with the City of Superior in his position, and if the university was efficient in getting things done. Mr. Serck replied by saying he had been the city planner for 12 years and his experience with the University has been quite satisfying. Although he does not work with the university on day-to-day operations, their partnership is one of a kind and hopes the cooperation continues.

- **Overview of items taken up by the Legislative Task Force on UW Restructuring and Operational Flexibilities: Additional operating flexibilities that could be provided to UW System institutions**

David Miller, Associate Vice President of Capital Planning and Budget, gave an overview of the information presented to the Legislative Task Force on UW Restructuring and Operational Flexibilities regarding additional operating flexibilities that could be provided to UW System institutions. He touched on the size and depth of the capital building program, the current processes, and emphasized the importance of “right-sized” recommendations to acknowledge the needs and responsibilities of all stakeholders. He also indicated there was discussion about refocusing the capital building program (over time) to an emphasis on existing campus facilities, and made special mention of the outstanding job the University of Wisconsin-Superior has done at finding the balance between new facilities, demolition of completely obsolete space, and salvaging existing facilities. Associate Vice President Miller offered the five recommendations made to the Task Force:

- 1) Place primary responsibility for planning and design with the Board of Regents
- 2) Strengthen DOA bidding and construction capacity
- 3) Redefine enumeration to create two categories: new space and existing facilities
- 4) Incentivize investment in existing facilities by establishing a base level budget for renovation and repair
- 5) Assign authority for lease to the Board of Regents

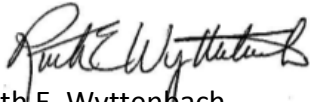
Associate Vice President Miller went on to address the presentation to the Legislative Task Force on UW Restructuring and Operational Flexibilities regarding procurement and purchasing. He said total cost of spend for the state is approximately \$1 billion per year. The UW is \$482 million of the \$1 billion spent. He also said University procurement is unique compared to others involved in state procurement due to the impact delays can have on critical areas of research and teaching.

The recommendation put forward was to allow procurement authority be vested with the Board of Regents. This action could allow universities to support their local

communities and businesses through local purchasing. Associate Vice President Miller also noted that since most current waivers are eventually approved, it calls into question the necessity of the current pre-approval process. Accountability could be insured through reports and audits to the Legislature and changes to the program as needed.

The joint meeting was adjourned at 2:20 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ruth E. Wyttenbach". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Ruth E. Wyttenbach

Recording Secretary