

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Business & Finance Committee

Thursday, November 7, 2019
8:30 a.m.

Gordon Dining & Event Center
2nd Floor, Concerto Room
770 W Dayton Street
Madison, Wisconsin

- A. Approval of the Minutes of the October 10, 2019 Meeting of the Business and Finance Committee
- B. Approval of a UW-Milwaukee Contractual Agreement with APT Manufacturing Solutions
- C. Approval of a UW-Madison Contractual Agreement with American Family Insurance
- D. Approval of a UW-Madison Contractual Agreement with Allergan Sales LLC
- E. Approval of a UW-Madison Contractual Agreement with Change Healthcare Technologies, LLC successor in interest to McKesson Technologies Inc.

**UW-MILWAUKEE CONTRACTUAL AGREEMENT
WITH APT MANUFACTURING SOLUTIONS**

REQUESTED ACTION

Adoption of Resolution B., approving the contractual research agreement between the Board of Regents of the University of Wisconsin System and APT Manufacturing Solutions.

Resolution B. 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 Board of Regents of the University of Wisconsin System, doing business as University of Wisconsin-Milwaukee, and APT Manufacturing Solutions.

SUMMARY

The University of Wisconsin-Milwaukee (UWM) proposes to enter into an agreement with APT Manufacturing Solutions (APT) effective as of November 8, 2019.

UWM has established the Connected Systems Institute (CSI), an institute committed to conducting advanced research related to digital manufacturing (focusing on the Industrial Internet of Things) and preparing a skilled workforce. As part of the CSI, Rockwell Automation (Rockwell) has worked with UWM to design a one-of-a-kind, multi-faceted, research-based manufacturing test bed for installation within UWM's facility. Rockwell has pledged to provide equipment in support of the test bed valued at over \$700,000 and has logged over \$1,000,000 in in-kind engineering labor hours towards designing the test bed.

The test bed has two interrelated systems that will be separately constructed, assembled and eventually married together prior to installation in UWM's facility. One system is a Robotics and Materials Handling System and the other is a Liquid Handling and Controls System. Both contain equipment donated by Rockwell.

Under the Agreement, APT will construct the Robotics System. This system requires one-of-a-kind robotics and robotics software from FANUC, a leading supplier of robots, CNC systems and factory automation. The design is unique to FANUC because new technologies, including an integrated control product not currently available commercially,

are proposed to be implemented via the test bed. APT is required to be the integrator for the FANUC components because APT is a certified Tier 4 FANUC integrator, and the complexity of this project requires it. APT is also the only integrator capable of performing this work as it is both a FANUC and a Rockwell certified integrator. APT also has a full custom fabrication shop on site with the ability to stage a project of this size and has experience working with educational institutions/research projects. APT will also oversee the installation of the test bed in UWM's facility and connect it to the Liquid Handling System which is being integrated by another company.

The total payments to APT are not anticipated to exceed \$1.3 million dollars. APT has quoted the requested work at \$995,080, however, that is exclusive of shipping charges and any applicable taxes. Additionally, due to the unique nature of this test bed, it may be necessary to make alterations to the scope of work, troubleshoot problems, and make modifications as integration and installation progresses. The Agreement provides for the possibility of change orders and scope changes, which could lead to increased costs. Further, UWM has been working to purchase many of the component parts itself to take advantage of educational discounts. However, to the extent that it is easier and/or more cost effective for APT to purchase some of these parts, UWM would like to contract with APT to do so. As such, UWM is seeking approval to make payments to APT in connection with the test bed not to exceed \$1.3 million dollars. It is anticipated that the test bed will be operational approximately 8 months after the Agreement is executed.

Presenter(s)

- Robin Van Harpen, Vice Chancellor for Finance and Administrative Affairs, UW-Milwaukee

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 of Regents for formal approval prior to execution.

Related Policies

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

**UW-MADISON CONTRACTUAL AGREEMENT
WITH AMERICAN FAMILY INSURANCE**

REQUESTED ACTION

Adoption of Resolution C., approving the contractual research agreement between the Board of Regents of the University of Wisconsin System and American Family Insurance.

Resolution C. 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 American Family Insurance for a period of ten years.

SUMMARY

The Office of the Vice Chancellor for Research and Graduate Education, with assistance from the Office of Research and Sponsored Programs at the University of Wisconsin-Madison, has negotiated a Master Research Agreement with American Family Insurance. In consideration for providing the requested research, American Family Insurance expects to pay the University \$10 million over the lifetime of the agreement. The research will be conducted by the Office of the Vice Chancellor for Research and Graduate Education's Data Sciences Institute.

The research aims to put the Data Sciences Institute on the cutting edge of data science research. Research by the Data Sciences Institute will provide increased visibility of campus-wide data science excellence through the development of software and web-based solutions to data analysis.

Presenter(s)

- Laurent Heller, Vice Chancellor for Finance and Administration, UW-Madison

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 of Regents for formal approval prior to execution.

Related Policies

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

**UW-MADISON CONTRACTUAL AGREEMENT
WITH ALLERGAN SALES, LLC**

REQUESTED ACTION

Adoption of Resolution D., approving the contractual research agreement between the Board of Regents of the University of Wisconsin System and Allergan Sales, LLC.

Resolution D. 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 Allergan Sales, LLC for a term of 36 months or the date on which all services are completed or terminated.

SUMMARY

The School of Medicine and Public Health, Fundus Photograph Reading Center, with assistance from the Office of Research and Sponsored Programs at the University of Wisconsin-Madison, has negotiated a Master Service Agreement with Allergan Sales, LLC. In consideration for providing the requested service, Allergan Sales, LLC expects to pay the University in excess of \$1 million over the lifetime of the agreement. The services will be conducted in the School of Medicine and Public Health Fundus Photograph Reading Center.

The services aim to put the Fundus Photograph Reading Center on the cutting edge of treatment in age-related macular degeneration, shining a spotlight on the quality work performed at the University of Wisconsin. Data provided by the University to Allergan Sales, LLC, will likely be reviewed by the FDA and can lead to better research and treatment guidelines throughout the world.

Presenter(s)

- Laurent Heller, Vice Chancellor for Finance and Administration, UW-Madison

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 of Regents for formal approval prior to execution.

Related Policies

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

November 7, 2019

**UW-MADISON CONTRACTUAL AGREEMENT
WITH CHANGE HEALTHCARE TECHNOLOGIES, LLC SUCCESSOR IN
INTEREST TO MCKESSON TECHNOLOGIES INC.**

REQUESTED ACTION

Adoption of Resolution E., approving the contractual research agreement between the Board of Regents of the University of Wisconsin System and Change Healthcare Technologies, LLC, successor in interest to McKesson Technologies Inc.

Resolution E. 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 Change Healthcare Technologies, LLC successor in interest to McKesson Technologies Inc. for a period from May 2016 through May 2021.

SUMMARY

The School of Medicine and Public Health, Department of Radiology, with assistance from the Office of Research and Sponsored Programs at the University of Wisconsin-Madison, has negotiated a Sponsored Master Research and Product Evaluation Agreement with Change Healthcare Technologies, LLC successor in interest to McKesson Technologies Inc.

The original agreement was executed in May 2016, and in consideration for providing the requested research, Change Healthcare Technologies, LLC successor in interest to McKesson Technologies Inc. shall pay the University approximately \$1,000,000 over the full duration of the contract period. The research projects began during the period from May 26, 2016 with upcoming projects anticipated through May 25, 2021 and the option to extend this period with mutual written agreement of the parties. The research will be conducted in the Department of Radiology under the direction of Frank Korosec.

The study is titled, "University of Wisconsin-Madison Master Research and Product Evaluation Agreement." A brief summary of the research is below:

Change Healthcare is the vendor that provides the PACS (picture archiving and communication system) to UW Health for storing and managing all of its clinical images and radiologists' reports. Under the Master Research and Product Evaluation Agreement, UW faculty, including radiologists and medical physicists, collaborate with Change Healthcare to develop software tools that are mutually beneficial to Change Healthcare and UW. These software tools relate mostly to helping radiologists perform their job of using medical images to diagnose diseases in patients. Faculty at UW collaborate with scientists at Change Healthcare to develop software tools to i) help manage, process, or annotate medical diagnostic images; ii) improve clinical workflow with regard to reviewing and interpreting images; iii) use artificial intelligence to aid in image interpretation and diagnosis; iv) interface PACS with other resources including 3D printers to print models of pathology; v) facilitate interpretation of existing physicians' reports or structuring future reports; vi) building tools to de-identify images and reports, etc.

Presenter(s)

- Laurent Heller, Vice Chancellor for Finance and Administration, UW-Madison

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 of Regents for formal approval prior to execution.

Related Policies

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