

MINUTES OF THE REGULAR MEETING

of the

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Held in the Symphony Room
Gordon Dining & Event Center
770 W. Dayton Street
Madison, Wisconsin

Thursday, November 9, 2017
10:00 a.m.

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-President Behling presiding-

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

UNABLE TO ATTEND: None

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VETERAN'S DAY GREETING

In recognition of Veterans' Day on Saturday, November 11, 2017, President Behling announced that the Board of Regents was honored to be joined by the University of Wisconsin Naval ROTC Color Guard, commanded by Color Sergeant Midshipman 2nd Class Evan Lallensack.

Following the entrance and presentation of the colors, President Behling invited any and all veterans and active military personnel present to stand and be recognized. On behalf of the Board of Regents, he thanked all those who wear, have worn, or will wear the uniform in service of our country. He further expressed the Board's deep respect and gratitude for those who serve, both on and off the battlefield, and who steadfastly stand on guard to ensure our freedom, our security, and our way of life.

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APPROVAL OF THE MINUTES OF THE OCTOBER 2017 MEETING

The minutes of the October 2017 Board of Regents meeting had been provided. Regent Petersen moved approval of the minutes. The motion was seconded by Regent Tyler and adopted on a voice vote.

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INTRODUCTIONS

President Cross began by personally thanking the University of Wisconsin Naval ROTC Color Guard. In addition to their commander, Color Sergeant Midshipman 2nd Class Lallensack, he also introduced Midshipman 2nd Class John Tilstra, Midshipman 3rd Class Alex Canney, Midshipman 3rd Class Katherine Katula, and Midshipman 3rd Class Maren Kirkland, saying it was an honor to have them join the meeting.

President Cross said he was also pleased to introduce Eric Arneson, Vice Chancellor for Student Affairs and Campus Climate at UW-Green Bay. Vice Chancellor Arneson comes to the UW System from Florida International University, where he served as Assistant Vice President for Student Affairs. He has worked for more than two decades in various aspects of university administration in the Midwest and southern U.S.

Vice Chancellor Arneson earned a doctorate in higher education from Florida International University, a master of arts in college student personnel from Bowling Green State University, and a B.S. in political science from UW-La Crosse. President Cross said his UW System colleagues looked forward to working with Vice Chancellor Arneson.

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REPORT OF THE PRESIDENT OF THE SYSTEM

As this was a one-day meeting, President Behling explained he would hold his comments to allow enough time for the significant topic on the agenda for that afternoon. He then turned to President Cross for his report.

Legislative Updates

President Cross opened his report with an overview of several key legislative initiatives that the UW System is currently following at the state level. The UW System has been working closely with legislators on a bill that is being introduced to enact many of the capital flexibilities sought as part of the System's 2017-19 budget request. President Cross indicated that the bill incorporates the State Building Commission threshold changes that were included by Governor Walker in his Executive Budget proposal, but were removed as non-fiscal policy at the beginning of the budget process.

Other related legislation addresses enhanced operational authority of the Board of Regents for capital budget and planning. President Cross explained that this would include authority for the Board to fund program revenue-supported capital projects with the proceeds of UW revenue bonds authorized for issuance by the State Building Commission, as well as authority for the Board to approve and manage building projects funded by non-GPR funds.

The UW System is also working with legislators on proposals to reform and update the administrative rules governing the UW System, as well as legislation to update the System's accountability and reporting requirements. President Cross said that this legislation would eliminate outdated reports and make the reports that the university currently submits more meaningful. All of these bills are aimed at giving the UW System more flexibility, allowing it to operate more efficiently and effectively.

On the federal front, the "Tax Cuts and Jobs Act," the House Republicans' proposal for revision of the federal tax code, was released on November 2. President Cross noted the U.S. House Ways and Means Committee had been debating the bill that week, while the Senate has said it will not use the House bill and will instead start from scratch.

He observed that there are several issues that would have both direct and indirect impacts on public colleges and universities. More specifically, the bill consolidates three tax credits that taxpayers may claim for credit for postsecondary expenses: the American Opportunity Tax Credit, the Lifetime Learning Credit, and the Hope Scholarship Credit. The bill would give students an extra year, but at half the rate of support. Graduate students or lifelong learners would lose those tax benefits.

The bill would also repeal the current Student Loan Interest Deduction. There is also a provision that reduces the cost of graduate education and mitigates the tax liability of graduate students teaching and researching as part of their academic programs. President Cross said that this provision is critical to the research endeavor for major universities like UW-Madison and UW-Milwaukee, particularly in the critical STEM fields. For all these reasons, the UW System will work closely with its higher education partners and Wisconsin's elected officials in Congress as it looks to recommend tax policy changes.

President Cross indicated that work also continues to extend the Federal Perkins Loan Program, despite its expiration. There is strong bipartisan support for this in both the U.S. Senate and House of Representatives; so far 238 members have signed legislation to revive it. The Regents had been provided with a fact sheet that was distributed across Capitol Hill offices the previous week, showing the impact of the Federal Perkins Loan Program on public and private colleges and universities in Wisconsin. President Cross expressed hope that the nation's elected leaders would find a way to extend this program until simplification of all student loan programs becomes a reality.

News from Around the UW System

President Cross next shared some news from around the UW System, through a video presentation.

WisPolitics Partners with UW-Extension to Offer Economic Roundtables

WisPolitics partnered with UW-Extension to offer economic roundtables in Hudson, Richland Center, and Sheboygan. Experts from the Department of Revenue, Division for Business & Entrepreneurship, and Cooperative Extension shared data with community leaders to help drive future economic growth.

UW-Marshfield/Wood County Celebrates Opening of Everett Roehl STEM Center

UW-Marshfield/Wood County celebrated the opening of its Everett Roehl STEM Center. This UW Colleges facility houses chemistry, microbiology, and Certified Nursing Assistant programs. The state-of-the-art center features simulation labs, flexible classrooms, and study spaces designed to enhance student-teacher interactions.

UW-Whitewater Celebrates Grand Opening of Mary Poppe Chrisman Success Center

UW-Whitewater Celebrated the Grand Opening of the Mary Poppe Chrisman Success Center. The facility helps students succeed with supplemental instruction from qualified tutors. The Center was made possible thanks to a generous donation from alumnus Byron “Chris” Chrisman, in honor of his late wife, Mary.

UW-Superior’s Lake Superior Research Institute Celebrates 50th Anniversary

UW-Superior’s Lake Superior Research Institute (LSRI) celebrated its 50th anniversary. The event reflected on LSRI’s accomplishments in environmental research and set the stage for the next 50 years. Alexandra Cousteau, granddaughter of Jacques Cousteau, spoke about the importance of water conservation at the event.

UW-Stout Celebrates Naming of Robert F. Cervenka School of Engineering

UW-Stout celebrated the naming of the new Robert F. Cervenka School of Engineering. The late founder of Phillips Plastics, and his wife, Debbie, donated \$2.5 million to the engineering school. UW-Stout has more than 1,000 students enrolled in engineering majors.

UW-Stevens Point Music Student Finds Inspiration and Mentors

Music student Zach Finnegan has found inspiration and mentors at UW-Stevens Point. Mr. Finnegan spent the summer in intense music study, thanks to music professors Brent Turney and Matt Buchman, who helped find scholarships and wrote letters of recommendation. Mr. Finnegan hopes to teach after graduate school.

UW-River Falls Celebrates Opening of WinField United Facility

UW-River Falls celebrated the opening of a new facility for WinField United. This subsidiary of Land O’Lakes provides products and services to help farmers optimize yields. It moved its operations from Minnesota to River Falls because of a long-standing relationship with the College of Agriculture, Food and Environmental Sciences.

UW-Platteville Breaks Ground on Williams Fieldhouse Expansion

UW-Platteville broke ground on the Williams Fieldhouse expansion. This project will increase fitness and training space for the Pioneer community and 16 varsity athletic teams. It will include basketball and volleyball courts, a running track, and a modern training room.

Wisconsin Library Association Names “2017 Library of the Year” at UW-Parkside

UW-Parkside’s library was named the 2017 Library of the Year by the Wisconsin Library Association. The Association cited the library’s successful Big Read program, among other events, and praised UW-Parkside for having a diverse academic library.

UW-Oshkosh Holds Grand Opening Celebrations for Two Student-Focused Buildings

UW-Oshkosh held grand opening celebrations in October for two student-focused buildings. The Reeve Memorial Union and Fletcher Residence Hall underwent transformations to make the spaces more accessible, up-to-date, and responsive to student needs.

UW-Milwaukee Physicists at Cutting Edge of Astrophysical Discoveries

UW-Milwaukee physicists are at the cutting edge of astrophysical discoveries and opening new avenues of research. UWM played a key role in discovering gravitational waves, and that work contributed to the 2017 Nobel Prize in physics. The research also confirmed a prediction Albert Einstein made 100 years ago.

UW-Madison Students Support Mosquito-Control Efforts

To support ongoing mosquito-control efforts in the wake of Hurricane Harvey, two UW-Madison students have flown to Texas to help trap and identify mosquitoes. Melissa Farquhar and Erin McGlynn will monitor for disease-spreading species of mosquitoes and determine the effectiveness of control efforts.

UW-La Crosse McNair Scholarship Program Receives \$1.1 Million Award

The U.S. Department of Education awarded the UW-La Crosse McNair Scholar program \$1.1 million. At least 50 percent of the McNair scholarship students major in STEM fields. Since the program began in 2010, 78 percent of alumni have enrolled in graduate studies.

UW-Green Bay’s Gateway to Phoenix Success Program Helps Students Succeed

UW-Green Bay’s Gateways to Phoenix Success program helps students be successful. GPS is a free, high-impact experience for first-year college students which provides tools and support to help eliminate gaps in academic achievement. GPS students are significantly more likely to graduate on time compared to other underrepresented students.

UW-Eau Claire Names Residence Hall in Honor of Alumni

UW-Eau Claire's Towers residence hall is now called Karlgaard Towers in honor of alumni David and Marilyn Karlgaard. The couple's history of giving to the UW-Eau Claire Foundation exceeds \$6 million and includes the largest donation in support of student scholarships in university history.

Student Spotlight

Turning to the student spotlight, President Cross said it was his pleasure to introduce Aaron Kloss, a senior at UW-Oshkosh majoring in social work. Mr. Kloss served nearly 17 years as a Sergeant in the Wisconsin Army National Guard, including three tours of duty in Iraq, prior to retiring in June 2017. He also was part of a unit that assisted with Hurricane Katrina relief in 2005. Mr. Kloss started at UW-Oshkosh 15 years after graduating from high school. He expects to graduate in May, and already has a job lined up. President Cross then invited everyone to join him in welcoming Mr. Kloss.

Mr. Kloss began by thanking President Cross, the Regents, Chancellor Leavitt, guests, and the members of his UW-Oshkosh team who had been instrumental in his success at that institution. He explained that when Timber Smith, a veterans resource coordinator at UW-Oshkosh, first approached him about speaking to the Board, he thought it would be "a fairly low key situation." Mr. Kloss joked that "I've been shot at and blown up and I've never been as nervous as I am right now."

Mr. Kloss indicated that he is frequently asked why he joined the military in 2000 instead of seeking a college education. Noting that he had made some poor decisions when he was younger, he recalled his mother telling him to "choose a uniform of orange or camouflage."

Stating that he had learned many lessons over the course of his career – "more lessons than I have time to share today" – Mr. Kloss said he had been a member of some of the best units in the state of Wisconsin: the 1157th out of Oshkosh, the 147th out of Madison, and finally the 1158th in Beloit. On his three deployments, he had done everything from truck driving, to base security, to working with local nationals overseas in Iraq.

One thing he learned along the way was that "every moment of every day, we have choices that we have to make." Mr. Kloss observed that you can choose the easy route or the hard route – the easy route is sometimes just staying with what you are comfortable with and going with what you know, while taking the hard route quite often means stepping outside of your comfort zone and looking at the long game in life.

Mr. Kloss recalled his father working the southern swing shift in a factory for a number of years: two days on, two days off, three days on, three days off, for 12 hour shifts, rotating days and nights every two weeks. When he became a husband and a father of two, Mr. Kloss realized that he wanted to be there for his own children.

A colleague from his third deployment, who returned to UW-Oshkosh afterwards, encouraged Mr. Kloss to come talk to the Veterans Resource Center at the university. Mr. Kloss said he learned that all the barriers he thought were keeping him from returning to school were not really there, because of the various G.I. Bills that make resources available to veterans and how well those worked within the UW System. He indicated that this made it an easy choice for him to come back.

Describing his time at UW-Oshkosh as “a whirlwind of activity,” Mr. Kloss said he had been blessed on many counts to serve as the Student Veteran Association president on campus for a number of years. This afforded him the opportunity to collaborate with both faculty and staff on a number of committees, including serving as a student representative on search and screen committees.

Mr. Kloss argued that nothing he has been able to do would be possible without the environment of inclusion and support created at UW-Oshkosh, both on a larger scale by Chancellor Leavitt, and on a smaller scale by Lisa Danielson in the Registrar’s Office and the Veterans Resource Center team. He expressed appreciation for the opportunity to be with people who think the way he does and have lived lives like his.

Mr. Kloss said he looked forward to graduating in May, with plans to continue on for a Master’s degree after that. Mr. Kloss noted that he recently accepted a position in the UW-Oshkosh Registrar’s Office as a student status examiner. Reiterating that his life at UW-Oshkosh had been blessed, Mr. Kloss expressed his hope that by continuing on with UW-Oshkosh in the future he can give that kind of experience to more student veterans, non-traditional veterans and traditional veterans along the way.

After thanking the Board of Regents again for the opportunity to speak, Mr. Kloss presented a challenge coin from the UW-Oshkosh Student Veteran Association to President Cross, on behalf of the Board of Regents, for all of the support given to student veterans, non-traditional veterans, and students across the UW System.

President Cross thanked Mr. Kloss for his remarks, saying that he made the UW System proud. He also recognized veterans resource coordinator Timber Smith, veterans benefit coordinator Michelle Munns, and student academic affairs officer Jean Patt from UW-Oshkosh, who were all present in the gallery.

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REPORT AND APPROVAL OF ACTIONS TAKEN BY THE BUSINESS AND FINANCE COMMITTEE

President Behling called upon Regent Whitburn to present the report of actions taken by the Business and Finance Committee.

Regent Whitburn indicated that the report of gifts, grants, and contracts received across the System in the first quarter of FY 2018 was encouraging. The total \$511 million represents an increase of \$10 million from the same period last year. He noted that federal awards in the first quarter of the current fiscal year were up \$65 million.

The Business and Finance Committee also acted on two important resolutions, which Regent Whitburn suggested the Board should take up separately.

Regent Whitburn reminded his colleagues that the \$550 million UW Trust Funds are managed by director Doug Hoerr, who would soon be leaving System Administration. As a result, Regent Whitburn and Regent Steil, chair of the Subcommittee on Investments, had been working with Vice President for Finance Sean Nelson in recent months to discuss transferring management of these funds to the State of Wisconsin Investment Board (SWIB), which currently manages over \$100 billion. Regent Whitburn noted that UWS Chapter 36 of the Wisconsin Statutes explicitly gives the UW System the option of contracting with SWIB for this purpose.

In addition to managing retirement dollars for Wisconsin state and municipal employees, SWIB also handles funds for the State Historical Society, the State Life Insurance Fund, the Edvest Tuition Trust Fund, and the Injured Patient and Families Compensation Fund.

Regent Whitburn reported that the SWIB board met several weeks earlier and voted to authorize their staff to work with the UW System to negotiate an appropriate contract. The proposed Resolution 10954 would authorize the System to proceed with finalizing an appropriate contract under which the university would begin to move its trust fund assets to SWIB for ongoing management.

Regent Whitburn indicated that he, Regent Steil, and Regent Mueller, who previously chaired the Business and Finance Committee, believed that this action would significantly strengthen the Board's fiduciary oversight of UW System assets. Therefore, he moved adoption of Resolution 10954, with a second by Regent Atwell.

Responding to a question from Regent Farrow, Regent Whitburn indicated that SWIB would put in place an appropriate management platform for UW System funds consistent with the goals of the donors.

Vice President Nelson noted that asset allocation for UW System funds will be part of the conversations to be held over the coming six to seven months. Suggesting that the System's investment policy statement will be an indication of its desired allocation, he said that those decisions would still be under the purview of the Board of Regents. However, the System would defer to SWIB management to help guide that process.

With no further discussion, Resolution 10954 was approved on a voice vote.

Approval to Negotiate and Enter into an Appropriate Contractual Agreement to Transfer Management of UW System Trust Fund Assets to the State of Wisconsin Investment Board (SWIB)

Resolution 10954 Whereas under Section 36.11 (11m) of the Wisconsin statutes, the UW System Board of Regents may elect to contract with the State of Wisconsin Investment Board (SWIB) to manage the investment of revenues from gifts, grants, and donations; and

Whereas SWIB has demonstrated a positive track record of prudent investment strategies to maximize investment returns; and

Whereas SWIB's nine-member Board of Trustees practices sound governance and oversight that can supplement the UW System Board of Regents' fiduciary duty with respect to UW System Trust Fund assets;

Therefore be it resolved that the UW Board of Regents directs the UW System President and Vice President for Finance to undertake to negotiate and enter into an appropriate contractual agreement under which the UW System Trust Fund assets will be moved to SWIB for the ongoing purpose of investment management.

Regent Whitburn informed his colleagues that, according to UW System General Counsel, formal approval of the final contract by the Board would not be required under state statutes or the Board's own governance rules. Given this, Regent Whitburn recommended that the Board delegate responsibility for completing the final contract to President Cross and Vice President Nelson, with some oversight from Regent Steil and himself. Board members concurred with Regent Whitburn's recommendation.

Regent Whitburn stated that the Business and Finance Committee also approved revisions to two Regent Policy Documents associated with segregated fees. The recently enacted State Budget directed the university to bring consistency to how the various campuses administer allocable and non-allocable segregated fees, which required updates and significant changes to Regent Policy Documents 30-3 and 30-5. Once approved, these changes would be submitted to the Joint Finance Committee for a 14-day passive review.

Regent Whitburn then moved adoption of Resolution 10955, with a second by Regent Ring.

Regent Higgins noted that one of the policies includes permission for students to spend money on film and videotape productions, and suggested that this reference may be out of date.

With no additional comments, Resolution 10955 was approved on a voice vote.

Approval of Revisions to Regent Policy Documents 30-3, “Guidelines for Student Governance” and 30-5, “Policy and Procedures for Segregated University Fees”

Resolution 10955 That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves the attached revisions to Regent Policy Document 30-3, “Guidelines for Student Governance” and 30-5, “Policy and Procedures for Segregated University Fees”.

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RECOGNITION OF 100 YEARS OF WISCONSIN PUBLIC BROADCASTING

President Behling said the Board of Regents was pleased to welcome its colleagues from Wisconsin Public Broadcasting to share in the celebration of their 100th year anniversary. He offered congratulations on behalf of the Board, then invited President Cross to say a few words of introduction.

Introduction

President Cross noted that this was truly a remarkable achievement for Wisconsin Public Radio (WPR), as no other public radio station is celebrating 100 years – “not even the BBC!” Public broadcasting started in Wisconsin, and WPR captures the essence of the Wisconsin Idea: the UW System’s commitment to bring what it has learned in the classroom to the people of Wisconsin, and to bring the lessons of the public arena back to the university. From the beginning, WPR has used the latest technology to reach out and connect people with news and ideas that inform and enlighten.

When it was first launched, WPR focused on crop prices and weather forecasts – “true news you can use.” President Cross said that years later, public radio “brought the opera into the barns for this farm boy in Michigan,” as well as lively discussions of politics and poetry, science and social issues, and much more into the living rooms and daily commutes of countless listeners. President Cross offered his gratitude and congratulations on WPR’s centennial anniversary.

President Behling then introduced Malcolm Brett, the Director of Broadcast and Media Innovations (BAMI) at UW-Extension.

“Where Public Broadcasting Began”

Director Brett thanked President Behling, the Regents, and President Cross for the opportunity to celebrate 100 years of outstanding public service through Wisconsin Public Radio, Wisconsin Public Television (WPT), and Instructional Communication Systems. He noted that public broadcasting traces its roots to the University of Wisconsin – to Science Hall, Professor Earle Terry, and the Wisconsin Idea.

Director Brett then introduced a video which offered “a glimpse of our first 100 years,” starting in 1917, when Professor Terry broadcast music from the university’s radio station for the first time. That first seed of progress grew into Wisconsin Public Radio, and later Wisconsin Public Television, setting the stage for national public broadcasting as we know it today.

Today, Wisconsin Public Broadcasting carries on the university’s mission of bringing easily accessible education and information to the people of our state. It connects Wisconsin communities, providing a platform and a voice in civic and cultural conversations. It provides students, parents, and educators with research-proven educational resources to encourage life-long learning. It also provides all this content on established and emerging platforms, to ensure universal access that offers a stronger and brighter future for all Wisconsinites.

The video concluded by noting that, from the birth of radio to the Corporation of Public Broadcasting and National Public Radio, public broadcasting began with the university’s investment in Wisconsin Public Radio and Wisconsin Public Television. During the next 100 years, Wisconsin Public Broadcasting will continue providing the best it has to offer, from the latest discoveries to the greatest stories, to every family in the state.

Mission, History, and Value of Wisconsin Public Broadcasting

Director Brett said it is not surprising that the University of Wisconsin gave rise to the first public broadcasting in the country, or that Wisconsin Public Broadcasting would flourish within the university, becoming one of the most listened to, most watched, and most respected public broadcasting services in the country.

Director Brett stated that the UW System’s mission perfectly reflects the possibilities of Wisconsin Public Broadcasting, citing phrases such as “develop human resources,” “discover and disseminate knowledge,” “extend knowledge and its application beyond the boundaries of the campus,” “serve and stimulate society,” “educate people and improve the human condition,” and “search for truth.” He indicated that this is what WPR, WPT, and Instructional Communication Systems do every day: “Educating, informing, entertaining, engaging and inspiring everyone in Wisconsin.”

Director Brett encouraged the Regents to imagine the revelatory experience of 1917, when listeners heard the very first broadcasts in this country, and how that changed their lives. Wisconsin Public Broadcasting connected people at a time without radio, without television, and when only one in eight, or about 12 percent, of the households in the country even had a telephone. It also connected the UW System and the world beyond to the front parlor and the milking parlor, and vice versa. Technology was the vehicle, he said, but the payload and real value has always been timely, relevant Wisconsin-focused programming.

Director Brett noted that “it took a certain amount of imagination to create early radio programming for the public,” pointing to an early entry from 1934, when “Let’s Draw” taught school children how to draw on the radio. Though that took a certain amount of audacity, it worked!

Over the years, more local Wisconsin icons have taught children and adults alike. Wisconsinites have fond memories of their radio and TV teachers, like “Ranger Mac,” and Bob Homme in “The Friendly Giant.” From there it was a small leap to the next giant innovations in educational communications: WHA Television in 1954, Instructional Communication Systems in 1965, and then the ideas that were Wisconsin’s daily news, civic and cultural discussion.

Most recently, WPT’s 24/7 children’s channel brings wonderful, authentic, educational and trustworthy children’s programming. Director Brett emphasized that there is in fact a need to have good, nourishing children’s programming 24 hours a day.

Wisconsin’s public broadcasting service is still informed today by the goals articulated by Dr. William Lighty in 1933, when he commanded the organization to serve households, public schools, public interests, public enterprise, and the interests of informed public opinion.

Director Brett stated that Wisconsin Public Broadcasting’s work is and always has been about those publics: the homemaker who learned about nutrition; the child who learned to sing and draw; the voter who learned about the issues; the Milwaukee student who learned about and saw a role model in Vel Phillips; the farmer who got his crops in before the storm; the retiree in Superior who saw an inspired lecture about the physics of dark matter; the parents who watched their child learn on Sesame Street; the teacher in the classroom; the veteran who found new access to resources and a new voice for her experiences; the hearing-impaired viewer who rejoices in closed captions for all locally produced programs; the listener who calls in to comment on the issues of the day; the Native American who saw his tribe’s history on the air and in the classroom; and the stakeholder, somewhere in Wisconsin, currently watching the live stream of the Board of Regents’ meeting.

Director Brett observed that in Wisconsin Public Broadcasting’s beginning in the early 20th Century, the information void was everywhere. The service was a beacon, linking people to ideas, information, and inspiration. Its essentialness derived not only from the vital information it brought, but because it was the only source of that information at the time.

He noted that for most people today, there is access beyond measure – but with hundreds of channels of cable TV, satellite radio, laptops, cell phones, Facebook, Twitter, and more, “more isn’t always better.” Those sources bring a tidal wave of filtered, often unattributed, and often inauthentic content, 24/7. In this world, the authentic, well-researched, in-depth and local information from Wisconsin Public Broadcasting is more important than ever before.

Saying that Wisconsin Public Broadcasting stands out as local, coherent, organized, authentic and reliable program, Director Brett said this helps explain why Wisconsin Public Television is among the most watched public television stations in the country, and why listenership to WHA and Wisconsin Public Radio is at record levels today.

November 7, 2017, marked the 50th anniversary of the passage of the Public Broadcasting Act of 1967, which created the Corporation for Public Broadcasting (CPB), National Public Radio, and the Public Broadcasting Service. In celebrating that anniversary, CPB’s board also recognized the University of Wisconsin for 100 years of service with a unanimous resolution of

appreciation. Director Brett read aloud a few highlights from the resolution of appreciation, which he presented to the Board of Regents:

“The Board of Directors of the Corporation for Public Broadcasting recognizes the extraordinary contributions of Wisconsin Public Radio and Wisconsin Public Television on the occasion of the 100th anniversary of voice broadcasts of 9XM, the experimental broadcast station licensed to the University of Wisconsin. The inauguration of these voiced broadcasts is recognized as the earliest public broadcasting service in the country....

...Wisconsin Public Radio and Television have extended the learning resources and expertise of the University of Wisconsin, so that all may take full and equal advantage of civic and economic opportunity, make broad and deep social connections and strengthen our democracy....

...We mark the 100th anniversary of 9XM’s first broadcasts and the service and excellence of Wisconsin Public Radio and Wisconsin Public Television with respect, admiration and gratitude.”

Director Brett said that for the last 100 years, and for the next century, Wisconsin Public Broadcasting’s passion for the Wisconsin Idea and its service to Wisconsin audiences has and will continue to be driven by its audience’s needs. He then presented a framed copy of a Radio Hall mural commemorating the launch of Wisconsin Public Broadcasting, which was completed by art student John Stella in 1943.

He explained that this mural not only captures the organization’s history, but also expresses the magical confluence of technology, information, and audience-centric programming which is Wisconsin Public Broadcasting’s hallmark. Looking at the mural, one sees students and researchers advancing science and technology on the left, administrators and professors shaping academic outreach in the center, and program creators engaging the public in the work of those researchers and professors to the right.

The transformational innovation of Wisconsin public media continues to evolve, reaching audiences in ways that were once unimagined, from the milking parlor to the home, the office, the car, and any device anywhere in the world that can be connected to the Internet. Beginning with a seminal broadcast from a small lab to a single home in Madison, the experiment of Wisconsin Public Broadcasting blossomed over a century.

Today, the organization has partners at the Education Communications Board and at campuses around the state. It now serves 500,000 listeners and 500,000 Wisconsin Public Television viewers each and every week, through uncounted radios, televisions, smart phones, tablets, and receivers.

Director Brett concluded that Wisconsin Public Broadcasting is mindful of its legacy, but is focused on the future and how it will serve Wisconsin moving forward. He said the program

looked forward to reporting back to the Board of Regents on its second hundred years, and thanked the Regents for their support and appreciation of its work.

Discussion

President Behling opened the floor to questions or comments from the Regents.

Regent Millner recalled newly arriving in Wisconsin in 1976 as a young wife and stay-at-home mother with three children. As she scrubbed floors, “University of the Air” was her entertainment; but what she valued most of all was the news from around the state, which she had never experienced before in the other states she had lived in. Indicating that this feature really introduced her to the state of Wisconsin in a unique way, she invited Director Brett to speak about the kind of reporting WPR does throughout the state.

Director Brett answered that WPR’s statewide reach is the product of many people’s visions, with the Wisconsin Idea at the core. In the 1950s, a bipartisan committee of the legislature led by Senator Walter John Chilsen and Representative David Obey realized that the public broadcasting flourishing in Madison and Milwaukee was something that the rest of the state ought to experience.

As public radio licenses and television licenses were disbursed around the state, the university realized it had the opportunity to band together and create a statewide service to connect information, culture and entertainment, which could become an essential part of the quality of life for people in the state. Director Brett observed that though content is important, it was through the vision of the university to invest and apply for licenses early, the enthusiasm of people around the state to support the stations, and the state legislature’s investment in building out that infrastructure that Wisconsin Public Broadcasting was able to create that statewide identity.

More recently, the university and the Education Communications Board made common cause to consolidate resources to best reach and serve all audiences around the state; Director Brett pointed to this as a time when Wisconsin Public Broadcasting’s work really blossomed.

Regent Steil, who had the privilege of serving on the Educational Communications Board with Director Brett, asked him to comment on what he sees as the future of public broadcasting in the next hundred years.

Director Brett stated that the future is more confusing than ever. He indicated that the technology Wisconsin Public Broadcasting uses and the way it gets used are absolutely determined by how the public will receive the material. Over time, broadcasting has moved from AM radio to FM radio, from FM radio to television, and then to high definition radio, high definition television, and the Internet. WPR and WPT will be creating more and more content that can be found through different mediums.

More often the question is being asked, “Will our material be discoverable?” Director Brett pointed out that in the past programming was discoverable through TV Guide, but in the

future, people will find Wisconsin Public Broadcasting based on the very specific material that they want. The organization is constantly testing – “often succeeding and sometimes failing” – at developing new resources that will be embraced online. He added that, however they access it, if content is valuable people will find it.

Currently the organization is working hard to develop new packaging, which means shorter presentations, and has invested significantly in developing an online presence to make sure it can meet audiences wherever they are. Director Brett described one new project that UW-Extension invested in early, called WisContext, which is based on the recognition that people are interested in certain informational areas and in certain amounts of depth.

Using the knowledge that comes from colleagues at Cooperative Extension, public radio and public television, WisContext offers a broadcast and web service that presents a wide range of information about any given topic. For example, on the topic of a drought it will provide news about the issue, information about the economic impact, what it means to individual gardens, and maybe crop prices. WisContext brings all of this information together in a coherent way so it is discoverable.

Regent Evers commented that he had the pleasure as a first grader to participate in “Let’s Sing!” and also had the opportunity to take a class at Radio Hall as a student.

Noting that almost all media, including public media, has been attacked due to perceived bias, Regent Evers asked Director Brett how Wisconsin Public Broadcasting responded to those attacks.

Director Brett stated that Wisconsin Public Broadcasting’s first obligation is to serve everyone in the state, which means recognizing that many perspectives exist, and that the service has a responsibility to bring forward many of those perspectives. He said the organization works extremely hard at maintaining, developing, communicating, and testing itself on its thoroughness, accuracy, and fairness.

Director Brett noted that when WPR and WPT invite elected officials, prominent leaders, or university presidents to come on the air, most will typically answer, “Yes.” He suggested that this is because these people know when they come on the air they will get a fair shake – they may get asked difficult questions, but those questions will be fair, researched, and relevant.

Director Brett indicated that he regularly meets with senior staff and editorial staff to make sure Wisconsin Public Broadcasting is adhering to its obligations and policies regarding fairness and, to whatever degree possible, finding balance in presenting issues. He added that the program’s listenership, viewership, and donors come from all perspectives and find Wisconsin Public Broadcasting to be an authentic and credible source.

Regent Hall offered her congratulations on Wisconsin Public Broadcasting’s 100th anniversary. Noting that she once had the honor of representing the Board of Regents on the Educational Communications Board, Regent Hall indicated that she had learned how critical public television is because of the various stories and viewpoints being shared, in ways that

allow for a great deal of education on issues that are close to the heart and can be very sensitive. She saluted Director Brett for all that he has done through some challenging times, as Regent Evers had indicated, to provide the public with needed information.

Regent Higgins recalled that there have been challenges to WHA's claim of being "The Oldest Station in the Nation." Joking that he would "dare anyone to prove it's not true," Director Brett explained that KDKA in Pittsburg, part of the Westinghouse Network, also has a claim to being the oldest station in the nation. He clarified that WHA is the oldest public broadcaster in the nation, and is indisputably the longest consecutively broadcasting station in the nation. During World War I, when every other radio station in the country was required to turn off its transmitters for security purposes, WHA partnered with the Navy to do some testing over the Great Lakes.

President Cross asked Director Brett to discuss the sources of funding for Wisconsin Public Broadcasting.

Director Brett explained that when he first started, public broadcasting was about 80-percent government-funded. Currently, about 10 percent of the budget for Wisconsin Public Broadcasting is funded by the federal government; about one-third of the budget is funded through the university and the Educational Communications Board; and the remainder is funded through gifts. He suggested that the quality of Wisconsin Public Broadcasting's service is a reflection of some very assertive fundraising.

Fundraising continues to grow as both a percentage (due to the decline in federal government funding) and in real dollars. Director Brett credited the organization's hard work to develop its membership base, which is growing. WPR has well over 50,000 contributors each year, and WPT has grown over the last few years from mid-50,000 to over 60,000 families contributing annually. Indicating that the organization also courts funding from foundations and other large donors, Director Brett said that Wisconsin Public Broadcasting's aspirations for service always exceed its capacity.

Noting that Director Brett recently announced that he would be retiring in late spring 2018, President Cross took the opportunity to thank him for his outstanding service. Director Brett has been a national leader in public broadcasting throughout his 34-year career, serving as Director of Television at WPT prior to his tenure as BAMI Director. He is widely recognized for his support of the mission and power of public broadcasting, and the special role that the station plays in local communities.

President Cross said that Director Brett embodies the principles and values of those that founded WHA, and has worked to instill and promote those principles and values in the employees of WPT, WPR, and throughout broadcasting nationally. Offering his congratulations, President Cross wished Mr. Brett all the best and thanked him for all he has done for public broadcasting in Wisconsin and throughout the United States.

President Cross also recognized Gene Purcell, executive director of the Wisconsin Educational Communications Board, who was present in the gallery. He noted that the partnership between Director Brett and Mr. Purcell has been “a wonderful thing for Wisconsin.”

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UW VETS CERTIFICATION

President Behling reminded his colleagues that President Cross – who is a Vietnam veteran – launched a program during his first year in office to recognize and inspire the great work being done by UW System institutions to support veterans on campus.

Student veterans represent a relatively small portion of the total students on UW campuses – less than 3 percent – but they are also a growing segment of the campus population. Since the Wisconsin G.I. Bill was implemented in 2005, the number of student veterans and dependents served by UW institutions has more than doubled. President Behling said the Board of Regents would now recognize the significant work on behalf of veterans at seven UW campuses.

President Cross indicated that over the years, the UW System has made a strong commitment to the veterans who come to its campuses, and is regularly recognized as providing veteran benefits that are among the most comprehensive in the nation. The System is also well known for the supportive services provided by its campuses for veterans and family members.

Three years ago, the UW System created the UW System Veterans Education and Transition to Success (VETS) certification program, which is designed to recognize campuses that have met a rigorous series of criteria in helping student veterans succeed. To earn this certification, campuses must do the following:

- Train campus faculty and staff on issues that student veterans may face in transitioning to college, including scheduling, making connections, study habits, and health and welfare challenges;
- Conduct regular surveys of student veterans to identify needs and get input;
- Establish a campus steering committee composed of student veterans, faculty, and staff to share information and provide guidance to campus leadership;
- Provide student veteran-focused orientation programming;
- Identify internal and external counseling resources to assist student veterans with academic, financial, and social concerns; and
- Provide a dedicated space on campus where student veterans can meet peers and receive help with benefits, enrollment, and connecting to supportive resources.

President Cross stated that the VETS program helps to publicly salute an institution's commitment in the broad areas of facilities, training, data and research, affordability, leadership, services, and collaboration – all with the larger goal of making their education experience more accessible, affordable, and successful.

President Cross indicated that seven institutions had met the criteria in 2017 and would be presented with their VETS certifications: UW-Eau Claire, UW-La Crosse, UW-Oshkosh, UW-Parkside, UW-Platteville, UW-River Falls, and UW-Stout. He then invited the chancellors and other representatives from each of these institutions to come forward to receive an honorary plaque.

After the presentation of the plaques, President Cross congratulated the chancellors and their respective UW campus communities. He stated that all of the UW System's four-year institutions are now VETS-certified, "which is something we can be very proud of." He concluded that the high caliber of services and programs being provided is what all of the University of Wisconsin's students and veterans deserve.

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President Behling announced that the Board would recess for lunch and reconvene at 12:30 p.m.

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RESTRUCTURING OF UW COLLEGES AND UW-EXTENSION

Before opening discussion about the UW Colleges and UW-Extension restructuring proposal, President Behling said a few words about the work President Cross, his team, and the chancellors had done in bringing this proposal forward.

Stating that the Board of Regents must be focused on reforms, President Behling said that – whether tenure or executive hiring practices – it is the Board's job to help bring the UW System into the 21st century. President Cross's proposal would be the next step in that effort, and he and his leadership team have found a way to make the System more efficient and serve students and communities more effectively, without closing any doors.

President Behling indicated that the chancellors have also stepped up to the challenge, offering innovative and exciting new possibilities for the two-year campuses. That includes Chancellor Sandeen, who not only led a significant effort to improve efficiencies and enact reforms at both UW Colleges and UW-Extension, but also worked closely with President Cross and the other chancellors in the development of this proposal.

President Behling concluded that he looked forward to the Board's discussion, and applauded President Cross, his team, and the chancellors for thinking outside of the box and embracing reform.

Introduction

President Cross indicated that the proposal he would present to restructure a major part of the University of Wisconsin System could potentially be the most significant reorganization considered by the Board of Regents since 1971, the year of the merger that created this great System. Just as it was back then, he said the primary concern is ensuring that the university is prepared for what might lie ahead 10, 15, or 20 years down the road, and to ensure that the UW System is in a position to best serve its students, the state of Wisconsin and its people.

As the UW System considers the future, President Cross said the university must better understand its current environment, the challenges it faces, and the things that matter most to its primary stakeholders: the people, communities, and businesses of Wisconsin. He then reminded the Regents that a portion of his “dream” for the University of Wisconsin System and the State of Wisconsin, which he had shared during the introduction of the 2020FWD strategic framework, is a future where “the people of Wisconsin, regardless of their past experiences or financial circumstances, have an opportunity to earn a college degree.” President Cross said this would mean maintaining and even expanding access to the university, assuring affordability, continuing to simplify and streamline transferability, and providing enhanced advising in order to grow the number of college graduates that Wisconsin desperately needs.

His dream also includes a future where “the communities of Wisconsin are places where people enjoy vibrant and well-rounded lives, and where community members are informed, engaged, and fulfilled.” Indicating that the UW System has long played a key role in supporting and enriching local communities – helping their economies grow, enriching their culture, serving their citizens, and making the communities more vibrant – President Cross emphasized that this must continue. He added that vibrant communities attract millennials, families, people, and businesses with the big ideas and resources that Wisconsin needs to thrive in the future.

Finally, President Cross said that his dream also includes a future where “Wisconsin businesses and organizations are closely connected to the university through strong partnerships.” President Cross said that these mutually beneficial partnerships are critical. As the UW System continues its efforts to grow the number of college graduates in the state, it must also help to connect more students with Wisconsin employers to keep valuable talent, ideas, and resources in Wisconsin.

Wisconsin’s Demographics

To realize this dream or vision, President Cross stated that the UW System must better understand its changing environment. As the Board had discussed at its last meeting, Wisconsin faces some very pressing demographic challenges. Over the next 30 years, 95 percent of Wisconsin’s population growth will be people age 65 and older. Conversely, the state’s population between the ages of 18 and 64 – the traditional workforce years – is projected to remain essentially flat, with an anticipated growth rate hovering at about 1 percent.

At the same time, the demand for college-educated workers is stronger than it has ever been. President Cross added that this demand is expected to grow significantly. The

Georgetown University Center on Education and the Workforce projects that by 2020, 62 percent of jobs in Wisconsin will demand some post-secondary education. He observed that the dilemma is clear: While demographics indicate there will be fewer working-age adults in the state, Wisconsin will also need more of them to be college-educated.

Exacerbating these challenges is yet another demographic reality – the population is increasingly shifting from rural locations to urban centers. Rural and smaller communities are facing significant challenges in their efforts to retain and attract people. This is a national trend, and the upper Midwest states are experiencing this more severely than most.

Additionally, fewer and fewer students in rural areas are pursuing college degrees. According to the National Center for Education Statistics, while 42 percent of people ages 18 to 24 are enrolled in some form of higher education, only 29 percent come from rural areas, compared to nearly 48 percent from more urban areas.

Concluding that together these trends reflect the UW System's changing environment, President Cross noted that the University of Wisconsin has a long history of adapting to change. From helping the state become an agricultural and dairy powerhouse, or one of the country's leading manufacturing centers, or home to the latest high-tech enterprises for advanced imaging, the UW System has always been committed to working with and for the people of Wisconsin.

UW Colleges Enrollment

President Cross indicated that to help invigorate the state's economy and enhance the quality of life for all of Wisconsin's citizens, the UW System must find a way to maintain and expand access to the university and keep it affordable for Wisconsin students and families. The System must work to ensure that the University of Wisconsin is the place to go for the high school student in Racine; the single mother of two in Tomah who wants to return to school; the 45-year-old in Peshtigo who wants to change careers; the father in West Bend who wants to complete his degree, but cannot quit his job to do so; and the aspiring entrepreneur in Marshfield who may have the next big idea. All of these people have dreams – and it is the UW System's goal to help these dreams become reality.

Over the years, the UW Colleges have played a vital role in making these dreams come true by carrying out one of the UW System's core missions: bringing higher education to the people of Wisconsin, as well as providing a place for them to come for higher education. With their distinct transfer mission, lower cost, diverse regional presence, and the devotion of their faculty and staff to this noble mission, President Cross stated that the UW Colleges exemplify the UW System's commitment to providing wide access to affordable, quality higher education for all Wisconsin residents.

Observing that the enrollment challenges facing the UW Colleges are not new, President Cross noted that all enrollment numbers and trends are discussed annually at Board meetings. In October 2017, the Board of Regents turned its attention to the 32-percent decline overall in the number of full-time equivalent students at the UW Colleges since 2010. On some campuses, the

decline is over 50 percent. “Clearly, the status quo is not sustainable,” President Cross concluded.

The UW Colleges – under the leadership of Chancellor Sandeen – have enacted major reforms and restructuring efforts over the past three years to help manage their declining enrollments and budget reductions. President Cross said these efforts have been both courageous and extensive, and he commended the UW Colleges for their leadership in the face of these challenges. He additionally thanked the faculty, staff, and students of the UW Colleges and their local communities for all of their hard work.

Restructuring Options

President Cross pointed out that with lower enrollments and limited revenues, it will become increasingly more difficult for some campuses to offer the array of diverse courses needed to sustain a quality liberal arts associate degree if they stay on the same path. Therefore, the Board of Regents must consider whether the current structure of the UW Colleges within the UW System is appropriate. President Cross submitted that the UW Colleges and UW-Extension have four restructuring options:

Option 1: Do nothing and maintain the status quo. President Cross suggested that the UW Colleges could probably maintain the status quo for another couple of years – but that is it. The changes already implemented in the UW Colleges have allowed them to continue to operate, but they are rapidly approaching the limits of viable sustainability. Waiting another couple of years would further drain available resources, making any future transition even more difficult.

Option 2: Close a few of the UW Colleges campuses. President Cross argued that closing campuses would violate one of the UW System’s core principles: its commitment to provide quality higher education that is accessible and affordable, no matter where one lives in Wisconsin. The demographic challenges, coupled with the need for a more college-educated workforce, only reinforce the importance of continuing to prioritize access and affordability for current and future students. Furthermore, closing campuses would remove a vital economic and cultural anchor in these communities. The UW System’s presence in these communities has never been more important, he said.

Option 3: Merge the UW System’s two-year campuses with the state’s technical colleges to create a community and technical college system. While this idea has been around for some time, President Cross said it would be incredibly complex financially because of the different funding systems for the two entities, with unknown ramifications for taxpayers. A merger with the technical college system also would require legislative approval, “another potentially lengthy process.”

Additionally, some argue that a merger with the technical colleges would detract from the distinct missions of each system: a focus on the liberal arts might distract from a technical education focus, or vice versa. Finally, President Cross warned

that such a merger would compromise the UW System's commitment to maintain a meaningful presence in communities around the state.

Option 4: Integrate the UW Colleges with a number of the UW System's four-year comprehensive and research institutions. As part of a broader restructuring, the Cooperative Extension division would be moved within UW-Madison, and the three remaining divisions of UW-Extension would be moved directly under UW System Administration.

President Cross said that this final option was the proposal he would present to the Board of Regents. The primary objectives of integrating UW Colleges with other institutions include the following:

- Maintaining and expanding access to higher education at the two-year campuses;
- Continuing to identify and reduce barriers to transferring credits within the UW System;
- Maintaining affordability and continuing current tuition levels at the two-year campuses;
- Further standardizing, consolidating, and regionalizing administrative operations and services;
- Leveraging regional resources and shared talent at these institutions.

President Cross reminded the Regents that the UW System has been engaged in ongoing consolidation and streamlining efforts as part of its Commitment to Operational Reform and Excellence (CORE) agenda. He noted that the intersection of the CORE agenda and the restructuring of UW Colleges and Extension would allow for even greater standardization of processes across campuses and the consolidation and regionalization of services.

Though the primary purpose of this proposed restructuring is not to save money, President Cross suggested that over time, these efforts would generate savings due to greater operational efficiencies, while improving services provided to students, faculty, and staff. Noting that any restructuring, regardless of the type of organization, requires a settling-in period, he acknowledged that it would take some time before the UW System could identify actual savings.

Asking for the Board's support in moving forward with this proposal, President Cross said that the UW System could continue to study this issue for months, or even years, before coming to a decision. While recognizing that this is a significant and important change for the UW System, particularly for its students, faculty, and staff, as well as the communities it serves, President Cross stated that the challenges the System is facing will not change.

Would additional debate change the demographic trends? Would further study generate more options? Would the UW System's commitment to the foundational principles of access, affordability, and community engagement change with further study? President Cross said he believed the answer to these questions is "no." He added that nuanced variations of the available options could mostly be identified during the implementation phase, should the Board adopt this restructuring proposal.

Key Aspects of the Proposal

President Cross stated that the proposed restructuring is the one viable option that allows the UW System to uphold its core principles while also serving the most pressing needs of its students and the state, both now and in the future. It will provide new tools to move forward despite the challenges. It also will allow the System to maintain the university presence in these communities, and bring new programming to some of the communities in discipline-focused areas. Finally, it will allow UW institutions to share regional resources to improve efficiency and effectiveness over time.

President Cross emphasized this was a proposal to help move toward a vision for what the University of Wisconsin System should be in the future; it was not a fully-developed plan with all the details worked out. Should the Board of Regents approve this restructuring proposal, he said the UW System would move forward to engage shared governance leaders, including students, faculty, staff, and administrators, as well as business and community leaders and other stakeholders to develop a comprehensive plan and implementation process.

Within that context, President Cross said he would describe the basics of the proposal. As previously mentioned, the cornerstone of the proposal is the integration of each of the 13 campuses within UW Colleges into a four-year comprehensive or research UW institution, effective July 1, 2018. The proposed realignments include joining:

- UW-Barron County with UW-Eau Claire;
- UW-Manitowoc, UW-Marinette, and UW-Sheboygan with UW-Green Bay;
- UW-Washington County and UW-Waukesha with UW-Milwaukee;
- UW-Fond du Lac and UW-Fox Valley with UW-Oshkosh;
- UW-Baraboo/Sauk County and UW-Richland with UW-Platteville;
- UW-Marathon County and UW-Marshfield/Wood County with UW-Stevens Point; and
- UW-Rock County with UW-Whitewater.

President Cross indicated that a variety of factors were examined in coming up with these pairings, including geographic proximity, transfer rates, existing partnerships, programmatic compatibility, and the opportunity to grow local communities. The UW Colleges Online would remain a separate entity within its move to UW System Administration.

The proposal also calls for the Cooperative Extension division of UW-Extension and the UW-Extension Conference Centers to become units within UW-Madison, the state's land-grant institution. President Cross pointed out that this alignment would be consistent with the practice in other states, including Illinois, Iowa, Michigan, Minnesota, Ohio, and Pennsylvania, just to name a few. It would also provide greater opportunities to connect the important applied work of Extension agents with evidence-based research at UW-Madison.

Other divisions of UW-Extension would be moved as units under UW System Administration, including:

- The Division of Business and Entrepreneurship;
- The Division of Broadcasting and Media Innovation, which includes Wisconsin Public Television and Wisconsin Public Radio; and
- The Division of Continuing Education, Outreach and E-Learning (CEOEL), including the UW Flexible Option.

Reiterating some of the key aspects of the restructuring proposal, President Cross said that all UW Colleges campuses would continue providing associate degree programming. In fact, the UW System wants to bring more classes to the two-year campuses, including possibly offering upper-level courses on-site where demand exists. The goal is to expand the opportunities available to students and to attract more students into the educational pipeline. Keeping campuses open also means the UW System maintains its presence in communities across the state – where it can continue to focus on unique regional needs, while leveraging the strengths of the entire UW System.

President Cross indicated that credits would transfer to all UW institutions as they do now. The goal is to make the process even easier and smoother, which should help students advance through and complete their college experience at whichever UW institution they choose.

He added that tuition levels at the UW Colleges would stay affordable. Post-integration, the UW System would maintain the existing lower tuition levels for classes currently offered at the two-year institutions, as part of its ongoing commitment to access and affordability.

Finally, administrative operations and services could be further standardized, regionalized, and consolidated – reflecting the UW System’s CORE (Commitment to Operational Reform and Excellence) agenda – which would generate savings in the long term due to greater operational efficiencies.

Implementation Framework

President Cross recognized that the proposed restructuring of UW Colleges and UW-Extension was generating a lot of questions and anxiety. Though he indicated that the proposal is clearly in the early stages, he said that the UW System had developed a restructuring website where it would try to provide as many answers as it can, as quickly as it can. A link to this website had been added to the UW System’s homepage.

Saying that they would continue to update this webpage as new information becomes available, President Cross added that it would also provide a place for people to submit questions and comments that will help to further inform and refine the System’s planning efforts.

If the Board were to approve the proposal, President Cross reiterated that the UW System would proceed to fully engage with shared governance stakeholders – students, faculty, staff, and campus communities – as well as other stakeholders, to explore this opportunity in greater depth and develop the plan and implementation process. He indicated that the Steering Committee would meet very quickly after the Board’s approval to begin the implementation planning process.

President Cross concluded that this proposal would empower the UW System to meet the challenges it faces while upholding its longstanding commitment to provide wide access to affordable, quality higher education for all Wisconsin residents. The mission and the responsibility of the University of Wisconsin System has been to ensure that it is a university focused on meeting the needs of its students, the state of Wisconsin and its people – now and in the future. Stating his belief that this proposal would help the System do that, President Cross asked for the Board’s approval to “help keep moving Wisconsin forward.”

Panel: Shared Governance Representatives

After thanking President Cross for his presentation, President Behling announced that the Board would next hear testimony on this proposal from a number of key stakeholders, including representatives of shared governance, members of county government and local chambers of commerce, and the chancellors. After everyone’s testimony, the Regents would have the opportunity to follow up with questions or comments for President Cross or President Behling.

To get started, President Behling invited representatives of the UW System’s shared governance groups to join the Regents at the table, including Stephen Beers of UW-Extension, representing academic staff; Dr. Holly Hassel of UW Colleges, representing faculty; Jeremy Johanski of the UW System Service Center, representing university staff; and Nick Webber, a student at UW-Eau Claire.

Stephen Beers, Academic Staff Representative

Mr. Beers thanked the Board of Regents for the opportunity to share perspectives from the academic staff professionals who make up roughly 35 percent of all University of Wisconsin employees. While there is no simple way to represent the opinions of over 15,000 people, he said he would at least identify two groups and share the points most salient to the Regents’ deliberations.

First, there are the academic staff within the organizations being restructured – UW-Extension and UW Colleges. Mr. Beers asked the Regents to consider the entities within UW Extension “as trees, not seeds.” Trees are complex organic systems which are more than the sum of their individual parts, and the UW Colleges and UW-Extension trees are “flourishing.”

The Division of Continuing Education, Outreach and E-Learning is delivering higher education online to over 8,000 students, including 1,400 through the UW Flexible Option program, who would not normally find a place in higher education. Mr. Beers noted that programs like this require agile development and integrations with multiple institutions to succeed.

As the Regents had heard that morning, the Division Broadcasting and Media Innovations offers world-class content through 34 radio stations, and television programming that reaches 1.4 million viewers, because it has crafted a distinct entity apart from any single institution.

The Divisions of Cooperative Extension and Business and Entrepreneurship actively manifest the Wisconsin Idea by taking education out of the classroom and into the homes, farms and businesses of Wisconsin. Mr. Beers said that these UW-Extension divisions are actively grounded in local communities across the state; they have put down deep roots and matured over a long time.

Mr. Beers indicated that the academic staff inside UW Colleges and UW-Extension foresee opportunities ahead so long as each entity retains a meaningful identity true to its mission: “We cannot be reduced to seeds to be planted elsewhere.” He asked the Board to help these programs make this transition with their identities intact into new and more favorable soil, so that they can continue their mission-driven commitment to workforce and educational development.

Second, there are the academic staff outside of UW-Extension and UW Colleges who see both opportunities and challenges ahead. Mr. Beers said that this group is excited to make education more accessible and more affordable to rapidly changing audiences. Given the aggressive restructuring timeline, he asked on behalf of these academic staff that the UW System devote time and resources to the “difficult yet important conversations” that must accompany such large scale change.

This would include conversations about consistency in how the four-year campuses integrate, fund, and operate their new two-year partners; how services currently centralized in UW Colleges and UW-Extension, such as human resources, libraries, information technology, and more, will be integrated and budgeted in their new four-year homes; and how existing shared governance bodies can continue to have a meaningful voice. It would also include honest and transparent discussions about pay scale differences and positions that may be eliminated.

Mr. Beers indicated that one academic staff member told him, “We see opportunities, but only if handled in a thoughtful, deliberate, respectful, and transparent process.” He again asked the UW System to respect the institution’s identities, be willing to have difficult conversations, and let academic staff move ahead and continue to expand the University of Wisconsin’s reach throughout the state and beyond.

Dr. Holly Hassel, Faculty Representative

Dr. Holly Hassel informed the Regents that she had served as the UW Colleges faculty representative to the UW System for the past two years. In that time, she said she had attended most Board meetings and had regularly heard the goals and ambitions of the UW Colleges campuses described as “focused on attracting and recruiting talent,” and “attracting the best and brightest,” whether referring to students, faculty, administration, or staff.

She invited the Regents to consider another set of values for what the UW does as she offered her thoughts on the impact of the merger proposal of the UW System. She suggested that the UW Colleges campuses located throughout the state have never been about serving only top talent or only the best and brightest. Rather, these campuses cultivate and grow talent in the

places that they are: serving the needs of the communities and the surrounding areas where they are located, and bringing whatever a UW education has to offer to those places.

The UW Colleges campuses have recognized that place-bound adults cannot and should not have to uproot their lives to attend college. In 2016-17, 94 percent of UW Colleges students were Wisconsin residents, compared with just 55 percent at UW-Madison.

Dr. Hassel shared some of the answers written by students in her English 101 Critical Reading and College Reading section when asked, “Why is UW-Marathon County the right place for you right now?” She indicated that almost all of the students in the class identified affordable tuition as an important reason. Several students cited how important it was to have a local college because of the responsibilities they have to immediate family or dependents, while others cited small class sizes and professors who could “connect with me and help me out if I am struggling.”

One student from Lac du Flambeau cited the importance of the UW-Marathon County campus being affordable and close to home, as well as offering him the chance to play basketball. This student reported that the cost of going directly to UW-Stout, where he eventually hopes to transfer, would be \$33,000 for his general education courses. Dr. Hassel said the student indicated that this “was not affordable for me and my family.”

Expressing her appreciation that the proposed resolution asserted a commitment to college affordability and the tuition differential at the UW Colleges campuses, Dr. Hassel said she hoped future Boards and receiving chancellors will recognize and think carefully about how any future adjustments to branch-campus tuition would effectively price most of the students those campuses serve out of higher education altogether.

Dr. Hassel said the students at UW Colleges campuses work hard and do not take their education for granted or feel entitled. These students want to be teachers, nurses, engineers and small business owners. Students come to the UW Colleges campuses because they create opportunities for a life and a career that are rewarding, and which offer stability and a way to support their families. These students plan to live in the communities where they grew up or nearby, she continued, and UW College campuses build talent, capacity and stability in the state of Wisconsin.

Dr. Hassel asked the Regents to remember the stories and goals of UW Colleges students like hers as they consider the results of the proposed restructuring in the future, and to remember what these students say they need in a university: affordability, access, support, personal attention, and community roots.

Saying she has always been proud to work for the UW Colleges, Dr. Hassel explained that as a first-generation college student herself she shares the goals and dreams of the students who come to the UW Colleges campuses. She expressed hope that the UW System would continue to prioritize access to “all students who want to work hard and pursue self-improvement to support their families and build their communities.” She asked that the Board of Regents and

the chancellors of the four-year institutions “indefinitely honor the access and affordability for a UW education” that the UW Colleges have provided.

Jeremy Johanski, University Staff Representative

Mr. Johanski indicated that President Cross had provided shared governance representatives with a fair overview of the restructuring proposal at their recent meeting on October 27. What the representatives heard, he said, was a mix of budget concerns and restructuring news that led to the anxiety and fears prevalent at all of the institutions.

Mr. Johanski noted that with this proposal students are largely the winners – and they need to be. Access to education is one of the most vital aspects that the UW Colleges and UW-Extension have to offer. Communities win as well, he added, because keeping those access points in the communities engages the economy across the state.

He indicated that the concerns of the university staff representatives are partially due to the lack of details as to what the restructuring options are going to look like in each regional entity. Some of these points raised by university staff representatives had been provided to Regents for their review.

Pending the Board’s approval of the restructuring proposal, Mr. Johanski requested that shared governance groups have the access and participation guaranteed to them within the proposal. He noted that university staff are in a unique position in that they cannot supersede certain work rules and hours without giving notice to and receiving prior approval from their supervisors. Emphasizing that university staff want to be engaged, he indicated that they need flexibility to participate in these conversations and to attend these meetings.

Stating that he and many other university staff were willing to put in the long hours President Cross had indicated were needed to get some of this work done, Mr. Johanski said that to do so they cannot be handcuffed by the requirement to receive prior authorization in order to, for example, spend an extra hour at a meeting of great importance. Without the time and flexibility to stay in the conversation, the hands of the university staff representatives are effectively tied and their voices are limited.

Mr. Johanski said that if the Regents grant university staff representatives the ability to supersede work rules and hours when necessary, and only for this exceptional cause, this permission would need to be communicated to their individual work units, divisions and supervisors.

Mr. Johanski also pointed out that work units and departments should not necessarily have to compensate the time university staff representatives will spend on the restructuring implementation committees. With already-tight budgets around the UW System, he suggested that funding be dispersed to compensate departments for the time spent by university staff and other shared governance representatives on this project and proposal.

Mr. Johanski concluded that to make this proposal work all stakeholders need to be engaged and have the freedom, communication, and resources to do so without creating further anxiety and stresses.

Nick Webber, Student Representative

Mr. Webber thanked President Cross and the Board of Regents for providing him the opportunity to speak on behalf of the students regarding the proposed restructuring of the University of Wisconsin System.

Noting that the UW System is faced with its fair share of challenges, Mr. Webber said that the restructuring proposal addressed enrollment problems, funding issues, and cost savings all at the same time. He indicated that such bold actions on behalf of the UW System would typically prompt him to ask the Board to consider the welfare of the students, highlighting the strengths of the two-year institutions and reminding Regents of the importance of shared governance in higher education.

Speaking as a fellow Wisconsinite, Mr. Webber said that though the state's citizens come in many different shapes, sizes, lifestyles, morals and convictions, they pride themselves on Wisconsin's history. As the university and the state face the challenges of tomorrow, Mr. Webber suggested that the question is not, "What is the easiest way to address these obstacles?" but rather, "What is the best way?"

Mr. Webber said he would ask the Board for something small but meaningful to the next generation of students who would someday sit in the Regents' seats. He asked that the Regents remember that the UW System is different from the rest of the country; that years ago this state and this institution were founded on an unbelievable promise to the future; and that the students also have hopes and dreams for the future of Wisconsin.

Inviting the Board to take the next step with the students, Mr. Webber said it would be easy to deny students voting capacity on the UW System steering committee tasked with restructuring, and that it would be easy for the students to walk away and say, "We did all we could." He then added, "But everyone in this room knows that the easiest road is most likely not the road to success."

Mr. Webber again requested that President Cross and the Board of Regents of the University of Wisconsin System support true student representation by allowing a voting member of the student body to the steering committee. He also reminded the chancellors in the room of the importance of student participation at all regional levels, saying that this was a time to shake hands and move forward together. "We are made of our past, but we make our future," he concluded, "and we the students want to be a part of it."

President Behling thanked Mr. Beers, Dr. Hassel, Mr. Johanski, and Mr. Webber for their hard work and contributions to the UW System.

Panel: Local Government and Chamber of Commerce Representatives

President Behling said the Board would next hear from members of county government and chambers of commerce, including Dave Eckmann, president and CEO of the Wausau Region Chamber of Commerce; Paul Farrow, the county executive for Waukesha County; and Brad Karger, chief administrative officer for Marathon County. He thanked these individuals for taking the time to come speak on this issue.

Dave Eckmann, President and CEO of Wausau Region Chamber of Commerce

Mr. Eckmann introduced himself as the president and CEO of the Wausau Region Chamber of Commerce, a business organization in Wausau with 880 members, including both small and large businesses. The Chamber also represents local education community nonprofits.

Mr. Eckmann explained that his organization is in a unique position to tie together Wausau's business and industry, K-12 education, post-secondary education, municipal government, county government, and nonprofit communities. He also had a unique perspective, having worked at UW-Stevens Point in an economic development role for the past 12 years, and having worked in workforce development before that.

In his recent experience as a dissertator finishing his doctoral studies, Mr. Eckmann examined the role of the UW comprehensive university in economic development. Given his research in competitiveness, he indicated that a community the size of Wausau – which includes 40,000 people in the City of Wausau and another 90,000 in the metro area – cannot be without a UW institution.

Mr. Eckmann said that Wausau has a distinct opportunity to compete in the global knowledge economy with UW-Marathon County. He added that the comprehensive nature of UW-Stevens Point is also extremely important to the central Wisconsin region, especially with its ties to UW-Marathon County and UW-Marshfield/Wood County.

Mr. Eckmann briefly reviewed two events: In 1933, the UW-Marathon County teaching college was re-established as a UW Center. In 1971, the UW System merger took place. He suggested that this merger was the last transformational act of the University of Wisconsin, which is now facing a competitive global economy. Wisconsin communities like Marshfield must have a UW institution present, he said, or they will lose in this global economic game.

Indicating that Wausau business and community leaders support the restructuring proposal, Mr. Eckmann said that, of the options that President Cross laid out, closure cannot be an option. Speaking from his experience in economic development and higher education, he suggested that there are pathways to create new opportunities which will allow UW-Stevens Point, UW-Marshfield/Wood County, and UW-Marathon County to develop something very special – something that aligns the core mission of teaching, research, and service in academic programming to the needs of the regional economy and the driving sectors of manufacturing, business, finance, insurance, health care, and commercial services.

Mr. Eckmann concluded his remarks by asking for the Board's support in the restructuring of the UW System.

Paul Farrow, County Executive for Waukesha County

Mr. Farrow introduced himself as the county executive of Waukesha County, the third largest county in the state. It has the largest two-year college in the state, a population of about 400,000 people, and an operating budget of just over \$300 million.

Mr. Farrow said he would offer two different perspectives. Looking first at what the proposed restructuring would mean to his county, he reminded the Board that the maintenance of facilities at the two-year UW-Waukesha campus is on the rolls of the county, equating to roughly \$1 million per year. He indicated that potential opportunities must be weighed against how the restructuring would work for the constituency in Waukesha.

Stating that UW-Waukesha is a great opportunity for his county, Mr. Farrow said he has had many conversations with President Cross about whether it is being utilized effectively. That issue is part of what the Regents would be looking at when considering how to potentially realign the two-year UW Colleges. He added that the idea of joining the UW Colleges to the four-year comprehensive universities is not new.

Mr. Farrow also considered the restructuring proposal from another perspective, looking at the 21st-century global economy and the reduction of Wisconsin's population, especially in the 18- to 24-years-old range. He suggested that the UW System must challenge itself to further engage both the state's youth and its business startups.

Referring to a tech event he attended with Chancellor Mone, Mr. Farrow recalled that people were not looking at four-year programs – instead it was the six or eight-week programs that were engaging them. He indicated that there is an opportunity now to change the dynamics of education in Wisconsin.

Mr. Farrow indicated that he had attended UW-Waukesha, Waukesha County Technical College, and Carroll University, all within Waukesha County, which gave him some perspective into the different ways these institutions engaged. He noted that conversations between the private schools, the UW System and the technical college system had been moving quicker in the last eight months with the news of FoxConn coming to Wisconsin. He predicted that FoxConn's hiring needs will be a paradigm shift or catalyst for changing the economy in Waukesha County and the entire southeast Wisconsin region.

Recognizing that part of the Board's charge is to plan for the next 10, 15, and 20 years, Mr. Farrow suggested that the proposed restructuring would be a good first step. He said it would provide an opportunity to utilize the UW Colleges campuses as an extension of the four-year universities, which would in turn provide great opportunity for individuals in those regions. He also suggested sharing the campuses through the use of telecommunications technology and video campuses, allowing students at UW-Waukesha to receive degrees not just from UW-Milwaukee but also from UW-Whitewater.

Mr. Farrow observed that today's workers are finding that, after they get off the second or third shift at work, they need to continue learning in order to grow and advance in their careers. Waukesha County wants to make sure it can engage everyone and give them the tools they need, 24/7. He asked the Board to strongly consider President Cross's proposal, as it could be an opportunity to change the dynamics of the UW System and to capture the Wisconsin Idea of always taking the next progressive step forward in education.

Brad Karger, Chief Administrative Officer for Marathon County

Mr. Karger introduced himself as the Marathon County chief administrator; he has worked for Marathon County for 29 years. Besides Wausau, which is a relatively prosperous area, he noted that Marathon County also includes towns like Poniatowski, Athens, and Bevent, where there are many low-income people. Without UW-Marathon County, he said that many of these people would no longer have access to a high-quality liberal arts education from the University of Wisconsin.

Mr. Karger added that there is also a large Hmong population in Wausau. He indicated that Marathon County's Hmong residents often do not have any college tradition, and share with their rural neighbors the characteristic of being averse to holding a lot of debt. Without UW-Marathon County, he suggested that their opportunities would likely be more self-limited and that many would not advance to a high-quality liberal arts education.

Noting that many people in his position spend most of their time talking to CEOs of major businesses, Mr. Karger said that the center of his world has been people who go through changes in life – those whose lives do not go the way they had intended after graduating from high school. He indicated that UW-Marathon County provides a vehicle for these people to reorganize their lives.

Mr. Karger explained that many people who attend UW-Marathon County are place-bound, such as single parents who work full-time. Some of these people could and would attend UW-Stevens Point if necessary, but many others could not. UW-Marathon County provides a local location where individuals can learn at the highest quality and offers hope that they can advance their careers and move forward with their lives in a much more prosperous, healthy, and happy way than they ever could before.

Indicating that the Marathon County board had discussed the restructuring proposal, Mr. Karger noted that UW-Marathon County has seen the second-largest reduction in enrollments, which were down 51 percent since 2010. He said that the county board members realize that this could mean the end of UW-Marathon County in three or four years if nothing is done.

Regarding the idea of merging UW-Marathon County with a technical college, Mr. Karger said that many county leaders are concerned that this would dilute the quality of the liberal arts education. While Marathon County is very proud of its magnificent technical college, he acknowledged that technical college is not for everybody; those who want to go into engineering, medicine, or law need a UW education.

Stating that the Marathon County board is proud to be the community partner and sponsor of UW-Marathon County, Mr. Karger said that the county has invested millions of dollars into supporting the university and is not interested in pulling that money out. The county wants to participate in the planning process, he added, and it would like that process to be as decentralized as possible.

In addition to involving academics, faculty, business leaders, and others in the restructuring implementation, Mr. Karger encouraged President Cross to put the people he had previously described – those who are place-bound, low income, and without a college tradition – at the center of the planning process. Noting that the UW Colleges are a different kind of organization with a different mission from the four-year universities, he suggested that though they may not understand the technical aspects of the restructuring process, these community members can help figure out what is most important.

While closing UW-Marathon County would be detrimental to Wausau’s community business climate, Mr. Karger said it would be devastating to the rural and urban poor of Marathon County. He concluded that he would like the county to be a full partner in this process to ensure consideration of the needs of real people who need the UW Colleges – not just those who choose to attend one, but also those who have no other choice.

President Behling thanked Mr. Eckmann, Mr. Farrow, and Mr. Karger for their time and words.

Panel: Chancellors

Turning next to the chancellors, President Behling suggested that those interested in speaking do so in several groups, beginning with Chancellors Sandeen, Schmidt, Blank, Miller, and Shields.

Chancellor Cathy Sandeen, UW Colleges and UW-Extension

Chancellor Sandeen thanked President Behling, President Cross, and the Board of Regents for the opportunity to speak about the restructuring proposal. Referring to her various media comments over the past few weeks, she stated her ongoing concern about the sustainability and viability of the UW Colleges. After indicating that there are likely many ways the UW Colleges could be restructured for sustainability, Chancellor Sandeen expressed her support for the approach decided upon by President Cross.

Crediting her team for their diligence in working so hard to reduce costs, improve service, and maintain the sustainability of the UW Colleges, Chancellor Sandeen said that they could not do much more given the demographic factors Wisconsin is facing.

Looking at the profile of the current students enrolled at the UW Colleges, Chancellor Sandeen said that these students are distinctively different than those who attend other institutions within the UW System. Of the UW Colleges students, 58 percent are the first in their families to go to college and 35 percent are classified as low income by Pell eligibility standards,

though the chancellor indicated that the percentage of low income students at UW Colleges is actually higher: many students do not even apply for financial aid for fear of the process.

The UW Colleges have many non-traditional students, students of color, part-time students, and students with dependents (either children or older adults). Chancellor Sandeen called attention to the 81 percent of UW Colleges students who are working, including 16 percent who work full-time.

Noting that many UW Colleges students are “one problem away from dropping out or stopping out,” Chancellor Sandeen indicated that 40 percent of students require some level of developmental education in order to be successful at college-level work, and that 30 percent require developmental education in both mathematics and English. These students require a high level of learner support, which has eroded over the last year; the chancellor suggested that the new restructuring proposal would add more resources to support these students.

Stating that the faculty and staff at the UW Colleges care about their students, Chancellor Sandeen noted that many of them – including herself – were first-generation college graduates. She expressed hope that, regardless of the final structure of the organization, the UW Colleges’ mission and goal of serving students would remain important.

Chancellor Sandeen indicated that UW Colleges students who transfer are very successful. She added that those who transfer into the UW Colleges requiring developmental education have high eight-year B.A.-degree completion rates, which emphasized the importance of retaining the UW Colleges’ open transfer mission as they move forward in their new structure.

Chancellor Sandeen stated that the UW Colleges campuses were made possible through significant investments by local communities, counties and cities. For example, the new Roehl STEM Center at UW-Marshfield/Wood County, which cost \$6.7 million, was made possible by a combination of county, city, state and private donor money. In total, the UW Colleges campuses have an insured value of \$440 million in terms of land and facilities.

Chancellor Sandeen pointed out that this represents a significant investment from these communities, which have cared about access for years and would welcome keeping the doors of the UW Colleges open and even expanding what they do. Regardless of the organization’s structure going forward, she said that respecting these investments and these deep commitments and partnerships will be very important.

Indicating that the UW Colleges’ enrollment issues are projected to continue, Chancellor Sandeen noted that population demographics affect both enrollments and economics greatly. In today’s healthy economy, with an unemployment rate of three percent (the lowest in 17 years), students will work more hours, take fewer classes, and even stop out of school to work before returning – all of which affects enrollments. Regardless of the new structure, the chancellor said the UW System would need to address those basic macroeconomic population demographic trends.

Stating that UW-Extension is thriving in its current structure, Chancellor Sandeen said she looked forward to working with the UW System and UW-Madison leadership to make sure that this success continues. Adding that it makes sense for Cooperative Extension to return to its original home at UW-Madison, as the institutions already share over one hundred joint faculty, she indicated that both she and Chancellor Blank were convinced the division would continue to thrive.

The other divisions of UW-Extension – Broadcasting, Continuing Education, and Business and Entrepreneurship – are known for their creativity, innovation, relevance and flexibility in serving the ever-changing needs of the state. Regardless of where these divisions are housed, Chancellor Sandeen expressed hope that their missions of local programming, local relevance, creativity, and innovation are able to be retained.

Chancellor Sandeen again stated her support for the restructuring proposal to the extent that it would keep the doors open and maintain the important missions of these institutions. Recognizing from past restructurings in the UW Colleges that this would be a long process, she said President Cross and President Behling would continue to have her support as they move forward on this proposal.

Finally, with the current focus on the structures and inputs of the restructuring proposal, Chancellor Sandeen expressed concern that the important outcomes and goals for this process would be forgotten. Beyond preserving the mission of UW Colleges and UW-Extension to serve the citizens of Wisconsin, she asked the Regents to consider what the benchmarks should be for measuring and holding the university accountable for desired outcomes like expanding access; dealing with enrollment declines; providing a broader array of courses on the two-year campuses; achieving open-transfer success; and continuing a tradition of innovation and creativity.

Chancellor James Schmidt, UW-Eau Claire

Chancellor Schmidt thanked President Behling for the opportunity to offer a few comments about the proposed restructuring. He congratulated and thanked President Cross for his leadership in this area, noting that too often higher education is accused of not moving quickly enough to understand and respond to population changes. Suggesting that the demographics speak for themselves, Chancellor Schmidt said that the restructuring would be a very wise course of action in order to protect the mission of the two-year colleges.

Chancellor Schmidt stated that the university must focus on the students, the people of the state of Wisconsin, and the mission of these institutions. By focusing on its clients, the students, the university does better work than by focusing on its structures.

Addressing concerns that had been expressed about how quickly the restructuring proposal came to the Board of Regents, Chancellor Schmidt indicated that he had assured people both at UW-Barron County and on his own campus that though this was a very important policy decision, there were a thousand decisions yet to be made.

As the UW System considers bringing together UW-Eau Claire and UW-Barron County, Chancellor Schmidt said the institutions would be assembling faculty, staff, students, community stakeholders, county leaders, and business leaders to figure out how to address what that merger would look like. Suggesting that each partnership created by the restructuring would take on its own characteristics, the chancellor said he would not take a cookie cutter approach to solving the issues at UW-Barron County. Emphasizing that the university's job is to be responsive and to truly serve the unique needs of these regions, he said that the UW System has a great opportunity with this restructuring.

Chancellor Schmidt indicated that he has been less concerned about the restructuring process than many others, citing his own experience working at technical and community colleges earlier in his career, including multiple mergers during a four-year period of time. He also served as chair of the steering committee for one of those mergers. Chancellor Schmidt said his big takeaways from that experience were that most decisions can be made even in a short amount of time, and that things will work out fine as long as the focus remains on students and making sure they are not negatively impacted during the transition.

Chancellor Schmidt also suggested focusing on the missions of the institutions. Stating that it was not his intention to create a small UW-Eau Claire in Barron County, Chancellor Schmidt said it was very important to protect the unique mission of the two-year college by having accessible tuition, enrollment, and transfer. UW-Eau Claire is currently the largest recipient of transfer students from UW-Barron County, but many also choose to go to UW-Stout. The chancellor indicated that UW-Barron County students would continue to have that great option, as he would be welcoming admissions crew from all of the UW four-year institutions to come recruit students at UW-Barron County.

Focusing on the UW Colleges' mission, students, and communities will allow the UW System to continue to keep these institutions open. Chancellor Schmidt added that it would create an opportunity to bring additional coursework to UW-Barron County with some baccalaureate programming.

Stating that this would not be a one-way consolidation, Chancellor Schmidt indicated that he had told the UW-Eau Claire university senate's executive committee earlier that week that the institution can learn a lot from experiences at UW-Barron County, which has a wonderful relationship with the Somali population and agreements with Lac Courte Oreilles Tribal College and an international academy located in Ladysmith. UW-Barron County has also done a lot in area high schools.

Saying that the restructuring would bring many strengths of both institutions to the table, Chancellor Schmidt predicted that UW-Eau Claire and UW-Barron County would truly bring out the best in each other while preserving their missions. He said he would bring a group of shared governance leaders to UW-Barron County during the next week, and that Chancellor Sandeen would have the opportunity to address the UW-Barron County faculty, staff, and students as well.

Chancellor Rebecca Blank, UW-Madison

Chancellor Blank said she was delighted to have the opportunity to think about how to reintegrate Cooperative Extension and Conferences into UW-Madison. Cooperative Extension was created at the University of Wisconsin in Madison well over one hundred years ago, and lived at UW-Madison for almost 70 years until the UW System was formed. Chancellor Blank noted that UW-Madison is the original home of the Wisconsin Idea, and said that Cooperative Extension is one of the best examples of that concept in terms of integrating research and educational experiences within the state, in every county.

That said, Chancellor Blank indicated that she is acutely aware that Cooperative Extension serves and works with all of the different organizations within the UW System, on all of the different campuses, serving counties and groups of people that are sometimes far outside the UW-Madison mission. She said she is very committed to maintaining that type of service.

Chancellor Blank reiterated that the restructuring proposal was an announcement, not a plan. She added that getting from the announcement to the plan would require a lot of hard work, which UW-Madison has pledged to do in consultation with the faculty and staff of Cooperative Extension and Conference Centers, as well as with the external stakeholders who are very involved with UW-Extension, such as the county executives.

If done right, Chancellor Blank suggested that Cooperative Extension can become stronger by being on a campus and leveraging the resources at UW-Madison to better carry out its mission, and that UW-Madison can become stronger by working with Cooperative Extension and reintegrating its work into the university's fundamental commitment to the Wisconsin Idea.

Chancellor Dennis Shields, UW-Platteville

Chancellor Shields indicated that the two institutions UW-Platteville would be taking on under the restructuring proposal – UW-Baraboo/Sauk County and UW-Richland – are both in communities very similar to the ones that he grew up in.

Saying that higher education needs to be more dynamic moving forward, Chancellor Shields explained that universities are being pushed in many different directions, and leaders on campuses are trying to become much more responsive to many external stakeholders. He thanked President Cross for putting forward a proposal to get the UW System out ahead of the curve to deal with this issue, rather than waiting until it was forced on the UW institutions by external stakeholders.

Chancellor Shields also thanked Chancellor Sandeen for reminding everyone present about the profile of students at the UW Colleges. Noting that UW-Platteville is an access institution, he estimated that more than half of its students work and that 40 percent are Pell eligible, with the rest coming from fairly modest means. From that perspective, he indicated that UW-Baraboo/Sauk County and UW-Richland are not necessarily dealing with a substantially different clientele of student population than UW-Platteville.

In considering how to proceed, Chancellor Shields emphasized the need to build trust in those communities. If the Board of Regents approved the proposal, he planned to visit the UW-Baraboo/Sauk County and UW-Richland campuses and communities in the following week to listen to the students, staff, faculty, and external stakeholders about their interests and concerns before moving forward. While there was also a great deal to be done at the technical level with IT systems and student records, Chancellor Shields argued that at the fundamental level his role would be to get in-tune with the needs of those schools and their communities, understand their hopes and dreams, and figure out a way for UW-Platteville to align with and support them.

Explaining that he had visited many communities in southwest Wisconsin over the past two years, he told the Regents that the successful investments made in UW-Platteville were the direct result of getting in tune with those communities. He did not just ask them to advocate for the university, but asked what UW-Platteville could do to help them thrive and succeed. He concluded that this was a basis for UW-Platteville to build great relationships with the UW-Baraboo/Sauk County and UW-Richland communities and help all three institutions thrive.

Chancellor Gary Miller, UW-Green Bay

Chancellor Miller stated that, if the restructuring proposal were approved, UW-Green Bay would join three remarkable communities in northeast Wisconsin with three excellent colleges that his institution has often interacted with and long admired: UW-Manitowoc, UW-Marinette, and UW-Sheboygan. Noting that two of these colleges once belonged to the University of Wisconsin in Green Bay, he said that the region has an interesting cohesion in its economic development.

Indicating that the community of Green Bay and UW-Green Bay are very excited about this opportunity, Chancellor Miller stated his support for the restructuring proposal. While optimistic and confident, he acknowledged that it would be a difficult process and would take a lot of work to integrate and join these institutions efficiently. He said that UW-Green Bay was committed to doing that work in full collaboration with the UW System, Chancellor Sandeen, the UW Colleges, and the communities that would be joining the university in this great endeavor.

Chancellor Miller pointed out that this bold action would align with some major themes of the UW System's 2020*FWD* strategic plan. He said it was very important to northeastern Wisconsin to be a locus of innovation and transformative change during this great period of dynamic change in higher education and the economy. This means a deep commitment to student access to higher education, as well as student success in higher education and beyond in their careers. The chancellor suggested that the new structure could provide some new opportunities for making higher education affordable and reducing costs which UW-Green Bay has not yet explored.

This would also mean supporting economic development, generating talent not only for now but also for the future, and working to enhance the condition of all people through partnerships in education, the arts, and all endeavors that support the common good. Chancellor Miller said that these are values UW-Manitowoc, UW-Marinette and UW-Sheboygan share as well.

Chancellor Miller indicated that this reorganization was not expected to result in a new collection of multi-campus universities. Instead, the synergies created with the four-year institutions and their new partners will vastly increase the capacity of the UW System to serve the region, particularly the students in every part of Wisconsin. He suggested that this new university would take a broader view, take on bigger challenges, advance more creative and far-reaching solutions, serve more people, and create new avenues to collaboration. The chancellor told the Regents that supporting the restructuring resolution would not just be reorganizing the UW System, but raising the state's expectations of it in a very bold way.

Finally, Chancellor Miller said that the real power of the reorganization would go well beyond finding efficiencies – it would reshape the capacity of the UW System to serve students and support communities by encouraging shared governance leaders, students, county and city governments, businesses, and other regional institutions to work together, giving them a platform to imagine the future. He cautioned that this could only happen if the UW System follows the process laid out by President Cross and is smart about allocating flexibilities and resources, and if the UW institutions work together with one another.

Chancellor Miller concluded that UW-Green Bay is very excited to begin imagining the future of these new partnerships, and said he would be visiting UW-Manitowoc, UW-Marinette and UW-Sheboygan in the next week with Chancellor Sandeen.

Thanking the first panel of chancellors for their remarks, President Behling next invited Chancellors Patterson, Mone, Kopper, and Leavitt to speak.

Chancellor Bernie Patterson, UW-Stevens Point

Chancellor Patterson said the historic proposal before the Board represents the largest restructuring of higher education in Wisconsin since the UW System was formed in 1971. He suggested that there were significant opportunities to increase access, expand academic offerings, and innovate.

Chancellor Patterson said that the extent to which the UW institutions will be able to achieve these goals will depend directly on the degree of flexibility that the Board of Regents grants to the receiving universities, and the extent to which state funds currently supporting the UW Colleges at the local, regional, and state or central level are reallocated to continue to support the students, faculty, staff and the two-year campuses.

The chancellor indicated that he did not believe restructuring would save money, nor that saving money should be the UW System's goal in this endeavor. The reallocation of funds that currently support the UW Colleges will be critical to the proposal's success. If given the latitude to innovate, Chancellor Patterson said he was certain that five years later the Board would be very proud of the results. While some will want to see as little change as possible, he argued that the restructuring will have failed if all that gets changed is the sign on the street.

Having completed 42 years in the academy at four universities across three states, Chancellor Patterson observed that an academic's strength is the ability to study, investigate,

research, and analyze issues, problems, and possible solutions. While in another time he might have been the one suggesting that the university push the pause button until there was time to study this proposal, he said he now sees a sense of urgency.

Chancellor Patterson said that UW-Stevens Point is facing significant challenges, as are the two-year campuses in Wausau and Marshfield – issues that seem to be concentrated in central Wisconsin. While this proposal will not immediately solve those problems, the university must be willing to take bold steps, take risks, and fail along the way – but with the support of the Board of Regents, he was certain they would succeed.

Expressing his strong support for the proposal under consideration, Chancellor Patterson said he was very proud to be part of the University of Wisconsin System, especially during these times.

Chancellor Mark Mone, UW-Milwaukee

Chancellor Mone said he was pleased to speak about why he supported this resolution and thought it was absolutely necessary for the UW System to proceed.

Chancellor Mone indicated that he had the pleasure of serving as commencement speaker at UW-Waukesha in May 2017 and at UW-Fox Valley in 2016, which afforded him the opportunity to get to know the students, climate and culture of these campuses reasonably well. He observed that the students at UW-Waukesha and UW-Fox Valley do not differ greatly from those at UW-Milwaukee in terms of their diverse backgrounds, income levels, racial makeup, military service, LGBT status, and more. All three institutions have students who want to succeed, and the chancellor said he supports the restructuring proposal because of what it means for student success.

Chancellor Mone credited the recent news about FoxConn with being a catalyst for UW-Milwaukee and UW-Parkside to fundamentally address workforce needs in southeastern Wisconsin. He and Chancellor Ford were currently chairing regional efforts that would lead to a greater alignment between the university, the region, and the state.

Chancellor Mone also spoke about the restructuring in terms of the regional academic footprint, noting that the proposal presents opportunities from both an efficiency and effectiveness perspective, but also provides opportunities to dramatically change higher education models in response to feedback from the university's emerging partnerships with employers, local government, and workforce development groups.

Reiterating that the transition would need to be staged carefully, requiring flexibility and a great deal of effort, Chancellor Mone concluded that UW-Milwaukee is committed to supporting the restructuring process.

Chancellor Kopper, UW-Whitewater

Chancellor Kopper said that UW-Whitewater was very positive about joining with UW-Rock County for many reasons, beginning with the exciting opportunity to further strengthen existing partnerships with businesses and community leaders in Rock County, the region, and around the state.

She indicated that joining together with UW-Rock County also dovetails nicely with UW-Whitewater's mission. With a similar student demographic profile to the UW Colleges, UW-Whitewater prides itself on being accessible and affordable, with a special mission to serve nontraditional students, including veterans, working students, first generation students, and under-represented minority students. UW-Whitewater is focused on student success and transforming lives, and the restructuring proposal would give the university an opportunity to further enhance that mission by joining together with UW-Rock County.

Acknowledging that there is anxiety on campus related to the restructuring, Chancellor Kopper reported that significant questions center around the budgetary issues, such as how the UW Colleges' structural deficit will be handled, and how regional and central resources will be allocated to the campuses. However, she indicated that everyone was focused on the university's shared core mission to help students succeed by providing them with a world-class education.

Chancellor Kopper said that these engaging conversations on campus would expand if the proposal were approved, with a conversation scheduled for the next day at UW-Rock County. She stated that UW-Whitewater would honor its shared governance tradition by including all constituents, both on the campuses as well as in the community.

Chancellor Andrew Leavitt, UW-Oshkosh

Chancellor Leavitt said he was excited about the restructuring proposal. Explaining that he was once part of the consolidation of a four-year institution and a two-year institution in the University System of Georgia, he noted that he had received one day's notice as a senior administrator prior to that consolidation being announced. He concluded that it is not uncommon for these announcements to be made quickly simply because of their rather sensitive and political nature.

From his experience with previous consolidations, Chancellor Leavitt said he had learned that the four-year institutions must be empathetic with colleagues on the two-year campuses in that the restructuring may be viewed initially as a loss of control and identity. He indicated that the UW System must listen and be sensitive to these concerns as it brings these universities together.

Echoing the comments of Chancellor Shields, Chancellor Leavitt said he would also be spending the weeks and months to come listening to all concerned parties and making sure that they have deep and meaningful involvement in the plans moving forward to create a new consolidated university.

Chancellor Leavitt pointed out that the consolidation he had mentioned earlier had completely transformed that region in Georgia in terms of the footprint or prowess of the institution, local economic development, and the multiple pathways it created for students. He suggested that the restructuring of the UW Colleges and UW-Extension would lead to all UW institutions offering everything from certificates to associate, bachelors, masters, and even doctorate degrees. He added that this full menu of post-secondary options would be very powerful to the communities that gain an association with a four-year UW institution.

Chancellor Leavitt said he was very much in support of the restructuring proposal and looked forward to working with regional dean Martin Rudd and his colleagues at UW-Fox Valley and UW-Fond du Lac. He concluded by requesting the flexibility needed to make sure these new partnerships are properly resourced in order for them to be successful.

President Behling thanked all of those who had spoken, expressing his appreciation for their open and thoughtful testimony as the Board of Regents prepared to discuss this proposal.

Discussion

President Behling called upon Regent Steil to move adoption of Resolution 10956, “Approval of Restructuring of UW Colleges and UW-Extension.”

Regent Steil explained that he came to this issue with a background in mergers and acquisitions working for one of the state’s largest manufacturing companies. Suggesting that some of the principles he had learned in the private sector merger process would apply here, Regent Steil noted that a vote to restructure the UW Colleges and UW-Extension would not be the end – rather, it would be the start of hard work with the university’s diverse stakeholders. Change is difficult, he said, and bold actions are required to implement change.

While some have said the UW System needs to slow down as they identify the risks in the restructuring proposal, Regent Steil said “full steam ahead” to its opportunities: maintaining all of the UW campuses in this changing environment; enhancing the two-year institutions; simplifying and streamlining transferability; and finding financially responsible cost savings.

Most importantly, Regent Steil stated that the restructuring was the right thing to do for UW students. With that, he moved adoption of Resolution 10956, approving the restructuring of UW Colleges and UW-Extension.

After a second by Regent Whitburn, President Behling opened the floor to questions and comments from the Regents.

Regent Millner thanked the panel members for informing and confirming many of her opinions on the proposal before the Board. Noting that the four alternatives outlined by President Cross have been in consideration for many years, she said she was strongly supportive of the restructuring proposal.

In response to a question from Regent Millner about different terms used in the resolution, President Cross explained that certain words have different meanings within the Higher Learning Commission's operations. "Joined" is one of the words that the HLC finds appropriate for some form of consolidation or restructuring, as would happen with the UW Colleges campuses with respect to UW-Milwaukee and some of the comprehensive universities.

"Joined" is also used in the resolution to refer to Cooperative Extension and Conference Centers with respect to UW-Madison. The other three UW-Extension divisions are being "moved" in total, as they are, under UW System Administration. President Cross added that this could be subsequently changed as the UW System moves through its planning efforts, should the proposal be approved by the Board.

In response to concerns that certain elements of the restructuring proposal may need further investigation, Regent Millner thanked President Cross for including regular updates to the Board of Regents as part of the resolution.

President Behling stated that if Resolution 10956 was approved, his next step would be to direct President Cross and his staff to make the restructuring process a standing item on the agendas of the Board's next six meetings, through August 2018.

Regent Hall complimented President Cross on the restructuring proposal. She indicated that the input received by the Board, especially from the universities as well as their business partners, relieved her concern about making sure the UW System has candor from local communities. She expressed her support for this huge but necessary move for the state.

Regent Hall also expressed appreciation to President Behling for promising to make the restructuring process a standing topic for the Board of Regents to continue to monitor. She emphasized the importance of organizing opportunities for the Regents and educational leaders to have continued conversations in local communities with the university's constituents.

Finally, Regent Hall underscored the importance of maintaining a focus on the students. Stating that everything the Board of Regents does must be focused on improving the quality of education, access and affordability for students, she indicated that this would be a part of the restructuring.

Regent Ring thanked President Cross for bringing this proposal to the Board of Regents. Having previously participated in the student government and shared governance processes, he asked President Cross to address how the students and other shared governance bodies would be able to voice their concerns to the restructuring steering committee and participate in the conversation.

President Cross explained that the steering committee itself would include representatives from each of the campuses, including those not receiving any UW Colleges institution; five representatives from the System; and four representatives from UW Colleges and UW-Extension.

To engage shared governance groups in the restructuring process, students, university staff, academic staff, and faculty will be encouraged to attend the steering committee meetings and bring forward their concerns. President Cross indicated that this is meant to be a very collaborative process, and can be changed if this approach does not work as intended.

Expressing his hope that the shared governance representatives would raise good questions, President Cross pointed out that faculty representative Dr. Hassel had recently written a “wonderful piece” about the issues that concern the UW Colleges faculty and which affect students the most. He added that those issues must be considered going forward because they are issues that affect students the most.

Regent Higgins said that many of the Regents had received letters and other contacts from many people who were concerned about the restructuring, including those who have had extensive experience with the UW System. Many of those contacts included requests to postpone the Board’s decision. Nevertheless, he stated his support for both the restructuring proposal and the resolution before the Board.

Regent Higgins observed that the factors driving the restructuring proposal – state demographics, workforce needs, and enrollment challenges – are not speculative, but factual. In light of these factors, President Cross had considered four options. Noting that President Cross is a former chancellor of UW Colleges and UW-Extension and is uniquely knowledgeable about the inner relationships and infrastructure of the subject institutions, Regent Higgins expressed confidence in his approach and ability to draw in the kind of input from his executive team that led to this decision.

As President Cross had pointed out, the resolution before the Board was a proposal and not a plan. In establishing a framework for meeting the challenges the UW System now faces, Regent Higgins suggested that the proposal would facilitate the continuing process by having people focus, as opposed to approaching decisions in a scattered way. Indicating that a proposal leaves ample opportunity for meaningful input from shared governance and community groups that will shape a successful implementation, he said he supported the resolution for that reason.

Raising a question posed to him by the Stout Student Association, Regent Higgins then asked President Cross to explain why UW-Barron County was being joined with UW-Eau Claire rather than UW-Stout.

President Cross explained that the UW System looked at four principal issues in determining which campuses would be aligned: proximity, transfer rates, existing partnerships, and programming compatibility.

Acknowledging that some of the decisions could have gone either way, President Cross explained that UW-Eau Claire seemed to be a better match for UW-Barron County in proximity, transfer rates, and programming compatibility. Though UW-Stout is five miles closer than UW-Eau Claire, the four-lane road to Eau Claire is likely faster. Over the last several years, roughly 43 percent of UW-Barron County transfers went to UW-Stout, and about 57 percent went to UW-Eau Claire. Finally, the liberal arts programming at UW-Barron County would appear to be

more compatible with the liberal arts mission of UW-Eau Claire than the polytechnic mission of UW-Stout.

President Cross emphasized that it was important to encourage other institutions not receiving a UW Colleges campus to recruit and receive transfers from any of the two-year campuses.

Regent Mueller stated that the status quo is not sustainable given declining enrollments, and that many of the components within the proposal have merit in her view. However, she said she could not support the current resolution.

Saying that the Board of Regents must be deliberative as well as bold, Regent Mueller questioned whether enough time had been provided to study this proposal. Noting that there was very little detail in the proposal in terms of revenues, expenses, or the UW Colleges' structural deficit, she indicated that the Regents cannot fulfill their fiduciary responsibility if they do not understand the base.

Regent Mueller added that she was particularly concerned about the material changes to UW System Administration, which had not received as much attention as some of the other components of the proposal. These changes include an increase in the number of direct reports to President Cross and in the flow of financial funds.

She observed that the current flow of System Administration and System-wide funds are not understood very well by the university's stakeholders, and that the proposed restructuring would potentially add many more funds into this flow with no explanation of how System Administration would keep them separate and distinct.

Regent Mueller briefly reviewed the three divisions of UW-Extension that would be moving under System Administration. First, she suggested that some of the funds for the Division of Business and Entrepreneurship should be reallocated back to the campuses rather staying with System Administration.

Second, Regent Mueller observed that System Administration is currently a coordinating body, while the Wisconsin Public Television and Wisconsin Public Radio functions housed in the Broadcasting and Media Innovations division operate 24/7.

Regent Mueller also questioned how exactly the division of Continuing Education, Outreach and E-Learning, which includes the UW Flexible Option and UW Colleges Online programs, would fit into System Administration as a coordinating body. She again suggested reallocating some of these funds and functions back to the campuses.

Observing that past Boards had gotten in trouble when they did not monitor the financial side of the university's operations, Regent Mueller asked President Cross and President Behling to delay the Board's final decision on the restructuring proposal for three weeks, until the Board's December meeting. She indicated that this would give the Regents more time to read all

of the documents related to the proposal and determine a financial baseline to help better judge the restructuring's future success.

Regent Farrow stated that when she had the chance to speak to high school students in the past, she admonished them to stay in Wisconsin for their education and lead the state into the future. She said she would now also encourage them to have families, as Wisconsin's demographic challenges have led the UW System to consider restructuring its great institutions and programs. She added that the UW System must deal with this problem and cannot put the decision off.

Looking back at her service on the Board, Regent Farrow said that this vote would be the most important besides her vote to hire President Cross to lead the UW System. Indicating that President Cross's hiring was "the best decision" she had made up to this point, Regent Farrow stated that she was a strong supporter of all he has done, especially this restructuring proposal.

Noting that Regent Mueller is a former state auditor, Regent Farrow said she "would never argue with her on anything financially," but added that the UW System cannot wait to restructure. Regent Farrow also expressed support for having a major national firm perform an external fiscal audit that could allow the Board to have a conversation about the UW System's finances.

Regent Farrow concluded that she was pleased to hear the comments made by the panelists, and thanked them for their great interest and enthusiasm. She also thanked President Cross for bringing the proposal forward to the Board of Regents.

Noting that one of the most common questions he gets about government and public entities is about the speed – or the lack of speed – in which they act, Regent Tyler said it was interesting that most of the letters and comments he received about the restructuring proposal were asking the Board to stop, slow down, or put off its decision. He then stated his agreement that the Board of Regents needed to move quickly on this issue.

Indicating that he liked the approach of regional decision-making by chancellors to address what is important in their regions, Regent Tyler suggested that regional decision-making will produce better outcomes for students than if those decisions were made elsewhere. He also asked for a bias toward flexibility in the restructuring process, so that chancellors can make different decisions as needed.

Finally, Regent Tyler echoed Regent Mueller's concerns about how Wisconsin Public Broadcasting would fit into System Administration. He noted that public television is very important in rural areas like his own, as oftentimes it is the only programming available for kids, and because it is accessible everywhere in the state at no-cost.

Regent Erickson thanked everyone for their hard work on the restructuring proposal, and especially President Cross for investigating the issue and coming up with a solution. Saying that she shared Regent Mueller's concerns about moving forward too quickly, she asked President Cross to explain the impact of delaying the Board's decision until the December meeting.

President Cross first addressed Regent Mueller and Regent Tyler's concerns about moving divisions of UW-Extension under System Administration. He indicated that if those units were moved to System Administration under one head, it would not increase the number of his direct reports.

Regarding concerns about fiscal issues, President Cross said that it is yet to be determined how the UW System would appropriately disaggregate the budget that currently goes to UW Colleges and UW-Extension, or achieve regional cost savings that would shift administrative efforts or resources to the academic side of the organizations. Noting that the UW Colleges are already dealing with cost and funding challenges due to enrollment decline and other factors, he indicated that they would need to spend less on administration and more on direct support.

Pointing out that the UW Colleges have funds that go directly to the campuses, the four regions, and the central fund balance, President Cross added that how those funds are distributed has yet to be worked out because they need to be disaggregated. He agreed with Regent Mueller about the tremendous importance of fiscal integrity and having a deliberative process related to finances, and stated that he fully intended to support that by reporting on the progress of the restructuring at the Board's future meetings.

With respect to delaying the Board's decision, President Cross reiterated that this was an announcement of a proposal that "puts a stake in the ground." Explaining that the goal was to change the reporting structure of UW Colleges and UW-Extension by July 1, 2018, he indicated that the administration of both organizations would continue. Though acknowledging that this target date could be moved, he argued that it was time for the UW System to make this decision now.

Having been part of three mergers – one corporate, one foundational, and one in higher education – President Cross warned against stretching out the anxiety created by an organizational restructuring. He predicted that there would be enrollment drops at the two-year colleges just due to the Board's current decision, and said that establishing a target and making it known that students and employees would be taken care of in the process would limit the effects of this anxiety.

President Cross concluded that the Board of Regents would be able to weigh in at any point during the process, and that approving the proposal would let the UW System start working on a plan.

Stating his support for the resolution, Regent Atwell said a mentor had often told him to "change before you have to." Indicating that the reason why this proposal felt so sudden is because the UW System has arrived at a point where something has to be done, he admonished the Board, System leadership, and the chancellors to do a better job of helping their communities understand the state's demographic outlook and take a more honest look at their futures.

While Dane County, Waukesha County, and the Milwaukee and Twin Cities metro areas appear healthy and strong, Regent Atwell said the rest of the state would need a lot of help

coming to terms with the situation. The UW System was created at a time when the state was projecting a demographic boom, and it has been slow to understand the reality in places like Medford, Rhinelander, or Sturgeon Bay. Encouraging his colleagues to look down the road for the UW System, Regent Atwell concluded that there are other alternatives for providing education.

President Cross reminded the Board that in the first phase of the UW System's 2020FWD strategic plan, university leaders spent a lot of time traveling around Wisconsin and out-of-state, visiting communities and listening to over 5,000 people's input. He indicated that demographics was a primary issue at every site, concerning businesses, community leaders, and others.

President Cross affirmed that the UW System will square away the UW College's structural deficit of about \$5 million. Though the UW Colleges' staff have made enormous strides to make cuts and bring their budget into balance, he said the campuses have perhaps only 24 to 30 months before they run out of cash. He concluded that it is important for the UW System to make this change now before the UW Colleges have nothing left and there is no choice but to close the campuses.

Regent Klein stated her support for the resolution and thanked President Cross for bringing the proposal forward, observing that transformation is very hard in higher education. She indicated that Chancellor Sandeen had done a marvelous job of reducing costs, and said that restructuring is an essential next step in the process.

Regent Klein reported that in her travels around the state, some communities with a very healthy four-year campus have said the UW System has too many ships in the fleet. Her response was, "Whose ship are you trying to take out of service?" Communities and students depend on the UW Colleges as access points, and so it is critical to come up with an idea for transformation that keeps these campuses open.

In support of fiscal responsibility, Regent Klein suggested that there is a promise of operational efficiency in the restructuring proposal. She said that keeping all of the ships in the UW System's fleet and offering additional programs would be a real service to students, and concluded that she was strongly in favor of this movement towards looking at different ways of doing business.

Regent Millner respectfully pushed back on the idea of delay, saying that it was critically important that the Board of Regents make the decision that day. She noted that the Regents had commitments from both President Cross and President Behling that President Cross would be reporting back to the Board on the restructuring's progress. Stating that the UW System needs to move forward with planning with this initiative, she concluded that delaying the Board's decision by three weeks would simply prolong the process.

Regent Evers said he is a huge supporter of the UW Colleges system, and that his wife is a proud graduate of UW-Fond du Lac as a nontraditional student. He stated that having the UW Colleges succeed across the state is critically important, but said he would oppose this resolution.

Regent Evers observed that there are people in the state of Wisconsin who feel left behind in this process, and said that it does not make much difference whether that is reality or perception. He indicated that his preference was for the UW System to continue moving forward in the planning process with the involvement of shared governance groups, including the students who are the Board's top priority, before coming back to the Regents with its big proposal.

Regent Jones said that in his experience with private sector mergers and acquisitions, there are always surprises along the way before closing. Some of those surprises are good, some are bad, and sometimes they cancel each other out – but there is no way of knowing ahead of time what surprises there will be. He argued that waiting a month would not buy the UW System anything, and noted that the Board was not committing to any particular action and could reverse course if something went wrong. He then stated his support for the current resolution.

Vice President Petersen remarked that this was one of the most engaged sessions the Board has ever had. He credited President Cross and President Behling for pivoting “away from the script” and for bringing forward all of the university's stakeholders, whether they be students, faculty, staff, community leaders, or the chancellors.

Saying he was a vigorous supporter of the restructuring proposal, Vice President Petersen expressed confidence that the Regents would be getting regular and important progress reports at each and every Board meeting from now until execution of the plan. Referring to Regent Mueller's comments, he said he also wants to know what the organization's financial foundation or baseline is and what the UW System can do to find operational efficiencies as part of the restructuring.

Vice President Petersen pointed to the chancellors' “zest and zeal” to meet with the two-year campuses as the biggest reason why the Board should not defer action. He noted that the chancellors' goals were not to prescribe how the restructuring would play out, but instead to listen to people's concerns.

Saying he was duly impressed with how inclusive the day's conversation had been, Vice President Petersen thanked all of his Regent colleagues for putting forward their views and their concerns, which would make the process better. He said he was very supportive of the restructuring process, and expressed hope that it would continue to be as productive as the Board's discussion had been.

Regent Whitburn stated that it is good for a board to support the leader whenever possible, and when the proposition is reasonable. As both Regent Higgins and Regent Farrow had explicitly pointed out, President Cross previously held Chancellor Sandeen's position and received excellent marks as to his stewardship of UW Colleges and UW-Extension. Regent Whitburn argued that but for President Cross's excellence in that position, he would not be in the System President's role now.

Regent Whitburn noted that the first two discussion panels included three individuals from his area near the UW-Marathon County campus, and that none of them issued an urgent

demand calling for delay. The Board also heard from Chancellor Patterson, who would be leading UW-Marathon County under the restructuring proposal.

Explaining that he had been taught to be data-driven in his decision-making, Regent Whitburn said he had concerns before the Board's meeting about the 49-percent drop in enrollments at UW-Marathon County – only to learn during President Cross's presentation that it is actually a 51-percent drop. He concluded that this is a serious issue, it is deteriorating, and it is time for the Board of Regents to step up and move forward.

With no further discussion, Resolution 10956 was adopted on a voice vote.

Approval of Restructuring of UW Colleges and UW-Extension

Resolution 10956 WHEREAS since 2005, UW Colleges and UW-Extension have functioned as separate UW System institutions led by a single chancellor with consolidated administrative services; and

WHEREAS demographic trends across Wisconsin indicate the decline in the number of high school graduates currently presents and will continue to pose considerable enrollment challenges for the UW Colleges; and

WHEREAS full-time student equivalent enrollment at UW Colleges campuses has declined 32% in the past seven years, and several UW Colleges campuses currently enroll only 200 FTE students; and

WHEREAS the UW Colleges' administrative and faculty leadership has worked diligently to address financial challenges, including establishing an effective regional and consolidated shared services model; and

WHEREAS the UW Colleges provide educational opportunities for an important and valued segment of the Wisconsin population through their distinct mission of open access and transfer; and

WHEREAS the UW System has long-standing partnerships with counties and municipalities that financially invest in and support the UW Colleges campuses in their communities; and

WHEREAS UW System institutions provide an important economic, civic, and cultural presence in the communities in which UW Colleges campuses are located; and

WHEREAS UW-Extension's Cooperative Extension Division has a visible presence in all seventy-two counties in Wisconsin and close ties to UW-Madison; and

WHEREAS the State benefits when faculty research expertise is tightly linked with county extension agents around the State; and

WHEREAS UW-Extension was previously part of the State's land-grant university at Madison, and integrating the extension service as a component of the state's land-grant university is consistent with other states; and

WHEREAS the other three divisions of UW-Extension – the Division of Business and Entrepreneurship, the Division of Broadcasting and Media Innovation, and the Division of Continuing Education, Outreach, and E-Learning – and UW Colleges Online can all serve statewide audiences without being connected to a single institution, and can continue providing existing programs and services under UW System Administration; and

WHEREAS the affiliated foundations of the UW Colleges and UW-Extension have contributed significantly to the students, faculty, communities and participants served by these institutions, and the restructuring process should strive to maintain and expand these important relationships; and

WHEREAS, restructuring the UW Colleges and UW-Extension would allow the UW System to maintain affordability for students and families by continuing to provide courses currently taught at UW Colleges institutions, while expanding access to upper-level college courses; and

WHEREAS, students will continue to be able to transfer credits to all institutions within the UW System, and the UW System will continue to identify and reduce barriers to credit transfer; and

WHEREAS, the UW System will further standardize and regionalize administrative operations and services to more efficiently use resources; and

WHEREAS, the UW System aims to leverage resources at UW institutions to move more students through the educational pipeline to better meet Wisconsin's current and projected workforce needs, which is in the economic interest of Wisconsin's citizens; and

WHEREAS, UW Colleges and UW-Extension exemplify the Wisconsin Idea and the UW System's commitment of providing affordable, quality higher education and programs for all Wisconsin residents who seek it, and it is crucial to take action to maintain and strengthen the UW System's connection to citizens, communities, and businesses across the state; and

WHEREAS based on the foregoing, President Cross recommends restructuring the UW Colleges and UW-Extension;

BE IT THEREFORE RESOLVED that, effective July 1, 2018, the UW Colleges campuses be joined with UW System universities and operate as units of those universities while maintaining the open access and transfer mission of the UW Colleges campuses and the strong partnerships with counties and municipalities in which the campuses are located; it is expected that these two-year programs will continue to allow open access recruiting and transfer to all UW four-year institutions;

BE IT FURTHER RESOLVED that, effective July 1, 2018, UW-Barron County will be joined with UW-Eau Claire; UW-Manitowoc, UW-Marinette and UW-Sheboygan will be joined with UW-Green Bay; UW-Washington County and UW-Waukesha will be joined with UW-Milwaukee; UW-Fond du Lac and UW-Fox Valley will be joined with UW-Oshkosh; UW-Baraboo/Sauk County and UW-Richland will be joined with UW-Platteville; UW-Marathon County and UW-Marshfield/Wood County will be joined with UW-Stevens Point; and UW-Rock County will be joined with UW-Whitewater; and

BE IT FURTHER RESOLVED that, effective July 1, 2018, UW-Eau Claire, UW-Green Bay, UW-Milwaukee UW-Oshkosh, UW-Platteville, UW-Stevens Point, and UW-Whitewater are authorized to grant those degrees granted by the UW Colleges and are directed to amend their mission statements accordingly if necessary; and

BE IT FURTHER RESOLVED that, effective July 1, 2018, the UW-Extension Cooperative Extension Division and the UW-Extension Conference Centers be joined with UW-Madison and operate as a component part of that institution, and that the Division of Business and Entrepreneurship, the Division of Broadcasting and Media Innovation, the Division of Continuing Education, Outreach, and E-Learning, and UW Colleges Online be moved within UW System Administration as an entity that can maintain separate accreditation; and

BE IT FURTHER RESOLVED the Board of Regents anticipates that UW Colleges and UW-Extension employees who become employees of a UW System campus or UW System Administration shall continue to enjoy job security rights and shared governance rights consistent with their current appointment at UW Colleges and UW-Extension, the particulars of which will be developed by campus administration and UW System Administration in consultation with relevant governance bodies, and

BE IT FURTHER RESOLVED that President Cross is authorized to conduct any necessary planning and implementation to effectuate this resolution; and

BE IT FURTHER RESOLVED that President Cross shall provide regular updates to the Board of Regents on the progress of the planning and implementation of this restructuring; and

BE IT FURTHER RESOLVED that, to the extent they are inconsistent with this resolution, Regent Policy Documents 18-1, 18-2, and 19-7 are superseded.

President Behling agreed with Vice President Petersen that this had been a thoughtful discussion and expressed appreciation for all of the Regents' comments.

Noting that the Board of Regents receives many e-mails, letters, and other correspondence from people throughout the UW System and the state, President Behling said that these were immensely important. He reiterated that a site had been created for submitting feedback on the restructuring proposal, which could be found on the UW System's homepage (wisconsin.edu).

Finally, President Behling thanked President Cross and his staff for their thoughtfulness in putting together the proposal, and for committing to providing updates on the restructuring process at the Board's next six meetings.

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REGENT COMMUNICATIONS, PETITIONS, AND MEMORIALS

There were no communications, petitions, or memorials.

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CLOSED SESSION – SONATA ROOM

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

Closed Session Resolution

Resolution 10957 That the Board of Regents move into closed session to: (a) consider three UW-Madison honorary degree nominations, as permitted by s. 19.85(1)(f), Wis. Stats.; (b) consider a student request for review of a UW-Stevens Point

disciplinary decision, and a student request for review of a UW-Milwaukee disciplinary decision, as permitted by ss. 19.85(1)(a), (f), and (g), Wis. Stats.; (c) confer with legal counsel regarding pending litigation (Animal Legal Defense Fund v. Board of Regents; Thao v. Board of Regents; Hagen v. Board of Regents; John Doe v. Board of Regents; Bank First National v. UW-Oshkosh Foundation; Board of Regents v. Sonnleitner and Wells; University of Wisconsin-Oshkosh Foundation, Inc. v. Board of Regents; UW-Oshkosh Foundation, Inc. Chapter 11 Bankruptcy Filing) and potential litigation, as permitted by s. 19.85(1)(g), Wis. Stats.; (d) consider personal histories or disciplinary data of specific persons relating to the UW-Oshkosh Foundation matter which, if discussed in public, would be likely to have a substantial effect upon the reputation of such persons, as permitted by s. 19.85(1)(f), Wis. Stats.; and (e) consider annual personnel evaluations of chancellors, as permitted by s. 19.85(1)(c), Wis. Stats.

The following resolutions were adopted during the closed session:

Student Request for Review of a UW-Stevens Point Disciplinary Decision

Resolution 10958 That the Board of Regents adopts the attached Proposed Decision and Order as the Board's final Decision and Order in the matter of a student request for Regent review of a UW-Stevens Point disciplinary decision.

Student Request for Review of a UW-Milwaukee Disciplinary Decision

Resolution 10959 That the Board of Regents adopts the attached Proposed Decision and Order as the Board's final Decision and Order in the matter of a student request for Regent review of a UW-Milwaukee disciplinary decision.

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The meeting was adjourned at 5:03 p.m.

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Submitted by:

/s/ Jess Lathrop
Jess Lathrop, Interim Executive Director and Corporate Secretary
Office of the Board of Regents
University of Wisconsin System