

RECORD OF THE MEETING
OF THE
BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM
EXECUTIVE COMMITTEE

Thursday, April 16, 2020
2:30 p.m.

By teleconference

-President Petersen presiding-

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CALLING OF THE ROLL

PRESENT: Regents Andrew S. Petersen (Chair), Robert Atwell, Michael Grebe, Mike Jones, Tracey Klein, Edmund Manydeeds, and Janice Mueller; Regent Eve Hall joined the meeting at 2:33 p.m.

UNABLE TO ATTEND: None

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President Petersen said the proposed amendments to Regent Policy Document 20-21, "University Personnel Systems" would authorize the System President and the UW-Madison Chancellor to formulate operating policies and procedures related to employee furloughs. He noted that any operating policies created pursuant to this amendment by UW System or UW-Madison must be reviewed by the Board of Regents prior to implementation.

President Petersen asked if any Board members wished to declare conflicts of interest with this item in accordance with Regent Policy Document 2-4, "Ethics and Conflict of Interest Policy for the UW System Board of Regents." No conflicts of interests were declared.

President Petersen invited UW System President Ray Cross to comment on the proposed changes.

President Cross said the UW System faces unprecedented challenges during these unprecedented times. He recognized the "impressive" efforts made thus far by UW leadership, faculty, staff, and students, but warned that the COVID-19 pandemic has

produced significant financial challenges for everyone. Preliminary projections of the costs associated with this emergency across the UW System are \$168 million for the spring semester alone. He indicated these estimates are conservative and will increase.

President Cross stated, "To protect our future, and to enable us to continue to fulfill our educational mission, we must act now to address what we hope is the temporary crisis before us. Our goal is to balance the financial health of our universities while also protecting our employees and students."

President Cross explained that the proposed change to RPD 20-21 clarifies that the Board's authority over the UW System personnel systems includes employee furloughs, and authorizes the System President and the UW-Madison Chancellor to develop operating policies and procedures related to employee furloughs.

President Cross noted that although Board approval of the operating policies and procedures is not required, RPD 20-21 does state that they are subject to Board review prior to initial implementation. He indicated that the operating policy applying to all UW System institutions other than UW-Madison would be shared later that day for the Board's review, while the operating policy for UW-Madison will be forwarded at a later date.

President Petersen stated, "We have already significantly modified how the UW System is fulfilling its ongoing mission of teaching and learning by pivoting to exclusive online curriculum delivery this semester. This has required major but necessary changes entailing widespread sacrifice. Looking ahead, we recognize that additional shared sacrifice might be necessary in order to continue delivering the world class education and research we produce on our UW campuses."

Noting that these are difficult, personally impactful choices for the Board's executive committee to make, President Petersen said the committee members had assembled in short order to provide President Cross and the Chancellors with the flexibility they require to lead the UW institutions. "I remain grateful for the leadership, wisdom, and evenhandedness that has been exemplified by our campus and System leaders, their staff, and all UW employees who remain dedicated to the pursuit of the Wisconsin Idea. I, personally, am supportive of acting sooner rather than later."

The adoption of Resolution 11423 was moved by Regent Grebe and seconded by Regent Klein. President Petersen opened the floor to discussion by members of the Executive Committee and other Regents who were present on the call.

Responding to questions from Regent Hall about how furlough decisions will be made, President Cross said the UW System has engaged all the Chancellors and a number of their staff in drafting the System furlough policy and procedures. He added that the draft policy

attempts to give each campus the flexibility to make adjustments while working in concert within an overall framework.

Regent Walsh requested clarification on the difference between layoffs and furloughs, and the expected impact of furloughs on employee benefits.

General Counsel Quinn Williams explained that layoffs are generally considered a permanent separation from employment, while furloughs are an unpaid leave of absence that allows employees the right of returning to their position. He indicated that the UW System is constructing its furlough procedures to minimize the impacts on employee benefits.

President Petersen affirmed that there is a “tremendous” focus on maintaining benefits for employees.

In response to a question from Regent Klein about whether additional measures beyond furloughs may be needed to increase operational efficiencies, President Petersen said that the current focus is on short term furloughs to stabilize campus operations with autonomy given to the Chancellors and President Cross to make those decisions in an efficient way. He indicated that over the long term there will likely be considerable focus on how to modernize the UW System, but it is too soon to make determinations about what that will look like.

Regent Stanford Taylor asked whether the use of furloughs could have any negative impact on the amount of CARES Act funds that will be available to the university.

President Petersen noted that CARES Act funds related to higher education will generally fall into three categories: covering operating expenses, providing direct support to students, and providing funding for K-12 and higher education institutions.

General Counsel Williams said the furlough measures that the UW institutions are currently envisioning are not expected to impact CARES Act funding.

Regent Mueller asked whether the proposed implementation of the policy would result in different campuses rolling out furloughs on different dates. President Petersen said it is currently expected that UW institutions will roll out furloughs on different dates, potentially in groups, over the next several weeks.

Regent Mueller asked whether employees represented under collective bargaining agreements would be impacted by this policy change. General Counsel Williams affirmed that furlough policies and procedures would apply to this group as well.

With no further questions, the motion to adopt Resolution 11423 was approved on a voice vote.

Amendments to Regent Policy Document 20-21, "University Personnel Systems" Related to Employee Furlough Procedures

Resolution 11423 That, upon the recommendation of the President of the University of Wisconsin System, the UW System Board of Regents approves amendments to Regent Policy Document 20-21, "University Personnel Systems" and authorizes the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison to formulate operating policies and procedures related to employee furloughs.

Indicating that the UW System's draft furlough policy and a list of frequently asked questions had just been sent to all Regents, President Cross said he would welcome the Board's feedback as soon as possible.

President Petersen thanked the Executive Committee members and any other Regents who were present on the call for making themselves available on short notice: "We have very important days ahead of us, and it is the responsibility of our Board to do the right thing as efficiently as possible."

The meeting was adjourned at 2:50 p.m.

Submitted by:

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