#### BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.2. Business and Finance Committee

Thursday, August 23, 2018 10:30 a.m. – 12:00 p.m. Gordon Dining & Event Center, 2<sup>nd</sup> floor 770 W. Dayton Street Overture Room Madison, Wisconsin

- a. Approval of the Minutes of the June 7, 2018 Meeting of the Business and Finance Committee
- b. UW System Shared Services Framework and Strategy
- c. Semi-annual Status Report on Large/Vital Information Technology Projects as required by s. 36.59(7), Wis. Stats.
  [Resolution I.2.c.]
- d. UW System Contractual Agreement Extension Fox World Travel [Resolution I.2.d.]
- e. UW-Milwaukee Contractual Agreement Eaton Corporation [Resolution I.2.e.]
- f. UW-Madison Contractual Agreement Learfield Communications [Resolution I.2.f.]
- g. UW-Madison Contractual Agreement Deere Company [Resolution I.2.g.]
- h. Approval of Salary Range Exceeding 75% of the President's Salary Dean of the School of Business at the University of Wisconsin Madison [Resolution I.2.h]
- i. Trust Funds Quarterly Investment Report from the State of Wisconsin Investment Board (SWIB) for the Quarter ended June 30, 2018
- j. Quarterly Gifts, Grants and Contracts Report FY2018 (Final)
- k. Report of the Vice President(s)

# **UW SYSTEM SHARED SERVICES FRAMEWORK**

#### **EXECUTIVE SUMMARY**

#### BACKGROUND

In August 2016, the Board of Regents approved resolution 10743 to adopt the proposed UW System Strategic Framework, entitled "UW System 2020FWD Moving Wisconsin and the World Forward," and authorized the System President to make any necessary technical revisions or corrections prior to final publication. This framework included four focal points: the educational pipeline, the university experience, business and community mobilization, and operational excellence.

The operational excellence focal point emphasizes the need to aggressively pursue opportunities to save resources, maximize efficiency, and support excellence. Among these efforts are the CORE Initiative (Commitment to Operational Reform and Excellence), which was initially presented to the Board in June 2016. The goal of CORE is to focus on non-instructional operations, with standardization, consolidation, and streamlining used to reduce administrative cost and improve results through efficiencies and effectiveness.

UW System institutions are moving forward with a shared services program to continue the implementation of the CORE Initiative. Planning will take place in 2018-19 with services being provided in this fiscal year and expanding in 2019-20 and thereafter.

# **REQUESTED ACTION**

This item is for information only.

#### DISCUSSION

UW-Shared Services will be a consolidated administrative service organization, providing direct scalable, operational, production-based services to UW System customers. As a System-level consolidated service provider, UW-Shared Services will leverage economies of scale and standardized processes in order to reduce duplication, increase efficiency and improve accuracy.

UW-Shared Services will be a separate organization within the UW System, apart from UW System Administration. The first functional areas involved will be information technology, human resources, and procurement, with a service focus on the comprehensive universities. Additional services will be added over time. The roles of the current UW System Administration offices of Human Resources, Information Technology, Procurement will be shifting from their historical dual role of strategy and production services to a clear emphasis on System-wide strategic direction, policy and research, enterprise risk, and planning. This refined role for UW

System Administration offices will allow them to focus on these activities while the responsibility for scalable operational services is moved to UW-Shared Services.

UW System Administration will engage in a thorough analysis, starting with the offices of Academic and Student Affairs, Administration, Finance, and University Relations, to identify functions that are strategy-based and those that are service-based, and will work with UW-Shared Services and institutions to define future roles and responsibilities.

The strategy activity of UW System Administration offices includes a number of critical functions, including strategy and planning, policy development, consulting with chancellors and other senior campus officials, compliance, data governance, and working with state agencies such as the Department of Administration and Department of Employee Trust Funds.

The primary customers of UW-Shared Services will be the UW comprehensive universities and UW System Administration. Services will be identified according to the operational needs, priorities, and opportunities of this university cluster, and in alignment with strategic plans. Administrative services and operational processes which are currently duplicated and amenable to scale will receive high priority for standardization, consolidation, and streamlining within UW-Shared Services. UW-Madison and UW-Milwaukee will be invited to participate in UW-Shared Services, either as customers or as service providers, whenever it is beneficial to do so.

UW-Shared Services will initially offer services in the areas of Information Technology, Human Resources, and Procurement. Additional service areas will be identified according to needs, priorities and opportunities, including those that are identified through the UW Restructuring process. A UW-Shared Services Customer Council will be created, which will be advisory but influential. The Customer Council will provide important input into service identification, service standards, evaluation of customer satisfaction, and implementation.

UW System Information Technology Status Report on Large/Vital Information Technology Projects

#### BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves: (1) the UW System Information Technology Status Report on Large/Vital Information Technology Projects dated August 24, 2018, 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.

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

### **EXECUTIVE SUMMARY**

#### BACKGROUND

Section 36.59, Wis. Stats., requires that by no later than March 1 and September 1 of each year, the Board of Regents submit to the Joint Committee on Information Policy and Technology a report that documents each information technology project within the system with an actual or projected cost greater than \$1,000,000 or that the board has identified as a large, high-risk information technology project.

Regent Policy Document 25-4 implements the requirements of s. 36.59, Wis. Stats., which coordinates information technology strategic planning across the UW System, and specifies management and reporting requirements related to large or high-risk information technology projects.

#### **REQUESTED ACTION**

Approval of Resolution I.2.c., approving the reports and submission of the reports to the legislative Joint Committee on Information Policy and Technology.

#### DISCUSSION

Attached is a summary dashboard along with individual progress reports on the UW System's major information technology projects. There are twelve major projects to report.

	Institution	Project Name					
1	UW-Madison	Canvas Implementation					
2	UW-Madison	Multi-Factor Authentication					
3	UW-Madison Student Information System Upgrade						
4	UW-Madison VoIP Conversion						
5	UW-Stevens Point	Student Information System					
6	UW-System	Budget Planning and Forecasting System - Phase 1					
7	UW-System	Digital Learning Environment installation					
8	UW-System	Restructuring Digital Record Migration					
9	UW-System	Restructuring Student Information Systems Migration					
10	UW-System	Shared Financial System Upgrade					
11	UW-System	Replacement of Interactive Reporting Tool (UWBI)					
12	UW-System	VoIP Conversion (UWSA, Colleges, and UW Extension)					

The attached dashboards indicate that all pre-existing projects are on time and on budget except for the following four concerns:

- UW-Madison's successful VOIP upgrade is dependent upon the vendor's ability to port existing telephone numbers in a timely fashion and the availability of central and departmental IT staff at the campus.
- As reported in February 2018, UW-Stevens Point's Student Information System (SIS) implementation encountered delays and cost overruns beyond the original optimistic estimates. Since February 2018, significant progress has been made and almost all core functionality has been delivered. The remaining open items are the Degree Progress Reporting (95% complete) and the Student Financial Reporting (80% complete). Student Financial Reporting has made significant progress, but manual review of billing issues is still needed in certain cases. The project team continues to work on automations, but energies are being split with UW Restructuring efforts.
- The UW Business Intelligence project has achieved significant milestones since the previous report and the core elements of the new system have now been completed. The remainder of the project consists of campuses migrating legacy reports to the new system. Good progress is being made on these report migrations, but resource contention is a concern to meet the December 2018 decommission of the legacy service.
- The UW System Voice Over IP (VOIP) migration project was originally scheduled for completion in July 2018 and is 99% complete. The additional delay is due to contractor's availability to perform the migrations. The estimated completion date is September 2018.

The dashboard contains three new projects since the February 2018 meeting:

- UW-Madison has initiated a Multi-Factor Authentication project that will significantly lower cybersecurity risks associated with phishing and other social engineering attacks. This project is estimated to be completed by the summer of 2019.
- As a by-product of the UW Restructuring effort, the UW System has initiated a project to handle the migration of information from student information system of the UW Colleges and UW-Extension to the four-year receiving institutions. The project is proceeding as expected, but there are some staffing risks due to the difficulty of finding and retaining the temporary expertise needed to handle the conversion.
- As a by-product of the UW Restructuring effort, the UW System has initiated a project to handle the migration of digital records of the UW Colleges and UW-Extension to the four-year receiving institutions. These records include Office 365 records, network files, cloud storage, and SharePoint sites. This project is critical to the success of the UW Restructuring effort to ensure a smooth and seamless transition for students, faculty, and staff of the UW Colleges and UW-Extension and to meet the record retention requirements.

The individual project dashboards attached provide additional information and details on the status of each of these major projects.

# **RELATED REGENT POLICIES**

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

#### DASHBOARD

#### LARGE/VITAL INFORMATION TECHNOLOGY PROJECTS

New	Institution	Project Name	Start Date	U U	Revised End	Original	Revised	Schedule	Scope Status	Budget	Other Issues	Notes
Project				Date	Date		Project Budget	Status		Status		
	UW-Madison	Canvas Implementation	Summer 2016	Summer 2018		\$ 3,719,000						On time and within predicted budget. No major change in status since previous Board of Regents meeting.
Yes	UW-Madison	Multi-Factor Authentication	March 2018	June 2019		\$ 2,990,000						Project will significantly lower cybersecurity risks associated with phishing and other social engineering attacks.
	UW-Madison	Student Information System Upgrade	June 2018	July 2019		\$ 3,524,556						On time and within predicted budget. No major change in status since previous Board of Regents meeting.
	UW-Madison	VoIP Conversion	September 2016	December 2018		\$ 6,539,000						Schedule can be impacted by vendor's ability to port numbers in a timely fashion and the availability of DoIT and local IT staff.
	UW-Stevens Point	Student Information System	April 2016	December 2017	Summer 2018	\$ 4,058,000	\$ 5,092,616					Almost all deliverables are complete, with a few remaining delays due to resource contention with UW Restructuring efforts. Valuable insight gained on the feasibility of a common student system across the enture UW System.
	UW-System	Budget Planning and Forecasting	July 2016	December 2021		\$ 8,150,000						On time and within predicted budget.
	UW-System	Digital Learning Environment installation	July 2017	June 2020		\$ 7,228,174						On time and under budget. Cost savings have been realized through vendor negotiations, subscription pro- ration, utilization of standard integration, and reduction in contingency funds.
	UW-System	Replacement of Interactive Reporting Tool (UWBI)	January 2016	December 2018		\$ 4,494,789						Core project is complete. Additional campus-level migrations will continue through the end of the calendar year. Legacy reporting enviroment will be retired in December 2018.
Yes	UW-System	Restructuring Digital Record Migration	August 2018	August 2019		TBD						A required project in the restructuring. Ensures a seamless digital transition and a positive experience for students, faculty, and staff.
Yes	UW-System	Restructuring Student Information Systems Migration	May 2018	September 2019		\$ 6,187,404						On time and within predicted budget, with some risks around being able to find the adequate temporary stafff needed to handle the additional volume of effort.
	UW-System	Shared Financial System Upgrade	May 2017	November 2018		\$ 7,913,228						On time and within predicted budget.
	UW-System	VOIP UW Colleges / Extension / UWSA	December 2016		September 2018	\$ 2,719,598						Project is 99% complete. Delays due to contractor availability. Expected completion is August/September 2018.

# **Project:** UW-Madison Canvas Transition

**Description:** UW-Madison is transitioning to the Canvas learning management system (LMS) over the next two years (FY17 and FY18). The plan is to adopt Canvas as the single, centrally supported LMS, and to discontinue campus support for Desire2Learn (D2L) and Moodle by 2018. Canvas is a cloud-based, learning management system (LMS) that is currently used by hundreds of colleges and universities, and features intuitive instructional workflows, improved collaboration and the ability to integrate with many external tools. Canvas provides a number of enhanced learning capabilities, many of which have been praised by the faculty, instructional staff and students.

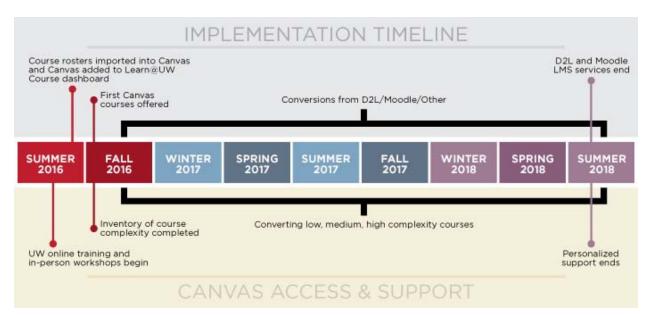
This initiative supports the campus 2015-2019 Strategic Framework

(https://chancellor.wisc.edu/strategicplan2/index.html) in two major areas: *Educational Experience* and *Resource Stewardship*. The project specifically addresses two major goals articulated in the framework: "Improve learning outcomes, including reducing time to graduation, for all students" and "transform library structures and technologies to best support research and learning, and to attain campus efficiencies."

# **Project Scope:**

- All UW-Madison credit and non-credit course offerings are in scope.
- All other UW-System campus credit and non-credit courses (currently using Desire2Learn) are out of scope.

# **Project Schedule:**



#### **Canvas Usage**

Spring 2017 Term										
Active/Published Courses Unique Instructors Unique Students % Courses in Canvas										
1,155	1,699	27,199	35%							

# Project Budget\*:

	FY17	FY18	TOTAL
Hardware	\$0	\$103,000	\$103,000
Licensing	\$518,000	\$547,000	\$1,065,000
Staff	\$787,000	\$1,764,000	\$2,551,000
TOTAL	\$1,305,000	\$2,414,000	\$3,719,000

\*Note: Does not include the cost of converting non-credit courses, currently being determined.

# **Source of Funds:** Campus central funding.

# **<u>Project Dashboard:</u>** (See Appendix 1 for dashboard definitions):

Determine the status for each of the categories below based on the criteria identified on the right		STATUS COLOR INDICATORS
and on the back of this page. Insert an X in the column that best describes the	Green	On target as planned
status of the category or color/shade the appropriate status box.	Yellow	Encountering issues
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.	Red	Problems

Project Status Dashboard:			
Canvas Transition Website: <u>https://canvasinfo.wisc.edu/</u>	Green	Yellow	Red
Schedule Status:	X		
Scope Status:	X		
<b><u>Budget Status:</u></b> Note: Cost of converting non-credit courses being determined.	X		
Other Issues (Staffing, Risks, etc.):	X		

# Status of Planning and Documentation:

	Status
Governance structure	In place.
Project Charter	Multiple sub-charters in place.
Communication Plan	In place.
Project Plan	In place.
Project Budget	Approved.
Quality Assurance Plan	Progress being tracked.



# **Project:** UW Madison Campus Multi-factor Authentication (MFA)

#### **Description:**

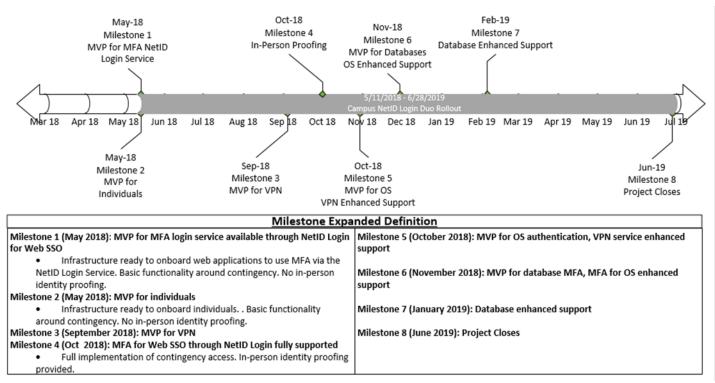
UW Madison will implement Multi-factor Authentication (MFA) in all systems in which restricted or sensitive data exists is accessible. In many cases, this means that an entire division or department would be covered, as well as any applicable systems.

This project supports UW System Security Policy and the related "Two Year Work Plan", and is required by UW System. UW System had previously determined (and procured) the technology solution (Duo) and we will implement that.

#### Project Scoop:

The MFA rollout will initially cover all applicable staff and faculty, and will be extended to the student population in the near term (after initial phase).

#### **Project Schedule:**





# Project Budget:

Project budget includes licensing of software, implementation costs, training, and establishment of a support/help desk capability.

FY 18	\$ 419,500
FY 19	\$1,083,500
FY 20.	\$ 468,500
FY 21	\$ 468,500
FY 22.	\$ 550,000
Total	\$2,990,000

# Source of funds:

Campus funding

# **<u>Project Dashboard:</u>** (See Appendix 1 for dashboard definitions):

Determine the status for each of the categories below based on the criteria identified on the right		STATUS COLOR INDICATORS
and on the back of this page. Insert an X in the column that best describes the	Green	On target as planned
status of the category or color/shade the appropriate status box.	Yellow	Encountering issues
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.	Red	Problems

Project Status Dashboard:			
	Green	Yellow	Red
Schedule Status:	x		
Scope Status:	x		
Budget Status:	x		
Other Issues (Staffing, Risks, etc.):	x		



# <u>Status:</u>

	Status
Governance structure	In development
Project Charter	In development
Communication Plan	In development
Project Plan	In development
Project Budget	Approved
Quality Assurance Plan	In development

# Project: UW-Madison Campus Solutions v9.2 (SIS) Upgrade

# **Description**:

The PeopleSoft Campus Solutions 9.2 (SIS) Upgrade project will accomplish three objectives: (1) upgrade the current Student Information System (SIS) from Campus Solutions 9.0 to 9.2, (2) reduce the level of modifications to the current environment by replacing them with delivered functionality or removing modifications that no longer meet UW-Madison business needs, and (3) deploy value-added delivered functionality to improve end-user experience.

This project is part of the SIS Optimization Program, which is a multi-office and multi-division initiative in which UW-Madison strives to 'optimize' the current Student Information System by strategically implementing the most effective use of SIS functionality and resources. Careful and visionary planning, thorough and consistent analysis and sound technical development - leads to the goal of making impactful changes to SIS that ultimately provides a high-quality user experience while also maximizing campus resources.

# **Project Scope:**

This is a large IT project with campus-wide impacts. The upgrade will affect all students (credit), faculty/instructors, as well as department and divisional staff in multiple organizational units. The upgrade will also affect the public, such as functionality which relates to student admissions and transcripts for alumni, as examples. The upgrade has legal and compliance considerations since SIS is leveraged for several determinations such as financial aid, residency for tuition, NCAA athletic eligibility, veteran educational benefits, etc.

In partnership with Deloitte Consulting, who will provide project management, functional, technical and project hosting services, we plan to accomplishment the following objectives:

- Technical upgrade
- Functional and Technical Design updates
- Reapplication of required modifications
- Elimination of modifications determined
- Replace customizations with delivered functionality
- Development of new, required modifications
- Production readiness including user acceptance and usability testing
- Training Development Support
- Cut-over to production
- Stabilization
- Upgrade Hosting Environments

# **Project Schedule:**

In preparation for project start date of June 2018, several upgrade planning teams were formed to aid in a successful project kick-off, including topics of project hosting, communications/change management, staffing and testing. These planning teams report to a Steering Committee, which includes DoIT, Division of Enrollment Management, Bursar's Office, and School/College representation. This Steering Committee will transition to be part of the Project Governance structure, which is currently in the final stages of development. The timeline below provides a general overview of the project plan with a Go-Live/Cut-Over date of July 2019.

2018						2019								
(	CS 9.2 PUM			CS 9.2 PUM			CS 9.2 PUM			CS 9.2 PUM			CS 9.2 PUM	
	Image 10			Image 11			Image 12			Image 13			Image 14	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Install Ini	nitial	Test Move 1 -	- Cycle	'		Test Move 2	Cycle			Test	Move 3 Cycle	2	Cut over	Support

# **<u>Project Budget</u>:**

Funding for Upgrade Partner including Travel (75% onsite)

- FY19: \$2,294,358
- FY20: \$374,198
- Total: \$2,668,556
  - Low: 10% below estimate
    - -\$266,856(\$2,401,700)
  - High: 25% above estimate
    - +\$667,139 (\$3,335,695)

Funding for Project Offsite Hosting with Upgrade Partner

- FY19: \$736,000
  - Migration: \$300,000
  - Hosting/Support: \$436,000
- FY20: \$120,000
  - Migration: \$0
  - o Hosting/Support: \$120,000
- Total: \$856,000

# Grand Total

- FY19: \$3,030,358
  - Upgrade Partner w/Travel: \$2,294,358
  - Migration/Hosting/Support: \$736,000
- FY20: \$494,198
  - Upgrade Partner w/Travel: \$374,198
  - Migration/Hosting/Support: \$120,000
- Total: \$3,524,556

Note that the Division of Enrollment Management, Bursar's Office and other campus stakeholders

will contribute in-kind resources. The upgrade expects UW-Madison to allocate over 8,441 hours of project management, functional and technical support to assist with the upgrade. No reimbursement request is expected for these resources.

Estimated Costs include:

- Technical upgrade
- Functional and Technical Design updates
- Reapplication of required modifications
- Elimination of modifications determined
- Replace customizations with delivered functionality
- Development of new, required modifications
- Production readiness including user acceptance and usability testing
- Training Development Support
- Cut-over to production
- Stabilization
- Travel
- Upgrade Hosting

# Source of Funds: Central Funding Request –\$3.525MM

# Project Dashboard:

Determine the status for each of the categories below based on the criteria identified on the right		STATUS COLOR INDICATORS
and on the back of this page. Insert an X in the column that best describes the	Green	On target as planned
status of the category or color/shade the appropriate status box.	Yellow	Encountering issues
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.	Red	Problems

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

# Status

	Status
Governance structure	In development
Project Charter	In development
Communication Plan	In development
Project Plan	In development
Project Budget	Approved.
Quality Assurance Plan	Progress being tracked.

# **Project:** UW-Madison VoIP Transition

**Description:** UW-Madison is transitioning from platform its longstanding current voice (telephone) services technology (known as Centrex) to a new telephone and voice. AT&T is in the process of retiring Centrex services and more updated and cost effective technologies are now available.

After carefully considering vendor proposals, UW–Madison selected the Cisco VoIP product. Voice over Internet Protocol (VoIP) uses a combination of the campus network, the global internet system, and traditional telephone company access to the Public Switched Telephone Network (PSTN) to place and receive local and long distance calls.

This initiative supports the campus 2015-2019 Strategic Framework

(<u>https://chancellor.wisc.edu/strategicplan2/index.html</u>) in the major area of *Resource Stewardship*. The project specifically addresses a major goal articulated in the framework: "Transform library structures and technologies to best support research and learning, and to attain campus efficiencies."

# **Project Scope:**

- The current project scope is focused on replacing existing voice and voicemail services.
- While the system is being architected for future improvements in the capabilities to communicate and collaborate, "Unified Communications" solutions are currently out of scope.

# **Project Schedule:**

- The project began in September 2016. In February 2017, project activities focused on infrastructure design, procurement, installation and testing.
- From March 2017 till the end of June 2017, approximately 1,000 early adopters in 12 units across campus will migrate to Cisco VoIP.
- From May 2017 through the end of June 2018, 80% of remaining units will migrate, completing the process. The remaining units will transition by December 2018.

Detailed progress can be found at: <u>https://voip.it.wisc.edu/timeline-schedule/</u>

# **Project Budget:**

	Project
Hardware	\$2,104,000
Licensing	\$4,000,000
Consulting	\$435,000
TOTAL	\$6,539,000

#### **Source of Funds:**

\$4,000,000 from a Morgridge Foundation Grant. The remaining \$2,539,000 project cost will be funded by savings from Centrex charges currently paid by units and divisions. Labor needed to implement VoIP is part of DoIT's (Division of Information Technology) telephony services operating budget.

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

Determine the status for each of the categories below based on the criteria identified on the right		STATUS COLOR INDICATORS
and on the back of this page. Insert an X in the column that best describes the	Green	On target as planned
status of the category or color/shade the appropriate status box.	Yellow	Encountering issues
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Project Status Dashboard:			
VoIP Transition Website: <u>https://voip.it.wisc.edu/</u>	Green	Yellow	Red
<b>Schedule Status:</b> Schedule can be impacted by vendor's ability to port numbers in a timely fashion and the availability of DoIT and local IT staff.		X	
Scope Status:	X		
Budget Status:	X		
Other Issues (Staffing, Risks, etc.):	Χ		

# **Status of Planning and Documentation:**

	Status
Governance structure	In place.
Project Charter	Multiple sub-charters in
	place.
Communication Plan	In place.
Project Plan	In place.
Project Budget	Approved.
Quality Assurance Plan	Progress being tracked.

# **<u>Project:</u>** UW-Stevens Point Implementation of PeopleSoft Campus Solutions

# Project Update (August 2018):

From our previous status report in April, we mentioned the following as critical, unfinished deliverables for the project. This is their new status:

Prior Concern	New Status
Degree Progress Reporting	95% Complete
Collections Processing	Completed
Student Financial Reporting	80% Complete, some reports still in progress

In addition, we have completed:

- Reconciliation for Pell and Direct Student Loans
- Automated financial aid awarding with few errors (large improvement)
- Satisfactory Academic Progress evaluations are now automated using delivered functionality (no customizations)
- Printed Grade Report available to students as self-service
- Academic History Report (an "unofficial transcript") now available to students and their advisors as self-service
- PUM9 and February Oracle patches delivered to production environments
- College Scheduler upgrade (latest version for students to build their own class schedules)

Progress has been focused on completion of all remaining project deliverables before the end of July 2018. Unfortunately, the UW Restructuring efforts have hit both our IT and Functional areas hard, as that has taken priority for many. Rebuilding fresh environments, provisioning access, and testing of new academic structures needed to incorporate UWC-Marathon and UWC-Marshfield into UW-Stevens Point's new Campus Solutions SIS has slowed advancement. However, progress on both efforts has still been good, and we are close to achieving completion.

The two biggest issues we have remaining:

- Degree Progress Reporting is only available for 95% of our majors, and minors. The remaining DPRs are more complex and will take more time to complete. We continue to focus efforts on this functionality and are confident of completion around the end of summer.
- Student Financial Reporting has made significant progress, but manual review of billing issues is still needed in certain cases. We continue to work on automations, but energies are being split with UW Restructuring efforts.

It is also true to say that the Functional areas are not back to 100% of the same capabilities before this conversion project started. Nor is IT ready to deliver these missing capabilities in the near term. There remain several processes we want to automate and "polish", and work will continue for another year. However, the main project deliverables and operational necessities for the institution are now being met.

# **Project Completion Notes:**

This project's aim was to replace the existing in-house student information system (SIS) with the Oracle Campus Solutions product, bringing UW-Stevens Point in line with the other UW schools. A main objective of this effort was to minimize the number of customizations, and instead, use delivered functionality as much as possible. Where needed, business processes would change, and reporting needs would be altered to fit what the product offered (instead of the other way around). This was an ambitious goal and added a great deal of stress to operational areas and to the campus community, who had to learn how to navigate a new system while dealing with not having the same information available to them as they did in previous years.

The reasoning for this objective was to reduce the complexity of a potential migration of our new SIS to the Oracle cloud offering (when that becomes available). In addition, minimizing the number of customizations would support the idea of a common UW System Student Information System. The more "out of the box" we were, the easier it would be to host UW-Stevens Point's SIS inside a common framework or hosting provider, or possibly within a common SIS.

# Measuring outcomes against these objectives:

#### • Replacing the old SIS with a Campus Solutions SIS: Successful

The project was 6 months past the original completion date and is \$1,000,000 over the original cost estimate. Overall, the original project estimations were difficult to meet:

- We had to release our first project manager 6 months into the project because we felt the project wasn't managed properly, and then had to rush to make up the time.
- The estimated timeframe of 1.5 years given by the consultant firm was the bare minimum needed for a project like this. Typical timeframes are 1.5 to 2 years, and more in line with other UW schools.
- The original cost estimate given by the consultant firm (\$3.5 million) was 2-3 million less than the other contract bids. We felt this amount was too optimistic and did not reflect typical cost.

# • Minimizing customizations: Successful

UW-Stevens Point made a total of 23 product customizations (and about 20 web page changes). This is significantly less than the number reported by other UW schools, which could be as high as 300+. This should greatly assist the idea of transitioning to a shared hosting provider or even a common SIS.

Note: any change to a product's code is considered a "customization" and needs to be carried forward after each PUM installation or upgrade. Our delineation between these two types of customization is this:

- A change in functionality or new functionality is considered a "customization".
- A change in web page appearance, such as adding/removing a link, or slight change in menu order is not considered a customization, but something that needs to be recorded in the same fashion.

• Use as a model for a 'shared SIS' or a 'shared hosting provider': *Mixed* 

This is decidedly more debatable. The low number of customizations, and the willingness to change business processes to accommodate delivered functionality certainly lends support to the idea of a 'shared hosting provider'. From an institutional point of view, the most strategic aspect of an SIS is the information it holds, not the product or its physical location. Thus, integrations with that information are the real concern (and institutional benefit). This project demonstrates this idea is feasible and achievable.

However, the idea of a 'common SIS' is far more difficult to attain. Many UW schools have different definitions of what constitutes a student, how long a class should be, or even when that class should begin. Each difference reflects configuration changes in the Campus Solutions product, making a 'common SIS' very complex and difficult. Without common definitions on core aspects of academic structure, a 'common SIS' at this stage would be unwieldy and very difficult for integrations. Indeed, the changes to academic structure needed for UW Restructuring show how the Receiving Institutions are different in how they are approaching this effort.

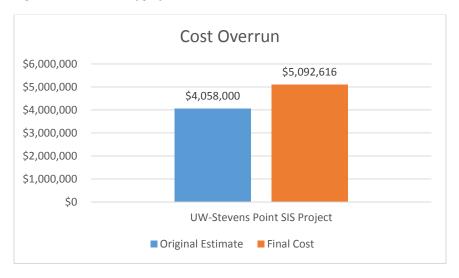
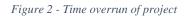
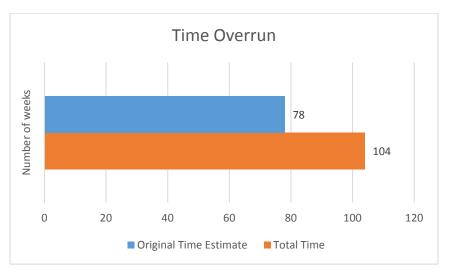


Figure 1 - Cost overrun of project





# **Completed Project Dashboard:**

Project Status Dashboard:	Green	Yellow	Red
Schedule Status:			Х
Scope Status:	Х		
Budget Status:		Х	
Other Issues (Staffing, Risks, etc.):	Х		

# **Revised Project Schedule:**

Milestone	Original Date	Revised Date	Status
Training for Functional and Technical	April 2016	(completed)	(completed)
Teams			
Needs Assessment Sessions to review	May- June	(completed)	(completed)
business processes for functional areas	2016		
Finalized Project Plan (incl. time and	Summer 2016	(completed)	(completed)
effort)			
Admissions Module Live	Fall 2016	Fall 2017*	(completed)
Student Enrollment Live	Spring 2017	Spring 2018*	(completed)
Student Financial Aid Module Live	Spring 2017	Spring 2018*	(completed)
Student Financials Module Live	Spring 2017	Spring 2018*	80%
			complete <sup>1</sup>
Degree Planning Module Live	Dec 2017	Spring 2018*	95%
			complete
Project Completion	Dec 2017	July 2018	Complete

\* - the "Revised Date" reflects needed work on functionality or automation that wasn't completed prior to going live.

<sup>1</sup> – There is additional work needed regarding Student Financial Reporting, but this work is becoming part of the UW-Restructuring effort.

# **Original and Revised Project Budget:**

# Original Budget:

- \$3.5 million for vendor training and implementation services
- \$350,000 for server administration and database management in the first 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 annual cost for department LTE's to backfill operational staff working on the project for two years.

# Original Total Project Cost Estimate: \$4,058,000

# Revised Budget:

- \$658,880 for additional implementation services (previous Change Orders)
- \$375,736 estimated continued need to complete the project

Total Project Cost: \$5,092,616

Source of Funds:

- UW System Administration: \$3.5 million provided for Highstreet Consulting costs.
- UW System Administration allocated the budgeted \$500,000 in contingency funds by request from UW-Stevens Point.
- UW System Administration allocated an additional \$341,120.
- 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 from DoIT, UW-Eau Claire and UW-Stevens Point are between \$150 200k annually. This represents an increase in costs to UW-Stevens Point.
  - Third party integrations with EMS and Class Scheduler.
  - In January, the Technical Team discovered that a new faculty course evaluation system would need to be purchased as the one being used was integrated into the legacy SIS. The university is paying for the project from local dollars. The cost of this project in the first year was \$60k.
  - The Cashnet payment gateway project was completed and the cost to UW Stevens Point was \$60k.
  - Any customizations that the institution requires but are not needed to make the software operational.

	Status
Governance Structure	Completed
Project Charter	Completed
<b>Communication Plan</b>	Completed
Project Plan	Completed
Project Budget	Exceeded budget constraints, but the cost still under other UW
	implementations.
Quality Assurance Plan	Completed

#### **Status of Planning and Documentation:**

# **Project Background:**

UW-Stevens Point is 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/co-requisite enforcement, and an upgraded degree progress tool.
- 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 members for supporting the existing SIS system (possessing both business user and developer knowledge) are considering retirement, placing our operations at risk should they 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 and provide a model for other UW institutions on changing business practices to reduce customizations in preparation for possible shared-hosting of this service.

# **Project Scope:**

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, College Scheduler; Housing, Ellucian Recruiter. All of these integrations have been completed and are ready for go live.

Not in project scope:

- Recruitment move to new CRM (planned for FY18)
- Housing move to new system (currently under implementation in FY18)
- Judicial no replacement planned. Cloud based software as a service.
- Student Organization Management replaced in FY16, Cloud based software as a service.
- 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. While that product is being built out UW Stevens Point will replace operational reporting using Campus Solutions Query and Microsoft Power BI. Report deployments will be just in time following the go live of modules.

<u>A cornerstone principle of the project is to minimize customizations.</u> 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.

The institution will only undertake customizations when they are 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. The functional team members and managers will evaluate customizations that are required to support business process of UW-Stevens Point. 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.

# **<u>Project:</u>** Budgeting, Planning and Forecasting System (BPFS)

# Description

Annual budget preparation is an essential activity for University of Wisconsin institutions and the System office. The operating budget reports planned expenditures based upon institutional strategic goals for all funding sources. The current budget reporting is housed on a mainframe system. Excel-based tools are used to accumulate data and enter that data into the mainframe system, which requires significant manual effort at the institutional level. The current system does not contain detailed level non-salary expenditures, nor does it contain analytical tools that facilitate short or long-term strategic decisions based upon expenditures, revenues, and fund balances that could assist with long term rate setting, reporting, and strategic planning.

The UW System procured Oracle's Planning and Budgeting Cloud Solution (PBCS) in late May of 2017. Once implemented the system will facilitate informed decision-making and more efficient reporting throughout the UW System. Benefits of the new system include, but are not limited to:

- Centralized access/visibility to data from multiple sources,
- More efficient and effective annual budget and reporting processes,
- The capability to project, estimate actual revenues and expenditures, and monitor/manage fund balances to be incorporated into the budgeting process and for reporting purposes,
- Providing data in a meaningful and timely manner utilizing automated reports and templates allowing staff to focus their activities on analysis and identifying areas of interest in a pro-active way rather than taking weeks to accumulate, reconcile, and enter information from multiple sources into spreadsheets for analytical and reporting purposes,
- The ability to have multiple "what-if" versions to model different budget and planning assumptions.

# **Project Scope**

To provide an effective budgeting, planning and forecasting tool to UW institutions and the schools, colleges and administrative units within them, along with UW System Administration. PBCS will facilitate more efficient budgeting and analysis of financial data for short and long-term strategic planning and analysis.

Three functional areas have been identified as the scope for this project:

- <u>Annual Budgeting</u>: A prospective one year operating financial plan prepared by each institution and presented to the Board of Regents. This will include outgoing expenses, incoming revenue, and rates established to achieve budgeted revenue where applicable.
- **Estimated Actuals:** An update of projected outgoing expenses, incoming revenue and fund balances for the current fiscal year ending June 30th.
- <u>Multi-year Forecasting/Strategic Financial Planning</u>: An update of outgoing expenses, incoming revenue, fund balances, rates and other items as identified based on estimated actuals for a minimum of six years including the ability to do "what if" scenarios.

# **Project Timeline:**

Huron Consulting began in January 2018 to assist with implementing the Oracle Planning and Budgeting Cloud Solution. An estimated timeline for a phased implementation is below. A more detailed timeline will be developed for each phase as the project proceeds and will assume institutional staffing levels would not need to increase due to the implementation a new solution. The project timeline will be monitored and alternative implementation approaches will be considered by the Executive Sponsors and Steering Committee in an attempt to accelerate the implementation timeline wherever possible.

Calendar	Months	
Year		
2016	July-Dec.	Procurement Process for a new Solution
		Pre-Implementation Work (Chart of Accounts and Templates/Reporting)
2017	March	Finalize Pre-Implementation Work
	May	Finalize Procurement of a System
	July-Dec.	Select an Implementation Partner
2018	JanNov.	Phase I – Annual Budgeting – Plan, Initiate, Design, Build, Test, Train and
		Deploy Phase I for FY2020 Annual Budget Development
2018	December	Phase I- Annual Budgeting Go-Live
2019	JanJuly	Support Phase I
	JanDec.	Phase II- Plan, Initiate, Design, Build, Test, Train and Deploy Phase II
		Estimating Actuals and PR Balance Reporting
2020	Jan. –June	Phase II- Deploy Estimating Actuals and PR Balance Reporting prior to the end
		of FY2020
	July – Dec	Phase III – Rate Setting and Long-Term Strategic Planning
2021	Jan June	Phase III – Deploy Rate Setting
	June -Dec.	Phase III - Long-Term Strategic Planning

# **Project Budget:**

A current implementation estimate, including pre-work is \$8.15 million. Ongoing costs are being researched and will be offset by savings from decommissioning the mainframe system which is currently \$730,000 annually.

Source of Funds: UW Systemwide

# Project Dashboard:

Project Status Dashboard:			
	Green	Yellow	Red
Schedule Status:	Χ		
Scope Status:	Χ		
Budget Status:	Χ		
Other Issues (Staffing, Risks, etc.):	X		

# **Status of Planning and Documentation:**

	Status
Governance Structure	Completed
Project Charter	Phase I - Completed
Communication Plan	Phase I - In Progress
Project Plan	Phase I - Completed
Project Budget	Estimated
Quality Assurance Plan	Phase I - In Progress

# **<u>Project:</u>** Digital Learning Environment

# **Description**:

The contract with Desire2Learn (D2L) for the Brightspace learning management system (LMS) was set to expire and, as a result, UW System Administration and institutions underwent a multiyear effort to understand the needs for teaching and learning by engaging a wide variety of stakeholders at each institution. Based on the findings from the needs analysis process, the Learn@UW Executive Committee recommended that UW System issue a Request for Proposal (RFP) to seek a Digital Learning Environment (DLE) to succeed its current LMS. A DLE is the digital "hub" for a confederation of services and tools that support teaching and learning, versus an administrative tool for managing course content. The DLE RFP process was completed, and Instructure's Canvas platform was selected as the digital hub for the UWS DLE.

The purpose of this implementation project is to ensure a well-managed, timely and orderly rollout of the Canvas platform across UW System institutions, excluding UW-Madison. Karen Schmitt, UWS Interim Vice President Academic and Student Affairs and Robert Cramer, UWS Vice President for Administration, are the executive sponsors for the project. The Canvas platform provides the foundation to evolve the DLE in support of the UWSA 2020FWD strategic framework. The DLE will align with the 2020FWD priorities related to "Educational Pipeline" and "University Experience" and support student success by creating consistency among institutions with flexibility to meet individual institutional needs. The implementation project will be complete by June 30, 2020.

# **Project Scope:**

- 1. Implement and configure the DLE to support the goals of design with pedagogy first and consistency with flexibility across the institutions. The fixed/flexible framework will be used to meet the most important requirements identified in the DLE RFP and support institutional goals with a learner-centered focus.
- 2. Identify stakeholders and create a communication plan to engage with the stakeholder groups throughout the project.
- 3. Define and utilize project governance at the UWSA executive sponsor level and the institutional sponsor level including a definition of the roles and responsibilities on the project. Transition the project governance structure to a UWS DLE governance structure at the end of the project.
- 4. Develop a collaborative project environment to utilize the strengths and best practices from each institution and the vendor to leverage during the implementation process thereby reducing redundant work completed by each institution. The DLE will support universal design and accessibility.
- 5. Create training, testing and support plans for faculty, staff, students, and administrators that meet the needs of the transition period and are transferable into ongoing support, knowing that the vendor will perform regular upgrades to the cloud-based software.

- 6. Design and implement application integration utilizing the vendor provided integration mechanisms that are aligned with the fixed/flexible decisions to create consistency while allowing institutions to access their data and setup new integrations to support instructional priorities at each institution.
- 7. Determine a migration plan for existing courses, then execute at each institution. The migration plan will address the identification of existing courses that are to be: moved from the current system to the new system, redesigned and recreated in the new system, and archived from the current system.
- 8. Identify and implement an archive/retention strategy for the data hosted currently by Learn@UW Utility and retire the D2L application.

Milestone	Date	<b>Revised Date and Status</b>
Project Start	July 1, 2017	
Stakeholder analysis	August 1, 2017	Complete
Institution current-state inventory	August 1, 2017	Complete
Project, communication, and risk/issues plans	September 1, 2017	Complete
Vendor contract approved by Board of Regents	October 9, 2017	Complete
Fixed/Flexible framework approval	November 1, 2017	Complete
Project scope approval	November 1, 2017	Complete
DLE available for initial UWS configuration	November 1, 2017	Complete
DLE available for institutional configuration	December 1, 2017	Complete
Campus project plan approval	December 1, 2017	In process. One institution does not have a charter or plans. They have been noted as a risk and are being monitored. All others were completed on time.
Course migration for Fall 2018 underway	February 2018	Complete

# **Project Schedule:**

Authentication developed	March 2018	Complete
Integration between the DLE and the Student Information Systems developed	April 2018	Complete
System testing completed at institutions	April 2018	Complete
Training developed	June 2018	Institution training for the Fall 2018 students and faculty complete. Consolidated training for faculty and students is in process with a revised date of December 2018. The UW System shared training will replace the institution training, incorporate the learning from the Fall 2018 training, and allow for institution specific topics.
Integration and user testing at institutions	June 2018	Revised date of July 2018 due to issues identified in the testing.
First courses go live	September 2018	
Data warehouse available	June 2019	
Archive and retirement of on-premise D2L systems and processes	May 2020	
Project complete	June 2020	

# **Project Budget:**

High Level Budget Item	Approved FY18 Budget	Total Project Budget	Actual Year End Expense	Estimated Project End Expense	Actual Year End Variance	Estimated Project End Variance
Initiative's Costs						
UWSA Salary and Fringes	\$160,000	\$390,000	\$175,364	\$415,364	(\$15,364)	(\$25,364)
DoIT Salary and Fringes	\$230,000	\$230,000	\$21,275	\$46,275	\$208,725	\$183,725
Professional Services (Consultants)	\$818,300	\$926,300	\$176,500	\$449,500	\$641,800	\$476,800
Training and S&E	\$10,000	\$25,000	\$7,025	\$22,025	\$2,975	\$2,975
Non-Labor Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$1,218,300	\$1,571,300	\$380,164	\$933,164	\$838,136	\$638,136
Software/Subscriptions Costs						
License	\$1,504,720	\$5,656,874	\$ 1,102,454.32	\$ 5,254,608.45	\$402,266	\$402,266
Subtotal	\$1,504,720	\$5,656,874	\$1,102,454	\$5,254,608	\$402,266	\$402,266
Initiative's Total	\$2,723,020	\$7,228,174	\$1,482,618	\$6,187,772	\$1,240,402	\$1,040,402

### **Summary Estimated Budget:**

Initiative's total is under the budget. Main savings were realized through vendor negotiations, subscription pro-ration, utilization of standard integration, and reduction in contingency funds.

# **Source of Funds:**

Common Systems Review Group (CSRG) and UW System Administration

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

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

# **Status of Planning and Documentation:**

	Status
Governance	Karen Schmitt, Vice President of Academic and Student Affairs, and
Structure	Rob Cramer, Vice President of Administration are Co-Sponsors of this
	project
Project Charter	Complete
Communication	Complete
Plan	
Project Plan	Complete
Project Budget	Complete (see above)
Quality Assurance	In Process
Plan	

# **Project:** Restructuring Digital Record Migration

# **Description:**

A requirement of the UW System Restructuring project is to ensure that all records and digital materials are transferred from UW Colleges and UW-Extension (UWCX) to Receiving Institutions (RI). This includes faculty, staff and potentially student data stored in Office 365 (email, cloud storage, and SharePoint sites) as well as files stored on the UWCX network.

Office 365 is a suite of collaboration tools used to communicate as well as create, store, and manage work assignments. Many faculty use Office 365 for storage of their research material as well as their class materials. Likewise, staff use Office 365 as a form of electronic storage in addition to email, thus it contains their current and historical documents.

As part of the restructuring, faculty, staff, and possibly students, will need to take their Office 365 data with them to their RI's and to UW System Administration.

UWCX and the RI's use either the Office 365 or the Google collaboration platforms. Migration of Office 365 data is a very complex process due to the integration of these services with other infrastructure components. The migration from UWCX has a higher level of complexity due to the requirement of migrating selected accounts from a centralized system to multiple distributed systems. The proper function of Office 365 and SharePoint rely on many behind the scenes pointers and connections to retain the integrity of the data and addressing associated with email transmission and file locations. Due to the complexity, Microsoft highly recommends the use of a tool and services when migrating Office 365 data and SharePoint sites.

# **Project Scope:**

- Migration of faculty, staff, and possibly student Office 365 data
- Migration of faculty, staff, and possibly student network and cloud stored data
- Migration of faculty, staff, student, campus, division, and department SharePoint data and/or sites
- Migration of Active Directory (security) settings associated with faculty, staff, and student accounts
- Use of vendor services to augment or in place of campus/system staff to perform email and data migrations

Project Timeline: August 2018 - August 2019

Project Budget: TBD

Project ROI: N/A

Source of Funds: UW System Administration

# Project Dashboard:

Project Status Dashboard:	Green	Yello	Red
Schedule Status	Χ		
Scope Status	Х		
Budget Status	Х		
Other Issues (Staffing, Risks, etc.)	Χ		

# Status of Planning and Documentation:

	Status
Governance Structure	N/A
Project Charter	Under Development
Communication Plan	Not Started
Project Plan	Not Started
Project Budget	Estimated
Quality Assurance Plan	Not Started

# **Project:** UW Colleges and UW-Extension Restructuring Project

# **Description:**

The UW Colleges and UW-Extension Restructuring Project, which received HLC approval on June 28<sup>th</sup>, 2018, is in the process of integrating the UW Colleges 13 two-year campuses and Online degree program with seven UW System four-year institutions, called receiving institutions.

Although UW Colleges has 13 campuses located across the state, the management and processing of student data resides on a single application - PeopleSoft Campus Solutions (referred to as the Student Information System). Furthermore, each of the seven 4-year receiving institutions operate and manage their own separate Student Information System (SIS) application, which have been designed and configured to support academic and business needs of each receiving institution, which includes integration with internal and external (3<sup>rd</sup> party) applications.

As part of the implementation of the UW Colleges and UW-Extension Restructuring Project, each receiving institution is required to modify its academic structure to receive and process new and transfer applications for programs offered by branch campus(es) beginning September 1, 2018 for the 2019-20 academic year. The receiving institutions will also need the ability to retrieve the Institutional Student Information Record (ISIR) files from the Department of Education by October 1, 2018 to award and disburse financial aid for students enrolled at the 2-year branch campus(es) for the 2019-20 aid year. Finally, the receiving institutions will need to migrate all current UW Colleges student records by February 15<sup>th</sup>, 2019 to facilitate enrollments for Fall 2019 in the receiving institutions' SIS.

The below table provides a high-level overview of the conversion timeline for data that will be migrated from the UW Colleges SIS to the receiving institutions SIS; a more in-depth timeline can be found under Project Schedule.

May 7 2018	All policy decisions effecting the SIS finalized
	· · · ·
May-Aug	Receiving Institution SIS Testing
2018	
August 2018	Receiving Institution SIS changes finalized to accept Fall 2019 applications
0	for AAS Students
Sept 2018	UW Colleges AAS student bio-demo/application data migrated into
•	Receiving Institution SIS for processing of Fall 2019 FAFSA
October 2018	UW Colleges Faculty data imported from HRS, and room data manually
	configured into Receiving Intuitions' SIS to create 19-20 course schedule
November	UW Colleges student prior earned credit (transfer, test, historical UWC
2018	enrollment) migrated into Receiving Institutions' SIS
February	All Fall 2018 enrollment data for current UW Colleges AAS students,
2019	including account balances, is transferred into Receiving Institutions' SIS in
	preparation for Fall 2019 enrollment
July 2019	Update UW Colleges Spring 2019 student data: credits, grades, account
July 2019	
	balances, and equivalencies transferred to Receiving Institutions
Sept 2019	Update UW Colleges Summer 2019 student data: credits, grades, account
	balances, and equivalencies transferred to Receiving Institutions

UW System Administration has contracted for functional and technical expertise to work with each of the seven receiving institutions as well as UW Colleges and UW System IT support entities to plan, manage, and support SIS integrations. This works includes supporting student-facing and faculty-facing initiatives to ensure the continuity of student and faculty support services as well as working with functional areas to ensure that any SIS changes consider how functional business process will be impacted.

The goals of the UW Colleges and UW-Extension Restructuring Project are to expand access to higher education, maintain affordable tuition, and increase opportunities for students. The successful and seamless integration of student data from UW Colleges student information system into the seven receiving institutions student information systems will ensure that there is no interruption of service or support to branch campus students as their records transition to the receiving institutions.

# **Project Scope:**

The UW Colleges and UW-Extension Restructuring Project SIS Integration Project's (SIS Project) main goal is to successfully migrate and integrate student information for students active in the Colleges SIS between Summer 2018-Summer 2019 to the applicable receiving institution student information systems.

UW Colleges Campus (2-yr)	Receiving Institution (4-yr)
UW-Barron County	UW-Eau Claire
UW-Manitowoc	UW-Green Bay
UW-Marinette	
UW-Sheboygan	
UW-Washington County	UW-Milwaukee
UW-Waukesha	
UW-Fond du Lac	UW-Oshkosh
UW-Fox Valley	
UW-Baraboo/Sauk County	UW-Platteville
UW-Richland	
UW-Marathon County	UW-Stevens Point
UW-Marshfield/Wood County	
UW-Rock County	UW-Whitewater

To successfully reconfigure the receiving institutions student information systems, the SIS project is focused on five main tasks:

- 1. Developing a detailed SIS migration project plan for all restructured institutions.
- 2. Providing seamless data integration into the receiving institutions SIS systems while addressing any operational concerns or gaps as well as ensuring continued operation and integration for internal systems (e.g. UW's on-line admissions application, institutional reporting systems) along with third-party applications.
- 3. Determining the level of standardization versus campus decision-making (e.g. customizations to SIS platform) as well as supporting receiving institution SIS upgrade gaps due to staffing and resource impacts of the project.

- 4. Determining common and consistent solutions across regions and campuses (as appropriate) related to Student Information Systems management to improve operational efficiencies and ease of access for students.
- 5. Re-engineering the SIS solution at each receiving institution so that it supports the business process of a 2-year AAS degree within the system.

Past UW Colleges student records will be transitioned to a historical registrar to produce historical transcripts, diplomas, and respond to course and catalog questions for alumni and transfer students who attended UW Colleges prior to July 1<sup>st</sup>, 2018.

# **Project Schedule:**

Project Timeline: SIS Project Phase 1- 4/1/18 - 2/28/19 SIS Project Phase 2 (as required) - 3/1/19 - 9/1/19

							UW RI S	SIS Milesto	ne Activiti	ies Timel	ine- DRAF	T						
5/31/2018 D	Diploma For	mat Confirm	ned															
Т	TESTING: RI	Academic S	tructure Cor	nfiguration A	Available in T	est Environn	nent											
		eApp test fil	es available	for loading i	nto RI SIS	*												
6	6/15-6/30 [	Diploma ger	eration test	ing														
		7/1/2018 (	CONFIGURAT	TION: Acade	mic Structur	e & EPCS Ins	tallation Tables	Updated in Pr	od									
			ONVERSION	1: Phase I Co	nversion Da	ta Available i	n RI Test Enviro	nments										
			8/1/2018 E	XTERNAL: e/	App Opens f	or Fall 2019	*											
			В	USINESS PR	OCESS: RIs @	enerate Dipl	omas for Summ	ner Grads										
							Equivalency Ri 19 eApp data I			rt conversio	on (external (	org, grading basis	updates)					
										Domo Bro	gram Applic	ation, External Sy	ctom ID				1	
					10/1/2018 0													
												VC Enrollment Pri						
					В		CESS: Class Sch		-		/ LOad, Buildi	ings & Facilities (r	nanuai,					
					P	OST-CUTOVE	R ACTIVITY: Ma	anual program	/stack reviev	v for studer	nts with prior	r attendance at R	l i					
						R	runs batch Ma	triculation, Te	rm Activatio	n for conve	rted student	population						
						R	manual evalua	tion of credit	discrepancie	s								
					1	11/1/2018 C	ONFIGURATION	: SF Item Type	s in RI testin	g environm	ent to suppo	ort Phase III conve	ersion					
						C	ONVERSION:	Phase II Conve	rsion Data in	Prod - HRS	Faculty Load	d, Buildings & Fac	ilities (manua	I)				
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# **Project Budget**

Planning for the UW Colleges and UW-Extension Restructuring Project began immediately after the Board of Regents approved the restructuring in November of 2017. Once the HLC application was completed in January 2018, 17 functional teams were stood-up, including a 'SIS Functional Team' to review and understand the work needed to reconfigure each receiving institution SIS to support the AAS two-year degree.

While each of the receiving institutions has operational knowledge in Student Information Systems the SIS Functional Team identified major gaps in knowledge and resources to deliver and support a reconfigured SIS. The team recommended contracting for functional and technical expertise to plan, design, and develop processes that would work for the receiving institutions and deliver the first of several reconfiguration milestones within the required a six-month timeframe prior to accepting applications for Fall 2019.

Phase 1 (4/1/2018-2/28/2019)

Consultants were engaged April 2018. A preliminary Student Information Systems Timeline with milestones was developed in conjunction in consultation with staff across the system by end of April 2018. In May an RFS for technical resources was issued and a process and program for data migration was determined by end of May 2018.

As of July 2018, each receiving institution has reconfigured their SIS set-up to properly take in AAS applications August 2018 and the consultants are in the process of setting up each receiving institution SIS for the Phase 1 Mock 1 data test, starting a cycle of configuration, testing, and conversions that will continue for the next seven months.

#### Phase 2 (3/1/2019-9/1/2019)

Once the UW Colleges AAS student data has been successfully transferred to the receiving institutions, the data will be updated after each semester and work will begin on configuring tuition calculation within each receiving institution SIS for successful calculation of updated tuition models in Fall of 2019.

SIS Project Phase 1	4/1/18 - 2/28/19	\$5,161,804
SIS Project Phase 2 (as required)	3/1/19 - 9/1/19	\$1,025,600
		\$6,187,404

## Source of Funds:

UW System Administration

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

Determine the status for each of the categories
below based on the criteria identified on the right
and on the back of this page.
Insert an X in the column that best describes the

Insert an X in the column that best describes the status of the category or color/shade the appropriate status box.

If a category has a status of **Yellow** or **Red**, describe the problem/issue and what actions will be taken to correct the problem/issue.

	STATUS COLOR INDICATORS
Green	On target as planned
Yellow	Encountering issues
Red	Problems

Project Status Dashboard:			
	Green	Yellow	Red
Schedule Status:	Χ		
Scope Status:	Χ		
Budget Status:	X		
Other Issues (Staffing, Risks, etc.): Staffing risks have been identified due to the project's reliance on UW Colleges staff for information and set-up within the UW Colleges Student Information System as well as within the functional areas of UW Colleges. Contingency plans are in place to hire temporary staff as needed however institutional knowledge could be lost.		X	
Resource and schedule risks for each receiving institution have been identified due to the logistics involved in setting up seven separate student information systems for data migration while all the receiving institutions are also working to meet their pre-planned work tasks, which include items such as Student Information System upgrades as well as refining data security needs and other 2018-2019 IT activities.			

# **Status of Planning and Documentation:**

	Status
Governance structure	Completed
Project Charter	Completed
Communication Plan	Completed
Project Plan	Completed
Project Budget	Completed
Quality Assurance Plan	Completed

# **Project:** Oracle Shared Financial System Application Upgrade

# **Description**

The UW System wide Shared Financial System (SFS) is currently on version 9.1 of Oracle's PeopleSoft Financial Management software. Oracle-PeopleSoft is moving from a bundled release strategy (e.g. 9.0, 9.1, and 9.2) to a rolling update model where new features, updates, and fixes are released in small bundles that are applied as needed. SFS is upgrading to Oracle's terminal release (9.2) to use the rolling update model and to stay within Oracle support. Extended support for our current version will end in January 2018.

The Shared Financial System (SFS) consists of General Ledger, Accounts Payable, Purchasing, Asset Management, Cash Management, Grants, Project Costing, Accounts Receivable and Billing, Cost Share, Effort Reporting and E-Reimbursement (Travel). In addition, SFS and DoIT staff support connectivity with HRS (including interfaces for payroll, person data, and tax and vendor information) and bolt on applications such as salary cost transfer, and query reporting tools. All Institutes in the UW System currently use SFS and will benefit from the upgrade. PeopleSoft 9.2 creates an improved user experience that fundamentally changes how users interact with PeopleSoft. This improved user experience can increase efficiency and drive greater user adoption by providing a more intuitive, easy-to-use interface that incorporates the consumer internet experience. There are currently over 21,000 users system wide.

The upgrade project will improve the existing PeopleSoft system through the incorporation of newly delivered functionality. It will also encompass a full review of existing customizations, with a focus on replacing with delivered functionality, or eliminate if possible.

This project is critical to SFS as we need to maintain vendor support (e.g. receive security patches) and protect our investment.

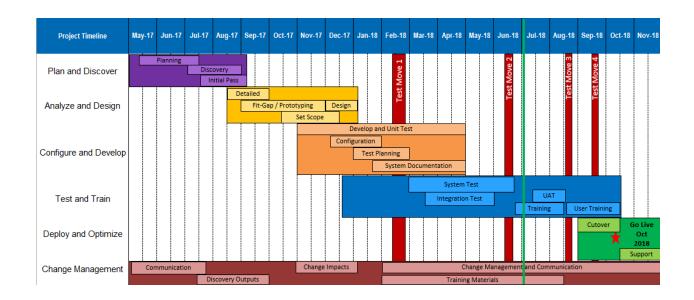
The planned timeline for this upgrade is 19 months. This include 3 months for planning, 15 months for the main project and 1 month of post 'go live' support. Our anticipated 'Go Live' date is October 2018. UW System Administration conducted a competitive request for consulting services to support the upgrade. Sierra-Cedar was the selected consulting partner.

The project aligns with the following Common System priorities:

- SFS/HRS expanded functionality
- Initiatives that closely align with 2020FWD strategic framework
  - Operational and Administrative Excellence The UW system will continue to create operational efficiencies by standardizing, consolidating and streamlining non-instructional operations.

### **Project Scope:**

- Upgrade Financials Release 9.1 to Financials Release 9.2.
- Upgrade PeopleTools Release 8.55 to a new version.
- Leverage new 9.2 functionality to streamline, reduce, and eliminate some custom development items.
- Implement new functionality such as user interface, dashboards, and mobile capabilities.
- Complete the upgrade within the specified time and budget, protecting the confidentiality of all data residing in SFS PeopleSoft applications.



# **Project Schedule:**

# **Project Budget:**

Professional Services	\$ 6,413,476
Internal Labor Costs	\$ 595,360
Infrastructure Costs	\$ 904,392
Total Budget	\$ 7,913,228

#### Source of Funds:

Funding is through UW System wide Funds for FY2017/18 and CSRG for FY2019

# **Project Dashboard:**

Project Status Dashboard:		Δ	
	Green	Yellow	Red
Schedule Status:	X		
Scope Status:	X		
Budget Status:	X		
Other Issues (Staffing, Risks, etc.):	X		

# Project commencement date May 15<sup>th</sup> 2017 – Implementation Date October 2018

# **Status of Planning and Documentation:**

	Status
Governance structure	Complete
Project Charter	Complete
Communication Plan	Complete
Project Plan	Complete
Project Budget	Complete
Quality Assurance Plan	Complete

# **Status of Development, Testing and Training:**

	Status
Configuration and Development	Complete
System Testing	Complete
Integration Testing	Complete
User Acceptance Testing	In Progress
Training	Not Yet Started
Deploy and Optimize	Not Yet Started

# **<u>Project:</u>** Replacement of Interactive Reporting Tool (UWBI)

# Description

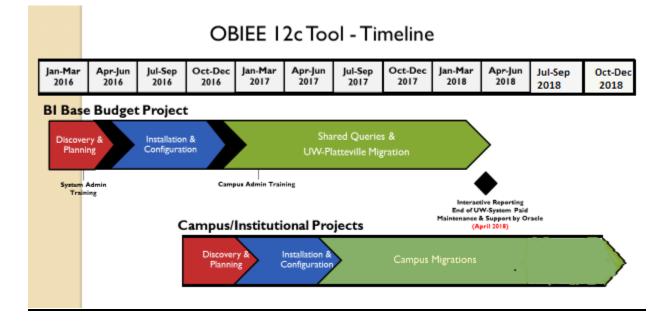
The University of Wisconsin System is implementing a new Business Intelligence (BI) tool to replace the legacy, system-wide reporting tool, Oracle's Brio/Hyperion Interactive Reporting (IR). This change is necessary because the UW System's Oracle's software support contract ends April 2018. A Request 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 December 2018.

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**

- 1. Purchase hardware for OBIEE 12c (complete)
- 2. Install, configure, set up security and authentication in OBIEE 12c for the 13 UW System campuses (complete)
- 3. Ensure that the system is configured so that dashboards/reports can be shared across all campuses (**complete**)
- 4. Migrate the Platteville OBIEE 11g instance into the UW System OBIEE 12c instance (complete)
- 5. Assessment of the system-wide shared queries to determine: (complete)
  - 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 (complete)
- 7. Using the dimensional data models, create a metadata repository (semantic layer) (complete)
- 8. Create dashboards/reports using the semantic layer that serve to replace the 'Shared Queries' in Interactive Reporting (complete)
- 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: (complete)
  - 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 (**complete**)
- 11. Monitor readiness of the institutions that have queries related to student data to move to OBIEE (in progress)

# **Project Schedule:**



# **Project Budget**

UWBI - IR Reporting Replacen	nent (Sha	red Querie	es)
	FY16 actual	FY17 actual	FY18 actual
Service Costs	285,088	811,704	1,580,859
Software Costs	397,893	407,140	137,920
Initiative Total:	682,981	1,218,844	1,718,779
UWBI - IR Reporting Replacen	nent (Cam	npus Speci	fic)
	FY16 actual	FY17 actual	FY18 actual
Consulting Costs		505,275	571,755
Training Costs		75,100	59,200
Initiative Total:	0	580,375	630,955
UWBI - IR Reporting Replacen			
	FY16 actual	FY17 actual	FY18 actual
Project Total	682,981	1,799,219	2,349,734
Less other funding sources		(197,324)	(139,821)
CSRG Project Total:	682,981	1,601,895	2,209,913

Source of Funds: Common Systems Review Group

# **Project Dashboard:**

Project Status Dashboard:	Green	Yellow	Red
<b><u>Schedule Status</u></b> : Campuses still have many reports and dashboard to convert. These conversions are progressing well, but contention for resources is a concern.		<b>X</b> *	
Scope Status:	X		
Budget Status:	X		
Other Issues (Staffing, Risks, etc.):	X		

# Notes:

\* Schedule Status – Migrations will continue through December 2018

# **Status of Planning and Documentation:**

	Status
Governance structure	Completed
Project Charter	Completed
<b>Communication Plan</b>	Completed
Project Plan	Completed
Project Budget	Completed
Quality Assurance Plan	In progress at campus/institutional level

# **Project:** Voice over Internet Protocol (VoIP) Project

### **Description:**

The University of Wisconsin System Administration, University of Wisconsin Colleges and University of Wisconsin-Extension are in great need to modernize their communications systems to meet current and future student, administration, faculty and staff needs and expectations. Because of the similarity of operations, co-location of staff and the relatively small number of phones it uses, UW System Administration is collaborating with UW Colleges and UW-Extension on this project.

An area of great concern/deficiency is the more than 15 unique telephone system implementations running on five different technology platforms supported by UW Colleges and UW-Extension. Many of these systems and platforms are in various stages of obsolescence. This project focuses on meeting the needs of the students, administration, faculty and staff who have the expectation and requirements of a modern communications system as a baseline industry service.

The current, voice only systems are antiquated and are approaching end of life. Additionally, the systems used by UW Colleges and UW-Extension are significantly inadequate, problematic and detrimental to the daily operation of the institutions. These systems are not sustainable and provide no opportunity to integrate with new communication technologies, other business critical services, nor do they allow UW Colleges or UW-Extension to operate as a single institution. Moving to a Voice over IP (VoIP) system will provide a single, more stable and current telecommunications platform, allow for future use of unified communication technology, and significantly improve the ability to be responsive to the increasing growth and demand of the UW Colleges campuses and UW-Extension Divisions. Additionally, a VoIP solution will provide E911, emergency services and paging services across all UW Colleges campuses, which are currently unavailable to some of them. VoIP is the commodity technology for enterprise voice communication and will be used as a strategic technology foundation to build upon.

#### **Strategic Business Drivers for the Project:**

- Replace Aging Systems
  - More than 15 unique aging telephone systems are currently used across UW System, UW Colleges, and UW-Extension. Most of these systems have, or soon will, reach their end of life and no longer meet the needs of students, administration, faculty and staff. Some of these systems are so old they can no longer be supported and if they were to fail, it is questionable if they could be fixed.
- Improve Emergency Notification
  - Improving the emergency notification functionality and capabilities throughout the UW System has taken on increased importance with the dangerous incidents that have been occurring around the country. The UW campuses are just as vulnerable to these types of attacks and must have the tools in place to respond when a situation on campus occurs. The objective is to add E911 functionality that will allow emergency responders to pinpoint the location of the emergency on campus to enhance response times and management of emergencies.

- Unified Communications & Functionality Modernization
  - Some of the UW Colleges campuses do not have voice mail systems of their own and rely on county services to provide this service. Many of the UW Colleges campuses and some of the UW-Extension offices use telephone systems that cannot be integrated with their e-mails systems. UW Colleges and UW-Extension would like to provide equal functionality to all of its locations and a single location for messages by delivering voice mail messages to the end-user's e-mail box if they so choose. Additionally, the use of a single unified communications system will increase collaboration across the institution(s). Lastly, the solution must offer call center management functionality and integrate with the Salesforce CRM used by CEOEL.

Overall the objectives are; to implement a single, unified telecommunications solution; improve emergency communications and responsiveness by providing E911 and emergency services; provide modern telecommunications functionality and services to UW System, UW Colleges Campuses and UW-Extension Divisions; and implement a communications technology platform that positions UW System, UW Colleges and UW-Extension for future growth.

## **Project Scope:**

For the past several years, UW Colleges campuses and some UW-Extension divisions have expressed concern about their aging phone systems. Beginning in 2014 and going through early 2016, an assessment and information gathering exercise was conducted to ascertain the status of the multiple phone systems. The assessment confirmed the concerns expressed by the campuses and divisions and uncovered other phone systems that were approaching obsolescence. Additionally, the consolidation of services resulting from the FY15-FY17 budget cuts highlighted the staffing challenges associated with providing telephone support across the UW Colleges. Also during this time, AT&T announced that the Centrex phone system used by many of the state institutions would not be supported after 2020 and last year DOA renegotiated the AT&T contract, which resulted in a cost increase of Centrex lines.

The completion of the UW Colleges Campus Network Infrastructure Project (CNIP) in December 2016 addressed concerns identified prior to 2014 regarding the ability of UW Colleges campus networks to support future network requirements. In anticipation of the network improvements associated with the CNIP project, planning began for implementation of a VoIP solution to replace the aging phone systems through UW Colleges and UW-Extension and to unite both institutions under one phone system, thus reducing support and long distance costs. UW System requested to be included in the VoIP project because many of the UW System offices are located in the same buildings and UW-Extension in the Madison area. UW Colleges, UW-Extension and UW System approved the project in November 2016.

Project Timeline: December 2016 - July 2018

**Project Budget:** \$2,719,598

**Project ROI:** UW System – 2 years, 2 months; UW Colleges – 5 years, 1 month; UW-Extension – 1 year, 9 months; overall – 2 years, 9 months

**Source of Funds:** UW System (12%), UW Colleges (53%), UW-Extension (35%). Although initial capital is required at the beginning of the project, the project will ultimately pay for itself from the savings realized through lower ongoing operating costs as reflected in the ROI above.

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

Project Status Dashboard:	Green	Yello	Red
Schedule Status			Х
Scope Status	Χ		
Budget Status	Χ		
Other Issues (Staffing, Risks, etc.)	Х		

#### **Status of Planning and Documentation:**

	Status
Governance Structure	Completed
Project Charter	Completed
Communication Plan	Completed
Project Plan	Completed
Project Budget	Completed
Quality Assurance Plan	Completed

The project is 99% complete. The schedule status has changed from green to red due to delays with the contractor porting the last round of phone numbers and cable contractor availability for running additional network cables. The bulk of the number porting work is expected to be completed the end of July and the cabling and additional phone deployments should be completed in August/September.

# **<u>Appendix 1:</u>** Project Dashboard Definitions

# **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 System Contractual Agreement with Fox World Travel

## BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves a one-year contract extension with Fox World Travel for travel related services.

# UNIVERSITY OF WISCONSIN SYSTEM CONTRACTUAL AGREEMENT WITH FOX WORLD TRAVEL FOR TRAVEL MANAGEMENT SERVICES

# BACKGROUND

Fox World Travel was awarded the UW System's Travel Management Services and Corporate Self Booking Tool contract in August 2013 through a competitive Request for Proposal (RFP) process.

The contract was awarded for a three-year period with two optional one-year extension periods. At its July 2017 meeting, the Board of Regents approved a one-year extension to the contract taking the term to June 30, 2019. The UW System Travel Program is seeking an additional one-year option period to extend the contract to July 1, 2020.

The intent was to re-compete the travel management services contract this year; however, the UW System is in process of hiring a new Travel Director due to a retirement. That person is key to setting strategy for the UW System's managed travel program and working with the UW campuses in developing requirements for the RFP. It would be prudent to give the new Director sufficient time to review current strategy and begin work with campuses to set requirements for a new contract.

There are also changes to the program being considered, which may impact the volume of travel activities running through the contract and could, in turn, impact price proposals from travel management companies.

Due to the complexity of the UW System's managed travel program and the number of UW travelers, a six to nine month conversion period needs to be built into the RFP timeline. If the contract is awarded to a new supplier, this time would allow the program to be transferred smoothly. Under the current timeline the new Travel Director would begin work on the RFP in Winter 2018, and the RFP would be issued in Spring 2019 with an award by the Fall 2019, thereby allowing a nine-month conversion period, if needed.

#### **REQUESTED ACTION**

Approval of Resolution I.2.d.

## DISCUSSION

The UW System seeks approval to add one additional option period to Contract #13-2542 to allow the UW System to extend the current contract to June 30, 2020. The added option period would be subject to the same terms and conditions of the existing contract. The anticipated UW expenditure, based on the current rates in the contract and anticipated bookings in the UW System's managed travel program, is estimated at \$1.2 million.

#### **RELATED REGENT POLICIES**

Regent Policy Document 13-1: General Contract Authority, Approval, and Reporting. Regent Policy Document 21-5: University Travel Policies

UW-Milwaukee Contractual Agreement With Eaton Corporation

# BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon the recommendation of the Chancellor of the University of Wisconsin-Milwaukee and the President of the University of Wisconsin System, the Board of Regents approves the contractual agreement between the University of Wisconsin-Milwaukee and Eaton Corporation with a four-year term.

#### UW-MILWAUKEE CONTRACTUAL AGREEMENT WITH EATON CORPORATION

#### **EXECUTIVE SUMMARY**

#### BACKGROUND

UW Board of Regents policy requires any grant or contract with private profit-making organizations in excess of \$1,000,000.00 be presented to the Board for formal approval prior to execution.

#### **REQUESTED ACTION**

Approval of Resolution I.2.e., approving the contract with Eaton Corporation.

#### DISCUSSION

The College of Engineering & Applied Science and the Office of Sponsored Programs at the University of Wisconsin-Milwaukee (UWM) propose to enter into a Research Agreement with Eaton Corporation effective as of January 16, 2018. Eaton Corporation is the prime awardee on a contract with the U.S. Air Force. UWM will receive pass-through funds from Eaton Corporation as a sub-awardee. Project results will ultimately be reported to the U.S. Air Force Civil Engineer Center.

Under this agreement, UWM will work with Eaton Corporation to develop a prototype (physical, simulated, emulated and digital twins for Hardware In the Loop) distributed sensor network and analytics platform for demonstration and validation of power and water technologies for the Basic Expeditionary Airfield Resources (BEAR) packages. The research is anticipated to take place in three phases over a four (4) year period. Total anticipated revenues to UWM associated with the agreement are \$1,293,947.00. The research is scheduled to be overseen by Dr. Adel Nasiri, a full Professor in UWM's College of Engineering & Applied Science. It is anticipated that results from the research will be published. However, as the pass through contractual provisions from Eaton Corporation contain a review/approval mechanism by the U.S. Government, UWM is putting a Technology Control Plan in place to ensure that research results are reviewed for compliance with applicable export control regulations, if any.

#### **RELATED REGENT POLICIES**

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

UW-Madison Contractual Agreement with Learfield Communications, LLC

# 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 University of Wisconsin-Madison and Learfield Communications, LLC. The contract is for a three-year term, with the possibility of renewal(s) for an additional four years.

#### UW-MADISON CONTRACTUAL AGREEMENT WITH LEARFIELD COMMUNICATIONS

#### **EXECUTIVE SUMMARY**

#### BACKGROUND

UW Board of Regents Policy Document 13-1 requires any grant or contract with private profitmaking organizations in excess of \$1,000,000 be presented to the Board for formal acceptance prior to execution.

UW-Madison is seeking approval to enter into a contractual agreement with Learfield Communications, LLC as our Campus Sponsorship Rights seller, for review and acceptance by the Board of Regents.

UW-Madison seeks an external partner to assist in the identification and leveraging of potential corporate marketing partnerships for various segments of campus. Peer universities with established campus (not athletic) sponsorship programs include the Ohio State University, Indiana University, Texas A&M, the University of Washington (Seattle), the University of California-Davis and the University of California, Berkeley.

The University currently contracts with Learfield to sell Athletics Sponsorship and Wisconsin Union Sponsorships. The Wisconsin Union contract expires August 31, 2018. The Athletic Sponsorship contract is separate.

This new contract would include not only the Union, but also several other campus units, including: Housing, Center for First Year Experience (SOAR), Campus and Visitor Relations, Center for Leadership and Involvement and Rec Sports. Corporate partnerships would be identified by Learfield, and carefully vetted by both the Learfield team and an internal UW team. Any/all partnerships must follow UW-Madison's existing sponsorship policy, as well as any UW System regulations. Final approval of any/all sponsorships rests with UW-Madison.

Sponsorship revenue would be divided among the campus units represented in various sponsorships (e.g., the Union would receive payment for the sponsorships activated at the Unions). Proceeds would be used to fund programmatic, communications and outreach efforts at the various units on campus.

#### **REQUESTED ACTION**

Approval of Resolution I.2.f., approving the contract with Learfield Communications, LLC.

# DISCUSSION

An Invitation to Submit Plans (ISP) was issued through UW Madison Purchasing Services, offering identified companies the opportunity to submit a plan. Plan submitters were asked to provide information regarding their company history, company experience, staff experience, how they would maximize sponsorships and their financial proposal. Learfield was the chosen vendor.

Contract highlights include:

- A potential seven-year term including an initial three-year term, with the option of renewal for an additional four years. Such renewal(s) would take the form of an amendment to the contract
- Yearly guarantees ranging from \$325,000 in Year 1, \$450,000 in Year 2, and \$500,000 in Year 3. Compensation for future years would be established in the renewal amendments.
- Possible projected commissions of \$15M+ over seven year period

# **RELATED REGENT POLICIES**

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

UW-Madison Contractual Agreement with Deere & Company.

## 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 Deere & Company for a five-year term.

August 24, 2018

Agenda Item I.2.g.

## UW-MADISON CONTRACTUAL AGREEMENT WITH DEERE & COMPANY

## **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.g., approving the contractual agreement between the Board of Regents and Deere & Company for a five-year term.

#### DISCUSSION AND RECOMMENDATIONS

The College of Engineering, with assistance from the Office of Research and Sponsored Programs at the University of Wisconsin-Madison, has negotiated a Master Sponsored Research Agreement with Deere & Company. In consideration for providing the requested research, Deere & Company may pay the University in excess of \$1,000,000. The Master Agreement is anticipated to cover research projects during the period from August 1, 2018 through July 31, 2023. The research will be conducted in the College of Engineering under the direction of numerous Engineering researchers.

The research will explore potential efficiency gains from the electrification of off-road powertrains.

#### **RELATED REGENT POLICIES**

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

Authorization to Recruit a Limited Appointee (Dean of the School of Business) at UW-Madison at a Salary above 75% of the UW System President's Salary

# BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, UW-Madison be authorized to recruit for a Dean of the School of Business at a salary that may exceed 75% of the UW System President's current salary up to a maximum of \$500,000.

Further, the Board of Regents authorizes the President of the University of Wisconsin System to approve the appointment and the salary for this position.

#### AUTHORIZATION TO RECRUIT A LIMITED APPOINTEE (DEAN OF THE UW-MADISON SCHOOL OF BUSINESS) AT A SALARY ABOVE 75% OF THE UW SYSTEM PRESIDENT'S SALARY

#### **EXECUTIVE SUMMARY**

#### BACKGROUND

The incumbent in this position will serve as UW-Madison's School of Business dean and will lead the advancement of the school through its education programs and research initiatives for undergraduates, master's students, doctoral students, and other learners. The dean serves as the chief academic and executive officer of the School of Business and carries responsibility for planning and managing a budget of \$68 million; curriculum; faculty and staff development, personnel oversight, and student academic affairs for 77 faculty, 212 professional, Academic and University staff. Supporting recruitment and market data for similar positions across UW-Madison peer institutions is attached.

#### **REQUESTED ACTION**

Approval of Resolution I.2.h., approving the salary range request for the UW-Madison School of Business Dean.

#### DISCUSSION

Regent Policy Document 6-3 requires an institution to request authorization from the Board of Regents to recruit for any faculty, academic or limited staff position at a salary that may exceed 75% of the UW System President's salary. Unless the Regents request that the appointee be considered by the Board, the President is authorized to approve the appointment and the salary for the appointee in consultation with the UW-Madison Chancellor, if the salary to be offered to the appointee exceeds 75% of the President's salary. Market data for similar positions across UW-Madison peer institutions show salary levels ranging from \$287,930 up to \$592,884, with a median of \$472,850. The most recent UW-Madison Dean of the Business School's salary was \$440,000 and exceeded 75% of the President's salary.

#### **RELATED REGENT POLICIES**

Regent Resolution 8168 Regent Policy Document 6-3



# **MEMORANDUM**

- To: Jessica Lathrop, Executive Director and Corporate Secretary UW-Office of the Board of Regents
- From: Rebecca Blank, Chancellor Rebecca Blank
- Date: July 31, 2018
- RE: Request to Exceed 75% of the President's Salary

I am writing to request approval to set the maximum salary for the Wisconsin School of Business Dean up to \$500,000 annually. Approval by the Board of Regents is required due to the proposed maximum salary exceeding 75% of the President's Salary. UW-Madison is proceeding to fill this vacancy and, given the national market for business school deans, the requested salary flexibility will allow us to recruit competitively. The effective date for this appointment will likely be in summer of 2019.

Attached to this request is the UW-Madison Administrative Salary Peer Comparison report (2017-18). The peer median for our official salary peers for the School of Business Dean position is \$472,850 annually. The requested \$500,000 maximum is needed so UW-Madison can compete for top talent.

Thank you for placing this on the agenda for the August Board of Regents meeting. A representative from the university will attend the meeting to answer any questions the Regents may have.

Please let Mark Walters (mark.walters@wisc.edu) know if you have any questions about this request or need additional information.

Thank you for your consideration.

#### Attachment

xc: Sarah Mangelsdorf, Provost and Vice Chancellor for Academic Affairs, UW-Madison Laurent Heller, Vice Chancellor for Finance and Administration, UW-Madison Wayne Guthrie, Associate Vice Chancellor for Human Resources, UW-Madison

### UNIVERSITY OF WISCONSIN SYSTEM TRUST FUNDS QUARTERLY INVESTMENT REVIEW AS OF JUNE 30, 2018

#### **EXECUTIVE SUMMARY**

#### BACKGROUND

The University of Wisconsin System has the statutory authority to manage trust fund assets in one of three ways: (1) internally, by UW System employees; (2) via a request-for-proposal for outside management consultants; of (3) through the State of Wisconsin Investment Board. Until recently, the University of Wisconsin System Office of Trust Funds managed trust fund assets for the benefit of all of the University of Wisconsin institutions. In November 2017, the Board of Regents authorized moving the management of trust fund assets to the State of Wisconsin Investment Board (SWIB); the management transfer was completed in April 2018.

The attached UW System Trust Funds Quarterly Investment Review as of June 30, 2018, prepared by SWIB, is the first investment performance report since management of trust fund assets was transferred to SWIB in April 2018. The attached report provides the following: 1) an overview and summary of total trust funds assets, investment performance, and cash flows to/from the SWIB-managed portfolios for the period; 2) a market discussion and commentary section; 3) asset allocation information; 4) more detailed investment performance information at the overall fund as well as individual asset class levels; and 5) in the appendix, detailed "fact sheets" for each of the BlackRock common trust index funds, which have been selected by SWIB to provide for Trust Funds' investments in public markets.

#### **REQUESTED ACTION**

This item is for informational purposes only.

#### DISCUSSION

As of June 30, 2018, UW System Trust Funds assets totaled \$576.7 million, comprised of \$419.6 million in the Long Term (endowment) Fund and \$157.1 million in the Income Cash Fund (a component of the State Investment Fund). Cash flows to/from the SWIB-managed portfolios for the period included a \$10.4 million follow-up transfer of Long Term Fund assets from prior managers to the new "public markets" portfolio, and a \$2.5 million transfer of cash to the "legacy private markets" portfolio, to serve as a buffer for meeting net capital call requirements over the near term.

For the 2<sup>nd</sup> quarter of 2018, U.S. equities (including REITS) were the only strong performers, while global ex-U.S. equities and fixed income markets struggled. U.S. equities (as measured by the Russell 3000 Index) gained 3.89%, boosted by continued strong economic data (e.g.,

unemployment levels and corporate earnings growth) which outweighed growing trade concerns and late-cycle valuations.

Developed market foreign equities (as measured by the MSCI World ex-U.S. Index, and in U.S. dollar terms) lost 0.75%, and emerging market equities (as measured by the MSCI EM Index) fell 7.96%. European stocks were impacted by fears of further political fragmentation and slowing momentum for Eurozone reform. Emerging market stocks suffered as the risks and realities of trade wars ensued. Both developed and emerging market stocks (in U.S. dollar terms) were also negatively impacted by a strengthening U.S. dollar, which was attributed to increased trade tensions, interest rate differentials, and more favorable U.S. growth conditions. (U.S. dollar-hedged developed market equities actually performed strongly, gaining 3.94%.)

In U.S. fixed income markets (which is the only fixed income exposure for the Long Term and Income Cash Funds), nominal bonds (as measured by the Bloomberg Barclays Government/Corporate Index) lost 0.33%, while longer duration inflation-adjusted bonds (as measured by the Bloomberg Barclays U.S. TIPS Index) gained 0.77%. The firming domestic economy pushed both nominal and real interest rates higher, negatively impacting the price of both of these types of bonds. Meanwhile, the Federal Reserve raised short-term rates again, from 1.75% to 2%, during the period, which will have a positive effect on money market and other cash-like investments.

For the quarter ended June 30, the well-diversified Long Term Fund gained 0.60% (before fees), while the UW Fund Custom Benchmark returned 0.59%. The Income Cash Fund gained 0.45% for the period.

# **RELATED REGENT POLICIES**

None.



# **University of Wisconsin System Trust Funds**



# **Quarterly Investment Review**

June 30, 2018

#### **Investment Objective**

To achieve, net of administrative and investment expenses, reasonable, attainable and sustainable returns over and above the rate of inflation. SWIB seeks to achieve this objective through the use of passive, externally-managed, public markets funds.

#### Market Values 6/30/2018

Total Public Market Assets	\$354,629,712
Total Legacy Private Market Assets	<u>\$64,830,347</u>
Total UW System Long Term Fund <sup>1</sup>	\$419,460,059

#### Income Cash Fund (State Investment Fund 'SIF')<sup>2</sup> \$157,110,000

<sup>1</sup> Market Values are net of SWIB internal and external investment management fees, custody & middle office fees, and other pass through fees. Market values are gross of internal UW fees.

<sup>2</sup> Data is sourced from the Quarter End Pool Sheets provided by the DOA and represents the monies available in UW Funds 161 and 162 (STAR account(s) 51100 and 51200).

#### Performance for Quarter ended 6/30/2018

	Apr-18	May-18	Jun-18	3 Months
UW System Long Term Fund (Gross of Fees)	0.55%	0.31%	-0.26%	0.60%
UW System Long Term Fund (Net of All Fees) <sup>3</sup>	0.55%	0.31%	-0.29%	0.56%
UW Fund Custom Benchmark	0.53%	0.32%	-0.26%	0.59%

<sup>3</sup> Returns are net of SWIB internal and external investment management fees, custody & middle office fees, and other pass through fees. Returns are gross of internal UW fees.

#### Contributions/(Withdrawals) for the Quarter ended 6/30/2018

UW System Long Term Fund - Public Markets	\$ 10,400,000
UW System Long Term Fund - Private Markets <sup>4</sup>	\$ 2,500,000

<sup>4</sup> Cash was contributed to the StepStone Terrace Holdings II to cover potential near term capital calls in excess of distributions. On an overall net basis, distributions will outweigh capital calls, and the fund will continue to self-liquidate.

#### UW System Trust Funds: Market Discussion and Commentary Quarter Ended June 30, 2018

The UW System Long Term Fund gained .6% in the second quarter. Public equities rose .8%, while inflation sensitive assets increased 1.4% and fixed income investments declined by .3%

U.S. equities gained 3.9% in Q2. Economic data in the U.S. continued to be strong, with unemployment at 3.8%, the lowest level since 1975. Corporate earnings growth has remained strong, as have retail, home and auto sales. Higher raw material costs have been offset by revenue growth, price increases, and lower tax rates. Despite growing trade concerns and late cycle valuation pressures, equity market volatility remains at a fairly low level.

Protectionism remains a major theme, as trade tensions continue to cause market uncertainty. U.S. tariffs on aluminum, steel, and other imports have been met with retaliatory tariffs on billions of dollars' worth of US goods, increasing fears of a trade war, as well as contributing to rising input costs and inflationary pressures.

Developed International equities declined .75% during the quarter. European fragmentation remained a major political risk throughout the quarter, including the formation of Italy's populist coalition government and slowing momentum for Eurozone reform as negotiations over immigration policy within the German coalition government broke down. Additionally, a stronger U.S. dollar – attributed to increased trade tensions, interest rate differentials, and favorable U.S. growth conditions – also weighed on unhedged developed market equity returns in the quarter. Export sensitive stocks in particular were hit by U.S. protectionism headlines.

Emerging market equities declined by almost 8% in Q2, with the index experiencing its worst quarter in two years as trade war risks and a stronger U.S. dollar weighed broadly on emerging markets across all regions.

At the sector level, energy was the strongest performer (up almost 13% in developed markets), as crude prices remained in a high trading range throughout the quarter leading to strong earnings growth for energy companies. Brent crude oil prices reached \$80/bbl for the first time in 3 years on news that OPEC agreed to raise oil production by less than expected. Financials were the weakest sector globally (-4%) as subdued European rates, uncertainty stemming from anti-Eurozone populism, and regulatory concerns weighed on sentiment.

Fixed Income and inflation sensitive returns were also influenced by the firming domestic economy and rising geopolitical risks. On the back of solid domestic growth and continued improvements in the labor market, the Federal Reserve signaled a convergence towards its 2% inflation target and upgraded its overall economic outlook. This supported the FOMC decision in June to raise interest rates by 25 bps from 1.75% to 2% in line with expectations, while signaling the number of expected rate hikes in 2018 would be rising from 3 to 4 hikes. US 10-year rates moved from 2.74% to 2.88% during the quarter, while real rates rose from 2.06% at the beginning of the quarter to 2.13% to close out Q2.

Additional fund information and performance details can be found in the Appendix.

# UW System Trust Funds: Market Overview

Quarter Ended June 30, 2018

Economic Indicators						
	Quarter					
	Ending	YTD	1 Year	3 Year	5 Year	10 Year
GDP Growth Rate (current dollars) <sup>1</sup>	1.17%	2.21%	4.89%	3.72%	4.07%	3.14%
CPI Growth Rate	0.82%	2.05%	2.71%	1.78%	1.50%	1.41%

\* All returns and growth rates greater than 1 year are annualized.

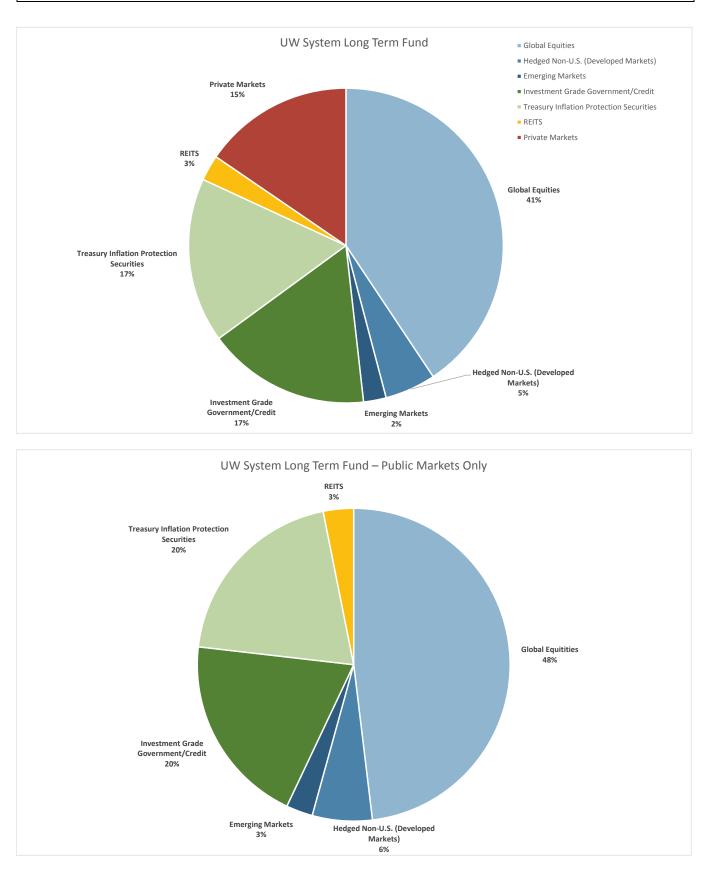
<sup>1</sup> The GDP growth rate is not adjusted for inflation.

Market Indicators						
Investment Performance - Periods Ended June 30, 2018						
	Quarter					
	Ending	YTD	1 Year	3 Year	5 Year	10 Year
U.S. Large Cap Stocks (S&P 500 Index)	3.43%	2.65%	14.37%	11.93%	13.42%	10.17%
U.S. Small Cap Stocks (Russell 2000 Index)	7.75%	7.66%	17.57%	10.96%	12.46%	10.60%
U.S. Broad Market Stocks (Russell 3000 Index)	3.89%	3.22%	14.78%	11.58%	13.29%	10.23%
International Stocks (MSCI World ex US Index)	-0.75%	-2.77%	7.04%	4.87%	6.23%	2.63%
International Stocks - Local Currency (MSCI World ex US Index)	3.76%	-0.72%	6.50%	5.27%	8.90%	4.79%
Emerging Markets Stocks (MSCI EM Index)	-7.96%	-6.66%	8.20%	5.60%	5.01%	2.26%
Global Stocks (MSCI ACWI Gross Index)	0.72%	-0.13%	11.31%	8.78%	10.00%	6.37%
Government/Credit (Bloomberg Barclays Capital Gov/Credit)	-0.33%	-1.90%	-0.63%	1.83%	2.29%	3.78%
U.S. TIPS (Bloomberg Barclays U.S TIPS Index)	0.77%	-0.02%	2.11%	1.93%	1.68%	3.03%
Real Estate (FTSE EPRA/NAREIT Developed Index)	5.45%	0.91%	6.70%	6.70%	6.89%	5.73%

\* All returns and growth rates greater than 1 year are annualized.

# **UW System Trust Funds: Asset Allocations**

Quarter Ended June 30, 2018



UW System Trust Funds	s: Actual Versus Targe	t Asset Allocati	ons	
Quart	er Ended June 30, 2018			
	Current Allocation	Current	Target	Min./Max.
Asset Class/Strategy	(\$MM)	Allocation (%)	Allocation (%)	Guidelines
Public Equities <sup>1</sup>				
Global Equities	\$170,523,267	48.1%	48.0%	44-52%
Hedged Non-U.S. Equities (Developed Markets)	\$21,962,527	6.2%	6.0%	5-7%
Emerging Markets Equities	\$9,744,203	2.7%	3.0%	2-4%
	\$ <mark>202,229,99</mark> 8	57.0%	57.0%	51-63%
Fixed Income				
Investment Grade Government/Credit	\$70,228,282	19.8%	20.0%	18-22%
	\$70,228,282	19.8%	20.0%	18-22%
Inflation Sensitive				
TIPS (Treasury Inflation Protection Securities)	\$71,051,539	20.0%	20.0%	18-22%
REITS (Real Estate Investment Trusts)	\$11,119,894	3.1%	3.0%	2-4%
	\$82,171,432	23.2%	23.0%	20-26%
Total Public Markets	\$354,629,712	100%	100%	-
Private Markets <sup>2</sup>	<u>\$64,830,347</u>	-	N/A	N/A
Terrace Holdings II	\$64,830,347	-		
Long Term Fund Total Assets <sup>3</sup>	\$419,460,059			

<sup>1</sup> There is a statutory limitation of 85% maximum exposure to public equities. (§36.29)

<sup>2</sup> Private Markets is not included in the target allocation. The Terrace Holdings II Fund comprises private equity funds of J.P. Morgan, Adams Street Partners, and a GMO Forestry Fund.

<sup>3</sup> Market Values are net of SWIB internal and external investment management fees, custody & middle office fees, and other pass through fees. Market values are gross of internal UW fees.

#### **Rebalancing Policy:**

The asset allocation of fund investments shall be reviewed at the end of each quarter. Quarterly net capital flows to/from the UW System shall be utilized to rebalance toward the target allocations. If the allocation by asset class falls outside the rebalance range following quarterly cash flows, assets will be systematically rebalanced back to the target allocation as soon as practicable and in any event prior to the next quarterly net capital flows. Only the Public Markets allocations will be included in any rebalancing. The legacy Private Markets investments will receive additional inflows based only upon past commitments. No new commitments will be made to private markets. Eventually the legacy Private Markets investments will self-liquidate as distributions are made from existing funds without any new commitments.

# UW System Trust Funds: Investment Performance Analysis Quarter Ended June 30, 2018

Performance results for the UW System Long Term Fund are shown below, both graphically and in table format.

Fund and Benchmark Performance Data							
Investment P	erformance.	: Periods Er	nded June 3	80, 2018			
	Quarter	Year to	One	Three	Five	Ten	
	Ending	Date	Year	Years	Years	Years	Risk <sup>1</sup>
UW System Long Term Fund <sup>2</sup>	0.60%	-	-	-	-	-	-
UW Fund Custom Benchmark <sup>3</sup>	0.59%	-	-	-	-	-	-
CPI + Spending Rate <sup>4</sup>	1.81%	4.07%	6.81%	5.84%	5.56%	5.46%	1.32%
Income Cash Fund (SIF) <sup>5</sup>	0.45%	0.81%	1.34%	0.72%	0.47%	0.44%	0.15%

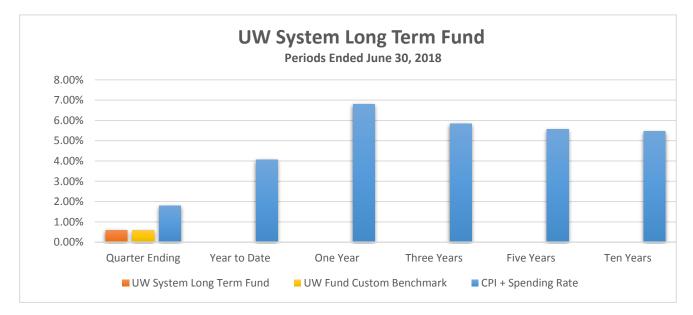
<sup>1</sup> Risk is measured by the annualized standard deviation of monthly returns over the past ten years.

<sup>2</sup> The UW System Long Term Fund's return is a gross of fees return.

<sup>3</sup> The "UW Fund Custom Benchmark" is asset weighted using the UW Public Equity Benchmark, the Bloomberg U.S. Gov't/Credit Index, the Inflation Sensitive Benchmark, and the net Terrace Holdings II returns. The Private Equity Benchmark is a net of fees return and the other benchmark components are gross returns. Private Markets Benchmark change is pending approval from the SWIB Investment Committee.

<sup>4</sup> The annual spending rate is 4.0% and the change in CPI is used as the inflation indicator.

<sup>5</sup> Relevant to the extent recipients have allocated a portion of their funds to the Income Cash Fund (SIF). The Income Cash Fund (SIF) is used for receiving spending distributions from the Long Term Fund. UW investment account holders may also allocate a portion of their expendable principal to this fund.



UW System Trust Funds: Fund and Ber			Le Dala	Dy Assel	Class	
Quarter Endec	-	)18 of Fee	Net o	f Fee <sup>6</sup>	Net o	of All <sup>7</sup>
	Quarter	Since	Quarter	Since	Quarter	Since
Asset Class/Strategy	Ending	Inception	Ending	Inception	Ending	Inception
UW System Long Term Fund	0.60%	0.60%	0.59%	0.59%	0.56%	0.56%
UW Fund Custom Benchmark <sup>1</sup>	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%
Public Equities	0.78%	0.78%	0.77%	0.77%	0.77%	0.77%
UW Public Equity Benchmark <sup>2</sup>	0.79%	0.79%	0.79%	0.79%	0.79%	0.79%
BlackRock MSCI ACWI Index Fund B	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%
MSCI ACWI IMI Index	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
BlackRock EAFE Currency Hedged Equity Index Fund B	4.15%	4.15%	4.14%	4.14%	4.14%	4.14%
MSCI EAFE Net 100% USD Hedged Index	3.94%	3.94%	3.94%	3.94%	3.94%	3.94%
BlackRock Emerging Markets Free Fund B	-7.83%	-7.83%	-7.84%	-7.84%	-7.84%	-7.84%
MSCI Emerging Markets Index	-7.86%	-7.86%	-7.86%	-7.86%	-7.86%	-7.86%
Fixed Income						
BlackRock Government/Credit Bond Index Fund B	-0.29%	-0.29%	-0.30%	-0.30%	-0.30%	-0.30%
Bloomberg U.S. Gov't/Credit Index	-0.33%	-0.33%	-0.33%	-0.33%	-0.33%	-0.33%
Inflation Sensitive	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%
Inflation Sensitive Benchmark <sup>3</sup>	1.37%	1.37%	1.37%	1.37%	1.37%	1.37%
BlackRock U.S Treasury Inflation Protected Securities Fund B	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%
Bloomberg Barclays U.S. TIPS Index, Series L	0.77%	0.77%	0.77%	0.77%	0.77%	0.77%
BlackRock Developed Real Estate Index Fund B	5.36%	5.36%	5.34%	5.34%	5.34%	5.34%
FTSE EPRA/NAREIT Developed index	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%
Private Markets						<u> </u>
Terrace Holdings II <sup>4</sup>	0.00%	0.00%	-0.03%	-0.03%	-0.03%	-0.03%
UW Private Equity Benchmark <sup>5</sup>	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%	-0.03%
		1	I	1	L	1

# LIW System Trust Funds: Fund and Benchmark Performance Data by Asset Class

<sup>1</sup> The "UW Fund Custom Benchmark" is asset weighted using the UW Public Equity Benchmark, the Bloomberg U.S. Gov't/Credit Index, the Inflation Sensitive Benchmark, and the net Terrace Holdings II returns. The Private Equity Benchmark is a net of fees return and the other benchmark components are gross returns. Private Markets Benchmark change is pending approval from the SWIB Investment Committee.

<sup>2</sup> The "UW Public Equity Benchmark" is comprised of 84% MSCI ACWI IMI Index, 11% MASCI EAFE Net 100% USD Hedged Index, and 5% MSCI Emerging Markets Index.

<sup>3</sup> The "Inflation Sensitive Benchmark" is comprised of 87% Bloomberg Barclays U.S. TIPS Index, Series L and 13% FTSE EPRA/NAREIT Developed index.

<sup>4</sup> Returns reflect 3/31 values due to valuation timing lag. The net of fees and net of all returns are net of StepStone manager fees.

<sup>5</sup> The "Private Equity Benchmark" is comprised of the net of fees return of Terrace Holdings II, a Private Equity fund of funds being administered by StepStone. This is a legacy portfolio that is not being actively managed. No new investments will be made, and the funds will eventually self-liquidate. Due to the timing lag in valuations for the underlying funds, the Terrace Holdings II returns will be used as the benchmark. This Private Markets Benchmark change is pending approval from the SWIB Investment Committee.

<sup>6</sup> Returns are net of external manager fees (e.g. BlackRock fees.)

<sup>7</sup> Returns are net of SWIB internal and external investment management fees, custody & middle office fees, and other pass though fees. Returns are gross of internal UW fees.

# **APPENDIX**



# MSCI ACWI IMI Index Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

## Investment objective and strategy

The MSCI ACWI IMI Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests primarily in U.S. and non-U.S. equity securities with the objective of approximating as closely as practicable the capitalization weighted rates of return of the markets in certain countries for publicly traded equity securities. The primary criterion for selection of investments in the Fund shall be the Benchmark listed herein.

#### Performance

Total return % as of 06/30/2018 (return percentages are annualized as of period end)

	Q2*	YTD*	1 Year*	3 Year	5 Year	Since Inception
Fund return %	0.89	-0.02	11.48	8.71	9.98	9.09
Benchmark return %	0.72	-0.18	11.14	8.34	9.60	8.71
Difference	0.17	0.16	0.34	0.37	0.38	0.38

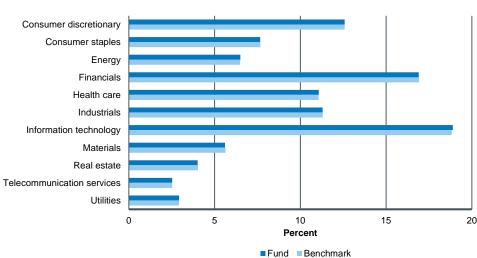
#### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.** 

\* Period returns for less than one year are cumulative

#### **Sector allocation**

% of Fund or Benchmark as of 06/30/2018



Sources: BlackRock, MSCI Inc.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

#### Investment details (as of 06/30/2018)

Benchmark	MSCI ACWI IMI Net Dividend Return Index
Total fund assets	\$2.84 billion
Fund inception date	03/23/2010

Characteristics (as of 06/30/2018)

	Fund	Benchmark
Number of securities	8,832	8,913
Dividend yield	2.19	2.20

#### Top 10 holdings (as of 06/30/2018)

	Country	Fund (% assets)
Apple Inc	United States	1.81
Microsoft Corp	United States	1.39
Amazon Com Inc	United States	1.34
Facebook Class A Inc	United States	0.89
JPMorgan Chase & Co	United States	0.69
Alphabet Inc Class C	United States	0.68
Exxon Mobil Corp	United States	0.67
Alphabet Inc Class A	United States	0.65
Johnson & Johnson	United States	0.63
Tencent Holdings Ltd	China	0.55

Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

#### Country allocation (% as of 06/30/2018)

	5	United States 53.57		Japan 8.01 United Kingdom 5.77 China 3.49	
France	3.17	Denmark	0.55	Austria	0.11
Canada	3.09	Singapore	0.42	New Zealand	0.10
Germany	2.86	Belgium	0.38	Turkey	0.09
Switzerland	2.31	Russian		Qatar	0.09
Australia	2.21	Fed	0.37	UAE	0.07
South Korea	1.72	Finland	0.36	Portugal	0.06
Taiwan Rep o	of	Mexico	0.34	Colombia	0.05
China	1.43	Norway	0.29	Peru	0.04
Netherlands	1.11	Malaysia	0.28	Greece	0.04
Hong Kong	1.08	Thailand	0.27	Hungary	0.03
India	1.07	Israel	0.23	Egypt	0.03
Spain	0.97	Indonesia	0.22	Czech Rep	0.02
Śweden	0.95	Ireland	0.17	Pakistan	0.02
Italy	0.82	Chile	0.13	Malta	0.00
South Africa	0.73	Poland	0.13	Mauritius	0.00
Brazil	0.65	Philippines	0.11		



# MSCI EAFE Currency Hedged Equity Index Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

## Investment objective and strategy

The MSCI EAFE Currency Hedged Equity Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests primarily in international equity securities whose total return will approximate as closely as practicable the cap weighted total return of the markets in certain countries for equity securities outside the US, while seeking to eliminate variations based solely on the value of the currencies in the Fund as compared to the US dollar. The primary criterion for selection of investments in the Fund is the Benchmark listed herein.

#### Performance

Total return % as of 06/30/2018 (return percentages are annualized as of period end)

	Q2*	YTD*	1 Year*	Since Inception
Fund return %	4.15	0.09	7.98	13.19
Benchmark return %	3.94	0.02	7.94	13.13
Difference	0.21	0.07	0.04	0.06

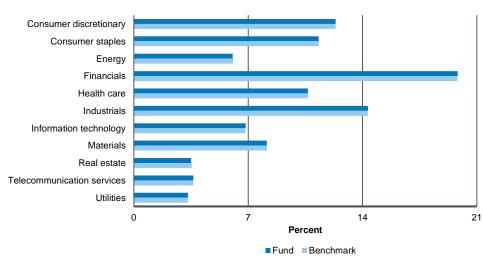
Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.** 

\* Period returns for less than one year are cumulative

## **Sector allocation**

% of Fund or Benchmark as of 06/30/2018



Sources: BlackRock, MSCI Inc.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

#### Investment details (as of 06/30/2018)

Benchmark	MSCI EAFE 100% Hedged to USD Net Dividend Return Index
Total fund assets	\$0.29 billion
Fund inception date	04/29/2016

#### Characteristics (as of 06/30/2018)

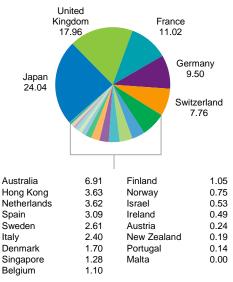
	Fund	Benchmark
Number of securities	931	927
Dividend yield	3.08	3.08

#### Top 10 holdings (as of 06/30/2018)

	Country	Fund (% assets)
Nestle SA	Switzerland	1.68
HSBC Holdings Plc	United Kingdom	1.31
Novartis AG	Switzerland	1.17
Royal Dutch Shell Plc Class A	United Kingdom	1.11
Roche Holding Par AG	Switzerland	1.08
BP Plc	United Kingdom	1.06
Toyota Motor Corp	Japan	1.03
Total SA	France	1.03
Royal Dutch Shell Plc Class B	United Kingdom	0.94
British American Tobacco Plc	United Kingdom	0.81

Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

### Country allocation (% as of 06/30/2018)



# MSCI Emerging Markets Free Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

# Investment objective and strategy

The MSCI Emerging Markets Free Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests primarily in international equity securities of issuers in emerging markets, with the objective of providing returns which approximate as closely as practicable the capitalization weighted total rates of return of the markets in certain countries for equity securities traded outside of the United States. The primary criterion for selection of investments in the Fund shall be the Benchmark listed herein.

### Performance

Total return % as of 06/30/2018 (return percentages are annualized as of period end)

	Q2*	YTD*	1 Year*	3 Year	5 Year	10 Year	Since Inception
Fund return %	-7.83	-6.68	8.12	5.53	4.94	2.16	7.90
Benchmark return %	-7.96	-6.66	8.20	5.60	5.01	2.26	7.98
Difference	0.13	-0.02	-0.08	-0.07	-0.07	-0.10	-0.08

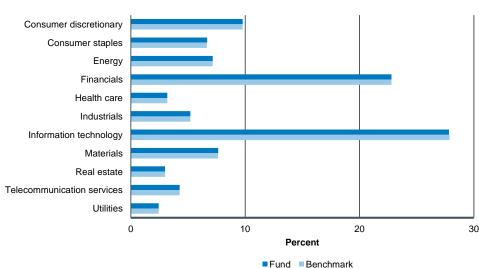
Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.** 

\* Period returns for less than one year are cumulative

#### **Sector allocation**

% of Fund or Benchmark as of 06/30/2018



Investment details (as of 06/30/2018)

	. ,
Benchmark	MSCI Emerging Markets Net Dividend Return Index
Total fund assets	\$9.03 billion
Fund inception date	07/31/2000

#### Characteristics (as of 06/30/2018)

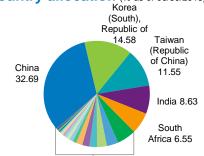
	Fund	Benchmark
Number of securities	1,023	1,138
Dividend yield	2.49	2.50

#### Top 10 holdings (as of 06/30/2018)

	Country	Fund (% assets)
Tencent Holdings Ltd	China	5.45
Alibaba Group Holding ADR Represen	China	4.09
Samsung Electronics Ltd	Korea (South), Republic of	3.85
Taiwan Semiconductor Manufacturing	Taiwan (Republic of China)	3.31
Naspers Limited N Ltd	South Africa	2.13
China Construction Bank Corp H	China	1.69
Baidu ADR Reptg Inc Class A	China	1.28
China Mobile Ltd	China	1.04
Industrial and Commercial Bank of	China	0.99
Ping AN Insurance (Group) Co of Ch	China	0.92
<b>D</b> (1) 1 1 1 1 1 1 1 1 1 1		

Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

# Country allocation (% as of 06/30/2018)



Brazil	5.82	Qatar	0.78
Russian Federation	3.52	UAE	0.62
Mexico	2.96	Colombia	0.48
Valaysia	2.33	Peru	0.42
Thailand	2.19	Greece	0.31
ndonesia	1.92	Hungary	0.28
Poland	1.13	Czech Republic	0.18
Chile	1.12	Egypt	0.17
Philippines	0.95	Pakistan	0.06
Turkey	0.78	Mauritius	0.00

F

Sources: BlackRock, MSCI Inc.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

For use only with existing or qualified investors in the context of a one-on-one communication — Proprietary and confidential





A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

## Investment objective and strategy

The Government/Credit Bond Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund shall be invested and reinvested primarily in a portfolio of debt securities with the objective of closely approximating the total rate of return of the Benchmark listed herein.

### Performance

Total return % as of 06/30/2018 (Return percentages are annualized as of period end. Returns for periods less than one year are cumulative.)

	Month*	Q2*	YTD*	1 Year*	3 Year	5 Year	10 Year	Since Inception
Fund return %	-0.19	-0.30	-1.86	-0.52	1.95	2.40	3.87	5.80
Benchmark return %	-0.19	-0.33	-1.90	-0.63	1.83	2.29	3.78	5.76
Difference	0.00	0.03	0.04	0.11	0.12	0.11	0.09	0.04

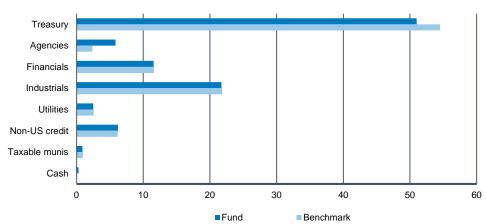
#### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.** 

\* Period returns for less than one year are cumulative

## **Sector allocation**

% of Fund or Benchmark as of 06/30/2018



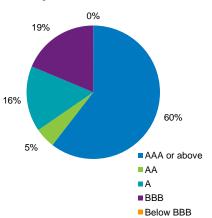
#### Investment details (as of 06/30/2018)

Benchmark	Bloomberg Barclays U.S. Government/Credit Bond Index
Total fund assets	\$0.23 billion
Fund inception date	03/31/1991

#### Characteristics (as of 06/30/2018)

	Fund	Benchmark
Number of securities	5,475	6,975
Market value (B)	\$0.23	\$13,973.58
Coupon (%)	3.00	2.94
Yield to maturity (YTM) (%)	3.24	3.24
Weighted avg life (yrs)	8.80	8.83
Effective duration (yrs)	6.35	6.36
Spread duration (yrs)	3.25	3.17
Option adjusted spread (bps)	50	49
Convexity (yrs)	0.86	0.86

#### Quality breakdown (as of 06/30/2018)



The credit quality of a particular security or group of securities may be based upon a rating from a nationally recognized statistical rating organization or, if unrated by a ratings organization, assigned an internal rating by BlackRock, neither of which ensures the stability or safety of an overall portfolio.

Sources: BlackRock, Bloomberg Finance L.P.

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For use only with existing or qualified investors in the context of a one-on-one communication — Proprietary and confidential





# U.S. Treasury Inflation Protected Securities Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

## Investment objective and strategy

The U.S. Treasury Inflation Protected Securities Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund shall be invested and reinvested primarily in a portfolio of debt securities with the objective of closely approximating the total rate of return for all outstanding U.S. Treasury Inflation Protected Securities with a maturity of one year or greater, as defined by the Benchmark listed herein.

#### Performance

Total return % as of 06/30/2018 (Return percentages are annualized as of period end. Returns for periods less than one year are cumulative.)

	Month*	Q2*	YTD*	1 Year*	3 Year	5 Year	10 Year	Since Inception
Fund return %	0.43	0.83	0.07	2.30	2.10	1.83	3.15	5.02
Benchmark return %	0.40	0.77	-0.02	2.11	1.93	1.68	3.03	4.94
Difference	0.03	0.06	0.09	0.19	0.17	0.15	0.12	0.08

#### Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.** 

\* Period returns for less than one year are cumulative

#### Investment details (as of 06/30/2018)

Benchmark	Bloomberg Barclays U.S. Treasury
Benchmark	Inflation Protected Securities (TIPS) Index (Series-L)
Total fund assets	\$4.71 billion
Fund inception date	03/05/2002

#### Characteristics (as of 06/30/2018)

	Fund	Benchmark
Number of securities	39	39
Market value (B)	\$4.71	\$1,147.50
Coupon (%)	0.72	0.78
Yield to maturity (YTM) (%)	2.77	2.78
Weighted avg life (yrs)	8.36	8.40
Effective duration (yrs)	7.66	7.68
Convexity (yrs)	1.09	1.09

Sources: BlackRock, Bloomberg Finance L.P.

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.



# Developed Real Estate Index Fund B

A common trust fund maintained by BlackRock Institutional Trust Company, N.A. ("BTC") for investment of fiduciary client assets held by BTC in its capacity as trustee

## Investment objective and strategy

The Developed Real Estate Index Fund B (the "Fund") is an index fund that seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of a particular index. The Fund invests in US and non-US equity securities whose total return will approximate as closely as practicable the capitalization weighted total return net of dividend withholding taxes of the Benchmark listed herein. The investment universe consists of publicly traded real estate equity securities of issuers whose principal business is the ownership and operation of real estate as defined by the Benchmark listed herein.

### Performance

Total return % as of 06/30/2018 (return percentages are annualized as of period end)

	Q2*	YTD*	1 Year*	3 Year	Since Inception
Fund return %	5.36	0.74	6.41	6.47	4.90
Benchmark return %	5.12	0.36	5.64	5.71	4.17
Difference	0.24	0.38	0.77	0.76	0.73

Performance disclosure:

The Fund's net asset value does not include an accrual for the investment management fee but does include an accrual for fund level administrative costs and, if applicable, certain third party acquired fund fees and expenses. If the Fund's net asset value did include an accrual for the investment management fee, the Fund's returns would be lower. **Past performance is not necessarily an indicator of future performance.** 

\* Period returns for less than one year are cumulative

#### Investment details (as of 06/30/2018)

Benchmark	FTSE EPRA/NAREIT Developed Index
Total fund assets	\$0.32 billion
Fund inception date	11/18/2014

#### Characteristics (as of 06/30/2018)

	Fund	Benchmark
Number of securities	324	339
Dividend yield	3.97	3.98

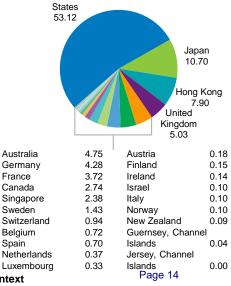
#### Top 10 holdings (as of 06/30/2018)

	Country	Fund (% assets)		
Simon Property Group Reit Inc	United States	3.55		
Prologis Reit Inc	United States	2.35		
Public Storage Reit	United States	2.27		
Vonovia SE	Germany	1.66		
Avalonbay Communities Reit Inc	United States	1.61		
Welltower Inc	United States	1.58		
Mitsui Fudosan Ltd	Japan	1.57		
Digital Realty Trust Reit Inc Trus	United States	1.55		
Equity Residential Reit	United States	1.55		
Wfd Unibail Rodamco Stapled Units	France	1.49		

Portfolio holdings are subject to change and are not intended as a recommendation of individual securities.

#### Country allocation (% as of 06/30/2018)

United



Sources: BlackRock, FTSE International Ltd

Data is used for analytical purposes only. Index data may differ to those published by the Index due to calculation methods. Breakdowns may not sum to 100% due to rounding, exclusion of cash, STIF and other statistically immaterial factors.

# QUARTERLY UPDATE REPORT ON GIFTS, GRANTS, AND CONTRACTS JULY 1, 2017 THROUGH JUNE 30, 2018

# 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 where the total annual compensation is greater 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 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 an institution's legal affairs office or 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 twelve-month period July 1, 2017, through June 30, 2018. Total gifts, grants, and contracts for the period were approximately \$1.529 billion; this is an increase of \$90.0 million from the prior year. Federal awards increased \$38.7 million, while non-federal awards increased by \$51.3 million.

# **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 2017-2018 (through Fourth Quarter)

TOTAL AWARDS - ALL CATEGORIES									
			Federal			Non Federal			
	F	iscal Year to Date	•	Fis	scal Year to Date		Fi	scal Year to Date	•
			Increase			Increase			Increase
Institution	2017-18	2016-17	(Decrease)	2017-18	2016-17	(Decrease)	2017-18	2016-17	(Decrease)
Total	1,529,021,915	1,438,999,227	90,022,687	902,599,099	863,851,985	38,747,114	626,422,815	575,147,242	51,275,573
Madison	1,196,030,112	1,130,395,375	65,634,738	651,433,218	632,269,841	19,163,377	544,596,894	498,125,534	46,471,360
Milwaukee	98,211,729	84,558,167	13,653,563	77,364,743	69,475,575	7,889,168	20,846,986	15,082,591	5,764,395
Eau Claire	18,603,436	18,623,909	(20,473)	13,929,295	13,427,330	501,965	4,674,141	5,196,579	(522,438)
Green Bay	16,714,365	15,428,434	1,285,930	10,337,767	10,725,582	(387,814)	6,376,597	4,702,853	1,673,745
La Crosse	15,117,761	13,086,928	2,030,833	10,780,060	9,708,277	1,071,783	4,337,701	3,378,651	959,050
Oshkosh	22,386,106	21,051,587	1,334,519	20,512,920	18,027,035	2,485,885	1,873,186	3,024,552	(1,151,366)
Parkside	10,816,840	9,203,382	1,613,458	8,945,977	8,123,925	822,052	1,870,863	1,079,457	791,406
Platteville	14,219,851	11,408,998	2,810,853	12,073,275	9,630,457	2,442,818	2,146,576	1,778,541	368,035
River Falls	11,636,381	11,411,307	225,074	9,278,059	9,379,633	(101,574)	2,358,322	2,031,674	326,648
Stevens Point	21,903,376	20,887,995	1,015,380	16,501,607	15,273,204	1,228,403	5,401,768	5,614,791	(213,023)
Stout	19,449,571	21,892,921	(2,443,350)	15,819,703	18,358,481	(2,538,779)	3,629,868	3,534,440	95,428
Superior	8,968,740	8,179,657	789,084	6,841,253	7,156,601	(315,348)	2,127,487	1,023,055	1,104,431
Whitewater	19,261,466	18,831,265	430,201	15,839,823	14,569,403	1,270,419	3,421,644	4,261,862	(840,218)
Colleges	14,661,818	13,331,906	1,329,912	13,443,226	12,578,721	864,505	1,218,592	753,185	465,407
Extension	40,048,212	40,707,397	(659,185)	19,498,173	15,147,920	4,350,253	20,550,039	25,559,477	(5,009,438)
System Administration	992,150	0	992,150	0	0	0	992,150	0	992,150

RESEARCH & PUBLIC SERVICE									
	I	Total Fiscal Year to Date	Increase	F	Federal Fiscal Year to Date	Increase	Non Federal Fiscal Year to Date Increas		
Institution	2017-18	2016-17	(Decrease)	2017-18	2016-17	(Decrease)	2017-18	2016-17	(Decrease)
Total	1,128,273,697	1,077,581,386	50,692,311	675,590,248	651,903,007	23,687,241	452,683,450	425,678,379	27,005,071
Madison	1,010,680,109	968,312,424	42,367,686	596,631,886	585,147,674	11,484,212	414,048,223	383,164,749	30,883,474
Milwaukee	50,803,723	39,995,691	10,808,032	37,572,852	29,356,978	8,215,874	13,230,871	10,638,713	2,592,158
Eau Claire	1,812,465	2,547,188	(734,723)	1,484,825	1,413,987	70,838	327,640	1,133,201	(805,561)
Green Bay	2,244,106	3,320,804	(1,076,699)	1,181,876	2,255,920	(1,074,044)	1,062,230	1,064,885	(2,655)
La Crosse	1,901,066	1,948,377	(47,310)	1,157,632	730,149	427,483	743,434	1,218,228	(474,793)
Oshkosh	8,409,662	4,678,537	3,731,125	7,251,815	3,462,540	3,789,275	1,157,847	1,215,997	(58,150)
Parkside	89,298	120,937	(31,639)	45,000	30,000	15,000	44,298	90,937	(46,639)
Platteville	842,700	1,057,366	(214,666)	426,958	1,012,708	(585,750)	415,742	44,658	371,084
River Falls	625,714	790,713	(164,999)	415,885	653,148	(237,263)	209,829	137,565	72,264
Stevens Point	5,774,941	6,305,942	(531,000)	3,044,250	2,411,977	632,273	2,730,691	3,893,964	(1,163,273)
Stout	5,391,213	7,885,379	(2,494,166)	4,383,933	7,020,074	(2,636,142)	1,007,281	865,305	141,976
Superior	2,370,940	2,881,899	(510,959)	1,551,248	2,736,132	(1,184,884)	819,691	145,767	673,925
Whitewater	2,142,088	1,930,769	211,319	903,154	510,117	393,037	1,238,934	1,420,652	(181,718)
Colleges	84,816	46,560	38,256	40,760	13,683	27,078	44,056	32,877	11,179
Extension	34,112,856	35,758,801	(1,645,945)	19,498,173	15,147,920	4,350,253	14,614,683	20,610,882	(5,996,199)
System Administration	988,000	0	988,000	0	0	0	988,000	0	988,000

				INSTRUCTIO	N					
	Total Federal					Non Federal				
	Fi	scal Year to Date		F	iscal Year to Date		F	iscal Year to Date		
Institution	2017-18	2016-17	Increase (Decrease)	2017-18	2016-17	Increase (Decrease)	2017-18	2016-17	Increase (Decrease)	
Total	58,176,892	57,701,346	475,546	32,445,493	33,379,533	(934,039)	25,731,399	24,321,814	1,409,585	
Madison	39,604,880	37,269,758	2,335,122	26,476,852	20,411,067	6,065,785	13,128,028	16,858,691	(3,730,663)	
Milwaukee	9,755,753	5,025,939	4,729,814	2,530,002	3,916,287	(1,386,285)	7,225,751	1,109,652	6,116,099	
Eau Claire	3,599,425	3,326,115	273,309	578,127	954,558	(376,431)	3,021,298	2,371,557	649,740	
Green Bay	1,469,486	1,456,374	13,111	554,900	393,809	161,091	914,585	1,062,565	(147,980)	
La Crosse	346,960	50,271	296,689	249,915	9,038	240,877	97,045	41,233	55,812	
Oshkosh	538,405	8,923,092	(8,384,687)	334,908	7,114,536	(6,779,628)	203,497	1,808,556	(1,605,059)	
Parkside	685,086	364,512	320,574	299,459	0	299,459	385,627	364,512	21,115	
Platteville	99,497	125,057	(25,560)	17,400	120,061	(102,661)	82,097	4,996	77,101	
River Falls	500,154	1,945	498,209	500,154	0	500,154	0	1,945	(1,945)	
Stevens Point	803,662	725,838	77,824	319,728	357,969	(38,241)	483,934	367,868	116,066	
Stout	173,806	206,218	(32,411)	0	74,209	(74,209)	173,806	132,009	41,798	
Superior	15,730	38,824	(23,094)	0	0	0	15,730	38,824	(23,094)	
Whitewater	0	187,404	(187,404)	0	27,999	(27,999)	0	159,405	(159,405)	
Colleges	584,048	0	584,048	584,048	0	584,048	0	0	0	
Extension	0	0	0	0	0	0	0	0	0	
System Administration	0	0	0	0	0	0	0	0	0	

STUDENT AID									
		Total			Federal			Non Federal	
	Fi	scal Year to Date	_	F	iscal Year to Date	_	F	iscal Year to Date	
Institution	2017-18	2016-17	Increase (Decrease)	2017-18	2016-17	Increase (Decrease)	2017-18	2016-17	Increase (Decrease)
Total	215,124,169	198,910,455	16,213,714	185,483,567	168,508,548	16,975,019	29,640,602	30,401,908	(761,305)
Madison	44,635,893	44,568,642	67,251	25,414,375	24,141,386	1,272,988	19,221,519	20,427,256	(1,205,737)
Milwaukee	35,433,298	34,149,536	1,283,762	35,426,719	33,518,086	1,908,633	6,579	631,450	(624,871)
Eau Claire	12,692,389	12,750,606	(58,217)	11,866,343	11,058,785	807,558	826,046	1,691,821	(865,775)
Green Bay	9,330,614	8,757,367	573,246	8,580,776	8,075,643	505,133	749,838	681,724	68,113
La Crosse	9,888,578	8,830,989	1,057,588	8,145,479	7,904,312	241,167	1,743,099	926,677	816,422
Oshkosh	13,103,098	7,449,958	5,653,139	12,891,197	7,449,958	5,441,238	211,901	0	211,901
Parkside	8,929,203	8,561,619	367,584	8,601,518	8,093,925	507,593	327,685	467,694	(140,010)
Platteville	11,173,205	7,894,000	3,279,205	11,010,137	7,894,000	3,116,137	163,068	0	163,068
River Falls	8,493,153	8,130,675	362,478	7,492,909	7,009,401	483,508	1,000,244	1,121,274	(121,030)
Stevens Point	14,941,095	13,454,129	1,486,966	13,125,610	12,490,530	635,080	1,815,485	963,599	851,886
Stout	11,305,323	11,243,097	62,226	10,492,814	10,438,886	53,928	812,509	804,211	8,298
Superior	6,420,650	5,101,936	1,318,714	5,290,005	4,420,469	869,536	1,130,645	681,467	449,178
Whitewater	15,366,420	15,031,672	334,748	14,334,154	13,448,128	886,026	1,032,266	1,583,544	(551,278)
Colleges	13,411,251	12,986,228	425,023	12,811,532	12,565,038	246,494	599,719	421,190	178,529
Extension	0	0	0	0	0	0	0	0	0
System Administration	0	0	0	0	0	0	0	0	0

				ALL OTHER	S				
		Total			Federal			Non Federal	
	Fi	iscal Year to Date		F	iscal Year to Date		F	iscal Year to Date	
Institution	2017-18	2016-17	Increase (Decrease)	2017-18	2016-17	Increase (Decrease)	2017-18	2016-17	Increase (Decrease)
Total	127,447,156	104,806,040	22,641,116	9,079,791	10,060,898	(981,106)	118,367,365	94,745,142	23,622,223
Madison	101,109,229	80,244,551	20,864,678	2,910,105	2,569,713	340,392	98,199,124	77,674,838	20,524,286
Milwaukee	2,218,956	5,387,001	(3,168,045)	1,835,171	2,684,225	(849,055)	383,786	2,702,776	(2,318,990)
Eau Claire	499,157	0	499,157	0	0	0	499,157	0	499,157
Green Bay	3,670,159	1,893,888	1,776,272	20,215	210	20,005	3,649,944	1,893,678	1,756,267
La Crosse	2,981,157	2,257,291	723,866	1,227,034	1,064,778	162,256	1,754,123	1,192,513	561,610
Oshkosh	334,941	0	334,941	35,000	0	35,000	299,941	0	299,941
Parkside	1,113,254	156,314	956,940	0	0	0	1,113,254	156,314	956,940
Platteville	2,104,448	2,332,575	(228,126)	618,780	603,688	15,092	1,485,668	1,728,887	(243,218)
River Falls	2,017,360	2,487,974	(470,614)	869,111	1,717,084	(847,973)	1,148,249	770,890	377,359
Stevens Point	383,678	402,088	(18,410)	12,019	12,728	(709)	371,658	389,360	(17,701)
Stout	2,579,228	2,558,227	21,001	942,956	825,312	117,644	1,636,272	1,732,915	(96,643)
Superior	161,421	156,998	4,423	0	0	0	161,421	156,998	4,423
Whitewater	1,752,958	1,681,420	71,537	602,515	583,159	19,355	1,150,443	1,098,261	52,182
Colleges	581,703	299,118	282,585	6,885	0	6,885	574,818	299,118	275,700
Extension	5,935,356	4,948,595	986,760	0	0	0	5,935,356	4,948,595	986,760
System Administration	4,150	0	4,150	0	0	0	4,150	0	4,150

\*Includes Libraries, Physical Plant and Miscellaneous categories