

# BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

## **Business and Finance Committee**

Thursday, June 9, 2022  
10:30 a.m. – 12:00 p.m.

Zelazo Center  
Room 250  
2419 E. Kenwood Blvd.  
Milwaukee, Wisconsin

- A. Calling of the Roll
- B. Declaration of Conflicts
- C. Approval of the Minutes of the April 7, 2022 Meeting of the Business and Finance Committee
- D. UW-Milwaukee Presentation – “Expanding UWM’s Impact: Investing in our Future”
- E. UW-Milwaukee License Agreement with New Cingular Wireless PCS, LLC, d/b/a AT&T
- F. UW System Service Agreement with Berry Dunn McNeil and Parker, LLC
- G. UW System Amendment to Service Agreement with Huron Consulting Services, LLC
- H. UW System Contractual Agreement with Qualtrics, LLC
- I. UW System Amendment to Report on Strategic Plans for Major IT Projects
- J. UW-Madison Contractual Agreement with Foremost Farms USA, Cooperative
- K. UW-Madison Master Research Agreement with Kohler Co.
- L. UW-Madison Amendment to Contractual Agreement with Valo Health, Inc.
- M. UW-Madison Master Services Agreement with The Emmes Company, LLC
- N. UW-Madison Contractual Agreement with Oracle America, Inc.
- O. UW-Madison Request for an Exception to Board Policy on Large Unendowed Bequests for the Carbone Cancer Center
- P. Continuation of Illinois Non-Resident Tuition Rate Equivalent to the Midwest Student Exchange Program

Q. Regent Policy Document Review: RPD 13-1, "General Contract Approval, Signature Authority, and Reporting"

R. COVID-19 Financial Impacts Update

**UW-MILWAUKEE PRESENTATION – “EXPANDING UWM’S  
IMPACT: INVESTING IN OUR FUTURE”**

**REQUESTED ACTION**

No action required; for information only.

**SUMMARY**

As the institution hosting the Board of Regents meeting, UW-Milwaukee will offer a presentation entitled “Expanding UWM’s Impact: Investing in Our Future.”

**Presenter**

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

June 9, 2022

**UW-MILWAUKEE LICENSE AGREEMENT WITH  
NEW CINGULAR WIRELESS PCS, LLC, D/B/A AT&T**

**REQUESTED ACTION**

Adoption of Resolution E., approving the license agreement between the Board of Regents and New Cingular Wireless PCS, LLC, d/b/a AT&T.

**Resolution E.** That, upon 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 license agreement between the Board of Regents of the University of Wisconsin System, doing business as UW-Milwaukee, and New Cingular Wireless PCS, LLC, d/b/a AT&T.

**SUMMARY**

UW-Milwaukee (UWM) works with a consulting firm, Gunnerson Consulting & Communication Site Services (Gunnerson), to negotiate space use agreements with cellular service providers. Under these agreements, cellular service providers may place their equipment on UWM premises (building rooftops).

UWM contracted with New Cingular Wireless PCS, LLC, also known as AT&T ("Licensee") to allow Licensee to place its equipment on UWM's premises at 3210 North Maryland Avenue (Bolton Hall) on July 22, 1996. This agreement was thereafter amended and expired on September 4, 2021; however, UWM and AT&T have agreed to continue their relationship since that time on an interim basis.

Licensee has expressed the desire to continue its relationship with UWM, and Gunnerson, acting on UWM's behalf, has negotiated a new agreement between UWM and Licensee. Under the proposed agreement, Licensee will increase its license fee, retroactive to the expiration of its prior lease. The new agreement would therefore commence on July 22, 2021 and continue for an initial term of five years with up to three five-year renewal terms thereafter. The initial new license fee will be \$50,000 and will increase by 3.5% each year thereafter. Licensee must pay a fee of \$40,000 within 60 days of signing the agreement. Additionally, Licensee will have to pay a holdover fee in the amount of \$1,225 for each month after the expiration of the previous lease until the time this agreement is signed.

Licensee will also be liable for actual costs resulting from this relationship. Thus, the total value of this agreement may exceed \$1,000,000.

Licensee's historical use of UWM's premises has never interfered with UWM's operations, and its proposed future usage is similarly not anticipated to cause disruptions.

### **Presenter**

- 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 Approval, Signature Authority, and Reporting"

June 9, 2022

**UW SYSTEM SERVICE AGREEMENT WITH  
BERRY DUNN MCNEIL AND PARKER, LLC**

**REQUESTED ACTION**

Adoption of Resolution F., approving the contractual service agreement between the Board of Regents and Berry Dunn McNeil and Parker, LLC.

**Resolution F.** That, upon recommendation of 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 UWSA, and Berry Dunn McNeil and Parker, LLC.

**SUMMARY**

The University of Wisconsin System has purchased Workday, a Human Capital Management Software package. This Software as a Service (SaaS) is designed to provide a unified finance, human resources, and student/faculty lifecycle management solution in a single package. The purchase of this software was approved by the Board of Regents (BOR) during the July 2021 BOR meeting (Resolution #11663). A separate resolution was passed during the December 2021 BOR meeting (Resolution #11743) to hire Huron Consulting Group, Inc. to help UWSA with the implementation of the software.

This proposed agreement is a statement of work governed by the Terms and Conditions of the Software Advisory, Strategy, and IV&V Services contract (Contract# 20-2735). At that time, chapter 19 contracts did not need to be presented to and approved by the Board of Regents. The Statement of Work with Berry Dunn McNeil and Parker, LLC will contract for quality assurance services. These services will ensure that the implementation of the Workday Software is implemented properly, on time, and on budget. This project has a not-to-exceed value of \$1,358,555 for the services detailed in the Statement of Work.

The resulting agreement will run from May 2022 through September 2024. There is also an optional one-year renewal if UWSA elects to use it.

## **Presenter**

- Brent Tilton, Director of Procurement, UW System Administration

## **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 Approval, Signature Authority, and Reporting"

June 9, 2022

**UW SYSTEM AMENDMENT TO SERVICE AGREEMENT WITH  
HURON CONSULTING SERVICES, LLC**

**REQUESTED ACTION**

Adoption of Resolution G., approving the amendment to the contractual service agreement between the Board of Regents and Huron Consulting Services, LLC.

**Resolution G.** That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the amendment to the contractual agreement between the Board of Regents of the University of Wisconsin System, doing business as UWSA, and Huron Consulting Services, LLC for a five (5) year term.

**SUMMARY**

The University of Wisconsin System has purchased Workday, a Human Capital Management Software package. This Software as a Service (SaS) is designed to provide a unified finance, human resources, and student/faculty lifecycle management solution in a single package. The purchase of this software was approved by the Board of Regents (BOR) during the July 2021 BOR meeting (Resolution #11663). A separate resolution was passed during the December 2021 BOR meeting (Resolution #11743) to hire Huron Consulting Services, LLC, an affiliate of Huron Consulting Group, Inc., to help UWSA with the implementation of the software.

The proposed amendment two (2) is to add the integration cost (\$187,200) of the Prism Analytics module to the scope of work previously approved with Huron Consulting Services, LLC. Prism facilitates the extraction, modeling, integration, and export of data from the Workday platform. The data can then be added to a data lake and/or modeled in business analytics tools such as Power BI or Tableau.

The resulting agreement will run from December 2021 through December 2023. There are also two (2) optional one-year renewals if UWSA elects to use them.



## **Presenter**

- Brent Tilton, Director of Procurement, UW System Administration

## **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 Approval, Signature Authority, and Reporting"

June 9, 2022

## **UW SYSTEM CONTRACTUAL AGREEMENT WITH QUALTRICS, LLC**

### **REQUESTED ACTION**

Adoption of Resolution H., approving the contractual agreement between the Board of Regents and Qualtrics, LLC.

**Resolution H.** That, upon recommendation of 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 and Qualtrics, LLC.

### **SUMMARY**

UW System has contracted for an Enterprise Survey Tool since 2009, with the current contract expiring on June 30, 2022. In response to a Request for Proposal (LB-21-2778), Qualtrics, LLC was the one vendor to submit a proposal. After careful review, it was determined that Qualtrics met all the desired outcomes of the Request of Proposal. An eleven-member evaluation committee, from eight different UW System institutions and UW System Administration completed the evaluation process to ensure Qualtrics met all the required System needs. The process was led by UW System Procurement staff.

Highlights of the contract are as follows:

- The Enterprise Survey Tool will be available for use July 1, 2022, for three (3) years with two (2) one-year renewal options for a potential five (5) year contract.
- The vendor will provide an Enterprise Survey Tool for:
  - General academic users, including institutional researchers
  - Power users with large amounts of existing research and survey data
  - Partnerships with non-academic entity users for university-related work such as business incubators, charter schools, community health clinics, federal government, etc.
- The tool will be available for use by all UW System institutions
- The total cost of the contract over the initial three-year term is \$1.3 million

## **Presenter**

- Brent Tilton, Director of Procurement, UW System Administration

## **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 Approval, Signature Authority, and Reporting"

June 9, 2022

**UW SYSTEM AMENDMENT TO REPORT ON STRATEGIC PLANS FOR MAJOR INFORMATION TECHNOLOGY PROJECTS**

**REQUESTED ACTION**

Adoption of Resolution I., approving the addition of a project to the February 2022 report on strategic plans for major IT projects.

**Resolution I.** That, upon the recommendation of the President of the UW System, the Board of Regents approves the amendment to the UW System Report on Strategic Plans for Major Information Technology Projects.

**SUMMARY**

The Report on the Strategic Plans for Major Information Technology Projects provides the Board of Regents with the information it needs to execute appropriate oversight over the upcoming technology projects for 2022-2023. This report was approved in February 2022 and needs to be amended to include a new project over the \$1,000,000 threshold. The addition of the project to the report does not commit funds at this time. Rather, approval of the contract implementing this project will be brought before the Board for consideration at a future meeting.




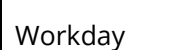





Generally, UW System Administration and the UW institutions are data rich but information poor. Collectively, UW System has ample data, but it is not routinely connected to provide actionable insight. When the data is connected, it is generally not automated, requires a high degree of manual manipulation, and that effort is duplicated across all the institutions to varying degrees. While one of the key goals of the Administrative Transformation Program (ATP) is to improve data-informed decision making, it alone cannot achieve that goal. While the ATP will focus on improving operational reporting for HR and financial data, it will need a comprehensive data warehousing solution to 1) bridge data longitudinally between PeopleSoft and Workday and 2) integrate HR/finance data with student data and other non-administrative data sources.

The Enterprise Analytics Platform (EAP) will establish a data analytics infrastructure that can be immediately leveraged for the longitudinal data warehousing needs of the ATP in a manner that will be expandable to campuses to meet their needs around student data,

learner data, and the integration of such data sets for improved decision-making. The overall strategy and scope are summarized by the following:

- **Data & Analytics Infrastructure as a Service** – Leverage the services of a higher education-oriented company that specializes in providing end-to-end analytics platforms and wrap-around services to 1) accelerate implementation and 2) focus UW personnel on “data”, not “technology.”
- **Data Warehousing for PeopleSoft/Workday** – Leverage this platform and associated products to implement the data warehousing requirements for the existing PeopleSoft environment along with the new Workday environment.
- **Enterprise Data Governance Council** – Establish an Enterprise Data Governance Council to make decisions on the definitional and policy aspects of enterprise level data.
- **Student and Learner Data Proof-of-Concept** – In parallel with the data warehousing of the HR and financial data, partner with an early adopter campus (UW-Green Bay) to implement the Student Lifecycle and Learner Analytics (Canvas) modules as a proof-of-concept to both improve decision making at UW-Green Bay (UWGB) but to concretely evaluate suitability for future campuses.
- **Optionally Expandable to Campuses in Future** – If the proof-of-concept is successful, open the opportunity for other campuses to join and implement the Student Lifecycle solutions. Furthermore, UWGB would have the option of implementing additional modules (e.g., Academic Performance Management, Benchmarking, etc).

The project cost is estimated at \$3.8 million distributed across FY23 and FY24. The following table outlines the high-level timeline and potential future participation for additional campuses upon successful completion of the UWGB proof-of-concept.

Workstream	FY23	FY24	FY25
<b>Core Platform</b> - Establish the basic cloud platform, configure the appropriate networking and security.	 Core Setup	 Scale as Needed	
<b>HR / Finance Data</b> - In partnership with ATP, implement the PeopleSoft and Workday integrations for HR and Finance.	 PeopleSoft HR/Fin	 Workday HR/Fin	 Stabilize
<b>Student Data</b> - With UWGB, implement the basic Student Information System (SIS) as a proof-of-concept. Expand with campus interest.	 PeopleSoft SIS	 Optional Cohort	 Optional Cohort
<b>Learner Data</b> - Implement the Canvas integrations for all non-Madison campuses.	 Canvas		

While the implementation activities are expected to be completed in FY24, the timeline adds a “stabilization” phase for FY25 given the magnitude of the Workday implementation and to ensure full attention can be paid to any lingering data integration issues post go-live.

### **Presenter**

- Steven Hopper, Associate Vice President for the Office of Learning and Information Technology and Chief Information Officer, UW System Administration

### **BACKGROUND**

[Section 36.59, Wis. Stats.](#), requires all UW institutions to adopt and submit to the Board of Regents annual strategic plans for the utilization of information technology no later than March 1st of each year to cover the following fiscal year. [Regent Policy Document 25-4](#) requires that all projects over \$1 million or defined as high-risk be approved by the Board before the project can begin.

### **Related Policies**

- [Section 36.59, Wis. Stats.](#), “Information Technology”
- [Regent Policy Document 25-4](#), “Strategic Planning and Large or High-Risk Projects”

### **ATTACHMENT**

- A) Project Summary for the Project Added to the UW System Strategic IT Plan

PROJECT SUMMARY FOR THE PROJECTS ADDED TO THE  
UW SYSTEM STRATEGIC IT PLAN

**Enterprise Analytics Platform**



**Milestone**

Request  
for  
Approval

**Description:** Establish a data analytics infrastructure that can be leveraged for the longitudinal data warehousing needs of the Administrative Transformation Program (ATP) in a manner that will be expandable to campuses for other student-centric uses.

**Impact:** Provide the capability for participating campuses to integrate their HR data, financial data, student data, learner data, and other local datasets to improve data-informed decision-making.

**Notes:** The precise start date of the timeline remains unspecified due to unknowns around the procurement process and associated timelines. The goal is to present the contractual details at the August 2022 Board of Regents meeting.

**Timeline**

TBD – June 2025

**Budget**

\$3,800,000

**Source of Funds**

Internally Available  
to the UW System

**Current Status:**

Schedule
Scope
Budget
Other

**UW-MADISON CONTRACTUAL AGREEMENT WITH  
FOREMOST FARMS USA, COOPERATIVE**

**REQUESTED ACTION**

Adoption of Resolution J., approving the contractual agreement between the Board of Regents and Foremost Farms USA, Cooperative.

**Resolution J.** That, upon 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 Foremost Farms USA, Cooperative.

**SUMMARY**

UW-Madison's College of Agricultural and Life Sciences has multiple dairy herd locations (with approximately 1050 milking cows) with combined milk production that generally exceeds the needs of the Babcock Hall Dairy Plant and Center for Dairy Research (CDR). The milk is used for research and instructional purposes by multiple departments, schools and colleges. On days when the production is lower than needed, a short-term demand requires milk to be purchased from another producer. On an annual basis, however, the oversupply of milk may be sold at a current estimated value of \$5,100,000. These revenues are for sales of excess milk at regulated prices set by the monthly Federal Milk Marketing Orders, which use a classified pricing system administered by the United States Department of Agriculture (USDA).

UW-Madison has been contracting with Foremost Farms, a Wisconsin Cooperative, since the 1990s for the purchase of daily shortages and sale of excess milk. The current contract expires July 31, 2022.

Contract highlights include:

- Timely pick-ups from multiple herd locations
- Delivered milk quality standards
- Price adjustments for butterfat, protein and other solids
- ~\$400,000 annual purchases from Foremost Farms by the University (expenditures)



- ~\$5,500,000 annual sales to Foremost Farms from the University (revenues)
- A term of five years

The competitive bidding process cannot be used, as dairy companies have consolidated over the last 30 years and are usually located in more rural areas so the competition for milk pickup has decreased. Milk pricing is regulated by the USDA, so there is no competition on the price of the milk. Transportation costs are a large cost for dairy companies, and driving from a rural community to pick up and drop off in Madison is not economical. UW-Madison prefers to use its own milk in the production of Babcock ice cream so having multiple contractors would reduce the amount of "UW milk" used. The university needs a company willing to pick up large amounts in UW-Madison's rural locations, small amounts on campus, and to timely supply the demand needed for Babcock and CDR. Prior attempts in soliciting proposals have led to only Foremost Farms responding.

Net revenue from the sale of milk is applied to the College of Agricultural and Life Sciences budget to help support the ongoing needs of the University Dairy Herds in caring for the animals, conducting research, and educating students in their programs.

### **Presenter**

- Rob Cramer, 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 Approval, Signature Authority, and Reporting"

**UW-MADISON MASTER RESEARCH AGREEMENT  
WITH KOHLER CO.**

**REQUESTED ACTION**

Adoption of Resolution K., approving the contractual master research agreement between the Board of Regents and Kohler Co.

**Resolution K.** That, upon 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 master research agreement between the Board of Regents of the University of Wisconsin System, doing business as UW-Madison, and Kohler Co.

**SUMMARY**

UW-Madison and the Kohler Company (“Kohler”) seek to establish a master research agreement to cover sponsored research projects ranging from materials research, water quality monitoring, smart manufacturing, and diagnostic capacities. Initial interactions with Kohler have been initiated through UW-Madison’s College of Engineering, though the agreement serves to cover all UW-Madison units. As it is a master agreement with a term of 5 years plus the one-time option to renew for an additional 5 years, the agreement is likely to exceed the \$1.0 million threshold for Board of Regents review, necessitating Board approval prior to UW-Madison executing the agreement.

Kohler is a Wisconsin manufacturing company best known for plumbing products, but also involved in various other areas, such as generators and engines. This will be the first master agreement between UW-Madison and Kohler and, upon a task order execution, the first sponsored research project between UW-Madison and Kohler in decades. The one prior project with Kohler dates to 1993 and was valued at \$94,370.

**Presenter**

- Rob Cramer, 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 Approval, Signature Authority, and Reporting"

June 9, 2022

**UW-MADISON AMENDMENT TO CONTRACTUAL AGREEMENT  
WITH VALO HEALTH, INC.**

**REQUESTED ACTION**

Adoption of Resolution L., approving the amendment to the contractual agreement between the Board of Regents and Valo Health, Inc.

**Resolution L.** That, upon 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 amendment to the contractual agreement between the Board of Regents of the University of Wisconsin System, doing business as UW-Madison, and Valo Health, Inc.

**SUMMARY**

UW-Madison and Valo Health, Inc. ('Valo') wish to amend the Fee for Service Agreement entered into on March 8, 2022 by the UW-Madison Reading Center and Valo. The services provided under this amendment cover Reading Center services related to the evaluation of retinal images and support Valo's Phase II trial. This amendment increases the budget by \$265,713 for a total contract of \$1,255,813. Since the total contract now exceeds the \$1 million threshold for Board of Regent review, this amendment requires Board approval prior to UW-Madison executing the agreement.

The UW-Madison Reading Center provides ophthalmic reading and analysis services for high resolution retinal imaging. To assist Valo in assessing the results of this clinical trial, the Reading Center will provide review, evaluation, data storage and export. The focus of the studies is in the ophthalmology therapeutic area and data generated may help determine a drug's safety and efficacy in treating various ophthalmological diseases.

**Presenter**

- Rob Cramer, 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 Approval, Signature Authority, and Reporting"

June 9, 2022

**UW-MADISON MASTER SERVICES AGREEMENT WITH  
THE EMMES COMPANY, LLC**

**REQUESTED ACTION**

Adoption of Resolution M., approving the master services agreement between the Board of Regents and The Emmes Company.

**Resolution M.** That, upon 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 master services agreement between the Board of Regents of the University of Wisconsin System, doing business as UW-Madison, and The Emmes Company, LLC.

**SUMMARY**

UW-Madison and the Emmes Company, LLC ('Emmes') are establishing a master service agreement to cover ophthalmic reading and analysis services between the UW-Madison Reading Center and Emmes. These services provided by the Reading Center will support clinical trial activities that Emmes is performing under their prime agreement with the National Eye Institute (NEI). Among other possible studies, this master agreement will cover Reading Center services related to the evaluation of retinal images under an NEI-funded clinical trial related to diabetic retinopathy, the leading cause of new cases of blindness in the United States. As it is a master agreement, with a term of 5 years, the agreement is likely to exceed the \$1 million threshold for Board of Regents review, necessitating Board approval prior to UW-Madison executing the agreement.

The UW-Madison Reading Center provides ophthalmic reading and analysis services for high resolution retinal imaging. Emmes is a contract research organization working on behalf of NEI to conduct clinical trial services related to retinal disease. The overall studies that Emmes is supporting under its NEI contract look to understand retinal diseases and the potential treatment for retinal disease. The UW-Madison Reading Center and Emmes have been working together for many years now. Over the past five years, the Reading Center has provided services for Emmes totaling \$3,166,355. One of those services totaled \$1,476,063 and was previously approved by the Board of Regents (March 2021).

## **Presenter**

- Rob Cramer, 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 Approval, Signature Authority, and Reporting"

**UW-MADISON CONTRACTUAL AGREEMENT  
WITH ORACLE AMERICA, INC.**

**REQUESTED ACTION**

Adoption of Resolution N., approving the contractual agreement between the Board of Regents and Oracle America, Inc.

**Resolution N.** That, upon 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 Oracle America, Inc.

**SUMMARY**

UW-Madison hosts the PeopleSoft enterprise resource planning (ERP) systems, HRS and SFS, for the UW System. These ERP systems, as well as over 30 additional systems, use Oracle America Inc's (Oracle's) Exadata database system as the underlying computing infrastructure.

UW-Madison is approaching the fourth year of a four-year contract with Oracle for the Exadata computing infrastructure subscription. UW-Madison has negotiated favorable terms on a new contract that will allow a transition to updated computing hardware. The new contract will provide the ability to consume less of the computing infrastructure over time with a corresponding reduction in cost as UW transitions to the Workday ERP as a part of the Administrative Transformation Program.

In addition to the benefits described above, an unrelated effort to modernize UW-Madison's data center hosting environment will benefit from the timing of this contract. The data center modernization effort requires equipment to be moved from one data center to another. Per the terms of the current Exadata contract, Oracle must move the equipment at UW's expense. This expense, estimated at \$90,000, is avoided since the old equipment will no longer need to be moved.



Contract highlights include:

- Reduction in UW-Madison's minimum contractual annual ongoing spend commitment from \$1.23 million to \$940,000
- More than a 25% increase in infrastructure computing speed
- A term of 4 years

### Procurement Authority

UW-Madison purchases Oracle cloud products including Exadata Cloud at Customer through the procurement authority extended by the [Midwestern Higher Educational Compact \(MHEC\)](#). MHEC is a statutorily-created consortium of member states whose purpose is to provide greater higher education opportunities and services, as referenced in [Chapter 39.80 of the Wisconsin Statutes](#). MHEC issues Requests for Proposals and Bids, then negotiates favorable terms and conditions with IT Vendors which the university routinely leverages.

Oracle does not further negotiate the main MHEC terms and conditions with individual institutions. However, they will negotiate on a very limited basis some language within individual Ordering Documents. The Ordering Documents take precedence over any conflicting terms in the MHEC MSA. Oracle accepted the university's changes to key terms such as indemnification, confidentiality, and governing law within the two Ordering Documents (one for each site).

### **Presenter**

- Rob Cramer, 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 Approval, Signature Authority, and Reporting"

June 9, 2022

**UW-MADISON REQUEST FOR AN EXCEPTION TO BOARD POLICY ON  
LARGE UNENDOWED BEQUESTS FOR THE CARBONE CANCER CENTER**

**REQUESTED ACTION**

Adoption of Resolution O., approving an exception of RPD 31-15 be granted to allow for the partial expenditure of principal of the Comprehensive Cancer Center Discretionary Fund.

**Resolution O.** That, upon recommendation of the Chancellor of the University of Wisconsin-Madison, the Director of the Carbone Cancer Center, and the President of the University of Wisconsin System, the Board of Regents approve an exception to RPD 31-15 be granted to allow for the partial expenditure of principal of existing project 1611773 Comprehensive Cancer Center Discretionary Fund for the UW-Madison Carbone Cancer Center.

**SUMMARY**

The “Comprehensive Cancer Center Discretionary Fund” project in the Office of Trust Funds was created in 2000 with a \$67,212 gift from the Bette Hall estate. The donor did not restrict use of principal, but at the time, Regent policy required gifts of \$50,000 or more to become Board designated endowments. The UW-Madison School of Medicine and Public Health and the UW Office of Trust Funds decided to use this gift to create a new Board designated endowment project that would take in multiple discretionary gifts going forward.

There have been twelve additional estate gifts for the UW-Madison Carbone Cancer Center deposited to this project since 2000. The current principal balance is \$3,378,588.

Dr. Howard Bailey, Director of the UW-Madison Carbone Cancer Center, is requesting an exemption to Regent Policy Document 31-15 to allow for the expenditure of \$1,000,000 of the principal of this existing project to fund the first installment of a multi-year commitment to purchase a proton therapy device for cancer treatment. The attached letter from Dr. Bailey reiterates the position of the Carbone Cancer Center concerning the need for these funds to fulfill its mission.

## **Presenter**

- Sean Nelson, Vice President, UW System Administration Office of Finance

## **BACKGROUND**

All new bequests/gifts of \$1,000,000 or more where the donor is silent as to the expenditure of principal shall be identified as designated endowments, with only the income from the trust available for expenditure in accordance with the terms of the trust agreement. However, where the donor explicitly states that the principal of the gift be made available for expenditure, this policy will not apply. If an institution wants an exception to this proposed rule, the request for an exception, with appropriate justification, should be contained in the institution's recommendation for acceptance and be incorporated in the Regent resolution. If, at a later date, the institution wishes to seek an exception to the Regent imposed restriction, it should submit a request to the UW System Office of the Vice President for Finance for consideration at the next meeting of the Business and Finance Committee.

## **Related Policies**

- Regent Policy Document 31-15, "Large Unendowed Bequests/Gifts"

## **ATTACHMENT**

- A) Letter of Request from Dr. Howard Bailey, Director, Carbone Cancer Center

**Carbone Cancer Center**UNIVERSITY OF WISCONSIN  
SCHOOL OF MEDICINE AND PUBLIC HEALTH

To: Mr. Charles Saunders, Executive Director, Office of Trust

From: Dr. Howard Bailey, Director, Carbone Cancer Center

Subject: COMPREHENSIVE CANCER CENTER DISCRETIONARY FUND

The purpose of the memo is to inform you and the Business and Finance Committee of our request to use a portion of our *Comprehensive Cancer Center Discretionary Fund*, a long-term fund. This request will be used to fund the first installment of a multi-year commitment to purchase a proton therapy device installment at EastPark Medical Center.

The current balance of the long-term Comprehensive Cancer Center Discretionary Fund account is \$3,378,588 and of this balance, we are requesting \$1,000,000 be liquidated to cash to be put toward the Proton Machine purchase.

The Proton therapy device will be the first at UW Health and has the potential to impact a large portion of cancer patients receiving treatment at UW Health. Proton therapy is radiation therapy that uses proton rather than x-rays to treat cancer and like x-ray radiation, proton therapy is a type of external-beam radiation therapy. It painlessly delivers radiation through the skin from a machine outside the body in a highly targeted manner and has fewer side effects than traditional radiation.

Carbone Cancer Center has a long history of being named as beneficiaries in estate gifts held at the UW Madison (now UW System) Trust office. *The Comprehensive Cancer Center Discretionary Fund* account was opened in 2000 with an estate gift of \$67,212 from the Bette Hall estate for the CCC. This gift was silent as to use of principal, but at the time, Regent Policy required such gifts of \$50K or more to become Board designated endowments. (Today, that threshold is \$1 million). The SMPH fiscal office and the Trust office decided to open a new fund that could take in multiple discretionary gifts going forward. And since the Bette Hall gift was >\$50K the gift was accepted into a designated endowment account. Since the account was opened, there have been 12 other estate gifts deposited, totaling \$1,024,803. All of these gifts were of course discretionary to the CCC and all were silent as to the use of principal. Only 2 other gifts exceeded \$50,000 and one exceeded the newer threshold of \$250K – this was a gift of \$640,885 from the Milton Pella estate in 2011.

Our first installment is due September 1, 2022, so once we have been approved to liquidate \$1,000,000 of this fund we will act quickly to process the transfer.

Thank you for your time and consideration.

June 9, 2022

**CONTINUATION OF ILLINOIS NON-RESIDENT TUITION RATE  
EQUIVALENT TO THE MIDWEST STUDENT EXCHANGE PROGRAM**

**REQUESTED ACTION**

Adoption of Resolution P., approving continuation of tuition for Illinois residents at a rate equivalent to the Midwest Student Exchange Program (MSEP) rate so long as Illinois is not an active MSEP participant. MSEP is a program of the Midwestern Higher Education Compact (MHEC) and is a multi-state tuition reciprocity program. The MSEP program is an 'opt in' for UW System institutions and would be charged based on campus participation in the program.

**Resolution P.** That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves a tuition rate for Illinois residents equivalent to the Midwest Student Exchange Program rate for the 2023-2024 and subsequent academic years.

**SUMMARY**

The University of Wisconsin System is a party to the Midwestern Higher Education Compact (MHEC), which helps improve access to postsecondary education through the Midwest Student Exchange Program (MSEP). Through the MSEP program, public institutions agree to charge students no more than 150% of the resident tuition rate for selected programs. This savings is significant in advancing higher education affordability. The MSEP program also benefits the State of Wisconsin by attracting nonresident students to attend UW System institutions.

While Illinois has been a MSEP participant, UW System received notice on June 28, 2021, that Illinois would be moved to inactive status since it no longer had any participating higher education institutions. Illinois is a significant source of students for several UW campuses. Without the discounted MSEP tuition, UW System campuses may be significantly hampered in their ability to recruit Illinois students.

In July 2021, the Board of Regents approved the continuation of MSEP tuition rates for Illinois students at UW-Milwaukee during the 2022-23 academic year. The Board of Regents is now being asked to again approve the MSEP rate for the 2023-2024 and subsequent

academic years and expand it to all UW System institutions, for their determination to opt-in.

The UW System Administration's Office of Finance will work with UW System institutions to continually evaluate this situation and recommend further action as the MSEP program evolves.

MSEP enrollments from Illinois in Fall 2021 are consistent with the Fall 2017 level at approximately 3,400. However, this number has declined from 3,853 in Fall 2018. Students from Illinois make up the largest portion of MSEP students, with 5 of 6 MSEP students coming from the state. As of Fall 2021, ten UW System institutions participate in the program and MSEP students from Illinois make up more than 30% of total Illinois student enrollment. It is critical to campus enrollments and tuition revenue to continue to charge Illinois students the MSEP rate to remain competitive and successfully recruit those students to the UW System.

**Presenter:**

- Sean Nelson, Vice President for Finance, UW System

**BACKGROUND**

The Midwest Student Exchange Program (MSEP) is an interstate initiative established by the Midwestern Higher Education Compact (MHEC). It was created to increase interstate educational opportunities for students in its member states.

**Previous Action or Discussion**

Resolution 9059, approved September 9, 2005, authorizing the President of the UW System to enter into a participation agreement with the Midwestern Higher Education Compact.

Resolution 11681, approved July 29, 2021, authorizing UW-Milwaukee to assess the MSEP tuition rate to Illinois students for the 2022-23 academic year.

**Related Policies**

- Regent Policy Document 32-5, "Tuition Policy Principles"

June 9, 2022

**REGENT POLICY DOCUMENT REVIEW: RPD 13-1, "GENERAL CONTRACT APPROVAL, SIGNATURE AUTHORITY, AND REPORTING"**

**REQUESTED ACTION**

Adoption of Resolution Q., amending RPD 13-1, "General Contract Approval, Signature Authority, and Reporting" to: (1) clarify signature authority; (2) clarify the Board's review of contracts, settlements, and subawards; (3) modify the thresholds for delegation and Board review of grants and contracts with private, profit-making organization; and (4) modify the threshold on athletic employment contracts requiring Board approval.

**Resolution Q.** That, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents amends Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting" to modify policy provisions related to signature authority, delegation, and requirements related to athletic employment contracts.

**SUMMARY**

This proposal recommends amending Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting" to clarify signature authority and related responsibilities and to provide greater autonomy to UW-Madison as it relates to grants and contracts related to research and clinical trials and athletic employment contracts.

The Board is asked to consider this policy revision as part of its ongoing review and analysis of Regent Policy Documents. In February 2011, the President of the Board formally announced a process to review and update the Board's RPDs. Each RPD is reviewed to determine whether the policy is still relevant and whether the policy should be revised or removed. Policies that are retained are formatted to meet standards established by the Regents in RPD 2-3. The Board has revised numerous policies, repealed obsolete policies, and established new policies under this process.

**Presenter**

- Jim Langdon, Vice President for Administration, UW System

## **BACKGROUND**

### Clarification of Signature Authority

Signature authority is delegated by the Board and described in the policy. To ensure proper understanding of the distinctions between purchasing authority and signature authority, “contract signature authority” was added. Contract signature authority refers to one area of signature authority which can be delegated from the President to the Chancellor and from the Chancellor to subordinates.

Finally, although the purchasing delegation granted to the UW System Procurement Director from the Department of Administration (DOA) may be sub-delegated to campus purchasing directors, signature authority granted by the President, or the Chancellor, may not be further delegated by the recipient. Signature authority delegation rests solely with the President or Chancellor as stated in the policy. A sentence was added to this section to clarify this point.

### Restoration of Review of Chapter 16 Purchases

Regent Policy Document 13-1 excludes “purchase orders under delegated state purchasing authority. Signature for those contracts is covered in s.16.71, Wis. Stats.” This is in error. The statutory reference is imprecise and misunderstood: s.16.71(1) permits DOA to “delegate to special designated agents the authority to purchase all necessary materials, supplies, equipment...for all agencies.” This delegation essentially permits DOA to delegate purchasing authority, or ability, to a purchasing specialist or manager who has successfully met the criteria for delegation and who subsequently follows all requirements established by DOA for proper purchasing. This delegation is typically granted from DOA to the UW System Procurement Director and the UW-Madison Procurement Director.

Signature authority lies with the Board of Regents, President, or Chancellor as applicable. This is a key distinction that when applied to practice means the Procurement Director is responsible for ensuring and verifying proper purchasing procedures were followed, but the Procurement Director has no authority to commit funds of the campus – that authority, for example, is the Chancellor’s unless delegated. The other exclusions identified in the policy were also reviewed and verified as accurate and properly representative of the statutory authority.

The policy is updated to clarify that settlement agreements and subawards or subcontracts issued to or by UW System institutions that pass through federal funding and are governed by the terms of a federal grant or contract are excluded.



## Delegation Limits and Grants and Contracts related to Research and Clinical Trials

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.

Due to the volume of contracts and grants exceeding this amount, the policy has been modified to increase this threshold to \$5,000,000 for the UW-Madison Chancellor and accordingly the UW System President. The policy revisions also provide that upon request for an individual grant or contract, UW-Madison is authorized up to \$10,000,000 if the UW System President also approves.

UW-Madison has a large and growing portfolio of contracts with for-profit entities focused on research, fee for service, and other business relationships. These contracts and the related work create economic value for the University, the for-profit partner, and the community. In addition, these contracts are an important part of UW-Madison's economic impact--over \$30 billion annually--in the state of Wisconsin. This authority would allow the campus to be more responsive and timelier in negotiations with the private sector partners, addressing a frequent concern raised by current and prospective partners in the research and clinical trial space.

Finally, the delegation of signature authority section is reorganized for better understanding of expectations and responsibilities.

## Athletic Employment Contracts Greater than \$500,000

Regent Policy Document 13-1 requires that any athletic employment contract with a total annual compensation greater than \$500,000 receive approval by the Board prior to execution. This provision has generally applied to UW-Madison employment contracts for athletic directors and some head coaches, and more recently to football assistant coaches. Increasing this threshold to \$3,000,000 for UW-Madison athletic contracts would reduce administrative burden and provide the UW-Madison Chancellor with authority to approve athletic employment contracts in a more timely and responsive manner. The current \$500,000 threshold would be retained for all other UW institutions.

## **Related Policies**

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

## **ATTACHMENTS**

- A) RPD 13-1, "General Contract Approval, Signature Authority, and Reporting"  
(Proposed Policy with Tracked Changes)
- B) RPD 13-1, "General Contract Approval, Signature Authority, and Reporting"  
(Proposed Policy)
- C) RPD 13-1, "General Contract Approval, Signature Authority, and Reporting" (Current  
Policy)

## Regent Policy Document 13-1

## General Contract Approval, Signature Authority, and Reporting (Proposed Policy With Tracked Changes)

### Scope

This policy addresses Board of Regents review and approval of contracts and official authorization to sign contracts on behalf of the Board of Regents of the University of Wisconsin System.

The policy applies to contracts that bind the Board of Regents and UW System institutions. These include, but are not limited to, grants, memorandums of understanding, certifications, releases, purchase orders, leases of personal property (not real property), and royalty agreements.

The policy does not apply to the following:

- Settlement agreements;
- Subawards or subcontracts issued to or by UW System institutions that pass through federal funding and are governed by the terms of a federal grant or contract;
- ~~r~~Real property contracts (refer to . Signature authority for those contracts is covered under Regent Policy Document 13-2, "Real Property Contracts: Signature Authority and Approval.")
- ~~This policy does not apply to d~~Design and construction contracts for capital projects solely managed by the UW System (refer to . Signature authority for those contracts is covered in Regent Policy Document 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority.");
- ~~The policy does not apply to u~~University trust accounts, which are subject to the terms and conditions of individual trust documents. Signature authority for these documents rests with the Trust Officer, Assistant Trust Officer, and Executive Director and Corporate Secretary of the Office of the Board of Regents of the University of Wisconsin System; and;
- ~~This policy does not apply to~~Contracts and purchases orders issued under delegated state purchasing authority. Signature authority for those contracts is covered in s. 16.71, Wis. Stats.

~~This policy does not apply to design and construction contracts for capital projects solely managed by the UW System. Signature authority for those contracts is covered in Regent Policy Document 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority."~~

~~This policy does not apply to purchase orders issued under delegated state purchasing authority. Signature authority for those contracts is covered in s. 16.71, Wis. Stats.~~

~~The policy does not apply to university trust accounts, which are subject to the terms and conditions of individual trust documents. Signature authority for these documents rests with the Trust Officer, Assistant Trust Officer, and Executive Director and Corporate Secretary of the Office of the Board of Regents of the University of Wisconsin System.~~

## Purpose

The purpose of this policy is to ensure that the Board of Regents reviews certain high-dollar-amount contracts and that individuals signing contracts that bind the Board of Regents are duly authorized to sign on behalf of, commit, and represent the Board of Regents.

## Policy Statement

Through this policy, the Board of Regents recognizes that the efficient operation of the UW System depends on the UW System's and UW institutions' ability to conduct business transactions in an efficient manner. Therefore, the Board of Regents need not directly approve all contracts, but rather, delegates contracting authority for most contracts to designated university officials.

Individuals authorized to sign contracts under this policy are expected to have the necessary information and expertise to fully understand the implications of making such commitments. In addition, persons with this authority are expected to perform appropriate due diligence activities to ensure that any attendant liabilities are identified and can be effectively managed.

### Delegation of Authority

Subject to the limitations set forth in this policy, ~~t~~The Board of Regents authorizes the Executive Director and Corporate Secretary of the Office of the Board of Regents and the President of the University of Wisconsin System to sign contracts that bind the Board of Regents and/or UW System institutions.

The Board of Regents further authorizes the President of the University of Wisconsin System to: (1) delegate contract signature authority to other UW System Administration officials deemed to have the requisite knowledge, judgment, and operational need to exercise such authority; and (2) delegate to the chancellors of UW System institutions the

authority to sign contracts related to programs or operations of their institutions. Chancellors may further delegate contract signature authority to other UW System institution employees deemed to have the requisite knowledge, judgment, and operational need to exercise such authority. ~~All unclassified contracting personnel are subject to the conflict-of-interest reporting requirements of ch. UWS 8, Wis. Admin. Code.~~

~~Delegations by the President or a chancellor's delegations~~ must be made in writing and filed in the ~~respective office of authority, i.e., the~~ Office of the President of the University of Wisconsin System ~~or the office of the chancellor.~~

~~Delegation of authority pursuant to the immediately preceding paragraph is subject to the following requirements:~~

- ~~• Chancellors' delegations must be made in writing, filed in the office of the chancellor, and~~ reviewed periodically to ensure that delegations are current, and employees are exercising their signature authority appropriately.
- Individuals should be delegated contract signature authority only for the specific documents, or types of documents, needed to allow them to ~~efficiently and effectively~~ perform the responsibilities of their positions efficiently and effectively.
- An individual granted this delegation may not further delegate these responsibilities; this authority remains solely with the President or Chancellor respectively.
- Individuals delegated contract signature authority are considered "contracting personnel" and subject to the conflict-of-interest reporting requirements of Ch. UWS 8, Wis. Admin. Code.

Delegation Limitations and Thresholds for Formal Approval by the Board of Regents

Except as otherwise reserved for the Board of Regents, signature authority delegation for grants and contracts from private, profit-making organizations is limited to:

- Up to \$1,000,000 for Chancellors at all campuses other than UW-Madison; and
- Up to \$5,000,000 for the UW System President and the UW-Madison Chancellor. Upon request for an individual grant or contract, UW-Madison is authorized up to \$10,000,000 if the UW System President also approves.

Approval by the Board of Regents, prior to execution, is required for:

- Contracts for large or high-risk information technology projects, as defined in Regent Policy Document 25-4;
- Grants or contracts from private, profit-making organizations with a value greater than \$1,000,000 for all campuses other than UW-Madison;
- Grants or contracts from private, profit-making organizations with a value greater than \$5,000,000 for UW System and UW-Madison (greater than \$10,000,000 if the UW-Madison Chancellor and the UW System President jointly approve);

- ~~UW-Madison athletics employment contracts with total annual compensation greater than \$3,000,000 and athletics employment contracts at other UW System institutions with total annual compensation greater than \$500,000; and~~
- ~~Any other grants or contracts that, in the judgment of the President of the UW System or the relevant Chancellor, warrant Board review.~~

~~Grants from and contracts with private, profit-making organizations with a value of between \$500,000 and \$1,000,000 must be reviewed by an institution's legal affairs office or the UW System Office of General Counsel prior to execution.~~

~~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. Any other grants or contracts with a value of less than \$1,000,000 that, in the judgment of the President of the UW System, warrant Board review shall also be approved by the Board prior to execution.~~

An institution's chief business officer should contact the UW System Office of Administration to request that contracts be presented for approval at the next meeting of the Board's Business and Finance Committee. Requests must be made well in advance of the desired effective date of a contract.

### Reporting Requirements

A summary of extramural gifts, grants, and contracts will be reported semiannually to UW System Administration for presentation to the Business and Finance Committee of the Board of Regents. ~~Other contracts and/or agreements need not be reported to the Board under this policy.~~

## Oversight, Roles, and Responsibilities

Delegation of signature authority allows considerable operational efficiency but requires appropriate oversight and on-going diligence to ensure that the interests of the university are best served.

In addition to oversight by the Chancellor's office and chief business officer, compliance with this policy and sound business practices will be assessed through periodic review by the UW System Office of Internal Audit.

## Related Regent Policy Documents and Applicable Laws

- Regent Policy Document 6-3, Delegation of Authority to President for Personnel Actions
- Regent Policy Document 13-2, Real Property Contracts: Signature Authority and Approval
- Regent Policy Document 13-5, Capital Projects Solely Managed by the UW System: Approval and Signature Authority
- Regent Policy Document 25-4, Strategic Planning and Large or High-Risk Projects  
Section 946.13, Wis. Stats., Private interest in public contract prohibited
- Section 16.71(1), (1m) and (4), Wis. Stats., Purchasing; powers
- ~~Section 16.71(4), Wis. Stats., Purchasing; powers~~
- Section 36.11(1)(b), Wis. Stats.

*History: Res. 92, adopted 02/11/1972, created Regent Policy Document 72-2(a); Res. 965, adopted 03/07/1975, rescinded 72-2a and created Regent Policy Document 75-2; Res. 2791, adopted 04/08/1983, rescinded 75-2 and created Regent Policy Document 83-2; Res. 5945, adopted 11/08/1991, rescinded 83-2 and created Regent Policy Document 91-10; Res. 6042, adopted 03/06/1992, rescinded 91-10 and created Regent Policy Document 92-2; Res. 6314, adopted 02/05/1993, rescinded 92-2 and created Regent Policy Document 93-1; Res. 7548, adopted 09/05/1997, amended Regent Policy Document 93-1; Res. 7844, adopted 02/05/1999, amended Regent Policy Document 93-1; Res. 8074, adopted 02/11/2000, amended Regent Policy Document 93-1; Res. 8875, adopted 06/11/2004, amended Regent Policy Document 93-1, subsequently renumbered 13-3, Authorization to Sign Documents.*

*Res. 7308, adopted 10/11/1996, created Regent Policy Document 96-5; Res. 8876, adopted 06/10/2004, amended Regent Policy Document 96-5, subsequently renumbered 13-4, Delegation of Responsibilities to the Vice President for Finance.*

*Res. 10014, adopted 02/10/2012, repealed Regent Policy Documents 13-3 and 13-4, and amended and consolidated the contents under a renumbered Regent Policy Document 13-1. Res. 10604, adopted 12/11/2015, amended and renamed Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting." Res. 10706, adopted 06/10/2016, amended Regent Policy Document 13-1; Res. 11111, adopted 10/05/2018, amended Regent Policy Document 13-1. Technical correction made on 01/06/2020.*

## Regent Policy Document 13-1

### General Contract Approval, Signature Authority, and Reporting (Proposed Policy)

#### Scope

This policy addresses Board of Regents review and approval of contracts and official authorization to sign contracts on behalf of the Board of Regents of the University of Wisconsin System.

The policy applies to contracts that bind the Board of Regents and UW System institutions. These include, but are not limited to, grants, memorandums of understanding, certifications, releases, purchase orders, leases of personal property (not real property), and royalty agreements.

The policy does not apply to the following:

- Settlement agreements;
- Subawards or subcontracts issued to or by UW System institutions that pass through federal funding and are governed by the terms of a federal grant or contract;
- Real property contracts (refer to Regent Policy Document 13-2, “Real Property Contracts: Signature Authority and Approval”);
- Design and construction contracts for capital projects solely managed by the UW System (refer to Regent Policy Document 13-5, “Capital Projects Solely Managed by the UW System: Approval and Signature Authority”);
- University trust accounts, which are subject to the terms and conditions of individual trust documents. Signature authority for these documents rests with the Trust Officer, Assistant Trust Officer, and Executive Director and Corporate Secretary of the Office of the Board of Regents of the University of Wisconsin System; and
- Contracts and purchases issued under delegated state purchasing authority.

#### Purpose

The purpose of this policy is to ensure that the Board of Regents reviews certain high-dollar-amount contracts and that individuals signing contracts that bind the Board of Regents are duly authorized to sign on behalf of, commit, and represent the Board of Regents.



## **Policy Statement**

Through this policy, the Board of Regents recognizes that the efficient operation of the UW System depends on the UW System's and UW institutions' ability to conduct business transactions in an efficient manner. Therefore, the Board of Regents need not directly approve all contracts, but rather, delegates contracting authority for most contracts to designated university officials.

Individuals authorized to sign contracts under this policy are expected to have the necessary information and expertise to fully understand the implications of making such commitments. In addition, persons with this authority are expected to perform appropriate due diligence activities to ensure that any attendant liabilities are identified and can be effectively managed.

### **Delegation of Authority**

Subject to the limitations set forth in this policy, the Board of Regents authorizes the Executive Director and Corporate Secretary of the Office of the Board of Regents and the President of the University of Wisconsin System to sign contracts that bind the Board of Regents and/or UW System institutions.

The Board of Regents further authorizes the President of the University of Wisconsin System to: (1) delegate contract signature authority to other UW System Administration officials deemed to have the requisite knowledge, judgment, and operational need to exercise such authority; and (2) delegate to the chancellors of UW System institutions the authority to sign contracts related to programs or operations of their institutions. Chancellors may further delegate contract signature authority to other UW System institution employees deemed to have the requisite knowledge, judgment, and operational need to exercise such authority.

Delegations by the President or a chancellor must be made in writing and filed in the respective office of authority, i.e., the Office of the President of the University of Wisconsin System or the office of the chancellor.

Delegation of authority pursuant to the immediately preceding paragraph is subject to the following requirements:

- Delegations must be reviewed periodically to ensure that delegations are current, and employees are exercising their signature authority appropriately.
- Individuals should be delegated contract signature authority only for the specific documents, or types of documents, needed to allow them to perform the responsibilities of their positions efficiently and effectively.
- An individual granted this delegation may not further delegate these responsibilities; this authority remains solely with the President or Chancellor respectively.

- Individuals delegated contract signature authority are considered “contracting personnel” and subject to the conflict-of-interest reporting requirements of Ch. UWS 8, Wis. Admin. Code.

### Delegation Limitations and Thresholds for Formal Approval by the Board of Regents

Except as otherwise reserved for the Board of Regents, signature authority delegation for grants and contracts from private, profit-making organizations is limited to:

- Up to \$1,000,000 for Chancellors at all campuses other than UW-Madison; and
- Up to \$5,000,000 for the UW System President and the UW-Madison Chancellor. Upon request for an individual grant or contract, UW-Madison is authorized up to \$10,000,000 if the UW System President also approves.

Approval by the Board of Regents, prior to execution, is required for:

- Contracts for large or high-risk information technology projects, as defined in Regent Policy Document 25-4;
- Grants or contracts from private, profit-making organizations with a value greater than \$1,000,000 for all campuses other than UW-Madison;
- Grants or contracts from private, profit-making organizations with a value greater than \$5,000,000 for UW System and UW-Madison (greater than \$10,000,000 if the UW-Madison Chancellor and the UW System President jointly approve);
- UW-Madison athletics employment contracts with total annual compensation greater than \$3,000,000 and athletics employment contracts at other UW System institutions with total annual compensation greater than \$500,000; and
- Any other grants or contracts that, in the judgment of the President of the UW System or the relevant Chancellor, warrant Board review.

An institution’s chief business officer should contact the UW System Office of Administration to request that contracts be presented for approval at the next meeting of the Board’s Business and Finance Committee. Requests must be made well in advance of the desired effective date of a contract.

### Reporting Requirements

A summary of extramural gifts, grants, and contracts will be reported semiannually to UW System Administration for presentation to the Business and Finance Committee of the Board of Regents.

## **Oversight, Roles, and Responsibilities**

Delegation of signature authority allows considerable operational efficiency but requires appropriate oversight and on-going diligence to ensure that the interests of the university are best served.

In addition to oversight by the Chancellor's office and chief business officer, compliance with this policy and sound business practices will be assessed through periodic review by the UW System Office of Internal Audit.

## Related Regent Policy Documents and Applicable Laws

- Regent Policy Document 6-3, Delegation of Authority to President for Personnel Actions
- Regent Policy Document 13-2, Real Property Contracts: Signature Authority and Approval
- Regent Policy Document 13-5, Capital Projects Solely Managed by the UW System: Approval and Signature Authority
- Regent Policy Document 25-4, Strategic Planning and Large or High-Risk Projects Section 946.13, Wis. Stats., Private interest in public contract prohibited
- Section 16.71(1), (1m) and (4), Wis. Stats., Purchasing; powers
- Section 36.11(1)(b), Wis. Stats.

*History: Res. 92, adopted 02/11/1972, created Regent Policy Document 72-2(a); Res. 965, adopted 03/07/1975, rescinded 72-2a and created Regent Policy Document 75-2; Res. 2791, adopted 04/08/1983, rescinded 75-2 and created Regent Policy Document 83-2; Res. 5945, adopted 11/08/1991, rescinded 83-2 and created Regent Policy Document 91-10; Res. 6042, adopted 03/06/1992, rescinded 91-10 and created Regent Policy Document 92-2; Res. 6314, adopted 02/05/1993, rescinded 92-2 and created Regent Policy Document 93-1; Res. 7548, adopted 09/05/1997, amended Regent Policy Document 93-1; Res. 7844, adopted 02/05/1999, amended Regent Policy Document 93-1; Res. 8074, adopted 02/11/2000, amended Regent Policy Document 93-1; Res. 8875, adopted 06/11/2004, amended Regent Policy Document 93-1, subsequently renumbered 13-3, Authorization to Sign Documents.*

*Res. 7308, adopted 10/11/1996, created Regent Policy Document 96-5; Res. 8876, adopted 06/10/2004, amended Regent Policy Document 96-5, subsequently renumbered 13-4, Delegation of Responsibilities to the Vice President for Finance.*

*Res. 10014, adopted 02/10/2012, repealed Regent Policy Documents 13-3 and 13-4, and amended and consolidated the contents under a renumbered Regent Policy Document 13-1. Res. 10604, adopted 12/11/2015, amended and renamed Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting." Res. 10706, adopted 06/10/2016, amended Regent Policy Document 13-1; Res. 11111, adopted 10/05/2018, amended Regent Policy Document 13-1. Technical correction made on 01/06/2020.*

## Regent Policy Document 13-1

### General Contract Approval, Signature Authority, and Reporting (*Current Policy*)

#### **Scope**

This policy addresses Board of Regents review and approval of contracts and official authorization to sign contracts on behalf of the Board of Regents of the University of Wisconsin System.

The policy applies to contracts that bind the Board of Regents and UW System institutions. These include, but are not limited to, grants, memorandums of understanding, certifications, releases, purchase orders, leases of personal property (not real property), and royalty agreements.

The policy does not apply to real property contracts. Signature authority for those contracts is covered under Regent Policy Document 13-2, "Real Property Contracts: Signature Authority and Approval."

This policy does not apply to design and construction contracts for capital projects solely managed by the UW System. Signature authority for those contracts is covered in Regent Policy Document 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority."

This policy does not apply to purchase orders issued under delegated state purchasing authority. Signature authority for those contracts is covered in s. 16.71, Wis. Stats.

The policy does not apply to university trust accounts, which are subject to the terms and conditions of individual trust documents. Signature authority for these documents rests with the Trust Officer, Assistant Trust Officer, and Executive Director and Corporate Secretary of the Office of the Board of Regents of the University of Wisconsin System.

#### **Purpose**

The purpose of this policy is to ensure that the Board of Regents reviews certain high-dollar-amount contracts and that individuals signing contracts that bind the Board of Regents are duly authorized to sign on behalf of, commit, and represent the Board of Regents.

## **Policy Statement**

Through this policy, the Board of Regents recognizes that the efficient operation of the UW System depends on the UW System's and UW institutions' ability to conduct business transactions in an efficient manner. Therefore, the Board of Regents need not directly approve all contracts, but rather, delegates contracting authority for most contracts to designated university officials.

Individuals authorized to sign contracts under this policy are expected to have the necessary information and expertise to fully understand the implications of making such commitments. In addition, persons with this authority are expected to perform appropriate due diligence activities to ensure that any attendant liabilities are identified and can be effectively managed.

### **Delegation of Authority**

The Board of Regents authorizes the Executive Director and Corporate Secretary of the Office of the Board of Regents and the President of the University of Wisconsin System to sign contracts that bind the Board of Regents and/or UW System institutions.

The Board of Regents further authorizes the President of the University of Wisconsin System to: (1) delegate contract signature authority to other UW System Administration officials deemed to have the requisite knowledge, judgment, and operational need to exercise such authority; and (2) delegate to the chancellors of UW System institutions the authority to sign contracts related to programs or operations of their institutions. Chancellors may further delegate contract signature authority to other UW System institution employees deemed to have the requisite knowledge, judgment, and operational need to exercise such authority. All unclassified contracting personnel are subject to the conflict-of-interest reporting requirements of ch. UWS 8, Wis. Admin. Code.

The President's delegations must be made in writing and filed in the Office of the President of the University of Wisconsin System.

Chancellors' delegations must be made in writing, filed in the office of the chancellor, and reviewed periodically to ensure that delegations are current and employees are exercising their signature authority appropriately. Individuals should be delegated signature authority only for the specific documents, or types of documents, needed to allow them to efficiently and effectively perform the responsibilities of their positions.

### Threshold for Formal Approval by the Board of Regents

Grants from and contracts with private, profit-making organizations with a value of between \$500,000 and \$1,000,000 must be reviewed by an institution's legal affairs office or the UW System Office of General Counsel prior to execution.

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. Any other grants or contracts with a value of less than \$1,000,000 that, in the judgment of the President of the UW System, warrant Board review shall also be approved by the Board prior to execution.

An institution's chief business officer should contact the UW System Office of Administration to request that contracts be presented for approval at the next meeting of the Board's Business and Finance Committee. Requests must be made well in advance of the desired effective date of a contract.

### Reporting Requirements

A summary of extramural gifts, grants, and contracts will be reported semiannually to UW System Administration for presentation to the Business and Finance Committee of the Board of Regents. Other contracts and/or agreements need not be reported to the Board under this policy.

## **Oversight, Roles, and Responsibilities**

Delegation of signature authority allows considerable operational efficiency but requires appropriate oversight and on-going diligence to ensure that the interests of the university are best served.

In addition to oversight by the chancellor's office and chief business officer, compliance with this policy and sound business practices will be assessed through periodic review by the UW System Office of Internal Audit.

## **Related Regent Policy Documents and Applicable Laws**

- Regent Policy Document 6-3, Delegation of Authority to President for Personnel Actions
- Regent Policy Document 13-2, Real Property Contracts: Signature Authority and Approval

- Regent Policy Document 13-5, Capital Projects Solely Managed by the UW System: Approval and Signature Authority  
Section 946.13, Wis. Stats., Private interest in public contract prohibited
- Section 16.71(1m), Wis. Stats., Purchasing; powers
- Section 16.71(4), Wis. Stats., Purchasing; powers

*History: Res. 92, adopted 02/11/1972, created Regent Policy Document 72-2(a); Res. 965, adopted 03/07/1975, rescinded 72-2a and created Regent Policy Document 75-2; Res. 2791, adopted 04/08/1983, rescinded 75-2 and created Regent Policy Document 83-2; Res. 5945, adopted 11/08/1991, rescinded 83-2 and created Regent Policy Document 91-10; Res. 6042, adopted 03/06/1992, rescinded 91-10 and created Regent Policy Document 92-2; Res. 6314, adopted 02/05/1993, rescinded 92-2 and created Regent Policy Document 93-1; Res. 7548, adopted 09/05/1997, amended Regent Policy Document 93-1; Res. 7844, adopted 02/05/1999, amended Regent Policy Document 93-1; Res. 8074, adopted 02/11/2000, amended Regent Policy Document 93-1; Res. 8875, adopted 06/11/2004, amended Regent Policy Document 93-1, subsequently renumbered 13-3, Authorization to Sign Documents.*

*Res. 7308, adopted 10/11/1996, created Regent Policy Document 96-5; Res. 8876, adopted 06/10/2004, amended Regent Policy Document 96-5, subsequently renumbered 13-4, Delegation of Responsibilities to the Vice President for Finance.*

*Res. 10014, adopted 02/10/2012, repealed Regent Policy Documents 13-3 and 13-4, and amended and consolidated the contents under a renumbered Regent Policy Document 13-1. Res. 10604, adopted 12/11/2015, amended and renamed Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting." Res. 10706, adopted 06/10/2016, amended Regent Policy Document 13-1; Res. 11111, adopted 10/05/2018, amended Regent Policy Document 13-1. Technical correction made on 01/06/2020.*

**COVID-19 FINANCIAL IMPACTS UPDATE**

**REQUESTED ACTION**

No action is required; this item is for information only.

**SUMMARY**

The COVID-19 pandemic has imposed significant impacts on UW System finances, including both revenue losses and expenditure increases incurred for health and safety measures and technology needs.

The net financial impact has been mitigated by federal actions that have provided relief funding both directly and through state-managed allocations, and by cost reduction steps implemented by UW System Administration and UW institutions.

Vice President Sean Nelson will report on the current financial situation. Information on COVID-19 financial impacts was first presented to the Board of Regents at its May 2020 meeting, with subsequent periodic updates to the Business and Finance Committee, most recently in October 2021.

**Presenter**

- Sean Nelson, Vice President for Finance, UW System Administration