

Minutes
Business and Finance Committee
Board of Regents of the University of Wisconsin System
December 10, 1998

The Business and Finance Committee met in Room 1511 Van Hise, Madison, at 9:30 a.m. Present were Regents Hempel, De Simone, Gottschalk and Marcovitz.

I.2.a. Closed Session to Consider Trust Fund Matters, as Permitted by s. 19.85(1)(e), *Wis. Stats.*

Upon the motion of Regent Marcovitz and the second of Regent De Simone, the Business and Finance Committee adjourned to Closed Session at 9:35 a.m., to consider Trust Fund matters as permitted by s. 19.85(1)(e), *Wis. Stats.*

The Committee recessed at 12:10 a.m. and reconvened in Open Session at 1:35 p.m. in Room 1920 Van Hise Hall in a Joint Session with the Physical Planning and Funding Committee. Present were Regents Barry, De Braska, De Simone, Gottschalk, Hempel, James, Marcovich, Mohs, Olivieri and Orr.

I.2.b. Y2K Update

Vice President Bromberg introduced Y2K planning team members who provided updates on their areas of expertise.

Associate Vice President Meachen reported that the major computer support systems are in good shape for Y2K compliance. The Processing Center has budgeted \$375,000 for updates to the central accounting system and \$250,000 for the central payroll and benefits system for fiscal year 1998-99. Several institutions are implementing new systems: UW-Platteville and UW-Whitewater are scheduled to implement PeopleSoft general ledger, purchasing and accounts payable systems in the summer of 1999; UW-Milwaukee is working toward implementation of purchasing and accounts payable systems; and UW Colleges is working on a purchasing system. UW-Platteville implemented a PeopleSoft student information system (SIS) in the fall of 1998, and UW-Madison anticipates implementation in the summer of 1999. The SIS systems at UW-Eau Claire, UW-La Crosse, UW-Madison, UW-Milwaukee, UW-Whitewater, UW-Oshkosh and UW-Stout are all expected to be Y2K compliant through updates to current systems. The comprehensive institutions have budgeted \$300,000 for library system compliance; UW-Madison and UW-Milwaukee have \$350,000 budgeted for installation of new systems in fiscal years 1999-2000.

Internal Audit Director Yates reported that, in order to solve the Y2K problems with embedded systems, staff are taking a systematic approach to identifying, evaluating and correcting problems by building on the successful work performed by others. An inventory is being performed of every electronic device throughout the UW System. Staff will work with each campus and with the State to eliminate duplication of effort and ensure the comprehensives of the inventory. Vendor 2000 has an extremely useful Web site for checking on the Y2K compliance of the products of approximately 20,000 vendors.

Facilities Specialist Panke advised that it is not necessary to panic over Y2K, but it is essential to be prepared. He explained that some embedded chips are removable, but some are soldered onto the computer boards. The UW System is working with the Department of Administration's Division of Facilities Development to avoid duplication of efforts, and there are Y2K support groups working on: embedded systems; controls; utilities; cooling; electrical; security and communications; fire alarms; and building inventory and improvement records.

Because January 1, 2000, will arrive on a Friday night during semester break, there is less of a potential problem with the loss of heat or electricity on campuses if utilities are not operable. The University has little control over the utilities that service the institutions, but all 14 of the gas and electric utilities servicing UW institutions have indicated they will be Y2K compliant.

Vice President Bromberg concluded by noting the team effort of all UW institutions and the sharing of information to avoid duplication of efforts in assuring compliance. April 1, 1999, has been designated Y2K Awareness Day, stressing that preparing for Y2K is not a joke, and every employe of the UW System will be given a checklist and asked to think of ways their particular office area might be affected if some system has been overlooked.

Linda Seemeyer, the Y2K administrator for the State, and former Chancellor Larry Schnack, Chair of the Governor's Blue Ribbon Commission on Y2K Preparedness, expressed their appreciation of working with the University, particularly noting the ability to utilize the County Extension offices to reach school districts, municipalities and citizens within each county.

The Business and Finance Committee recessed at 2:10 p.m. and reconvened in Room 1511 Van Hise Hall at 2:20 p.m. Present were Regents Hempel, De Simone, Gottschalk, Marcovich and Olivieri.

I.2.c. Approval of Minutes of the November 5, 1998, Meeting of the Business and Finance Committee

Upon the motion of Regent Marcovich and the second of Regent De Simone, the Minutes of the November 5, 1998, meeting of the Business and Finance Committee were approved as presented.

I.2.d. UW-Madison Mainframe Computer Report

UW-Madison Vice Chancellor Torphy reviewed that s.36.11(32), *Wis. Stats.*, requires only that an annual report of the UW-Madison mainframe computer services be submitted annually to the Regents. However, President Lyall made a commitment to submit the report to the Joint Committee on Finance and Information Policy and to the State Auditor. As more applications are converted from mainframe to web-based activities, this report will become less relevant. When it was requested in 1995, it was not known that the pace of technology would move forward so quickly.

UW-Madison continues to replace the major systems now operating on the mainframe platform and move them off. The PeopleSoft student administration system and the library management system will be the first to migrate off the mainframe, with the PeopleSoft financial following within a few years. The payroll/personnel system is in the planning stages. As these major systems migrate from the mainframe, the cost of operations should decline slightly; however, they will not decline in proportion to the decline in usage. This will result in increased unit costs for the next several years.

Upon the motion of Regent De Simone and the second of Regent Olivieri, the Committee approved Resolution I.2.d.

Resolution I.2.d.

The Board of Regents authorizes the transmittal of UW-Madison's report on mainframe computing services to the Joint Committee on Finance, the Joint Committee on Information Policy and the State Auditor.

I.2.e. Report of the Vice President

Vice President Bromberg expressed her appreciation to Regent Hempel for her serving on the Board of Regents and, in particular, for her service as Board Chair. She also commended her on her ability to quickly get to the issues at hand. Regent Hempel has resigned from the Board due to her move to Illinois.

I.2.f. Additional Items Which May be Presented to the Business and Finance Committee with Its Approval

There were no additional items to be presented at this time.

I.2.g. Closed Session to Consider Trust Fund Matters, as Presented by s. 19.85(1)(e), *Wis. Stats.*

Upon the motion of Regent Marcovich and the second of Regent Gottschalk, the Business and Finance Committee adjourned to Closed Session at 2:30 p.m., to consider Trust Fund matters as permitted by s. 19.85(1)(e), *Wis. Stats.*

The Business and Finance Committee adjourned at 5:05 p.m.

Donita R. Zintz, Recording Secretary