

**UW System Board of Regents  
Meeting of the Business & Finance Committee  
University of Wisconsin-Stout  
UW-Stout Memorial Student Center  
Cedarwood/Maplewood Room  
302 10th Avenue East  
Menomonie, Wisconsin  
And Via Webex Videoconference  
March 30, 2023**

The Meeting of the Business and Finance Committee was called to order at 9:00 AM by Chair, Regent Scott Beightol.

**A. Calling of the Roll**

Present: Regents Atwell, Jones, Miller, Peterson, Rai, and Wachs  
Present via Webex Video Conference: None  
Absent: Regents Colon and Staton - At all times, the Committee had a quorum

**B. Declaration of Conflicts**

The Chair asked Committee Members to identify any conflicts of interest. There were none.

**C. Approval of the Minutes of the February 9, 2023, 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 direction of Regent Beightol, a voice vote was taken, and the Committee unanimously approved the minutes of the February 9, 2023, Business and Finance Committee meeting.

**D. UW-Stout Presentation – “The Value and Cost of a Polytechnic Education”**

The Committee first heard a presentation from our host campus, entitled “The Value and Cost of a Polytechnic Education.” Erik Guenard, UW-Stout’s Chief Business Officer and Kristi Krimpelbein, Head of Staff, UW-Stout’s Chancellor’s Office shared an overview of the university’s success in preparing students to be career-ready through applied-learning experiences and impactful collaborations with industry professionals. They also provided details on the challenges of successfully delivering a polytechnic education, including the financial and infrastructure resources needed to continue to prepare graduates to help meet existing workforce demand in Wisconsin.

**Questions/Comments:** Regent Beightol opened the comments with a statement of the uniqueness of the polytechnic approach, he referred the regents to page 59 of the report where

tuition differentials can be found. The institutional differential, delivering talent to the marketplace-Engineering and Mechanical, Computer and Electrical manufacturing technology in packaging and plastics, Animation and Digital Media, Studio arts and industrial and interior design in the construction program. He indicated that the case for the tuition differentials for the different campuses in the System was well made.

**Motion made by:** Regent Rai

**Motion seconded by:** Regent Wachs

**Discussion:** None

**Motion** carried unanimously (voice vote)

#### **E. Approval of 2023-24 Tuition and Auxiliary Rates**

Jay Rothman, President of UW System Administration presented the case for a proposed tuition increase. He shared preliminary thoughts on the need for the increase and the need to focus on the future with this decision. It is critical to remain affordable but also to offer high quality education that is sustainable. This cannot happen without world class facilities and retention of staff. This is an investment in the state of WI and its people. Sean Nelson, Vice President for Finance and Administration, presented the cost of attendance for our students. He focused on the key considerations which included the draw down of one-time federal funding, the cumulative impacts of “Campus Share” of pay plan, the decrease of unrestricted program revenue, our tuition relative to peers is well below average, tuition and state support lag the pace of inflation, efforts to reduce expense continue throughout the system. The committee then reviewed and approved the 2023-24 tuition and fees proposals for UW System institutions.

**Questions/ Comments:** Scott Beightol acknowledged 105 pages of documentation was impressive and encouraged respectfulness when dealing with our legislative partners. Regent Atwell gave his heartfelt appreciation and full support of the increase. He feels it is important to accept that the cumulative impact of inflation is important. He also shared that as regents we don’t have to respond to every email we get on this topic. He feels this is long overdue. He thanked Sean and his staff for the work. Regent Jones agrees that the nation’s longest running tuition freeze needs to end. Regent Rai also shared agreement and shared that the communications they are receiving and some involve the stresses for the students. He inquired if these increases will impact the financial aid and if that will be adjusted as well. Sean and President Rothman shared they are bringing this to the Regents at this time so they will have time to accommodate the increase. Regent Rai shared in light of the questions they are getting he appreciates all the prework reflected in the presentation. Regent Miller asked about the amount of funding we are trying to capture from out of state students. DeeJ Lundgren shared that the reciprocity should generate approximately \$26 million. Regent Beightol thanked UW-Stevens Point on behalf of the paper industry and shared, there is much happening in the industry and UW-Stevens Point is training future employees for this market. Regent Wachs thanked Finance Staff for the excellent work, he feels this is a modest increase for the quality of the education being provided. Regent Atwell asked what other states are doing to attract our students. Regent Beightol encourages our institutions to target out-of-state students and pointed out our participation rate for students participating in higher education is the lowest of the states around us. Regent Peterson shared that she appreciates the individual meetings that were held to make sure the information presented was understood. Regent Atwell stated the

reserve was what was driving the freeze and that is no longer an issue. Regent Rai stated despite the reserve environment being very different it is important to acknowledge that they will need to provide education about the reserves and what has been spoken for and some of the dire straits that have occurred resulting from the spend down.

**Motion made by:** Regent Atwell

**Motion seconded by:** Regent Wachs

**Discussion:** None

**Motion** carried unanimously (voice vote)

**F. UW-Green Bay Dining Services Contract with Compass Group USA, Inc.**

Brent Tilton, UW Systems Director of Procurement presented a contractual agreement with Compass Group USA for all dining services operations at UW-Green Bay. Under the terms of the agreement, UW-Green Bay will receive an estimated \$1.6 million in commission guarantees over the life of the 7-year contract. In addition, the vendor will invest \$1 million to support dining improvements and facility enhancements.

**Questions/ Comments:** Regent Beightol commented that this was a typical contract the System has seen for a third-party dining services vendor. Some institutions do these services in-house and some contract out and he sees the value in contracting out. The vendor has a very specific student employment policy and wages. The commitment is to employ our students. Regent Rai asked how many institutions use in house as opposed to outside vendors? He would like to see a system level RFP as opposed to the individual contracts. Brent Tilton shared the variability is quite large between institutions and he understands the questions and believes it would be difficult to leverage this to a single system contract. Regent Rai shared it is part of the strategic plan to be better at this and he is frustrated and concerned progress towards that goal is not being made. Brent Tilton shared that he understands the frustration but the different service needs between all the campuses and the fact that some institutions have in house service programs would make it difficult to find one vendor to serve the needs of all but there are multiple institutions using this vendor.

**Motion made by:** Regent Jones

**Motion seconded by:** Regent Miller

**Discussion:** None

**Motion** carried unanimously (voice vote)

**G. Semi-Annual Report of Gifts, Grants, and Contracts**

The committee then received a mid-year report on gifts, grants, and contracts awarded to UW System institutions through December 2022 presented by Sean Nelson VP of Finance and Administration. Total awards for the six-month period were approximately \$1.2 billion; this is an increase of \$84.3 million (or 7.6%) from the same period in the prior year, largely driven by an increase in federal research grants.

**Questions/ Comments:** Regent Beightol took the opportunity to call out those institutions who are performing well at reaching out for research dollars. He stated UW-Madison had a nice increase as well as UW-Superior, UW-Stevens Point, UW-Whitewater, UW-Platteville and UW-Eau Claire.

#### **H. Trust Funds Quarterly Investment Report**

Lastly, Trust Funds Executive Director Chuck Saunders presented the Investment Report for the period ending December 31, 2022. As of that date, UW System Trust Funds assets totaled \$543.2 million. For that quarter, the Long-Term Fund increased in value 4.7%, in line with its benchmark. The Income Cash Fund gained 0.9% for the period.

**Questions/ Comments:** none

Sean Nelson acknowledged that this was the last business and Finance Committee and Regent Meeting for Chairman Regent Beightol and thanked him for his service and the challenges he has presented.

The meeting adjourned at 10:31 AM.

Respectfully submitted,

Brenda L. Joyce  
Recording Secretary