

**UW System Board of Regents  
Meeting of the Business & Finance Committee  
UW-Milwaukee, Student Union, Ballroom, 1<sup>st</sup> Floor  
2200 East Kenwood Boulevard, Milwaukee, Wisconsin  
June 6, 2019**

The Meeting of the Business and Finance Committee was called to order at 9:08 AM by the Chair, Regent Whitburn. Roll was taken. Regent Hall was absent, and Regents Whitburn, Atwell, Beightol, Delgado, Grebe, and Mueller were present. Regent Delgado arrived at 9:10 AM while the roll was being called. The Committee had a quorum. The Chair asked Regents to identify any conflicts of interest. Chair Regent Whitburn recused himself from voting on Resolutions I.2.f. and I.2.k. Vice Chair Regent Atwell called for the motions and votes associated with these resolutions. Regent Beightol recused himself from voting on Resolution I.2.g.

**I.2.a. Approval of the Minutes of the April 4, 2019 Meeting of the Business and Finance Committee**

Upon the motion of Regent Tiedeman and the second of Regent Grebe, the Committee approved the Minutes of the April 4, 2019 Business and Finance Committee meeting.

**I.2.b. UW-Milwaukee Presentation – UWM’s Path to Financial and Administrative Excellence**

Robin Van Harpen, UW-Milwaukee Vice Chancellor for Finance and Administrative Affairs, presented on the institution’s current financial and administrative status, including an overview of tuition and fee revenue, the institution’s strategy to enhance efficiency and service excellence and meet strategic priorities, and how it is planning to address challenges going forward. She highlighted how despite budget cuts, the institution remains responsive to student needs and committed to maintaining excellence.

**I.2.c. Trust Funds Investment Reports for Periods ending March 31, 2019**

The Chair and Vice President for Finance Sean Nelson introduced Trish Reopelle and Mike Jacobs, representatives from the State of Wisconsin Investment Board (SWIB), who presented highlights of the reports. This is the fourth quarter that UW Trust Fund assets have been under SWIB management. Trust Fund assets as of March 31, 2019 stood at \$582 million, comprised of \$449.16 million in the Long Term (endowment) Fund and \$132.88 million in the shorter-term Income Cash Fund. For the quarter ended March 31, 2019, the markets saw a recovery in both the stock and bond markets after weak performance in the final quarter of 2018. The Long-Term Fund increased in value 7.13% (before fees), while the UW Fund Custom Benchmark gained 7.09%. The Income Cash Fund gained 0.61% for the period.

**I.2.d. UW-La Crosse Bookstore and Text Rental Contractual Agreement with Follett Higher Education Group, Inc.**

Upon the motion of Regent Atwell and the second of Regent Mueller, the Committee approved an agreement with Follett Higher Education Group, Inc. to assume operation of the Bookstore and Textbook Rental Services at UW-La Crosse. Associate Vice President for Administrative Services Ruth Anderson and UW System Senior Procurement Analyst Paul Schlough provided an overview to the Committee. UW-La Crosse Vice Chancellor of Administration and Finance Bob Hetzel was also present to answer Committee questions. The contract is effective July 1, 2019 for one (1) year with six (6) one-year extensions for a potential seven-year contract. The contractor will operate all Bookstore and Textbook Rental Services business activities. In return, Follett Higher Education Group Inc. would receive net annual revenues of

approximately \$1.75 million. Estimated revenue to the vendor would be approximately \$12.25 million over the seven-year life of the agreement. Estimated net benefit to the institution over the life of the contract is approximately \$1.96 million.

**I.2.e. UW-Stevens Point Bookstore and Text Rental Contractual Agreement with Barnes & Noble College**

Upon the motion of Regent Atwell and the second of Regent Grebe, the Committee approved an agreement with Barnes & Noble College to assume operation of the Bookstore and Textbook Rental Services. Associate Vice President Anderson and Senior Procurement Analyst Paul Schlough provided an overview to the Committee. UW-Stevens Point Vice Chancellor for Business Affairs Kristen Hendrickson was also present to answer Committee questions. The contract is effective July 1, 2019 for one (1) year with six (6) one-year extensions for a potential seven-year contract. The contractor will operate all University Store and Text Rental activities. In return, Barnes & Noble College would receive net annual revenues of approximately \$1.3 million. Estimated revenue to the vendor would be approximately \$9.1 million over the seven-year life of the agreement. Estimated net benefit to the institution over the life of the contract is approximately \$1.75 million.

**I.2.f. UW-Madison Contractual Agreement - ExxonMobil Research and Engineering Company**

Upon the motion of Regent Mueller and the second of Regent Tiedeman, the Committee approved a two-year Sponsored Research Agreement with ExxonMobil Research and Engineering Company that extends a previous agreement. UW-Madison Vice Chancellor for Administration and Finance Laurent Heller provided an overview to the Committee and was available to answer questions. The agreement involves research conducted in the department of Chemical and Biological Engineering on the conversion of Biomass, Ethanol, and Ethylene into distillate fuel types. In consideration for providing the requested research, ExxonMobil Research and Engineering Company shall pay UW-Madison \$1,578,040 which represents the total sponsored research effort over the full duration of the agreement

**I.2.g. UW-Madison Contractual Agreement –Pfizer Inc.**

Upon the motion of Regent Mueller and the second of Regent Tiedeman, the Committee approved a Sponsored Research Agreement with Pfizer Inc. to conduct a clinical trial. Vice Chancellor Heller provided an overview to the Committee and was available to answer questions. The research will be conducted by the Department of Radiology and will help improve the use of magnetic resonance and ultrasound in the diagnosis and treatment of patients with certain liver diseases. In consideration for providing the requested research, Pfizer Inc. shall pay UW-Madison \$1,810,178.41. The clinical trial is anticipated to be conducted during the period from July 1, 2019 through June 30, 2022; however, because the contract does not have a specified contract term and the clinical trial may not be complete by June 30, 2022, the School of Medicine and Public Health is required to re-submit the contract for Board of Regents review in June of 2024, should it prove necessary.

**I.2.h. UW System Shared Financial System and Human Resource System Preplanning Project**

Vice President Cramer and Vice Chancellor Heller gave a brief update on the preplanning efforts related to the replacement of the Shared Financial (SFS) and Human Resource Systems (HRS). Activities that have taken place since the Committee's last briefing include site visits universities and systems that recently completed systemwide administrative transformation projects, including moving to cloud-based platforms. Program Executive Steve Kish, who will

direct systemwide work and ensure coordination and execution with UW-Madison, UWSA, and other UW System institutions, was introduced. Nick Tincher, Program Director for Phase I from UW-Madison, was also introduced. Vice President Cramer noted the next update will be provided at the July Board of Regents meeting.

**I.2.i. UW System Information Security Update**

Vice President Cramer and Interim Associate Vice President for Information Security Kathy Mayer updated the Committee regarding on-going efforts across the UW System to enhance and strengthen information security. Topics included: security suite deployment status and resulting reports; the policy implementation plan for calendar year 2019; external risk assessment checks for 2019; an enterprise-wide incident response tabletop exercise scheduled for July 2019; and ongoing engagement with other higher education institutions, federal agencies, external entities, Wisconsin Department of Administration, and other state agencies.

**I.2.j. Report of the Vice President(s)**

Vice President Cramer directed the Committee to his written report in the materials.

**I.2.k. UW-Madison Contractual Agreement – GE Precision Healthcare LLC**

Upon the motion of Regent Mueller and the second of Regent Beightol, the Committee approved a Sponsored Research Agreement with GE Precision Healthcare LLC that extends a previous agreement. Vice Chancellor Heller provided an overview to the Committee and was available to answer questions. The agreement involves research conducted in the department of Medical Physics that will allow improvements to the capabilities of computed tomography (CT) imaging using artificial intelligence. The research project is anticipated to be conducted during the period from June 15, 2019 through June 14, 2021. In consideration for providing the requested research, GE Precision Healthcare LLC shall pay the University \$513,514.00, which, in combination with amounts received for previous research projects conducted under a Master Collaborative Research Agreement effective 2012, exceeds the \$1 million threshold requiring Regents approval under Regents Policy 13-1.

**I.2.l. UW-Madison Contractual Agreement – Siemens Medical Solutions USA Inc.**

Upon the motion of Regent Atwell and the second of Regent Mueller, the Committee approved a Sponsored Research Agreement with Siemens Medical Solutions that extends a previous agreement. Vice Chancellor Heller provided an overview to the Committee and was available to answer questions. In consideration for providing the requested research, Siemens Medical Solutions shall pay the University \$603,719 for two pending research projects that are in addition to previous research projects conducted under an original Master Research Agreement effective 2007. The research projects are anticipated to be conducted during the period from June 15, 2019 through June 14, 2021. The agreement will involve research conducted in the departments of Medical Physics, Radiology, and Medicine focused on the improvement of the quantitative accuracy of 4D digital subtraction angiography (4D DSA) techniques.

The meeting adjourned at 10:39 AM.

Respectfully submitted,



Joyce E. Jackson  
Recording Secretary