

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Held in the Wisconsin Room
UW-Milwaukee Union
University of Wisconsin-Milwaukee
Milwaukee, Wisconsin

Thursday, June 8, 2017
1:15 p.m.

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-President Millner presiding-

PRESENT: Regents Robert Atwell, John Behling, José Delgado, Lisa Erickson, Tony Evers, Margaret Farrow, Michael Grebe, Tim Higgins, Mike Jones, Tracey Klein, Regina Millner, Janice Mueller, Drew Petersen, Ryan Ring, Bryan Steil, Mark Tyler, and Gerald Whitburn

UNABLE TO ATTEND: Regent Eve Hall

INTRODUCTION OF NEWLY-APPOINTED REGENTS

President Millner announced that the Board was pleased to officially welcome three new Regents to its table: Robert Atwell of Green Bay, Mike Jones of Milwaukee, and Ryan Ring, a student at UW-Eau Claire. Their confirmations were expected to occur soon.

Regent Robert Atwell

President Millner stated that Robert Atwell is the founding chairman and CEO of Nicolet National Bank, based in Green Bay. He has 34 years of experience as a Wisconsin banker, and is a graduate of Beloit College and the Yale School of Management.

Regent Atwell is lead director for the Ariens Company Board, and also serves on the boards of the Hospital Sisters Health System, the Great Northern Corporation, the Saris Cycling Group, Promotion Management, Inc. (PMI) and the I-Team Companies. He is past chairman and one of the founders of Relevant Radio, a national Catholic radio network. He is also a frequent speaker on leadership and community banking, as well as ethics, faith and economics.

President Millner welcomed Regent Atwell and invited him to say a few words.

Regent Atwell stated that it was an honor to serve. Expressing his appreciation for the nomination, he said he looked forward to his prospective confirmation by the Senate.

Regent Atwell noted that the Regents were all serving on the Board because they understand how important education is to the future of the state and its children and residents. He explained that he had dedicated his career to serving in communities, mostly in the north.

Stating that he was privileged to have had four of his children graduate from UW-Madison and one from UW-Milwaukee, with another currently enrolled at UW-Green Bay, Regent Atwell joked that he was trying to keep the pipeline full!

Regent Mike Jones

President Millner stated that Mike Jones is of counsel with the Michael Best law firm in Milwaukee. Previously, he worked in a variety of positions at Miller Brewing Company and MillerCoors.

Regent Jones joined Miller full time as an attorney in 1984 and went on to serve as senior vice president, general counsel secretary, and a member of the board of directors of Miller Brewing Company. In 2008, he was appointed vice president of corporate affairs for MillerCoors, from which he retired in 2012.

Regent Jones is involved in a number of community and civic organizations, including the St. Charles Youth and Family Services, the Milwaukee Academy of Science, Black Arts Think Tank, and the Wisconsin Club. He earned a Bachelor of Arts degree from UW-Madison and a law degree from Marquette University.

In brief remarks, Regent Jones thanked Governor Walker for the important and prestigious appointment, saying he hoped to serve with some distinction.

Regent Jones indicated that he received “an outstanding liberal arts education” while completing his undergraduate work at UW-Madison. Just as important, he said, was working his way through college tending bar at a campus establishment called the Kollege Klub, or the KK. He described tending bar until 1 o’clock in the morning on Friday and Saturday nights as an education in and of itself – “a study in human behavior for which I should have earned credits.”

Regent Jones said he looked forward to serving on the Board for the next seven years, once he is confirmed by the Senate.

Regent Ryan Ring

President Millner introduced Regent Ryan Ring, saying he is a student at UW-Eau Claire, where he is pursuing a bachelor’s degree in Finance and Political Science. A native of Green Bay, he has been active in student government, Campus Ambassadors, and is a member of Delta Tau Delta Fraternity.

Regent Ring served on the UW-Eau Claire Student Senate for two years. He has also served on many commissions and committees, including Finance, Information Technology, Intergovernmental Affairs, and the Student Office of Sustainability. He also regularly volunteers at the Bolton Refuge House in Eau Claire, which provides assistance to survivors of domestic violence and sexual assault.

Noting that Regent Ring hopes to become a Chartered Financial Analyst after graduation, President Millner welcomed him to the Board.

Regent Ring thanked President Millner and stated that he was excited about the opportunity to serve on the Board and to serve the State of Wisconsin; he also thanked Governor Walker for giving him the opportunity.

Regent Ring said he very much looked forward to working with his new colleagues, System staff, and the campuses to continue moving the UW System forward in the right direction.

Again welcoming all three of the new Regents, President Millner stated that she and her colleagues looked forward to working with them and getting to know them better.

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OTHER UPDATES AND INTRODUCTIONS

President Millner turned to President Cross for some additional introductions and farewells.

Sean Nelson, UW System Vice President for Finance

President Cross said it was his pleasure to introduce and welcome Sean Nelson, the UW System's new Vice President for Finance. As the UW System's chief financial officer, Vice President Nelson will oversee financial policy and planning, and assure the fiscal integrity of the UW System budget. He also will lead the System's budget planning process, serve as trust officer for the Board of Regents, and work with the Board's Business and Finance Committee.

President Cross indicated that Mr. Nelson comes to the UW System from Massachusetts, where he had served as the Deputy Commissioner for Administration and Finance at the Massachusetts Department of Higher Education since 2013. In that role, he oversaw the administrative, financial, and operational components of the commonwealth's nine state universities and 15 community colleges. He was also involved in the development and assessment of metrics to ensure performance-based funding models reflected statewide goals for student success, access and affordability, and workforce alignment.

Vice President Nelson has more than 16 years of experience in administration and finance. He previously served as a Chief Financial Officer for the Boston Public Library and was also CFO for the Massachusetts Department of Public Safety. He also previously worked as

a fiscal policy analyst at the Executive Office of Administration and Finance in Massachusetts. Mr. Nelson earned his undergraduate degree from the University of Massachusetts at Amherst, and a master's degree in Urban and Environmental Policy and Planning from Tufts University.

President Cross again welcomed Vice President Nelson, who had been with the UW System for about two weeks.

President Cross also extended special thanks to Julie Gordon, who had served as the UW System's Interim Vice President for Finance since September 2015. Noting that Ms. Gordon provided crucial guidance and wisdom during her tenure, he indicated that she would remain an integral part of the team going forward, as she is vital to the System's ongoing operations and success. He expressed appreciation to Ms. Gordon and Vice President Nelson, who he said had already demonstrated significant collaboration.

Joanne Wilson, UW-Platteville Interim Provost and Vice Chancellor of Academic Affairs

Next President Cross welcomed Dr. Joanne Wilson, who has agreed to serve as UW-Platteville's interim provost and vice chancellor of Academic Affairs, effective July 1.

Dr. Wilson succeeds Dr. Elizabeth Throop, who has been serving as UW-Platteville's interim provost. Dr. Throop has accepted a new position as Dean of the College of Liberal Arts and Education at Frostburg State University in Maryland.

President Cross stated that System staff looked forward to working with Dr. Wilson.

Farewell to Lane Earns, UW-Oshkosh Provost and Vice Chancellor for Academic Affairs

President Cross indicated that he also had several farewells to share, beginning with UW-Oshkosh Provost and Vice Chancellor for Academic Affairs Lane Earns.

Provost Earns will retire August 30 and relocate to Massachusetts with his spouse, Dr. Franca Barricelli, an associate dean and history professor in the UW-Oshkosh College of Letters and Science. Explaining that Dr. Barricelli is becoming the new dean of Arts and Sciences at Fitchburg State University in Massachusetts, President Cross observed that the UW System is saying goodbye to two gifted and giving leaders and educators.

Dr. Earns served for 30 years with distinction at UW-Oshkosh. He has a distinguished record in administrative service and in teaching and research in the area of Japanese history. He led the division of Academic Affairs as Provost for 13 years and served two years as associate vice chancellor in the same division.

President Cross stated that Provost Earns' leadership and vision helped shape and collaboratively design and develop UW-Oshkosh's nationally acclaimed general education program, the University Studies Program. He added that Mr. Earns remains one of the strongest

and most passionate advocates for liberal education through Liberal Education and America's Promise (LEAP) and other national initiatives.

President Cross concluded by mentioning Dr. Earns' service to the UW System in stepping forward as interim chancellor at UW-Parkside from 2008 to 2009. He saluted and thanked Provost Earns, wishing all the best to him and his spouse.

Farewell to Greg Lampe, UW Colleges Provost and Vice Chancellor for Academic Affairs

President Cross also bade farewell to UW Colleges Provost and Vice Chancellor for Academic Affairs Greg Lampe.

Dr. Lampe's UW career dates back to 1978 when he became a lecturer at UW-La Crosse. Since then he has served as lecturer, instructor, assistant professor, associate professor, professor, department chair, interim campus dean, associate vice chancellor, and – since 2007 – provost and vice chancellor. He has also written three books, and was nominated for a Pulitzer Prize for his book on Frederick Douglass.

Provost Lampe joined UW Colleges in 1983 in the Department of Communication and Theater Arts, and worked at UW-Marshfield/Wood County and UW-Rock County over the next 17 years before coming to the UW Colleges office in 2000. President Cross indicated that Dr. Lampe earned his Ph.D. from UW-Madison as a non-traditional student while he was teaching at UW Colleges – an unusual and stamina-testing accomplishment!

President Cross said he had the pleasure of working with Provost Lampe for several years during his time at UW Colleges and UW-Extension. He thanked Dr. Lampe for his dedicated service, and wished him and his family well.

Farewell to Greg Diemer, UW-Stevens Point Vice Chancellor for Business Affairs

Finally, the UW System will also say farewell to Greg Diemer, who has served 30 years as vice chancellor for business affairs at UW-Stevens Point. President Cross noted that Mr. Diemer, who previously worked for 20 years at Southwest Minnesota State University, has devoted 50 years to serving students in higher education.

As Chancellor Patterson told the audience at UW-Stevens Point's recent commencement, Vice Chancellor Diemer will be remembered for his philosophy of administration – always looking for a way to say “yes,” rather than a reason to say “no.” President Cross expressed agreement with the chancellor's observation that UW-Stevens Point is a better university because Vice Chancellor Diemer came on board 30 years ago.

Offering his congratulations, President Cross encouraged Mr. Diemer to enjoy the well-earned retirement years ahead!

President Millner said it was remarkable to hear about the retirement of three professionals whose careers at UW institutions span over 30 years, and observed that they would be missed.

HOST-CAMPUS PRESENTATION BY UW-MILWAUKEE CHANCELLOR MARK MONE: “AT THE INTERSECTION OF INNOVATION & IMPACT: WHAT’S AT STAKE”

President Millner suggested that one of the best parts about visiting UW institutions is that it gives the Regents an opportunity to learn something more about the great campuses that make up the UW System. She noted that this is certainly true at UW-Milwaukee, where the campus community is a very busy place.

President Millner then turned to Chancellor Mone for his remarks about all that is going on at UW-Milwaukee.

Introduction

Chancellor Mone thanked President Millner and welcomed everyone to UW-Milwaukee.

Recognizing that each of the UW campuses has special qualities and means a great deal to its respective community, Chancellor Mone said he was fortunate to be able to share with the Board some updates on the accomplishments, importance and unique qualities of UW-Milwaukee.

His presentation would cover four different areas: (1) how UW-Milwaukee is addressing regional and state societal issues through innovation; (2) UW-Milwaukee’s unique role in filling the state’s talent pipeline; (3) threats, what is at stake, and what UW-Milwaukee is doing to mitigate those challenges; and (4) the value UW-Milwaukee brings to the region and state, and why it is worth reinvesting in the UW System and UW-Milwaukee.

Dual Mission: Research and Access

Chancellor Mone explained that UW-Milwaukee is unique in the sense that it has a dual mission. Recently UW-Milwaukee was elevated to become one of the country’s 115 Research-I universities, putting the institution in the same category as UW-Madison, Yale, Duke and Johns Hopkins. Simultaneously, UW-Milwaukee is an access institution, serving the most diverse region and the largest economic engine in Wisconsin.

UW-Milwaukee is one of two doctoral institutions in the UW System, with 194 degree programs in 12 schools and colleges. Several academic programs are available only at UWM; for example, the university has the country’s only School of Freshwater Sciences. Other highlights of UWM’s remarkable schools, colleges, and programs include:

- The Peck School of the Arts, Wisconsin's largest dedicated and comprehensive public arts university.
- The state's largest College of Nursing, which is consistently in the 90th to 96th percentile in the *U.S. News and World Report* ranking.
- One of the top 30 film schools in the world, according to *Variety*.
- Wisconsin's only architecture and urban planning program, which is among the top six programs nationally.

Chancellor Mone indicated that UW-Milwaukee makes learning accessible at every age, citing an award-winning Children's Learning Center; last year Regents toured its renovated facilities in the Northwest Quad. At the other end of the spectrum, UW-Milwaukee offers one of the country's very few Osher Lifelong Learning Institutes, which is supported by multiple multi-million dollar grants. These programs serve the community in important and valued ways.

As of fall 2016, UW-Milwaukee had 26,037 students. Of these students, 84 percent were Wisconsin residents; about half of the remainder came from international locations and the other half from other states.

UW-Milwaukee graduated 5,600 students in 2016-17. Chancellor Mone pointed out that the number of UWM graduates has been fairly consistent over the last five years, ranging from 5,300 to 5,600. This means that over the last five years, about 30,000 UWM graduates have entered the talent pipeline.

Chancellor Mone indicated that UW-Milwaukee is having a tremendous impact because 74 percent of its graduates (including retirees) live and work in Wisconsin. He added that the percentage of UWM graduates currently in the workforce who choose to stay in Wisconsin is closer to 85 percent.

The chancellor stated that UW-Milwaukee represents the greatest amount of diversity in the state, demonstrated by a number of different dimensions. UW-Milwaukee has about twice as many veterans as any other campus in the state, and many more veterans than any campus within a six-state region. UW-Milwaukee is also ranked as one of the Top 30 LGBT+ Friendly universities; has a new freshman class comprised of 33 percent students of color; and enrolls more than 8,000 undergraduate first generation college students.

Chancellor Mone indicated that this diversity is one of UW-Milwaukee's greatest assets – "everybody belongs here and we serve everybody." He explained that UWM's diversity creates a living learning opportunity, resulting in much more innovation than it would have otherwise. Diversity in perspectives, culture, critical thinking, and how to approach problems produces strong leaders who in turn solve problems with innovations – not only in Milwaukee, but throughout the region and the world.

Addressing State, Regional, and Societal Issues with Innovation

Before sharing some examples of how UW-Milwaukee is using its diversity to address issues, Chancellor Mone noted that Regents, chancellors and provosts had been provided with copies of a research report, also available online, covering dozens of other examples of UWM's significant accomplishments. He said that this important publication allows people to see the type of contributions that UW-Milwaukee is making in a variety of different fields across all 12 of its schools and colleges.

Entrepreneurship

The first issue was one discussed by the Research, Economic Development, and Innovation Committee earlier that day: Wisconsin was ranked last in startup activity by the Kaufman Index. While there has been some debate about the validity of this ranking, Chancellor Mone said the fact remains that the number of business startups in Wisconsin continues to lag behind the national average.

UW-Milwaukee has an opportunity to change this through its new Lubar Entrepreneurship Center, which will also include a Welcome Center. This project was enabled by the generosity of the Lubar family, as well as by the UW System and many other donors. Chancellor Mone invited the Regents to join the ground-staking event later that day.

The fundamental goal of the Lubar Entrepreneurship Center is to make a bigger difference through the innovation of an entrepreneurial hub and ecosystem in southeastern Wisconsin. This innovation will not take place in only one school or college, but across all different areas at UW-Milwaukee. Since announcing the gift of the building two years earlier, UW-Milwaukee had tripled the number of students and programs "in the entrepreneurial space." Chancellor Mone called this "a significant accomplishment," when the institution has not yet broken the ground for the new building.

Transportation Infrastructure

Another issue is transportation, Chancellor Mone said. He referred to the large numbers of people impacted by "endless" road construction projects, as well as the large portion of the state's budget that these projects consume.

Professor Konstantin Sobolev in UW-Milwaukee's College of Engineering and Applied Science has developed water-repelling concrete. When water gets into cracks in concrete, Wisconsin's freeze-and-thaw cycle tremendously reduces the life of roads, buildings, bridges, and all sorts of infrastructure. Water repellency extends concrete's lifespan from 40-50 years to as much as 120 years, dramatically reducing the cost of replacement. Chancellor Mone suggested that the potential savings could result in much more money available for the University of Wisconsin System.

Infant Mortality

Turning to a life-and-death issue, Chancellor Mone provided statistics about racial disparities in infant mortality. In much of Wisconsin, as well as in much of the country, the rate for black infant mortality is twice as high as for white infant mortality. The rate in Racine in 2007 was almost four times as high, ranking third worst in the country. The chancellor observed that the disparity in Racine today, although improved, is “still terrible,” at three to one.

Dr. Teresa Johnson, an associate professor in the College of Nursing at UWM, is working with Margaret Malnory from Racine’s Wheaton Franciscan Healthcare-All Saints to put together programs addressing one of the root causes of infant mortality: stress during pregnancy. Programs that reduce stress can help prevent early births; Chancellor Mone reported that there have been significant reductions in the deaths of black infants in Racine because of this and related programs. He indicated that this was an example of the profound lifesaving and life-enhancing impacts that UW-Milwaukee can have.

Achievement Gaps

Another issue is the statewide achievement gap in white-black graduation rates, Chancellor Mone said. He suggested that this issue is chronic but not intractable; there are things that can be done to address it.

During the Education Committee meeting, Milwaukee Public School Superintendent Darienne Driver and Milwaukee Area Technical College President Vicki Martin joined the chancellor in presenting their work on the M³ partnership. M³ is focused on closing the achievement gap, among many other significant outcomes. Chancellor Mone said that a more formal presentation of the partnership’s progress would be made at the time of its five-year anniversary.

He stressed that closing the achievement gap is going to take some time, as educational change does not happen overnight, but is instead decades in the making. The M³ partners will work together to close the achievement gap by improving the pipeline of students who graduate from MPS and continue at either Milwaukee Area Technical College, UWM, or other secondary higher education institutions. The partnership has received support from grants and foundations, and is currently working to close on a seven-figure gift.

Chancellor Mone reported that this initiative, which includes the three largest public education institutions serving Wisconsin residents in the state, is already starting to have an impact. Across the partner institutions, 150 faculty, staff and administrators involved with the program are working vigorously. He noted that when he, Dr. Driver, and Dr. Martin all became leaders of their respective institutions in 2014, they were participating in many other community and educational events. After being drawn in many different directions they realized that their institutions must work together to control the destiny of public education in Milwaukee.

Chancellor Mone recognized the wonderful educational opportunities presented by southeastern Wisconsin’s 23 academic institutions, consisting of two- and four-year schools,

working together in a number of different areas. Stating that maintaining the pipeline is critical, he described M³'s teacher professional development days. These events have brought 470 people together related to math curricula and English and literacy proficiency for the benefit of Milwaukee's educators.

Water Quality

Chancellor Mone said that Mark Hogan had reported in that morning's Research, Economic Development, and Innovation Committee meeting that, of the six global trips he has taken in the 18 months since being appointed secretary of the Wisconsin Economic Development Corporation, every single one came back to the issue of water – its scarcity, its quality, and its involvement in conflicts and wars.

The chancellor noted that the issue of water is not only important globally – it also arises in situations like that of Flint, Michigan, or the Ebola outbreak. One of UWM's professors, Junhong Chen, has worked on developing low-cost water sensors and additional applications for them. His prominent work was the subject of a National Science Foundation video, which Chancellor Mone showed.

The video addressed Milwaukee's aging water pipes, many of which are made of lead. As the public health emergency in Flint, Michigan demonstrated, lead in drinking water is a real and present threat, especially for children and pregnant women. Even in small amounts it can cause brain damage.

In the video, Dr. Chen explained that the goal is to remove the lead from the pipelines and then enable real-time monitoring of water quality from the water utilities all the way to the tap. With support from the National Science Foundation, the mechanical engineer and his team at UW-Milwaukee have developed a test cell that includes a sensor chip and meter that can read the signal. The sensors use a graphene-based nano material to detect lead and other heavy metals; when contaminants bind to the surface of the graphene its conductivity will change.

Milwaukee has about 70,000 residential properties with lead waterlines. Even minor tinkering with the pipes can jar some lose. Carrie Lewis, the superintendent of Milwaukee Water Works, said it would be a great advantage if Dr. Chen's device can be made to give reproducible results when used in a home by a non-scientist.

Dr. Chen and his colleagues plan to integrate the small sensors into water heaters and purifiers with the goal of continuous monitoring. Bob Heideman of the A.O. Smith Corporation explained in the video that filtration can take care of the contaminants that are introduced from the water treatment plant to the home. Dr. Chen's work would give the manufacturer the ability to insure that the contaminant is being removed by its filtration products.

Ease of use is also a big factor; the sensors will work with one drop of water. The technology has been designed so it can be adapted to test for other chemical signatures as well. In water applications, heavy metals and bacteria can be targeted by using specific types of probes

that can bind to, for example, mercury ions, acid ions, or E. coli bacteria. Dr. Chen suggested that this technology would be equally useful for biomedical applications.

After the video, Chancellor Mone said that Professor Chen's work is so popular with the National Science Foundation that it has created a joint appointment for him. One concern of the future is retaining talent like Dr. Chen. The chancellor concluded that the applications of UWM research and innovations have a tremendous impact on the world.

Filling the Talent Pipeline

Chancellor Mone indicated that one of the most significant issues facing the state, as well as companies around the country, is filling the talent pipeline. Tim Sheehy, president of the Metropolitan Milwaukee Association of Commerce (MMAC), recently testified in front of the Joint Finance Committee that lack of talent is the single biggest threat to economic growth in Milwaukee. To keep up with even modest economic growth, Wisconsin will need 41 percent of its employees to have a college degree. Fewer than 30 percent of Wisconsinites have degrees today, lagging behind the national average of about 35 percent. This is a statewide issue that involves the entire UW System.

According to MMAC data, the southeastern Wisconsin region is projected to grow 45,000 jobs in the next decade, at a slower rate than today. At the same time, Wisconsin will have 43,000 retirees that will no longer be in the workforce, producing about 88,000 job openings. Over the last five years UW-Milwaukee has put 30,000 graduates into the workforce; the chancellor said that continuing to do this is one of the challenges that UW-Milwaukee faces.

The fastest-growing fields in the state of Wisconsin fall into four "buckets": health, business, computer science, and engineering and science. All four sectors have significant talent shortages. Chancellor Mone reported that a number of industry leaders testified before the Joint Finance Committee about these talent pipeline issues, as well as their research partnerships with UW-Milwaukee, which are why they continue to stay in Wisconsin.

About half of UWM graduates fall into these sectors, which all have significant talent shortages: 800 graduates were in the health fields; 1,000 in business; 175 in computer science; and 450 in engineering, biochemistry, architecture, and similar programs. The other half of UWM's graduates go into many other critically important fields. Employment of UWM graduates is high; Chancellor Mone said it is remarkable how many alumni come from Wisconsin and choose to stay in the state.

He underscored the issue of Wisconsin's shrinking workforce by recalling his conversations with Nick Turkal at Aurora Health Care, Blake Moret from Rockwell Automation, and other CEOs of leading area firms about how UW-Milwaukee can help fill the talent pipeline. Senior leadership at Rockwell Automation had demonstrated how exactly UWM fills particular roles through student internships, with students later becoming employees.

Conservative estimates show that a number of UWM graduates are employed by top regional businesses, led by Northwestern Mutual, employing 2,000 alumni. In southeastern

Wisconsin, UWM graduates represent a significant portion of the labor force at eight of the ten Fortune 500 companies in southeastern Wisconsin. Chancellor Mone indicated that they are not just filling entry-level and middle-management jobs; many firms have also had CEOs and senior leaders who attended UW-Milwaukee.

Threats and What's at Stake

Chancellor Mone raised the question of how UW-Milwaukee can continue its work given some of the challenges and threats facing higher education today. He then listed some of the more prominent threats:

- Declining enrollments. These have been seen both nationally and in Wisconsin, where 1,200 fewer high school students have been graduating for the last six to seven years.
- Unprecedented budget reductions.
- Potential impact of the proposed federal FY 2018 budget on research, the student pipeline, and other factors affecting education institutions. Chancellor Mone noted that UW-Milwaukee just received its Research-I status and is at a fragile state in terms of retaining that status.
- Perceptions about the value of a college degree. Partly because of the cost and partly due to societal changes, high school students have continued to question the value of a college degree. Chancellor Mone noted that the well-established differential between those with a college degree and a high school degree is \$1 million over the course of a lifetime career.
- Cost of technology and the digital divide. UW-Milwaukee faces cost and accessibility issues as it seeks to add more programs to the 30 online degrees it currently offers.

Chancellor Mone then shared some of the things that are at stake or at risk:

- UW-Milwaukee's ability to continue to innovate at its current level.
- Time to degree, due to the impact of budget cuts (e.g., fewer faculty and advising services).
- Number of graduates, affecting UWM's ability to fill the talent pipeline, about which employers are concerned.
- Long-standing societal issues, including those related to poverty, crime, and employment.
- Lagging growth in research, assuming continued budget cuts.
- Capacity to engage meaningfully. In 2015 UW-Milwaukee was recognized as an "engaged university" by the Carnegie Institute for the first time based on the impact of its partnerships in the community.

Chancellor Mone indicated that the university is not standing still in the face of these concerns, but has taken action. It has managed the budget cuts, using strategic position control to help guide and direct the cuts to preserve strengths in certain areas; advocated strongly with the legislative Joint Finance Committee; worked with the business community, alumni and others in the community who have formed the Panther Promoters; and undertaken initiatives to stimulate reinvestment, such as the Connected Systems Institute, which includes Microsoft as a

founding member. The chancellor indicated that UW-Milwaukee has also undertaken a strategic enrollment management plan that looks at all sources of enrollment and targets activities related to retention, graduation, recruitment, and new opportunities and markets. One example is the number of individuals in Wisconsin with some college but no degree.

Building a Strong Future: Investing in UWM and Wisconsin

Chancellor Mone suggested that UW-Milwaukee will attempt to build an even stronger future. The chancellor's Strategic Opportunities work group, involving all UWM governance leads and other faculty and staff groups, has put together a plan that identifies 16 specific pathways. For example, the student success pathway plans for specific tactics for strengthening the pipeline to UWM from area high schools, technical schools, and two-year colleges. The focus of these pathways is on elevating UWM's outstanding learning environment, continuing to strengthen its exceptional research, and being a leader in community engagement. There is also a focus on strengthening the health, STEM, water, and entrepreneurial fields by aggressively pursuing opportunities to make an even bigger difference in those areas.

Chancellor Mone expressed appreciation for the Board of Regents' investment in UW-Milwaukee, the UW System, and Wisconsin. He also recognized the positive direction demonstrated in proposals from the legislature and the Joint Finance Committee.

He stated that compensation remains the critical priority for UW-Milwaukee, where employees have not had wage increases for the better part of the last decade. This presents daily challenges related to UWM's talent retention issues. Other priorities include increases in performance-based funding and other sources for the operating and capital budgets.

Chancellor Mone suggested that UW-Milwaukee is among Wisconsin's greatest assets. The 180,000+ alumni from UWM are Wisconsin leaders and represent the backbone of the regional economy. UWM's basic and applied research is saving lives and contributing to a better Wisconsin and world. He indicated that university engagement is vital to improving society and responding to the needs of the state. Reinvestment in UW-Milwaukee can only strengthen the university's impact.

Chancellor Mone then introduced a brief video showing UW-Milwaukee's impact from the perspective of several students:

- Student-parents Amber and Jared Anderson credited UWM's Life Impact program for providing the emotional and community support they needed to balance work, family, and a full-time school load.
- Juan Orjuela was born and lived in Bogota, Columbia, until he was 10 years old, then moved to St. Paul, Minnesota. He came to UW-Milwaukee because of the many opportunities the university offered in research. Mr. Orjuela said his biggest accomplishment at UWM was starting the Pre-veterinary Medicine Organization, which now helps its 30 members get involved in research or find internships or jobs in the veterinary medicine field.

- Katrina Hightower became an ambassador for the annual IT United career fair for high school students. While there, she connected with the ManpowerGroup and, after a phone interview, was offered a job. Ms. Hightower indicated that she was in the Commons, a ten-week startup for students and companies. The Commons partners with Kohl's to select ten students from the Milwaukee area, who are flown to New York to innovate for the company. Ms. Hightower said that they liked her ideas and asked her to do an interview; in March she accepted an offer to work at Kohl's as a full-time software engineer.

Chancellor Mone stated that the video shows the power of UW-Milwaukee and other UW institutions and the life-changing impact they can have for thousands of students every year.

Summarizing, Chancellor Mone observed that UW-Milwaukee: (1) responds innovatively to help solve Wisconsin's challenges related to employment, economic development, education, public health, and many other areas; (2) faces its own threats and limitations, with almost \$45 million, or 11 percent, of its overall budget cut from the institution's operating budget and a reduction of 300 employees; and (3) is grateful for the direction of the budget and the Regents' support, but further investment is needed to meet the needs of state, and particularly those of the southeastern region.

Discussion

President Millner opened the floor to questions. Regent Petersen thanked the chancellor, complimenting him on mobilizing Milwaukee's business and civic communities in relation to the proposed budget. He reported that legislative leaders were responding and recognizing the existing challenges and needed investments.

One of the big challenges Chancellor Mone had noted was the talent pipeline. Regent Petersen suggested that UW-Milwaukee has been particularly acute at working with the business community to find partnerships – not only to fill their pipeline, but to have them invest in UWM philanthropically. He asked the chancellor to discuss how he made the pivot to approaching businesses for funds needed to assist with filling the talent pipeline.

Chancellor Mone recalled an experience he had about 20 years ago, when an endowed professorship from Johnson Controls expired. He approached the company about doing more in that area, and they responded that they saw UWM as filling a talent pipeline need, but were working with many other universities around the world on specific applications.

He contrasted that with a recent event where Senator Darling and Representative Nygren came to UWM's Innovation Campus. Senior leaders from Johnson Controls and other companies had a completely different response. They explained that they could work with anybody in the world, but have chosen to invest millions in UW-Milwaukee.

Companies are looking for research partnerships and the innovation and talent they produce. Currently UWM is aggressively pursuing innovative applications in energy storage, drug discovery, physics, and virtually all health and science fields. Chancellor Mone concluded that now, and in the Business School for many years previously, he has been developing,

cultivating, strengthening and building those research-oriented partnerships for 20 years. He suggested that all UW institutions would say the same.

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PRESENTATION BY MR. BLAKE MORET, PRESIDENT AND CEO, ROCKWELL AUTOMATION: “THE UNIVERSITY OF WISCONSIN SYSTEM: BUILDING TALENT TO FUEL GROWTH AND COMPETITIVENESS”

President Millner asked Chancellor Mone to introduce the next presenter, Mr. Blake Moret, president and CEO of Rockwell Automation. Chancellor Mone said that Mr. Moret assumed the role of president and CEO of Rockwell Automation on July 1, 2016. At Rockwell, he is leading the world’s largest company focused on industrial automation and information. He had served in a previous role as senior vice president of control products and solutions, one of the company’s two business segments.

Mr. Moret has over 31 years of broad experience with the company, including leadership roles in marketing, solution services, and product groups. He began his career in 1985 as a sales trainee and subsequently served in senior positions across the organization, including international assignments in Europe and Canada.

Mr. Moret is a graduate of Georgia Institute of Technology, where he earned a bachelor’s degree in mechanical engineering. He is currently on the National Association of Manufacturers (NAM) board of directors and executive committee. He previously served as chair of the board of NAM. He is a member of the Business Round Table, United Way of Greater Milwaukee and Waukesha, and the board of trustees for the Boys and Girls Club of Greater Milwaukee.

Noting that Rockwell Automation’s board was currently kicking off its own annual meeting, Chancellor Mone said he was tremendously grateful that Mr. Moret was able to spend some time at the Board of Regents meeting.

Mr. Moret recently returned from London, where he was a keynote speaker with Cisco’s Internet of Things World Forum. Chancellor Mone described Mr. Moret as one of the world’s leading experts and advocates for the “Internet of Things,” referring to Rockwell Automation’s work on its “Connected Enterprise.”

Taking the podium, Mr. Moret shared that he is also the proud father of a very recent UW-Milwaukee graduate who participated in the commencement ceremonies on May 21. Another daughter just finished her sophomore year at UW-Madison. All of his children went through Wisconsin’s public school system.

Although not originally from Wisconsin, Mr. Moret said that he had moved to the state in 1985, 1995 and 2005. He added that he did not intend to leave and come back again – he is very happy to make Wisconsin his home going forward.

Mr. Moret said he would pick up where Chancellor Mone left off on the importance of growing talent to increase the competitiveness of business in Wisconsin. While Rockwell Automation is primarily a technology company, he suggested that many of his comments are applicable across the broad breath of the businesses that are the customers of the talent UW institutions produce.

The chancellor had discussed the fastest-growing employment sectors – health care, business, computer science, and engineering and science. Regarding health care, Mr. Moret indicated that life sciences are actually his company's fastest-growing business.

Regarding the business sector, the new business models required by the intersection of information technology and operational technology are causing business and technology staff to work together, both within Rockwell Automation, and for its customers. Mr. Moret observed that there is a huge opportunity for innovation in business.

Concerning computer science, Mr. Moret stated that it is the firmware and software within Rockwell Automation's products that drives the company's value and offers true benefits to its customers. Finally, Mr. Moret said that engineering and science are the bedrock of what his company does.

Mr. Moret stated that there are three things that employees want to be sure of, regardless of whether they are in a technical field. First, they want to know that what they do is important. Second, they want to know they are going to have the tools and the support to be able to do a good job in whatever it is they are being asked to do. Third, they want to have a chance to get ahead in some dimension in their careers. At a broad level, he said this was true across every employee in his organization and across those in other organizations.

Concerning the second point, having the tools and the support to be able to do a good job, Mr. Moret said that his role in the National Association of Manufacturers taught him that there are three broad themes that are critical to the success of education programs.

The first theme is the concept of lifelong learning. Mr. Moret suggested that the M³ program is a great example. Rockwell Automation is also a strong supporter of FIRST Robotics and Project Lead the Way, which get kids excited about STEM. The children do not know that they are learning highly technical skills – they think they are just having fun after school.

Mr. Moret indicated that there is a requirement on the part of hiring companies to be able to support lifelong education, whether it is giving time for their employees to get that education throughout the course of their career, or making sure that the budget for learning opportunities is durable and not only something the company does during good times. Keeping those programs going and showing a commitment to employees is the heart of a company's competitive differentiation. Noting that an employee's career might last 40 years, he argued that someone may be the best in the world at what they do at age 23, but without additional education or opportunities to learn new technology the employee will not be quite as good at age 33 or 43.

The second theme critical to the success of education is competency-based or outcome-based education using a variety of teaching methods. Mr. Moret said he liked being at “the intersection of innovation and impact,” where impact is another way of saying “outcome-based.” He recommended that the university stay in touch with what students are actually going to be asked to do, and then to iterate and constantly test that the curriculum will drive results.

Recognizing that optimized education does not always fit into a two- or four-year program, Rockwell Automation invests in a four-month engineer and training program that takes the raw talent of newly graduated engineers and puts them through an application-focused program in advanced manufacturing. At the end of four months, these graduates are ready to do some useful work in the real world.

Rockwell Automation works with ManpowerGroup to look at how to scale the program not only for the company’s own new talent, but also for its customers who cannot fill their talent needs. Mr. Moret confirmed that the talent gap is real; his company and its customers are looking for people who are comfortable with STEM technology, but also have basic expertise in production in order to understand the applications.

The final theme related to education is partnerships between learning centers and manufacturers. Rockwell Automation has programs with UW-Madison, MATC, and the labs that it sponsors. The company has also partnered with UWM, Microsoft and others to create a Connected Systems Institute, also known as Industry 4.0, Connected Systems, or the Connected Enterprise.

Mr. Moret indicated that it is vitally important to structure instruction around real world problems, observing that there is nothing sadder than a lab full of 30-year-old cast-off equipment with nobody who understands how outdated it is.

He explained that Rockwell Automation and its peer companies want to get involved, but this takes more than just donations of hardware. It requires the ongoing vibrant interchange of ideas and the supply of real-world problems with real customers who are looking for the university and industry to meet those needs together. He concluded that he looked forward to continuing that process.

President Millner asked Mr. Moret to share any advice he might have for the UW System about what more it can do to help industry with the issues that it faces. Mr. Moret suggested that it is important to be proactive in keeping the lines of communication open at a variety of levels with business leaders, to understand real-world applications. Recognizing that higher education is sometimes hard to navigate when businesses want to talk about the exchange of resources, such as interns or research, he also suggested making it as easy as possible for businesses to know where to go to identifying and address their needs. Speaking from past experience, Mr. Moret said that sometimes he thought he was talking to the right part of the organization and missed out on five other areas with great talent and research capabilities because he was not familiar with a certain acronym.

President Millner agreed that communication is important, and thanked Mr. Moret again for taking time out of his very busy schedule to speak with the Board.

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UPDATE ON FLEX OPTION PROGRAM – UW-EXTENSION

President Millner stated that the UW Flexible Option continues to attract considerable statewide and national attention, with the UW System recognized as a national leader in competency-based education. UW Flex uses an innovative direct-assessment, competency-based approach that supports non-traditional adult students who want to work at their own pace to complete professionally-oriented degrees and industry-focused certificates. UW Flex began enrolling students in January 2014.

Present to provide an update on behalf of UW-Extension were Chancellor Cathy Sandeen; Provost and Vice Chancellor Aaron Brower; and Dean of Continuing Education, Outreach & E-Learning David Schejbal.

Introduction

Chancellor Sandeen emphasized the innovative nature of the UW Flexible Option and the leadership that the Board of Regents and the UW System exhibit by offering this particular program. She credited former Chancellor Ray Cross and former System President Kevin Reilly, along with Governor Walker and members of his team, with putting the concept together and giving it life.

She explained that as the former Vice President of Education Attainment and Innovation for the American Council on Education, her interest was in helping more Americans achieve post-secondary degrees and credentials and in the innovative ways that institutions are addressing that need. The diversity of programs and unique capability of UW-Extension to address the needs of all the people in Wisconsin drew her to the UW System. The University of Wisconsin embodies the fact that there is no one pathway to a degree, she said, and the UW Flexible Option is a perfect example of that.

This program is particularly flexible and particularly appropriate for working professional students. There are about 750,000 to 800,000 Wisconsin citizens who have some college and no degree. As a direct-assessment, competency-based program, there are no set courses. Instead, students complete a series of competency sets and assessments that have been designed by UW faculty. Students work through those sets at their own pace, and can apply and get credit for prior knowledge as they progress toward their degrees.

Chancellor Sandeen noted that the UW System is one of the first in the nation to have this kind of program approved by the Department of Education in order to offer financial aid to students, and it is the only top public university in the country to do so. She expressed her pride in the program's partners and progress so far, then turned to her colleagues to provide more detail.

History of UW Flexible Option

Noting that the last presentation to the Board on the UW Flexible Option took place in September 2015, Provost Brower said he would provide more background on the program for the benefit of the Board's newer members.

In 2012, the Board of Regents gave approval to pursue a competency-based program. Provost Brower said the intention was to address exactly the kinds of students that Chancellor Mone had described in his earlier presentation as being needed to fill the skills gap: students who have some college and no degree. The idea was to create a radically new kind of educational model that was mastery-based instead of time-based. The first UW Flexible Option degree programs included three bachelor's degrees and one certificate from UW-Milwaukee, as well as an associate's degree from UW Colleges.

In 2013, the Lumina Foundation awarded the UW System a \$1.2 million grant to chronicle the program's creation, recognizing that the UW Flexible Option would be a national model. UW Flexible Option began enrolling students in January 2014, and by the end of that year had 146 students enrolled across all the programs.

In 2015, UW Colleges was given permission to provide federal financial aid. In 2016, UW-Milwaukee was allowed to award aid as well. Provost Brower commented that this was actually quite significant, suggesting that some might remember the struggles involved in getting the federal government to award aid; the program's different model was a significant change for them.

The first UW Flex Option program offered through UW Extension – a business degree – was launched in December 2016.

In FY 2017, the UW Flexible Option has generated revenues of \$2.8 million. Provost Brower indicated that these revenues go primarily to paying expenses for the program's partners. He added that the first UW Flex Option degree program has not just broken even but has begun to generate revenue, which had been covered in a *Capital Times* story the previous day.

Provost Brower reiterated that the UW Flex Option program is radical compared to a traditional educational program. It is aimed at adults with some college and no degree, and includes no classes or semesters. Instead it is a project-based model, where students progress toward their degree by completing projects that demonstrate their ability to apply knowledge in real-world settings. Those projects are evaluated by faculty, and students move along after hitting a mastery level. He emphasized that, to progress, a student must excel in every single identified competency.

Students enroll in three-month terms or subscription periods. Provost Brower said that these are not like semesters – students pay a flat fee of \$2,250 and then work as fast or as slow as they want during that period of time.

He indicated that enrollment growth has been quite good; three and one-half years into its five-year business plan, the UW Flex Option is on target to break even in five years. Growth in fiscal year 2017 is 42 percent over fiscal year 2016.

Provost Brower also noted that as of May, the 1,257 students in UW Flexible Option are largely new students to the UW System. One fear had been that the program would cannibalize, drawing students away from other UW intuitions, but in fact UW Flex Option is attracting new people into the UW System.

Aligning with Workforce Needs

Currently, the program offers five degrees and three certificates, with three more programs in development. Each of these programs are partnership programs, meaning that students enroll in the partner institutions. For example, students would enroll in the Bachelor of Nursing program at UW-Milwaukee, and would graduate with a degree from UW-Milwaukee. The UW-Milwaukee faculty are the ones who teach that program and evaluate students.

Provost Brower emphasized that the students' diplomas look identical to those from the bricks-and-mortar program. They are exactly the same as the degrees students would get normally.

He indicated that the partnerships and the collaborative nature of the degrees are very important, utilizing strengths from across the UW System.

Program Highlights

Provost Brower highlighted the strong, proactive, and individualized wrap-around support provided to UW Flex Option students by academic success coaches.

He also confirmed that the program is attracting exactly the kind of students it was meant to attract. Demographics show that the average student is 34 years of age; 61 percent are female, 15 percent are people of color, 11 percent are veterans, 75 percent are from Wisconsin, and the vast majority are working adults.

The program has had 100 graduates so far. Students are moving through quickly, taking nine to 18 months to earn their degrees, and retention is quite high at 75 percent. Provost Brower pointed out that these are essentially open-access students; it is not just "the cream of the crop" being accepted.

The Substance Use Disorders Certificate program has broken even and is generating revenue three and one-half years into the five year model. The Bachelor of Science in Information Science and Technology is expected to break even in fiscal year 2018, and in fiscal year 2019 the Bachelor of Science in Nursing program should break even as well.

Progress toward HLC Accreditation

Provost Brower turned to Dean Schejbal to discuss the new business degree from UW-Extension and the related accreditation process. Dean Schejbal explained that before the new business degree, UW-Extension did not award any degrees of its own. In 2015, the Regents permitted a mission change for UW-Extension to award baccalaureate degrees in the business field.

The business degree was launched in December 2016. Dean Schejbal acknowledged that the program is growing slowly with eight current students; it had hoped to have close to 20 students. He said that there is a lot of interest in this program, demonstrated by over 2,300 leads from students interested in applying and enrolling, but the stumbling block has been accreditation.

UW-Extension is undergoing an accreditation process like any other institution in the country. The Higher Learning Commission is the accrediting body for the UW System and each one of its institutions. Dean Schejbal stated that UW-Extension is progressing through that process, but it is a slow process.

The degree itself is working exactly as intended, he said. It is project-based, so students can focus on demonstrating mastery of specific skills through various projects that resemble real-life applications. For example, instead of sitting in class learning how to write a business plan, students are tasked with writing real business plans for real businesses, thereby learning through the process of doing.

The curriculum was developed in partnership with a number of industries, as with many of the UW Flex Option programs. Faculty and industry leaders were brought together to talk about what students need to know and be able to do when they graduate. Dean Schejbal explained that the faculty bring the research and theory to the conversation, while industry brings the application and the on-the-job needs. UW-Extension tried to marry those views in the kinds of skills and outcomes that it instilled in the program.

UW-Extension has partnered with campuses on the business degree program, with 17 faculty engaged from various institutions across the UW System. Dean Schejbal indicated that it had been a great process, suggesting that the faculty enjoyed the process of developing the curriculum and benefited from the experience.

The timeline for accreditation included a change to UW-Extension's mission in 2015, followed by the launch of the degree in 2016. UW-Extension is currently submitting documents to the Higher Learning Commission to apply for candidacy status – a two-year process. A site visit from HLC is expected sometime in 2018, and in 2019 UW-Extension should enter candidacy status.

Dean Schejbal explained that candidacy status is important because that is the point at which UW-Extension can apply for eligibility to award federal financial aid. This is usually

another two- to four-year process; after that UW-Extension hopes to quickly become fully accredited.

The Power of Collaboration

Dean Schejbal stated that UW-Extension has a number of collaborative engagements with its campus partners, which means that it has experience with degree development and break-even projections.

UW-Extension's collaborative degree offerings include three master's degrees and seven bachelor's degrees or other programs, with 12 of the 13 UW campuses participating in these partnerships. There is also an industry board for every degree.

Most of the programs are breaking even or generating revenue for the campuses. Two programs are covering all costs except marketing, and another two are in the red. Dean Schejbal said that UW-Extension is working on increasing enrollments in those two programs.

Two programs, a Bachelor of Science and Applied Computing and a Master of Science in Health Care Administration, have yet to be launched. The applied computing program will be launched in September 2017, and the health care degree will launch in 2018.

About 3,000 students have registered in about 8,000 courses. In fiscal year 2017, UW-Extension will be sharing \$1.2 million in net revenues in addition to about \$3.5 million that it shares with partner campuses to cover the costs of the collaborative programs. The programs that are generating significant net revenues are the M.S. in Data Science, the M.S. in Sustainable Management, the B.S. in Health and Wellness Management, and the B.S. in Health Information Management and Technology.

Dean Schejbal noted that students must sit for a professional exam in the B.S. in Health Information Management and Technology program; UW-Extension is pleased to have a 100-percent pass rate on that exam.

UW-Extension has a great deal of experience in collaborative degree programs and a proven track record with the campuses. Dean Schejbal suggested that the institutions partnering with UW-Extension on multiple degree programs indicate that these partnerships are working and are meaningful to the campuses. UW Flexible Option is another example of a strong partnership with campuses across the UW System.

Noting that goal is to serve students, Dean Schejbal closed with three stories about adult and nontraditional students enrolled in UW Flexible Option degree programs:

- Lori Kenyon is a nurse in Milwaukee who completed the RN-to-BSN program in one year. She saved time and money because of the UW Flex Option format. She was able to go through it at times that worked for her, and used her prior knowledge to move through the program quickly.

- Jamie Dear graduated from UW-Milwaukee's B.S. in Information Security Technology program in 2016. He will do a two-year stint at Google before coming to Milwaukee to help improve Wisconsin's IT economy.
- Craig Kilgo is a typical UW-Extension student in that he has a family and is working. He could not have committed to a traditional program, but UW Flex Option allowed him to complete a degree and benefit himself, his family and his community.

Dean Schejbal concluded that UW-Extension is pleased about what it is able to do for its students.

Discussion

President Millner opened the floor to questions from the Regents. Regent Higgins began by asking the presenters to elaborate on how the program was able to incorporate liberal arts into the competency-based model to be able to award a Bachelor of Arts degree.

Provost Brower explained that the program had to think of projects that would help demonstrate a range of liberal arts skills – communication, problem-solving, and collaboration. For example, a group working together to develop a business model is evaluated not only on the accounting component of that business plan, but also the collaborative and communication aspects of the project. He suggested that it has been a positive experience for faculty to think about the whole range of competencies that they want their graduates to demonstrate, including the liberal education competencies.

Chancellor Sandeen added that, in most cases, students are assessed using the “authentic assessment” designed by UW faculty. Authentic assessment is more difficult for faculty than a traditional assessment or objective exam. She described those who collaborate on the programs as “a coalition of the willing” are excited to try something new, with outstanding results.

Regent Mueller recalled that she was a somewhat reluctant supporter of the program, having been concerned that the UW Flexible Option would harm online programs that exist at the other campuses. She said that she liked to have been proven wrong.

She said, however, that she was still concerned about the relationship between the program's revenues and expenditures, and asked about the operating budget in comparison with the revenues that had been mentioned. Dean Schejbal stated that the UW System underwrote the startup costs of the UW Flex Option program with about \$12 million dollars. Those funds were used to build a variety of parts of the program, from the academic side to student registration, recruitment, and support. To date, the program has generated about \$6 million in tuition revenues. As the program moves toward self-sufficiency, the plan is to use the tuition dollars to cover all annual expenses and return revenues back to the partner campuses.

Dean Schejbal further clarified that there are two tuition rates – a subscription tuition rate, through which students pay \$2,250 for a three-month period, or \$900 per-competency set.

He noted that the per-competency rate often works better for students whose employers will only reimburse them for one course per semester.

Chancellor Sandeen indicated that the Joint Finance Committee had approved a proposal in Governor Walker's budget for almost \$700,000 in the next biennium to be used specifically for financial aid for students enrolling in the Bachelors of Business Administration program. Since UW-Extension is not yet an accredited institution and cannot offer federal financial aid, it is grateful for this budget item and the support and enthusiasm it demonstrates.

Regent Tyler asked whether UW-Extension is working with other institutions to build the UW Flexible Option or other competency-based credentialing programs, or if it has plans to do so in the future. Provost Brower spoke again about the Lumina Foundation grant that UW-Extension received to chronicle the UW Flexible Option case study. He added that UW-Extension has also been invited to give a variety of presentations on its experience with the UW Flex Option program, and that he receives calls about once a week from different institutions looking for advice. Institutions working on competency-based credentialing programs comprise a small enough group that everyone is sharing what they can to help the whole field move forward, he said.

Dean Schejbal noted that UW-Extension was one of the founding members of the Competency-Based Education Network (CBEN), which is now becoming a 501(c)(3) association. This group of seven schools worked with all of the regional accreditors in the country, the Department of Education, and the White House to determine what competency-based education ought to look like. Over 600 universities in the country are now looking to develop competency-based programs, and CBEN's work has been foundational in disseminating that information to those other schools.

Chancellor Sandeen observed that there may be a market for UW-Extension to provide consulting services to other institutions in the future. For now, she said, she had directed the UW Flexible Option's administrations to focus on building enrollments in current programs and on building new programs; this mandate was also included in Governor Walker's proposed budget and approved by the Joint Finance Committee.

Regent Farrow stated that she did not want other institutions doing competency-based education, since UW-Extension had put in all of this work for Wisconsin to lead the way.

She added that she was "thrilled" to hear that 74 percent of UW Flexible Option participants are from Wisconsin, because she had previously challenged how much the UW System does for out-of-state students at Wisconsin residents' expense.

Regent Tyler clarified that he was not encouraging UW-Extension to help other institutions build their own competency-based education programs; he was merely asking what the stance was.

Chancellor Sandeen noted that startup costs to building a program like the UW Flexible Option are substantial, so there are barriers to entry for many institutions. She suggested that this would shore up the UW System's position as a leader.

Regent Farrow offered her congratulations on the progress with the UW Flexible Option.

Regent Steil asked about statistics or data regarding the impact on a student's career through promotions or higher wages. Chancellor Sandeen explained that it will take time to track UW Flexible Option students' success after graduation. UW-Extension is staying close contact with students in order to do so.

Dean Schejbal indicated that this is an important issue for program administrators. They are currently conducting an exit survey for all Flex Option students who have left the program, whether due to graduation, transfer, or some other reason. The data from that survey is due back sometime in July, and will be processed and analyzed by early fall; he offered to share that information. However, one of the biggest challenges in tracking post-graduation success is that most students do not keep in touch after leaving an institution. Dean Schejbal reported that UW-Extension has had various conversations with the federal government about, for example, having the Social Security Administration work with universities to help provide some of that information.

Regent Petersen asked Provost Brower and Dean Schejbal to explain how accreditation will impact students who are already in the pipeline, how UW-Extension can enroll more interested individuals in UW Flexible Option programs, and whether the UW Flexible Option could be marketed to businesses as a continuous professional development opportunity for their employees as a way to underwrite the program until UW-Extension receives accreditation and can become eligible to award financial aid.

Provost Brower indicated that there has been considerable interest in UW Flexible Option, with 2,300 real leads – people that UW-Extension has called back and talked with. The two biggest worries that these individuals have are whether they can get financial aid, and whether their work will count toward a degree at another institution, since the Flex Option program is not accredited.

Regarding the first concern, UW-Extension will be able to essentially provide tuition credit for entry into the program using the funds provided in the proposed budget. Provost Brower said that, in UW-Extension's estimate, the amount provided is the amount that the institution would need to get to accreditation.

Regarding the second concern, he reported that UW-Extension has been talking to several UW institutions about issuing public statements stating that they will evaluate UW Flexible Option students exactly like they would evaluate all other students.

Dean Schejbal indicated that Discover Card currently has a request for proposals out to partner with an educational institution to offer degrees. He reported that in initial conversations there was real concern about the accreditation issue.

After discussing it further, it became clear that what the company actually wanted, at least at this stage, was an associate's degree for its employees. He said that this works well, because UW Colleges is accredited and offers both a Flex Option and a regular online degree option. UW Colleges is now in the process of putting together a proposal for Discover.

Dean Schejbal noted that it is a challenge to communicate with students about the issue, because UW-Extension is bound by Higher Learning Commission regulations about what an institution can and cannot say in terms of the likelihood of receiving accreditation or even being in the accreditation process.

Chancellor Sandeen agreed that financial aid or tuition credits will help grow the UW Flexible Option programs.

In response to a question from Regent Tyler about combining traditional and competency-based credits towards a degree, Dean Schejbal stated that a credit evaluation takes place during the admission process. A student's transcript is evaluated and credit is awarded, just as with any other institution in the UW System.

Chancellor Sandeen noted that some students try UW Flex Option for a while and decide later that they want a more traditional education, and they are able to transfer.

Provost Brower added that enrollment in UW-Milwaukee's on-campus nursing program was higher now because some students are trying the UW Flexible Option and then transferring into the traditional program.

President Millner suggested that the ability to apply prior credits towards a UW Flexible Option degree would be a strong marketing tool, as a large number of people in Wisconsin have some credits but no degree. She thanked the presenters and wished them good luck in the next few years.

PRESENTATION AND DISCUSSION: UW-MILWAUKEE'S NCAA DIVISION I ATHLETICS 2017 ANNUAL REPORT

President Millner next turned the Board's attention to athletics. In November of 2012, the Board of Regents approved new reporting guidelines, calling for UW institutions that participate in NCAA Division I athletics to annually provide information to the Board regarding academic, fiscal, and compliance matters related to NCAA Division I intercollegiate athletics.

This accountability framework allows the Board to provide proper oversight and safeguard the well-being and success of UW System student-athletes. It also provides an opportunity for the Regents to review the financial viability of UW athletics programs, and how the programs contribute to the institutions' academic missions. Through these routine reports,

the hope is to maintain good lines of communication between the institutions, the System President, and the Board.

The UW System has three institutions with Division I NCAA athletics programs: UW-Madison, UW-Green Bay, and UW-Milwaukee. President Millner invited UW-Milwaukee Athletic Director Amanda Braun to present the report from “Panther Nation.”

Introduction

Chancellor Mone spoke first, noting that the Board would be hearing about the significant and remarkable outcomes of UW-Milwaukee’s athletics program, but also about the results that come from disciplined leadership. Stressing the concept of “students first,” the chancellor pointed to UW-Milwaukee’s 300 Division-I student-athletes’ achievements, both on the academic side as well as on the field, as being important to the campus community’s brand, both locally and nationally.

Purpose and Core Values

Chancellor Mone then introduced Athletic Director Amanda Braun.

Athletic Director Braun said she was proud to say that 2016-17 was another successful year for Panther student-athletes, coaches and staff.

She stated that the purpose of the UW-Milwaukee athletics program is to serve as leaders in building a foundation of passion and pride for UWM, while adhering to its core values of education, excellence, leadership, respect, integrity, and pride. The athletics program has a unique ability to elevate the visibility of the university, not just locally but also regionally and nationally. It also has the ability to engage the campus and community in unique and exciting ways, bringing together students, alumni and community supporters.

Athletic Director Braun indicated that when the athletics program positively represents the university – which it often does – it reflects well on UW-Milwaukee’s students, faculty, staff and alumni, and grows a sense of pride for the university. Athletics department staff work hard every day to honor the investments of the students, the university and its community supporters. They understand that the success of the athletics program assists the university in achieving greater visibility and engagement, as Chancellor Mone explained, and in turn positively impacts enrollment and financial support for the university.

She said she would share a few points of pride from the past year in Panther athletics by highlighting academic and athletic achievements, community engagement and support, and the impact the athletics program has on the university. She would also show a video featuring alumni, community members and students sharing why they believe Division I athletics is important at UW-Milwaukee.

Academic Achievements

For the 2016-17 year, UW-Milwaukee's 300 student-athletes continued the academic success of previous years by achieving a collective 3.2 GPA in both the fall and the spring semesters. Athletic Director Braun observed that spring 2017 marks the 34th consecutive semester, or 17th consecutive year, of a 3.0 GPA or better by UWM student-athletes.

Considering that statistic, she said it was no surprise that UWM student-athletes collectively carry a cumulative 3.33 GPA, and that 34 student-athletes achieved a perfect 4.0 GPA in spring 2017.

Beyond academic support, athletics staff also focused on improving the student-athlete experience by identifying ways the department can assist with internships and employment after graduation.

Athletics Accomplishments

Competitively, UW-Milwaukee teams and individual student-athletes continued to achieve a high level of success in 2016-17, with nine of the 15 sport programs finishing among the top three in the Horizon League.

A few highlights of the year included the UW-Milwaukee men's basketball team's making a run to the league championship game, creating quite a buzz nationally and locally for the university.

In the last official competition of the year, which took place just the previous day, Nate Pozolinski represented UWM at the NCAA Track National Championship in the 110-meter hurdles. This marks two-time All-American Mr. Pozolinski's third straight appearance in the NCAA Championship.

Athletic Director Braun said she could speak at length about the work that UW-Milwaukee's student-athletes put in and the way that they represent the university on the field, on the court, in the pool, and on the track.

Community Engagement

Community engagement is an annual point of pride for UW-Milwaukee's athletics department, Athletic Director Braun said. UWM student-athletes, coaches, and staff engage in the Milwaukee community by giving back.

As part of the university's 60th-anniversary 60,000-hour community service challenge, Panther student-athletes and staff participated in nearly 4,000 hours of community service. The athletics program was recognized as the university's top contributing department for this challenge.

Athletic Director Braun stated that UW-Milwaukee's athletics department makes it a priority to continually find ways to give back to the community, and takes real pride in serving as a positive ambassador for the university.

Community Support

As important as the department's efforts to engage with the community through service are, Athletic Director Braun said it was also understood that during financially challenging times it is just as important to seek community support for UWM's student-athletes through fundraising, corporate sponsorships and ticket revenues.

She said she was excited to share that the program had another extremely successful year with its fundraising efforts, closing the year with more than \$1.4 million in gifts and pledges to athletics.

The program also received the largest gift in the history of Panther athletics when alumnus Fred Sitzberger pledged \$1 million to the Athletics Excellence Fund. Athletic Director Braun said that the Regents may be surprised to learn that Mr. Sitzberger is not a particularly big sports fan; however, he does believe strongly in the role that Division I athletics can play for a university.

Impact on University

As Mr. Sitzberger recognized with his very generous gift, Division I athletics has a unique ability to assist the university in building brand visibility and pride. Athletic Director Braun explained that the department is able to do this through academic and competitive excellence, as well as its community engagement efforts. This leads to greater campus and community engagement, additional financial support for the university, and stronger student enrollment.

Ms. Braun then introduced a video of alumni, community members, and the new president of UW-Milwaukee's Student Association, all of whom feel strongly about the importance of the UWM athletics program.

In the video, former Panther track athlete Trentin Edwards said that having "Milwaukee" across his chest while playing meant a great deal to him because he grew up in Milwaukee. Now an assistant vice president and branch manager at PNC, Mr. Edwards explained that competing on a high level in Division I athletics prepared him to be successful after graduation, because he was used to working under high pressure to set records and hit goals.

Alumnus Jim Mueller, president and CEO of Mueller QAAS, suggested that making a name out of UW-Milwaukee's athletics program is the easiest path to bringing pride to the community, as well as applications and enrollments to the university. He expressed appreciation for the presence and economic force that UWM brings to the community, and said that anything that can be done to strengthen the Panther athletics brand is going to help the university, the community, and the state of Wisconsin.

UW-Milwaukee Student Association President Emily Kuester indicated that she enjoys being able to go to games with her friends. Arguing for the importance of students' voting to make sure athletics is funded, Ms. Kuester said that the athletics experience brings students together and is something that everyone on campus can get excited about.

Alumni Karl and Chris Fiasca met each other at UW-Milwaukee. Mr. Fiasca, director of client services at Chortek LLP, explained that they now buy season tickets to UWM athletics events. Mrs. Fiasca, a retired vice president of finance for Northwestern Mutual, stated that UW-Milwaukee needs arts and sports to be an outstanding major university, because it connects the student body and brings the community back to the campus.

After the video, Athletic Director Braun expressed pride in the alumni and community members who come to watch and support UW-Milwaukee's student-athletes. She also expressed appreciation to the new leadership at UWM's Student Association for making a statement in support of athletics.

Coach's Perspective

As UW-Milwaukee's highest profile sport, Athletic Director Braun stated that men's basketball has an opportunity to engage the campus and the community unlike any other part of the university.

Head men's basketball coach Lavall Jordan had the opportunity to greet the Regents last year, just two months into the job. In his first year, Coach Jordan and his staff focused every day on developing their student-athletes, culminating in a run to the championship game that ended with the Panthers just six points shy of a victory that would have taken them to the NCAA Tournament. Athletic Director Braun reported that the team also received a 3.1 GPA for the spring 2017 semester.

Saying that there is a lot to celebrate and be excited about, Athletic Director Braun credited Coach Lavall for having done an incredible job of engaging the campus and the community. She then invited him to briefly share some of his first-year experience.

Coach Jordan said that the last year had been a valuable experience and that he had learned a lot. Acknowledging that the men's basketball players were not the most experienced group coming in, he said he was proud of them for coming together and making a run during March Madness to the championship game in the Horizon League Tournament. He called it an inspirational demonstration of how student-athletes can do the unthinkable when they believe in each other and their coaching staff.

Coach Jordan recalled the outstanding momentum and excitement felt around the city of Milwaukee during that time. UW-Milwaukee and its basketball program were a hot topic both locally and nationally as the team was on the verge of NCAA tournament history. He described the experience as "exhausting and exhilarating at the same time," as he and Chris Zills, the athletics program's communications director, went on local, regional, and national media outlets to talk about not only the UWM basketball program but also the university.

He stated that the spirit and enthusiasm created through athletics is unmatched, and the exposure for the school translates far beyond game day.

Coach Jordan indicated that the most rewarding part of coaching and being involved in athletics is the impact one can have as a teacher and a mentor, helping develop and instill the characteristics in young people that will prepare them to be great spouses, parents, professionals and leaders after college; in the UWM athletics program this is called “building champions.”

The connection made through athletics generates spirit and enthusiasm in the student body and in the community. There is also a loyalty and pride in UWM’s alumni that keeps them involved and gets them very active. Coach Jordan said the men’s basketball program is proud to serve that purpose for the university as well.

While the men’s basketball team did not win the championship, Coach Jordan said that the goal for both newcomers and returning student-athletes would be to win that championship next year. Saying that he was proud to work side-by-side with Chancellor Mone and Athletic Director Braun to represent UW-Milwaukee, Coach Jordan concluded his remarks with, “Go Panthers!”

Discussion

President Millner opened the floor to questions from the Regents. Regent Steil asked about the status of the progress in paying down the department’s debt. Athletic Director Braun, noting that the department’s plan for addressing the budget deficit had been included in the Regents’ materials, described this as a team effort between the athletics program and the university.

Some progress had been made toward eliminating the long-standing deficit, with a \$150,000 contribution in the past year. Athletic Director Braun emphasized that she wanted to act responsibly and be responsive to that concern, while also balancing that with being able to grow UWM’s athletic programs.

President Millner thanked Athletic Director Braun and Coach Jordan, congratulating them on the success of UW-Milwaukee’s athletic programs and their student-athletes’ academic successes.

CLOSED SESSION

President Millner called upon Vice President Behling to offer the resolution to move into closed session. The motion was seconded by Regent Petersen and adopted on a roll-call vote, with Regents Atwell, Behling, Delgado, Erickson, Farrow, Grebe, Higgins, Jones, Millner, Mueller, Petersen, Ring, Steil, Tyler, and Whitburn voting in the affirmative. There were no dissenting votes and no abstentions. Regent Klein joined the closed session shortly after it began.

Closed Session Resolution

Resolution 10871 That the Board of Regents move into closed session to: (a) confer with legal counsel regarding pending or potential litigation, as permitted by s. 19.85(1)(g), Wis. Stats.; (b) consider personal histories or disciplinary data of specific persons which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of such persons, as permitted by s. 19.85(1)(f), Wis. Stats.; and (c) consider annual personnel evaluations, as permitted by s. 19.85(1)(c), Wis. Stats.

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The Board recessed at 3:50 p.m. to relocate to the Fireside Lounge and reconvened at 4:00 p.m.

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The meeting was adjourned at 5:00 p.m.

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Submitted by:

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