Charting a New Course for the UW System Administration
Our Partnership with the State Working Group

August 21, 2003, 12:15-2:00 p.m.

Minutes

Members Present: Patricia Brady, David Beckwith, Mark Bugher, Margaret Lewis, Ann Lydecker, Don Mash, Bill Messner, Don Nichols and Jesus Salas
Members Absent: Peggy Rosenzweig and David Walsh
Committee Staff Present: Kathy Dickerson and David Miller
Also present for portions of the discussion were Regent Guy Gottschalk and Regent President Toby Marcovich.

Acting Chair Mark Bugher began the meeting by reviewing the working group's charge. Regent Gottschalk then outlined briefly some of the topics the group might wish to consider. Group members then began a general discussion of issues of concern in the context of the relationship between the UW System and the state.

Identified Issues and Concerns

Initially, the discussion focused on better defining what the state needs from the University and what the University does for the state, as well as what the University needs from the state in order to accomplish its missions. Legislators need to be involved in this process in order to increase their understanding of the issues, and to sustain a meaningful dialog about mutual concerns. Ways of establishing a cooperative atmosphere and partnering for the future of the state should be explored.

On the other hand, the continued erosion of state support for the University has raised questions about de-coupling the University from state government under a variety of structures, including such models as public authority status (like that of the UW Hospital and Clinics), charter status, or full privatization. The group discussed some of the problems with these models, including the potentially enormous cost of full privatization in view of the size of the endowment that would be required to replace state support. There was general agreement, though, as to the need to explore a number of specific areas in which the University might become self-sufficient within a more general framework of accountability to the state. Among the specific ideas in this regard were consideration of new approaches to bonding and capital projects, management of tuition revenues, personnel structures and risk management and insurance. Concomitantly, new means and measures for assuring accountability in these areas would need to be explored. While it is difficult to develop appropriate accountability measures, both financial (ideas

such as performance-based funding) and non-financial (for example, student satisfaction) factors should be considered.

In addition to these areas, there are other non-structural issues that should be examined. It is important to explore how we can put the "public" back in "public higher education." In this regard, the committee should look at issues such as serving the needs of adult non-traditional students and minority students. Similarly, it should be asking why the University has not been at the table when the state has been addressing the issue of trying to attract businesses from out of state.

The working group would also like to look at how the University could work more effectively with other state agencies when they are addressing such issues such as public health, medicare and medicaid. Again, here, it might be useful to include members of the Governor's staff and legislators in a conversation about issues where the University could be of assistance to the state, once the working group feels comfortable that it has identified what such key issues are.

In summary, Acting Chairman Bugher identified the group's focus of study as including three main areas:

1. Redefining the Public in Public Higher Education

   a. Serving underserved student populations
   b. Economic development issues

2. Exploration of self-sufficiency with accountability

   a. Management of tuition revenues
   b. Capital budget re-structuring
   c. Personnel and risk management initiatives
   d. Development of appropriate accountability measures

3. Access and Affordability--Relationship of tuition policy to providing stable funding for the University

At the next meeting the working group plans to:

1. Integrate new members to bring them up to speed
2. Continue talking about sub-issues
3. Further define the issues– strategize
4. Define the current tuition policy