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## TUITION INTEREST

### **Language Changes Needed**

Create a provision to allow UW System to invest tuition revenues and to retain the interest earned.

### **Background and Justification**

Currently, the interest generated on tuition paid by UW System students is returned to the State's general fund. Interest generated on other payments made by UW System students (residence halls, food service and other auxiliary operations) is returned to the UW System. The proposed change would enable UW institutions to retain interest earnings from student fees and to expend those earnings on high priority educational initiatives or to moderate the rates of tuition increase. The interest earnings would be used for the direct benefit of UW students. Based on tuition balances by month and the short-term rates paid by the State Investment Fund in 2001-2002, it is estimated that the interest earned would have been approximately \$2.5 million in the last fiscal year.

## RESIDENT UNDERGRADUATE TUITION

### Language Changes Needed

Amend s. 36.27 (1)(a) to permit the Board of Regents to set resident undergraduate tuition.

### Background and Justification

Currently, state statutes limit the Board of Regents' authority to set resident undergraduate tuition rates but give them the authority to set rates for all other student categories.

Board of Regents Policy 92-8, originally adopted in 1992 and most recently modified in 1996, establishes principles that the Board follows when setting tuition rates. For the 10 years preceding the 1999-01 biennial budget, the policy resulted in relatively moderate and predictable tuition increases for resident undergraduates, averaging 6% at UW-Madison and 5.9% at UW-Milwaukee and the comprehensive institutions and 5.3% at UW Colleges. Tuition for resident undergraduates attending UW System institutions remains substantially below the midpoint of peer institutions. 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.

## **PROVIDE POSITION CREATION AUTHORITY FOR ADDITIONAL PROGRAM REVENUE APPROPRIATIONS**

### **Language Changes Needed**

Amend s. 16.505(2m) to permit the Board of Regents to create positions for the following additional program revenue funded appropriations: 20.285(1)(im), (je), (jm), (kg), (kr) and (kv) and 20.285(5)(h), (i) and (j).

### **Background and Justification**

Section 16.505(2m), Stats., gives the UW System authority to create, without the Governor's or the Joint Finance Committee's approval, positions funded by the following program revenue funded appropriations: Auxiliary Enterprises, Extension Student Fees, General Operations Receipts, Gifts and Donations, Federal Aid, Federal Indirect Cost Reimbursement, and Trust Fund Income. This proposal would extend this position creation authority to positions funded by the following appropriations: Academic Tuition, Center for Tobacco Research, Stray Voltage Research, Veterinary Diagnostic Laboratory-Non State Agency Fees, Distinguished Professorships-Matching Funds Transferred from Other State Agencies, Veterinary Diagnostic Laboratory-State Agency Fees, Intercollegiate Athletics Auxiliary Enterprises, Intercollegiate Athletics Non Income Sports, Intercollegiate Athletics Gifts and Grants.

This proposal would enable the university to address changing needs quickly. Position creation through DOA or legislative approval can take a significant amount of time. When students and other clients pay for a service, they have a right to expect it will be provided in a timely manner. Current law relating to position creation prevents institutions from responding to workload and program changes in a timely way.

## APPROPRIATION CONSOLIDATION

### Language Changes Needed

Eliminate the following appropriations and fold the funds into the appropriation under s. 20.285(1)(a): 20.285(1)(am), 20.285(1) (as), 20.285(1)(c), 20.285(1)(cm), 20.285(1)(em), 20.285(1) (eo), 20.285(1)(ep), 20.285(1) (fm), 20.285(1) (fs), and 20.285(1) (fx).

### Background and Justification

The UW System currently has over 20 GPR annual appropriations. This proposed change would eliminate ten of those appropriations and transfer the related funding into the UW System's General Program Operations appropriation. The appropriations that would be eliminated are: Utilities, Laboratory Modernization, Educational Technology, Industrial and Economic Development Research, Distinguished Professorships, Extension Outreach, Extension Local Planning Program, Farm Safety Program Grants, Agricultural Outreach, Schools of Business and Alcohol and Other Drug Abuse Prevention and Intervention. This proposed change would help the UW System achieve greater organizational efficiency and effectiveness by providing additional flexibility in management of funds.

## **PROCEEDS FROM SALE OF REAL ESTATE PURCHASED WITH NON GPR FUNDS**

### **Language Change Needed**

Insert new language in s. 13.101(13)(b), Stats., stating that 100% of the proceeds from the sale of real estate that was acquired with non-GPR funds be returned to the program revenue appropriation used to acquire the real estate. Amend 13.48(14)(c) relative to gifted lands.

### **Background and Justification**

Currently, the proceeds from the sale of a state building or state land are credited to the Joint Committee on Finance's supplemental appropriation established in s. 20.865(4)(a). Under s. 13.101(13)(b), if the building or land was used by a single agency, the Joint Committee on Finance may, upon request of the agency, transfer half of the proceeds back to the agency. For real estate acquired or built with program revenue (UW residence hall fees, for example) 100% of the proceeds should be returned to the appropriation used to acquire or build the asset.

Many parcels of land held by the Board of Regents were received as gifts or purchased using campus funds such as parking revenues or student user fees. It is, therefore, logical that the proceeds from the sale of such properties be retained by the selling agency to be used to support university programs, preventive building maintenance and other operating costs.

The Building Commission has limited cash resources to fund items such as short-term maintenance, emergency repairs, building demolition, site remediation, etc. In cases where surplus lands were originally purchased with General Fund Supported Borrowing through the building program, it seems appropriate that the net proceeds (after debt obligations) from the sale be deposited in the State Building Trust Fund for reuse by the Building Commission for building program purposes.

## **SUBMISSION OF PAY PLAN REQUEST DIRECTLY TO JOINT COMMITTEE ON EMPLOYMENT RELATIONS**

### **Language Change Needed**

Modify ss. 13.111(2), 20.916(8)(a), 20.923(4g), 20.923(6), 20.923(14)(b), 36.09(1)(e), 36.09(1)(j), 36.27(1)(am), 40.95(2), 230.10(2) and delete s. 230.12(3)(e) to permit the UW system to submit pay plan proposals directly to JCOPER rather than through the DER Secretary. (See attached proposed language.)

### **Background and Justification**

At present, the Board of Regents must submit unclassified faculty and academic staff pay plan proposals to the Secretary of the Department of Employment Relations, who then presents a biennial pay plan proposal to the Joint Committee on Employment Relations (JCOER). The UW System proposal, with supporting documentation, is usually submitted to the Secretary in December in even-numbered years so that the pay plan can be presented to JCOER at or near the close of the academic year. Faculty and academic staff employment offers are most often considered at the end of the academic year so that offers can be weighed for the ensuing academic term. Unfortunately, the DER Secretary does not present the faculty and academic staff pay plan under a timetable that coincides with the employment practices of higher education. Thus, the UW System lacks the flexibility to compete on the national stage for faculty and academic staff, as well as to pay current incumbents fair and reasonable, market-based salaries. The present arrangement requires that UW System operate on a timetable geared to collective bargaining efforts rather than to the regularities of the academic year. Moreover, the DER Secretary is not needed to explain the salary requirements of UW faculty and staff, as that can be done by those most familiar with the issues. Thus, these detriments limit the staffing effectiveness of the UW System. The proposed changes would permit the UW System to submit pay plan considerations directly to JCOER rather than through the DER Secretary.

s. 13.111 (2) DUTIES. The joint committee on employment relations shall perform the functions assigned to it under subch. V of ch. 111, subch. II of ch. 230 and ss. 16.53 (1) (d) 1., 20.916, 20.917, 20.923, 36.09 (1) (j) and 40.05 (1) (b).

s. 20.916 (8) (a) The secretary of employment relations shall recommend to the joint committee on employment relations uniform travel schedule amounts for travel by state officers and employees whose compensation is established under s. 20.923 or 230.12. Such amounts shall include maximum permitted amounts for meal and lodging costs, special allowance expenses under sub. (9) (d), and portage tips, except as authorized under 16.53 (12) (c). The board of regents shall recommend to the joint committee on employment relations uniform travel schedule amounts for travel by employees whose compensation is established under s. 36.09 (1) (j). In lieu of the maximum permitted amounts for expenses under sub. (9) (b), (c), and (d), the secretary and the board may recommend to the committee a per diem amount and method of reimbursement for any or all expenses under sub. (9) (b), (c), and (d).

s. 20.923 (4g) UNIVERSITY OF WISCONSIN SYSTEM SENIOR EXECUTIVE POSITIONS. A compensation plan consisting of 9 university senior executive salary groups is established for certain administrative positions at the University of Wisconsin System. ~~The salary ranges and adjustments to the salary ranges for the university senior executive salary groups 1 and 2 shall be contained in the recommendations of the secretary of employment relations under s. 230.12 (3) (e).~~ The salary ranges and adjustments to the salary ranges for university senior executive salary groups ~~3 to 9~~ shall be determined by the board of regents of the University of Wisconsin System based on an analysis of salaries paid for similar positions at comparable universities in other states. The board of regents shall set the salaries for these positions within the ranges to which the positions are assigned to reflect the hierarchical structure of the system, to recognize merit, to permit orderly salary progression and to recognize competitive factors. The salary of any incumbent in the positions identified in pars. (ae) to (f) may not exceed the maximum of the salary range for the group to which the position is assigned. The positions are assigned as follows:

s. 20.923 (6) SALARIES SET BY APPOINTING AUTHORITIES. Salaries for the following positions may be set by the appointing authority, subject to restrictions otherwise set forth in the statutes and the compensation plan under s. 230.12 and s. 36.09 (1) (j), except where the salaries are a subject of bargaining with a certified representative of a collective bargaining unit under s. 111.91:

s. 20.923 (14) (b) except as provided in s. 36.09 (1) (j), any adjustment of salary for an incumbent specified in sub. (4g) is governed by the provisions of the proposal concerning senior executives, faculty and academic staff as approved by the joint committee on employment relations under s. ~~230.12 (3) (e)~~ 36.09 (1) (i).

s. 36.09 (1) (e) The board shall appoint a president of the system; a chancellor for each institution; a dean for each college campus; the state geologist; the director of the laboratory of hygiene; the director of the psychiatric institute; the state cartographer; with the advice of the land information board; and the requisite number of officers, and other than the vice presidents, associate vice presidents and assistant vice presidents of the system; faculty; academic staff; and other employees and fix the salaries, subject to the limitations under par. (j) and ss. 20.923 (4g) and ~~230.12 (3) (e)~~, the duties and the term of office for each. The board shall fix the salaries, subject to the limitations under par. (j) and ss. 20.923 (4g) and ~~230.12 (3) (e)~~, and the duties for each chancellor, vice president, associate vice president and assistant vice president of the system. No sectarian or partisan tests or any tests based upon race, religion, national origin or sex shall ever be allowed or exercised in the appointment of the employees of the system.

s. 36.09 (1) (j) Except where such matters are a subject of bargaining with a certified representative of a collective bargaining unit under s. 111.91, the board shall submit to the joint committee on employment relations a proposal for adjusting compensation and employee benefits for employees under ss. 20.923(4g), (5) and (6) (m) and 36.05 (1) and (8) and shall establish salaries for persons not in the classified staff prior to July 1 of each year for the next fiscal year, and shall designate the effective dates for payment of the new salaries. In the first year of the biennium, payments of the salaries established for the preceding year shall be continued until the biennial budget bill is enacted. If the budget is enacted after July 1, payments shall be made following enactment to satisfy the obligations incurred on the effective dates, as designated by the board, for the new salaries, subject only to the

appropriation of funds by the legislature and s. 20.928 (3). This paragraph does not limit the authority of the board to establish salaries for new appointments. The board may not increase the salaries of employees specified in ss. 20.923 (5) and (6) (m) and ~~230.08 (2) (d)~~ and faculty and academic staff as defined in s. 36.05 (1) and (8) under this paragraph unless the salary increase conforms to the proposal of the board as approved by the joint committee on employment relations under s. 230.12 (3) (e) this section or the board authorizes the salary increase to correct salary inequities under par. (h), to fund job reclassifications or promotions, or to recognize competitive factors. The board may not increase the salary of any position identified in s. 20.923 (4g) under this paragraph unless the salary increase conforms to the proposal as approved under ~~s. 230.12 (3) (e) this section~~ or the board authorizes the salary increase to correct a salary inequity or to recognize competitive factors. ~~The board may not increase the salary of any position identified in s. 20.923 (4g) (ae) and (am) to correct a salary inequity that results from the appointment of a person to a position identified in s. 20.923 (4g) (ae) and (am) unless the increase is approved by the department of employment relations.~~ The granting of salary increases to recognize competitive factors does not obligate inclusion of the annualized amount of the increases in the appropriations under s. 20.285 (1) for subsequent bienniums. No later than October 1 of each year, the board shall report to the joint committee on finance and the departments of administration and employment relations concerning the amounts of any salary increases granted to recognize competitive factors, and the institutions at which they are granted, for the 12-month period ending on the preceding June 30.

s. 36.09 (1) (j) 1. Submission to the joint committee on employment relations. The board shall submit to the joint committee on employment relations a proposal for adjusting compensation and employee benefits for employees under this paragraph who are not included in a collective bargaining unit under subch. V of ch. 111 for which a representative is certified. The proposal shall include the salary ranges and adjustments to the salary ranges for academic staff. The proposal shall be based upon the competitive ability of the board of regents to recruit and retain qualified senior executives, faculty, and academic staff, data collected as to rates of pay for comparable work in other public services, universities, and commercial and industrial establishments, and any special studies carried on as to the need for any changes in compensation and employee benefits to cover each year of the biennium. The proposal shall also take proper account of prevailing pay rates, costs and standards of living and

the state's employment policies. The proposal as approved by the joint committee on employment relations shall be based upon a percentage of the budgeted salary base for such employees.

s. 36.09 (1) (j) 2. *Public hearing on the proposal; adoption of plan.* The Board shall submit the proposal for any required changes in the compensation and employee benefits to the joint committee on employment relations. The committee shall hold a public hearing on the proposal. The proposal, as may be modified by the joint committee on employment relations together with the unchanged provisions of the current compensation and employee benefits plan, shall, for the ensuing fiscal year or until a new or modified plan is adopted under this subsection, constitute the board of regents compensation and employee benefits plan. Any modification of the board's proposal by the joint committee on employment relations may be disapproved by the governor within 10 calendar days. A vote of 6 members of the joint committee on employment relations is required to set aside any such disapproval of the governor.

s. 36.09 (1) (j) 3. *Health insurance premium credits.* The board may recommend to the joint committee on employment relations a program, administered by the department of employee trust funds, that provides health insurance premium credits to employees whose compensation is established under this section. The health insurance premium credits shall be used for the purchase of health insurance for a retired employee, or the retired employee's surviving insured dependents, and shall be based upon the employee's years of continuous service, accumulated unused sick leave and any other factor recommended by the secretary. The approval process for the program is the same as that provided under sub. (1) (j) 2., and the program shall be incorporated into the compensation and employee benefits plan under sub. (1) (j) 1.

s. 36.27 (1) (am) 2. The approved recommendations of the secretary of employment relations for compensation and fringe benefits for classified staff, for unclassified employees specified in s. 230.12 (1) (a) 1. b. and for unclassified employees specified in ~~s. 230.12 (3) (e)~~ s. 39.09 (1) (j). If these recommendations have not been approved by the joint committee on employment relations by the time the board sets academic fees, the board may raise academic fees for resident undergraduate students by an amount sufficient to fund the recommendations of the secretary of employment relations for compensation and fringe benefits for classified staff and for unclassified

employees specified in s. 230.12 (1) (a) 1. b. and the board's recommendations for unclassified employees specified in ~~s. 230.12 (3) (e)~~ s. 36.09 (1) (j). If the board and the secretary of employment relations has not made recommendations by the time the board sets academic fees, the board may raise academic fees for resident undergraduate students by an amount sufficient to fund the board's estimate of compensation and fringe benefits for classified staff and for unclassified employees specified in s. 230.12 (1) (a) 1. b. and the board's recommendations for unclassified employees specified in ~~s. 230.12 (3) (e)~~ s. 36.09 (1) (j). If the board sets academic fees based upon the board's estimate and the board's unapproved recommendations, and the recommendations of the board and the secretary of employment relations as finally approved by the joint committee on employment relations call for a lower rate of compensation and fringe benefits than the board's estimate and unapproved recommendations, the board shall lower academic student fees for resident undergraduate students for the next academic year by an amount equal to the difference between the academic fees charged and an amount sufficient to fund the approved recommendations. If the board sets academic fees based upon the board's estimate and unapproved recommendations, and the recommendations of the board and the secretary of employment relations as finally approved by the joint committee on employment relations call for a higher rate of compensation and fringe benefits than the board's estimate and unapproved recommendations, the board may raise academic student fees for resident undergraduate students for the next academic year by an amount equal to the difference between the academic fees charged and an amount sufficient to fund the approved recommendations.

s. 40.95 (2) The department is not required to administer any program that provides health insurance premium credits for the purchase of health insurance for a retired employee, or the retired employee's surviving insured dependents, if the department determines that the program does not conform to the program approved by the department of employment relations under s. 230.12 (9) or the board of regents under s. 36.09 (1) (j) 3.

s. 230.10 (2) The compensation plan in effect at the time that a representative is recognized or certified to represent employees in a collective bargaining unit and the employee salary and benefit provisions under ~~s. 230.12 (3) (e)~~ s. 36.09 (1) (j) in effect at the time that a representative is certified to represent employees in a collective bargaining unit under subch. V of ch. 111 constitute the compensation plan or employee salary and

benefit provisions for employees in the collective bargaining unit until a collective bargaining agreement becomes effective for that unit. If a collective bargaining agreement under subch. V of ch. 111 expires prior to the effective date of a subsequent agreement, and a representative continues to be recognized or certified to represent employees specified in s. 111.81 (7) (a) or certified to represent employees specified in s. 111.81 (7) (b) in that collective bargaining unit, the wage rates of the employees in such a unit shall be frozen until a subsequent agreement becomes effective, and the compensation plan under s. 230.12 and salary and benefit changes adopted under ~~s. 230.12 (3) (e)~~ s. 36.09 (1) (j) do not apply to employees in the unit.

~~s. 230.12 (3) (e) University of Wisconsin system senior executives, faculty and academic staff employees. The secretary, after receiving recommendations from the board of regents, shall submit to the joint committee on employment relations a proposal for adjusting compensation and employee benefits for employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d) who are not included in a collective bargaining unit under subch. V of ch. 111 for which a representative is certified. The proposal shall include the salary ranges and adjustments to the salary ranges for the university senior executive salary groups 1 and 2 established under s. 20.923 (4g). The proposal shall be based upon the competitive ability of the board of regents to recruit and retain qualified faculty and academic staff, data collected as to rates of pay for comparable work in other public services, universities, and commercial and industrial establishments, recommendations of the board of regents and any special studies carried on as to the need for any changes in compensation and employee benefits to cover each year of the biennium. The proposal shall also take proper account of prevailing pay rates, costs and standards of living and the state's employment policies. The proposal for such pay adjustments may contain recommendations for across the board pay adjustments, merit or other adjustments and employee benefit improvements. Paragraph (b) and sub. (1) (bf) shall apply to the process for approval of all pay adjustments for such employees under ss. 20.923 (4g), (5) and (6) (m) and 230.08 (2) (d). The proposal as approved by the joint committee on employment relations and the governor shall be based upon a percentage of the budgeted salary base for such employees under ss. 20.923 (4g), (5) and (6) and 230.08 (2) (d). The amount included in the proposal for merit and adjustments other than across the board adjustments is available for discretionary use by the board of regents.~~

## **INDEPENDENT PROCUREMENT AUTHORITY**

### **Language Change Needed**

Modify ss. 16.70(1), 16.71(1m), 16.71(2n), 16.72(8), 16.73(5), and 36.11(1)(b), 36.11(12)(b), 36.11(29) to transfer University of Wisconsin System purchasing authority from the Department of Administration to the Board of Regents.

### **Background and Justification**

Independent procurement authority would streamline the purchasing process and allow the university to respond quickly and efficiently to the rapidly changing higher education environment. The UW System would continue its work with the Department of Administration and state agencies on statewide contracts and initiatives. UW contracts would continue to be extended to state agencies, municipalities and other educational institutions.

While the UW System seeks independent procurement authority it would be within an accountability structure. Reports to the legislature on purchases would continue, management reviews would continue and several approval levels would still exist for unusual purchases such as sole source requests.

## **EXEMPT UNIVERSITY CASH-FUNDED PROJECTS FROM ENUMERATION**

### **Language Changes Needed**

Amend s. 20.924 to provide that projects for the University of Wisconsin System funded entirely from federal or private gifts, grants or other cash sources need not be enumerated.

### **Background and Justification**

Current statutes require the specific enumeration of all capital projects costing more than \$500,000, regardless of funding source. Sometimes cash resources for capital projects become available or potential donors for capital projects are identified between budget cycles. The need to wait up to two years for the normal budget cycle, or to pursue special legislation, can serve as a disincentive to potential donors and cause unnecessary delays in construction. This proposal would exempt from enumeration university projects funded solely by cash resources (gifts, grants, program revenues and other agency receipts).

**CHANGING THE LABORATORY MODERNIZATION AND SCHOOLS OF  
BUSINESS PROGRAM REVENUE APPROPRIATIONS TO CONTINUING  
APPROPRIATIONS**

**Language Changes Needed**

Modify ss 20.285(1) (Lm) and 20.285(1)(Ls) to become continuing appropriations.

**Background and Justification**

The current lack of flexibility in these appropriations creates difficulties for programs supported with these resources as the timing of projects (especially for laboratory modernization) and of funding matches can delay construction and expenditure.

If the appropriations are not consolidated, as noted above, this change would be needed.

**ELIMINATION OF TWO REPORTS PREPARED BY UW MEDICAL SCHOOL  
AND THE MEDICAL COLLEGE OF WISCONSIN**

**Language Changes Needed**

Repeal s. 13.106(1)(e) and s. 13.106(2) which detail the placement and financial summaries of the UW Medical School and the Medical College of Wisconsin.

**Background and Justification**

This proposal would eliminate the following two biennial reports: a report on medical school enrollments and graduate placement and a report detailing the financial summaries of the UW Medical School and the Medical College of Wisconsin. There is no evidence that the Legislature or the Executive Branch utilizes these reports and their preparation is time-consuming for members of the medical school staff.

**SUBSTITUTE UW-MADISON CHANCELLOR FOR UW SYSTEM PRESIDENT  
ON STATE LAB OF HYGIENE BOARD**

**Language Changes Needed**

Modify s. 15.915(2)(a) by substituting the *chancellor of the University of Wisconsin-Madison* for the UW System President as a member of the State Lab of Hygiene Board.

**Background and Justification**

Current statutes specify that the president of the University of Wisconsin system rather than the chancellor of the University of Wisconsin-Madison be designated as a member of the State Lab of Hygiene Board. However, the chancellor of the UW-Madison, under authority delegated by the Board of Regents, currently appoints the director of the State Lab of Hygiene. Thus, it would be more consistent if the UW representative on the State Lab of Hygiene Board were the chancellor or his/her designee.

This proposal would substitute the chancellor of the UW-Madison in place of the president of the UW System in the position on the State Lab of Hygiene Board.

**REVISE s. 36.35(13m) REGARDING THE MEDICAL STUDENT TRANSFER PROGRAM TO UPDATE OBSOLETE STATUTES AND PROVIDE CLARITY**

**Language Changes Needed**

Revise s. 36.25 (13m) as shown below with strikeouts of current text to be deleted and italicization of language to be inserted.

**“Medical student transfer program.** The board shall establish a program in the ~~Center for Health Sciences~~ *Medical School* of the University of Wisconsin-Madison ~~involving to consider~~ the transfer of residents of this state from foreign medical schools after their 2<sup>nd</sup> year of study ~~or involving a 5<sup>th</sup> year of clerkship following their completion of 4 years of study at a foreign school.”~~

**Background and Justification**

Reference to the Center for Health Sciences should be deleted, since there is no longer such a Center. Medical School enrollment policies and programs reside within the Medical School. In addition, the current language may lead some to believe that the Medical School has a formal program through which residents attending foreign medical schools are automatically granted enrollment. Instead, the School merely considers these students along with others seeking transfer to it. Finally, mention of a 5<sup>th</sup> year should be eliminated because this option is not available at the UW Medical School or at any other U.S. medical school.

This proposal would update obsolete statutory references and provide greater clarity on the operations of the Medical Student Transfer Program.

## CORRECTING LANGUAGE RELATIVE TO TUITION EXEMPTION FOR VETERANS TO CLARIFY INTENT

### Language Changes Needed

Modify s. 36.27(2)(b)3 as shown below with strikeouts of current text to be deleted and italicization of language to be inserted.

“Nonresident persons who served in active duty in the U.S. armed services for at least 10 years, who were honorable discharged from such service within 4 years before ~~registering~~ *applying at an any UW System* institution, and who filed *Wisconsin* state income tax returns for at least 8 of the last 10 years of active duty in the U.S. armed forces, and their spouses and children are entitled to the exemption under par.(a).

### Background and Justification

The statute grants in-state tuition to nonresidents who served on active duty in the U.S. armed forces and have met other specified requirements. The statute as presently written is not consistent with the intent of the legislator who offered it because it notes that discharge from service must have occurred within four years before registering at an institution. The author intended it to read ‘within four years before applying at any UW System institution’.

## **ESTABLISHMENT OF A NEW APPROPRIATION FOR THE VETERINARY DIAGNOSTIC LABORATORY**

### **Language Changes Needed**

Create a federal appropriation for the Veterinary Diagnostic Laboratory.

### **Background and Justification**

The veterinary diagnostic laboratory is a separate entity which is located on the UW-Madison campus. It will be the recipient of federal funds. This proposal would create a separate statutory appropriation which would permit the laboratory to receive federal funds directly into its own PRF account. This would make the transfer of funds more efficient and would make clear the independent status of the laboratory relative to the UW-Madison campus.

## **ELIMINATE THE STATUTORY CAP ON MEDICAL SCHOOL ENROLLMENT**

### **Language Changes Needed**

Repeal s. 36.28, Wis. Stats..

### **Background and Justification**

This statute has the practical effect of limiting the size of each Medical School class to 143 students. It should be eliminated because: (1) There are no longer concerns about an oversupply of physicians in Wisconsin; (2) Enrollment limitations are not typically put into state statutes, and there is no similar language for other professional schools; (3) While the UW Medical School is not planning any significant changes in enrollment, it needs the flexibility to accommodate modest fluctuations in class size; and, (4) Although only 143 students may be admitted per class, graduating classes may be greater than 143 because some students need more than four years to complete the curriculum (MD/PhD students, for example).

2003-05 UW System Biennial  
Operating Budget Request

BOARD OF REGENTS

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves for submission to the Department of Administration, a request for standard budget adjustments to the UW System 2003-05 base budget that funds costs-to-continue and maintains current investments in UW libraries, supplies and equipment, instructional technology and building maintenance at an amount not to exceed an average annual increase of \$30 million. The Board of Regents also approves Program Revenue items, at an amount not to exceed an average annual increase of \$150 million for submission to the Department of Administration. The Board of Regents directs the UW System President, after consultation with the Department of Administration, to report in September on the items submitted and the dollar amount requested for standard budget adjustments.

The Board approves the submission of supplemental initiatives addressing State needs in nursing, teacher education, economic development, quality and access for the consideration of the Department of Administration and the Governor. The Board authorizes the UW System President to proceed with developing these initiatives with appropriate partners. The UW System President will report to the Board in November on the final form of these initiatives and the dollar amounts recommended.

Further, the Board approves the submission of the statutory language requests to the Department of Administration.

2003-05 UW System Biennial  
Capital Budget Request

BOARD OF REGENTS

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, the 2003-05 Capital Budget request including \$345.9 million for enumerated major projects (\$143.4 million General Fund Supported Borrowing and \$202.5 million Gifts, Grants and Program Revenues) and \$183 million General Fund Supported Borrowing - All Agency Funds for maintenance, renovation and land acquisition be submitted to the Department of Administration and the State Building Commission. The 2003-05 Capital Budget request includes the following major components:

1. Enumeration of six carryover projects for a total cost of \$71.3 million (\$50.9 million GPR and \$20.4 million Non-GPR). These projects were approved for planning in 2001-03 or earlier.
2. Enumeration of fourteen new major projects requested by the campuses and recommended for construction at a total cost of \$123.8 million (\$92.5 million GPR and \$31.3 million Non-GPR).
3. Enumeration of eighteen projects funded entirely by \$150.8 million Non-GPR sources (\$1.5 million Gifts/Grants, etc. and \$149.3 million Program Revenue).
4. Planning and design of eight projects that will become the basis of the University of Wisconsin System's 2005-07 Capital Budget considerations.

BOARD OF REGENTS

Resolution:

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the submission of updates to the Performance Indicators determined by the Board in 2001-03 in response to Department of Administration instructions. The Performance Indicators for 2001-03 were:

access: percentage of Wisconsin high school graduates served by the UW System

retention: to second year

graduation rates: percentage of students who earn a degree from any UW System institution

contribution to Wisconsin Income: number of graduates times the average income of graduates (traditional aged and adult) available for the Wisconsin economy

In addition, the Board approves the following Performance Measures for 2003-05:

enrollment: enroll the number of FTE students approved by the Board in Enrollment Management 21 (EM21), adjusted to reflect subsequent Regent action.

retention: to second year

graduation rates: percentage of students who earn a degree from any UW System institution

contribution to Wisconsin Income: number of graduates times the average income of graduates (traditional aged and adult) available for the Wisconsin economy

It should be noted that the UW System issues an annual Accountability Report tracking performance on over a dozen indicators against national and other appropriate higher education benchmarks.