



Board of Regents of the University of Wisconsin System
Office of the Secretary
1860 Van Hise Hall
Madison, Wisconsin 53706
(608)262-2324

March 26, 2004

TO: Each Regent

FROM: Judith A. Temby

A handwritten signature in black ink, appearing to read "J. A. Temby".

PUBLIC MEETING NOTICE

RE: Agendas and supporting documents for meetings of the Board and Committees to be held at the Pyle Center, 702 Langdon Street, Madison, on April 1, 2004.

Thursday, April 1, 2004

10:00 a.m. - 12:30 p.m. - Working Group meetings:

- Achieving Operating Efficiencies, Pyle Center, room 205
- Re-Defining Educational Quality, Pyle Center, room 213
- Revenue Authority and Other Opportunities, Pyle Center, room 226
- Our Partnership with the State, Pyle Center, room 220

12:30 p.m. - Box Lunch - Pyle Center, entrance to room 325/326

Information regarding agenda items can be found on the web at <http://www.uwsa.edu/bor/meetings.htm> or may be obtained from the Office of the Secretary, 1860 Van Hise Hall, Madison, Wisconsin 53706 (608)262-2324.

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AGENDA OF THE REVENUE AUTHORITY WORKING GROUP OF THE BOARD
OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Thursday, April 1, 2004
Pyle Center, room 226
702 Langdon Street, Madison
10:00a.m.

1. Call to order
2. Approval of minutes
3. Approval of resolution on cohort tuition
4. Approval on resolution regarding GPR FTE positions.
5. Approval on resolution regarding further study of
 - a. Performance bond
 - b. Loan forgiveness
 - c. Nursing shortage

MINUTES OF THE
REVENUE AUTHORITY AND OTHER OPPORTUNITIES WORKING GROUP
OF THE
BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

UW – Extension
Friedrick Center, Room 453
Thursday March 4, 2004
10:00 A.M.

- Regent Axtell presiding -

PRESENT: Regent Pruitt, Regent Gracz, Senior Vice President Olien, Associate Vice President Harris, Assistant Vice President Richards, Chancellors Markee and Shepard, Interim Chancellor Greenstreet, Assistant Vice Chancellor Krogman, A.S.R. Kathleen McGinnis, and S.B.P. David Hay

ABSENT: Regent Emeritus Steil and F.R. David Trechter

Regent Axtell began the meeting by recapping the items on the group's agenda. He stated that the group has completed its work on the following:

- Wisconsin must stabilize state GPR support for higher education opportunity – The group's number one priority and most important recommendation.
- The UW System should reexamine tuition rates charged to non-resident undergraduates, with a goal of charging a more competitive market price – Discussed extensively by the group and a proposal generated.
- The committee recommends that the Board of Regents approve an innovative pilot program developed by UW – Platteville that targets non-resident recruitment to meet particular Wisconsin workforce needs – Pilot moving along with much positive progress.
- The committee recommends that UW System Administration and institutions continue efforts to increase success at obtaining federal research funding – Proposal generated.

The following items were highlighted by Regent Axtell as needing more work throughout the remainder of the study:

- Exploration of alternative tuition models with a goal of maximizing revenue to build quality programs while preserving access and affordability – Options for non-residents and non-traditionals, per-credit and cohort programs, differentials, etc.
- Examination of the UW's Risk Management program – Following the consultant's presentation from last month, a proposal will be brought to the group later in the meeting.
- Discuss a tuition bond concept, an innovative idea developed by a group member – To be discussed later in the meeting.
- Discuss UW institutions' support from private individuals to address how institutions would benefit from sharing institutional best practices – To be discussed later on.

RISK MANAGEMENT

Senior Vice President Olien provided an amended version of the Risk Management draft resolution, saying that Regent President Gottschalk favors this version, with wording specifying that the Board of Regents, rather than the working group, recommends the actions contained in the resolution. Ruth Anderson, Assistant Vice President for Administrative Services, told the group the study recommended in the resolution should cost under \$25,000 and could be completed in the next several months. She added that this study would address the cost analysis portion of the Gallagher study, providing a measure of cost savings impact for the UW if it moved to a captive insurance company. Senior Vice President Olien stated that the study's results would then go to the Business and Finance Committee or the entire Board of Regents. He added that the amended resolution eliminates the recommendation that the UW System and the Department of Administration jointly contract for a study, instead calling for the UW System alone to perform this action. Senior Vice President Olien said he believes the study should be undertaken and the results forwarded to a Regent committee as soon as possible, rather than waiting for action when the group's report is completed in June. He added that after the study is completed, the Department of Administration will then work jointly with the UW in determining what will be best for the UW and the State as a whole in the Risk Management area.

Regent Axtell asked whether the wording should be that the working group or the Board of Regents recommends action and Senior Vice President Olien replied that Regent President Gottschalk favors the amended wording. In an effort to clarify wording, Associate Vice President Harris suggested that the last sentence be worded, "...recommends the addition of the UW System to the Department of Administration's team negotiating...". Chancellor Shepard recommended a wording change in the first sentence, "The committee recommends that the Regents adopt the following resolution:", along with cleaning up wording in the main paragraph.

Regent Axtell asked whether cost savings at this point could be estimated in the thousands or millions and Assistant Vice President Anderson replied that she thinks it could possibly be around one million dollars annually. Senior Vice President Olien added that this is a reasonable estimate and would provide significant savings to the System. Regent Pruitt asked if the Department of Administration preferred the amended wording eliminating the joint contracting for the study and Senior Vice President Olien responded that they do want to see the numbers from the study first before they get involved to a higher degree. Assistant Vice President Anderson added that the Department of Administration is aware that the UW wants to move ahead on this issue and Regent Axtell asked if there is any indication they are opposed to this. Senior Vice President Olien replied that opposition will depend on the study's results and if its recommendations for the UW would negatively affect other state agencies. Assistant Vice President Anderson informed the group that the Department of Administration is also examining its entire Risk Management program, since it's aware of problems in the state's program. A.S.R. McGinnis asked whether the group could assume that the next study called for in the resolution will address Gallagher's concerns and also that these concerns will be shared with people beyond the group. Assistant Vice President Anderson replied that in the short-term, the UW is working with the Department of Administration to fix some of the problems highlighted by the Gallagher study by July 1, 2004, and that more problems will be worked on in the long-term as well, also with the Department of Justice. Senior Vice President Olien added that the Gallagher studied

raised many Risk Management issues and now the UW and the Department of Administration are on the same page and ready to fix problems. Regent Axtell asked the group if anyone wanted to propose a motion to approve the resolution, Assistant Vice Chancellor Krogman moved for adoption, Interim Chancellor Greenstreet seconded the motion, and the group unanimously approved it.

Assistant Vice President Anderson again recognized UW personnel helping with the Risk Management study; Sheri Ackley and Dave Pulda of UW System Administration and Janine Critchley of UW – Madison. Regent Axtell asked whether the hospital authority had to go through the same steps when it moved to a captive insurance program and Senior Vice President Olien replied that the hospital became independent from the state's Risk Management program when it separated from the UW and that it had to purchase its own policies at that time. Director Ackley pointed out that the split was an evolving process requiring much discussion and negotiation, which eventually led to a very rewarding experience for the hospital. Senior Vice President Olien added that the University of Iowa also has a captive program for its medical school. Regent Axtell said the group should be ready to defend its recommendations and convey the positive reasons behind them.

COHORT TUITION

Assistant Vice President Richards reminded the group that it had not expressed interest in cohort tuition for resident undergraduates, but possibly for non-resident students as a way to provide predictable tuition increases in the future. He said the proposal states that UW System Administration will look at using cohort tuition for non-residents and that the cohort rates could increase each year by a predetermined percentage factor or index, instead of being locked at a single rate for the long-term. Interim Chancellor Greenstreet asked how this process would be different than the regular determination of tuition increases and Assistant Vice President Richards replied that the specific increase amount would be predetermined years in advance; for example, guaranteeing a \$15,000 rate plus a possible 1% increase each year. Associate Vice President Harris explained that this would provide students and parents predictability of costs.

Senior Vice President Olien asked the Chancellors to say a few words about what has happened on their campuses as non-resident tuition has increased. Chancellor Shepard began by saying that as non-resident tuition has skyrocketed, UW – Green Bay is no longer able to attract new non-residents, or even keep current ones. He projected his campus has lost \$800,000 due to the loss of non-residents, but added that it is still difficult to explain the revenue benefit of non-residents to residents. Chancellor Shepard questioned whether predictable tuition increases would be enough to bring back non-residents to the UW System and noted that while private institutions such as St. Norbert's have a much higher sticker price, with tuition discounts, actual tuition is equal to or less than UW tuition. Regent Pruitt agreed that it must be determined whether tuition predictability is a real problem, and whether it's a significant market factor. Interim Chancellor Greenstreet stated that he doesn't think it's a significant factor for UW – Milwaukee students. Associate Vice President Harris replied that she believes parents who've seen non-resident tuition increase \$8,000 over the last four years might not want to send a second child to the UW with more potential unpredictability in costs. She added that the rapid change in

non-resident rates has had a big effect on parents' decisions. Senior Vice President Olien stated that the University of Illinois has cohort tuition with a guaranteed rate, and that a large number of non-residents for the UW formerly were Illinois students. He added that the non-resident tuition issue is a very real problem for the UW since there are so many other quality higher education options available nearby. Regent Axtell agreed that a form of cohort tuition for non-residents would avoid the risk of dramatic tuition increases, but asked if the Board of Regents could again be overruled in its tuition setting process. Associate Vice President Harris responded that the legislature can impose certain things, but that she doesn't know that a contract with students could be voided, and that without charging students more, another loss of revenue would essentially be another budget cut to the UW. Assistant Vice President Richards suggested that this issue would have to be discussed with General Counsel, and that possibly the legislature could only override tuition decisions for incoming students, not those already under a cohort contract. Senior Vice President Olien added that the quality of non-residents coming to the UW is dropping since only those with a lot of money can afford it, that tuition has become a barrier in attracting non-residents. Regent Gracz asked whether a contract with non-residents would work against raising resident tuition also, in effect giving the Board of Regents and the UW System more power in that area. Regent Axtell again asked whether for 05-07, the Governor could override the Board and impose a higher increase, and also when tuition would be set for 05-07. Associate Vice President Harris replied that tuition is not set for multiple years in advance, that only an estimate for 05-07 could be made, and that it would not include future pay plan effects. Regent Pruitt asked if United Council had anything to say about cohort tuition for non-residents and United Council Shared Governance Director Brian Tanner responded that they didn't have a stance on the issue at this time. S.B.P. Hay stated that as a student, he thinks the cost stability cohort tuition would provide for non-residents would be very attractive and is something that should be explored further. A.S.R. McGinnis asked Chancellor Markee whether this is an issue for UW – Platteville and Chancellor Markee answered that most non-residents on his campus come from Illinois and that people there are more concerned right now about the substantial resident increases occurring than the non-resident increases occurring at the UW. He added that he likes the flexibility in the cohort tuition proposal of being able to deal with inflationary costs if needed. Interim Chancellor Greenstreet noted that although non-resident cohort tuition may be an inhibitor for the legislature to increase resident tuition, the State may still need to cut the UW's budget and that this tuition situation would also eliminate a vehicle for raising money.

Associate Vice President Harris stated that last year, resident and non-resident tuition increased the same dollar amount, which eliminated the argument that the two groups were treated differently. She added that preferential treatment is eliminated if non-resident increases are linked to resident increases, and that a cohort tuition agreement for non-residents might limit tuition-setting flexibility. Senior Vice President Olien said he thinks the group should present the information, not as an endorsement, but that further study is needed. He added that by including the issue in the group's final report it is showing the belief that non-resident tuition is a significant problem to be dealt with. Regent Pruitt told the group he has grave reservations about a non-resident cohort tuition program because of his concern that non-resident tuition would likely not increase as much as resident tuition, which would be very difficult to explain to the public. Regent Axtell reminded the group that the proposal could just be that further study is needed on the topic and Regent Pruitt cautioned that it not appear to be an endorsement, only that the message is that the UW's non-resident tuition has become noncompetitive.

Assistant Vice President Richards suggested a compromise, that the proposal state that the group has concerns and the issue needs further study, but that if cohort tuition is considered, it should be considered for non-residents. S.B.P. Hay stated that he doesn't think politics alone should stop the group from considering the proposal, that he believes the idea has merit and that the group should explore it since it has the potential to benefit the UW. Interim Chancellor Greenstreet said the bottom line is that it needs to be determined whether non-residents view high sticker price or cost unpredictability as more detrimental. Regent Axtell suggested that the group could encourage an institution to experiment with non-resident cohort tuition and Chancellor Shepard replied that his campus would not be interested, but that another might. Senior Vice President Olien said he thinks the issue is substantially covered in the second item on the group's agenda that has been adopted, which deals with tuition options. He added that he doesn't think the group should appear to endorse the idea due to the lack of group enthusiasm. Regent Axtell replied that in order to keep the non-resident cohort tuition idea alive, more mention should be made of it, wording that encourages experimentation with this tuition option. Associate Vice President Harris suggested the wording could be similar to the *Building Our Resource Base* proposals, which would allow the idea to be brought back for more discussion if and when a campus shows interest in pursuing the proposal. Regent Axtell suggested that in the final report, the wording highlight that the proposal is not for resident undergraduate tuition, but could be for non-resident undergraduate or any professional tuition and that it encourage a campus to experiment with cohort tuition for either of those student types. Senior Vice President replied that an amended proposal could be brought to the group in April. S.B.P. Hay said it would be useful to see numbers on why or why not students come to the UW to study buying motives. Chancellor Shepard replied that data is needed on people who don't come to the UW and S.B.P. Hay said students who initially applied but chose another school could be surveyed.

Assistant Vice President Richards stated that the drivers behind why non-residents attend the UW is the real issue needing to be studied and suggested that the proposal lay out the group's discussion and then state that campuses could individually further study the issue and bring pilot proposals forward if interested. Associate Vice President Harris added that the group should look at the language in the *Building Our Resource Base* study regarding professional schools.

OTHER TUITION ISSUES

Regent Axtell asked the group where previous discussions about enhancing non-traditional student revenue had led and pointed out that the UW Hospital now fully reimburses tuition for any non-traditional student. Associate Vice President Harris replied that the issue was on the group's agenda at one time and that it had been decided that it was more of a revenue option for individual campuses, not the System as a whole. She added that service-based programs for adults are encouraged and that policies don't deter campuses from exploring non-traditional tuition options. The problem, Associate Vice President Harris said, is actually figuring out market demand for non-traditional programs. Regent Axtell asked if the topic should be included in the final report, and if it should be noted that there are still many unanswered questions on the topic, that the revenue would be more campus-based and long-term, and that campus experimentation is encouraged. S.B.P. Hay reminded the group that other universities have begun work in the non-traditional area, for example, the University of Phoenix now

operates in the Twin Cities area. He added that the UW should be aggressive in attracting non-traditional students because this student group will help keep the UW alive. Director Tanner asked whether the group was discussing non-traditionals as adult students who never before attended the UW, or those who were returning to the UW as adults to enhance their degree. Regent Axtell said it would include both groups, although he had been thinking more of the second type of non-traditionals. Assistant Vice President Richards stated that the price charged for both groups is higher because of the value-added programs offered.

Regent Pruitt asked about the per-credit tuition proposal and Assistant Vice President Richards replied that the proposal has been amended to include suggested wording changes from the last meeting. He added that it calls for more study of the issue, and that any future action would have to go through the Board of Regents. Regent Axtell asked how the per-credit proposal would be arranged in the group's final report and Senior Vice President Olien suggested that it be placed under the second agenda item regarding tuition options. Director Tanner was asked to share United Council's views on per-credit tuition. He began by saying that if a per-credit program is proposed as revenue-generating, students prefer that the tuition increase be presented in an up-front manner. Director Tanner added that the plateau system allows more flexibility to students, decreases time-to-degree, and helps students save money by allowing them to take additional credits for free. He stated United Council is concerned that the breadth of courses taken within a per-credit system and access to high-credit programs for low-income students will decrease. Director Tanner added that students at the UW Colleges, many of whom have undeclared majors, wouldn't be as likely to explore academic areas. United Council is also concerned, he stated, about the administrative costs of changing financial aid, fees, and billing systems. Lastly, Director Tanner stated that if campuses only allowed a limited number of drops over a student career, this would have the same effect in decreasing the drop rate that per-credit tuition has. Regent Pruitt responded that United Council makes some very good points regarding per-credit tuition that warrant further discussion. However, he added, the group's proposal calls only for experimentation by individual campuses and would also expand access for low-income working, part-time students. He also stressed that if a campus moved to a per-credit system, it would not be for the purpose of introducing a "backdoor" tuition increase. Associate Vice President Harris stated that both revenue-neutral and –generating proposals would require much discussion and approval and that current language regarding tuition increases requires the explanation of what additional revenue is needed for. S.B.P. Hay told the group UW – Stout is happy with its move to per-credit tuition. He added that he agrees a per-credit proposal shouldn't be a way in which to increase tuition and noted that under a plateau system, full-time students benefit at the expense of part-time students; either way, people will be unhappy. Because of this problem, S.B.P. Hay stated that every campus should strive to create as much balance and equity as possible and increase access as much as possible. Senior Vice President Olien added that if a campus considers a per-credit pilot, he advises that the student market be carefully studied. He asked whether the Market Research unit could examine student markets and give campuses results prior to a proposal being generated, much like market testing that businesses do.

Regent Axtell asked for an update on UW – Platteville's non-resident plan. Chancellor Markee told the group the promotion and marketing plan is almost complete, that pilot teams have been out visiting high schools to get reactions to the plan, and that alumni and admissions people have held sessions with local businesses. Overall, Chancellor Markee stated, the plan has received

very favorable reactions. He added that UW – Platteville’s campus visits begin in April, which will help increase knowledge about the plan as more students and parents get to campus. Chancellor Markee said the tuition has been confirmed to be competitive, that first indications show the plan is on track to begin in Fall 2005, and that work has begun with the community regarding housing and academic facilities. Interim Chancellor Greenstreet then provided an update for the group on how UW – Milwaukee is trying to find the optimum use of resources to provide a quality education for its students. He stated that task forces will be reporting their findings soon and that the campus is trying to increase non-resident students in order to enrich diversity. Interim Chancellor Greenstreet added that the biggest challenge in increasing non-residents is finding the physical accommodations for them. He said the study should be finished by the end of this academic year. Chancellor Markee then added that the UW – Platteville non-resident plan will also help increase the limited diversity currently found on his campus.

Regent Axtell stated that the non-resident proposal calls for an amended Board policy and Associate Vice President Harris suggested that instead of waiting to include the proposal in the group’s final report, it could be moved along more quickly and brought to the Business and Finance committee next month. Senior Vice President Olien replied that he doesn’t think the proposal needs to be rushed since it won’t generate significant short-term revenue. Assistant Vice President Richards noted that when tuition is set in June, it may be helpful to have the language change in place. He added that if the group is comfortable with having the same dollar amount increase for residents and non-residents like last year, then the proposal doesn’t need to be moved forward quickly. Assistant Vice Chancellor Krogman stated that he thinks revenue restoration is critical, so the sooner the proposal moves forward, the better. Regent Axtell asked if the proposal would be moved along to the Business and Finance Committee and Associate Vice President Harris replied that she could ask some of the Committee members if that group could discuss the non-resident proposal next month. Regent Axtell said the group should move the proposal forward now, Senior Vice President Olien moved to adopt the tuition policy amendment, A.S.R. McGinnis seconded the motion, and the group unanimously approved it.

CAMPUS DEVELOPMENT & BEST PRACTICES

Senior Vice President Olien stated that campus officers have already begun meeting to share best practices, so there is no need for the group to explore this topic. Regent Axtell asked that it be removed from the group’s agenda.

PERFORMANCE BONDS

Associate Vice President Harris stated that the performance bond proposal wouldn’t affect the biennial budget, so the group could wait to discuss it until F.R. Trechter, the originator, was present. Assistant Vice President Richards provided a recap by saying the proposal was not hugely supported, but anything helping to increase retention and decrease time-to-degree should be considered. He added that it was suggested the topic be included in the final report’s “Unfinished Business” section and that it should be included for future reference. Assistant Vice Chancellor Krogman told the group he is not in favor of decreasing access for low-income

students by making them post a performance bond. However, he stated, the idea that stemmed from this proposal of providing forgivable loans to low-income or non-resident students that stay in Wisconsin after graduation should not be lost. Regent Axtell mentioned that there were other negative opinions previously voiced, among them that it is essentially another tuition increase. Associate Vice President Harris stated that it is a lot of money to add to already high tuition and decreasing access is a problem. She added that she agrees the variation of a reward of loan forgiveness to students upon graduation is more preferable, but is probably not a high priority for the group. Assistant Vice Chancellor Krogman pointed out that performance bonds would be complicated in terms of both financial aid and refund issues. Senior Vice President Olien stated that since there are concerns all around regarding performance bonds, he feels the topic should be dropped, and that the *Partnership with the State* group could explore the topic further. Regent Pruitt voiced his opinion that the loan forgiveness idea shouldn't be lost and Regent Axtell suggested that the performance bond and loan forgiveness ideas be put in a "Miscellaneous" area of the group's report. Chancellor Markee agreed that he thinks the loan forgiveness idea could help address problems for both the UW and the state as a whole.

MEETING WRAP-UP

Regent Axtell suggested that next month, the group look at all the resolutions it has adopted and any still not finalized. Assistant Vice President Richards suggested that the section of the report dealing with GPR should include the concern that GPR FTE cannot be reduced further without affecting educational quality, and that these positions are needed in order to attract federal and other forms of support. Chancellor Shepard added that the UW has taken the budget cuts, billed the students more, and now can't hire quality faculty to better their education. Associate Vice President Harris suggested that FTE concerns could be tied to both the Federal Relations and the GPR issues the group has discussed. She added that this is also something the *Research and Public Service* group might address. Assistant Vice President Richards stated that he thinks this is a revenue issue and that this group should take care of it. Regent Pruitt asked if historical data on FTE trends in the last decade is available and Associate Vice President Harris replied that GPR positions have increased only slightly as enrollment has grown significantly and that the number of faculty has decreased while the number of instructional staff has increased. She clarified the issue saying that the number of GPR faculty has to increase in order to continue as a research institution and to provide access for the growing student body. Regent Axtell suggested that this issue, including specific figures, be added to the first agenda item.

Assistant Vice President Richards handed out a follow-up article on the British model of tuition and loan programs that was introduced last month. He summarized the information, saying that the amount of a student's loan is based on his or her income after graduation, and now tuition will be done in a similar manner. Regent Axtell handed out another article regarding the continuing decline of state support to public universities. Regent Pruitt told the group that Harvard has begun a program where students whose family income is less than \$40,000 will not have to pay tuition, and from \$40,000 - \$60,000, families will not be responsible for the full cost of tuition. Associate Vice President Harris commented that private colleges are more able to do this type of thing and Senior Vice President Olien added that the University of Illinois also has a program like this.

Regent Axtell stated that he would like the group to recognize the nursing shortage in the state. Adding that he's an advocate for the training of more nurses, Regent Axtell told the group that 72% of nurses trained in Wisconsin stay in the state after graduation, that there is a critical shortage of trained nurses, and that turnover in the field is extremely expensive. He added that currently, there are four schools of nursing in the UW System and ten private colleges that offer the program. Providing an example of limited access, Regent Axtell stated that UW – Madison can accept 130 new nursing students each year, and that last year, it turned away an additional 360 applicants. He noted that there is both high demand by students for a nursing education and a high need for trained nurses statewide. Regent Axtell told the group he asked the head of the Association of Nursing School Deans for a dollar figure desired and the associated number of nursing students that could be trained that would help alleviate the nursing shortage. He added that the head of the Association of Nursing School Deans thinks the idea of encouraging state government to help finance these additional students is wonderful and also that a private dollar match from HMO's, insurance companies, and medical societies is a realistic goal. Regent Axtell stated that he would like to see this issue advance, because even if it doesn't enhance revenue for the UW or the state, it would improve workforce quality. Senior Vice President Olien said he thinks this might be an issue for the *Service to the State* group, that any plan will be limited by the reduced GPR support and limited FTE, and that he has some reservations because other academic groups will then also look for the same assistance. Senior Vice President Olien added that the GPR and FTE cuts have risked quality at the UW overall and that current programs should be restored before program expansions are undertaken. S.B.P. Hay agreed that overall quality has been reduced, saying that at UW – Stout, he has been in a class where there weren't enough chairs for all the students, and that first, class sizes should be reduced to earlier sizes. Senior Vice President Olien replied that there are similar instances across the UW System and that if quality continues on this rapid decline, the UW's reputation will quickly follow and accreditation in programs will be lost. Regent Pruitt suggested that if the issue is transferred to another group, this group should develop something specific about nursing to give it a jump start. Senior Vice President Olien said a resolution could be prepared for the next meeting to pass this issue along, and Regent Axtell stated that he agreed discussion of the topic should continue.

S.B.P. Hay said the critical issue for the UW is to receive increased GPR support, and that the money exists, since millions are being spent on the war. He stated that it's a matter of what UW stakeholders can do; he suggested that the Board of Regents ask campuses to be more proactive in encouraging students to vote and in increasing political knowledge. Director Tanner added that United Council would be happy to work with campuses to increase voter registration. A.S.R. McGinnis suggested that faculty and staff also be trained on the importance of voting. Regent Gracz said he thinks the Board of Regents did encourage this in the past but that maybe the Board should redo something in the coming year. Director Tanner said United Council has information on a new voter's project to increase the number of voters that he could send to be included in next month's packet and Regent Gracz agreed that the Board should reaffirm its earlier position on this issue.

Revenue Authority Committee Expanding Capacity of Nursing Programs

The Issue

The state of Wisconsin, and the nation, currently faces a severe shortage of nurses. Some of the issues contributing to this shortage include:

- An increased demand for nurses. The Bureau of Labor Statistics predicts that, nationally, the number of nursing jobs will grow by 23% by 2006.
- An aging workforce. Almost half of the existing nursing workforce will reach retirement age in the next 15 years.
- A shortage of nursing faculty. There are not enough nurses with masters or doctorate degrees to teach in technical college and college and university nursing programs. In addition, more than half of Wisconsin's nurse educators are age 50 or older.
- An aging society and the need for more long-term and senior care.

Current UW System Initiatives to Expand Capacity of Nursing Programs

At UW-Madison:

- The School of Nursing collaborated with Gunderson Lutheran hospital and UW-La Crosse to establish a BS-Nursing program in La Crosse through a new Western Campus Initiative. Gunderson Lutheran pays all personnel costs and UW-La Crosse provides student services. Eight students were admitted to the program in Fall 2003. The number of students admitted to the program is expected to increase to 16 in Fall 2004 and to 24 in Fall 2005. Forty-eight new slots for nursing students will be available when the program is fully operational.
- Chancellor Wiley and Provost Spear reallocated campus resources to increase the number of new admits in the BS-Nursing program from 110 to 130.
- The School of Nursing also applied for two federal training grants. If funded, the grants would enable the school to transfer its MS programming to Web-based instruction, enabling students to complete most of the "nurse educator" track by distance.

At UW-Milwaukee:

- The College of Nursing increased student enrollment by raising the total number of students admitted to the clinical major each year from 160 to 216.
- The College is still unable to meet the demand. Approximately 2.5 qualified students are rejected for each admitted student. These students are not admitted due to lack of resources.
- The School of Nursing created a 16 month Accelerated Second Degree program for students holding non-nursing university degrees. The program has the fastest growing student applicant pool in the UWM College of Nursing.

- The College successfully negotiated a contract for \$125,000 with Aurora Health Care to support 16 accelerated second degree students in 2004-2005.
- The College increased access to masters nursing education in Southeast Wisconsin by providing UWM masters level courses at the UW-Parkside campus. This program began in 2002.
- The College launched the UW Washington County Consortial program (West Bend) to bring baccalaureate nursing education to an underserved area of the state. This program expanded the UWM undergraduate nursing program by 16 students in the clinical major.
- The College worked to increase the faculty pool by expanding the UWM Nursing PhD program to include an On-Line PhD Option. This program started in Summer 2003 and increased the number of PhD students by 40%.

At UW-Oshkosh:

- The College of Nursing started the Accelerated Degree Program. The program allows qualified students who already have a Bachelor's degree to earn a Bachelor's degree in Nursing within a twelve month period. The program began in Fall 2003 with 13 students. The second cohort, totaling 25 students, will start in May 2004. Funding for this program was provided by private sources including a \$100,000 gift from Affinity Health System.

Constraints to Expansion of Nursing Programs

- **Resources**
The nursing programs expanded capacity without any new state resources. The initiatives were funded through reallocations at the institution level and additional private fundraising. Even though the initiatives expanded capacity, more needs to be done, and available resources are a substantial barrier. UW-Eau Claire's College of Nursing cited resources as the reason they could not do more to expand capacity at their institution.
- **Faculty**
Even if the programs are successful at securing resources to expand the capacity, they have a difficult time hiring nursing faculty to fill the positions. It is difficult to lure nurses out of practice and into the academic setting. Not only do these nurses need additional academic preparation and training to become instructors but they also need a competitive salary, enough to make academia more attractive than private practice.
- **Clinical Sites**
As part of the nursing curriculum, students are required to complete clinical training. Students go to hospitals and clinics to learn about patient care on-site. This is a critical part of the education of nurses. Nursing programs are finding it increasingly difficult to find enough clinical practice sites for their students. Nursing programs cannot expand the capacity of their programs without a place for their students to complete their clinical training.

- **Facility Space/Laboratory Equipment**

Facility space and laboratory equipment are also important components to quality nursing education. If programs increase capacity, additional learning space is needed. Current laboratory equipment is outdated and needs to be modernized to match the settings the students will face when they enter the clinical phase of their education and when they graduate and enter the workforce.

Recommendation

The committee recommends that the UW System examine alternatives for increasing the number of nursing students to help address the shortfall in nursing professionals in Wisconsin. The committee also recommends that the UW System work with private industry to facilitate the expansion of the capacity of the nursing programs.

April 1, 2004

MEMORANDUM

TO: Revenue Authority Committee

FROM: David Olien

RE: Agenda item

The following draft resolution has been prepared for consideration of the committee at our next meeting.

The committee recommends adoption of the following resolution:

"The UW System Board of Regents recommends that the following areas be studied further to fully understand the benefits or risks to quality of education for UW System students:

1. Performance Bonds -- Should the UW System request each student post a 'bond' that will be fully refunded once the student has completed his/her education and graduated from any UW System campus?
2. Loan Forgiveness -- The committee recommends the UW System further explore forgiving student loans for those students who have completed his/her education in a field of great need?"

Achieving Operating Efficiencies Work Group
April 1, 2004, 10 a.m.
Pyle Center, Room 205
Agenda

1. Approval of March 4, 2004 meeting minutes
2. Recommendations from prior meetings
3. Planning recommendation
4. Other recommendations
5. Report format and schedule
6. Goals for May meeting
7. Other

Minutes – DRAFT
Achieving Operating Efficiencies Work Group
Board of Regents of the University of Wisconsin System
March 4, 2004

The Achieving Operating Efficiencies Work Group meeting convened at 10:07 a.m. in room 216, Friedrich Center, UW-Madison. Work group members present were Regent Mark Bradley (chair), Regent Nino Amato, Vice President Debbie Durcan, Provost Liz Hitch (for Chancellor Douglas Hastad), Academic Staff Representative Therese Kennedy, Chancellor Jack Miller, Faculty Representative Lisa Seale, Regent Emeritus Jay Smith, Vice Chancellor Andrew Soll, Chancellor Charles Sorensen, and Director of Operations Review and Audit Ron Yates. Not present were Student Representative Alan Halfen and Regent Jose Olivieri. Others present included Associate Vice President Frank Goldberg; Assistant Vice President Nancy Ives and Jim Albers, Office of Capital Planning and Budget; United Council President Jeff Pertl; and Assistant Director of Operations Review and Audit Jane Radue.

After calling the meeting to order, Regent Bradley asked for a motion to approve the minutes from the January 7, 2004 and February 5, 2004 work group meetings. Chancellor Sorensen made the motion to approve the minutes, Faculty Representative Seale seconded the motion, and the group approved the motion.

Capacity of UW Institutions

Regent Bradley called upon Associate Vice President Frank Goldberg to provide an overview of the issue of the UW System's capacity to serve more students. (The work group had previously expressed interest in this topic, and the meeting materials included discussion papers from the Office of Operations Review and Audit on student support services capacity and faculty workload.) Associate Vice President Goldberg described capacity as a function of three main factors: human resources, instruction-delivery practices, and the role or mission of the institution. Human resources – such as faculty, instructional academic staff, and support staff – are not easily moved between disciplines; therefore, increasing the instructional component, if not balanced by increases in other components, such as support staff, will lead to an imbalance in these resources. The way in which instruction is delivered – face-to-face, through distance education, or through a combination of face-to-face and distance education – also helps to determine capacity. Finally, the mission of an institution determines its capacity; considerations include the student population and level of student preparation, the type and distinctiveness of programs, and the region the institution serves.

Associate Vice President Goldberg then discussed three constraints on capacity: physical facilities, technology, and student services. The number and quality of buildings, as well as whether classrooms match the institution's needs, determine physical capacity. Technological capacity is determined by the availability of equipment and infrastructure. Also, both the depth and breadth of the student services an institution provides can affect capacity. Associate Vice President Goldberg noted that with fixed resources, if an institution attempts to manipulate any one of the factors affecting capacity, the constraints still impose limits. He concluded that the

real opportunities for increasing capacity are in the kind of transformational change that Dr. Guskin described, rather than in marginal change.

Transformational Change

Chancellor Sorensen mentioned that Phoenix University uses a hybrid (on-line and face-to-face) approach to education and is bringing this approach to the Twin Cities. The university has determined it is cost effective and has proven there is a market, one that the UW is not addressing. Regent Bradley questioned whether the blended model Phoenix University is using is the kind of transformational change discussed last month. Vice Chancellor Soll responded that it is not, saying Phoenix is still a credit-based program; external accreditation requires this and is another constraint. Provost Hitch noted that Phoenix also selects only certain programs to offer through this approach.

With respect to transformational change, Chancellor Sorensen indicated he believes it is necessary to commit to change as an institution, rather than having a few pilots here and there, or there will be pockets of resistance. Chancellor Miller stated that there is a massive amount of investment in the current buildings and staffing; this large investment can make it difficult to think about doing things differently.

Regent Emeritus Smith suggested that when creating a vision for the future, it is necessary to start from scratch. After identifying the System's costs, the starting point for a new model would be to determine what "the student" needs. Then the ancillary needs (research, etc.) could be calculated. Regent Emeritus Smith noted that there is not a good vehicle for taking things out of the System once they have been put in. He listed some of the areas in which the group has been developing recommendations – the building process, cash management, procurement – and noted that these are old themes that have been discussed for many years. With respect to other recommendations, he said that collaboration is on-going, and vision/mission review are core. Program review is a process that should be reviewed, along with other processes. He suggested it is important to analyze existing processes to determine whether the processes are meeting their goals. He suggested that the work group could do more to challenge the current system.

Regent Bradley noted that the group could have suggested overhauling the whole system but, rather, has opted to support the development of small groups that would have resources with which to experiment and find approaches that work.

Chancellor Sorensen noted that UW-Stout has been involved in an institution-wide planning process since the late 1990s. The process involved starting with core values for the campus, establishing a mission and goals for the next ten years, and identifying a series of objectives. Reviewing processes was also included. UW-Stout is not yet where it needs to be, but is in the process of making change.

Regent Amato agreed with Regent Emeritus Smith about the importance of starting with the student and building a model from scratch without being encumbered by the current system. He noted that this is the approach that would be needed to make substantial change. Regent

Emeritus Smith suggested that it is important to ask whether the UW System is positioned for the future. Provost Hitch noted that starting with the student is not a single consideration; it is necessary to look at the whole array of students.

Chancellor Sorensen observed that understanding for-profit institutions and other external factors is important, because these are significant forces. Regent Amato said that part of a good strategic planning process is doing an environmental scan and understanding, and then testing, people's perceptions and assumptions.

Regent Bradley, referring to the draft recommendations, noted that the group has at this point developed the bigger-ticket, shorter-term "marginal" items. Despite the preceding discussion about strategic planning, the group has not suggested that these items be discarded. Regent Bradley asked what recommendation the group would like to make with respect to transformational change.

Chancellor Sorensen and Regent Emeritus Smith suggested that the Regents and UW System could put together a powerful task force on strategic planning, bringing in an (in-state) expert to lead the task force through an in-depth process, with a plan to be delivered in six to twelve months. The task force would be composed of UW System stakeholders, from both inside and outside the System.

Faculty Representative Seale posed a question about how such a recommendation might fit into the System integrated planning process. Vice President Durcan briefly described this process: In light of the new chancellors in the System and the budget crisis, President Lyall appointed a group from around the System to step back and look at how missions, physical capacity, and other factors fit with the alignment of resources. Vice Chancellor Soll added that the issue of enrollment management also provided an impetus for this process.

Vice Chancellor Soll expressed support for the strategic planning discussion. The group had begun discussing this in the fall, but there was pressure to develop budget issues instead. He noted that there are multiple processes, and the integrated planning process might fit within the overall strategic planning process. Chancellor Miller commented that the integrated planning group will consider the constraints of enrollment and resources but is unlikely to take a start-from-scratch, throw-out-the-rules approach.

To implement this start-from-scratch kind of approach, Chancellor Miller suggested the group recommend that the Board of Regents entertain an RFP process through which any individual campus could present an experimental design that would be open in all respects. A possible focus for such an experiment could be competencies, rather than credit hours; or the focus could be on instructional delivery or on changing the nature of faculty to non-tenured.

Chancellor Sorensen remarked that the experiment needs to involve not just a campus but, rather, the entire UW System as we know it. His idea of the experiment is to re-think how higher education is delivered in Wisconsin. Chancellor Miller responded that looking at a smaller unit of the System might be a way to begin; he said he couldn't imagine the System agreeing to any one approach, such as competency-based education. Chancellor Sorensen

clarified that he was thinking the “structure” of the System should be examined; for example, is it efficient to have a UW-Extension with its own chancellor. Chancellor Miller commented that the two suggestions are different, but both are acceptable. Some narrow efficiency areas have been brought up repeatedly; to effect real change, someone (e.g., the Board of Regents) will have to champion the idea of trying something different.

Regent Bradley asked what the group’s recommendation would be. Regent Emeritus Smith suggested that the issue is a System issue, and campuses are part of that; Chancellor Miller’s suggestion could be part of the overall process. The recommendation is that the Board of Regents should develop a long-term strategic plan that will position the UW System for the future. Relevant planning questions are: Is the System functioning as it should be; is the System positioned for the future; is the System functioning consistent with a long-term strategic plan, which currently does not exist. Stakeholders must be included; the process must be in-depth; and the outcome should be a vision and long-term plan for the UW System.

Regent Bradley asked whether the theme is efficiencies, and Regent Emeritus Smith said that it is. Regent Emeritus Smith noted, further, that the UW System could ask the state for the money to do this strategic planning. Regent Amato suggested that questions about why Wisconsin comes up short compared to Minnesota have been coming up in the Legislature; Minnesota took the dramatic step of consolidating its university and technical college systems. The discussion concluded with the decision that Operations Review and Audit staff will draft a strategic planning recommendation for the group to consider.

UW System Access

Regent Bradley asked Director Yates to describe three access-related discussion papers: General Education Requirements, Options for High School Students to Earn College Credits, and Distance Education:

1. *General Education Requirements* are a foundation for more specialized disciplines; they include basic skills or competencies, such as writing, speaking and quantification, and knowledge domains, such as natural, social and behavioral sciences and arts. The minimum number of general education requirements at UW institutions varies. UW System policy requires institutions to review their general education requirements every ten years, in conjunction with North Central Association accreditation reviews. The System has been involved in looking at general education requirements and transfer of credits; an April 2000 policy includes provisions to facilitate the transfer of general education requirements. Also, UW-River Falls is using the national Course Applicability System to help transfer students evaluate how transfer credits will apply toward their general education and major requirements.

While stressing that what works in other states will not necessarily work here, Director Yates briefly mentioned the University System of Georgia’s principles for core curricula, as well as efforts in Illinois, Maryland and Minnesota to facilitate the transfer of general education credits. Studies appear to recognize that a systemwide core curriculum is not the answer to transfer problems, because general education requirements must fit the mission of each

institution. However, continued monitoring of transfer efforts in other systems could yield additional ideas for consideration in the UW System.

2. *Options for high school students to earn college credits* fall into three categories – credit by examination, including Advanced Placement (AP); dual or concurrent enrollment, including Youth Options and College Credit in High Schools; and retroactive credits, often awarded for foreign language or math:

- a. Wisconsin ranks among the top for AP participation rates among high schools and high school students in 12 midwestern states. During the 2001-02 academic year alone, 11 UW institutions reported granting 5,200 students more than 40,000 credits for AP exams.
- b. Youth Options allows high school students to take on-campus college courses for high school or college credits; student participation in the Youth Options program peaked at 8,090 in 2001-02. The Governor recently signed a law that will limit the number of credits per student to 18; tuition for Youth Options is paid by school districts, so this has been a financial burden to them. Through College Credit in High Schools, students earn college credits for attending certain high school courses; four UW institutions have offered such courses continuously between 1997-98 and 2001-02.
- c. Retroactive credits are granted to entering freshmen for high school coursework, once the students receive certain required grades in the first-semester college course in the sequence. Ten UW institutions reported granting almost 34,000 credits for the 2001-02 academic year.

Based on data from selected UW institutions, the minimum total savings to students during 2001-02 was \$5.9 million under AP and \$4.5 million from foreign language or math retroactive credits.

3. *Distance education*, generally speaking, is instruction that takes place by means of telecommunication. The UW System either operates or is a significant contributing partner in several distance education networks, including the WisLine dial-in audioconferencing system that UW-Extension manages, regional videoconference networks, and Wisconsin Public Television. UW Learning Innovations, the UW-Extension Distance Education Clearinghouse, and the UW System Learning Technology Development Council are among the entities that work to enhance distance education programming. In the past seven years, the number of UW distance education courses and enrollment in these courses have increased four- and five-fold. While distance education has many uses, there is little doubt that it offers the potential to increase enrollment at UW institutions. To determine how much it could increase capacity, a thorough assessment of current technical and instructional capacities, as well as the various ways the UW institutions use distance education, would be needed.

Work Group Recommendations

Regent Bradley initiated a discussion of the expanded recommendations from the February 5, 2004 meeting. He noted that the capital building program (#1), procurement (#2), and cash management (#3) recommendations probably did not require further discussion at this time. There were no comments on collaboration (#4). Regent Bradley suggested that the academic program review recommendation (#6) could be addressed as part of the strategic

planning recommendation. After a brief discussion, the group agreed that the UW System vision and mission review process (#5) would also be addressed as part of the strategic planning recommendation.

The discussion moved on to the additional draft recommendations, which were being discussed for the first time at this meeting. Regarding the educational quality investment fund (additional-#1), Vice Chancellor Soll expressed concern that the recommendation is tied to new funding and asked whether reallocated funds could be used.

The resident undergraduate tuition authority recommendation (additional-#2) seeks authority for the Board of Regents to set undergraduate resident tuition. Vice President Durcan explained that the Board has the authority to set all tuition except resident undergraduate, which represents the majority of tuition revenue. Also, she noted that the recommendation should seek authority for the Board to set undergraduate and graduate application fees (currently \$35 and \$45, respectively) without needing a statutory change. Vice Chancellor Soll said that he supports the Board's having the authority to set undergraduate tuition, but the draft needs to provide more support for why this is a good idea; other group members agreed. United Council President Jeff Pertl added that the United Council has opposed the Board of Regents' having this authority, adding that the reason to have the authority would be to increase tuition. Regent Bradley suggested that the recommendation be redrafted with an expanded rationale.

During the discussion of the real-estate proceeds recommendation (additional-#3), Assistant Vice President Ives noted that the law was changed last year, and proceeds from the sale of state buildings or land now go into the state's budget stabilization fund; the UW can no longer request to receive half of the proceeds back. The recommendation needs to be changed to reflect this. In response to a question about how real estate comes to be given directly to UW institutions, rather than to the foundations, Vice President Durcan explained that real estate is sometimes donated as part of an estate and not as a planned gift. Regent Emeritus Smith commented that current law may be a barrier to such gifts, and the recommendation that the UW retain the proceeds could enhance giving.

Vice President Durcan explained that the program revenue position authority recommendation (additional-#4) would allow the UW to create positions for programs that are not 100-percent tuition funded. This would avoid the difficulty of dividing out tuition revenues and would allow the UW to manage its resources more seamlessly. Regent Bradley asked how big an issue this is. Vice Chancellor Soll noted that positions are an important issue. This recommendation seeks authority to create positions for general operations. Regent Emeritus Smith commented that the funding is available, but it can't be used to serve students; this could be used to make the case. Vice President Durcan noted that more detail would be needed before discussing this recommendation with DOA or legislators.

Director Yates asked whether there would be any new recommendations related to the access issues discussed earlier. Regent Bradley noted that since Regent Gottschalk had initially raised these issues, Regent Bradley would discuss them with him and make an assessment of their priority relative to other issues.

After a brief discussion of the overall Charting a New Course report-writing process, Regent Bradley said that the purposes of the April meeting would be to develop the strategic-planning discussion and to review the work group's final recommendations.

The meeting adjourned at 12:28 p.m.

WORKING DRAFT 3-26-04
Achieving Operating Efficiencies Work Group
Recommendations

BIENNIAL BUDGET-RELATED RECOMMENDATIONS

1. Educational Quality Investment Fund

- Recommendation: The Achieving Operating Efficiencies Work Group, in conjunction with the Re-Defining Educational Quality Work Group, recommends that the UW System request funding to create a fund to support educational quality grants. The grants would promote student learning, teaching, quality of faculty/staff work life, and organizational systems. Fundamental, not incremental, changes in academic and administrative practices on all UW System campuses are necessary to maintain and enhance UW System's position as a premiere system, known for its educational quality. A panel of faculty, staff and administrators from throughout the System would review grant proposals. Potential grant categories would be:
 - a. Instructional delivery/pedagogy – Projects and activities could include: incorporating technology in the delivery of instruction; creating and supporting a Teaching and Learning Academy for faculty within an institution; or using performance, skills application, and mastery and competency demonstrations to assess learning outcomes.
 - b. Curricula – Projects and activities could include: using more active and experiential learning experiences (de-emphasizing “seat time” and credits completed) in classes; providing learning experiences that engage faculty, students and staff in activities directed at or for the university, such as having marketing students assist the university in marketing itself or counselor-education students help to operate career services and the counseling center; or incorporating into courses others with knowledge of a discipline, in addition to the instructor.
 - c. Technology/library – Projects and activities could include: creating and supporting a Technology Deployment unit to provide information about uses of technology in the classroom and work environment; establishing professional-development assistance to faculty and staff learning and using technology; or rewarding the demonstration of successful implementation of technology to better serve students, create efficiencies, or reduce costs.
 - d. Organizational efficiencies/effectiveness – Projects and activities could include: creating an institutional center for research, forecasting and change, or establishing ongoing restructuring or re-engineering processes to explore ways in which a UW institution can be best organized to deliver services.

- Benefits: The award of grants could result in models that would enhance the quality of education, prepare UW graduates to contribute to the communities and economy of the state, and assist UW System institutions in operating more effectively.
- Charting a New Course Theme: “Quality” (student education and experience) and “Serving Wisconsin directly – state and student needs” (efficiencies and collaborations).

2. Collaborative Academic Program Pilots

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the UW System establish pilot programs to promote administrative and programmatic collaboration. UW collaborative academic efforts exist in degree programs, certificate programs, and single or multiple courses. Collaborative agreements can be formal or informal. Among the potential advantages of collaborative partnerships are: maximized use of the combined resources of multiple campuses, minimized duplication, cost savings through shared programs, and increased access to certain academic programs in more parts of the state. Some collaborative efforts have been established to meet high-demand programs, such as nursing or business, while others provide access to programs in low-enrollment areas, such as certain foreign languages.

Pilot programs could be structured and monitored to identify which approaches and administrative practices prove most effective, with a resulting administrative model used to guide future efforts. While some existing collaborative efforts have successfully addressed instructional and administrative issues, past efforts have generally been developed on a case-by-case basis; some arrangements have been implemented with limited consideration of administrative issues. In addition to developing high-quality academic programs, factors to be considered include: a) financial factors, such as matching instructional and other costs with program revenue; and b) other administrative factors, such as addressing differences in admission standards, registration procedures, grading, and academic calendars.

- Benefits: The pilots would lead to improved services to students and the potential for reduced costs.
- Charting a New Course Themes: “Quality;” “Access;” and “Serving Wisconsin directly – state and student needs” (efficiencies and collaborations).

FUTURE PLANNING AND ANALYSIS RECOMMENDATIONS

3. Planning Process [*OPTION A: Comprehensive version*]

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the Board of Regents build upon the efforts of the Charting a New Course study groups by appointing a task force to develop a detailed strategic planning document for the UW System. The task force would function with the guidance of a strategic-planning facilitator. It would include representatives from key UW stakeholder groups, such as

Regents, administrators, faculty, academic staff, citizens and students. The following steps are envisioned:

- a. Vision and mission – The task force would clearly delineate the UW System’s vision, mission and values. Students would be viewed as the University’s primary customers in the System’s role of serving the State of Wisconsin. Because of the importance of the chief administrator’s involvement in setting the vision for the System, the task force would begin its work once the new UW System President has been appointed.
- b. Environmental scan – A thorough environmental scan would include analyses of the fiscal, demographic, governmental, technological and higher-education environment in which the UW System operates, as well as the internal organizational factors that affect the System. All Regents need to engage in determining the UW System’s role in the future, considering social and economic trends and examining the role of technology in transforming instructional delivery. Careful consideration would be given to the System’s strengths and weaknesses in performing its role, as well as to how to make higher education affordable to all Wisconsin citizens while maintaining the quality of the UW System.

With an eye toward future operations, significant UW structures, processes and systems would be analyzed to determine whether they continue to meet their goals. For example, the UW System uses a comprehensive system of academic program review processes to assess program quality and efficiency. Past program reviews would be examined to determine whether they have met their stated goals, such as establishing minimum standards for program quality, identifying needed structural changes in programs and administrative units, setting priorities for allocating program resources, and identifying nonfunctional or unnecessarily duplicative programs. Major structural issues also could be considered, such as how the System would be reorganized and restructured to enhance its accountability to students, taxpayers and the legislature.

- c. Goals – The task force would identify five- to ten-year strategic goals that would position the UW System for the future. The goals and associated objectives would seek ways both to take advantage of new opportunities, such as new ways to promote teaching and learning, and to address potential threats, such as other universities’ strong emphases on distance education. Also, the plan could offer UW institutions opportunities to initiate innovative approaches to instructional delivery, staffing, or administration.
- d. Action – An action plan would ensure accountability for plan implementation by assigning responsibility for implementing the strategic plan’s goals and specifying dates for achieving results. Strategies for monitoring achievement, reviewing the plan at regular intervals, and coordinating with the UW System integrated planning effort are also essential.

Following the completion of the strategic plan and the integrated plan, each UW institution should create a clear vision for the future, consistent with the UW System vision and mission. Guidelines should be developed to ensure that the uniqueness and strengths of each institution are easily identifiable. Institutions should review their visions and missions periodically, directing their resources and activities toward accomplishing their missions.

- Benefits: This process would provide improved services to students, prepare the UW System to successfully compete with new higher education models and to respond to declining state funding, and offer an opportunity to identify and implement best practices.
- Charting a New Course Themes: “Quality;” “Access;” and “Serving Wisconsin directly – state and student needs”.

Planning Process *[OPTION B: Less detailed, more direct version]*

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the Board of Regents initiate a creative new plan of operation for the University of Wisconsin System. The Board of Regents, along with the UW System President and representatives from key UW stakeholder groups, would take action to:
 - a. Identify a vision – Clearly delineate the UW System’s vision, mission and values, viewing students as the university’s primary customers in the UW System’s role of serving the State of Wisconsin. Ensure that individual UW institutions develop missions that identify their unique attributes and strengths.
 - b. Consider the operational environment – Analyze the environment in which the UW System operates, considering economic, social, demographic, and governmental factors. Consider the internal organizational factors that affect the System. Examine the role of technology in transforming instructional delivery. Consider the challenges that the current fiscal crisis poses. Identify what actions are needed to make higher education affordable to all Wisconsin citizens, while maintaining the quality of the UW System. Analyze significant UW processes and systems, such as the academic program review process, to determine whether they continue to meet their goals.
 - c. Plan and innovate – Consider how higher education is delivered in Wisconsin and examine ways to restructure the UW System to position it competitively for the future. Identify five- to ten-year goals and measurable objectives that will position the UW System for the future. Offer individual UW institutions opportunities to initiate innovative approaches to instructional delivery, staffing, or administration.
 - d. Take action – Assign responsibility for action steps, specify dates for achieving results, and monitor achievement.

- Benefits: This process would provide improved services to students, prepare the UW System to successfully compete with new higher education models and to respond to declining state funding, and offer an opportunity to identify and implement best practices.
- Charting a New Course Themes: “Quality;” “Access;” and “Serving Wisconsin directly – state and student needs”.

4. Review of UW Non-Teaching Functions

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the UW System implement a process for examining non-teaching functions for improvement. Universities have been responding to changing conditions, such as increased demands for accountability and evidence of efficiency in management, by reassessing their operations. Goals of such reviews can include: improving services, restructuring administrative functions to reduce costs, identifying opportunities for strategic investments, and enhancing competitive position.

The initial list of UW functional areas to be reviewed would include: a) auxiliary fund management, b) information technology management, c) purchasing and contract management, d) travel management, and e) human resources management. The initial phase of a purchasing review has already begun, with completion of this phase anticipated by December 2004. A second project could begin in June 2004. Based on efforts at other higher education institutions nationwide, a successful review process would include involvement by the Board of Regents, top management at UW System Administration and the institutions, institution staff and whenever possible, outside consultants.

- Benefits: This review and analysis process would result in improved coordination, implementation of good business practices, and reduced costs.
- Charting a New Course Theme: “Serving Wisconsin directly – state and student needs” (efficiencies and collaborations).

[NOTE: Although Recommendations 5 and 6 are incorporated into Recommendation 3 (in abbreviated form), they are included here for reference during the April discussion. If the work group approves a version of Recommendation 3, Recommendations 5 and 6, as they appear below, would be deleted.]

5. UW System Vision and Mission Review Process

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the UW System refine the process and criteria for periodically reviewing UW System visions and mission statements. Chapter 36, Wis. Stats., directs the Board of Regents to “establish for each institution a mission statement delineating specific program responsibilities and types of degrees to be granted.” The UW System institution mission

statements generally contain components deemed essential to serve as strategic management tools, although some components are less explicitly stated than others.

The UW System mission, Regent Study and UW System integrated planning process will help shape institutional missions, along with many factors, including funding, market demands, and constituent needs. As a result, missions need to be reassessed periodically. Each institution should create a clear vision for the future, consistent with the UW System mission and integrated plan; the vision and mission statement should serve as tools for: a) formulating strategies, b) allocating institutional resources, c) providing managers and employees with a common direction, d) projecting the values and priorities of the organization, and e) communicating with stakeholders. Following the completion of the Regent Study and integrated System plan, a set of guidelines should be developed for UW System institutions to follow to ensure that the uniqueness and strengths of each institution are easily identifiable in their mission statements; further, each institution's resources and activities should be directed toward accomplishing its mission.

- Benefits: Systematic assessment of institutional visions and missions will ensure that mission statements and resources are aligned with the mission and integrated plan for the System, institutional distinctiveness is clear, and missions reflect the needs of students and the state.
- Charting a New Course Theme: “Quality” and “Serving Wisconsin directly – state and student needs”.

6. Academic Program Review Process

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the UW System enhance the process for systematically reviewing current academic programs. Among the goals of academic program review in the UW System are: a) establishing minimum standards for program quality or differentiation of program mission; b) identifying the need for structural changes in programs and administrative units; c) setting priorities for the allocation of program resources; and d) identifying nonfunctional or unnecessarily duplicative programs. Two enhancements to this process have been identified:
 - a. Program review criteria – The UW System has a comprehensive system of program review processes used to assess academic-program quality and efficiency. To supplement the existing process, two elements should be added: a) the development of criteria that would trigger review of a program, such as low enrollment, low graduation rates and state needs; and b) the exploration of programmatic cost drivers at all System institutions.
 - b. Lateral reviews – Supplementing routine program reviews with a separate, comprehensive process that allows for comparisons among programs or institutions could enhance resource-reallocation decisions. System-level lateral reviews should be conducted for specialized and/or professional academic programs. These reviews

assess systemwide program capacity, access and quality, program duplication, and supply and demand for programs. The UW System and the Board of Regents can initiate such a review when there is the possibility of excessive program replication, excessive or insufficient program capacity, or potential program-quality issues. Four lateral reviews have been conducted since the Board of Regents created the lateral review process in 1991, with the most recent completed in 1996.

- Benefits: These enhancements could lead to additional coordination, sharing of best practices, consideration of student and state needs, and potential cost savings.
- Charting a New Course Theme: “Quality” and “Serving Wisconsin directly – state and student needs” (efficiencies and collaborations).

STATUTORY EFFICIENCY RECOMMENDATIONS

7. Capital Building Program Improvements

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the UW System seek improvements in the capital building program process through modernized statutes and procedures that better match delivery methods to building projects. With the UW System accounting for a large share of the state building program, the System should provide leadership to improve processes that are overly burdensome and time consuming:
 - a. Project enumeration – The current project enumeration process adds approximately three years to the project-approval process; the state Building Commission should have the authority to approve at any time a building project for which adequate gift, grant or other cash funding becomes available. Enumeration should be limited to projects over a certain amount (\$1 million or \$5 million) that will use bonding instead of cash.
 - b. Competitive services – State Department of Administration (DOA) Division of State Facilities project management and construction supervision services, currently mandatory and provided for a four percent fee, should be optional and chosen when they would be cost effective compared to other options, such as contracting out for these services.
 - c. Flexible bidding – A traditional delivery method of design, bid, and construct is currently allowed; a change to allow state agencies to use open, competitive processes, such as multiple bid, single-prime, design-build, or construction manager, would promote efficiencies in project schedules and budgets.
 - d. Process improvements – Other process improvements could shorten processing times and reduce costs. For example, the process for the DOA Secretary and Governor to sign contracts, change orders, and other documents is lengthy, and bidders take these

delays into account; requiring documents to be signed within 45 days would reduce delays and costs.

- e. Financing – UW institutions traditionally have financed all capital projects through state-issued tax-exempt bond proceeds. A shorter financing and construction timeframe and lower construction costs could result if the Board of Regents were authorized to issue its own bonds, which would be fully supported with program revenue.
- Benefits: Potential savings to the state of Wisconsin through avoidance of inflation and other process-related costs could be over \$400 million over a 20-year period.
- Charting a New Course Theme: “Serving Wisconsin directly – state and student needs” (efficiencies and collaborations).

8. Procurement Process Improvements

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the UW System seek flexibility in the procurement process to allow the UW System to purchase goods and services directly in the marketplace. Some UW System purchases could be made more quickly and cost effectively and the UW System would be able to take advantage of higher education consortium contracts, such as the Big Ten consortium contract for office services:
 - a. Pricing – The UW would take advantage of special pricing opportunities and higher education consortiums without seeking state approval. The UW would continue to adhere to all statutory purchasing requirements and would partner in contracts with the state when it is cost effective to do so. This approach would be consistent with the seven Big Ten institutions that already have independent purchasing authority. The UW would continue to work collaboratively on contracts with the Wisconsin Technical Colleges and K-12s.
 - b. Processing – Sole source processing time could be streamlined if DOA approval were not required. The state review process takes an average of 44 days, even while the UW has a 95 percent approval rate.
- Benefits: Over \$1 million of savings could accrue to the state from the one consortium contract, with the UW System realizing over \$600,000.
- Charting a New Course Theme: “Serving Wisconsin directly – state and student needs” (efficiencies and collaborations).

9. Cash Management Improvements

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the UW System seek authority to assume all cash management and investment responsibilities currently performed for the UW System by DOA:
 - a. Investments – DOA, working through the State Treasurer and State of Wisconsin Investment Board, currently holds and manages all UW System cash other than trust funds. The UW System’s auxiliary enterprises and federal financial aid appropriations are credited with interest earnings; tuition and other program revenue balances are not. The UW would maintain, manage, and invest all program revenue balances and could increase interest earnings by using longer-term investments than DOA uses. The state would provide the UW its general purpose revenue appropriation in 12 monthly installments, as is done at other Big Ten institutions. The state would be reimbursed for the amount of interest it is now earning on UW appropriations, and the UW System would retain any increase in interest earnings. The UW System also would be able to use its accounting system to improve cash flow and maximize earnings.
 - b. Banking contracts – The UW System also should have the authority to enter into banking contracts without the approval of the state Depository Selection Board, as well as to monitor its own accounting transactions.
- Benefits: Interest earned now totals \$5 million annually, of which the UW System receives \$2 million and DOA receives \$3 million. With the UW System investing differently, the interest earned could increase to \$15 million annually.
- Charting a New Course Theme: “Serving Wisconsin directly – state and student needs” (efficiencies and collaborations).

10. Resident Undergraduate Tuition Authority and Related Fees

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the Board of Regents seek full authority to set resident undergraduate tuition. Section 36.27(1)(a), Wis. Stats., enacted in the 1999-2001 biennial budget, limits the Board of Regents’ authority to set resident undergraduate tuition rates but retains the Board’s authority to set rates for all other student categories. Board of Regents Policy Document (RPD) 92-8, most recently modified in 1996, establishes principles for the Board to follow when setting tuition rates.

For the ten years preceding the statutory limitation, the RPD 92-8 principles resulted in relatively moderate and predictable tuition increases for resident undergraduates, averaging 6 percent at UW-Madison, 5.9 percent at UW-Milwaukee and the comprehensive institutions, and 5.3 percent at UW Colleges. Tuition for resident undergraduates attending UW System institutions remains substantially below the midpoint of peer institutions. Resident students at UW-Madison pay \$1,445 less than

students at similar institutions, and resident students attending UW comprehensives pay \$947 less than their peers.

Most UW students are resident undergraduates; therefore, the majority of the System's tuition revenues are collected from resident undergraduates. Small increases in tuition rates can provide significant dollars to preserve and enhance the quality education that Wisconsin residents expect. Raising tuition by an additional one-half percent (.005) for all resident students results in a \$17 per-semester increase but generates over \$1.9 million in tuition revenues. Raising tuition for all others by \$17 generates only an additional \$400,000 in tuition revenues.

In addition, the Board of Regents should have the authority to set undergraduate and graduate application fees, currently \$35 and \$45 respectively, without needing statutory change.

- Benefits: Restoring full tuition authority by removing the statutory limitation will enable the Board to balance charges equitably among categories of students and maintain instructional quality and access when state resources are unavailable. Boards at other higher education institutions nationwide generally have the authority to set tuition and related fees.
- Charting a New Course Theme: "Access" (revenue enhancements).

11. Retaining Proceeds from the Sale of Real Estate Acquired with Program Revenue or Received as a Gift

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the Board of Regents seek authority to retain and reinvest all of the proceeds from the sale of buildings or land that the UW acquired or built with program revenue or donated funds. Proceeds from the sale of state buildings or land, including UW property, are currently credited to the state's budget stabilization fund. As a result, if the UW System were to sell a facility it funded with program revenue, it would lose its initial investment and there would be an adverse fiscal impact on the budget of the related auxiliary operation. Similarly, if the UW were to sell land or a building it received as a gift, it would lose the value of the donor's gift. By retaining the proceeds from such sales, the UW could make full use of the program revenue or gift, perhaps reducing the need for state funding for the same purpose.
- Benefits: The fiscal integrity of auxiliary operations would be maintained, actions would be consistent with donors' intent, and there would be greater opportunity for real estate reinvestment.
- Charting a New Course Theme: "Access" (revenue enhancements), "Serving Wisconsin directly – state and student needs."

12. Program Revenue Position Authority

- Recommendation: The Achieving Operating Efficiencies Work Group recommends that the Board of Regents seek expanded authority to approve positions supported with certain program revenue appropriations. Section 16.505(2m), Wis. Stats., gives the UW System authority to create or abolish, without the Governor's or legislative Joint Finance Committee's approval, positions funded from certain program revenue appropriations: auxiliary enterprises, Extension student fees, general operations receipts, gifts and donations, federal aid, federal indirect cost reimbursement, and trust fund income. The same section gives the UW System the authority to create or abolish positions funded with academic student fees for degree-credit instruction (with some limited exceptions) when the fees are generated from increased enrollment and from courses for which the academic fees or tuition charged equal the full cost of offering the courses. Two changes are proposed:
 - a. Academic fee-funded positions – Current statutes do not allow the UW System to create positions using revenues generated by programs that are not 100 percent fee funded. Differential tuition programs, which are in theory 100 percent fee funded, are implemented to supplement academic and other student services above and beyond those supported by general purpose revenue (GPR) and program revenue (PR). When supplementing existing services, such as when adding additional course sections, it can be unclear where GPR funding ends and 100 percent fee funding begins, therefore making it difficult to determine when creating new positions is allowable. Position control issues can significantly hamper UW institutions' ability to address students' needs. Removing the statutory restriction would allow the UW System to create needed positions funded from academic student fees.
 - b. Other PR appropriations – The statutory list of appropriations that could be used to create or abolish positions under s. 16.505(2m), Wis. Stats., would be expanded to include: Center for Tobacco Research; stray voltage research; physical plant service departments; Center for Urban Land Economics Research; Veterinary Diagnostic Laboratory-state agency fees; Distinguished Professorships-matching funds transferred from other state agencies; and Intercollegiate Athletics auxiliary enterprises, non-income sports, and gifts and grants.
- Benefit: The proposed changes would allow the UW System to more quickly and efficiently address workload and program changes to meet the needs of students and other UW clients who are paying for services. The changes would provide consistency with other PR funds. All of the Big 10 institutions, except for the University of Wisconsin, currently have the ability to create positions by need regardless of source.
- Charting a New Course Theme: "Serving Wisconsin directly – state and student needs."

Board of Regents Study
Re-Defining Educational Quality
April 1, 2004

1. Approve minutes of March 4, 2004 meeting.
2. Finalize draft budget themes for presentation to full Board.
3. Finalize draft report and recommendations.
4. Other.

CHARTING A NEW COURSE FOR THE UW SYSTEM

WORKING GROUP ON RE-DEFINING EDUCATIONAL QUALITY

Minutes of the Meeting

March 4, 2004

10:00 a.m.

Friedrick Center, Room 215

Madison, Wisconsin

Present: Regent Fred Mohs, Chair; Regent Beth Richlen; Regent Emeritus Pat Boyle; UW-Oshkosh Chancellor Rick Wells; UW-Stevens Point Interim Chancellor Virginia Helm; Senior Vice President Cora Marrett; UW-Madison Provost Peter Spear; UW-Milwaukee Provost John Wanat; Kris McGrew, UW-Extension; Greg Wypiszynski, UW-Oshkosh; Cliff Abbott, UW-Green Bay; Kory Kozloski, UW-Milwaukee student; Associate Vice President Ron Singer

Unable to attend: Regent Elizabeth Burmaster

Regent Mohs, Chair, began the meeting by reminding the group of the need to present recommendations and budget requests in a credible, persuasive manner that will elicit the support of decision makers and the public.

Outlining next steps, Associate Vice President Ron Singer indicated that staff to the working groups will meet next week to bring budget themes together into a coordinated document to inform the budget process. The Steering Committee will review the budget recommendations and report, after which the recommendations will proceed to the Board of Regents through the standing committees.

Referring to draft budget recommendations presented to the working group, Regent Mohs identified the importance of addressing faculty/student ratios, faculty and staff salaries, advising, and student aid.

Regent Emeritus Boyle noted the difficulty of developing a plan for the future and budget recommendations simultaneously, rather than basing budget recommendations on a completed plan. He suggested that separate documents be prepared in order to avoid confusion. Chancellor Wells indicated that the part of the study leading up to budget recommendations serves as a precursor to more extensive planning. He suggested that a marketing firm might be engaged to write the document once the working groups and board have determined the content.

Mr. Kozlowski suggested that planning documents should be forwarded to the campuses for input.

Referring to a process diagram on quality outcomes, Chancellor Wells indicated that budget funding enables reaching such outcomes for the benefit of students. He commented that student financial aid, recruiting and retaining quality faculty and staff, and investments in incentives for change would be suitable budget themes.

Provosts Wanat and Spear expressed concern about the specificity of the draft budget proposal for a quality investment fund. They suggested that the third budget theme be the area of programs and that innovative initiatives could be part of that theme.

Chancellor Wells suggested that budget requests for financial aid and faculty recruitment and retention be given top priority, but added that investment in innovation also is needed to promote positive change.

Several working group members commented that the focus should be on students and faculty/staff, and Regent Emeritus Boyle noted that high quality faculty are critical to generating economic growth..

Regent Mohs suggested reporting on the positive impacts of innovations.

Provost Spear cautioned that such measures as time-to-degree and student/faculty ratio are insufficiently complex indicators that differ by campus and by program.

It was agreed by members of the group that the focus should be on students and their needs and that budget themes should relate to such student needs as financial aid and advising; attracting and retaining quality faculty, as related to needs of students and the state's economy; and programs, including areas of student engagement and innovation.

It also was agreed that the quality diagram developed by Chancellor Wells and Mr. Wypiszynski would be used in the definition of quality.

Regent Mohs directed that documents be re-written in accordance with the discussion at this meeting and circulated to the working group members.

It was decided that the group would meet again in April.

The meeting was adjourned at 11:55 a.m.

Judith Temby

Re-defining Educational Quality *Draft Budget Recommendations*

Background

A quality education is an integral component of each of the three themes adopted by the Board of Regents Charting Study: *Quality, Access and Serving Wisconsin Directly – State and Student Needs*. Our analysis begins with a set of inputs consisting of students with demographic and academic readiness characteristics, and resources coming from a combination of state, federal and private investments. With these inputs, the UW System seeks to engage its students in the operational processes and practices necessary to assure for them the achievement of a set of value added educational outcomes that are responsive to their needs and those of the state.

Budget Recommendations

In order to serve the needs of the state and students, the UW System must assure access to all qualified students, regardless of income, and provide those students access to a quality faculty and the other resources needed to effectively engage them in educational pursuits leading to positive outcomes. Reaching such a goal will require the following:

- *Increasing Financial Aid:* In order to assure that we provide higher educational opportunities to lower income students, financial aid must keep pace as the cost of education is increasingly shifted to students and their families.
- *Attracting and retaining quality faculty:* In recent years, the pool of faculty resources has shrunk, and this has been exacerbated by the increase in the number of students served. This requires that we **increase** the number of faculty positions system wide and **provide** a faculty pay plan that reverses the erosion of faculty salaries that has impeded efforts to attract new, and retain existing, faculty.
- *Enhancing academic and career advising resources:* Academic and career advising resources have diminished in recent years as the number of students being served has increased. Each UWS institution must be provided with additional resources to address its most pressing needs in the areas of advising.
- *Expanding library and technology resources:* As the cost of these resources, and the number of students, has increased, additional resources must be made available to institutions to address their most pressing, specific library and technology needs.

Enhancing quality requires opportunities for funding for pilot projects exploring more effective and efficient teaching and learning practices and processes. This calls for funding in future biennia:

- *Establishing an Educational Quality Investment Fund:* The Educational Quality Investment Fund will support the development of new transformative teaching and learning practices and processes in the areas of instructional delivery/pedagogy, curricula and technology/library.

**DRAFT
QUALITY
Draft 4-01-04**

Introduction

Educational quality is at the core of the University of Wisconsin System. The Re-defining Educational Quality group has developed a working definition and model of educational quality that focuses on the system's teaching and learning mission, and does not directly address the system's research and public service missions. This model frames educational quality in terms of meeting state higher education needs, student engagement, and value added student outcomes. This report discusses the importance of quality education to the state, the consequences of reducing the investment in higher education for the state, and presents a framework for a systemwide strategic planning process that defines the role of each institution and the system administration in achieving the goals and objectives set forth.

Vision

The University of Wisconsin System is committed to maintaining and enhancing its position as a premier system of higher education that effectively and efficiently serves the maximum number of students, and that fully engages them in learning and personal development resulting in value added student outcomes, and benefits to the state.

The efficient and effective use of resources to maintain a high quality education requires the system to continuously examine ways to maintain quality in the face of resource constraints. That requires that we strike a difficult balance between providing broad access to higher education in general, and specific programs and courses in particular, while assuring that the educational experience is of high quality. To provide access to a University system that does not have adequate resources to offer a high quality education serves neither the state, nor students. In order to assure that we effectively and efficiently serve the maximum number of students, and provide them with a high quality educational experience requires that we continuously evaluate and assess quality, as well as the ways we provide academic and student support services. We must recognize early on if the quality of the education we provide is threatened, so that we can address challenges to quality without experiencing a long term reduction in quality that would seriously impact our students and the state, and would be very difficult to reverse.

Quality Education

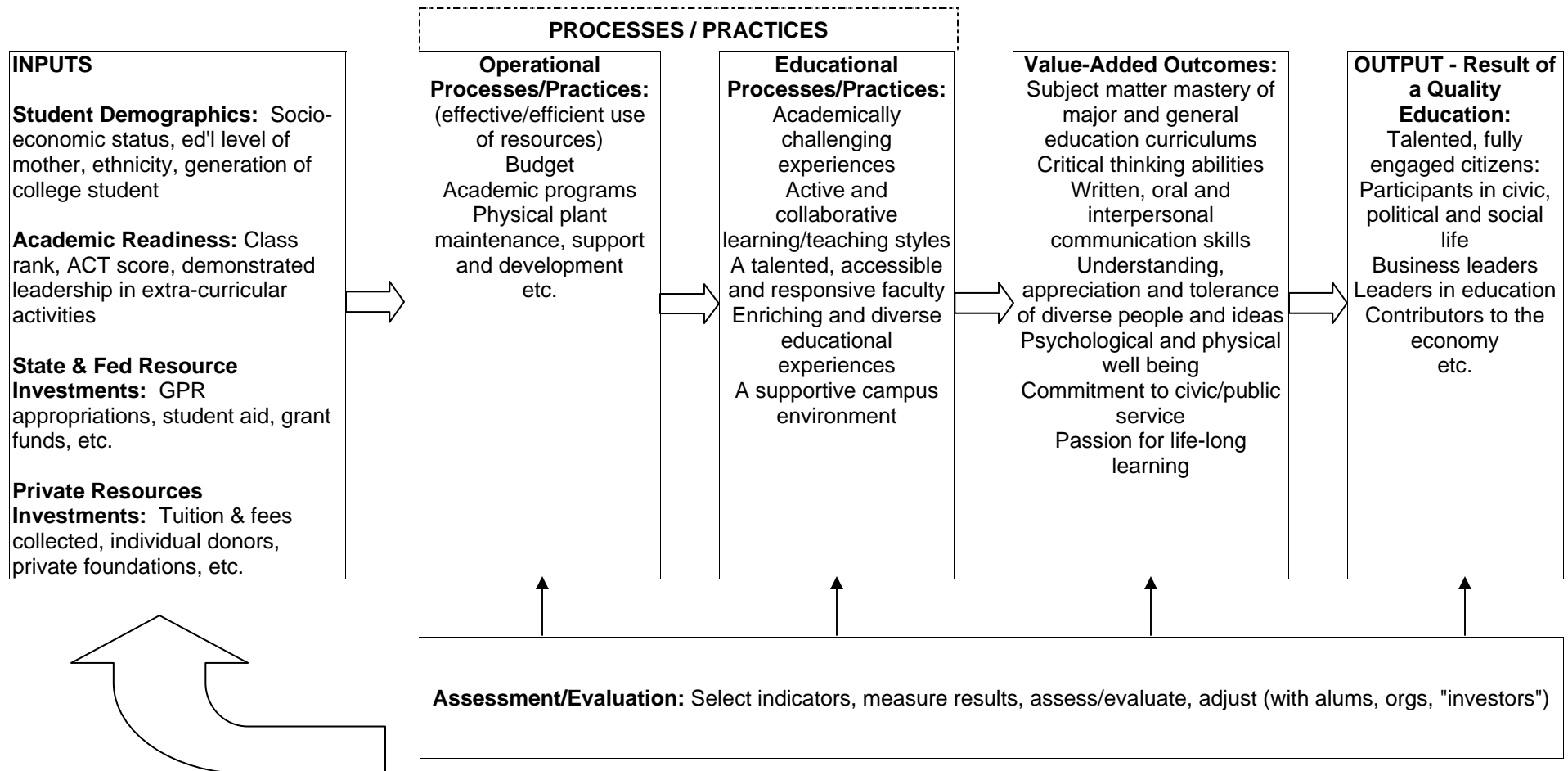
A quality education starts with a set of inputs consisting of students with demographic and academic readiness characteristics, and resources coming from a combination of state, federal, and private investments. With these inputs, and through operational and educational processes and practices, the UW System seeks to assure for its students a set of value added outcomes that are responsive to their needs and those of the state. To achieve that end requires continuous assessment, evaluation, and revisions of educational policies, practices, and strategies to assure successful retention and graduation of students in a reasonable time, with value added

educational outcomes. That evaluation and assessment must exist at every step in the educational process (see figure 1).

Model for Public Educational Quality

Access to Educational Quality:

Availability of a UW education to all academically qualified citizens through an array of programs meeting student needs, affordability and reasonableness of tuition and availability and level of financial assistance.



Principles that guide the UW System in assuring high quality education

1. *The methods used to both achieve and assess outcomes must be demonstrably effective, and must themselves be under continuous review and revision to assure their effectiveness.*
2. *Quality must be something in which all involved in the educational enterprise, i.e. students, faculty, and staff, are fully engaged.* Toward this end, the whole institution must be part of the consideration and debate to develop and continuously improve a model of quality education that suits the institution and its students.
3. *Respect for campus autonomy.* The UW System is made up of 15 institutions serving a diverse group of citizens. That diversity requires that there be respect for each institution's autonomy to debate and determine the components of a quality education within the boundaries of the larger interpretation provided here. Institutions must have the freedom to achieve the value added outcomes with processes that best suit their institution and its stakeholders.
4. *Respect for institutional mission.* For the UW System to respond and serve different needs in different ways, it is imperative that we honor the select mission of each of our 15 institutions.
5. *Balance Access with Quality.* In order to assure that graduating students are prepared to contribute to the success of the state, access to the University, its programs and classes must be balanced with the existing resources available to provide a high quality educational experience.

Objectives:

1. *Meet the higher education needs of students and the state:*

Central to the role of the UW System is addressing both the personal educational and development needs of its students, and the economic and cultural development needs of the state. We serve both the citizen in his/her personal education goals, as well as the state and its collective interests. The mission is to assure that students graduate with a set of skills and competencies that better prepare them for their personal and professional lives, and serve the business, civic, and cultural needs of the state. In pursuing this mission, the UW System effectively and efficiently utilizes human, physical and financial resources entrusted to it in the educational process.

2. *Develop processes that assure that students are engaged with their institution, program, faculty, and other student.*

Beyond providing students with the educational resources needed for their chosen course of study, the processes whereby students connect with these resources are critical to assuring a quality educational experience. A necessary condition for achieving value-

added personal and professional outcomes is an education that actively engages students in collaborative, academically challenging, enriching, and diverse educational experiences with accessible and responsive faculty, and a supportive campus environment. The nature of that engagement varies by campus and program, and should take into account the varying missions of our UW institutions.

3. *Assure value-added student learning outcomes.*

Student engagement is a necessary, but not sufficient condition for student success. Providing a quality system of higher education, requires the development of teaching and learning practices and processes, as well as evaluation and assessment tools that assure that students complete their courses and programs with significantly enhanced skills and competencies. Continuous evaluation and assessment must assure that students graduate with the value added outcomes that we seek to assure. The value added outcomes will be a rich assortment depending on the mission and goals of the particular institution and program.

Educational Quality

OBJECTIVE	AIMS	INDICATORS	EARLY WARNINGS	LONG TERMS CONSEQUENCES
<i>Meet Student and state higher education needs.</i>	<ul style="list-style-type: none"> ▪ Access to academically qualified students commensurate with available resources. ▪ Array of academic programs meeting student and state needs ▪ Reasonable access to an array of academic programs to citizens throughout the state 	<ul style="list-style-type: none"> ▪ Number of Wisconsin students admitted ▪ Number and variety of programs offered. ▪ Availability of programs offered to citizens 	<ul style="list-style-type: none"> ▪ Entrance requirements increase ▪ Inability to enroll in programs ▪ Percent of high school graduates entering UW System declines 	<ul style="list-style-type: none"> ▪ Fewer Wisconsin residents with baccalaureate degree leading to: <ul style="list-style-type: none"> ○ Inability to supply a qualified workforce ○ Lower per capita income ○ Lower tax base ▪ Widen the achievement gap
Student Engagement	<ul style="list-style-type: none"> ▪ Academically challenging experiences ▪ Active and collaborative learning/teaching styles ▪ A talented, accessible, and responsive faculty ▪ Enriching and diverse educational experiences ▪ A supportive campus environment 	<ul style="list-style-type: none"> ▪ Students and faculty engaged in residential learning communities, service learning initiatives, international programs, undergrad research ▪ Advising and mentoring provided and feedback ▪ NSSE indicators ▪ Climate data 	<ul style="list-style-type: none"> ▪ Lower freshman/sophomore retention ▪ Larger classes ▪ Fewer collaborative learning opportunities e.g. student/faculty research etc. 	<ul style="list-style-type: none"> ▪ Lower retention and graduation rates. ▪ Higher cost-per-student
Value-added student outcomes	<ul style="list-style-type: none"> ▪ Subject matter mastery of major and general education curricula ▪ Critical thinking abilities ▪ Written, oral, and interpersonal communication skills ▪ Understanding, appreciation, and tolerance of diverse people and ideas ▪ Psychological and physical well-being ▪ Commitment to civic-public service ▪ Passion for life-long learning 	<ul style="list-style-type: none"> ▪ Alumni surveys ▪ Employer surveys ▪ Continuing education attendance ▪ Department and S/C analysis of learning 	<ul style="list-style-type: none"> ▪ Decline in performance on graduate entrance and professional exams. 	<ul style="list-style-type: none"> ▪ Graduates without the skills necessary to contribute to Growth of state's economy.

The importance of a quality education to the State of Wisconsin

Educational quality prepares graduates who become fully engaged citizens participating in the civic, political, business, and social lives of their communities and the state.

1. These graduates provide the human resources necessary to meet the ever changing demands of business, industry, and the state in the 21st century.
2. These graduates provide the supply of talents, skills, and competencies that attract and retain businesses in the state, resulting in:
 - a. More jobs for all Wisconsin citizens.
 - b. An enhanced tax base.
3. These graduates provide the entrepreneurial talent necessary to expand and diversify the state's economy, and social and cultural support systems that contribute to a high quality of life for state residents.
4. These graduates provide a positive return on the investment that the state makes in their education in the form of contributions to tax revenue over their lives that exceed the state's investment in their education. From this enhanced tax base comes the resources necessary for the state to respond to the needs of all of its citizens.

Consequences resulting from a failure to invest sufficient resources to provide all qualified students with a high quality education

A lack of sufficient resources to provide all qualified students with a high quality education results in either reduced access, diminished quality, or both.

If quality is maintained and access reduced, fewer Wisconsin residents will have the opportunity to earn a baccalaureate degree which will result in:

1. Failure to provide employers with the skilled workforce they need leading them to leave the state, or discouraging them from locating in the state.
2. A widening of the achievement gap between those with opportunities to earn a baccalaureate degree, and those without.
3. A loss on the return that would accrue from greater investment in quality higher education, limiting the state's ability to respond to the educational and other needs of its citizens.

If access is maintained or increased, and quality reduced:

1. Retention and graduation rates will decline.

2. Graduates will be less prepared to meet the demands of their work and personal life.
3. Irreparable and long term harm will occur to the quality of UW students, faculty and staff.

Early Warning Signs – How will we know that quality is eroding?

The state has made significant and long term investments of time and resources in developing a high quality University System, recognized as one of the premier systems of higher education in the country, and the world. That investment has prepared Wisconsin citizens as community, business and cultural leaders, attracted into the state quality faculty and staff, as well as business and industry, and enhanced the quality of life for all Wisconsin residents. That investment provides positive economic returns to the state in the magnitude of ten dollars for every one dollar invested, as investments in higher education spur economic growth and return to the state higher tax revenue from citizens with higher incomes. The cost of higher education to the state and the student is more than returned in the form of increased tax revenues flowing to the state from graduates with higher life time earnings.

The process of building quality educational resources and educating students is a time consuming one, and a slippage in quality must be recognized and addressed early, before it leads to a spiraling decline that is difficult, if not impossible to reverse. To assure that does not happen, it is necessary to identify and monitor a set of early indicators of quality so that corrective action can be taken before such dire long term consequences materialize. Among such early indicators are:

1. *A reduction in retention rates from first to second year.*
2. *Increasing entrance requirements limiting access.*
3. *Lower percentage of high school graduates entering the UW System.*
4. *Increasing student/faculty ratio.*
5. *Fewer collaborative and field based learning opportunities.*
6. *High faculty and staff turnover.*
7. *Inability to attract replacement faculty and staff.*
8. *Reduction in investment in professional development.*
9. *Reduction in investment in academic support e.g. libraries, computer support, advising, etc.*
10. *Reduction in course offerings.*
11. *Reduction in support per student.*

Summary and Recommendation

Our obligation to the state requires that we engage students in quality educational experiences leading to value-added student outcomes that serve student and state needs, and that higher education be available to as many Wisconsin citizens as can be served with quality within the constraints of available resources. That requires that we:

1. *Continuously evaluate, assess and improve educational practices and policies to assure effective and efficient use of resources.*
2. *Continuously monitor quality on an institution and system-wide basis, consistent with the agreed upon principles, and institutional and program mission.*
3. *Continuously monitor early warning indicators to assure that as we provide higher education opportunities to as many citizens as possible, we do not impair quality.*

Toward those ends, institutions and the system at large continue to identify and monitor measures of quality appropriate to assuring effective and efficient use of resources to maintain and enhance the UW System's stature as a premier system of higher education meeting the needs of students and the state.

To assure continued educational quality requires that we have a well defined vision and goals for the future. From the Regent Study has emerged a greater understanding of the challenges faced because of a changing fiscal, social and economic environment in which the UW System operates. With the foundation provided by the work of this study, we should continue with a strategic planning process that will define a vision, a set of goals, strategies for achieving the vision and goals, and expected outcomes with which we can assess our progress. That process should have at its foundation a commitment to educational excellence as outlined in this report, and can take advantage of the proposed model to ensure that educational quality is effectively assessed and preserved.

AGENDA OF THE RESEARCH AND PUBLIC SERVICE WORKING GROUP OF
THE BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

The committee has concluded its work. Thank you for your participation.

Research and Public Service Working Group

Research Recommendation

University research plays a critical role in ensuring a dynamic economy for Wisconsin. UW institutions brought \$590 million in federal and private research funding to Wisconsin in 2001-02, and the University of Wisconsin's annual impact on Wisconsin's economy is \$9.5 billion. University research has led to the creation of new companies and an increase in technology related jobs.

At the same time, records show that over the past decade, almost 1,000 faculty have left and those positions remain unfilled, putting UW System institutions at a decided competitive disadvantage.

Given that the 21st century economy will be knowledge-based, given that university research jobs are "brain gain" jobs for the state, given the University of Wisconsin System's strong national reputation, and given UW-Madison's exceptional success in attracting research funding, this committee recommends the explicit promotion and expansion of applied and basic academic research to foster development as a growth industry for the state of Wisconsin.

Specifically, in this regard, the committee recommends:

1. The strategic rebuilding of the faculty with the capacity to conduct scholarly research in areas of national and state need, including greater recognition and reward for faculty whose research serves national, state, regional and local needs. (\$4,000,000 GPR to support 50 faculty requested)
2. The creation of an incentive fund and infrastructure at the System level that will encourage faculty and staff collaboration across campuses, communities and disciplines to prepare competitive research proposals for the federal and state governments, private foundations and corporations and to take advantage of funding opportunities that require a broad geographic/interdisciplinary approach. (\$500,000 GPR requested)

Examples/models include:

- The Wisconsin Space Grant Consortium, which is the official face of NASA in the state of Wisconsin. Most of the Wisconsin universities, non-profits and businesses interested in space and aerospace are members of WSGC. The Consortium uses NASA grants to provide tens of thousands of grant dollars every year to enable undergraduate and graduate students, faculty, staff and industries to pursue aerospace-based scholarship and research studies in every field of discipline.
 - WiSys Technology Foundation, Inc., which identifies innovative technologies developed throughout the University of Wisconsin System and brings them to the marketplace for the benefit of the inventors, their institutions, Wisconsin's economy and society as a whole.
3. An effort to address infrastructure needs on the campuses to enhance research capacity, including:
 - Funding to retain the UW System's top researchers in response to outside offers for more money
 - Release time, summer salaries and training for faculty and staff
 - Additional/remodeled research space (capital budget request)

- Supply and expense funding (\$3,000,000 annual GPR requested)
 - Library resources (\$3,000,000 annual GPR requested)
4. The continuation of the Wisconsin Idea as a proud tradition of public service through university based research. For more than 150 years, the faculty and staff across the University of Wisconsin System have worked with government and citizens all over Wisconsin to help solve the most pressing problems confronting the state. “Wisconsin Idea Fellows” should be designated to work with the citizens of Wisconsin to define several major public policy areas where university expertise could appropriately be used to address and solve significant issues. (No GPR requested)
 5. The creation of a Wisconsin Research Opportunities Fund that can be used for the development of federal grants and to provide federal matching funds and/or business research partnerships. An example of a similar fund is UW-Madison’s Industrial and Economic Development Research Grant program and the UW System Applied Research Grant program, both of which provide small seed grants for faculty to work with Wisconsin business on high-risk, exploratory research which will then lead to continuing research funded by industry and/or federal funding. (\$5,000,000 GPR requested)

March 9, 2004

TO: Regent Guy A. Gottschalk, Chair
Charting a New Course for the UW System Study
FROM: Research and Public Service Working Group

Diversity is at the center of the educational and societal mission of higher education. Therefore, the Research and Public Service Working Group respectfully submits the following recommendation, asking that the “Charting a New Course for the UW System” final report include this statement that reflects the UW System’s strong commitment to policies for diversity:

Diversity in higher education includes very important issues: recruitment of faculty of color; ensuring access so students of color and economically disadvantaged students who are academically prepared for college can be admitted to, and potentially enrolled in, higher education institutions; and making sure academic and cultural programs further understanding and functioning in a multicultural and international environment. The Board of Regents recognizes that diversity achieves the fundamental goal of producing educational benefits for all students.

Recruitment of Faculty of Color: UW System strongly supports the recruitment and retention of faculty of color, who provide students with diverse role models, effectively mentor students of color, enhance academic excellence and contribute to the education of students toward life and work in a multicultural nation and world.

Ensuring Access to Students of Color and Economically Disadvantaged Students: National research has repeatedly established that advancing diversity helps students of all backgrounds achieve the essential goals of a college education, and that positive benefits result from diversity in the classroom. Although the college-age population is projected to increase, the population of color in the United States is growing at a faster rate than the population as a whole. Yet, this group has historically encountered obstacles toward degree attainment. Steps will need to be taken to improve low-income and attendance and graduation rates of students of color if this state – and country – are to meet its future workforce needs. Any plan to build a pool of students of color and economically disadvantaged students to apply, be admitted to, and potentially enroll in UW System institutions must (1) focus on the Milwaukee public schools and its students, as well as other school districts with low high school graduation rates; (2) expedite the educational pipeline to reach children and their parents at an earlier age; and (3) provide increased financial aid for low-income students.

Making Sure Academic and Cultural Programs Further Understanding: Quality and diversity are linked. Failure to include diverse subjects about race and ethnicity in the curriculum, or to include targeted groups in greater numbers as students, faculty and staff, means all students get a partial education. UW System institutions strongly support making sure academic and cultural programs prepare graduates to live, work, and succeed in a racially and ethnically diverse society, as well as foster understanding and functioning in multicultural and international workplaces and as members of diverse teams.

Recognizing the educational contributions of all people of all racial and ethnic backgrounds and the need to respect, cultivate and build upon the diversity they offer, the UW System Board of Regents is committed to including diversity at all levels of the university experience.

Research and Public Service Working Group
Public Service Recommendation
(a) Communication

Traditionally, universities have viewed their mission as teaching and research. More recently, and particularly in light of the fact that most states are facing severe deficits, universities are being viewed by their states as economic engines. Consequently, economic development is becoming a third important mission for universities along with teaching and research. Within the UW System, economic development has been a resource provided to Wisconsin communities, though not explicitly in the mission of the university system.

Given that local business and community leaders and legislators have revealed a general lack of awareness of university resources available to assist local government and the private sector; given that the university has invested time and energy in four highly successful statewide economic summits; given that the primary service local employers desire from the university is a well-prepared cadre of graduates, in the liberal arts as well as in specific technical disciplines; and given that UW System chancellors and deans have made local and regional economic development and community partnerships a high priority during the past four years, the committee recommends that the universities' role in economic development and business outreach be continued as a major UW System priority and that these activities be enhanced. Specifically, in this regard, the committee recommends:

- Finding more effective ways to inform and assist local businesses in accessing faculty and staff expertise wherever it is needed.
- Engaging in an increased public awareness effort to better inform external stakeholders of the value of a liberal arts education, what resources the university has to offer and how they can be accessed.
- Developing partnerships with the private sector to address very specific Wisconsin workforce development issues – i.e., manufacturing, health care, new technologies.

Some examples of existing partnerships include:

- The Wisconsin Economic Summits, co-sponsored by the University of Wisconsin System and the Wisconsin business community. These summits have promoted economic growth and the stability of the state of Wisconsin;
 - The Wisconsin Small Business Development Centers, which provide counseling, technology and information transfer and instruction to small businesses. Wisconsin's SBDC was first established in 1979 and was one of the first such organizations in the nation;
 - The UW System Business Consortium, a partnership of the business schools in the University of Wisconsin System formed to address the needs of businesses and other organizations in the state. The business schools work collaboratively, where appropriate, to offer both credit and non-credit programs to organizations and students utilizing new distance education technologies.
- That the Board of Regents seek ways to recognize and celebrate university leaders, faculty, staff and students who are having a major impact on the economic health of their communities.

(No GPR requested)

Research and Public Service Working Group
Public Service Recommendation
(b) Community and Civic Engagement

The faculty, staff and students of the University of Wisconsin System use their expertise to enhance communities beyond the classroom. Their efforts consist of service on national and international professional organizations, service within their own campuses, and service within their communities.

The Wisconsin Campus Compact is bringing together many Wisconsin higher education institutions to introduce more service-learning into the curriculum and to enhance student “citizenship” through a variety of civic engagement and volunteer activities. The Campus Compact works across public, private, two-year, four-year and technical educational institutions, focusing on economic development, extension service, resource sharing, student volunteerism, and service learning. The Wisconsin Campus Compact is the only campus compact in the country working in collaboration with UW-Extension programs.

Several examples of faculty, staff and students engaged in service include:

- Wisconsin K-16 AmeriCorps*VISTA Service-Learning Project: Faculty and staff at UW-Eau Claire, UW-Extension, UW-Madison, UW-Stevens Point, UW-Oshkosh, and UW-Parkside are currently involved in the *Wisconsin K-16 AmeriCorps*VISTA Service-Learning Project*. The project places AmeriCorps*VISTA members at these campuses or in local community settings to assist as service-learning coordinators and support postsecondary faculty, staff and student connections with community-based organizations. Since the project is aimed at improving the academic achievement and aspirations of young students, the VISTA volunteers build service-learning connections among local elementary and middle school students, college students, and educators.
- The American Democracy Project: UW-Eau Claire, UW-Stevens Point, UW-La Crosse, UW-Parkside, UW-Oshkosh and UW-River Falls are each participating in the American Democracy Project. The goal of this project is to strengthen the American Association of State Colleges and Universities’ affiliate efforts to “produce graduates who understand and are committed to engaging in meaningful actions as citizens in a democracy.” The project is coordinated by the American Association of State Colleges and Universities and supported by the *New York Times*, Campus Compact, and other national partners.
- New Voters Project: Wisconsin Campus Compact is a partner in the New Voters Project, a non-partisan project funded through the Pew Charitable Trusts. The New Voters Project is designed to increase 18-24 year-old voter participation by five percent in the November 2004 election. The New Voters Project will help support campus efforts to institutionalize voter registration and mobilization efforts.

Specifically, in this regard, the committee recommends:

- That the Wisconsin Campus Compact be congratulated for the early successes it has achieved and, further, that the University of Wisconsin System strongly support continued participation of the Wisconsin Campus Compact in service to communities across Wisconsin and encourages its continued growth.

(Request no GPR funding.)

Research and Public Service Working Group
Public Service Recommendation
(c) Diversity

The Working Group heard from the business community that its needs a diverse workforce are not being met through the graduates from the UW System. Although the college-age population is projected to increase, the population of color is growing at a faster rate than the population as a whole. Yet this group has historically encountered obstacles toward degree attainment. Steps will need to be taken to improve low-income and minority students' attendance and graduation rates if this state – and country – are to meet its future workforce needs.

It is important to note that the University of Wisconsin System has taken deep budget cuts because of long-term, dramatic declines in its state appropriations. The combination of dramatic budget cuts and rising costs of other parts of the state budget has forced our institutions to raise tuition in order to maintain quality and provide for increases in enrollment. Grant aid is especially beneficial for low-income students, who react more strongly to changes in tuition charges and aid than do middle- and upper-income students. Once again, financial aid, and especially grants, has had a positive influence on the postsecondary participation of low-income students, even after taking academic background and other factors into consideration. Yet, UW institutions have been compelled to reassign funds for everything from fire-alarm systems to library shelving to fund student financial aid.

The Research and Public Service Working Group believes that any plan to build a pool of students of color and economically disadvantaged students to apply, be admitted to, and potentially enroll in UW System institutions must focus on the Milwaukee public schools and its students, as well as other school districts with low high school graduation rates. Furthermore, the Working Group believes partnerships that build the educational pipeline to reach children and their parents at an earlier age should be expedited.

UW institutions have already begun this work. In 1997-98, UW System launched Plan 2008 to increase higher education diversity. The Working Group heard presentations from Dr. Christine Anderson, of the Milwaukee Partnership Academy (MPA), about the initiative to enhance the quality of teaching and learning in Milwaukee public schools. The committee also believes the MPA will positively impact graduation rates of students of color in Milwaukee. The committee enthusiastically supports and applauds these examples of true partnerships. The Working Group also heard a presentation from Dr. Paul Barrows about the University of Wisconsin-Madison's PEOPLE program, which works to increase enrollment in institutions of higher education for targeted populations. It is apparent from Dr. Barrows' presentation and from related studies that the program is highly successful. It has demonstrated that enrollment and graduation rates can be increased by pre-college programs that encourage students to aspire to opportunities available through higher education and assist students in developing critical academic skills.

Therefore, it is the recommendation of the committee that:

- Financial aid for low-income students must be increased. Comparisons between college participation rates of students in the lowest and highest income groups and between minorities and whites show longstanding gaps with regard to higher education opportunities. These gaps can be attributed to many factors, including a lack of financial resources to pay for college. These students face financial barriers to access, barriers which persist in higher education. Financial aid, especially grants, has a positive influence on the numbers of low-income students who participate in higher education.

Accordingly, the Research and Public Service working group strongly recommends that both state and federal financial aid be increased to enable low-income students to go to college and graduate. (\$26,000,000 annual GPR requested)

- The PEOPLE program, or other successful models such as the POSSE program or Chancellor Scholars program, should be replicated by other campuses of the UW System to work with African American, American Indian, Asian American (especially Southeast Asian American), Latino and disadvantaged students. In a number of cases, similar pre-college programs have already been established on other UW campuses. The guaranteed admission and other features of these programs should be incorporated into pre-college, scholarship and mentoring programs at other UW campuses, including those already established. In addition, pre-college programs should also focus on at-risk students to try to provide them with the incentives to stay in school, graduate and continue on to college. (\$5,000,000 annual GPR requested)
- The Milwaukee Partnership Academy, a community-wide partnership devoted to the quality of teaching and learning in Milwaukee Public Schools, be strongly supported.
- Successful models, like the Milwaukee Partnership Academy and UW-Madison's PEOPLE program, be identified and utilized by UW System.

Research and Public Service Working Group
Public Service Recommendation
(d) Brain Gain and Economic Development

Over the past several years, the institutions that comprise the University of Wisconsin System have focused a significant amount of time and energy on developing strategies for supporting economic development in Wisconsin. Many of these efforts have been aimed at the generation of additional baccalaureate degree holders in the state, with a primary focus on adult students who have made a prior commitment to reside in Wisconsin. Working in partnership with the Wisconsin Technical College System, the following three initiatives will enhance access to higher education for underserved Wisconsin residents and provide for workforce development. To that end, the committee recommends:

- **The Center for Adult Access, A Brain Gain Strategy for Wisconsin:** The demand for higher education will continue to rise, driven by both students and employers at a time when public higher education institutions face diminishing state resources. Achieving this vision of lifelong learning for Wisconsin calls for more flexible responses on the part of providers to meet the needs of learners. Statistics indicate that Wisconsin's per capita income is below the national average (\$29,270 versus the national average of \$30,472), considerably below per capita incomes in Minnesota (\$33,101) and Illinois (\$33,023), and falling further behind. There is a need to create many more high-paying employment opportunities within the state's economy and, equally important, to prepare Wisconsin's workforce to meet the increased demand for education, training and workforce skills. The creation of the Center for Adult Access to expand postsecondary opportunity for adult students is recommended. (Request biennial funding of \$855,000 GPR.)
- **Stout Technology Proposal:** Building upon its strengths, UW-Stout, a Malcolm Baldrige National Quality Award recipient, well-known and respected for its technology emphasis and its state-of-the-art educational delivery system, proposes establishing itself as one of the nation's premier institutions of workforce preparation in higher education. Endorsement of the proposal to align and cooperate more closely with the Wisconsin Technical College System to provide workforce education, development and solutions, to transform curriculum and delivery systems, and to serve in a national and state leadership role in technology education, service and business processes is recommended. (Request biennial funding of \$250,000 GPR.)
- **Northeast Wisconsin Educational Resource Alliance (NEW ERA):** NEW ERA is a consortium of leaders in the thirteen public colleges and universities in northeast Wisconsin fostering regional partnerships to serve northeast Wisconsin's educational needs. Further, it is working to provide resources for communities, businesses and local government and driving regional economic development and stability. To advance the economic vitality of the region, generate stakeholder commitment and support and enhance student navigation among NEW ERA institutions without duplication or unnecessary financial burden, endorsement of the proposal is recommended. (Request biennial funding of \$750,000 GPR.)

WORKING GROUP ON OUR PARTNERSHIP WITH THE STATE

April 1, 2004
10:00 a.m.
Pyle Center, Room 220
702 Langdon St.
Madison, Wisconsin

Agenda

1. Suggestion for Improvement of Legislative and Executive Branch Communications
2. Other