



UWSA RESPONSES TO DELOITTE OBSERVATIONS

BOARD OF REGENTS
DECEMBER 5, 2024

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UW FINANCIAL MANAGEMENT



FINANCIAL MANAGEMENT

- Culture of continual improvement
 - Financial management has been evolving for ~10 years as higher education & Wisconsin landscape changes
 - Additional monitoring as campuses report structural deficits



FINANCIAL MANAGEMENT PROGRESSION

Budget Activities / Requirements Phased-in Over Time	Year Phased-in									
	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Annual Budget w/ Campus Narratives				✓	✓	✓	✓	✓	✓	✓
Annual Budget Alignment to Strategic Plan							✓	✓	✓	✓
Tuition and Auxiliary Rate Setting in Spring							✓	✓	✓	✓
Budget-to-Actual (UW aggregated)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Budget-to-Actual by Campus					✓	✓	✓	✓	✓	✓
Program Revenue Balances Report	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Budgeted Revenue			✓	✓	✓	✓	✓	✓	✓	✓
Financial Forecasts by Campus							✓	✓	✓	✓
Financial Realignment Plans							✓	✓	✓	✓
Current State Assessments (one-time project)							✓			
Workday Finance									✓	✓
PlanUW Budget Planning			✓	✓	✓	✓	✓	✓	✓	
Workday Adaptive Planning Budget Module										✓



FINANCIAL MANAGEMENT PROGRESSION

- Budget to Actual Reporting (FY18)
 - Initially expenses only, reported at aggregate level
 - Began reporting by campus in FY22
- Implemented current budget system, PlanUW (FY20)
 - Phased implementation, including forecasting
 - Subsequent phases paused when ATP began
 - Began budgeting revenues
- Accelerated rate setting process from summer to spring (FY24)
- Provided financial forecasts by campus (FY24)



FINANCIAL MANAGEMENT PROGRESSION – NEXT STEPS

- **Eliminate structural deficits** by FY 2028
 - Identified in 2023-28 Strategic Plan
 - Campus initiatives and direct consultation with UWSA
- Enhanced **financial reporting** and updates
 - Provided revised forecasts for 9 campuses
 - Financial realignment plans for 6 campuses
- **Multi-year forecasts**
 - Included in financial realignment plans
 - Reviewed enrollment assumptions with campus and OPAR
- Dashboards/**metrics of accountability**
 - Cash/balances on hand
 - Budget vs actual analyses



UW SHARED SERVICES



BENEFITS OF SYSTEM-LEVEL SCALE



COST SAVINGS /
INCREASED VALUE



HIGHER QUALITY



INCREASED RESILIENCE

Each shared service must be built around
one or more of these benefits



SHARED SERVICES BACKGROUND

- Organic growth has led to...
 - Services provided in various UWSA offices
 - ✓ Varying means of contacting/communicating with universities and end users
 - Based on university requests and ad hoc identified opportunities, resulting in fractional FTE concerns
 - Implemented varying processes for assessing UW universities for shared services
 - Limited number of service level agreements, metrics, KPIs



Shared Services – Service Strategy & Governance

Objective: Establish service level agreements and governance model to oversee strategic service growth, customer experience, and budget

Next Steps:

- Conduct listening sessions and strategy discussions
- Complete standardized, “lean” HR and finance business processes
- Establish plan for distribution of work – where does work occur and by whom
- Develop strategic plan for implementing any new services to avoid fractional FTE concerns and maximize benefits to campuses
- Establish governance structure - include all universities, review shared services, outcomes, budgets, KPIs
- Establish service level agreements – include expectations for service, communications, periodic service reviews, university assessments, etc

Implementation: July 2025



Shared Services - Customer Success

Objective: Unify customer support functions

Next Steps:

- Conduct listening sessions
- Reduce “need to know where to go” to improve customer experience
- Improve transparency of issue status and resolution
- Ensure feedback and continual improvement processes in place

Implementation: Occurs in 3 phases through July 2025 with Workday go-live

- Internal UWSA consolidation – underway, expect completion by January 2025
- UW universities – underway now, expect completion by April 2025
- New ERP support team – April 2025 training and preparation, go-live July 2025



Shared Services - Metrics & KPIs

Objective: Establish operational and performance metrics for shared service functions/service areas

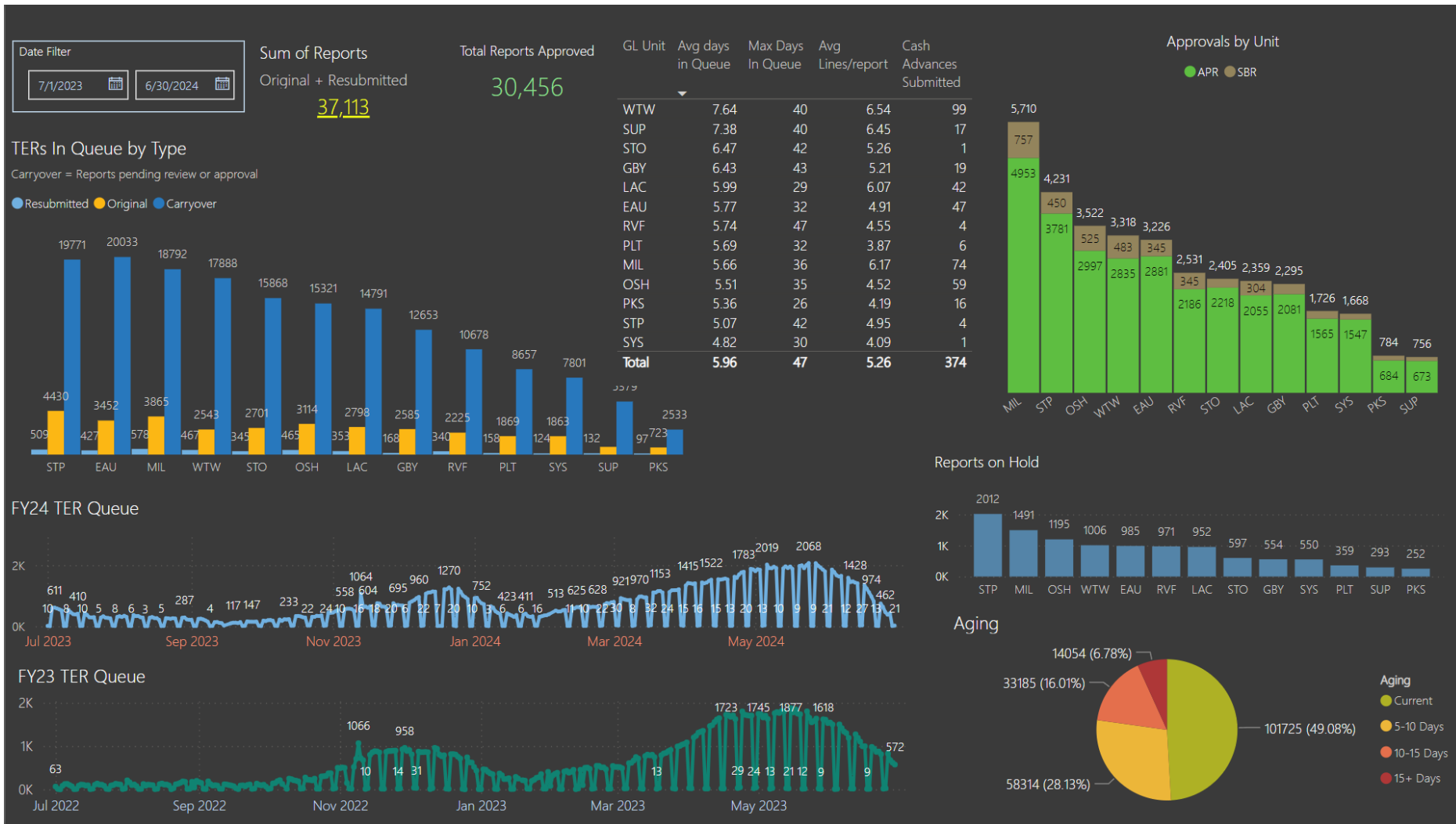
Next Steps:

- Piloting operational metrics for expense reports, customer success
 - For example:
 - ✓ 74,300 customer tickets as of October 1
 - ✓ FY25 turnback rate of less than 10% for expense reports
- Work with university partners to develop new and adjust existing metrics
- Link metrics/KPIs with benchmark data, as available
- Report to stakeholders for improved transparency/accountability

Implementation: July 2025



Shared Services Expense Report FY 2024 Dashboard – Operational Metrics





UW ACADEMIC ARRAY MANAGEMENT



STRENGTHENING MONITORING AND MANAGEMENT OF THE UW ACADEMIC ARRAY

- The 2024 Deloitte report points out that there are multiple socioeconomic and market trends that are significantly impacting the bottom line for our universities.
- Given this national landscape, it is not unusual for boards to take on more active roles in driving governance, transparency, and accountability.
- One area that may benefit from additional board involvement is program array management. Deloitte analysts saw an opportunity to revise RPD 4-12 and SYS 102 to improve academic program array monitoring and accountability, and to enable the Board of Regents to fully exercise their statutorily-granted authority in this area.



PROGRAM ARRAY MANAGEMENT TASKFORCE

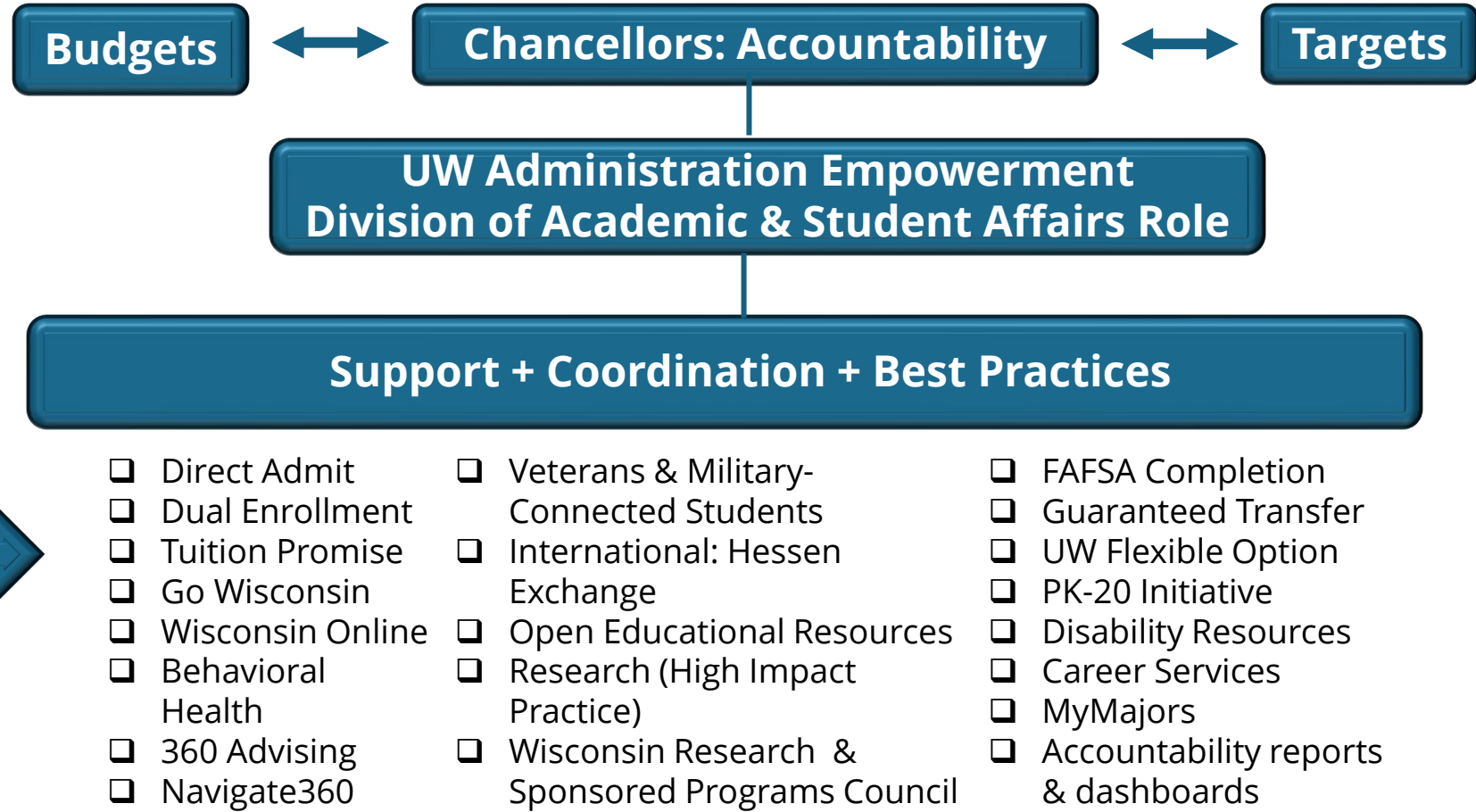
OBJECTIVES INCLUDE RECOMMENDATIONS ON:

- Updates to current policies, procedures, and guidelines that impact program array management
- Improved metrics for identifying underperforming programs
- Revisions to processes for data reporting to universities
- Processes that increase the accountability of universities around underperforming programs
- Revisions to processes for reporting program array monitoring to the Board of Regents
- Models for program collaboration and common governance processes to mitigate program suspension or elimination
- Taskforce will be formed to address the above



UW ENROLLMENT MANAGEMENT

Strategic Plan = Enrollment Management Goals



Budget Request 2025-2027

- Tuition Promise
- Veterans of Wisconsin
- Tribal Nation Promise
- Dual Enrollment
- Expanding Recruitment & Outreach
- Direct Admit Wisconsin
- Welcome Back Wisconsin
- Improving Transfer Pathways
- Adult Degree Completion-Online
- Student Mental Health & Wellbeing
- Student Retention
- Career Readiness
- High Impact Practices
- Prior Learning Assessment
- Teacher Loan Forgiveness
- Artificial Intelligence
- Continuing Education



QUESTIONS?