

**UW System Board of Regents
Meeting of the Business & Finance Committee
University of Wisconsin-Milwaukee
UW-Milwaukee Zelazo Center
Room 250
2419 E. Kenwood Blvd
Milwaukee, Wisconsin
And Via Webex Videoconference
June 8, 2023**

The Meeting of the Business and Finance Committee was called to order at 9:00 AM by Chair, Regent Ashkok Rai.

A. Calling of the Roll

Present: Regents Rai, Jones, Adams, Atwell, Colon, Kreuser, Peterson, and Staton.

Present via Webex Video Conference: None

Absent: None. At all times, the Committee had a quorum.

B. Declaration of Conflicts

The Chair asked Committee Members to identify any conflicts of interest. Regent Adams recused herself from voting on Item F, UW-Milwaukee Contractual Agreement with Northwestern Mutual Life Insurance Company.

C. Approval of the Minutes of the March 30, 2023, Joint Meeting of the Audit Committee and the Business & Finance Committee.

Corrections: None

Questions/ Comments: None

Motion made by: Regent Peterson

Motion seconded by: Regent Staton

Discussion: None

Upon the direction of Regent Rai, a voice vote was taken, and the Committee unanimously approved the minutes of the March 30, 2023, Joint meeting of the Audit Committee and the Business & Finance Committee meeting.

D. Approval of the Minutes of the March 30, 2023, Meeting of the Business & Finance Committee.

Corrections: None

Questions/ Comments: None

Motion made by: Regent Jones

Motion seconded by: Regent Staton

Discussion: None

Upon the direction of Regent Rai, a voice vote was taken, and the Committee unanimously approved the minutes of the March 30, 2023, Business & Finance Committee meeting.

D. Presentation – “Financial Planning and Strategy: Supporting Student Success and Research Excellence.”

The Committee first heard a presentation from our host campus, entitled “Financial Planning and Strategy: Supporting Student Success and Research Excellence.” Vice Chancellor Robin Van Harpen and Associate Vice Chancellor Drew Knab detailed how UWM’s financial planning strategies are aimed at supporting their dual mission of both access and research. In addition to making targeted investments that promote enrollment and student success, UWM continues to pursue revenue growth through enhanced online programming, partnerships, and philanthropic opportunities. UW-Milwaukee is 1 of 13 public institutions to achieve R1 status. Challenges UW-Milwaukee faces some of the same challenges as other institutions in the case. The Tuition Freeze and enrollment trends have taken a significant toll. In addition, Wisconsin funds system schools at a much lower level than they fund technical schools. System schools rank 43 in the nation for state funding while the Tech school funding ranks 5th. Funding per student is 80% higher at the technical colleges compared to that of Four year institutions. The action plan for UWM includes providing support and investing in Revenue stabilization and growth which includes a focus on enrollment and student success, online program growth, partnerships, and philanthropy. It also requires the UW to prudently manage operations and finances through operational efficiency and a comprehensive budgeting process. In conclusion, Vice Chancellor Van Harpin stated financial success requires a partnership between our institutions, the Regents, and the State.

Questions/Comments: Regent Hector Colon stated that he has learned that we may be in jeopardy of losing our R1 status and asked if there is a way to show how close we are to losing that status. Vice Chancellor Van Harpin shared the key driver of concern is Faculty numbers. Budget cuts have led to the loss of faculty. Regent Adams asked about how no program manager impacts the online program’s success. Vice Chancellor Van Harpen shared helping faculty to develop programing is an area of impact. Extra support for faculty has been provided. Drew shared that we have a strong but mighty team in this area. Regent Rai shared that this is the third presentation identifying the underfunding, is there a target percentage we need to get to and how do we know that we have reached that target and if not how do we get there? The Vice Chancellor shared the overall strategy is to increase the alternate revenue sources. Regent Adams said she saw the success of the philanthropic efforts with the athletic department being more engaged and she feels becoming more publicly engaged could help with improved philanthropy in other areas.

F. UW-Milwaukee Contractual Agreement with Northwestern Mutual Life Insurance Company

Next, Vice Chancellor Robin Van Harpen and Associate Vice Chancellor Drew Knab sought the Committee approval for UW-Milwaukee’s agreement that extends its participation in the Northwestern Mutual Data Science Institute for an additional five years, following its establishment in 2018. With partners including Northwestern Mutual and Marquette University, the goal of the Institute is to build a regional technology ecosystem through research, business, and talent development. While the nonprofit Northwestern Mutual

Foundation will again provide over \$5 million in support to UWM, the potential for an additional \$1.25 million directly from the company for sponsored research projects necessitates the Board's approval of this agreement under RPD 13-1.

Motion made by: Regent Peterson

Motion seconded by: Regent Staton

Discussion: None

Motion carried unanimously (voice vote)

G. UW-Milwaukee Contractual Agreement with Guild Education, Inc.

Vice Chancellor Robin Van Harpen and Associate Vice Chancellor Drew Knab asked the Committee to approve UW-Milwaukee's agreement with Guild Education, a public benefit company that works with an exclusive network of employers that offer education benefits, allowing UWM to engage those learners to provide an array of degree and certificate programs. The agreement anticipates revenues of \$1.9 million with 300-600 learners enrolling at UWM in the initial three-year term, which is renewable for an additional two years.

Motion made by: Regent Adams

Motion seconded by: Regent Atwell

Discussion: None

Motion carried unanimously (voice vote)

H. Amendment to UW System Report on Strategic Plans for Major Information Technology Projects

Steven Hopper, Associate Vice President for the Office of Learning and Information Technology and Chief Information Officer, UW System Administration with Rob Cramer, Vice Chancellor for Finance and Administration, UW-Madison asked the Committee to approve an addition to the UW System strategic plan for major IT projects. This enables UW-Madison to proceed with Phase 2 of its "Campus Access Controls Replacement" project. Phase 1 was previously approved by the Board and is nearing completion. These next steps will upgrade card readers and replace wiring in high-risk locations to enhance security and install electronic access controls at 47 buildings currently without that capability, which allows for central lockdown in case of a safety threat on campus. The total cost of the project is \$18.8 million, with an overall completion date at the end of 2027. Expected lifetime is 20+ years.

Motion made by: Regent Staton

Motion seconded by: Regent Adams

Discussion: None

Motion carried unanimously (voice vote)

I. UW-Madison Undergraduate Application Fee Increase

Next, Sean Nelson VP of Finance and Administration with Rob Cramer, Vice Chancellor for Finance and Administration, UW-Madison asked the Committee to approve UW-Madison's request for a \$10 increase in its undergraduate application fee from its current level of \$60.

The new \$70 fee would be effective for the 2023-24 application cycle and would remain in range of its peer institutions. The increase is expected to generate an additional \$535,000 in support of the admissions operations as it manages a volume of applications to UW-Madison that has nearly doubled since 2016, when the current fee was instituted.

Motion made by: Regent Atwell

Motion seconded by: Regent Jones

Discussion: None

Motion carried unanimously (voice vote)

J. UW-Madison and UW Oshkosh Segregated Fee Decreases

Sean Nelson VP of Finance and Administration requested approval of the Committee to approve reductions at UW-Madison and at UW Oshkosh to the 2023-24 segregated fee rates approved by the Board in March. UW-Madison will remove the \$7.88 fee supporting the Greater University Tutoring Service, while maintaining access to many other sources of tutoring services available on campus. UW Oshkosh will reduce fees by \$46.52 to remove fees associated with its Children's Learning and Care Center that will close at the end of this June.

Motion made by: Regent Colon

Motion seconded by: Regent Peterson

Discussion: Regent Rai shared that he appreciates the effort of the campuses to look at the segregated fees, reducing them when services are no longer supported which we do not do often.

Motion carried unanimously (voice vote)

k. UW--La Crosse, UW-River Falls, and UW-Superior Dining Services Contracts

Next, Brent Tilton, Director of Procurement, UW System Administration asked for approval by the Committee for a three-year extension of the dining services contracts between Compass Group USA and UWs La Crosse, River Falls, and Superior. Extending these three contracts together offers leverage to secure beneficial pricing and provides additional time for the universities to rebuild and assess their dining programs as they continue to recover from the business disruption of the pandemic.

Motion made by: Regent Jones

Motion seconded by: Regent Miller

Questions/ Comments: Regent Rai stated he appreciates continuing this contract and leveraging coverage for three campuses.

Motion carried unanimously (voice vote)

L. Trust Funds Quarterly Investment Report

Next, Chuck Saunders from the UW System Office of Trust Funds presented the Investment Report for the period ending March 31. As of that date, Trust Funds' assets totaled \$570.4 million. For the quarter, the Long-Term Fund increased in value 4.64%, slightly outperforming its benchmark. The Income Cash Fund gained 1.1% for the period.

Questions/ Comments: None

M. UW System Subscription Service Agreement with EAB Global, Inc.

Finally, Ben Passmore, AVP Office of Policy Analysis and Research for UW Systems Administration with Brent Tilton, Director of Procurement, UW System Administration asked the Committee to approve a five-year, \$11.6 million extension of UW System's agreement with EAB Global for its Navigate system of services and software that provides analytics, student success coordination and communication management. Navigate is currently used by the twelve UW institutions other than UW-Madison, and has been proven to successfully support advising, enrollment management, and transfer functions on campuses, as well as to provide strategic data to administrators and faculty. It provides information to identify which students are in need of support and what specific support is needed to improve student success.

Motion made by: Regent Adams

Motion seconded by: Regent Staton

Questions/ Comments: Sean Nelson commented that President Rothman did commit \$5 million system dollars to invest in this deal the initial investment and the investment is just slightly higher this time around. Ben Passmore shared this is correct and the negotiations have been very successful with generous support from the President and Vice President.

Regent Peterson asked if there were any metrics on the success of this system. She shared that she is all for it. She shared she was really struck during the graduation ceremonies by how many students who were graduating with honors. Ben shared there is a whole series of metrics that are available. There are metrics on utilization, student participation and faculty use. Because we have rolled this out slowly over time, we have been able to measure the impacts of those who have received intervention against those who have not. This system allows us to provide additional help to make students successful. Regent Staton shared that she can speak from firsthand experience that this system closes the communication gap between her and her advisor. She shared it has many convenient features. It tracks discussions she and her advisor have, helps with scheduling those meetings and uploads the class schedule to Outlook. Regent Rai shared that Regent Staton's observations were the true value of having student Regents as part of the board.

Motion carried unanimously (voice vote)

The meeting adjourned at 11:40 AM.

Respectfully submitted,

Brenda L. Joyce
Recording Secretary