

3/25/2019

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

I.2. Business and Finance Committee
Thursday, April 4, 2019
10:30 a.m. – 12:00 p.m.
Room 1920 Van Hise Hall
1220 Linden Drive, Madison, WI

- a. Approval of the Minutes of the February 7, 2019 Meeting of the Business and Finance Committee
- b. UW System Shared Financial System and Human Resource System Preplanning Project
- c. UW System Shared Services Update
- d. Approval of Salary Ranges for Senior Executives
[Resolution I.2.d.]
- e. UW System Collective Bargaining Agreement with The Building and Trades Council of South Central Wisconsin
[Resolution I.2.e.]
- f. UW-Madison Collective Bargaining Agreement with The Building and Trades Council of South Central Wisconsin
[Resolution I.2.f.]
- g. Approval of Changes to Regent Policy Documents Related to University of Wisconsin Trust Funds (RPD 22-1 and RPD 22-3)
[Resolution I.2.g.]
- h. UW-Oshkosh Dining Services Contractual Agreement – A’viands LLC
[Resolution I.2.h]
- i. UW-Milwaukee Contractual Agreement – Milwaukee Panther Sports Properties, LLC (Learfield Communications LLC)
[Resolution I.2.i]
- j. UW-Madison Contractual Agreement – EyeKor, inc.
[Resolution I.2.j.]
- k. Report of the Vice President(s)

UW SYSTEM SHARED FINANCIAL SYSTEM AND HUMAN RESOURCE SYSTEM PREPLANNING PROJECT

EXECUTIVE SUMMARY

BACKGROUND

The current Financial and Human Resource Systems are not fully serving the diverse needs of the UW System institutions. As presented to the Business and Finance Committee in February, UW System and UW-Madison have initiated a preplanning project to address business processes.

The first phase of the program will focus simultaneously on implementation at UW-Madison and UW System Administration, as well as planning and testing for implementation at the remaining UW System institutions. Systemwide implementation will follow in later phases of the program.

REQUESTED ACTION

This item is for informational purposes only.

DISCUSSION

A 6 to 12 month pre-planning effort has been initiated for this project. It includes detailed project governance, planning, visioning and change planning, business process redesign, quality assurance, and analysis of financial impact.

Since the February Board meeting, the following has taken place:

- A unified governance structure for the pre-planning effort has been developed and is being implemented.
- The Executive and Advisory Committees are meeting to outline vision, key principles to guide the transformation, and desired future state outcomes for the project.
- Preplanning consulting support is being procured and a request for proposal (RFP) is being prepared to select quality assurance (QA) / independent verification and validation (IV&V) partners for this program and other projects.
- A first site visit to another institution that recently completed an administrative transformation project which included moving to a cloud-based platform.

This pre-planning effort is crucial to successfully prepare for the larger cloud implementation project, an update on which will likely be presented to the Board of Regents in July 2019 as a Large/Vital Information Technology Project.

UW-SHARED SERVICES UPDATE

EXECUTIVE SUMMARY

BACKGROUND

In August 2016, the Board of Regents approved resolution 10743 to adopt the proposed UW System Strategic Framework, entitled “UW System 2020*FWD* Moving Wisconsin and the World Forward.” 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, including 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 is creating UW-Shared Services to continue the implementation of the CORE Initiative. Planning is taking place in 2018-19 with services being provided in this fiscal year and expanding in 2019-20 and thereafter.

UW-Shared Services is a consolidated administrative service organization, providing direct scalable, operational, production-based services to UW System customers. As a System-wide 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 is a separate organization within the UW System, which is:

- wholly subject to the administrative authority of the Board of Regents;
- subject to the administrative supervision of the UW System President and the UW System Vice President for Administration;
- subject to all state and federal statutes, rules, and policies which govern the UW System; and
- dedicated to providing scalable operational services to UW institutions and UW System Administration

UW-Shared Services is not:

- an “independent” organization;
- a private, non-profit, or public-private entity;
- free of accountability to the President, Board of Regents, or the legislature
- outside the purview of UW System’s commitment to shared governance representation

REQUESTED ACTION

This item is for informational purposes only.

DISCUSSION AND RECOMMENDATIONS

The UW-Shared Services team met with the Customer Council on January 9, 2019 to review the Conceptual Roadmap of proposed services. The information was distributed to subject matter expert (SME) councils (institutional and UWSA leaders of Human Resources, Information Technology, and Business Services) for discussion and input. It was also distributed to other stakeholders to promote broader engagement and input. The process of discussion and feedback continued through January and February.

The Conceptual Roadmap identifies 56 service priorities for the next two years in the areas of Human Resources, Information Technology, and Business Services. It is available at <https://uwss.wisconsin.edu/>. Examples of service priorities under discussion include employment investigations, mandatory trainings, payroll processing, information security operations, hosting and managing student information systems, IT hardware purchasing, P-Card administration, and invoice payments.

Based on the input from institutions, Vice President Cramer and President Cross approved advancing the first 15 service priorities to the next stage of detailed design and development. Of these 15 services, six involve mandatory participation by the comprehensive institutions. Depending upon scope and complexity, it is estimated that these services will be deployed individually between April and December 2019.

In parallel, UW-Shared Services is “soft-launching” a limited set of services, based on previous requests from several institutions and services it has been providing to some institutions on a tactical basis. These services include Employment Investigation services, Student Information System support, Payroll Error Reporting, Time & Leave Reporting, and Procurement Training. Five institutions will be receiving one or more of these services as of April 1, 2019, which combined with the ongoing nature of the UW Service Center, make UW-Shared Services operational.

Approval of Salary Ranges for Senior Executives

BUSINESS AND FINANCE COMMITTEE

Resolution

WHEREAS, pursuant to s. 20.923(4g), Wis. Stats., the Board of Regents has the authority to set salary ranges for specified UW System senior academic leaders, and

WHEREAS, pursuant to Regent Policy Document 6-5, amended October 11, 2013, salary ranges should be brought into compliance with Regent policy on a biennial basis,

NOW, THEREFORE, BE IT RESOLVED

That, upon the recommendation of the President of the Board of Regents of the University of Wisconsin System, the Board of Regents adopts the attached salary range for the UW System President effective July 1, 2019 for the 2019-21 biennium.

**UNIVERSITY OF WISCONSIN SYSTEM
APPROVAL OF SALARY RANGES SENIOR EXECUTIVES**

BACKGROUND

In accordance with Wis. Stat. § 36.115(3m), the Board of Regents has the authority to establish salary ranges for the UW System President, Senior Vice Presidents, Vice Presidents and all Associate and Assistant Vice Presidents for UW System; and all Chancellors, Provosts/Vice Chancellors (deputy), Associate and Assistant Vice Chancellors, Administrative Directors and Associate Directors at all UW System institutions.

New Senior Executive Salary Ranges are typically submitted in December of even-numbered years for the ensuing biennium. The attached Senior Executive Salary Range is submitted for Board of Regents approval, effective July 1, 2019 and for the 2019-2021 biennium.

REQUESTED ACTION

Approval of Resolution I.2.d.

DISCUSSION

According to Regent Policy Document 6-5, *“after review of peer salary survey information, salary ranges shall be adopted for the ensuing biennium by resolution of a majority of the full membership of the Board of Regents in open session by roll call vote at a regularly scheduled meeting.”* Senior Executive Salary Ranges 1-8 were approved at the December meeting with an effective date of July 1, 2019. The attached Senior Executive Salary Range 9 is submitted to the Board of Regents approval with an effective date of July 1, 2019.

RPD 6-5 states that the university systems to be used to determine the salary ranges for the System President, Senior Vice President, and Vice President positions are: University of California, California State University System, State University of New York, City University of New York, University of North Carolina System, University of Florida System, University of Maryland System, and the University of Texas System. Note the University of Florida System, given ongoing reorganization and restructuring beginning back in 2000, is not included in the peer calculation in Attachment A.

RPD 6-5 sets the calculation method, prescribing that the mid-point of each salary range will be set at 95% of the peer median salary to reflect the lower cost-of-living for Wisconsin as compared to other states. The salary range will be 80% to 120% of the salary range midpoint as defined above and effective July 1 of the ensuing biennium.

RELATED REGENT POLICIES

Regent Policy Document 6-5: Executive Salary Structure

**2019-21 UW System Executive Salary Range 9
for UW System President
Current State and Proposed effective July 1, 2019**

UW System President

		Approved Range	Proposed Salary Range	% Change
2017-18 Peer Median*				
\$643,860	Minimum	\$399,000	\$489,334	22.64%
Adjusted Peer Median (95%)	Midpoint	\$498,750	\$611,667	
\$611,667	Maximum	\$598,500	\$734,000	

*Peer salary information for UW System President is from 2016-17 Chronicle of Higher Education Executive Compensation Package survey and aged 2.2% based upon 2018 CUPA Administrators Compensation Survey average increase.

UW System Collective Bargaining Agreement with
The Building and Trades Council of South Central Wisconsin

BUSINESS AND FINANCE COMMITTEE

Resolution

That upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves the collective bargaining agreement between the Board and the Building and Construction Trades Council of South Central Wisconsin (BTC). The parties negotiated for a 2.13% increase in base wages, effective January 6, 2019.

**UW SYSTEM CONTRACTUAL AGREEMENT WITH
THE BUILDING AND CONSTRUCTION TRADES COUNCIL
OF SOUTH CENTRAL WISCONSIN**

EXECUTIVE SUMMARY

BACKGROUND

Under the State Employment Labor Relations Act (SELRA), as amended, on July 1, 2015, three sets of state employee bargaining units were created: one for non-UW state employees, one for UW System employees (excluding UW-Madison employees), and one for UW-Madison employees. The Board of Regents is responsible for certain employer functions with respect to the non-Madison UW System bargaining unit, including tentative approval of collective bargaining agreements.¹ The UW-Madison chancellor is responsible for employer functions with respect to the UW-Madison collective bargaining unit.²

Following the passage of Act 10, bargaining with the trades union is limited to the subject of base wages only. The maximum increase that can be bargained is based on the consumer price index each fiscal year, as determined by the Wisconsin Employment Relations Commission. CPI for the 2018-19 bargaining year is 2.13%.

REQUESTED ACTION

Adoption of resolution I.2.e., approving the collective bargaining agreement between the Board and the Building and Construction Trades Council of South Central Wisconsin (BTC).

DISCUSSION

The parties negotiated for a 2.13% increase in base wages, effective January 6, 2019, which is the first pay date of the 2019 calendar year. The contract ends on June 30, 2019. The total cost for the base wage increase is \$84,953, or approximately \$923 per full-time employee, for the contract period. The terms of this proposed contract are consistent with those in the contracts between BTC and the Department of Administration and UW-Madison.

¹ "Any tentative agreement reached between the Board of Regents of the University of Wisconsin System, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 (1r) shall, after official ratification by the labor organization, be submitted by the Board of Regents of the University of Wisconsin System to the joint committee on employment relations, which shall hold a public hearing before determining its approval or disapproval." Wis. Stat. § 111.92(2).

² "Any tentative agreement reached between the University of Wisconsin-Madison, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 (1t) shall, after official ratification by the labor organization, be submitted by the University of Wisconsin-Madison to the joint committee on employment relations, which shall hold a public hearing before determining its approval or disapproval." Wis. Stat. § 111.92(3).

New pay plans were included in the current biennial budget that allowed up to a 2% increase beginning the last pay period of June 2018, and then another 2% increase January 2019, for a total of about 4% in 2018-19. BTC members are not eligible for this increase. Providing BTC members with an increase this year, combined with the increase from last year (1.26%) helps BTC members achieve wage increases close to those reached by non-BTC employees – approximately 3.39%. In addition, campuses have consistently expressed increased concerns over the loss of trades employees over the past few years, challenges with maintaining infrastructures, and the need to remain competitive with wages.

RELATED REGENT POLICIES

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

UW-Madison Collective Bargaining Agreement with
The Building and Trades Council of South Central Wisconsin

BUSINESS AND FINANCE COMMITTEE

Resolution

That upon the recommendation of the Chancellor of the University of Wisconsin Madison, the Board of Regents approves the collective bargaining agreement between the Board and the Building and Construction Trades Council of South Central Wisconsin (BTC). The parties negotiated for a 2.13% increase in base wages, effective January 6, 2019.

**UW-MADISON CONTRACTUAL AGREEMENT WITH
THE BUILDING AND CONSTRUCTION TRADES COUNCIL
OF SOUTH CENTRAL WISCONSIN**

EXECUTIVE SUMMARY

BACKGROUND

Under the State Employment Labor Relations Act (SELRA), as amended on July 1, 2015, three sets of state employee bargaining units were created: one for non-UW state employees, one for UW System employees (excluding UW-Madison employees), and one for UW-Madison employees. The Board of Regents is responsible for certain employer functions with respect to the non-Madison UW System bargaining unit, including tentative approval of collective bargaining agreements.¹ The UW-Madison chancellor is responsible for employer functions with respect to the UW-Madison collective bargaining unit.²

Following the passage of Act 10, bargaining with the trades union is limited to the subject of base wages only. The maximum increase that can be bargained is based on the consumer price index each fiscal year, as determined by the Wisconsin Employment Relations Commission. CPI for the 2018-19 bargaining year is 2.13%.

REQUESTED ACTION

Adoption of resolution I.2.f., approving the collective bargaining agreement between the Board and the Building and Construction Trades Council of South Central Wisconsin (BTC).

DISCUSSION

The parties negotiated for a 2.13% increase in base wages, effective January 6, 2019, which is the first pay date of the 2019 calendar year. The contract ends on June 30, 2019. The total cost for the base wage increase is \$375,209, or approximately \$ 1,776 per full-time employee, for the contract period. The terms of this proposed contract are consistent with those in the contracts between BTC and the Department of Administration and UW System.

¹ “Any tentative agreement reached between the Board of Regents of the University of Wisconsin System, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 (1r) shall, after official ratification by the labor organization, be submitted by the Board of Regents of the University of Wisconsin System to the joint committee on employment relations, which shall hold a public hearing before determining its approval or disapproval.” Wis. Stat. § 111.92(2).

² “Any tentative agreement reached between the University of Wisconsin-Madison, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 (1t) shall, after official ratification by the labor organization, be submitted by the University of Wisconsin-Madison to the joint committee on employment relations, which shall hold a public hearing before determining its approval or disapproval.” Wis. Stat. § 111.92(3).

New pay plans were included in the current biennial budget that allowed up to a 2% increase beginning the last pay period of June 2018, and then another 2% increase January 2019, for a total of about 4% in 2018-19. BTC members are not eligible for these increases. Providing BTC members with an increase this year, combined with the increase from last year (1.26%) helps BTC members achieve wage increases close to those reached by non-BTC employees – approximately 3.39%. In addition, this assists UW-Madison in retaining trades employees who play a critical role in addressing challenges in maintaining campus infrastructure, and the need to remain competitive with wages.

RELATED REGENT POLICIES

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

Rescind and Remove Regent Policy Documents and
Create a New Policy Related to
Institutional Funds Held by the
UW System for Charitable Purposes

BUSINESS AND FINANCE COMMITTEE

Resolution I.2.g.

That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents rescind and remove Regent Policy Document (RPD) 22-1, "Guidelines for Distribution of Bequests and Proceeds of Gifts and Trusts," and RPD 22-3, "Acceptance of Gifts, Grants and Bequests." The President further recommends the Board of Regents creates a new RPD, "Institutional Funds Held by the UW System for Charitable Purposes."

**REGENT POLICY DOCUMENT REVIEW:
RESCIND AND REMOVE REGENT POLICY DOCUMENTS AND CREATE A NEW
POLICY RELATED TO INSTITUTIONAL FUNDS HELD BY THE UW SYSTEM FOR
CHARITABLE PURPOSES**

BACKGROUND

The UW System Board of Regents' policies are codified in Regent Policy Documents (RPDs) that have been adopted over time, some dating back to the creation of the UW System. The Board adopted these policies under the authority granted in s. 36.09, Wis. Stats. The RPDs address a wide array of subjects, including academic policies and programs, contracts, student activities, and trust and investment policies.

In February 2011, the Board of Regents established a process to review and update each RPD as needed. To guide the process, the Board adopted RPD 2-3, "Standards and Protocol for Regent Policy Documents," which created a standard structure for all RPDs and established a set of principles to direct the analysis of the RPDs. Several RPDs have been revised, obsolete policies have been eliminated, and new policies have been identified as part of this ongoing review. This policy revision is proposed as part of the overall review of RPDs.

At its April 2019 meeting, we ask that the Board of Regents consider rescinding and removing RPD 22-1, "[Guidelines for Distribution of Bequests and Proceeds of Gifts and Trusts](#)," and RPD 22-3, "[Acceptance of Gifts, Grants and Bequests](#)," from the Regent Policy Documents. We also ask that the Board consider creating a new RPD, "Institutional Funds Held by the UW System for Charitable Purposes," which better reflects current law and UW System practice for managing funds from charitable donations.

REQUESTED ACTION

Adoption of Resolution I.2.g., rescinding and removing RPD 22-1, "[Guidelines for Distribution of Bequests and Proceeds of Gifts and Trusts](#)," and RPD 22-3, "[Acceptance of Gifts, Grants and Bequests](#)," and creating a new Regent Policy Document, "Institutional Funds Held by the UW System for Charitable Purposes," to be included in Section 31 of the Regent Policy Documents.

DISCUSSION

RPDs 22-1 and 22-3 establish procedures for administering funds donated to the UW System or UW System institutions for charitable purposes. These policies do not apply to UW foundations.

RPD 22-1, “Guidelines for Distribution of Bequests and Proceeds of Gifts and Trusts”

The UW System Board of Regents adopted the provisions in RPD 22-1 as Resolution 276 on September 8, 1972. RPD 22-1 establishes guidelines for determining how the UW System could use gift funds in cases where the intended use was not clear or could not be determined from the testators or grantors.

The policy addresses issues that were of particular concern at the time of the merger creating the UW System. Chapter 100, Laws of 1971, combined the powers of the Board of Regents of the UW System with the Board of Regents of Wisconsin State Universities to create the UW System Board of Regents. Section 20 (6) of Ch. 100, Laws of 1971 transferred the records, assets and liabilities from both Boards to the newly formed UW System’s Board of Regents except that any “grant, contractor, gift, endowment, trust, or segregated funds bequeathed or assigned to individual campuses for any purpose whatsoever shall not be commingled or reassigned.”

In early 1972, the Board sought an Attorney General (AG) Opinion requesting clarification as to whether the Board could use gifts or bequests to the Wisconsin State University System on behalf of all campuses within the University of Wisconsin System. The AG determined that gifts and bequests to “The Wisconsin State Universities” that became effective by actual transfer or death prior to the merger could only be used for the benefit of campuses that once operated under the authority of Ch. 37, Wis. Stats.

Shortly after receiving the AG Opinion, the Board of Regents adopted this policy, incorporating the AG’s opinion, along with other provisions directing how the UW System should administer an institutional fund when a gift instrument includes certain specific terminology describing a component of the UW System.

RPD 22-1 is obsolete and does not reflect current law for managing institutional funds held for charitable purposes. Instead, the UW System reviews gift instruments to determine the donor’s intent for the use of gift funds and seeks further clarification from the donor or a legal representative if that intent is not clear. The UW System may also seek additional guidance, as needed, on a case-by-case basis from the AG if donor intent cannot be determined or clarified.

A copy of RPD 22-1 is found in Attachment 1.

RPD 22-3, “Acceptance of Gifts, Grants and Bequests”

The UW System Board of Regents adopted RPD 22-3 as Resolution 2538 on February 5, 1982 to establish a policy outlining procedures for modifying discriminatory or otherwise unlawful or impractical gift restrictions.

RPD 22-3 affirms the UW System's commitment to equal opportunity and includes a statement encouraging gifts, grants, bequests and devises that further expand educational opportunity for all people.

The policy states that the Board will withhold acceptance of any proposed gift, grant, bequest, or devise that is subject to a restriction that makes them "wholly, or in part, unlawful, impracticable, impossible, or inappropriate." The policy also prohibits UW System and its institutions from accepting gifts, grants, bequests or devises that include restrictions based on religion or creed unless the restrictions are removed by consent of the donors, if living, or through other legal processes.

Prior to the Board's adoption of the policy, the Board accepted all gifts, grants, bequests and devises, even if the conditions were difficult to administer. Once the gifts were accepted, then the Board would request the AG to seek modifications to the gift instrument through donor consent or by a court order. Board minutes indicate that an Assistant AG advised the Board that they should modify their practices and postpone accepting a gift with discriminatory or unlawful restrictions while it pursued modifications to the gift instrument. After lengthy discussion, the Board adopted this advice as policy in February 1983.

RPD 22-3 is obsolete and does not reflect current law or UW System's practice for managing gift restrictions. In February 1993, the Board adopted Resolution 6313, which delegated authority for accepting gifts to "appropriate officers authorized to sign agreements." The Board no longer directly accepts gifts as stated in the policy. In 2009, Wisconsin adopted 2009 Wisconsin Act 33, "Uniform Prudent Management of Institutional Funds Act," (s. 112.11, Wis. Stats.), which created standards for managing and investing institutional funds held for charitable purposes. The Act allows an institution, with the consent of the AG or the court and depending upon the age and value of the fund, to modify a restriction that is "unlawful, impracticable, impossible to achieve, or wasteful."

A copy of RPD 22-3 is in Attachment 2.

Creation of Regent Policy Document, "Institutional Funds Held by the UW System for Charitable Purposes."

Both RPD 22-1 and 22-3 were developed to address issues specific to the time they were adopted and do not reflect current law. The conditions included in the policies are narrow and do not sufficiently address the full range of issues faced by the UW System related to determining donor intent or modifying provisions that are unlawful or impossible to administer. For example, in adopting the specific provision prohibiting UW institutions from accepting gifts that discriminate against religion or creed, the policy does not address approaches for managing the multitude of other types of discriminatory or unlawful restrictions that could be included in a gift instrument.

This proposal recommends rescinding RPD 22-1 and 22-3 as obsolete and creating a new policy, “Institutional Funds Held by the UW System for Charitable Purposes.” The proposed policy does all of the following:

- Simplifies and modifies the policy statement from RPD 22-3 encouraging charitable donations to the UW System that further expand educational opportunities for all people in the state of Wisconsin.
- States that the UW System shall administer institutional funds for charitable purposes in accordance with donor intent and with the law.
- Simplifies the provision for modifying gift instruments, aligning the policy with s. 112.11, Wis. Stats.
- Uses the terms “institutional funds held by the UW System for charitable purposes” or “institutional funds” as defined in s. 112.11, Wis. Stats, rather than the various references to gifts, grants, trusts, and bequests referenced in both RPD 22-1 and 22-3.
- Renumbers and moves the policy to Section 31, “Trust and Investment Policies,” of the Regent Policy Documents.

A draft copy of the proposed new policy is included in Attachment 3.

RELATED REGENT POLICIES

RPD 22-1: Guidelines for Distribution of Bequests and Proceeds from Gifts and Trusts

RPD 22-2: Disposal of Works of Art

RPD 22-3: Acceptance of Gifts, Grants and Bequests

RPD 22-4: Fundraising Principles and Guidelines

ATTACHMENT 1

22-1 GUIDELINES FOR DISTRIBUTION OF BEQUESTS AND PROCEEDS OF GIFTS AND TRUSTS (Formerly 72-14)

The following guidelines are approved for determining the distribution of bequests, and for distribution of proceeds of gifts and trusts, when the instruments under which they are made do not contain definite directions for distribution, or when such directions cannot be obtained from the testators or grantors:

1. When the bequest is to the “Regents of the University of Wisconsin,” or merely to the “University of Wisconsin,” the bequest should be used for those components of the University that were a part of the University at the time the will or trust was executed.
2. When the bequest is to the “Regents of the University of Wisconsin, Madison” or the Regents of the University of Wisconsin “at,” “in,” or “of” Madison, disposition as in above should be made, the assumption being that reference to Madison is to locate the Regents rather than a designation of a particular campus.
3. If the bequest is to the “University of Wisconsin, Madison, Wisconsin,” it shall be presumed that the bequest was intended for the Madison campus subject to rebuttal of said presumption under the provisions of paragraphs 5 and 6 hereof.
4. If the bequest is to the “University of Wisconsin-Madison” or to “the University of Wisconsin” “at,” “in,” or “of” Madison, then the proceeds of the bequest should be used for the Madison campus, since it can be assumed that a designation of location has been made.
5. In the administration of paragraphs 1 through 4, the campus attended by the testator or grantor, or a close relative, should be considered as influencing a choice in favor of the campus that he or she attended.
6. The administration of these guidelines should be subject to suggestions from the executor or trustee, or other extrinsic evidence.

History: Res. 276 adopted 9/8/72.

ATTACHMENT 2

22-3 ACCEPTANCE OF GIFTS, GRANTS AND BEQUESTS (Formerly 82-1)

As matters of law, policy, and practice, the Board of Regents of the University of Wisconsin System, and the institutions of the System, are committed to providing access to higher educational opportunity to persons of every race and ethnic heritage, sex, age, religion, and creed. To this end, the Regents have acted and continue to act to support policies and measures designed to assure that no persons shall be denied access to higher educational opportunity on the basis of race or ethnic heritage, sex, age, religion, or creed. For this reason, the Regents encourage gifts, grants, bequests and devises that further and expand educational opportunities in the State of Wisconsin.

Therefore, the Board of Regents of the University of Wisconsin System will accept gifts, grants, bequests, and devises and will administer them in lawful ways. If any proposed gifts, grants, bequests, and devises are subject to a restriction that renders administration of them wholly, or in part, unlawful, impracticable, impossible, or inappropriate, then the Board will withhold acceptance, while it attempts to have those terms modified by consent or by the courts.

As a matter of policy, the Board directs the System and institutions not to accept future gifts, grants, bequests, or devises that include restrictions requiring differentiation on the basis of religion or creed, unless those restrictions are removed by consent of the donors, if living, or by appropriate legal processes, initiated by the legal representatives of deceased donors.

The Business and Finance Committee of the Board should periodically examine terms of existing gifts, grants, bequests, or devises that were accepted in years past and recommend to the Board whether modification of any terms should be sought.

History: Res. 2538 adopted 2/5/82; replaces 77-3.

ATTACHMENT 3

Proposed Regent Policy Document 31-X Institutional Funds Held by the UW System for Charitable Purposes

Scope

This policy applies to the distribution of institutional funds held by the UW System and UW System institutions for charitable purposes (“institutional funds”).

Purpose

The purpose of this policy is to describe UW System practice related to the administration of institutional funds.

Policy Statement

The UW System Board of Regents encourages charitable giving that supports the mission of the University of Wisconsin System, expands educational opportunities to all people in the state of Wisconsin, and supports the UW System’s efforts to promote diversity and inclusivity.

The UW System shall administer institutional funds in accordance with donor intent and with the law.

In the event that a restriction on the use of an institutional fund becomes unlawful, impractical, impossible to achieve, or wasteful, the UW System may seek modification of the restriction in accordance with applicable law.

Oversight, Roles, and Responsibilities

The UW System Administration Office of Trust Funds and the UW System Office of General Counsel are responsible for oversight of the implementation of this policy.

Related Regent Policies and Applicable Laws

Wis. Stat. § 36.29, Gifts

Wis. Stat. § 112.11, Uniform Prudent Management of Institutional Funds Act
61 Op. Atty. Gen. 162 (1972)

UW-Oshkosh Dining Services Agreement
with A'viands, LLC

BUSINESS AND FINANCE COMMITTEE

RESOLUTION:

That, upon the recommendation of the Chancellor of the University of Wisconsin-Oshkosh and the President of the University of Wisconsin System, the Board of Regents approves the Dining Services contractual agreement between the University of Wisconsin System Board of Regents, doing business as the University of Wisconsin-Oshkosh, and A'viands, LLC to provide Dining Services for a period of five years, effective July 11, 2019 with two one-year renewal options.

**UW-OSHKOSH DINING SERVICES AGREEMENT WITH
A'VIANDS, LLC**

EXECUTIVE SUMMARY

BACKGROUND

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

The University of Wisconsin-Oshkosh ran a competitive Request for Proposal (RFP) process (PS-19-2396) to seek a Dining Services contractor for the institution and is seeking approval for award.

REQUESTED ACTION

Approval of Resolution I.2.h.

DISCUSSION

UW-Oshkosh has contracted for dining services since the 1970's, with the current contract expiring on July 10, 2019. In response to Request for Proposal (PS-19-2396 Dining Services) two vendors submitted a proposal: Sodexo Operations, LLC and A'viands, LLC. A'viands, LLC was selected as the winning provider of these services. A nine-member evaluation committee, including three students and six staff members, completed the scoring process which was led by UW System Procurement staff. The A'viands, LLC proposal meets all of the UW-Oshkosh desired outcomes.

Some highlights of the contract are as follows:

- Contractor will assume operation of the Dining Services under the new contract on July 11, 2019 for a term of five years with two one-year extensions, for a potential seven-year contract.
- The contractor will operate all dining services, including the residential dining program, retail operations, catering, conferences, camps and summer activities.
- The contractor will also operate retail dining services and catering at the Fox Valley and Fond du Lac campuses.
- Annual net revenue to the Contractor is valued at approximately \$5.23 million per year for Dining Services and \$2.7 million per year for Retail Services.

- Estimated revenue to the vendor for life of the contract (Dining and Retail Services Programs combined): \$55.51 million.
- UW-Oshkosh will receive an estimated annual commission of \$450,000 annually or a minimum annual guarantee of \$450,000 annually whichever is greater.
- Estimated commissions to UW-Oshkosh for life of the contract: \$3.15 million.
- The contractor will invest \$1.0 million in UW-Oshkosh dining facility upgrades and enhancements.

RELATED REGENT POLICIES

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

State of Wisconsin
University of Wisconsin System
Office of Procurement
780 Regent Street

CONTRACT NO. PS-19-2396

COMMODITY CODE: 96219

DATE: March 11, 2019

SERVICE: Dining Services for the University of Wisconsin-Oshkosh

CONTRACT TERM: A five (5) year contract effective July 11, 2019 through July 10, 2024 with two (2) one year (1) renewal options.

REFERENCE: Per the attached Specifications and vendor's response to Request for Proposal # PS-19-2396

VENDOR: A'viands, LLC
1751 County Road B West, Suite 300
Roseville, MN 55113

VENDOR CONTACT: Mr. Greg Rich, Vice President – Higher Education & Business Dining
Phone: (612) 432-0254
E-Mail Address: grich@aviands.com

FEIN NO: 01-0794459

COMMISSION AND
GUARANTEE: Per the attached Bid Specifications Page No. 104. Commission: 15.0% all Point of Sales (other than non-commissionable meal plan sales), Titan Dollars, Retail, Alcoholic Beverages, Camps & Conferences, and cash sales. Campus catering (excluding designated non-commissionable sales.) UW-Fox Valley and UW-Fond du Lac Retail & Catering: 0.0% commission. Guarantee: \$450,000 or Commission whichever is greater.

COMMISSION
PAYMENTS: Due on or before the 20th day of the period for the previous period's receipts.
See Page 96 of bid specifications.

PERFORMANCE BOND: Currently on file at UW System Procurement in the amount of \$600,000 and to be maintained in force by the contractor for the life of the contract.

INSURANCE
CERTIFICATE: To be maintained on file with UW System Procurement at 780 Regent Street, Madison, Wisconsin, 53715, in the amounts specified on Page 54 Section B, Number 14 Insurance Requirements of the specifications.

ESTIMATED CONTRACT
TERMINATION DATE: July 10, 2026

CONTRACT
DISTRIBUTION: Ms. Jean Kwaterski, MBA - Executive Director for Campus Life, Division of Student Affairs
University of Wisconsin-Oshkosh
Phone Number: (920) 424-3407
E-Mail: kwatersk@uwosh.edu

For further information contact:
Paul D. Schlough
UW System Procurement
Telephone: (608) 265-0557
E-Mail: pschlough@uwsa.edu

UW-Milwaukee Contractual Agreement with
Milwaukee Panther Sports Properties, LLC

BUSINESS AND FINANCE COMMITTEE

Resolution

That, upon recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Milwaukee, the Board of Regents approves the Amended and Restated Multi-Media Rights Agreement with Milwaukee Panther Sports Properties, LLC, a wholly-owned limited liability company of Learfield Communications, LLC. The agreement is for a ten-year term commencing July 1, 2019.

**UW-MILWAUKEE CONTRACTUAL AGREEMENT
WITH MILWAUKEE PANTHER SPORTS PROPERTIES**

EXECUTIVE SUMMARY

BACKGROUND

UW Board of Regents policy 13-1 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

Approval of Resolution I.2.i.

DISCUSSION

The Department of Athletics at UW-Milwaukee has negotiated an Amended and Restated Multi-Media Rights Agreement (the “2019 Agreement”) with Milwaukee Panther Sports Properties, LLC (“Learfield”), a wholly-owned limited liability company of Learfield Communications, LLC (as successor to Front Row Marketing Services, LLC) (“Learfield LLC”) for the purpose of awarding Learfield certain athletics-related marketing and multi-media rights, as more fully set forth in the Agreement.

UW-Milwaukee entered into its existing contract with Learfield LLC for management of similar marketing and multi-media rights in 2014 (the “2014 Agreement”). The 2014 Agreement is set to expire on June 30, 2019. While UW-Milwaukee has the option to extend the 2014 Agreement for another four years, both parties wished to significantly modify the terms of the 2014 Agreement in lieu of a simple extension. To evaluate all potential options, the Department of Athletics consulted with Leona Marketing Group, which has provided similar assistance to other college and universities, many of which are at a similar level of intercollegiate athletics as UW-Milwaukee.

The 2019 Agreement provides annual financial guarantees to UW-Milwaukee (unlike the 2014 Agreement), provides increased cost savings as it shifts many production costs from UW-Milwaukee to Learfield (including approximately \$88,000 in radio-related expenses), and incentivizes Learfield to grow revenues. Specifically:

- The 2019 Agreement is for a term of 10 years, effective July 1, 2019 through June 30, 2029.

- Either party has the option to terminate at the end of year 4 if certain revenue goals are not met in one of the first three years.
- The revenue model will change from the current commission structure to a minimum guaranteed payment model (approximately \$3.09 million over 10 years; ranging from \$240,000 in year 1 to \$360,000 in year 10).
- In addition to the minimum guaranteed payments, Learfield will pay UW-Milwaukee fifty percent (50%) of collected Adjusted Gross Revenue (as defined in the agreement) in excess of agreed AGR Hurdle Amounts (ranging from \$450,000 in year 1 to \$670,000 in year 10).
- Learfield will make a capital subsidy payment in year 1 and year 2 of \$50,000 (\$100,000 total).

RELATED REGENTS POLICIES

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

UW-Madison Contractual
Agreement With EyeKor, Inc.

BUSINESS AND FINANCE COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System and the Chancellor of the University of Wisconsin-Madison, 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 EyeKor, Inc. The contract is to run for a term of five years from the effective date of approval.

April 5, 2019

Agenda Item I.2.j.

UW-MADISON CONTRACTUAL AGREEMENT WITH EYEKOR, INC.

EXECUTIVE SUMMARY

BACKGROUND

Regent Policy Document 13-1 requires any grant or contract with private profit-making organizations in excess of \$1,000,000 be presented to the Board for formal approval prior to execution.

REQUESTED ACTION

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

DISCUSSION AND RECOMMENDATIONS

The Fundus Photograph Reading Center, with assistance from the Office of Research and Sponsored Programs at the University of Wisconsin-Madison, has negotiated a Master Services Agreement with EyeKor, Inc. In consideration for providing the requested services, EyeKor, Inc. shall pay the University an estimated total value potentially exceeding \$6,000,000. The Master Services Agreement replaces a prior five-year agreement between the parties executed on September 26, 2013 and is anticipated to be conducted during the period from April 2019 through March 2024. The services will be conducted in the department of ophthalmology under the direction of Dr. Barbara A. Blodi.

The Fundus Photograph Reading Center (FPRC) is providing services related to interpretation of ophthalmic (eye) images in clinical studies through use of EyeKor Inc.'s cloud-based image and data management software platform ("Excelsior"). Fee-for-service work undertaken by the FPRC provides opportunities for further developing methods for analyzing both the progress of retinal diseases and the potential treatments for those diseases. Industry fee-for-service work helps fund research and development in order to keep the FPRC at the forefront of image analysis in clinical trials of retinal disease. For example, a new Adaptive Optics research effort has recently started in which UW Ophthalmology and Engineering faculty are partnering with a faculty member of a west coast institution to develop a new imaging modality and hardware to better diagnose and treat certain diseases. EyeKor, Inc. is a

Contract Research Organization (CRO) and a provider of software as a service. EyeKor contracts with the FPRC for grading services, an evaluation of images of patients' eyes by the FPRC for clinical trial study sponsors. The Excelsior software from EyeKor is used by the FPRC for storing and manipulating images of research patients' eyes that are subsequently evaluated by the FPRC.

RELATED REGENT POLICIES

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

**UW SYSTEM VICE PRESIDENT FOR ADMINISTRATION:
REPORT**

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.

REQUESTED ACTION

This item is presented for information only.

DISCUSSION

Projects are moving forward to implement CORE functions in several areas of UW System. At the same time, several strategic priorities are being advanced as part of the overall migration to a Strategic and Shared Services model.

UW System Human Resources continues to work with UW-Madison on the Title and Total Compensation Study. This project seeks to benchmark and modernize the title, compensation and benefits structures. The work includes a review and redesign of job titles, an analysis of benefits offered to employees and a framework for career development in the UW System and at UW-Madison. The Project outcomes include a market-informed set of job titles and is expected to reduce the number to less than half of the current total of 1,800. Benchmarking information on compensation for faculty and staff and options for improving benefits offered to employees are expected for the June 2019 meeting of the Board.

The UW System Administration Office of Learning and Information Technology Services completed work on a digital strategy and enterprise architecture for the UW System. The recommendations include establishing a more robust evaluation process for digital opportunities and eliminating the existing Common Systems Review Group. UW System Administration will pilot the recommendations by evaluating opportunities to 1) consolidate infrastructure hosting for increased quality, resiliency and efficiency and 2) explore data and analytics platforms for improved decision-making at all levels of the enterprise.

RELATED REGENT POLICIES

None.