

1/21/2016

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.2. Business and Finance Committee

Thursday, February 4, 2016  
10:45a.m. – 12:15p.m.  
Union South, Varsity Hall I  
UW-Madison  
Madison, Wisconsin

- a. Approval of the Minutes of the December 10, 2015 Meeting of the Business and Finance Committee
- b. UW-Madison Presentation – HR Design: A World-Class Workforce for a World-Class University
- c. UW System Annual Financial Report
- d. Quarterly Report of Gifts, Grants and Contracts (2<sup>nd</sup> Quarter FY 2016)
- e. Financial Management Report (2<sup>nd</sup> Quarter FY 2016)
- f. Presentation on Information Technology Security in the UW System
- g. Review and Approval of Proposed Regent Policy on Information Technology Security  
[Resolution I.2.g.]
- h. UW System Information Technology Report as Required by Wis. Stats. 13.58(5)(b)(3)
  1. UW System Strategic Plans for Major Information Technology Projects
  2. Semi-Annual Status Report for Large/Vital Information Technology Projects
- i. UW-Madison Contractual Agreement – AstraZeneca Pharmaceuticals LP  
[Resolution I.2.i.]
- j. UW-Madison Contractual Agreement – Pharmatech, Inc.  
[Resolution I.2.j.]
- k. Report of the Vice President(s)

**UW SYSTEM  
2015 ANNUAL FINANCIAL REPORT  
AND AUDITOR'S OPINION**

**EXECUTIVE SUMMARY**

**BACKGROUND**

The UW System publishes an Annual Financial Report that includes financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP), as prescribed by the Governmental Accounting Standards Board. The statements are audited by the Legislative Audit Bureau, and also appear, in a somewhat modified format, in the State of Wisconsin's Comprehensive Annual Financial Report (CAFR).

**REQUESTED ACTION**

This report is submitted for information only.

**DISCUSSION AND RECOMMENDATIONS**

Overview of Accrual-Based Financial Reporting

The UW System's Annual Financial Report is prepared using full accrual-based accounting, which is an accounting method that measures the performance and position of an entity by recognizing economic events when the transactions occur, regardless of when cash is paid or received. This is in contrast to cash-based accounting, which reports transactions only when cash is exchanged. Accrual-based accounting is required by GAAP.

In accordance with GAAP, the Annual Financial Report for the year ending June 30, 2015, includes a Statement of Net Position; a Statement of Revenues, Expenses and Changes in Net Position; and a Statement of Cash Flows. It also includes an unmodified or "clean" audit opinion from the Legislative Audit Bureau. The accompanying Notes to the Financial Statements are an integral part of the statements, including both disclosures required by GAAP and explanations intended to aid the reader in understanding the statements. In addition, the Annual Financial Report includes a "Management's Discussion and Analysis" (MD&A) that is intended to provide an objective and easily readable analysis of the UW System's financial activities. Of particular interest within the MD&A is a section entitled Factors Affecting Future Periods. The UW System's Annual Financial Report may be found at <http://www.uwsa.edu/fadmin/finrep/afr.htm>.

Analysis of the UW System's financial statements and notes may be performed to provide management with an understanding of operations and to assist in making business decisions. The statements may also be used by Regents and other key stakeholders, including legislators and the Higher Learning Commission, in evaluating financial performance. Finally, because the UW System's financial

statements are included in the State’s CAFR, financial institutions, such as lending and bond rating agencies, use the statements when extending debt securities to finance capital projects.

Analysis of Financial Statements

*Statement of Net Position* – There were a number of significant changes within the UW System’s net position between fiscal year (FY) 2015 and FY 2014, as reflected in the table below.

Net Position <i>(in millions)</i>	2015	2014	\$ Change	% Change
Net Investment in Capital Assets	\$4,386.4	\$4,366.0	\$20.4	0.5%
Restricted Net Position	1,468.9	1,025.7	443.2	43.2%
Unrestricted Net Position	833.8	947.4	(113.6)	(12.0%)
Total Net Position	6,689.1	6,339.1	350.0	5.5%

The Statement of Net Position, provided on page 17 of the 2015 Annual Financial Report, reports a \$113.6 million decrease in Unrestricted Net Position, from \$947.4 million in FY 2014 to \$833.8 million in FY 2015. Unrestricted Net Position represents the difference between assets, liabilities, and deferred outflows and inflows of resources, or the UW System’s “equity”, that does not have external restrictions regarding its use or function.

While the total UW System’s Unrestricted Net Position has declined, all Restricted Net Position categories—the equity with external limitations on usage—have increased between years by a total of \$443.2 million, or 43.2%. For example, Restricted Net Position for Pensions was reported at nearly \$330.2 million in FY 2015, and no such Restricted Net Position was reported in FY 2014.

In FY 2015, the UW System implemented a new accounting standard—Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB Statement No. 68 requires all governmental entities to report the difference between the value of the pension plan’s assets and the present value of projected benefit payments. For the UW System, the pension plan’s assets exceed projected payments, resulting in a new restricted asset and Restricted Net Position in FY 2015 of nearly \$330.2 million. While this asset is a significant benefit for the UW System and the state as a whole, it cannot be used to directly advance the UW System’s mission. A restricted asset and net position existed in FY 2014 as well, but they are not reflected within the FY 2014 financial statement because all prior-year actuarial valuations were not available from the Department of Employee Trust Funds, the state agency that manages the state’s pension plan.

Other Restricted Net Position increased \$100.6 million between FY 2014 and FY 2015. This increase is largely the result of two factors. First, as of June 30, 2015, the UW System reported a \$78.4 million increase in funds held for approved capital projects. This increase represents unspent bond proceeds and UW funds already transferred to the state’s Building Trust Fund for capital projects. Since the expenditures for these projects had not yet been incurred by year-end, the cash is still reported on the UW System’s financial statements, and Other Restricted Net Position increased. Second, funds related to gifts and nonfederal grants and contracts increased by \$34.6 million. These funds will be spent for the purpose for which they were collected and, therefore, are reported as restricted.

Note 12, entitled Classification of Net Position, provides additional information on the sources of UW System’s Restricted and Unrestricted Net Position.

*Statement of Revenues, Expenses and Changes in Net Position* – Operating revenues and expenses, which are reported on page 18 of the 2015 Annual Financial Report, are relatively consistent between FY 2015 and FY 2014. An increase of \$36.6 million (1.1%) was reported in operating revenues, while operating expenses increased \$19.6 million (0.4%). Within operating expenses, salary and fringe benefit expenses increased \$64.9 million, which includes a 1% pay plan for the state of Wisconsin, market adjustments for certain employee titles as determined by the Department of Administration, and base salary adjustments to continually recruit and retain top faculty and staff. This increase is somewhat offset by a \$49.5 million reduction in supplies and services expenses.

In total, operating and non-operating expenditures exceeded revenues for the past two years. The Loss Before Capital and Endowment Additions and Deductions totaled \$127.7 million in FY 2015 and \$120.9 million FY 2014. In FY 2013, the UW System reported a gain, or Income before Capital and Endowment Additions and Deductions, of \$202.1 million.

Within non-operating revenues, general state appropriations decreased by \$22.1 million, from nearly \$918.7 million in FY 2014 to \$896.6 million in FY 2015. However, capital appropriations from the state increased nearly \$63.0 million over the two years. Investment income also declined by approximately \$58.3 million, as a result of a weakened investment market.

## **RELATED REGENT POLICIES**

None

## **QUARTERLY REPORT OF GIFTS, GRANTS, AND CONTRACTS JULY 1, 2015 THROUGH DECEMBER 31, 2015**

### **BACKGROUND**

Regent Policy Document 13-1: “General Contract Approval, Signature Authority, and Reporting”, requires that a summary of extramural gifts, grants, and contracts be reported quarterly to the Vice President for Finance for presentation to the Business and Finance Committee of the Board of Regents. The attached report is intended to meet that requirement.

The policy further directs that grants from and contracts with private, profit-making organizations with a value of more than \$1,000,000, as well as athletics employment contracts with a value of more than \$500,000, require formal approval by the Board of Regents prior to execution. In addition, any contract with a value of less than \$1,000,000 that, in the judgment of the President of the UW System, warrants direct Board approval shall also be approved by the Board prior to execution. Grants and contracts covered by these requirements are included in the quarterly reports upon execution and are also presented individually to the Business and Finance Committee of the Board of Regents.

The policy also requires that grants from and contracts with private, profit-making organizations with a value between \$500,000 and \$1,000,000 be reviewed by the UW System Office of General Counsel prior to execution.

### **REQUESTED ACTION**

No action is required; this item is for information only.

### **DISCUSSION**

Attached is a summary report of gifts, grants, and contracts awarded to University of Wisconsin System institutions in the six-month period July 1, 2015, through December 31, 2015. Total gifts, grants, and contracts for the period were approximately \$771.1 million; this is a decrease of \$11.1 million from the same period in the prior year. Federal awards increased \$6.3 million, while non-federal awards decreased by \$17.4 million.

Note that these reports have been restructured for fiscal year 2015-16 to better highlight activity in each of the award areas (e.g., Research and Public Service, Instruction, Student Aid, etc.).

### **RELATED REGENT POLICIES**

Regent Policy Document 13-1: General Contract Approval, Signature Authority, and Reporting.

**UNIVERSITY OF WISCONSIN SYSTEM  
GIFTS, GRANTS AND CONTRACTS AWARDED  
FISCAL YEAR 2015-2016 (Second Quarter)**

Institution	Total			TOTAL - ALL CATEGORIES			Non-Federal		
	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)
<b>Total</b>	<b>771,123,093</b>	<b>782,271,259</b>	<b>(11,148,166)</b>	<b>480,458,547</b>	<b>474,154,908</b>	<b>6,303,638</b>	<b>290,664,547</b>	<b>308,116,351</b>	<b>(17,451,804)</b>
Madison	595,610,415	591,692,053	3,918,362	342,220,214	321,303,984	20,916,230	253,390,201	270,388,069	(16,997,868)
Milwaukee	43,400,727	49,773,320	(6,372,593)	37,339,054	42,859,052	(5,519,997)	6,061,673	6,914,268	(852,595)
Eau Claire	9,988,630	9,748,547	240,083	9,405,633	9,505,917	(100,284)	582,997	242,630	340,367
Green Bay	7,334,348	7,421,220	(86,872)	5,739,988	6,471,612	(731,624)	1,594,360	949,608	644,752
La Crosse	6,396,265	7,797,404	(1,401,139)	5,774,242	7,219,995	(1,445,753)	622,023	577,409	44,614
Oshkosh	15,933,227	17,160,381	(1,227,154)	14,830,632	15,491,911	(661,279)	1,102,595	1,668,470	(565,875)
Parkside	5,698,209	5,311,437	386,772	4,939,631	4,441,035	498,596	758,578	870,402	(111,824)
Platteville	5,661,381	6,956,200	(1,294,819)	4,991,354	5,909,214	(917,860)	670,027	1,046,987	(376,960)
River Falls	6,407,280	7,415,715	(1,008,435)	5,440,251	6,444,083	(1,003,832)	967,029	971,632	(4,603)
Stevens Point	12,459,158	12,637,143	(177,986)	9,308,884	9,706,514	(397,630)	3,150,274	2,930,630	219,644
Stout	10,409,807	11,600,298	(1,190,490)	8,952,918	10,162,155	(1,209,238)	1,456,890	1,438,142	18,747
Superior	3,831,026	5,405,318	(1,574,292)	3,192,354	4,894,161	(1,701,807)	638,672	511,157	127,515
Whitewater	8,845,812	10,447,650	(1,601,837)	7,060,782	8,431,684	(1,370,903)	1,785,030	2,015,965	(230,935)
Colleges	9,162,725	10,200,360	(1,037,635)	8,418,232	9,030,144	(611,913)	744,494	1,170,216	(425,722)
Extension	28,992,868	27,509,748	1,483,120	11,853,165	11,289,071	564,094	17,139,703	16,220,677	919,026
System-Wide	991,214	1,194,465	(203,251)	991,214	994,376	(3,162)	0	200,089	(200,089)

**FISCAL YEAR 2015-2016 (Second Quarter)**

<b>RESEARCH &amp; PUBLIC SERVICE</b>									
<b>Institution</b>	<b>Total</b>			<b>Federal</b>			<b>Non-Federal</b>		
	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2014-15</b>	<b>Increase (Decrease)</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2014-15</b>	<b>Increase (Decrease)</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2014-15</b>	<b>Increase (Decrease)</b>
<b>Total</b>	<b>586,358,682</b>	<b>580,836,146</b>	<b>5,522,536</b>	<b>353,045,696</b>	<b>335,409,165</b>	<b>17,636,531</b>	<b>233,312,986</b>	<b>245,426,981</b>	<b>(12,113,995)</b>
Madison	527,722,758	518,498,269	9,224,489	319,002,697	298,316,161	20,686,536	208,720,061	220,182,108	(11,462,047)
Milwaukee	18,154,436	20,927,465	(2,773,029)	14,115,915	15,571,798	(1,455,883)	4,038,522	5,355,667	(1,317,146)
Eau Claire	1,434,420	1,558,513	(124,093)	1,181,485	1,463,992	(282,507)	252,935	94,521	158,414
Green Bay	968,749	490,399	478,350	756,173	339,249	416,924	212,576	151,150	61,427
La Crosse	1,253,222	1,443,779	(190,557)	669,799	886,370	(216,571)	583,423	557,409	26,014
Oshkosh	2,068,024	1,681,431	386,593	1,453,959	1,321,629	132,330	614,065	359,802	254,263
Parkside	432,937	260,875	172,062	0	206,216	(206,216)	432,937	54,659	378,278
Platteville	114,792	437,556	(322,764)	6,972	344,729	(337,757)	107,820	92,827	14,993
River Falls	548,144	1,013,213	(465,069)	455,468	946,091	(490,623)	92,676	67,122	25,554
Stevens Point	2,278,440	2,688,583	(410,144)	233,076	499,508	(266,432)	2,045,364	2,189,076	(143,712)
Stout	3,507,331	3,168,956	338,375	3,227,892	2,517,607	710,284	279,439	651,349	(371,909)
Superior	280,959	2,039,215	(1,758,256)	29,250	1,547,647	(1,518,397)	251,709	491,568	(239,859)
Whitewater	175,213	514,847	(339,634)	41,971	159,097	(117,126)	133,242	355,750	(222,508)
Colleges	39,641	14,505	25,136	17,875	0	17,875	21,767	14,505	7,262
Extension	27,379,615	26,045,974	1,333,641	11,853,165	11,289,071	564,094	15,526,450	14,756,903	769,547
System-Wide	0	52,565	(52,565)	0	0	0	0	52,565	(52,565)

<b>INSTRUCTION</b>									
<b>Institution</b>	<b>Total</b>			<b>Federal</b>			<b>Non-Federal</b>		
	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2014-15</b>	<b>Increase (Decrease)</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2014-15</b>	<b>Increase (Decrease)</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2014-15</b>	<b>Increase (Decrease)</b>
<b>Total</b>	<b>33,974,935</b>	<b>42,651,523</b>	<b>(8,676,587)</b>	<b>24,875,131</b>	<b>32,546,109</b>	<b>(7,670,978)</b>	<b>9,099,804</b>	<b>10,105,413</b>	<b>(1,005,609)</b>
Madison	19,869,840	25,090,449	(5,220,609)	13,265,804	17,144,979	(3,879,175)	6,604,035	7,945,469	(1,341,434)
Milwaukee	2,563,564	5,562,967	(2,999,403)	2,473,564	5,477,592	(3,004,028)	90,000	85,375	4,625
Eau Claire	1,556,087	876,597	679,490	1,226,756	728,488	498,268	329,331	148,109	181,222
Green Bay	1,252,045	1,921,255	(669,210)	629,912	1,464,740	(834,828)	622,133	456,515	165,618
La Crosse	1,850	0	1,850	0	0	0	1,850	0	1,850
Oshkosh	6,018,574	6,549,932	(531,358)	5,560,044	5,967,453	(407,409)	458,530	582,479	(123,949)
Parkside	523,459	285,449	238,010	290,737	0	290,737	232,722	285,449	(52,727)
Platteville	324	0	324	0	0	0	324	0	324
River Falls	0	302,549	(302,549)	0	299,617	(299,617)	0	2,932	(2,932)
Stevens Point	939,908	671,929	267,978	399,100	389,991	9,109	540,808	281,938	258,869
Stout	126,480	159,596	(33,116)	28,000	78,873	(50,873)	98,480	80,723	17,757
Superior	1,796	0	1,796	0	0	0	1,796	0	1,796
Whitewater	129,795	106,559	23,236	10,000	0	10,000	119,795	106,559	13,236
Colleges	0	2,065	(2,065)	0	0	0	0	2,065	(2,065)
Extension	0	0	0	0	0	0	0	0	0
System-Wide	991,214	1,122,176	(130,962)	991,214	994,376	(3,162)	0	127,800	(127,800)

**FISCAL YEAR 2015-2016 (Second Quarter)**

Institution	STUDENT AID								
	Total			Federal			Non-Federal		
	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)
<b>Total</b>	<b>102,589,657</b>	<b>104,477,582</b>	<b>(1,887,925)</b>	<b>93,754,918</b>	<b>98,263,294</b>	<b>(4,508,375)</b>	<b>8,834,739</b>	<b>6,214,288</b>	<b>2,620,451</b>
Madison	13,121,762	7,789,144	5,332,618	7,307,196	3,700,449	3,606,747	5,814,566	4,088,695	1,725,871
Milwaukee	18,894,589	19,647,224	(752,635)	18,893,389	19,641,149	(747,760)	1,200	6,075	(4,875)
Eau Claire	6,998,123	7,313,437	(315,314)	6,997,392	7,313,437	(316,045)	731	0	731
Green Bay	4,411,671	4,681,235	(269,564)	4,353,858	4,667,573	(313,715)	57,813	13,662	44,151
La Crosse	4,129,984	5,433,317	(1,303,333)	4,129,984	5,433,317	(1,303,333)	0	0	0
Oshkosh	7,735,339	8,202,829	(467,490)	7,735,339	8,202,829	(467,490)	0	0	0
Parkside	4,716,116	4,413,030	303,086	4,648,894	4,234,819	414,075	67,222	178,211	(110,989)
Platteville	4,401,941	4,940,503	(538,562)	4,398,277	4,939,503	(541,226)	3,664	1,000	2,664
River Falls	4,824,617	4,932,090	(107,473)	4,161,508	4,411,923	(250,415)	663,109	520,167	142,942
Stevens Point	9,079,885	9,092,247	(12,362)	8,668,473	8,817,015	(148,542)	411,412	275,232	136,180
Stout	5,012,858	6,647,107	(1,634,249)	4,603,370	6,534,668	(1,931,298)	409,488	112,439	297,049
Superior	3,260,391	3,346,514	(86,123)	2,941,437	3,346,514	(405,077)	318,954	0	318,954
Whitewater	7,362,834	8,560,828	(1,197,994)	6,745,844	7,997,008	(1,251,164)	616,990	563,820	53,170
Colleges	8,639,546	9,478,076	(838,530)	8,169,957	9,023,089	(853,133)	469,589	454,986	14,603
Extension	0	0	0	0	0	0	0	0	0
System-Wide	0	0	0	0	0	0	0	0	0

Institution	ALL OTHERS*								
	Total			Federal			Non-Federal		
	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)	Fiscal Year 2015-16	Fiscal Year 2014-15	Increase (Decrease)
<b>Total</b>	<b>48,199,819</b>	<b>54,306,009</b>	<b>(6,106,190)</b>	<b>8,782,802</b>	<b>7,936,341</b>	<b>846,461</b>	<b>39,417,017</b>	<b>46,369,668</b>	<b>(6,952,651)</b>
Madison	34,896,055	40,314,191	(5,418,136)	2,644,516	2,142,395	502,122	32,251,539	38,171,796	(5,920,257)
Milwaukee	3,788,138	3,635,664	152,474	1,856,187	2,168,513	(312,327)	1,931,951	1,467,151	464,801
Eau Claire	0	0	0	0	0	0	0	0	0
Green Bay	701,882	328,330	373,552	45	50	(5)	701,837	328,280	373,557
La Crosse	1,011,209	920,308	90,901	974,459	900,308	74,151	36,750	20,000	16,750
Oshkosh	111,290	726,189	(614,899)	81,290	0	81,290	30,000	726,189	(696,189)
Parkside	25,698	352,083	(326,385)	0	0	0	25,698	352,083	(326,385)
Platteville	1,144,324	1,578,141	(433,817)	586,105	624,982	(38,877)	558,219	953,160	(394,941)
River Falls	1,034,519	1,167,863	(133,344)	823,275	786,452	36,823	211,244	381,411	(170,167)
Stevens Point	160,925	184,384	(23,459)	8,235	0	8,235	152,690	184,384	(31,694)
Stout	1,763,138	1,624,639	138,499	1,093,656	1,031,007	62,649	669,482	593,632	75,850
Superior	287,880	19,589	268,291	221,667	0	221,667	66,213	19,589	46,624
Whitewater	1,177,970	1,265,416	(87,446)	262,967	275,579	(12,613)	915,003	989,836	(74,833)
Colleges	483,538	705,714	(222,175)	230,400	7,055	223,345	253,138	698,659	(445,521)
Extension	1,613,253	1,463,774	149,479	0	0	0	1,613,253	1,463,774	149,479
System-Wide	0	19,725	(19,725)	0	0	0	0	19,725	(19,725)

\*Includes Libraries, Physical Plant and Miscellaneous categories



**MANAGEMENT FINANCIAL REPORT  
PERFORMANCE REPORT  
FY 2015-16**

**BACKGROUND**

The Business and Finance Committee receives periodic Financial Management Reports regarding the status of the UW System Budget. These reports are prepared and presented based on financial information at the close of December, March, and June, reflecting budget status at the end of the second, third and fourth fiscal quarters respectively.

The reports provide budget-to-actual revenue and expense information along with variances of that activity from approved budgets. They are intended to provide a high-level summary of activity in significant fund groupings and areas of activity and provide the information necessary for the Committee to meet its fiduciary responsibilities with respect to UW System budget management and oversight. These cash-basis reports are prepared as internal management reports offering management and the Board a dashboard-type tool for use in monitoring the status of the University's budget. Such interim financial reports are not meant to replace the UW System's Annual Financial Report and related accrual-based, audited Financial Statements. The UW System Annual Financial Report presents a comprehensive look at the University's financial activities for a given fiscal year and is typically presented to the Board of Regents at its February meeting.

The high-level budget-to-actual reports presented here include a comparison of actual revenues and expenses to the Regent-approved budgets, along with variances from budget for the following major revenue and expenditure categories:

- Tuition & Fees, GPR and certain other revenues
- Auxiliary Operations
- Gifts, Grants, and Contracts
- General Operations
- Other Funding not included in the above categories

The quarterly financial management reports include both year-to-date actuals and year-end projections.

**REQUESTED ACTION**

This report is for information only.

**DISCUSSION**

The attached Financial Management Report presents the status of the UW System budget by major areas of activity for the period July 1, 2015 through December 31, 2015. While there are significant variances within individual fund groupings, this mid-year report shows expenditures at approximately 45.6% of the Regent-approved budget, while revenues were at 49.3% of the budgeted level.

**RELATED REGENT POLICIES**

None

**University of Wisconsin System**  
**Fiscal Year 2016 Budget to Actual Summary**  
**as of December 31, 2015**

**CURRENT**

**PROJECTED**

Current Year: Budget to Actual				Tuition & Fees and GPR	Year End Projection			
Budget	YTD	Variance	YTD%		Budget	Projected Total Year End	Variance	% of Budget
\$2,598,999,709	\$1,271,806,613	(\$1,327,193,096)	48.9%	Revenue	\$2,598,999,709	\$2,497,636,802	(\$101,362,907)	96.1%
\$2,598,999,709	\$1,120,445,433	\$1,478,554,276	43.1%	Expenses	\$2,598,999,709	\$2,556,596,392	\$42,403,317	98.4%
				Net Year to Date			(\$58,959,590)	-2.27%

Current Year: Budget to Actual				Auxiliary Operations	Year End Projection			
Budget	YTD	Variance	YTD%		Budget	Projected Total Year End	Variance	% of Budget
\$744,108,269	\$474,557,815	(\$269,550,454)	63.8%	Revenue	\$744,108,269	\$721,932,649	(\$22,175,620)	97.0%
\$744,108,269	\$325,756,621	\$418,351,648	43.8%	Expenses	\$744,108,269	\$645,914,463	\$98,193,806	86.8%
				Net Year to Date			\$76,018,186	10.22%

Current Year: Budget to Actual				Gifts, Grants, and Contracts	Year End Projection			
Budget	YTD	Variance	YTD%		Budget	Projected Total Year End	Variance	% of Budget
\$1,213,164,006	\$616,286,320	(\$596,877,686)	50.8%	Revenue	\$1,213,164,006	\$1,191,237,521	(\$21,926,485)	98.2%
\$1,213,164,006	\$583,574,276	\$629,589,730	48.1%	Expenses	\$1,213,164,006	\$1,177,039,974	\$36,124,032	97.0%
				Net Year to Date			\$14,197,547	1.17%

Current Year: Budget to Actual				General Operations	Year End Projection			
Budget	YTD	Variance	YTD%		Budget	Projected Total Year End	Variance	% of Budget
\$258,246,875	\$190,696,107	(\$67,550,768)	73.8%	Revenue	\$258,246,875	\$386,426,853	\$128,179,978	149.6%
\$258,246,875	\$157,800,360	\$100,446,515	61.1%	Expenses	\$258,246,875	\$303,246,187	(\$44,999,312)	117.4%
				Net Year to Date			\$83,180,666	32.21%

Current Year: Budget to Actual				Other Funding	Year End Projection			
Budget	YTD	Variance	YTD%		Budget	Projected Total Year End	Variance	% of Budget
\$1,379,660,515	\$499,652,237	(\$880,008,278)	36.2%	Revenue	\$1,379,660,515	\$1,258,900,640	(\$120,759,875)	91.2%
\$1,379,660,515	\$633,989,800	\$745,670,715	46.0%	Expenses	\$1,379,660,515	\$1,329,368,483	\$50,292,032	96.4%
				Net Year to Date			(\$70,467,843)	-5.11%

Current Year: Budget to Actual				Summary Totals	Year End Projection			
Budget	YTD	Variance	YTD%		Budget	Projected Total Year End	Variance	% of Budget
\$6,194,179,374	\$3,052,999,092	(\$3,141,180,282)	49.3%	Revenue	\$6,194,179,374	\$6,056,134,465	(\$138,044,909)	97.8%
\$6,194,179,374	\$2,821,566,490	\$3,372,612,884	45.6%	Expenses	\$6,194,179,374	\$6,012,165,499	\$182,013,875	97.1%
				Net Year to Date			\$43,968,966	0.71%

The FY2016 projections represent purely straight-line, calculations based upon revenue and expenditure patterns in the previous year.

**University of Wisconsin System  
Dashboard of Major Revenues and Expenditures  
As of December 31, 2015**

**GPR/Fees**

	Current Year - Budget to Actual				Prior Year Actuals			Current Year - Projected (Based on Prior Year to Date %)			
	Budget	YTD	Variance	YTD%	Total	YTD	YTD %	Budget	Projected Total	Variance	% of Budget
<b><u>Revenues</u></b>	<b>2,598,999,709</b>	<b>1,271,806,613</b>	<b>(1,327,193,096)</b>	<b>48.9%</b>	<b>2,510,156,692</b>	<b>1,278,181,791</b>	<b>50.9%</b>	<b>2,598,999,709</b>	<b>2,497,636,802</b>	<b>(101,362,907)</b>	<b>96.1%</b>
<b>Academic Fee Revenue</b>	1,526,945,474	760,713,372	(766,232,102)	49.8%	1,389,750,259	740,464,313	53.3%	1,526,945,474	1,427,754,974	(99,190,500)	93.5%
<b>State Appropriation (GPR)</b>	1,029,650,900	494,225,627	(535,425,273)	48.0%	1,085,923,022	520,865,138	48.0%	1,029,650,900	1,030,383,774	732,874	100.1%
<b>Other</b> (Extension Non-credit)	42,403,335	16,867,614	(25,535,721)	39.8%	34,483,411	16,852,340	48.9%	42,403,335	34,514,665	(7,888,670)	81.4%
<b><u>Expenditures</u></b>	<b>2,598,999,709</b>	<b>1,120,445,433</b>	<b>1,478,554,276</b>	<b>43.1%</b>	<b>2,569,896,535</b>	<b>1,145,050,724</b>	<b>44.6%</b>	<b>2,598,999,709</b>	<b>2,556,596,392</b>	<b>(42,403,317)</b>	<b>98.4%</b>
<b>Salaries</b>	1,322,103,405	629,155,241	692,948,164	47.6%	1,378,742,784	640,854,290	46.5%	1,322,103,405	1,353,573,288	31,469,883	102.4%
<b>Fringe benefits</b>	561,949,841	272,370,994	289,578,847	48.5%	535,818,580	280,006,187	52.3%	561,949,841	521,207,909	(40,741,932)	92.7%
<b>Supply and Expense</b>	382,316,014	115,492,177	266,823,837	30.2%	313,107,345	130,932,642	41.8%	382,316,014	276,183,604	(106,132,410)	72.2%
<b>Capital</b>	28,672,670	16,444,693	12,227,977	57.4%	45,604,933	21,563,374	47.3%	28,672,670	34,779,303	6,106,633	121.3%
<b>Financial Aid</b>	57,862,640	30,470,829	27,391,811	52.7%	87,981,214	29,650,243	33.7%	57,862,640	90,416,140	32,553,500	156.3%
<b>Other</b>	246,095,139	56,511,499	189,583,640	23.0%	208,641,679	42,043,988	20.2%	246,095,139	280,436,148	34,341,009	114.0%

<b>Column Descriptions</b>	Budget:	Regent approved and published annual "Redbook" base budget.
	Current YTD Actuals:	Amounts actually collected and expended through the report date in the current fiscal year.
	Variance:	Difference between the budget and the actual revenues and expenditures.
	YTD %:	Year to date actual revenues and expenditures as a percentage of the budget.
	Prior Year Actual Total:	Actual total revenues and expenditures at the close of the prior fiscal year.
	Prior YTD Actuals:	Actual revenues and expenditures through the same period of the prior fiscal year.
	Prior YTD %:	Percentage of the prior year's total actual revenues and expenditures posted through the same period of the prior fiscal year.
	Projected Total:	Amount expected if current year collections and expenditures were made at the same rate as the prior year. Calculated as current year activity divided by the prior year to date %.
	Projected Variance:	Difference between budget and projected total.
	Projected %	Projected total as a percentage of budget.

**University of Wisconsin System  
Dashboard of Major Revenues and Expenditures  
As of December 31, 2015**

## Auxiliary Operations

	Current Year - Budget to Actual				Prior Year Actuals			Current Year - Projected (Based on Prior Year to Date %)			
	Budget	YTD	Variance	YTD%	Total	YTD	YTD %	Budget	Projected Total	Variance	% of Budget
<b><u>Revenues</u></b>											
<b>Auxiliary Operations (128)</b> <small>(e.g., Housing, Food Service, Union, etc.)</small>	744,108,269	474,557,815	(269,550,454)	63.8%	698,148,980	458,923,772	65.7%	744,108,269	721,932,649	(22,175,620)	97.0%
<b><u>Expenditures</u></b>											
	744,108,269	325,756,621	418,351,648	43.8%	685,224,458	350,265,030	51.1%	744,108,269	645,914,463	98,193,806	86.8%
<b>Salaries</b>	245,098,317	115,582,508	129,515,809	47.2%	228,530,509	115,065,189	50.4%	245,098,317	229,557,954	15,540,363	93.7%
<b>Fringe benefits</b>	81,223,744	39,821,213	41,402,531	49.0%	72,571,247	39,829,425	54.9%	81,223,744	72,556,284	8,667,460	89.3%
<b>Supply and Expense</b>	338,691,069	150,101,118	188,589,951	44.3%	313,231,237	166,688,523	53.2%	338,691,069	282,061,164	56,629,905	83.3%
<b>Capital</b>	56,174,011	9,825,329	46,348,682	17.5%	26,697,044	18,736,915	70.2%	56,174,011	13,999,489	42,174,522	24.9%
<b>Financial Aid</b>	12,442,128	3,305,682	9,136,446	26.6%	6,907,257	3,504,160	50.7%	12,442,128	6,516,025	5,926,103	52.4%
<b>Other</b>	10,479,000	7,120,771	3,358,229	68.0%	37,287,164	6,440,818	17.3%	10,479,000	41,223,546	(30,744,546)	393.4%

**University of Wisconsin System  
Dashboard of Major Revenues and Expenditures  
As of December 31, 2015**

**Gifts, Grants, and Contracts**

	Current Year - Budget to Actual				Prior Year Actuals			Current Year - Projected (Based on Prior Year to Date %)			
	Budget	YTD	Variance	YTD%	Total	YTD	YTD %	Budget	Projected Total	Variance	Projected %
<b><u>Revenues</u></b>	<b>1,213,164,006</b>	<b>616,286,320</b>	<b>(596,877,686)</b>	<b>50.8%</b>	<b>1,185,011,739</b>	<b>613,065,414</b>	<b>51.7%</b>	<b>1,213,164,006</b>	<b>1,191,237,521</b>	<b>(21,926,485)</b>	<b>98.2%</b>
<b>Federal Grants and Contracts</b>	638,048,203	371,235,442	(266,812,761)	58.2%	571,298,919	360,164,247	63.0%	638,048,203	588,860,245	(49,187,958)	92.3%
<b>Non-federal Gifts, Grants and Contracts</b>	548,255,706	237,199,741	(311,055,965)	43.3%	586,606,219	246,799,986	42.1%	548,255,706	563,787,889	15,532,183	102.8%
<b>Trust Funds</b>	26,860,097	7,851,137	(19,008,960)	29.2%	27,106,601	6,101,181	22.5%	26,860,097	34,881,384	8,021,287	129.9%
<b><u>Expenditures</u></b>	<b>1,213,164,006</b>	<b>583,574,276</b>	<b>629,589,730</b>	<b>48.1%</b>	<b>1,138,207,967</b>	<b>565,746,930</b>	<b>49.7%</b>	<b>1,213,164,006</b>	<b>1,177,039,974</b>	<b>36,124,032</b>	<b>97.0%</b>
<b>Salaries</b>	527,359,366	256,619,326	270,740,040	48.7%	511,271,026	251,393,787	49.2%	527,359,366	521,898,443	5,460,923	99.0%
<b>Fringe benefits</b>	160,589,662	94,882,870	65,706,792	59.1%	173,189,114	94,073,332	54.3%	160,589,662	174,679,474	(14,089,812)	108.8%
<b>Supply and Expense</b>	339,128,161	151,911,873	187,216,288	44.8%	302,170,781	146,797,478	48.6%	339,128,161	312,698,351	26,429,810	92.2%
<b>Capital</b>	97,476,208	18,106,095	79,370,113	18.6%	33,284,876	14,494,612	43.5%	97,476,208	41,578,148	55,898,060	42.7%
<b>Financial Aid</b>	70,750,346	57,154,210	13,596,136	80.8%	100,430,143	48,818,186	48.6%	70,750,346	117,579,246	(46,828,900)	166.2%
<b>Other</b>	17,860,263	4,899,902	12,960,361	27.4%	17,862,027	10,169,535	56.9%	17,860,263	8,606,311	9,253,952	48.2%

**University of Wisconsin System  
Dashboard of Major Revenues and Expenditures  
As of December 31, 2015**

**General Operations**

	Current Year - Budget to Actual				Prior Year Actuals			Current Year - Projected (Based on Prior Year to Date %)			
	Budget	YTD	Variance	YTD%	Total	YTD	YTD %	Budget	Projected Total	Variance	% of Budget
<b>Revenues</b>											
<b>General Operations (136)</b>	<b>258,246,875</b>	<b>190,696,107</b>	<b>(67,550,768)</b>	<b>73.8%</b>	<b>290,002,355</b>	<b>143,112,001</b>	<b>49.3%</b>	<b>258,246,875</b>	<b>386,426,853</b>	<b>128,179,978</b>	<b>149.6%</b>
<b>Expenditures</b>	<b>258,246,875</b>	<b>157,800,360</b>	<b>100,446,515</b>	<b>61.1%</b>	<b>295,252,060</b>	<b>153,940,677</b>	<b>52.1%</b>	<b>258,246,875</b>	<b>303,246,187</b>	<b>44,999,312</b>	<b>117.4%</b>
<b>Salaries</b>	101,610,994	49,548,970	52,062,024	48.8%	96,593,733	48,709,840	50.4%	101,610,994	98,257,764	(3,353,230)	96.7%
<b>Fringe benefits</b>	36,665,986	18,343,398	18,322,588	50.0%	28,511,267	18,296,871	64.2%	36,665,986	28,583,768	(8,082,218)	78.0%
<b>Supply and Expense</b>	104,546,553	62,764,143	41,782,410	60.0%	118,268,099	50,502,672	42.7%	104,546,553	146,982,240	42,435,687	140.6%
<b>Capital</b>	5,630,978	4,026,580	1,604,398	71.5%	8,953,510	4,355,588	48.6%	5,630,978	8,277,189	2,646,211	147.0%
<b>Financial Aid</b>	9,446,164	22,897,410	(13,451,246)	242.4%	24,555,718	27,848,968	113.4%	9,446,164	20,189,701	10,743,537	213.7%
<b>Other</b>	346,200	219,859	126,341	63.5%	18,369,733	4,226,738	23.0%	346,200	955,524	609,324	276.0%



Review and Approval of Proposed Regent Policy Document  
on Information Technology Security

BUSINESS AND FINANCE COMMITTEE

Resolution I.2.g.:

That, upon the recommendation of the President of the University of Wisconsin System,  
the Board of Regents approves the proposed policy on Information Technology Security



## **REGENT POLICY DOCUMENT REVIEW INFORMATION SYSTEMS AND TECHNOLOGY**

### **BACKGROUND**

The UW System Board of Regents' policies are codified in Regent Policy Documents that have been adopted over time, some dating back to the creation of the UW System. The Board has adopted these policies under the authority granted in Chapter 36 of the Wisconsin Statutes. The Regent Policy Documents (RPDs) address a wide array of subjects, including academic policies and programs, contracts, student activities, and trust and investment policies. Section 25 of the Regent Policy Documents pertains to information systems and technology.

Over the past few years, various sections of the Regent Policy Documents have been reviewed and updated. This process has resulted in the updating and revising of current policies, the elimination of obsolete ones, and the identification of areas in which new policies are needed. The rapid evolution of information systems as a core component of research, teaching and administration necessitates the creation and implementation of standard information security practices, across the entire UW System to ensure the confidentiality, integrity and availability of university owned and curated data.

### **REQUESTED ACTION**

Adoption of Resolution I.2.g. which creates the Regent Policy Document titled "Information Technology: Information Security"

### **DISCUSSION**

In December 2015, the Board of Regents recommended that a system-wide information security policy be created, as a companion to 25-3 "Policy on Use of University Information Technology Resources." Since that time, the UW System Security and Data Privacy Executive Council has drafted, edited, and circulated for review, a high-level information security policy for consideration by the Board of Regents, as a potential companion for 25-3. This new policy, which describes the process through which information security will be comprehensively managed across the institutions within the UW System, is presented for approval.

The proposed policy outlines the expectations of the Board of Regents related to ensuring information security for UW System institutions, charging the UW System President with implementation and maintenance of an information security program using standards from the federal National Institute of Standards and Technology. The information security program will address various issues including incident response, system access and authenticity, and system and data integrity. The policy covers all information assets and systems under the control of UW System institutions and the personnel who access these systems.

### **RELATED REGENT POLICIES**

RPD 25-3      Policy on Use of University Information Technology Resources

**REGENT POLICY DOCUMENT 25-xx**  
**INFORMATION TECHNOLOGY: INFORMATION SECURITY**

**Scope**

This policy outlines the expectations of the Board of Regents related to ensuring information security for University of Wisconsin System institutions. This policy covers all information assets and systems under the control of the UW System institutions and those who access these systems.

**Purpose**

The purpose of this policy is to establish the parameters for information technology security and access. The policy applies to all institutional information assets regardless of who manages the data and which devices are used to process, transmit or store the data. This policy also provides guidance regarding the physical and logical access to, and security of, data and information technology systems.

**Policy Statement**

Under Wis. Stat. § 36.09 (1), the Board of Regents is vested with the primary responsibility for the governance of the University of Wisconsin System. In discharging this responsibility, compliance with state, federal and local regulations is necessary to protect institutional and research data, including:

- Student educational records
- Protected health information
- Data related to financial products or services
- Confidential and sensitive data
- The intellectual property of all UW System institutions and scholars

The Board of Regents seeks to balance various aspects of information security, including:

- Meeting the educational and research needs of the UW System institutions
- Protecting individuals
- Managing internal and external risks
- Controlling costs
- Ensuring the reputation of the institutions.

In order to achieve these objectives, it is the policy of the Board of Regents that the UW System develops and maintains a comprehensive information security program. Using federal National Institute of Standards and Technology (NIST) standards as a guide, the UW System information security program shall encompass all aspects of information security including, but not limited to:

- System Access and Authentication
- System and Data Integrity
- Data Access, Privacy and Confidentiality and
- Incident Response

Once implemented, UW System institutions shall monitor compliance with the systemwide information security program.

**Oversight, Roles, and Responsibilities**

The Board of Regents delegates to the President of the UW System the authority to implement and maintain an information security program. Each UW System institution shall consistently apply the program and related processes.

The Chancellor or designee, generally the Chief Information Officer, at each UW System institution shall:

- (1) be responsible for compliance with the systemwide information security program and related processes;
- (2) provide information-security-related training and guidance to their respective institutions; and
- (3) collaborate with systemwide information security governance committees to maintain consistent policies, processes, and communications about the UW System information security program.

Individuals and organizations accessing UW System information technology assets are responsible for following the UW System information security program and relevant state, federal and local regulations.

**Related Regent Policies and Applicable Laws**

**Federal Laws:**

Family Educational Rights and Privacy Act (FERPA)  
Health Insurance Portability and Accountability Act (HIPAA)  
Graham-Leach-Bliley Act  
Red Flags Law  
Fair and Accurate Credit Transactions Act (FACTA)

**State Laws and Regulations:**

UWS 14 Wisconsin Administrative Code  
UWS 17 Wisconsin Administrative Code  
UWS 18 Wisconsin Administrative Code  
Section 943.70 Wisconsin Statutes

**Regent Policy Documents:**

RPD 21-4 Identity Theft Detection, Prevention, and Mitigation  
RPD 25-3 Policy on use of University Information Technology Resources  
RPD 25-4 Strategic Planning and Large or High-Risk Projects

**Other Considerations:**

Payment Card Industry (PCI)

**History**

Res. xxxx adopted 2/6/16

**UW SYSTEM INFORMATION TECHNOLOGY REPORT  
STRATEGIC PLANS  
FOR MAJOR INFORMATION TECHNOLOGY PROJECTS**

**BACKGROUND**

Section 36.59, Wis. Stats., requires the UW System and each institution to adopt and submit to the Board of Regents an annual strategic plan for the utilization of information technology no later than March 1. This statutory section also requires the Board to define and identify large, high-risk projects and develop policies and procedures for implementing, evaluating, and monitoring such projects. The statute further requires the Board of Regents to provide to the Joint Committee on Information Policy and Technology no later than March 1 and September 1 of each year a specific and detailed “progress” report on all large or high-risk projects.

Regent Policy Document 25-4 implements the requirements of s. 36.59, Wis. Stats. coordinating information technology strategic planning across the UW System, and specifying management and reporting requirements related to large or high-risk information technology projects. According to Regent Policy Document 25-4, the Office of Learning and Information Technology Services (OLITS) shall prepare the March 1 report on large or high-risk projects which is included below.

**REQUESTED ACTION**

This report is for information only.

**DISCUSSION**

This past year the UW System Chief Information Officer (CIO) Council continued to operate according to four tenets for addressing the opportunities and challenges faced by the UW System and its institutions. These tenets are as follows:

- Elevate the professionalism of IT leadership and staff
- Change IT from a cost center to a value center
- Substantially increase investment in academic technology
- Transform the UW System's capacity to leverage academic and administrative technology-enabled services

Further details of the tenets are accessible through the link:

<https://www.wisconsin.edu/systemwide-it/strategic-plans>

Throughout 2015 and beyond, the UW System Administration has concentrated on preparing for the implementation of a few key systems. An initiative to replace the UW System's legacy database reporting tool that will soon be unsupported by its vendor has resulted in the procurement of a full business intelligence (BI) suite because simple reporting tools are no longer available in the market. A systemwide BI Executive Sponsors group and coordinators based at the each of the UW System institutions are in the process of scoping the impacts that will result from implementing the new BI suite which will provide quicker access to data to aid in intelligent, responsive decision-making.

The systemwide Human Resources System (HRS) is also on the verge of a major upgrade. After careful consideration of alternatives, the prudent approach is to upgrade the current product and continue to host it on-site because the vendor's cloud offerings are not yet sufficiently mature and third-party alternatives also have considerable risks.

UW System Administration is partnering with UW-Stevens Point to convert its legacy Student Information System to the same vendor that is used by all of the other UW System institutions. Copious efforts will be expended to complete this project with the fewest possible software customizations to serve as an example for the UW System institutions of a standard implementation without the local customizations that can impede systemwide standardizations and efficiencies.

Throughout 2015, the Office of Professional and Instructional Development and the Office of Learning and Information Technology Services partnered to undertake a formal Learning Environment Needs Analysis (LENA) process to envision the future of the UW System learning environment as the market has evolved to include non-traditional learning management systems made up of multiple, interoperable products. LENA project leaders from UW System Administration made multiple visits to each of the doctoral and comprehensive institutions as well as several of the UW Colleges. The project will synthesize the results of their listening sessions and an environmental scan into a professionally analyzed needs analysis report as the first step in charting future initiatives in the learning technology space. The goal is to describe a next-generation digital learning environment that will enable the UW System to be more nimble, flexible, and adaptive in supporting traditional degree credit teaching and learning as well as in emerging practices such as the Flex Degree option, credit for prior learning, continuing education, and entrepreneurship.

These broad efforts are complemented by scores of local projects underway at the UW System institutions. The central Information Technology offices at each of the UWS institutions have been challenged by the current fiscal climate and many are in the midst of rethinking how they are structured and which services they will provide. UW System institutions are pursuing a "cloud first" strategy and investigating cloud services as the default option whenever new systems and services are procured or existing systems are due for upgrade.

Meanwhile, the UW System institutions' websites, wired networks and wireless networks need continuous, infrastructure investments to keep up with soaring demand. For example, EDUCAUSE research shows that each student brings to campus an average of 3.5 network devices.

Below is a list of IT related activities that are being conducted at the various institutions across the UW System.

**UW Colleges and UW Extension:** Currently implementing a two-year plan for upgrading the wired and wireless local area networks. Developing standard based solutions and improving the user experience. Transforming the IT organization to be more service driven and customer focused.

**UW-Eau Claire:** Undergoing major restructuring of staff and services in response to budget reductions and related staff attrition. Continuing a multi-year project to implement a campus website utilizing responsive design techniques which will support the University's marketing initiatives to prospective students. Implementing Office 365 cloud services. Implementing ImageNow document workflows in collaboration with UW-Stout. Relocating the primary campus data center above the flood plain and beginning a multi-year project to replace network switches.

**UW-Green Bay:** Making numerous improvements to the Customer Relationship Management system to enhance student recruiting and retention efforts, including mobile functionality. Replacing network switches in the non-Residence Life buildings and improving network resilience by splitting the bandwidth. Upgrading the capacity of the wireless network and expanding into high-traffic outdoor areas. Collaborating with the UW-Milwaukee App Brewery on the development of a mobile application.

**UW-Madison:** Pursuing a future digital learning environment in concert with Unizin, a consortium of universities working on the next generation teaching and learning environment. Developing a model for IT decision-making and uniform processes. Completing the final steps in the migration of the entire campus community to Office 365 for email and calendar.

**UW-Milwaukee:** Implementing a multi-year project that will design and implement Integrated Support Services to provide administrative service excellence across the campus focusing on the functions of Finance and Accounting, Procurement, Human Resources, and Information Technology. Expecting cost reductions through simplification and standardization, concentration of resources on core higher value activities, increased service quality to the academic and administrative units, improved response to organizational changes, as well as facilitation of technology deployment.

**UW-La Crosse:** Integrating various technology services to create a single point of contact for technology-related support. Establishing a centrally provisioned virtual desktop environment to maximize efficiencies and reduce costs. Developing a financial model that anticipates the cost of enterprise system upgrades and facilitates multi-year budget planning throughout the technology lifecycle.

**UW-Oshkosh:** Implementing the Educational Approval Board Student Success Collaborative to improve retention, student progress, and graduation. Implementing a Constituent Relationship Management (CRM) system to facilitate recruitment and communication with students. Establishing Key Performance Indicators (KPI) for strategic alignment, constituent experience, operational efficiency, and risk management by which all projects and initiatives will be evaluated for prioritization and execution. Working on a campus-wide restructuring of IT to improve KPI metrics on an institutional basis.

**UW-Parkside:** Replacing network switches on most floors of every academic building. Replacing controllers and access points for the wireless network. Sunsetting legacy audiovisual technologies in classrooms and replacing them with HDMI technology. Replacing the legacy data backup solution and collaborating with other UWS institutions to host some of the backup equipment.

**UW-Platteville:** Implementing IT priorities based on the recommendations of Huron Consulting. Continuing to extend the Business Intelligence (BI) capability that the campus initiated a few years ago with a focus on data from the Human Resources Information System and Student Financials. Creating a Project Office and developing it into a Center of Excellence using best practices. Implementing the conversion to Voice over IP across the campus, as well as completing the migration of the email system to the cloud with Microsoft Office365.

**UW-River Falls:** Addressing the need for a self-service portal to allow faculty, staff, students and guests to manage their own technology accounts. Addressing issues of potentially opening the wireless network to more guests with enhanced accountability. Standardizing the use of a single product for scheduling both academic and non-academic courses. Continuing the upgrade of the border router firewalls to enhance security. Evaluating the purchase of network access and distribution layer switches for all campus buildings.

**UW-Stevens Point:** Continuing the rollout of Office 365 cloud services and Microsoft Office 2016 to the entire campus community. Developing a long-term support and management plan for servers located within academic departments. Deploying anti-virus software to desktop computers for just-in-time virus/malware definition updates. Engaging a third-party consultant to provide services in support of the implementation of PeopleSoft Enterprise Campus Solutions Version 9.2.

**UW-Stout:** Migrating the email service from on-premises to the cloud through the use of Microsoft Office 365. Consolidating campus data centers. Upgrading the campus wireless network.

**UW-Whitewater:** Upgrading at least 17 classrooms to full digital technology. Integrating the Desire2Learn Learning Management System and the Class Climate survey management tool to improve the effectiveness of evaluating online courses. Developing an automated workflow for the transmission of grant proposals and forms.

The detailed Campus IT Strategic Plans can be found by following the link:

<https://www.wisconsin.edu/systemwide-it/strategic-plans>

## **RELATED REGENT POLICIES**

Regent Policy Document 25-4: Strategic Planning and Large or High Risk Projects

# **UW SYSTEM INFORMATION TECHNOLOGY REPORT STATUS REPORT ON LARGE/VITAL INFORMATION TECHNOLOGY PROJECTS**

## **EXECUTIVE SUMMARY**

### **BACKGROUND**

Section 36.59, Wis. Stat., requires the Board of Regents to provide in March and September of each year a specific and detailed progress report on all large (defined as costing over \$1 million) and high-risk IT projects to the Joint Committee on Information Policy and Technology. Regent Policy Document 25-4 specifies the format of these reports. There are four major projects to report.

### **REQUESTED ACTION**

This report is for information only.

### **DISCUSSION**

Below is the progress report on the UW System's major information technology projects. The projects are:

- Campus Network Infrastructure Project (CNIP) at the UW Colleges
- Oracle/PeopleSoft Human Capital Management Application Upgrade
- UW-Stevens Point Implementation of Oracle PeopleSoft Campus Solutions
- Replacement of Interactive Reporting Tool

### **RELATED REGENT POLICIES**

Regent Policy Document 25-4: Strategic Planning and Large or High Risk Projects



## **Project: Campus Network Infrastructure Project (CNIP) at the UW Colleges**

**Description:** *(High level description, including explanation of how the project supports strategic direction and goals)*

The wired and wireless networks at each of the 13 two-year UW Colleges campuses and at UW Colleges Online are aging. The increased frequency of new technology being introduced to students and staff have stressed the abilities of the existing infrastructure. Most of the infrastructure is 8-10 years old and struggles to support the increased number of devices on campus.

The scope of this project includes the upgrade or replacement of wired network switches and uninterrupted power supplies, and the expansion or replacement of wireless networks.

Strategic Business Drivers for the Project:

- **Growth of Mobile Devices:** UW Colleges, like other colleges in the UW System and across the country, are seeing an increase in the use of mobile devices (laptops, smartphone's, tablets). EDUCAUSE research estimates that a typical student comes to campus with an average of 3.5 mobile devices. UW Colleges must upgrade its network infrastructure to support the increased demand for network access.
- **Aging Equipment:** The network equipment on UW College campuses average 8-10 years in age. Some of the equipment is no longer supported by vendors and the equipment struggles to support demand and is incapable of supporting some newer technology.
- **Opportunities presented by new technology:** Since the upgrade to UW Colleges networks nearly 10 years ago, new technology has introduced new functionality that may impact delivery of class material and create opportunities for classroom collaboration.

**Project Scope:** *(Provide relevant details about what is in scope and out of scope for the project; indicate if there are related projects that have interdependencies.)*

In the summer/fall of 2013, a network assessment was performed on each of the UW Colleges campuses to evaluate their readiness for new technology, specifically Voice over Internet Protocol (VoIP) telephone services. This assessment revealed that the existing network infrastructure could not support newer technologies such as VoIP, and in some cases could not support the existing needs of the campuses. The campus infrastructure network equipment inventory was validated with the campuses and this two-year project was proposed to the Chancellor for UW Colleges and Extension. The project was approved in January 2014. Funding for the project was not available until July 2014.

**Project Timeline:** *(High level summary of proposed timeframe and major milestones)*

July 2014 – June 2016

**Project Budget:** *(Estimate of total project budget, including items such as hardware/software; training; vendor services costs, etc.)*

1,800,000

**Source of Funds:** 100% UW Colleges Fund Balances

**Project Dashboard:** (See Appendix 1 for dashboard definitions)

<b>Project Status Dashboard:</b>	<b>Green</b>	<b>Yellow</b>	<b>Red</b>
<b><u>Schedule Status:</u></b>	X		
<b><u>Scope Status:</u></b>	X		
<b><u>Budget Status:</u></b>	X		
<b><u>Other Issues (Staffing, Risks, etc.):</u></b>	X		

**Status of Planning and Documentation:**

	<b>Status</b>
<b>Governance Structure</b>	Completed
<b>Project Charter</b>	Completed
<b>Communication Plan</b>	Completed
<b>Project Plan</b>	Completed
<b>Project Budget</b>	Completed
<b>Quality Assurance Plan</b>	Completed

## **Project: Oracle/PeopleSoft Human Capital Management Application Upgrade**

**Description:** *(High level description, including explanation of how the project supports strategic direction and goals)*

The UW Service Center (SC) provides personnel, payroll and benefits processing to the UW System institutions. The SC, along with the UW-Madison Division of Information Technology (DoIT), manages the Oracle/PeopleSoft Human Capital Management (HCM) application. The SC implemented HCM version 9.0 in 2011; the version 9.2 upgrade will be the organization's first upgrade.

Oracle/PeopleSoft's extended support for HCM version 9.0 ended in June 2015 and the application moved into Sustaining Support. While Sustaining Support provides access to Oracle technical support, Sustaining Support does not include new updates, fixes, security alerts, data fixes, and critical patch updates. North American Payroll Tax Updates are available to Sustaining Support customers from July 2015 through December 2017 at additional cost (\$50,000 per year). Hence, one of the primary drivers of the upgrade is to restore full vendor support for HCM.

In spring of 2015, the SC completed an initial upgrade planning engagement to understand the impact of version 9.2 on UW operations and the high-level resource requirements to complete the upgrade. In the fall of 2015, SC conducted a competitive request for consulting services to support the upgrade. Sierra-Cedar was the selected consulting partner. Throughout the project duration, Sierra-Cedar and Service Center/DoIT operational staff will work jointly on the upgrade from HCM 9.0 to HCM 9.2.

### **Upgrade Project Goals:**

- Migrate existing data, functionality, processes and reports to HCM version 9.2.
- Minimize the impact the upgrade will have on Service Center operations and end users at the UW institutions.
- Given the HCM version 9.0 support window, the Service Center seeks to implement version 9.2 using the shortest critical path possible, while maintaining the integrity of the system.

**Project Scope:** *(Provide relevant details about what is in scope and out of scope for the project; indicate if there are related projects that have interdependencies.)*

- Upgrade HCM version 9.0 to HCM version 9.2
- Upgrade PeopleTools Release 8.52 to PeopleTools Release 8.54 for HCM
- Retrofit Enterprise Performance Management release 9.0/PeopleTools 8.52 for HCM release 9.2
- Maintain application functionality that is currently being used by Service Center, including modifications, interfaces, workflows, rules, reports, queries, internal controls, security roles/permission lists, batch schedules, and physical/logical environments.
- Leverage HCM 9.2 functionality to streamline, reduce, and eliminate approximately 10% of the custom development items.
- Consider new functionality if it will eliminate release 9.0 modifications, or reduce the need for any new modifications during the upgrade.

**Project Schedule:** (High level summary of proposed timeframe and major milestones)

	2016												2017		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Phase 1 – Plan and Discover															
Phase 2 – Analyze and Design															
Phase 3 – Configure and Develop															
Phase 4 – Test and Train															
Phase 5 – Deploy and Optimize															

**Project Budget:** (Estimate of total project budget, including items such as hardware/software; training; vendor services costs, etc.)

Total Estimated project budget: ~ \$7.7 million

- \$6.5 million for consulting and remote upgrade lab services
- \$300,000 backfill to support Service Center operations during upgrade
- \$870,000 for upgrade environments and storage

The Service Center will kick off the upgrade project in first quarter 2016. Project plan and budget will be finalized at the conclusion of the Plan and Analysis Phases (March/April 2016).

**Source of Funds:** UW System Administration

**Project Dashboard:** (See Appendix 1 for dashboard definitions)

<b>Project Status Dashboard:</b>	<b>Green</b>	<b>Yellow</b>	<b>Red</b>
<b><u>Schedule Status:</u></b>	X		
<b><u>Scope Status:</u></b>	X		
<b><u>Budget Status:</u></b>	X		
<b><u>Other Issues (Staffing, Risks, etc.):</u></b>	X		

**Status of Planning and Documentation:**

	<b>Status</b>
<b>Governance Structure</b>	In process of being finalized. *
<b>Project Charter</b>	Draft *
<b>Communication Plan</b>	Draft *
<b>Project Plan</b>	Yes
<b>Project Budget</b>	Yes
<b>Quality Assurance Plan</b>	Draft *

\* The project is launching in January 2016. Documentation will be finalized during the first quarter 2016 as part of the planning and analysis phases.

## **Project: UW-Stevens Point Implementation of Oracle PeopleSoft Campus Solutions**

**Description:** *(High level description, including explanation of how the project supports strategic direction and goals)*

UW-Stevens Point will be engaging a project to move from a legacy student information system to the Oracle PeopleSoft Campus Solutions version 9.2. Moving to a new student information is essential to the strategic direction of UW-Stevens Point for several key reasons.

- New features are needed to enhance student success. The present system utilized by UW-Stevens Point requires additional tools to improve student retention and success such as a student planner, pre/corequisite enforcement, and an upgraded degree progress tool.
- There is a need for improved data quality and better Business Intelligence. There is a strong institutional need for date effective historical data that will allow for improved metrics and an improved historical understanding of issues related to student success and retention.
- Diffusing business process design and management from the Information Technology Department to the business users will lead to an improvement in shared knowledge regarding the operation of the institution and thus an improvement in productivity for faculty and staff. This operational change will reduce the developer costs within the Information Technology department.

Adding the above feature sets to our legacy student information system, while possible would consume valuable time and resources. It would also require a major overhaul of our existing database design. This also comes at a time where the key staff member for supporting the existing SIS possesses both the business user and developer knowledge for the SIS, placing our operations at risk should that person leave the institution.

Finally, UW-Stevens Point is the only UWS institution not using the Oracle PeopleSoft Campus Solutions product as a student information system. Moving to this product will enhance the operations of UWS to standardize procedures for data management for the System.

**Project Scope:** *(Provide relevant details about what is in scope and out of scope for the project; indicate if there are related projects that have interdependencies.)*

The scope of this project includes the replacement of the following modules of the existing student information systems with the PeopleSoft Campus Solutions software version 9.2 from Oracle.

- Admissions (not including recruitment)
- Student Records and Enrollment
- Student Financials
- Financial Aid
- Degree Progress/Academic Advisement
- Integrations with key campus third party software systems: EMS , Class Scheduler; Housing, Ellucian Recruiter.

Not in scope:

- Recruitment
- Housing
- Judicial
- Student Organization Management
- Business Intelligence

A key interdependency for this project is the implementation of a business intelligence system for the campus. We plan to utilize the Oracle OBIEE system.

A cornerstone principle of the project is to minimize customizations. This is being done to minimize the long term costs that customizations bring to the PeopleSoft project. In addition, minimal customizations better position UW-Stevens Point for the migration to a future cloud-based student information system. The UW-Stevens Point project is designed to be a demonstration project for UW System institutions on how to accomplish an ERP project with minimal customizations.

Customizations will only be undertaken by the institution when needed to provide functionality that is specific to the University of Wisconsin that cannot be provided using existing functionality within PeopleSoft. In this case UW-Stevens Point would evaluate customizations in place at other institutions and utilize the best of breed. Customizations that are required by business process of UW-Stevens Point would be evaluated by the business users. Should they feel it necessary to push forward with a customization, the functional area would be required to develop a business case for the customization. The Information Technology Department - Applications Development area would be responsible for documenting the initial project and long-term operational costs of the customization. This information would need to be reviewed and approved by the Project Governance Team before being sent to the Chancellor for approval.

**Project Schedule:**

Training for Functional and Technical Team Members	January 2016
Needs Assessment Sessions to review business processes for functional areas	February/March 2016
Finalized Project Plan including time and effort	March 2016
Admissions Module Live	Fall 2016
Student Enrollment Live	Fall 2016
Student Financial Aid Module Live	Spring 2017
Student Financials Module Live	Summer 2017
Degree Planning Module Live	Fall 2017
Project Completion	December 2017

**Project Budget:** *(Estimate of total project budget, including items such as hardware/software; training; vendor services costs, etc.)*

- \$3.5 million for vendor training and implementation services
- \$350,000 annual expense for server administration and database management for two years of the project, ongoing costs annually of \$250,000 thereafter

- \$25,000 for project management and business process improvement/lean training for project team members.
- \$33,000 third party integrations
- \$75,000 cost for department LTE's to backfill operational staff working on the project. Annual for two years.
- Total Project Cost Estimate: \$4,058,000

**Source of Funds:**

- UW System Administration: \$3.5 million provided for Highstreet Consulting costs. \$500,000 in contingency funding held at UW System Administration requiring a request by UW-Stevens Point to justify release of the additional funds.
- UW-Stevens Point will be assuming the costs for the following:
  - Project Management training/Business Process Improvement training for all ERP Project staff members \$25,000.
  - Additional Project Staffing of LTE's for Departments that are impacted by the Project: \$75,000 annually for two years.
  - Hosting of servers for the project and database administration. Estimates are presently under development from DoIT, UW-Eau Claire and UW-Stevens Point. Estimated to be between \$150 – 200k annually. This represents an increase in costs to UW-Stevens Point.
  - Third party integrations with EMS and Class Scheduler. We expect these costs to be \$33,000.
  - Any customizations that are required by the institution but are not needed to make the software operational.

**Project Dashboard:** (See Appendix 1 for dashboard definitions):

<b>Project Status Dashboard:</b>	<b>Green</b>	<b>Yellow</b>	<b>Red</b>
<b><u>Schedule Status:</u></b>	X		
<b><u>Scope Status:</u></b>	X		
<b><u>Budget Status:</u></b>	X		
<b><u>Other Issues (Staffing, Risks, etc.):</u></b>	X		

**Status of Planning and Documentation:**

	<b>Status</b>
<b>Governance Structure</b>	Completed
<b>Project Charter</b>	Under Development with Vendor
<b>Communication Plan</b>	Under Development with Vendor
<b>Project Plan</b>	High level time completed. Final plan included time and effort under development.
<b>Project Budget</b>	Within budget.
<b>Quality Assurance Plan</b>	Under development



## **Project: Replacement of Interactive Reporting Tool**

**Description:** *(High level description, including explanation of how the project supports strategic direction and goals)*

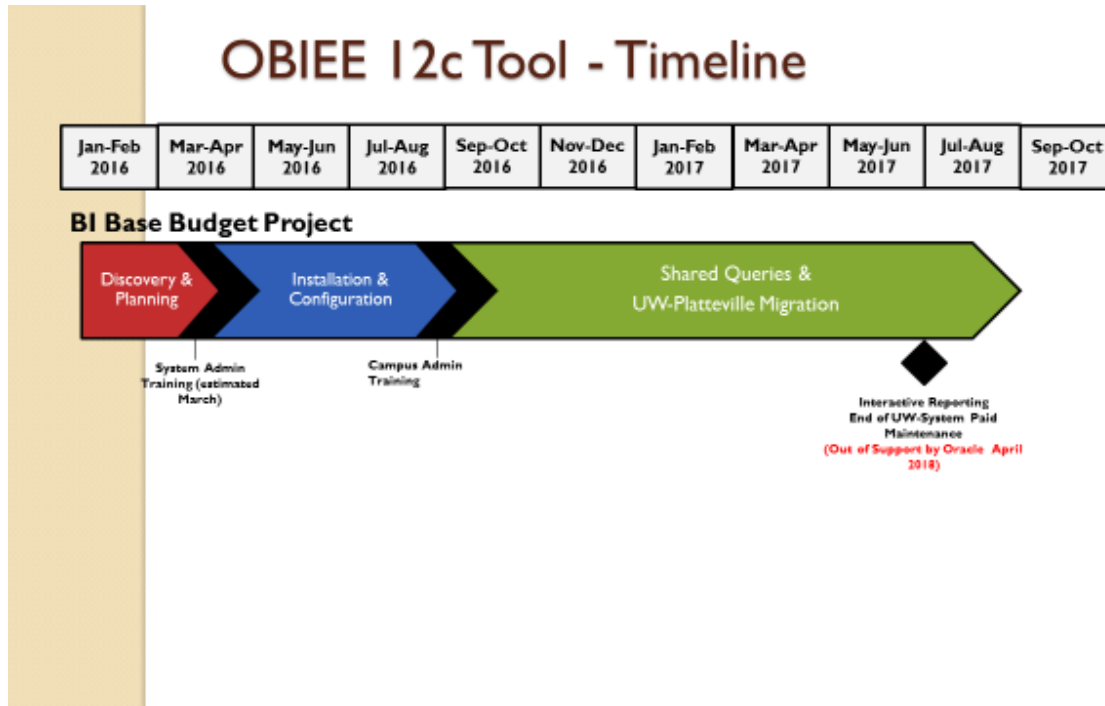
The University of Wisconsin System is implementing a new Business Intelligence (BI) tool to replace the legacy, system-wide reporting tool, Oracle's Brio/Hyperion Interactive Reporting (IR). This change is necessary because the UW System's Oracle's software support contract ends June 30, 2017. A Request For Proposals was issued and the contract was awarded to Oracle OBIEE 12c (Oracle Business Intelligence Enterprise Edition) product in December 2015. The conversion timeframe began at that time and is expected to go through June 2017 (depending on each institutions' engagement).

Through the Common Systems Review Group (CSRG) process, the UW System institutions are collectively funding the tool replacement, conversion of the system-wide shared queries and limited training for selected roles at each campus. Each institution is individually responsible for the assessment/conversion of queries/reports that are specific to its campus and for the training of its writers of ad hoc queries. These decisions were made by the BI Steering Committee to encourage the use of shared system-wide queries and to encourage each institution to critically assess its use of custom/unique queries. UW-Platteville recently completed this review and the result was a considerable streamlining of its processes with fewer custom queries.

**Project Scope:** *(Provide relevant details about what is in scope and out of scope for the project; indicate if there are related projects that have interdependencies.)*

1. Purchase hardware for OBIEE 12c
2. Install, configure, set up security and authentication in OBIEE 12c for the 13 UW System campuses
3. Ensure that the system is configured so that dashboards/reports can be shared across all campuses
4. Migrate the Platteville OBIEE 11g instance into the UW System OBIEE 12c instance
5. Assessment of the system-wide shared queries to determine:
  - a. Which of UW-Platteville's already converted shared queries can be used
  - b. Which queries that have not been converted by UW-Platteville should be converted to OBIEE's BI Publisher using Dynasoft
  - c. Which queries remain that a dimensional data model should be developed to support
6. Create a dimensional data model for the data used by the 'Shared Queries' found in Interactive Reporting
7. Using the dimensional data models, create a metadata repository (semantic layer)
8. Create dashboards/reports using the semantic layer that serve to replace the 'Shared Queries' in Interactive Reporting
9. Train technical people supporting the system-wide shared queries, and the technical staff at the institutions that have student data queries in Interactive Reporting in:
  - a. Dimensional Modeling;
  - b. Repository, Catalog, and Security Management;
  - c. Analyses (criteria and reports/views), Prompts, and Dashboards.
10. Train remaining Campus Administrators in the use of Repository, Catalog, and Security Management for administering the shared queries
11. Monitor readiness of the institutions that have queries related to student data to move to OBIEE

**Project Schedule:** (High level summary of proposed timeframe and major milestones)



**Project Budget:** (Estimate of total project budget, including items such as hardware/software; training; vendor services costs, etc.)

BI - Data Analytics - Pre-Approved Initiative # 1 Budget Request										
	FY16	FY17	FY18	FY19	FY20	Total	Annual Recurring Cost Est.	Comments		
Revised Estimates	<b>REVISSED ESTIMATES</b>							<b>Comments required for any changes</b>		
	Service Costs									
	UWSA Salary and Fringes									
	DoIT Salary and Fringes	180,100	181,851	183,620	185,406	187,210	918,187	187,210		
	Professional Services	398,000	101,000	102,010	103,030	104,060	808,100	104,060		
	Training and S&E	167,000					167,000			
	Non-labor Infrastructure	20,000	20,400	20,808	21,224	21,649	104,081	21,649		
	<b>subtotal</b>	<b>765,100</b>	<b>303,251</b>	<b>306,438</b>	<b>309,660</b>	<b>312,919</b>	<b>1,997,368</b>	<b>312,919</b>		
	<b>SOFTWARE COSTS</b>									
	License	110,000	210,000	210,000			530,000			
Maintenance	215,000	127,000	132,000	137,000	142,000	753,000	147,000	resulted from RFP, cloud service included for one year to explore		
<b>subtotal</b>	<b>325,000</b>	<b>337,000</b>	<b>342,000</b>	<b>137,000</b>	<b>142,000</b>	<b>1,283,000</b>	<b>147,000</b>			
Less other funding sources										
<b>Initiative Total:</b>	<b>1,090,100</b>	<b>640,251</b>	<b>648,438</b>	<b>446,660</b>	<b>454,919</b>	<b>3,280,368</b>	<b>459,919</b>			
<b>Delta:</b>								(203,001)		

**Source of Funds:** Common Systems Review Group

**Project Dashboard:** (See Appendix 1 for dashboard definitions):

<b>Project Status Dashboard:</b>	<b>Green</b>	<b>Yellow</b>	<b>Red</b>
<b><u>Schedule Status:</u></b>		<b>X*</b>	
<b><u>Scope Status:</u></b>	<b>X</b>		
<b><u>Budget Status:</u></b>	<b>X</b>		
<b><u>Other Issues (Staffing, Risks, etc.):</u></b>		<b>X**</b>	

**Notes:**

\* Schedule Status – The RFP contract was not finalized until 11/30/2015 and training for the latest version of the OBIEE tool will not be available until March 2016

\*\* Other Issues - There are concerns with the ability of the UW System institutions to convert their reporting of student data to OBIEE before the maintenance contract for the legacy Interactive Reporting product runs out in June 2017. There is a pending request for additional Common Systems money to procure additional consulting for OBIEE dimensional data modeling and the building a system-wide semantic data layer. The request also includes training that would support all institutions in the use of the new tool.

**Status of Planning and Documentation:**

	<b>Status</b>
<b>Governance structure</b>	Completed
<b>Project Charter</b>	Ready for approval
<b>Communication Plan</b>	In development
<b>Project Plan</b>	In development
<b>Project Budget</b>	BI Base Budget confirmed
<b>Quality Assurance Plan</b>	In development

## Appendix 1: Project Dashboard Definitions

<p>Determine the status for each of the categories based on the criteria identified on the right.</p> <p>Insert an X in the column that best describes the status of the category or color/share the appropriate status box.</p> <p>If a category has a status of <b>Yellow</b> or <b>Red</b>, describe the problem/issue and what actions will be taken to correct the problem/issue.</p>		<b>STATUS COLOR INDICATORS</b>
	Green	On target as planned
	Yellow	Encountering issues
	Red	Problems

### **Project Status Category Descriptions**

**Schedule Status** (refers to target implementation date of phase or project)

**Green** – Indicates that the project or phase will be completed on target or on the planned date.

**Yellow** – Indicates that the project or phase may be falling behind and work needs to be done to determine if the project can recover and still complete on the scheduled date or if adjustments must be made to the schedule date.

**Red** – Indicates that the project or critical tasks have fallen behind schedule and corrective action must be taken to make the scheduled date or the scheduled date must change.

#### **Scope Status**

**Green** – We have not changed the scope in any way that will keep the implementation from meeting the objectives planned for the project.

**Yellow** – The scope of the project has increased. Budget and implementation date are impacted by < 10%. Or the scope of the project has decreased but objectives are not substantially impacted.

**Red** – The scope of the project is under review and changes are being requested that will mean the implementation will not meet the project objectives in some substantial way or doing them later will increase cost 10% or more above the original total cost of the project approved by the sponsors.

#### **Budget Status**

**Green** – Currently on target with project budget.

**Yellow** – Project is over budget by 10 – 25%.

**Red** – Project is over budget by 25% or more.

#### **Other Issues (Staffing, Risks, etc.)**

**Green** – No staffing, Risks, or other issues/concerns exist.

**Yellow** – Staffing concerns/issues exist that need to be monitored and possible adjustments made. Key staff departing. One or more risks or other issues may be surfacing which need to be monitored and contingency plans developed.

**Red** – Staffing concerns/issues exist and will impact project schedule, budget, deliverables, risks, etc. Key staff lost. One or more risks or other issues have surfaced and will have an impact on budget, deliverables, staffing, scope, and/or schedule. Corrective action must be taken or contingency plans executed.

UW-Madison Contractual Agreement  
with AstraZeneca Pharmaceuticals LP

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon the recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Board of Regents approves the contractual agreement between the Board of Regents of the University of Wisconsin System, doing business as UW-Madison, and AstraZeneca Pharmaceuticals LP.

**UW-MADISON CONTRACTUAL AGREEMENT  
WITH ASTRAZENECA PHARMACUETICALS LP**

**EXECUTIVE SUMMARY**

**BACKGROUND**

UW System Board of Regents policy requires any grant or contract with private profit-making organizations in excess of \$1,000,000 be presented to the Board for formal approval prior to execution.

**REQUESTED ACTION**

Adoption of Resolution I.2.1., approving the contractual agreement between the Board of Regents and AstraZeneca Pharmaceuticals LP.

**DISCUSSION AND RECOMMENDATIONS**

The University of Wisconsin-Madison School of Medicine and Public Health, with assistance from the Office of Research and Sponsored Programs at the University of Wisconsin-Madison, has negotiated a Clinical Trial Master Agreement with AstraZeneca Pharmaceuticals LP. In consideration for providing the requested research, AstraZeneca Pharmaceuticals LP could potentially pay the University in excess of \$1,000,000. The research project is anticipated to be conducted during the period from February 15, 2015 through completion of the studies.

**RELATED REGENT POLICIES**

Regent Policy Document 13-1, General Contract Approval, Signature Authority, and Reporting

UW-Madison Contractual Agreement  
with Pharmatech, Inc.

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon the recommendation of the Chancellor of the University of Wisconsin-Madison and the President of the University of Wisconsin System, the Board of Regents approves the contractual agreement between the Board of Regents of the University of Wisconsin System, doing business as UW-Madison, and Pharmatech, Inc.

**UW-MADISON CONTRACTUAL AGREEMENT  
WITH PHARMATECH, INC.**

**EXECUTIVE SUMMARY**

**BACKGROUND**

UW System Board of Regents policy requires any grant or contract with private profit-making organizations in excess of \$1,000,000 be presented to the Board for formal approval prior to execution.

**REQUESTED ACTION**

Adoption of Resolution I.2.j., approving the contractual agreement between the Board of Regents and Pharmatech, Inc.

**DISCUSSION AND RECOMMENDATIONS**

The University of Wisconsin-Madison School of Medicine and Public Health, with assistance from the Office of Research and Sponsored Programs at the University of Wisconsin-Madison, has negotiated a Clinical Trial Master Agreement with Pharmatech, Inc. In consideration for providing the requested research, Pharmatech, Inc could potentially pay the University in excess of \$1,000,000. The research project is anticipated to be conducted during the period from February 15, 2015 through completion of the studies.

**RELATED REGENT POLICIES**

Regent Policy Document 13-1, General Contract Approval, Signature Authority, and Reporting