

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Held at University Center  
500 Wild Rose Avenue  
University of Wisconsin-River Falls  
River Falls, Wisconsin

Thursday, April 10, 2014  
1:20 p.m.

**UPDATES AND INTRODUCTIONS ..... 2**

WELCOMES .....3

UNIQUE HISTORY AND ATTRIBUTES OF UW-RIVER FALLS .....4

*Location and Opportunities*.....4

*Commitment to Students* .....5

STRATEGIC PLAN.....7

*Distinctive Academic Excellence*.....7

*Global Education and Engagement*.....8

*Innovation and Partnerships* .....10

**PRESENTATION AND DISCUSSION: FINANCIAL REPORTING AND THE ANNUAL BUDGET PROCESS ..... 13**

GOALS OF NEW FINANCIAL APPROACHES .....13

REVISIONS TO THE BOARD OF REGENTS PROGRAM REVENUE METHODOLOGY AND BALANCES POLICY .....14

CATEGORIZATION OF PROGRAM REVENUE BALANCES .....14

BUDGET-TO-ACTUAL REPORTS .....15

DISCUSSION .....17

FUTURE REPORTING CHANGES .....19

**CLOSED SESSION ..... 20**

*Closed Session Resolution* .....21

*Approval of Salary: Provost, University of Wisconsin-Madison*.....21

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Held at University Center  
500 Wild Rose Avenue  
University of Wisconsin-River Falls  
River Falls, Wisconsin

Thursday, April 10, 2014  
1:20 p.m.

-President Falbo Presiding-

PRESENT: Regents John Behling, Mark Bradley, Tony Evers, Michael Falbo, Margaret Farrow, Tim Higgins, Tracy Hribar, Chad Landes, Edmund Manydeeds, Regina Millner, Janice Mueller, Drew Petersen, and José Vásquez

UNABLE TO ATTEND: Regents John Drew, Charles Pruitt, Gary Roberts, David Walsh, and Gerald Whitburn

- - -

## UPDATES AND INTRODUCTIONS

President Falbo welcomed meeting attendees and expressed appreciation to Chancellor Van Galen and the UW-River Falls campus community for their terrific hospitality. He observed that UW-River Falls is clearly a campus that is engaged and thriving.

To begin the meeting, President Falbo turned to President Cross for an introduction. President Cross welcomed Jackie Weissenburger, who had returned to serve again as Acting Provost at UW-Stout, succeeding Provost Joseph Bessie, who recently stepped down.

- - -

## HOST-CAMPUS PRESENTATION BY UW-RIVER FALLS CHANCELLOR DEAN VAN GALEN: "THE UNIVERSITY OF WISCONSIN-RIVER FALLS: PURSUING A PATHWAY TO DISTINCTION IN THE ST. CROIX VALLEY" (INCLUDING UW-RIVER FALLS' STRATEGIC DIRECTION)"

President Falbo started the afternoon portion of the meeting by calling upon UW-River Falls Chancellor Dean Van Galen to give his presentation, "UW-River Falls: Pursuing a

Pathway to Distinction in the St. Croix Valley.” After thanking President Falbo, Chancellor Van Galen said that he was delighted to host the Board of Regents meeting, and he welcomed higher education leaders from across the state to the western front of the UW System. He said his presentation would provide a perspective on UW-River Falls’ unique qualities, accomplishments, challenges, and aspirations, as well as some examples of the outstanding work of faculty, students and staff.

## **Welcomes**

Before beginning his presentation, the chancellor extended a special “welcome back” to Regent John Behling, a UW-River Falls graduate, noting that it was good to have him back on campus. He then offered a special welcome to individuals who serve on the UW-River Falls Foundation Board of Directors, the Alumni Association Board, or the Chancellor’s Advisory Council, and asked everyone to join him in thanking them for their service to UW-River Falls:

- Mary Bowen-Eggebraaten, Superintendent of Hudson School District;
- Jeff Cernohous, Chief Technology Officer and founder of Interfacial Solutions;
- Kristy Cernohous, of Interfacial Solutions;
- Marian Furlong, President and Chief Executive Officer of Hudson Hospitals and Clinics;
- Suzanne Hagen, Professor Emerita at UW-River Falls;
- Deb Hanson, Director of Major Gifts at Minnesota Public Radio;
- Susan Larkin, retired school principal of Friendly Hills Middle School;
- Trudy Popenhagen, Community Relations Director of Excel Energy;
- John Potter, Executive Director of the Phipps Center for the Arts;
- Will Ruemmele, Loan Officer at Anchor Bank;
- Scot Simpson, River Falls City Administrator;
- Bradd Soutor, Director of Sales for Yocum Oil;
- Mark Tyler, President of OEM Fabricators and Regent Emeritus; and
- Shannon Zimmerman, Founder and CEO of Sajan.

The chancellor then welcomed state legislators from the region who were in attendance. He started by introducing Senator Sheila Harsdorf, who represents the 10<sup>th</sup> Senate District, noting that he is personally grateful to Senator Harsdorf for her many years of attending campus events and her strong interest in UW-River Falls. He then introduced Representative Dean Knudson, representing the 30<sup>th</sup> Assembly District, explaining that Representative Knudson is very engaged on campus and provides an important perspective related to the Hudson Center. He also introduced Warren Petryk, representing the 93<sup>rd</sup> Assembly District.

Chancellor Van Galen concluded his introductions by welcoming Marcella Field, noting that her late husband, Dr. George Field, provided outstanding leadership for UW-River Falls, serving as President and Chancellor from 1968 to 1985.

Chancellor Van Galen explained that the goal of his presentation would be twofold: (1) to provide Regents with a greater understanding of UW-River Falls as a university, its rich history, the opportunities due to the university’s unique location, and its deep commitment to

students; and (2) to present to Regents the university's strategic plan and the progress being made toward the university's goals and aspirations.

### ***Unique History and Attributes of UW-River Falls***

The chancellor shared the history of UW-River Falls, noting that history provides context for today and also reminds everyone that they are only stewards of the institutions for a relatively brief period of time.

### **Location and Opportunities**

Highlighting the founding of the River Falls Normal School in 1874 and the school's first President, Warren D. Parker, Chancellor Van Galen explained that for much of the university's history, it had been known for its excellence in preparing teachers and for outstanding agriculture programs. He also focused on the history of some of the campus buildings.

Chancellor Van Galen explained that many of the opportunities for the campus result from its location and the unique role that UW-River Falls can play in the future for the state of Wisconsin. He explained that the campus is located in the city of River Falls, a friendly town of 15,000 people, seven miles from the St. Croix River and the Minnesota border. Through a series of images and maps, he provided an orientation to the UW-River Falls campus, the current buildings, and the location of the future Falcon Center, a \$63.5 million building which will support academic programs in health and human performance, as well as student recreation and athletics. Noting the scheduled groundbreaking for the project on May 2, 2014, and the opening scheduled for the end of 2016, Chancellor Van Galen expressed his appreciation to the Regents, UW System leaders, the campus' legislative delegation—especially Senator Harsdorf and Representative Knudson—and everyone involved in helping to make the project a reality.

Chancellor Van Galen continued by highlighting the university's two laboratory farms, both of which provide hands-on education for students under the mentorship of faculty and staff. He also noted that ten miles to the north of River Falls, on Interstate 94, is the city of Hudson, home to the UW-River Falls Hudson Center and a major gateway to the Twin Cities.

Explaining that UW-River Falls is located in the St. Croix Valley, which includes the western Wisconsin border counties of Pierce, St. Croix, and Polk, the chancellor noted that the institution draws students from 70 of the 72 Wisconsin counties, with the highest number of students coming from St. Croix County. He also noted that Pierce, St. Croix, and Polk counties are projected to be among the five fastest-growing counties in the state, and much of this growth will be fueled by the eastward expansion of the Minneapolis-St. Paul metropolitan area. He noted that River Falls is only 25 minutes from downtown St. Paul and 40 minutes from the Minneapolis-St. Paul International Airport. He said that the Twin Cities, with a metropolitan population of 3.2 million, have a thriving economy that is home to 18 Fortune 500 companies.

Dr. Van Galen emphasized that the growth and the economic strength of the Twin Cities is an economic driver, not only for Minnesota but also for western Wisconsin, as the St. Croix Valley truly functions as a bi-state region, with people and commerce moving in both directions. He noted that for Wisconsin, there is significant opportunity to attract existing and start-up

businesses from the Twin Cities to western Wisconsin based in part on Wisconsin's favorable tax environment; high quality of life; and the availability of talent, including UW-River Falls' students and graduates.

With respect to what this means for UW-River Falls and the UW System, the chancellor explained that Wisconsin has a university strategically located in a region that will play a critical role in the state's future. The institution draws students from the small towns and dairy farms of Wisconsin and from the urban and suburban areas of the Twin Cities, making the student body one of diverse experiences and increasing racial and ethnic diversity.

Chancellor Van Galen said that UW-River Falls benefits from an amazing regional learning laboratory. Each semester, about 100 students in UW-River Falls' teacher education program have a field experience in the St. Paul public schools, a school district that enrolls 76 percent students of color and 33 percent English learners, and in which 73 percent of students are eligible for free or reduced lunch. He said this is often a transformative experience for UW-River Falls' teacher education students who are predominantly white and come from rural or suburban communities.

Chancellor Van Galen said that because of its location, the university's partnerships span two states. In Wisconsin, UW-River Falls is engaged in partnerships with the Wisconsin Indianhead and Chippewa Valley Technical Colleges, and school districts from across the state. He noted that Wisconsin has approximately 300 K-12 agriculture education teachers, of whom 56 percent are graduates of UW-River Falls.

The campus has many Wisconsin-based business partnerships in the St. Croix Valley and beyond, including Case IH. Chancellor Van Galen said that in Minnesota, UW-River Falls' students benefit from internship opportunities with Fortune 500 companies, including 3M, Target, Wells Fargo, and Land O' Lakes; and the institution's foundation has received major gift support from CHS, the Hubbard Broadcasting Company, and 3M. He said that location matters; and as part of the St. Croix Valley, UW-River Falls is poised to play an important role in the future of Wisconsin.

### **Commitment to Students**

Chancellor Van Galen then turned to the topic of UW-River Falls' commitment to students. He said that to truly understand a university, one must understand the students served by that university, their economic and academic backgrounds, challenges, and dreams. To be effective, a university must, to a degree, design itself to help the students it serves succeed.

Dr. Van Galen offered a snapshot of the UW-River Falls student body in the fall of 2013: approximately 6,200 students, primarily undergraduates, of which 61 percent were female, and 38 percent lived on campus. He also noted the student enrollment included 152 veterans, and 147 international students from 19 countries. He said that 44 percent of undergraduate students are first-generation college students and college is a new experience for those students and their families. He said many of UW-River Falls' students come from families of modest means and work while attending college. They tend to be earnest, hardworking, and appreciative of the

opportunity. He also noted that over the past decade, students of color have increased from 5.8 percent to 8.4 percent of enrolled students, not including international students.

Noting that a major goal of the university is to provide students with high-quality education that typically leads to a college degree, Chancellor Van Galen said he wanted to share some data on student success and what the university is doing to improve student success. Over the past 3 years, UW-River Falls has graduated the three largest classes in the history of the university, conferring a record 1,308 baccalaureate degrees in 2012-13. With regard to first-to-second year retention rates, he explained that 72 percent of new freshman were retained, which was short of the institution's goal of 75.9 percent. The 76.3-percent retention rate for new transfer students exceeded the institution's goal of 73.4 percent.

With regard to four- and six-year graduation rates, the chancellor said the four-year graduation rate of 28.8 percent for new freshman who started at UW-River Falls was higher than the institution's goal of 26.5 percent. However, UW-River Falls faces a significant challenge with its six-year graduation rate of 51.4 percent for new freshmen, which lags behind the goal of 59.2 percent. He also noted that the four- and six-year graduation rates for new transfer students are fairly close to institutional goals. He emphasized that these data represent only students who graduated from UW-River Falls and do not include students who transferred to or graduated from another institution. For example, he explained that the six-year graduation rate of 51.4 percent for new freshmen who entered UW-River Falls in 2007 increases to 74.4 percent if students who started at UW-River Falls and graduated at another four-year university or two-year institution are included.

UW-River Falls is taking some purposeful steps to improve student success by engaging students in "high impact practices" that have been shown to increase rates of retention and student success. UW-River Falls is emphasizing undergraduate research, internships, and global learning. In addition, last fall the university established a new Division of Enrollment and Student Success, restructuring to bring together units such as admissions, marketing, new-student family programs, student support services, and tutoring to promote collaboration between these key units and provide a clear focus on retention and recruitment of students. He also noted that the recent receipt of a UW System grant had enabled the institution to hire two academic staff to work with students majoring in STEM disciplines and with multicultural and disadvantaged students to improve student retention. In addition, he said that last year UW-River Falls was awarded a \$885,000 grant from the National Science Foundation to support advising and team learning, with a goal of increasing the number of students graduating in STEM fields.

Chancellor Van Galen highlighted the Falcon Scholars Program, launched in 2012. He explained that each year, 80 freshmen are provided with \$2,000 for study abroad or undergraduate research, as well as \$1,000 per year for four years in scholarship support while attending UW-River Falls. He said that an early assessment of the Falcon Scholars program suggests it is making a difference, with first-to-second year retention rates of 91 percent, 15 percentage points higher than UW-River Falls' students with the same ACT profile who were not involved with the Falcon Scholars program.

He said UW-River Falls is highly committed to the success of students and taking intentional actions to help them succeed. Because many of the students attending UW-River Falls are first-generation students from families of modest means, the institution has the opportunity to add great value to the lives of its students, a very noble mission.

### ***Strategic Plan***

Chancellor Van Galen described the university's strategic plan, developed three years earlier through a collaborative effort with faculty, staff, students, and external stakeholders, and approved by the Faculty Senate in the spring of 2012. He said that as part of that process, he listened to the Chancellor's Advisory Council and other community leaders who said that UW-River Falls should dare to become more distinctive and who voiced strong support for a focus on international education.

The chancellor explained that one underlying principle of the plan is simple, yet is quite rare within higher education—that a university cannot be all things to all people and instead, must strive to be distinctive, to fulfill certain niches, and to aspire to do a few important things extraordinarily well. He said this is especially true in a time of scarce resources. Dr. Van Galen said that UW-River Falls is focusing energy and resources to pursue three strategic goals: (1) distinctive academic excellence; (2) global education and engagement; and (3) innovation and partnerships.

### **Distinctive Academic Excellence**

Chancellor Van Galen said that with regard to distinctive academic excellence, UW-River Falls aspires to enhance and build distinctive academic programs and to further differentiate the university in the state and the region through its academic programs. He said that another major element of that excellence is a strong focus on undergraduate research and a goal of being among the national leaders in undergraduate and collaborative research, scholarship and creative activity.

Focusing on the three academic programs with the highest enrollment at UW-River Falls—Business Administration, Animal Science, and Biology—the chancellor noted that earlier in the day, the Board's Education Committee had heard about several new and innovative programs designed to serve adult learners and also considered a request for a new Master's Degree program in Computer Science. He explained that many of these programs are housed in UW-River Falls' outstanding College of Business and Economics. UW-River Falls is also known for a number of areas, including glass and ceramics, teacher education, and STEM areas such as physics, chemistry and biology. Dr. Van Galen added that in 2012, 24.9 percent of baccalaureate degrees were awarded in STEM fields, which is the fourth-highest percentage among the 13 UW System four-year campuses.

The academic programs housed in the College of Agriculture, Food and Environmental Sciences are extraordinarily strong, highly regarded in Wisconsin and beyond, and well-aligned with Wisconsin's agriculture industry. He also noted that with 135 dairy science majors, UW-River Falls has the second-highest dairy science program enrollment in the county, behind Cornell University.

Chancellor Van Galen explained that what UW-River Falls teaches matters, but how it teaches and how students learn is critical. He said that there is compelling evidence that pedagogy and spaces that engage students catalyze student interest and effective learning. An example of this is UW-River Falls' first active-learning classroom, located in Hagstead Hall and renovated with a grant from UW System Administration. He then shared a brief video describing the difference that the active-learning classroom has made. At the conclusion of the video, Chancellor Van Galen said that the plan is to continue to renovate and construct active-learning classrooms on the campus.

Chancellor Van Galen then turned to the topic of undergraduate research, noting that UW-River Falls has a very strong history of students and faculty engaging together in undergraduate research. Whether a student majors in art, economics, biology or plant science, he said that undergraduate research develops critical thinking, problem solving, and creative skills that make students more effective learners and productive citizens. He provided examples of how the university is committing resources to support undergraduate research, including opening a campus-wide office to support students and faculty, and recently having more than 50 students presenting at the national conference on undergraduate research in Lexington, Kentucky.

Chancellor Van Galen also provided two unique examples of undergraduate research at UW-River Falls, the first of which includes Dr. Juleen Zierath, a 1984 graduate of UW-River Falls and a world class researcher in the development of insulin resistance in Type II diabetes at the Karolinska Institutet in Stockholm, Sweden. He explained that Dr. Zierath serves as Chair of the Nobel Assembly at Karolinska, which is responsible for selecting the Nobel Laureates in physiology or medicine. She has also collaborated with UW-River Falls' Tissue and Cellular Innovation Center to enable students to conduct undergraduate research in the summer in her laboratory in Sweden.

He described his second example of undergraduate research as an innovative approach to engaging first-year students in hands-on research. With seed funding from the Howard Hughes Medical Institute, he explained that Drs. Karen Klyczek and Kim Mogen, professors of biology at UW-River Falls, have transformed an introductory biology lab course into a year-long research experience. He said that first-year students identify, characterize, and discover previously unknown bacterial viruses. He then introduced a video describing the course and highlighting the excitement of participating students and faculty. Following the video, he noted that this research was presented at Posters in the Rotunda in Madison, as well as at the National Conference of Undergraduate Research.

### **Global Education and Engagement**

Chancellor Van Galen said that the second goal of UW-River Falls' strategic plan is to have global learning and comprehensive internationalization serve as a distinctive feature of UW-River Falls and to aspire to be a national leader in internationalization among public comprehensive, master's level universities. One initiative launched in support of that goal is for the campus to learn about and celebrate a different country each year. He explained that this year is the Year of Germany at UW-River Falls, and the campus has enjoyed a year that has included a German Oktoberfest, a German film series, and German music from the St. Croix



Valley Symphony Orchestra. In addition, many faculty have infused content related to Germany into their courses. He also noted that next year the campus will celebrate the Year of China.

He said that international education has been a longstanding strength of UW-River Falls, and the campus is commemorating the 50<sup>th</sup> anniversary of UW-River Falls' longest-standing study abroad program, Quarter or Semester Abroad Europe. In this program, which was started by Dr. Robert Bailey, who in 1957 became the first African American faculty member at the university, students conduct directed research projects and travel relatively independently in Europe. He said that since 1963 more than 1,000 students have participated in the program, and for the vast majority, this was their first international experience.

A study abroad experience is an important, life changing experience for UW-River Falls' students, most of whom have had limited opportunity to travel or to interact with people of other places and cultures. He noted that the recent results of the National Survey of Student Engagement showed that 22 percent of UW-River Falls seniors reported participating in a study abroad program prior to graduation, compared to 12 percent of students attending a comparison set of public universities. While he would like to increase the number of students who study abroad, he said he realizes that study abroad experiences must be affordable for students and viewed as a doable first step into study abroad for students and their families. He noted that the Wisconsin in Scotland program is a great example of this. The program, a collaboration between several UW institutions, is similar in cost to living and learning on campus plus the cost of an airline ticket. In total, more than 3,500 students have been part of the Wisconsin in Scotland Program over the past 27 years. Building on the success of the program model, UW-River Falls launched the Experience China program in 2012, to provide students with a semester-long experience in China.

Chancellor Van Galen said that another goal from the strategic plan is to increase the number of international students at UW-River Falls. He reported that from 2008 to 2012, international student enrollment increased from 66 to 86 students; and in a major step forward, UW-River Falls enrolled 147 international students this past fall, the highest in the university's history. He said that currently there are 165 international students on campus, a number likely to increase by fall. Seventy-seven of the international students are from Brazil, a country that has made a strong commitment to sending Brazilian undergraduate students abroad as part of the Brazilian Scientific Mobility Program. A cohort of 22 elementary education majors from Zhejiang International Studies University in China is also living and taking courses on campus, with weekly visits to elementary school classrooms in River Falls to learn about U.S. practices in elementary education. Chancellor Van Galen then showed a video that included some of the students and faculty involved in the program.

Chancellor Van Galen said that in fall 2014, UW-River Falls plans to launch a new initiative—an international-themed residence hall that will house a mix of international students and domestic students, some as roommates. He said he believes this global learning community will enable students to better appreciate differences in culture and to understand the values that are commonly shared across cultures, which will better prepare them to work and live in a world that is increasingly global and diverse.

## **Innovation and Partnerships**

Moving to the third and final goal of the strategic plan—innovation and partnerships—Chancellor Van Galen explained that part of this goal statement is that UW-River Falls' partnerships will reinforce the value of the university to the state and the region, which represents a commitment to build impactful partnerships in the region and beyond. He then provided examples of how the university is achieving this goal, starting with UW-River Falls' Hudson Center.

He explained that the Hudson Center's primary goal is to serve adult learners in the St. Croix Valley; the center offers evening and weekend classes that meet the needs of working adults, in a professional setting and at a convenient location. In addition, UW-River Falls provides personalized advising that offers each student a customized approach to earning a degree, as well as high-quality instruction from outstanding faculty. He indicated that the Hudson Center is in its fourth year of operation and enrollment continues to grow, with a fourth classroom opening last spring.

The chancellor shared some demographic information on the students enrolled in the Adult Degree Completion Program in Business Administration at the Hudson Center, noting that the program serves about 100 students. About one-half of these students are first-generation college students, and 65 percent are female. The program serves primarily Wisconsin residents, and the average age of those served is 39. Nineteen students have graduated from the program thus far, and the university anticipates a total of 30 graduates by December 2014. He then introduced a video highlighting one of the program's students, Teresa Kosmas, a resident of Red Wing, Minnesota. Following the video, Chancellor Van Galen asked Ms. Kosmas to stand so that everyone could congratulate her on continuing her education.

Chancellor Van Galen continued by noting that under the umbrella of partnerships is the issue of philanthropic support, which must play a more important role in providing resources for the university. He said that like many other UW institutions, it is only quite recently that UW-River Falls has placed a strong focus on encouraging charitable support. He added that for the first 138 years of its history, UW-River Falls never conducted a comprehensive fundraising campaign and never received a \$1 million gift from a living donor.

He said that in July 2011, the university, in partnership with the UW-River Falls Foundation, launched its first-ever comprehensive campaign with the theme "Rising to Distinction" and an ambitious campaign goal of raising \$20 million in five years. He said that the purpose of the campaign is to raise funds for university priorities, but also to build a culture of philanthropy that will be sustained for years to come. He reported that with 27 months left in the five-year campaign, gifts and commitments total just over \$15 million, thanks to the generosity of alumni and friends. He also said that good progress is being made on each of the six fundraising priorities for the campaign.

Observing that the campaign has already received some truly inspirational gifts, Chancellor Van Galen highlighted the donation of Dr. Bry Wyman, a retired physician living in Madison, who made the first-ever \$1 million gift to UW-River Falls from a living donor. Dr.

Wyman honored his parents, Dr. Walker and Helen Wyman, by establishing an endowed visiting professorship. He added that Dr. Walker Wyman was a distinguished history professor on the campus and served as President and Chancellor of UW-Whitewater. Chancellor Van Galen also noted that as part of the fundraising efforts to raise \$2 million for the new Falcon Center, the campus received a very meaningful gift from a Wisconsinite well known for his generosity—Mr. Ab Nicholas. He explained that Mr. Nicholas gifted \$750,000 to name the new Falcon Center Arena in honor of his friend, the late Mr. Don Page. Mr. Nicholas and Mr. Page were teammates on the 1950 Wisconsin Badger basketball team. Mr. Page was the coach and athletic director at UW-River Falls.

Chancellor Van Galen mentioned again the university's vision for the Falcon Scholars Program, which provides scholarship support for 80 incoming freshmen each year and requires the university to raise \$800,000 in private gifts over the first four years of the program. He expressed his gratitude for a \$400,000 gift from two alumni, Marilyn and Arlin Albrecht, noting that in 1954 Ms. Albrecht received the very first student scholarship awarded by the foundation. He also highlighted an annual fundraising event for student scholarships. This year's event will include Pulitzer Prize-winning writer Bob Woodward as the featured speaker. Last year's event featured Bart Starr as the keynote speaker and raised more than \$100,000.

Continuing with the emphasis on partnerships, Chancellor Van Galen said that UW-River Falls is highly engaged with many businesses in the region; earlier in the day at the meeting of the Board's Research, Economic Development and Innovation Committee, Regents learned about the recently opened Center for Innovation and Business Development (CIBD). The Center is located a few blocks from campus in rent-free space provided by the city of River Falls, and it will serve as a university portal to the region's businesses and entrepreneurs. He explained that the CIBD director will connect students in the full-time MBA program to regional businesses to work on projects as part of students' degree program requirements. He said the CIBD is a prelude to a full-scale business incubator that is being developed in partnership with the university, the city, and business partners.

The university is also working with some of the high-growth businesses in River Falls to establish a new summer internship and entrepreneurship program. The chief executive officers of Sajan, Interfacial Solutions, BioDiagnostics, and Fiberstar have committed to providing a total of at least 18 paid summer internships for UW-River Falls students. As part of this program, students will also learn about entrepreneurship and business. In addition, during the 2014-15 academic year, leaders from these businesses will teach at UW-River Falls, typically teaching one course as adjunct faculty, to give students new perspectives. As an example, he noted that Dr. Jeff Cernohous, founder of Interfacial Solutions, will teach a course entitled Innovation and Entrepreneurship in Science, which will provide science majors with real-world perspectives on what it takes to develop and launch new scientific products and technologies.

Chancellor Van Galen said that the final stop on the Regents' "tour" of UW-River Falls is the Dairy Pilot Plant, which produces over 3,000 pounds of cheese and 1,500 gallons of ice cream each year made from milk from the dairy herd on the university's Mann Valley Farm. He said that the Dairy Pilot Plan is one of the unique aspects of UW-River Falls, as it is a facility where students gain hands-on experience working in a dairy plant environment, and they develop

and test new products; students gain experience in production, marketing, and retail. He explained that the ice cream and cheese are sold under the Falcon Foods label and are enjoyed on campus, sold throughout Wisconsin, and shipped across the United States. He also said that the Dairy Pilot Plant is also a major source of talent for Wisconsin cheese makers, who hire many of the graduates and use the Dairy Pilot Plant to test new products and processes.

The current Dairy Pilot Plant, opened in 1982, is in need of extensive renovations; and a fundraising campaign to raise approximately \$3 million was launched six months earlier. Chancellor Van Galen reported that the response from the dairy industry had been very positive, as pledges to the project had surpassed \$1 million, with major commitments from these organizations. He said the Dairy Pilot Plant is a great example of partnership and how the unique strengths of UW-River Falls support Wisconsin's dairy industry and larger economy.

Chancellor Van Galen then introduced the final video of the day, featuring some of the students and the manager of the Dairy Pilot Plant, Michelle Farner. Following the video, he said that the campus wanted to do something special to commemorate the visit of the Board of Regents. Over the past few weeks, students worked with Ms. Farner to create three special cheeses which were featured at a taste-testing the prior evening, under the watchful eye of Regent President Falbo. Chancellor Van Galen announced that the winning cheese from the taste testing had been named "Reggenti," which is the plural form of the Italian word for regent. Students from the Dairy Pilot Plant then shared samples of the cheese with Regents and those sitting in the gallery.

Chancellor Van Galen concluded by saying that he hoped the Regents learned more about the ambitions of UW-River Falls, as well as its unique qualities. He said that UW-River Falls, located in the beautiful and dynamic St. Croix Valley, is pursuing selective excellence; collaborating with others to positively shape the future of the region and the state of Wisconsin; and perhaps above all, continuing its unwavering commitment to provide students with opportunities for learning, growth and success.

The chancellor closed his remarks by acknowledging and thanking the faculty, staff, students, alumni and friends whose good work and support make UW-River Falls a special place. He also thanked the Board of Regents, President Ray Cross and other leaders from across the state for their presence and support.

President Falbo thanked Chancellor Van Galen, acknowledging the amount of time that goes into preparing such a presentation. He said presentations such as the one Chancellor Van Galen just completed are valuable because they give Regents and others an inside look at what is important on the campus—the people and all of the work that they do. He said that River Falls is on a Pathway to Distinction!

- - -

## **PRESENTATION AND DISCUSSION: FINANCIAL REPORTING AND THE ANNUAL BUDGET PROCESS**

President Falbo suggested the Board turn its attention to financial reporting and the annual budget process. He said the next presentation would focus on preparing the Board to vote on the annual budget at the June Board of Regents meeting in Milwaukee. President Falbo said that when President Cross accepted the job as President of the UW System, he pledged to find ways to better communicate the System's financial situation; and the Board should expect greater transparency and openness in how UW System expresses, explains and manages its finances. President Falbo said that the next presentation and further discussions on Friday would reflect the Board's commitment to living up to that pledge. President Falbo said that the Board appreciated President Cross' great effort to get his arms around the complexity of the university finances. He said that the UW System is making significant and important progress, and the Board was looking forward to his comments.

### ***Goals of New Financial Approaches***

President Cross started his presentation by explaining that the Board would receive some early projections for fiscal year (FY) 2013-2014 fund balances and an expanded "actual versus budget" report. He said that the UW System would also be using a new budget development process when it starts the proposed-annual-budget planning for FY 2014-2015. He emphasized that the next presentation included projections based on straight line analysis or "burn rate" from last year for the same period of time, and not forecasted numbers. He added that in the future, the UW System would be better at forecasting as more accurate information is collected from campuses.

President Cross explained that the UW System will be doing things differently than it has in the past. He explained that historically, the UW System has looked at its finances through narrow windows of time of one or two years, which made it more challenging to capture significant trends, including some harmful trends. In the future, the UW System would be looking at rolling five- or six-year timeframes that allow staff to better capture trends and more accurately evaluate how critical pieces interact to create the budget. He said these reporting and financial management tools would help the Board understand where the UW System is at any point in time and help to prevent surprises.

President Cross said he wanted to draw attention to a couple of areas, including one new financial management tool that he hoped would be very helpful in the future, the "budget versus actual" report, which will be updated on a quarterly basis. He said that Regents will also see the beginning of a "projection to forecasting" model, using a regression analysis or "burn rates" from previous years. In addition, he noted that over the course of the Board's meeting, Regents would hear more about the UW System's efforts to take the longer view of financial trends and how they impact the annual budget as well as the biennial budget request. President Cross explained that the goal of these efforts is to prepare and help Regents to increase Regents' confidence in how finances are managed on a daily basis. He then invited Senior Vice President David Miller to continue the presentation with additional information regarding the UW System's fund balances and the financial management report.

## ***Revisions to the Board of Regents Program Revenue Methodology and Balances Policy***

Senior Vice President Miller said that at Friday morning's meeting, the Board would be asked to approve revisions to the program revenue methodology and balances policy to be submitted to the Legislature's Joint Legislative Audit Committee and Joint Finance Committee. He explained that the Board was considering policy revisions to address issues that arose after an audit of the FY 2011-2012 balances identified some new ways of looking at, categorizing, and reporting fund balances.

Delineating the policy revisions being considered, and which also would be reviewed by the two legislative committees, Senior Vice President Miller indicated that the first policy revision was to clarify that the ten-percent target referenced in the policy was a minimum fund balance, and not a separate reserve. The second revision was that allocations from the systemwide accounts to UW institutions would occur before institutional balances are calculated. Addressing the chancellors in the room, Mr. Miller said that UW System Administration is sensitive to the fact that planned allocations have to be made quite early, and that chancellors should not be surprised late in the fiscal year with a distribution of funds previously held in systemwide accounts.

The third policy revision is for year-end balances for unrestricted funds to be categorized as:

- Obligated—held for a documented encumbrance and not easily altered;
- Planned—held for a documented purpose but can be altered;
- Designated—held for a purpose related to the original source of funding but not yet documented as a committed expenditure;
- Reserves—held specifically for contingencies and documented to ensure continuous operations in case of emergencies; and
- Undocumented—flexible funds for which an expenditure plan has not yet been made.

The fourth policy revision is that the ten-percent target is not a justification for the request and approval of additional funds; this addresses legislative concerns that institutions would have to raise rates to meet the policy's minimum fund balance requirements. Instead, institutions would be expected to reach the minimum through an institutionally-defined multi-year plan, rather than a mandate on time or method.

### ***Categorization of Program Revenue Balances***

Senior Vice President Miller then transitioned to the categorization of FY 2012-13 program revenue balances. He recalled that the aforementioned audit addressed FY 2011-12 balances and three UW System funds: tuition and fees; general operations; and federal indirect overhead. In an effort to be inclusive of all unrestricted fund balances, two additional funds—auxiliaries and other program revenue—are included in the summary of FY 2012-13 fund balances. Referring to a slide which identified the amount in each of the five UW System funds by the categories identified in the audit he noted that the grand total of unrestricted fund balances was almost \$1.1 billion at the end of FY 2012-13, and about 34 percent of that total was

categorized as “obligated.” He also referenced a slide illustrating the amount of the unrestricted balances by institution and category, and noted that paper copies of the table had been distributed to the Regents and also had been reviewed during the morning meeting of the Business and Finance committee.

Showing a slide illustrating FY 2012-13 program revenue fund balances, both unrestricted and restricted, as a percentage of annual expenditures, Mr. Miller indicated that the restricted program revenue fund balance for FY 2012-13 was about 7.8 percent of annual expenses for restricted funds. He explained that for federal indirect funds, a percentage of annual expenditures is not provided and not applicable because there is not an expense base from which to calculate the percentage, and most federal indirect balances are held in reserve. He also noted that for FY 2012-13, the fund balance for tuition and fees ended the year at about \$550 million, which is 23.5 percent of annual expenditures for that fund.

He then referred to another slide illustrating similar program revenue fund balance information for FY 2013-14 and including current fund balances, as well as projections for the fiscal year ending on June 30, 2014. He also noted that restricted fund balances are projected to end the year at a higher level than the amount currently held, and the tuition and fee balances are projected to end the year at a slightly lower level than the amount currently held.

### ***Budget-to-Actual Reports***

Senior Vice President Miller next discussed FY 2013-14 “budget-to-actual” reporting, which would include both year-to-date reporting and year-end projections. He started by recalling that the Board approved a FY 2013-14 annual operating budget of just under \$6 billion. He said that he would provide a comparison of the actual year-to-date revenues and expenses through March 31, 2014, as well as projected end-of-year revenues and expenses. He said that the projections are mathematical calculations based on prior-year activity, but the intention is to move toward a forecasting methodology. He also cautioned that the projections provided may vary significantly from the actual audited reports provided to Regents after the end of the fiscal year.

Moving to the next slide, which he referred to as a complicated table, Mr. Miller described the components of the table, or “dashboard.” The left side of the dashboard included budgeted revenues and expenditures for FY 2013-14 and actual expenditures for the first three quarters of the fiscal year, July 1, 2013, through March 31, 2014, summarized by the type of UW System funds: tuition, fees, and general purpose revenue; auxiliary operations; gifts, grants and contracts; general operations; and other funding. Also provided was year-to-date actual activity as a percentage of budget. The right side of the dashboard provided preliminary projections through the end of the fiscal year, based on prior-year comparisons, and projected end-of-year activity as a percentage of budget. He said that in general, anything that is predicted to be close to 100 percent is “very, very close to budget.”

Turning to the next slide, which illustrated budget-to-actual revenues and expenditures in a bar graph, Senior Vice President Miller explained that during the current fiscal year, UW System had budgeted revenues of \$5.997 billion, had actual revenues through March 31, 2014, of \$5.366 billion, and had uncollected revenues of \$631 million. He continued by noting budgeted

expenditures of \$5.997 billion, actual expenditures through March 31, 2014, of \$4.466 billion, and \$1.5 billion not yet expensed. With regard to revenue and expenditure projections, he explained that the UW System is projected to have \$5.966 billion in revenues, or \$31 million less than budgeted, and \$6.038 billion in expenses, or \$41 million more than budgeted.

Senior Vice President Miller also used a bar graph to illustrate the budget-to-actual numbers for one of the funds summarized in the dashboard—tuition, fees and general purpose revenue. He noted that during the current fiscal year the UW System budgeted fund revenues of \$2.575, had actual revenues through March 31, 2014, of \$2.509 billion, and had uncollected fund revenues of \$66 million. He said the current year-to-date revenues were very close to budget, which was to be expected given tuition revenue is earned early in the semester. He continued by pointing out budgeted fund expenditures of \$2.575 billion, actual expenditures through March 31, 2014 of \$1.796 billion, and \$779 million not yet expensed. With regard to revenue and expenditure projections, the slides indicated that the UW System is projected to have \$2.535 billion in revenues, or \$40 million less than budgeted, and \$2.580 billion in expenses, or \$9 million more than budgeted, for a total net projected deficit for the tuition fund of \$49 million, or 1.9 percent of the total tuition, fee and general purpose revenue budget.

For the remainder of the funds, he highlighted the projection side of the dashboard, noting that for auxiliary operations funds, the UW System is projected to have \$707 million in revenues, or nearly \$22 million more than the \$686 million budgeted, and \$649 million in expenses, or \$36 million less than budgeted, for a total net projected gain of \$57.7 million. In response to a question from President Falbo, Senior Vice President Miller explained that auxiliary operations are predominantly comprised of all of the residence life operations including the residence halls, food service and parking. He said that, similar to the tuition and fee fund, most of the revenue is booked early in the semester and expenses occur over time.

He continued by observing that while it is difficult to compare budget to actual and to make projections for the fund comprised of gifts, grants and contracts, the information is included in the dashboard presentation because it is part of the Regent-approved budget. He explained that projected revenue is \$12 million more than budgeted revenue, and projected expenses are \$61 million less than budgeted expenses, creating a net gain. He also noted that the general operations fund is not as large as the other funds, but still very important, as there are many accounts across institutions that operate largely on a cash-flow basis and are self-supporting. He noted that the projected revenues are expected to exceed budgeted revenues by \$9 million. He also explained that while projected expenses exceed budgeted expenditures by \$150 million, this is likely a result of the projection methodology used and reinforces the need to move to a forecasting methodology.

Mr. Miller explained that the final category of funds, referred to as “other funding,” includes pass-through activity, such as federal student loans, program revenue debt service, some federal indirect costs, hospital services, the State Lab of Hygiene, the Veterinary Diagnostics Lab, and other smaller pass-through activities. He said that while the UW System does not control these activities, they are part of UW System accounts and they affect the bottom line. He indicated that projected revenues are \$34 million less than the \$1.133 billion budgeted, and expenses are \$22 million less than budgeted.



Senior Vice President Miller concluded his presentation by indicating that the program revenue balances are being accounted for by level of commitment, planned uses, and with reports to the Board. He also reiterated that legislative approval of the revised methodology and policy is required. He noted that the budget-to-actual projection for total funds is very close, within 1.2 percent, but still considered a very soft projection.

## ***Discussion***

After responding to several questions from Regents seeking clarification of how negatives and positives were presented in the dashboard tool, Senior Vice President responded to a question from Regent Mueller regarding the inclusion of general purpose revenue with tuition and fees. He explained that expenses charged to general purpose revenue and tuition are not separable and in order to measure expenses against budget, it is necessary to include both general purpose revenue and tuition.

Regent Vásquez noted his concern with the percentages referenced in the revised policy, as chancellors would be too often explaining why they exceeded the percentage and eventually someone will say the UW System does not know how to manage. President Falbo said that he thought good explanations for those things are very appropriate, and if the explanations are appropriate they will be well-received. He added that he is concerned with the ten percent minimum fund balance as it could be comprised of three or four different funds, some of which the UW System controls and some of which the UW System does not control. He said that the presentation materials refer to \$1.1 billion in unrestricted funds, some of which are restricted funds because the UW System does not have control over the funds, and these should not be considered reserves. He said that to include those restricted dollars in the percentages is misleading. The dollars the UW System controls and that are unallocated should be explained in a better way, and those funds should be considered, at an appropriate level, a “rainy day fund.” Regent Vásquez said that while he is all for accountability, one should be held accountable for those things they can influence or control, and not the things they cannot.

President Falbo said that one of the things he liked about the reporting dashboard is that it provides an opportunity to ask questions about the projections and steps that will be taken before the end of the fiscal year to address variances from the budget.

Regent Millner reminded everyone that part of the discussion is about substance and part is about form and by form. By “form” she said she meant that the dashboard report is supposed to be a communication tool that is easily understood and explained, and that it is as critical as the substance provided. She noted the number of questions, in addition to her own, suggested that if the dashboard is difficult to use as a communication tool, then the battle has been lost. President Cross said that Regent Millner raised a key point in that the dashboard should be simple to use and the format may need to be reconsidered. He then asked Senior Vice President Miller to clarify whether the categorization of unrestricted funds was determined by the Legislative Audit Bureau.

Senior Vice President Miller, saying that it is easy to confuse two different reports, indicated that the funds in the table of projected budget to actual are not the funds on which the UW System is reporting for the purposes of unrestricted program revenue balances, as this includes the UW System's entire \$6 billion budget. He said that the only funds the UW System is required to report on for the purposes of program revenue balances are unrestricted funds, which at the end of FY 2012-2013, amounted to \$1.1 billion.

Addressing President Falbo's earlier comment, President Cross said that he would normally consider obligated funds as restricted, but the categories from the Legislative Audit Bureau consider funds obligated if there is documentation for it.

As a follow-up to President Cross's comment, Regent Mueller said that both of the reports presented by Senior Vice President Miller—the budget-to-actual dashboard report and the information on unrestricted program revenue balances—are works in progress. She suggested that the definitions used for the unrestricted program revenue balances might need to be tightened or better explained.

President Falbo asked for a timetable and suggested that because the UW System is approaching the end of its fiscal year, July 1 might be a reasonable timeline to have the tools in place to monitor and report, using forecasting and providing explanations of the differences. President Cross agreed that July 1 was reasonable for implementing the dashboard reporting tool, noting that with time the forecasting would improve. He also reiterated his agreement with earlier comments that the budget-to-actual dashboard tool should be easy to understand, and that the categories used for the reporting on program revenue balances should be more carefully and consistently defined. He said it may take longer to determine the tools for forecasting, but he planned to work with institutions on this.

Regent Farrow said that she had been through several meetings and had seen the effort being put forth in getting everything straight, trying not to mix apples and oranges because of different revenue streams, and deciding what should be included in these reports. She asked if it would be wise or helpful to ask for some of the legislative leadership to sit down with Regents and UW System staff to review the information. She said that simplifying the information is like trying to put a square peg in a round hole. The parameters provided are causing many hours of anguish and work to make things fit, while at the same time it is necessary to have clear definitions so that someone does not have to be a Certified Public Accountant to understand the information. She said she thinks the reporting tools are a work in progress and maybe the ultimate audience that will receive that work should be involved.

President Falbo said that Regent Farrow raised a good point. He also said that he likes to volunteer the Legislative Fiscal Bureau because they are good at working with historical data and are familiar with what the UW System has done in the past. He also noted that the tie-in between the Legislative Fiscal Bureau and legislators is good, and that is where the clarification is needed. President Cross added that it was his intent to do exactly that, and the day's presentation was the first step.

Regent Farrow said that there is a huge effort being made to do things in the best way possible and she thinks everyone ought to know that. She said she is trying to make sure that staff does not develop what they and the Regents think is needed, and then it turns out not to be what the Legislature wanted. President Cross encouraged the Regents to share what they were struggling with so that he and his staff could try and figure out how to better express the information they are sharing. He said it would be helpful to know what their questions are or what they are struggling to understand.

### ***Future Reporting Changes***

Senior Vice President Miller invited Interim Vice President Wildeck to continue the presentation by talking about the annual budget and some changes that are in line with efforts to increase clarity and transparency in budgeting.

Interim Vice President Wildeck began his budget presentation by noting that his presentation would not include any numbers, but would instead be focused on process and format. He explained that at the Board's June meeting, Regents will be asked to approve the annual operating budget for 2014-2015. In August, Regents will be asked to approve the UW System's biennial budget request for the 2015-2017 biennium, which will then be forwarded to the state's Department of Administration for consideration for the Executive Budget. In July of 2015, the Board will be asked to approve the annual budget for the 2015-2016 fiscal year, which will be the first year of the next biennium.

Mr. Wildeck said there are a few major changes that Regents will see in the annual budget presentation in June, as it is System Administration's goal to be transparent and provide Regents with a complete picture of the UW System budget, but not be overwhelming. He said that in the past, the resolution the Board has been asked to approve included three fund categories: GPR, tuition, and other. While the sum total of the three categories reflected the entire UW System budget, the "other" category represented 58 percent of the total. The resolution this year to approve the 2014-15 annual budget would include the added categories of auxiliary operations; general operations; and gifts, grants and contracts, making the "other" category much smaller, and representing 19 percent of the total UW System budget. He noted that these additional categories align with the categories the Regents will see throughout the year in the budget-to-actual report.

He explained that as in past years, the budget Regents receive in June will contain GPR and tuition allocations by institution, as well as rate changes that may be requested for tuition and for major auxiliary operations, including student segregated fees, student housing, meal plans, and textbook rental programs. The materials will also include information on balances for the six major funding categories, including the estimated beginning year cash balance, as well as any planned changes or use of these funds, broken down by institution and fund source. Mr. Wildeck said that he would briefly touch on each of the major budget funding categories and what Regents should expect to see.

He explained that with the GPR/tuition category Regents will see a variety of detail regarding GPR increases and reallocations to pay for the one-percent pay plan increase and

fringe benefits, financial aid, utilities, and GPR-supported debt service, and how each of these changes affects the base allocation for each institution. He said that in keeping with the allocation policy that the Board passed in December, allocation changes to institutions will follow the cost. He also noted that any voluntary changes that institutions have requested to budgeted tuition revenue levels also will be included. A table summarizing all of these changes by institution and for the UW System as a whole would be included in the budget materials.

Within the GPR/tuition category, tuition rate recommendations would be included. Mr. Wildeck said that resident undergraduate tuition and differential tuition are frozen for the remainder of the current biennium, but any recommended changes for nonresident students, graduate students, or professional programs would be provided and explained. The GPR/tuition section will also include a summary showing the prior-year allocation, changes and the proposed 2014-15 allocations by institution. New this year, Regents also will see the estimated beginning balance and carry-forward tuition, along with planned spending of that balance in the 2014-15 fiscal year. Regents will see the estimated carry-forward balance and tuition along with planned use of that balance when Regents are asked to approve the GPR/tuition budget for the upcoming year. Information will be broken out by institution, System Administration, and systemwide activities.

In the area of auxiliary operations, Regents will see requested rate changes to student segregated fees for each institution and requested rate changes for student housing, meal plans and textbook rental, as in the past, as well as planned revenues and expenditures by institution. In addition, this year Regents will see the estimated beginning balance in auxiliary operations for each institution and any planned changes throughout the year.

Interim Vice President Wildeck noted that new to this year's budget presentation is the inclusion of budget information for the general operations category, which is a very broad category that contains a wide variety of activities. For each institution Regents will see the budgeted level of expenditures for the year, along with the estimated beginning balance and any planned change or use of balances throughout the year. Also new this year, Regents will see budgeted expenditures for the gifts, grants and contracts category for each institution. He said that the final category of funds, "other," includes revenues that are largely pass-through in nature, such as direct student loans and grants and federal indirect cost reimbursement.

Vice President Wildeck summarized by noting that when approving the FY 2014-15 annual budget in June, the Board will officially establish tuition and major auxiliary rates for the upcoming fiscal year, as well as the revenue and expenditure plans for institutions in these major funding categories. In the future, the Regents will continue to see the budget-to-actual report on a regular basis.

- - -

## **CLOSED SESSION**

President Falbo called upon Vice President Millner to present Resolution 10338, to move into closed session. The motion was adopted on a roll-call vote, with Regents Behling, Bradley,

Evers, Falbo, Farrow, Higgins, Hribar, Landes, Millner, Mueller, Petersen, and Vásquez voting in the affirmative. There were no dissenting votes and no abstentions.

**Closed Session Resolution**

Resolution 10338      That the Board of Regents move into closed session to: (1) consider UW-Oshkosh honorary degree nominations, as permitted by s. 19.85(1)(f), *Wis. Stats.*; (2) consider a UW-Madison salary offer, as permitted by s. 19.85(1)(c), *Wis. Stats.*; (3) consider annual personnel evaluations, as permitted by s. 19.85(1)(c), *Wis. Stats.*; and (4) confer with legal counsel regarding pending or potential litigation, as permitted by s. 19.85(1)(g), *Wis. Stats.*

The following resolution was adopted during the closed session:

**Approval of Salary: Provost, University of Wisconsin-Madison**

Resolution 10339      That, upon recommendation of the President of the University of Wisconsin System and the University of Wisconsin-Madison Chancellor, the Board of Regents authorizes an annual salary of up to \$420,000 for Sarah Mangelsdorf as the new Provost, University of Wisconsin-Madison, effective on or before July 1, 2014.

.  
- - -

The meeting was adjourned at 4:25 p.m.

- - -

Submitted by:

/s/ Jane S. Radue  
Jane S. Radue, Executive Director and Corporate Secretary  
Office of the Board of Regents  
University of Wisconsin System