

**UW System Board of Regents
Meeting of the Business & Finance Committee
University of Wisconsin-Eau Claire
Ho-Chunk Room (320E)
W.R. Davies Student Center
77 Roosevelt Avenue
Eau Claire, Wisconsin
And Via Webex Videoconference
September 29, 2022**

The Meeting of the Business and Finance Committee was called to order at 10:30 AM by the Chair, Regent Scott Beightol.

A. Calling of the Roll

Present: Regents Atwell, Beightol, Peterson, Rai, and Wachs,

Present via Webex Video Conference:

Regents Jones and Staton

Absent: None

At all times, the Committee had a quorum.

B. Declaration of Conflicts

The Chair asked Committee Members to identify any conflicts of interest. None.

C. Approval of the Minutes of the August 18, 2022, Meeting of the Business and Finance Committee

Corrections: None

Questions/ Comments: None

Motion made by: Regent Wachs

Motion seconded by: Regent Rai

Discussion: None

Upon the motion of Regent Wachs, and the second of Regent Rai, the Committee unanimously approved the minutes of the August 18, 2022, Business and Finance Committee meeting.

D. UW-Eau Claire Presentation – “Financial Planning in Support of the UW-Eau Claire Strategic Plan”

First, the Committee heard a presentation from our host campus. Vice Chancellor for Finance and Administration, UW-Eau Claire, Grace Crickette, began the presentation by speaking about the national recognitions held by UW-EC. US News and World report ranked UW-EC the Top Public Comprehensive University in Wisconsin, 7th Best Public School in the Midwest, Top 2 of Public Regional Universities in Wisconsin and MN, they are ranked 3rd in Wisconsin among all public and private Colleges & Universities. The University is listed on Forbes 2022 America’s Top Colleges, UW-EC was ranked the 3rd best behind UW Madison and Marquette University. UW-EC for the 5th consecutive year was voted “Best of the Best”

University by Campus Pride acknowledging LGBTQ friendly policies and practices. UW-EC is a 2023 “Best Regional College” per the Princeton Review for the third consecutive year. The chancellor has been successful in seeking funding outside of the State Budget by procuring the single largest donation of \$70 million. The strategic plan calls for returning enrollment to 2010 levels of enrollment. The University has implemented a financial planning model which relies heavily on transparency with the key components being Global Data, Enrollment Projections, Challenges, and Financial Levers. Enrollments have a downward trend. Financial Levers include adjusting spending, utilizing reserves to cover structural deficits, maintain programs and to continue funding projects and innovate new programs. The process is iterative and involves a financial planning team performing the work of reviewing budget data, financial forecasting, and then challenging assumptions and developing strategies.

Dr. Brewer Doran, Dean, College of Business, UW-Eau Claire then addressed the committee on behalf of the Financial Planning Team. She shared the team included not only financial planning staff but representatives from IT, Athletics, Institutional Research, Residence Life, Admissions, and Financial Aide understanding more minds working together would generate better ideas. Throughout the process focus was placed on increasing overall enrollment. She spoke about investments in academic affairs. Rather than focusing on cost cutting they focused on investments to increase retention and recruitment. Those projects with higher potential impact were prioritized.

- Retention is being achieved by supporting smaller class sizes and by providing specialized support for student success.
- They worked to normalize the use of academic support. SI programs support the most vulnerable students through their most vulnerable time which is the transition from Freshman to Sophomore year.
- They worked to create a home for undeclared students. These students needed additional structure to help them to explore their options and to identify their direction thus increasing retention.

Vice Chancellor Crickette thanked Dr. Brewer Doran for her voluntary efforts.

Questions/Comments: Regent Chair Beightol asked Dr. Brewer Doran what was the annual cost of the three initiatives?

Dean Doran responded that they had invested a little more than \$250,000.

Chair Beightol commented that \$250,000 seems like a small spend for the granular nature of the data driven research and thanked Dr. Doran for that effort.

Regent Atwell asked if the investment in the early warning system to identify at risk students was being utilized?

Dean Doran commented that, yes, the system was very supportive of their efforts and provided much of the data they used.

Regent Atwell commended the idea of targeted investment. He commended the University for not just focusing on cutting expenses.

Vice Chancellor for Finance and Administration, UW-Eau Claire, Grace Crickette shared that \$4 million overall was spent on investment strategies.

Regent Atwell inquired about the current level of enrollments. Has there been a consistent level of decline?

Vice Chancellor Crickette shared that due to the “spring melt” they are using a figure of \$8600 for the budget model and yes that represents a decline.

Regent Atwell asked if there had been an increased level of declines; referring to the people we said no to for admissions.

Dean Doran shared that they have decreased the acceptance rate. They are unusual because they are maintaining their level of distinction. UW-EC maintains the quality of its students.

Regent Atwell asked about competitors. Who are they?

Vice Chancellor Crickette shared Madison has had a significant impact to enrollment with their increase in Freshman class size.

Dean Doran shared Minnesota is another source of competition.

Vice Chancellor Crickette resumed her presentation by discussing Spend Analytics. They will be focusing on combining spending to benefit from volume purchasing rather than individual department spending.

In conclusion, she stated UW-EC’s goal each year is to cover ongoing expenditures with ongoing revenues. They are committed to ensuring administrative and financial efficiencies across the university department and operations. They are committed to being transparent and to remain financially solvent over the long term. To accomplish this, UW-EC needs to ensure they have sufficient and adequate reserves, that they are constantly monitoring the financial health, that they maintain their academic mission, and invest in their strategic plan.

Regent Chair Beightol shared that what he has heard is that UW-EC will maintain the quality of their student body and as a result may see a reduction in enrollments because of that commitment. He stated he thinks that is an important distinction.

Regent Rai stated that the thing he enjoyed was that the cost reduction information could be taken into account to leverage it to all institutions.

Sean Nelson, UW System Administration, Vice President for Finance stated that we have implemented the P2P to the enterprise level. The data collection process is currently live. Brent Tilton shared that this analytics platform just went live last month, and they are looking forward to utilizing this tool system wide.

E. Regent Policy Document Review: RPD 22-2, “Disposal of Works of Art”

Sean Nelson, UW System Administration, Vice President for Finance presented the policy for the Disposal of Works of Art based upon the recommendation of the President of the University of Wisconsin System. The policy rescinds Regent Policy Document 22-2, “Disposal of Works of Art,” and authorizes adoption of Resolution E., rescinding Regent Policy Document (RPD) 22-2, “Disposal of Works of Art,” which outlines the requirements for institutions to have an art accessions committee, to have works of art appraised prior to disposal or exchange, to report dispositions to the Board of Regents, and to use funds from the

dispositions to support the center or gallery from which the art came. The subject matter of this RPD will be contained in the draft UW System Administrative (SYS) Policy 335, Deaccessioning of Works of Art and Historical Treasures. We are looking to eliminate it as an RPD and make it a Systems Policy. The history is that there were some practices to sell art. The Systems Policy will eliminate the need to bring deaccessioning to the Regents and report it now to the VP for Finance and Administration.

Questions/ Comments: Regent Beightol shared this is an example of how the Regents can stay out of the “weeds” on some issues where we can. He asked if there would be any annual or regular reporting to the board on what was decommissioned.

VP. Nelson shared, no, but it could be reported as part of the policy.

Regent Beightol shared that he was not asking for it, but if a controversial item comes up, it should be brought to the board. He asked if any of the board members had a different view. Hearing none, he asked for a motion to approve.

Discussion: None

Motion made by: Regent Atwell

Motion seconded by: Regent Wachs

Motion carried unanimously (voice vote)

F. **Report of the Vice President**

1. **Reorganization of UWSA Office for Finance & Administration**

Lastly, the committee heard a report from Sean Nelson, UW System Administration, who shared the reorganization aims to improve efficiencies, communication, and service to the universities in a structure that mirrors the vast majority of public higher education system administrations.

He shared that under Ray Cross the roles had been split about 6-7 years ago. Rob Cramer was VP of Administration and Sean Nelson was VP of Finance. Mr. Nelson shared that he had full faith in the ability of his direct reports moving forward. His direct reports include Chuck Saunders, Julie Gordon, Alex Roe, Steven Hopper, and Stacey Rolston. Sean Nelson shared that all are deeply experienced and without them he would have been reluctant to take on the additional areas of responsibility. He shared that Risk Management is now under Paige Smith in the Office of Compliance. Ed Murphy will report up through Steven Hopper. This is the first of other changes as President Rothman works to implement his strategic plan.

Questions/ Comments: Regent Beightol shared that there are more functions changing and that President Rothman is working on changes and a new org chart. He stated President Rothman has the energy and ambition to tackle that. He shared that the efforts that were presented by Grace Crickette were indicative of the reporting Sean needs from the campuses. We want to make sure we are providing the resources and platform for the institutions to help them spend more wisely and efficiently.

Regent Atwell wanted to know what the theory was in the separation of Finance and Administration in the past. Mr. Nelson stated he did not know but thought they were embarking on the restructuring and having the added capacity for it may have been part of that. There was a lot of synergy between he and Rob Cramer. He asked Alex Roe to respond as a representative who was here at that time. Alex's response was unclear but represented a visual zigzag and ended the meeting on a light note.

The meeting adjourned at 11:21 AM.

Respectfully submitted,

Brenda L. Joyce

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Recording Secretary