

**Minutes of the
Business & Finance Committee
November 9, 2017**

The Business and Finance Committee was called to order at 8:31 AM by the Chair, Regent Whitburn. Roll was taken with Regents Whitburn, Atwell, Delgado, Erickson, Grebe, Hall, Mueller, and Steil present, marking full attendance.

- I.2.a. Approval of the Minutes of the October 5, 2017 Meeting of the Business and Finance Committee**
Upon the motion of Regent Delgado and the second of Regent Grebe, the Committee unanimously approved the Minutes of the October 5, 2017 Meeting of the Business and Finance Committee.

To facilitate addressing all business in a timely manner, Chair Whitburn began with agenda item I.2.d.

- I.2.d. Quarterly Gifts, Grants and Contracts Report – FY2018 (1st Qtr)**
Chair Whitburn provided a summary of the gift, grant, and contract awards report for the period July 1, 2017 through September 30, 2017. Of note, total awards for the period were approximately \$511.7 million, an increase of \$9.8 million compared to the prior year. Federal awards increased \$65.3 million while non-federal awards decreased by \$55.5 million. No action was required on this agenda item.

Followed by agenda item I.2.b.

- I.2.b. Approval to Negotiate and Enter into an Appropriate Contractual Agreement to Transfer Management of UW System Trust Fund Assets to the State of Wisconsin Investment Board (SWIB)**
Chair Whitburn provided an overview of the function of the Trust Fund and the concerns raised in last year's LAB Financial Audit Report along with the management recommendations of said report. Then Committee Chair, Regent Mueller led an initiative seeking ways to provide more robust fiscal oversight by this Committee and the establishment of a sub-committee on investments, led by Regent Steil. The Chair is recommending that it would be prudent to transfer our Trust Fund to State of Wisconsin Investment Board (hereafter referred to as SWIB) moving forward for ongoing management. President Raymond Cross and Vice President for Finance Sean Nelson will begin negotiations to transfer funds thus strengthening the Board's fiduciary oversight. Regent Mueller voiced questions regarding potential fees and unrestricted fund release addressed by Vice President Nelson. He noted that negotiations were forthcoming, and most funds are not unrestricted. Regent Grebe queried whether other third-party managers were considered. Chair Whitburn confirms that others were considered, with SWIB ultimately being the best option. Vice President Nelson informed the Committee negotiations would start the next day.

Upon the motion of Regent Atwell and the second of Regent Mueller, the Committee unanimously approved a resolution directing the UW System President to negotiate and enter into a contractual agreement with the State of Wisconsin Investment Board for investment management of assets held in UW System Trust Funds.

- I.2.c. Approval of Revisions to Regent Policy Documents 30-3 "Guidelines for Student Governance" and 30-5 "Policy and Procedures for Segregated University Fees"**
Chair Whitburn lead a discussion on allocable and non-allocable fees and adoption of a uniform approach across campuses. Vice President Nelson presented the recommendations of a System-wide working group to the Committee on this topic and what the changes will mean in creating consistency across institutions. Regent Policy Document 30-3 had one change, removing the right of Chancellors and students to define what is an allocable or non-allocable fee. Regent Policy Document 30-5 would add language allowing students to request earlier and more extensive participation in the non-allocable budget process. System Policy 820 regarding support for student activities and services would delete the word "services" and provides additional guidance on the classification of specific fees. The changes will be submitted to the Joint Finance Committee for review during their next cycle. Regent Delgado and Regent Mueller noted that while the definitions will be uniform, the actual fees on campuses will be different. Regent Ring addressed the Committee, adding his

insights on the variation of fees in his experience. Regent Hall queried how students in working group were selected. Vice President Nelson said they were referred by individual campuses.

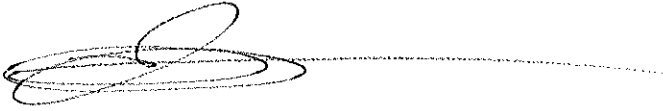
Upon the motion of Regent Steil and the second of Regent Grebe, the Committee unanimously approved a resolution implementing the recommended changes to these Regent Policy Documents.

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

No reports were given to the Committee.

The Business and Finance Committee adjourned at 9:03 AM.

Respectfully submitted,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Joyce E. Jackson
Recording Secretary