

**Minutes of the
Business and Finance Committee
July 6, 2017**

The Business and Finance Committee was called to order at 10:51 AM by the Chair, Regent Whitburn. Roll was taken and Regents Whitburn, Atwell, Delgado, Erickson, Grebe, Hall, Mueller, and Steil were present.

I.2.a. Approval of the Minutes of the June 8, 2017 Meeting of the Business and Finance Committee

Upon the motion of Regent Hall and the second of Regent Grebe, the committee approved the Minutes of the June 8, 2017 Meeting of the Business and Finance Committee.

I.2.b. Approval of Motion to Require Business and Finance Committee and Board of Regents Approval to Accept Submission of the Semi-annual Status Report on Large/Vital Information Technology Projects as required by Wisconsin Statutes 13.58(5)(b)(3)

Upon the motion of Regent Atwell and the second of Regent Hall, the committee approved: (1) the UW System Information Technology Status Report on Large/Vital Information Technology Projects dated July 7, 2017, which describes the implementation status of information technology projects at UW-Madison, UW-Stevens Point, UW Colleges and UW-Extension, and the UW System; and (2) UW System Administration's submittal of the report on the Board's behalf to the legislative Joint Committee on Information Policy and Technology, as required by s. 36.59(7), Wis. Stats.. Chair Whitburn noted that upon discussion with staff it was determined that this annual report would require a resolution by the committee regarding this and all future information technology projects of \$1,000,000 dollars or more.

Robert G. Cramer, UW System Vice President for Administration and David Stack, UW System Interim Associate Vice President and Chief Information Officer, provided an introductory overview of the report (due semi-annually every March 1st and September 1st). They focused on three of nine on-going information technology projects:

Budget, Planning, and Forecasting System will add significant functionality to budget projections. Julie Gordon, Sr. Associate Vice President for Finance stepped forward to provide supplemental information on how the system would provide improved budget projections and modeling scenarios for individual campuses with year-to-year balances through a Cloud-based platform during the first phase.

The UW Colleges and Extension VOIP with UW Administration partnering on the project of upgrading the phone service and consolidating multiple systems. Steve Wildeck, Vice Chancellor for Administration and Finance, UW Colleges and UW Extension was asked to address the committee from the floor for additional information. He spoke about the current telephone services being split among different vendors, platforms, and counties. Currently, there are fifteen different systems on five different platforms with different telephone providers.

Oracle Shared Financial System Application Upgrade. Vice President Cramer noted the current version of the software is sun setting. The new version not only upgraded the current software, but has new features. Associate Vice President Stack explained the lifecycle of products and the necessity of updates with new features such as mobile capabilities and Cloud-based platforms along with improved user experience.

Other projects include: the UW-Stevens Point Implementation of Oracle/PeopleSoft Campus Solutions, Replacement of the Interactive Reporting Tool, UW-Madison Voice over Internet Protocol, UW-Madison Canvas Transition, Oracle/PeopleSoft Human Capital Management Application Upgrade, and the UW System Digital Learning Environment. While there had been some concerns related to schedule, data conversion, and training on the replacement of the Interactive Reporting tool, all nine projects are currently deemed to be on target with respect to scope, and budget.

I.2.c. UW System Contractual Agreement Extension – Fox World Travel

Upon the motion of Regent Grebe and the second of Regent Steil, the committee approved a one-year extension to an existing agreement with Fox World Travel for travel management and corporate self-booking services. The addition of this one-year extension, through June 30, 2019, will allow the UW System to incorporate a number of evolving factors into a new request for proposals seeking bids for these services. These factors include: gaining experience with a new regionalized travel management delivery model for the UW System, potential statutory changes affecting lodging requirements, and to allow adequate time for an orderly transition to a new vendor should that become necessary.

Ruth Anderson, UW System Associate Vice President for Administrative Services addressed the committee, providing an overview and status update of this continuing project. Chair Whitburn asked for additional information on the progress of implementation across the system.

Terri Gill, UW Systems Director for Travel Management Services stepped up to provide supplemental information. She focused on the progress over the last five years in the phased approach to implementation. The additional time was required to draw in additional populations, such as student travelers and non-employee sponsored travel, reinforce cross-campus consistency, and deploy regional travel customer service representatives. Upon the request of Chair Whitburn, a campus-by-campus status report will provided at the next meeting.

I.2.d. UW-Madison Contractual Agreement – INC Research, LLC

Upon the motion of Regent Delgado and the second of Regent Atwell, the committee approved a Master Services Agreement (MSA) with INC Research, LLC. Under the agreement, the University will provide services associated with the conduct of clinical studies by INC Research. This five-year agreement establishes the general terms to be applied to all related services provided to INC Research, the details of which will be part of individual statements of work to be executed under this master agreement. There is no funding associated directly with the MSA, but UW-Madison is expecting to receive over \$1,000,000 during the life of the agreement. Covered services will be provided by the Fundus Photograph Reading Center (FPRC) under the direction of Dr. Barbara Blodi.

Laurent Heller, UW-Madison Vice Chancellor for Administration and Finance provided a brief overview of the utility of master service agreements. Responding to lack of specific detail on present and future projects to be covered under these agreements, he stated that master service agreements provided an efficient vehicle with consistent agreed-upon terms for early research ventures. He also detailed the proposed reporting process being developed to update the committee on current projects under master agreements. The first of these reports will be presented at December's meeting.

I.2.e. UW-Madison Contractual Agreement – Foremost Farms USA

Upon the motion of Regent Grebe and the second of Regent Hall, the committee approved a reciprocal milk supply agreement with Foremost Farms USA. Under the agreement, UW-Madison will sell surplus milk from its operations to Foremost Farms and also make more limited purchases of milk from Foremost should its production not be adequate to supply the needs of the Babcock Dairy Plant. The contract is for a five-year term. Anticipated total annual sales to Foremost are estimated at \$5.5M while purchases from Foremost are expected to be in the range of about \$400K.

Laurent Heller, UW-Madison Vice Chancellor for Administration and Finance introduced Dick Straub, UW-Madison Associate Dean of the College of Agricultural and Life Sciences who provided the committee general information on the workings of how milk supply agreements are affected by market conditions and the UW-Madison herds.

I.2.f. Removal of Regent Policy Document 3-1, Changes to Former University of Wisconsin Law and Regulations

Upon the motion of Regent Delgado and the second of Regent Atwell, the committee approved the removal of a Regent Policy that dates back to the early 1970's when the University of Wisconsin and Wisconsin State Universities were merged into the current UW System. The policy has been deemed obsolete and its removal will have no consequences other than to further update the existing body of Regent Policy Documents.

I.2.g. UW-Milwaukee Contractual Agreement – Calcigenix, LLC

Upon the motion of Regent Atwell and the second of Regent Grebe, the committee approved a modified motion requiring the Business and Finance Committee and Board of Regents approval of a sponsored research agreement with Calcigenix, LLC. Chair Whitburn asked the Recording Secretary to make note that rather than extend the agreement by three years, the contract would be in effect from July 1, 2017 through October 15, 2017. This agreement builds on earlier efforts between the institution and Calcigenix and represents a continuation of work performed by UW-Milwaukee under an initial pilot agreement in 2013 and then under a three-year, \$504,000 agreement for similar efforts. This work for Calcigenix involves evaluation of a particular therapy aimed at curbing age-related cognitive decline. The work will be led by Dr. James Moyer in the UW-Milwaukee College of Letters and Science.

Robin Van Harpen, UW-Milwaukee Vice Chancellor for Finance and Administrative Affairs addressed the committee on the need for a short extension of the contract regarding the *in vitro* cellular research due to Calcigenix being the subject of a lawsuit on an unrelated matter. Chair Whitburn and Regent Atwell seek a memorandum regarding the issue from General Counsel Tomas L. Stafford and will share it with the committee at the next convening.

I.2.h. Report of the Vice President(s)

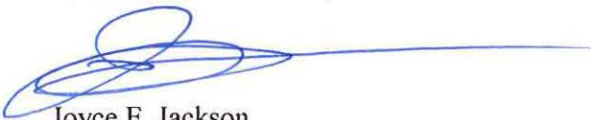
UW System Vice President for Administration Rob Cramer and UW System Vice President for Finance Sean Nelson delivered their regular reports to the committee.

Vice President Cramer concentrated on information security efforts within the UW System. In particular, the recent retention of risk management experts Stroz Friedberg. They will assist in strengthening the development of our cyber liability program, digital forensics, incident response, and security science through assessment of a small sample of campuses. The entire project is projected to take approximately twelve weeks on four-to-six campuses at a cost of less than \$1,000,000 dollars.

Vice President Nelson centered on his initial experiences during his first six weeks with UW Systems Administration. He noted that later that afternoon, he would be presenting on the operating budget to the full Board of Regents group and could foresee upcoming work with program balances as important. Also, he expressed his pleasure at his team's performance and reception by his colleagues.

The Business and Finance Committee meeting adjourned at 11:43 AM.

Respectfully submitted,



Joyce E. Jackson
Recording Secretary

