

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

Business & Finance Committee

Thursday, July 6, 2023
8:45 a.m. – 10:15 a.m.

Room 3310
UW-La Crosse Student Union
521 East Avenue N
La Crosse, Wisconsin
& via Zoom Videoconference

- A. Calling of the Roll
- B. Declaration of Conflicts
- C. Approval of the Minutes of the June 8, 2023 Meeting of the Business & Finance Committee
- D. UW System Status Report on Large/High-Risk Information Technology Projects
- E. UW System Amendment to Service Agreement with Huron Consulting Group, Inc.
- F. UW System Amendment to Software as a Service Agreement with Workday, Inc.
- G. UW System Service Agreements with Avaap U.S.A., LLC and Strata Information Group, Inc.
- H. UW System 2023-24 Annual Operating Budget Preliminary Update
- I. UW System Presentation: UW 403(b) Supplemental Retirement Program Update
- J. Cost-Benefit Analysis of Foundations and Associated Affiliated Organizations Report for Fiscal Year 2021-22

UW SYSTEM STATUS REPORT ON LARGE/HIGH-RISK INFORMATION TECHNOLOGY PROJECTS

REQUESTED ACTION

Adoption of Resolution D., approving submission of the required reports to the legislative Joint Committee on Information Policy and Technology.

Resolution D. That, upon the recommendation of the President of the UW System, the UW System Board of Regents approves: (1) the UW System Status Report on Large/High-Risk Information Technology Projects dated July 6, 2023; and (2) UW System Administration's submittal of the report on the Board's behalf to the legislative Joint Committee on Information Policy and Technology, as required by [s. 36.59\(7\), Wis. Stats.](#)

SUMMARY

The Status Report on the Large/High-Risk Information Technology Projects provides the Board of Regents with the information it needs to execute appropriate oversight over the large and high-risk IT projects across the UW System.

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 that by no later than March 1 and September 1 of each year, the Board of Regents submit to the Joint Committee on Information Policy and Technology a report that documents each information technology project within the system with an actual or projected cost greater than \$1,000,000 or that the Board has identified as a large, high-risk information technology project.

[Regent Policy Document 25-4](#) implements the requirements of [s. 36.59, Wis. Stats.](#), which coordinates information technology strategic planning across the UW System, and specifies management and reporting requirements related to large or high-risk information technology projects.

Attached is a dashboard along with individual progress reports on the UW System's major information technology projects. There are ten (10) major projects to report.

	Institution	Project Name	Milestone since Feb. 2023 BOR Meeting
1	UW-Madison	Campus Access Controls Replacement	Schedule Extended Over Budget
2	UW-Madison	Campus Access Controls Replacement – Phase 2	Approved by Board of Regents
3	UW-Madison	DOA Datacenter Migration	Completed Under Budget
4	UW-Madison	Point of Sale and Related Systems	RFP Awarded
5	UW-La Crosse	Wireless Network Refresh	Equipment Delivered
6	UW System	Administrative Transformation Program (ATP)	Transition to Testing Phase
7	UW System	Enterprise Analytics Platform (EAP)	Design and Proof-of-Concept Completed
8	UW System	Enterprise Identity Platform (EIP)	Design Completed
9	UW System	Hybrid Cloud Adoption for UWL, UWP, and UWSA	Schedule Extended Increased Scope
10	UW System	SIS Consolidation	Completed Early Under Budget

The overall portfolio totals \$256.8 million, which is a 2.5% increase from the \$251 million reported at the February 2023 Board of Regents meeting. This increase can be attributed to the closing of one (1) project at the February 2023 meeting and adding one (1) project at the June 2023 meeting. Since the last update, the following two (2) projects have successfully completed:

- UW-Madison completed the [DOA Datacenter Migration](#) project \$193,000 under budget within the revised timeline of June 2023, which had been previously extended from December 2022 due to supply chain issues. This project represents a significant improvement in the flexibility, efficiency, and resiliency of UW-Madison's computing environment.
- UW System completed the [SIS Consolidation](#) project, which successfully consolidated nine (9) campuses into a single hosting environment and service

infrastructure. It was completed four (4) months early, \$1.5 million under budget, and will collectively save approximately \$1 million in annual operating costs.

While the major disruptions related to COVID-19 have passed, there are lingering effects continuing to impact the portfolio projects: 1) supply-chain disruption that impacts the ability to acquire hardware and 2) challenges in hiring highly skilled technical talent. The following five (5) projects have had noteworthy updates since the February 2023 Board of Regents meeting:

- UW-Madison's Campus Access Controls Replacement project has extended to September 2023 (from June 2023) due to continued supply chain issues for the electronic components. The extended schedule does not increase the price as it was a fixed-priced contract with the vendor. However, additional unplanned work was discovered at the Wisconsin Institute for Medical Research that increased the budget by \$278,000 (3.5%). Despite these minor adjustments, UW-Madison leadership have been satisfied with the outcomes and initiated phase 2, which was approved at the June 2023 Board of Regents meeting.
- UW-La Crosse's Wireless Network Refresh project has extended its schedule to August 2024 (from June 2023). Due to supply chain disruption, the network equipment was delayed from November 2022 to July 2023 (majority was delivered in March 2022), which means the first opportunity to install in the residence halls while unoccupied is July 2023.

Now that the equipment has arrived and residence halls are vacant, UWL lacks the capacity to rapidly deploy due to three (3) vacancies on the networking team stemming from the competitive IT market and several failed recruitments since November 2022. Project leadership is exploring staff augmentation options to accelerate, but the current plan will distribute the installation across three (3) windows to enter the residence halls: July 2023, January 2024, and July 2024.

- UW System's Administrative Transformation Program (ATP) project has matured significantly to allow leadership insights into the interconnected projects, identify key risk/gaps, and establish corrective plans. The gaps in campus resourcing have been closed as \$16.5 million in resources have been provided in a combination of new staff, backfill, and stipends for existing staff. The project is more stable than in February 2023.

The Huron Research Suite is on track for a successful go-live for UW-Madison in late June 2023. The Workday configuration is going well and the transition to the Testing phase is in an acceptable state. However, there is a relatively small amount of remaining configuration work that will need to be completed during the testing phase, which will require additional resources from the system implementation partner (Huron).

Project leadership is formally moving the schedule to red due to the status of the technical integrations and downstream campus-based ancillary systems. Simply put, there is still not a comprehensive integration plan with a detailed schedule to be confident of a July 2024 go-live. Furthermore, the technical learning curve is steeper than expected, thus making the pace difficult to estimate. Project leadership is aggressively adding and re-aligning resources to eliminate these unknowns and establish a realistic plan to get back to green. At the October 2023 Board meeting, project leadership will share either this detailed plan or a revised schedule for go-live.

In a separate agenda item, the project team is requesting a scope increase to the Workday contract to purchase three (3) new SKUs that HR governance deemed necessary to create a high-quality recruiting and onboarding process. These new modules will allow better engagement with candidates and consolidate learning content/training once hired. This new scope should not add delay, increase the budget, or significantly pull resources from other priorities.

While a continued concern, the project team has recently been able to hire several key staff to drive important aspects, which puts the project in a reasonable position for resources. The UW System will need to remain vigilant as employees develop skills that are highly valuable in the market.

- UW System's Enterprise Analytics Platform (EAP) project successfully completed the design of the data lake/data warehouse along with completing the initial proof-of-concept to validate the architecture. The schedule for the HR/Finance dashboards is slightly behind schedule and project leadership has established reasonable plans to get back on track and will continue to monitor closely over the next quarter.

This modern technology platform is significantly different than our legacy solutions and the learning curve for existing staff is steeper than expected. However, project leadership is monitoring the situation and is supplementing with external resources and trainings.

- UW System's Hybrid Cloud Adoption for UWL, UWP, and UWSA project has been extended six (6) months (from December 2023 to June 2024) since the original hardware delivery of date of September 2022 was extended to January 2023 due to supply chain issues. Furthermore, portions of the delivered hardware were damaged in the flood at 780 Regent Street and had to be replaced with additional delay.

However, the additional delays provided the opportunity to add UW-Parkside to the scope of the project (why the scope is yellow) without having to increase the overall budget, thereby adding value to the whole project. The team is also monitoring

risks associated with the challenges around filling two (2) vacant systems engineering positions.

The attached project dashboard and individual progress reports provide additional information and details on the status of each of these major projects.

Related Policies

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

ATTACHMENTS

- A) Dashboard for the Large/High-Risk Information Technology Projects
- B) Progress Reports for the Large/High-Risk Information Technology Projects

ROW	Milestone Since Last BOR Meeting	Institution	Project Name	Start Date	Scoped End Date	Revised Scoped End Date	Original Scoped Project Budget	Revised Scoped Project Budget	Schedule Status	Scope Status	Budget Status	Other Issues	Notes
1	Schedule Extended Over Budget	UW-Madison	Campus Access Controls Replacement	September 2019	May 2022	September 2023	\$ 6,051,423	\$ 6,330,360					Supply chain issues on the control boards have persisted and will require an extension of the project to September 2023. This extended schedule does not increase project cost as the contract with the vendor is a fixed-price contract. However, additional work was discovered at the WI Institute for Medical Research, and the project is now over budget by \$278k (3.5%).
2	Approved by Board of Regents	UW-Madison	Campus Access Controls Replacement – Phase 2	July 2023	December 2027		\$ 18,790,000						Project approved by the Board of Regents at its June 2023 meeting. The team is initiating the project and will be provide updates in future reports.
3	Completed Under Budget	UW-Madison	DOA Datacenter Migration	August 2020	December 2022	June 2023	\$ 1,275,394	\$ 1,083,208					After the extension to June 2023 due to supply chain issues, the project has been completed on the revised timeline and \$193k under budget.
4	RFP Awarded	UW-Madison	Point of Sale and Related Systems	January 2023	December 2023		\$ 3,300,000						The project team has conducted and awarded the RFP for the necessary hardware and software solutions. The team is working with the vendor to finalize the timeline based on availability of hardware and professional services.
5	Equipment Delivered	UW-La Crosse	Wireless Network Refresh	May 2022	June 2023	August 2024	\$ 2,400,000						<p>Due to supply chain disruption, the network equipment was delayed from November 2022 to July 2023 (majority was delivered in March 2022), which means the first opportunity to install in the residence halls while unoccupied is July 2023.</p> <p>Now that the equipment has arrived and residence halls are vacant, UWL lacks the capacity to rapidly deploy due to three (3) vacancies on the networking team stemming from the competitive IT market and several failed recruitments since November 2022.</p> <p>Project leadership is exploring staff augmentation options to accelerate, but the current plan will distribute the installation across three (3) windows to enter the residence halls: July 2023, January 2024, and July 2024. As such, the project is being extended to August 2024.</p>
6	Transition to Testing Phase	UW-System	Administrative Transformation Program (ATP)	January 2021	July 2026	December 2024	\$ 212,000,000	\$ 211,866,117					<p>The ATP portfolio has matured significantly to allow leadership insights into the interconnected projects, identify key risk/gaps, and establish corrective plans. The gaps in campus resourcing have been closed as \$16.5M in resources have been provided in a combination of new staff, backfill, and stipends for existing staff. The project is more stable than in February 2023.</p> <p>Project leadership is formally moving the schedule to red due to the status of the technical integrations and downstream campus-based ancillary systems. Simply put, there is still not a comprehensive integration plan with a detailed scheduled to be confident of a July 2024 go-live. Furthermore, the technical learning curve is steeper than expected, thus making the pace difficult to estimate. Project leadership is aggressively adding and re-aligning resources to eliminate these unknowns and establish a realistic plan to get back to green. At the October 2023 Board meeting, project leadership will either share this detailed plan or a revised schedule for go-live.</p> <p>In a separate agenda item, the project team is requesting a scope increase to the Workday contract to purchase three (3) new SKUs that HR governance deemed necessary to create a high-quality recruiting and onboarding process. These new modules will allow better engagement with candidates and consolidate learning content/training once hired.</p>
7	Design and Proof-of-Concept Completed	UW-System	Enterprise Analytics Platform (EAP)	October 2022	June 2025		\$ 3,800,000						<p>The project team successfully completed the design of the data lake/data warehouse along with completing the initial proof-of-concept to validate the architecture. The schedule for the HR/Finance dashboards is slightly behind schedule and project leadership has established reasonable plans to get back on track and will continue to monitor closely over the next quarter.</p> <p>This modern technology platform is significantly different than our legacy solutions and the learning curve for existing staff is steeper than expected. However, project leadership is monitoring the situation and supplementing with external resources and trainings.</p>
8	Design Completed	UW-System	Enterprise Identity Platform (EIP)	January 2023	June 2025		\$ 5,500,000						The design of the multi-campus solution was completed in March 2023 and implementation initiated for the early adopter campuses. Based on the learning from the design phase, the project team has (in partnership with the campuses) accelerated the timeline to have all campuses in production by March 2024 to best align with the training phase of ATP/Workday. The project is currently on time and within budget.
9	Schedule Extended Increased Scope	UW-System	Hybrid Cloud Adoption for UWL, UWP, and UWSA	February 2022	December 2023	June 2024	\$ 2,000,000						<p>The completion date has been extended 6 months (from Dec 2023 to June 2024) since the original hardware delivery of date of September 2022 was extended to January 2023 due to supply chain issues. Furthermore, portions of the delivered hardware were damaged in the flood at 780 Regent Street and had to be replaced with additional delay.</p> <p>However, the additional delays provided the opportunity to add UW-Parkside to the scope of the project (why the scope is yellow) without having to increase the overall budget, thereby adding value to the whole project. The team is also monitoring risks associated with the challenges around filling two (2) vacant systems engineering positions.</p>
10	Completed Early Under Budget	UW-System	SIS Consolidation	January 2021	June 2023	February 2023	\$ 3,317,768	\$ 1,801,451					All nine campuses were successfully migrated to the new consolidated hosting environment. The project was completed four (4) months early and \$1.5M under budget.

Total Scoped Budget \$ 256,871,136

PROJECT PROGRESS REPORTS FOR THE LARGE/HIGH-RISK INFORMATION TECHNOLOGY PROJECTS

Campus Access Controls Replacement



Milestone

Schedule
Extended
Over
Budget

Description: A project to replace the 15-year-old system that controls the electronic door locks across the UW-Madison campus.

Impact: Over 4,000 doors will be migrated to a more sustainable and extendible solution to improve overall physical security.

Notes: Supply chain issues on the control boards have persisted and will require an extension of the project to September 2023. This extended schedule does not increase project cost as the contract with the vendor is a fixed-price contract. However, additional work was discovered at the WI Institute for Medical Research and is now projected to be over budget by \$278,000 (3.5%).

Timeline

Sept. 2019 – Sept. 2023
(extended from June 2023)

Budget

\$6,330,360
(increased from \$6,051,423)

Source of Funds

Internally Available
to UW-Madison

Current Status:

Schedule
Scope
Budget
Other

Campus Access Controls Replacement – Phase 2



Milestone

Approved
by Board
of Regents

Description: The second phase of the project to replace the 15-year-old system that controls the electronic door locks across the UW-Madison campus.

Impact: Completion of replacing existing door locks on the legacy software and adding 47 new buildings to allow for central control of locking to significantly improve campus safety.

Notes: Project approved by the Board of Regents at its June 2023 meeting. The team is initiating the project and will provide updates in future reports.

Timeline

July 2023 – Dec. 2027

Budget

\$18,790,000

Source of Funds

Internally Available
to UW-Madison

Current Status:

Schedule
Scope
Budget
Other

DOA Datacenter Migration



Milestone

Completed
Under
Budget

Description: The project to move enterprise data center operations at UW-Madison to the Department of Administration's (DOA) commercial quality data center.

Impact: Existing equipment will be physically moved from existing UW-owned datacenters, which will complete the shift from a capital expense (CapEx) model to an operating expense (OpEx) model to increase flexibility and efficiency.

Notes: After the extension to June 2023 due to supply chain issues, the project has been completed on the revised timeline and \$193,000 under budget.

Timeline

Aug. 2020 – June 2023
(extended from Dec. 2022)

Budget

\$1,082,208
(decreased from \$1,275,394)

Source of Funds

Internally Available
to UW-Madison

Final Status:

Schedule

Scope

Budget

Other

Point of Sale and Related Systems



Milestone

RFP
Awarded

Description: Expand upon the current point of sale (POS) and related systems contract to replace existing point of sale hardware and add additional mobile capabilities. Integrated solutions support all UW-Madison dining and retail operations.

Impact: Provide the capability for enhanced PCI secure cashier and self-service POS hardware and software, expand current mobile ordering solutions, mobile credit solution, user account management site and transition from plastic ID cards (Wiscard) to a mobile solution.

Notes: The project team has conducted and awarded the RFP for the necessary hardware and software solutions. The team is working with the vendor to finalize the timeline based on availability of hardware and professional services.

Timeline

Jan. 2023 – Dec. 2023

Budget

\$3,300,000

Source of Funds

Internally Available
to UW-Madison

Current Status:

Schedule

Scope

Budget

Other

Wireless Network Refresh (UWL)



Milestone Equipment Delivered

Description: Increase wireless capacity and improve reliability by replacing aging and end-of-life equipment to support the growing demand of wireless across the campus. This project will focus on the switches that support the wireless services.

Impact: Maintain the growing use of wireless access to support students in the classroom, help maintain a secured environment, and support any emergency notifications when needed. Providing adequate and consistent service is critical, especially with the number of students living on campus.

Notes: Due to supply chain disruption, the network equipment was delayed from November 2022 to July 2023 (majority was delivered in March 2022), which means the first opportunity to install in the residence halls while unoccupied is July 2023.

Now that the equipment has arrived and residence halls are vacant, UWL lacks the capacity to rapidly deploy due to three (3) vacancies on the networking team stemming from the competitive IT market and several failed recruitments since November 2022.

Project leadership is exploring staff augmentation options to accelerate, but the current plan will distribute the installation across three (3) windows to enter the residence halls: July 2023, January 2024, and July 2024. As such, the project is being extended to August 2024.

Timeline

May 2022 – Aug. 2024
(extended from June 2023)

Budget

\$2,400,000

Source of Funds

Federal Higher Education
Emergency Relief Fund
(HEERF)

Current Status:

Schedule

Scope

Budget

Other

Administrative Transformation Program (ATP)



Milestone Transition to Testing Phase

Description: A multi-year program that will work across the UW System to address the current complexity and build an administrative infrastructure for the future.

Impact: The program will streamline policies, standardize processes, organize roles, and modernize technology with cloud-based enterprise resource planning (ERP) software. The project scope includes implementing both Workday and the Huron Research Suite solutions.

Notes: The ATP portfolio has matured significantly to allow leadership insights into the interconnected projects, identify key risk/gaps, and establish corrective plans. The gaps in campus resourcing have been closed as \$16.5 million in resources have been provided in a combination of new staff, backfill, and stipends for existing staff. The project is more stable than in February 2023.

The Huron Research Suite is on track for a successful go-live for UW-Madison in late June 2023. The Workday configuration is going well and the transition to the Testing phase is in an acceptable state. However, there is a relatively small amount of remaining configuration work that will need to be completed during the testing phase, which will require additional resources from the system implementation partner (Huron).

Timeline

Jan. 2021 – Dec. 2024
(revised from July 2026)

Budget

\$211,866,17
(decreased from \$212M)

Source of Funds

Internally Available
to UW-Madison and
the UW System
+
DOA's Master
Lease Program

Current Status:

Schedule

Scope

Budget

Other

Project leadership is formally moving the schedule to red due to the status of the technical integrations and downstream campus-based ancillary systems. Simply put, there is still not a comprehensive integration plan with a detailed schedule to be confident of a July 2024 go-live. Furthermore, the technical learning curve is steeper than expected, thus making the pace difficult to estimate. Project leadership is aggressively adding and re-aligning resources to eliminate these unknowns and establish a realistic plan to get back to green. At the October 2023 Board meeting, project leadership will either share this detailed plan or a revised schedule for go-live.

In a separate agenda item, the project team is requesting a scope increase to the Workday contract to purchase three (3) new SKUs that HR governance deemed necessary to create a high-quality recruiting and onboarding process. These new modules will allow better engagement with candidates and consolidate learning content/training once hired. This new scope should not add delay or significantly pull resources from other priorities.

While a continued concern, the project team has recently been able to hire several key staff to drive important aspects, which puts the project in a reasonable position for resources. The UW System will need to remain vigilant as employees develop skills that are highly valuable in the market.

Enterprise Analytics Platform (EAP)



Milestone

Design and
Proof-of-
Concept
Completed

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 project team successfully completed the design of the data lake/data warehouse along with completing the initial proof-of-concept to validate the architecture.

The schedule for the HR/Finance dashboards is slightly behind schedule and project leadership has established reasonable plans to get back on track and will continue to monitor closely over the next quarter.

This modern technology platform is significantly different than our legacy solutions and the learning curve for existing staff is steeper than expected. However, project leadership is monitoring the situation and supplementing with external resources and trainings.

Timeline

Oct. 2022 – June 2025

Budget

\$3,800,000

Source of Funds

Internally Available
to the UW System

Current Status:

Schedule
Scope
Budget
Other

Enterprise Identity Platform (EIP)



Milestone

Design
Completed

Description: Establish Okta as a system-wide identity and access management platform to simplify the of sharing digital identities/ accounts to reduce technical debt, minimize barriers to collaboration, and better adapt to modern cloud architectures.

Impact: Simplifies access for campus users for system-level applications, streamlines the flow of identity information between UW System and the UW institutions, improves campus-level identity management practices, and enables durable relationships with students, faculty, and staff through social identities.

Notes: The design of the multi-campus solution was completed in March 2023 and implementation initiated for the early adopter campuses. Based on the learning from the design phase, the project team has (in partnership with the campuses) accelerated the timeline to have all campuses in production by March 2024 to best align with the training phase of ATP/Workday. The project is currently on time and within budget.

Timeline

Jan. 2023 – June 2025

Budget

\$5,500,000

Source of Funds

Internally Available
to the UW System

Current Status:

Schedule

Scope

Budget

Other

Hybrid Cloud Adoption for UW-La Crosse, UW-Parkside and UWSA



Milestone

Schedule
Extended

Increased
Scope

Description: A project to consolidate UW-La Crosse (UWL), UW-Parkside (UWP) and UW System Administration (UWSA) servers and storage into a unified service leveraging UW-Madison's Hybrid Cloud infrastructure.

Impact: This project will establish a scalable IT infrastructure service available to all comprehensive UW institutions that will shrink the information security attack surface, lower the cost of IT infrastructure, improve disaster recovery, and increase resilience to staff turnover. The project will also be a forcing-function to clean up technical debt and ensure systems are properly monitored, supported, and patched henceforth.

Notes: The completion date has been extended six (6) months (from Dec. 2023 to June 2024) since the original hardware delivery of date of September 2022 was extended to January 2023 due to supply chain issues. Furthermore, portions of the delivered hardware were damaged in the flood at 780 Regent Street and had to be replaced with additional delay.

However, the additional delays provided the opportunity to add UW-Parkside to the scope of the project (why the scope is yellow) without having to increase the overall budget, thereby adding value to the whole project. The team is also monitoring risks associated with the challenges around filling two (2) vacant systems engineering positions.

Timeline

Feb. 2022 – June 2024
(extended from Dec 2023)

Budget

\$2,000,000

Source of Funds

Internally Available
to the UW System

Current Status:

Schedule
Scope
Budget
Other

Student Information Systems (SIS) Consolidation



Milestone

Completed
Early
Under
Budget

Description: This project will consolidate the Student Information Systems (SIS) for nine (9) institutions (GBY, LAC, MSN, OSH, PKS, RVF, STP, STO, SUP) into a single infrastructure and service organization.

Impact: Once consolidated, the UW System will collectively save \$1 million in annual operating cost while significantly improving its security posture and disaster recovery resilience.

Notes: All nine campuses were successfully migrated to the new consolidated hosting environment. The project was completed four (4) months early and \$1.5 million under budget.

Timeline

Jan. 2021 – Feb. 2023
(decreased from June 2023)

Budget

\$1,801,451
(decreased from \$3,317,768)

Source of Funds

Internally Available
to the UW System

Final Status:

Schedule
Scope
Budget
Other

July 6, 2023

**UW SYSTEM AMENDMENT TO SERVICE AGREEMENT WITH HURON
CONSULTING GROUP, INC.**

REQUESTED ACTION

Adoption of Resolution E., approving the amendment to the contractual agreement between the Board of Regents and Huron Consulting Group, Inc.

Resolution E. 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 Group, Inc.

SUMMARY

The proposed amendment, associated with software implementation for the Administrative Transformation Program (ATP), increases the maximum allowable billable hours with Huron Consulting Group, Inc. by 28,900.50, which is up to \$4,653,102.50. The two primary drivers for the increased hours/costs are:

- **Carryover from Configure and Prototype Stage** – While most of the Workday configuration work has been completed, there is still modest residual work that will extend into the Testing stage. Since the original resource plan was extremely lean and assumed no such carryover, it is necessary to increase the hours of existing consultants to handle both the testing work and the remaining configuration work. This portion represents \$3.7 million of the total increase.
- **Supplemental Support for Integrations and Reporting** – The integrations and reporting workstreams have fallen behind schedule due to the steep learning curves associated with the new technology and challenges in hiring staff due to the tight labor market for in-demand skillsets. The remaining \$937,000 will add integration and reporting specialists to supplement the existing team to increase the pace of work.

Huron professional services conducted onsite at UW System locations will be billed based on an onsite hourly rate, while services performed virtually will be billed based upon an

offsite rate. This amendment sets the total contractual amount not to exceed with Huron Consulting Group, Inc. at \$38,549,012.50. While not in the original budget, these new costs are offset by lower actual than budgeted staffing costs stemming from overall hiring challenges. In other words, this amendment does not jeopardize the project budget nor require the use of contingency reserves.

Presenters

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

BACKGROUND

Regent Policy Document 13-1 requires that any contract for large or high-risk information technology projects, as defined in Regent Policy Document 25-4, be presented to the Board of Regents for formal approval prior to execution.

Previous Action or Discussion

The Administrative Transformation Program (ATP) is a multi-year program across the UW System to address legacy process inefficiencies, risks, and gaps in functionality, and to build an administrative infrastructure for the future. The purchase of the Workday 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. A separate resolution was passed during the February 2023 BOR meeting (Resolution # 11981) to acquire an additional 5,856 hours of professional services to address resource gaps and information acquired through the Architect stage of the project.

Related Policies

- [Regent Policy Document 13-1](#), "General Contract Approval, Signature Authority, and Reporting"
- [Regent Policy Document 25-4](#), "Strategic Planning and Large or High-Risk Projects"

**UW SYSTEM AMENDMENT TO SOFTWARE AS A SERVICE
AGREEMENT WITH WORKDAY, INC.**

REQUESTED ACTION

Adoption of Resolution F., approving an amendment to the contractual agreement between the Board of Regents and Workday, Inc.

Resolution F. 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 and Workday, Inc.

SUMMARY

As part of the Administrative Transformation Program implementation, the project team identified several gaps between desired functionality and the Workday products licensed in the original contract. Once the gaps surfaced, the HR governance committee determined these capabilities are critical to the desired level of transformation. The proposed amendment will add three (3) new modules (SKUs) to the overall contract for the remaining eight (8) years, which will be co-terminated with the original ten (10) year contract. These additional modules are:

- **Candidate Engagement** – Enables recruiters and hiring managers to connect with and engage prospects and candidates through personalized experiences with campaigns and landing pages, which will help attract top talent in key areas.
- **Messaging** – Enables HR staff and hiring managers to connect with candidates and employees via text messaging communications, which will help attract top talent by reducing inherent friction within the hiring process.
- **Cloud Connect for Learning** – Provides HR departments with a single place to discover, consume, and track all learner content available for employees across existing platforms (e.g. LinkedIn Learning), which will help with skill development and employee retention efforts.

Under this amendment, the University of Wisconsin will pay Workday, Inc. \$2,372,040 over the next eight (8) years (\$296,505 per year) for the modules outlined above. While not in the

original budget, these new costs are offset by lower actual than budgeted staffing costs stemming from overall hiring challenges. In other words, this amendment does not jeopardize the project budget nor require the use of contingency reserves.

Presenters

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

BACKGROUND

Regent Policy Document 13-1 requires that any contract for large or high-risk information technology projects, as defined in Regent Policy Document 25-4, be presented to the Board of Regents for formal approval prior to execution.

Previous Action or Discussion

The Administrative Transformation Program (ATP) is a multi-year program across the UW System to address legacy process inefficiencies, risks, and gaps in functionality, and to build an administrative infrastructure for the future. One necessary component of this is the acquisition of contemporary cloud-based enterprise resource planning (ERP) software. UW System evaluated the two major cloud-based ERP software options available through the portfolio of the National Association of State Procurement Officials (NASPO) and selected Workday, Inc. to provide that cloud-based ERP software. The Board of Regents (BOR) approved this ten (10) year agreement at the July 2021 BOR meeting (Resolution #11663).

Related Policies

- [Regent Policy Document 13-1](#), "General Contract Approval, Signature Authority, and Reporting"
- [Regent Policy Document 25-4](#), "Strategic Planning and Large or High-Risk Projects"

**UW SYSTEM SERVICE AGREEMENTS WITH
AVAAP U.S.A., LLC AND STRATA INFORMATION GROUP, INC.**

REQUESTED ACTION

Adoption of Resolution G., approving the contractual service agreements between the Board of Regents and Avaap U.S.A. LLC, and Strata Information Group, Inc.

Resolution G. That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents approves the contractual agreements between the Board of Regents of the University of Wisconsin System, doing business as UWSA, and Avaap U.S.A. LLC, and Strata Information Group, Inc. for a four (4) year term.

SUMMARY

UW System Administration (UWSA) 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 at the December 2021 BOR meeting (Resolution #11743) to hire Huron Consulting Group, Inc to help UWSA with the implementation of the software. A third contract was executed with CampusWorks to provide supplemental staff to help with the implementation of the software package. Unfortunately, they have been unable to provide qualified staff in the quantities required by the Administrative Transformation Program (ATP) team.

UWSA has received the procurement authority to utilize two vendors (below) through the request for purchasing authority process from the Department of Administration. These contracts were executed by the UW System President but are now projected to exceed \$1,000,000 on one of the contracts, as new statements of work are added. Therefore, UW System seeks pre-emptive approval for expenditures of up to \$5,000,000 per contract.

E&I Cooperative Services contracted parties

- Avaap U.S.A. LLC (Contract# EI00095~2021RFP / ERP Implementation Services)
- Strata Information Group, Inc. (Contract# 683507 / IT Professional Services)

Presenter

- Brent Tilton, Director of Procurement, UW System Administration

BACKGROUND

Regent Policy Document 13-1 requires that any contract for large or high-risk information technology projects that are projected to exceed \$1,000,000, as defined in Regent Policy Document 25-4, 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"
- [Regent Policy Document 25-4](#), "Strategic Planning and Large or High-Risk Projects"

**UW SYSTEM 2023-24 ANNUAL OPERATING BUDGET
PRELIMINARY UPDATE**

REQUESTED ACTION

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

SUMMARY

The University of Wisconsin System's annual operating budget for fiscal year 2024 will be informed by the appropriations provided in the 2023-25 state budget bill approved by the legislature and enacted by the governor.

Vice President Sean Nelson will provide an update on the status of the 2023-24 UW System Annual Operating Budget.

The final annual budget will be presented to the Board of Regents for consideration and approval at a future meeting.

Presenter

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

Related Policies

- [Chapter 20](#), Wis. Stats.
- [Chapter 36.09](#), Wis. Stats.

**UW SYSTEM PRESENTATION: UW 403(b) SUPPLEMENTAL
RETIREMENT PROGRAM UPDATE**

REQUESTED ACTION

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

SUMMARY

UW System's Office of Trust Funds administers the UW 403(b) Supplemental Retirement Program (SRP), a voluntary, supplemental retirement savings program through which employees can invest a portion of income for retirement on either a pre-tax basis, an after-tax basis (Roth), or a combination of both.

Staff from the Office of Trust Funds will provide a brief overview of the completed transition to the new Supplemental Retirement Program structure.

Presenter

- Rose Stephenson, UW 403(b) SRP Plan Administrator, UWSA Office of Trust Funds

**COST-BENEFIT ANALYSIS OF FOUNDATIONS AND ASSOCIATED
AFFILIATED ORGANIZATIONS
FISCAL YEAR 2021-22**

REQUESTED ACTION

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

SUMMARY

UW System institutions identified 80 foundations and associated affiliated organizations that supported their missions in fiscal year 2021-22. UW-Madison identified 44 foundations and associated affiliated organizations, the most of any UW institution. Of the 80 reported entities, 32 organizations (40.0%) are primary fundraising foundations or alumni associations.

In fiscal year 2021-22, UW System institutions received a total of \$379.5 million from primary fundraising foundations and the associated affiliated organizations that received university administrative support of \$100,000 or more. UW System institutions provided \$11.6 million in support to these organizations.

Presenter

- Julie Gordon, Senior Associate Vice President for Finance, UW System

BACKGROUND

Regent Policy Document 21-11, *Cost-Benefit Reporting for Foundations and Associated Affiliated Organizations*, was created in October 2020. In accordance with this policy, UW institutions must annually prepare a cost-benefit report for all primary fundraising foundations or for any associated affiliated organization that received administrative support valued at \$100,000 or greater during the fiscal year. If the total administrative support to an associated affiliated organization does not exceed \$100,000, the accounting of administrative support and benefits must be provided at least once every five years. Administrative support includes staffing, dedicated space and indirect costs, such as information technology assistance and utilities.

Regent Policy Document 21-11 also requires this information to be presented to the Board of Regents in summary form.

Related Policies

- [Regent Policy Document 21-9](#), *Institutional Relationships with Foundations*
- [Regent Policy Document 21-10](#), *Institutional Relationships with Associated Affiliated Organizations*
- [Regent Policy Document 21-11](#), *Cost-Benefit Reporting for Foundations and Associated Affiliated Organizations*

ATTACHMENT

- A) Summary of Cost-Benefit Reports for Foundations and Affiliated Organizations, FY 2021-22

UW Foundations and Associated Affiliated Organizations and Related Cost-Benefit Reporting Fiscal Year (FY) 2021-22

Primary fundraising foundations and associated affiliated organizations provide tangible and intangible value to the UW System, serving a critical role in advancing the UW institutions' missions and achieving their strategic goals. Highlights of UW institutional relationships with these organizations in FY 2021-22 include:

- UW institutions identified 80 foundations and associated affiliated organizations.
- UW-Madison identified 44 foundations and associated affiliated organizations, the most of any UW institution. UW-Stevens Point reported seven, while the remaining UW institutions reported between one and five.
- 32 of these organizations (40.0%) are primary fundraising foundations or alumni associations.
- All primary fundraising foundations and associated affiliated organizations that received \$100,000 or more in administrative support were required to submit a cost-benefit report. These organizations generated a total of \$379.8 million for UW institutions, while receiving nearly \$11.6 million in administrative support.

The Board of Regents, UW System Administration, and each UW institution continue to be proactive in ensuring effective management and transparency of UW primary fundraising foundations and associated affiliated organizations. Their oversight has been demonstrated with the following actions:

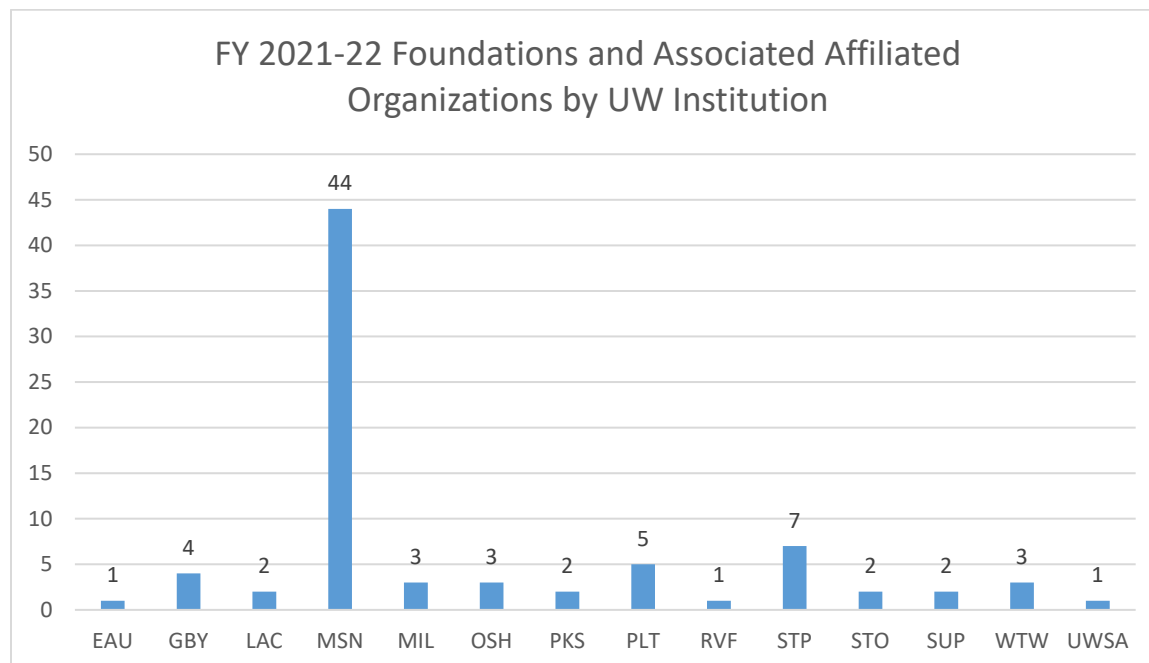
- In December 2017, the Board of Regents adopted Regent Policy Document (RPD) 21-9, *Institutional Relationships with Foundations*. While this policy addresses how each UW institution manages its relationship and transactions with its primary fundraising foundation and any real estate foundation, it does not address two issues – UW institutions' relationships with associated affiliated organizations and oversight of administrative support provided to all foundations and affiliated organizations.
- In January 2019, UW System Administrative Policy 362, *University Administrative Support of Primary Fundraising Foundations and Other Affiliated Organizations*, was approved by former UW System President Cross. This System-wide policy addressed the latter of the issues noted above and required periodic reporting of the administrative support provided to and benefits received from all affiliated organizations.
- In October 2020, the Board of Regents adopted RPD 21-10, *Institutional Relationships with Associated Affiliated Organizations*, which provides the framework for how campuses may interact with associated affiliated organizations. The Board also approved RPD 21-11, *Cost-Benefit Reporting for Foundations and Associated Affiliated Organizations*, largely moving the System Administrative Policy 362 to a Board policy.
- The FY 2021-22 report on foundations and associated affiliated organizations and their related cost-benefit reporting is the third report provided to the Board of Regents under these regent policies.

RPD 21-11 requires UW institutions to provide an annual report of administrative support provided to and benefits received from all primary fundraising foundations and associated affiliated organizations that received administrative support valued at \$100,000 or greater. If the total administrative support to an associated affiliated organization does not exceed \$100,000, the accounting of administrative support and benefits must be provided at least once every five years. The cost-benefit reporting includes a comparison of the administrative support provided by the UW institution in the form of staffing, dedicated space, and indirect resources, to the benefits received from the primary fundraising foundation or associated affiliated organization.

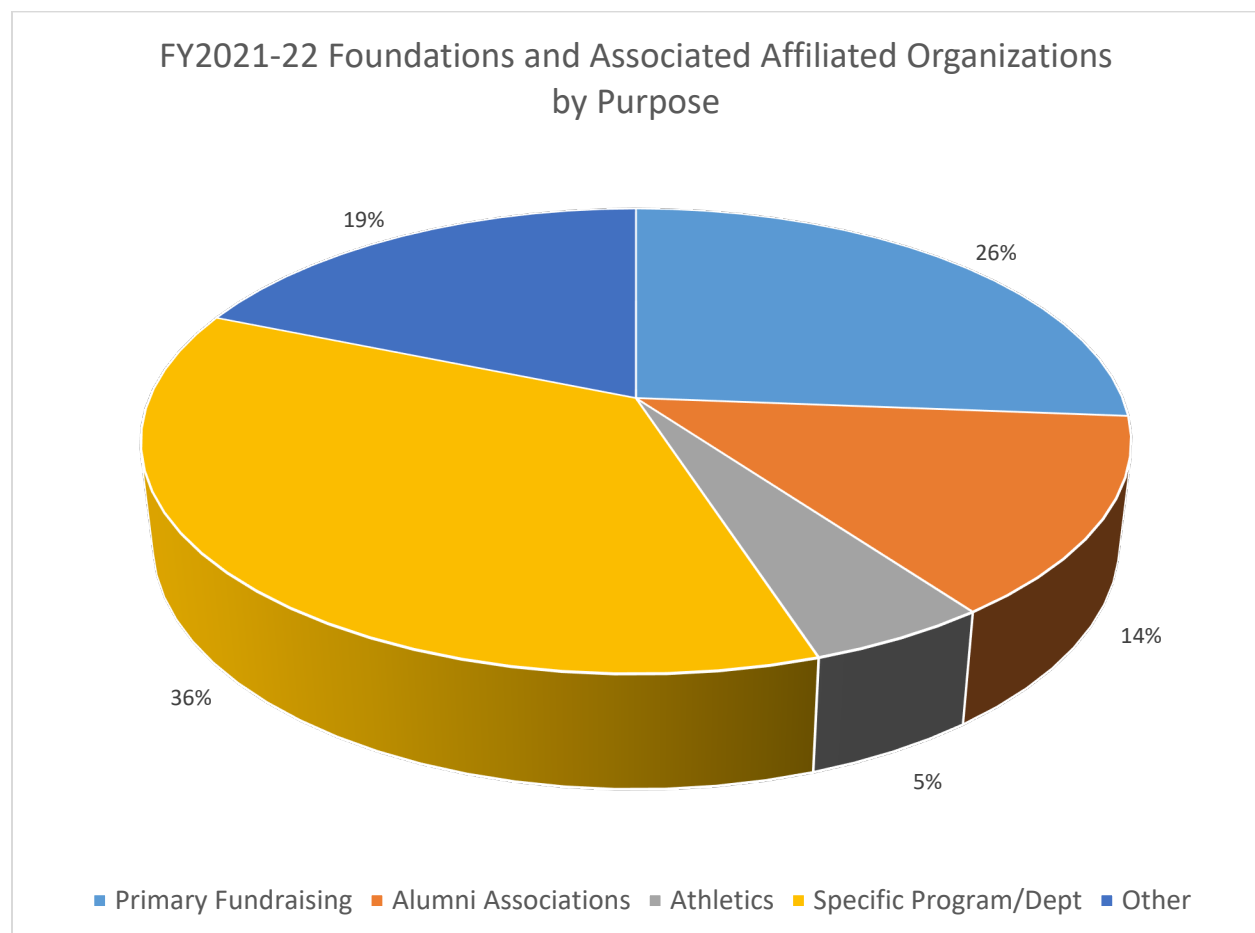
UW institutions identified 80 foundations and associated affiliated organizations in FY 2021-22. A complete list of organizations is included as Appendix A. Two new entities were identified at UW-Madison (The University of Wisconsin Trust – Brittingham and The Varsity Collective). The following seven entities were dissolved prior to FY 2020-21 or no longer met the definition of an associated affiliated organization:

- UW-Manitowoc Foundation, Inc. (UW-Green Bay),
- UW-Marinette County Foundation, Inc. (UW-Green Bay),
- UW-Sheboygan County Foundation, Inc. (UW-Green Bay),
- UW Medical Alumni Association (UW-Madison),
- Friends of Wehr Nature Center (UW-Madison),
- UW-Milwaukee Alumni Association (UW-Milwaukee), and
- UW Rock County Foundation, Inc. (UW-Whitewater).

As shown below, UW-Madison reported 44 foundations and associated affiliated organizations, or 55.0% of all organizations identified within the UW System in FY 2021-22. UW-Stevens Point reported seven primary fundraising foundations and associated affiliated organizations (8.8%). All remaining UW institutions identified five entities or fewer.



These foundations and associated affiliated organizations can also be categorized based on their purpose. As depicted below, 21 entities (26.3%) are primary fundraising foundations for UW campuses; 11 entities (13.8%) are alumni foundations. Four entities (5.0%) are related to athletics, while 29 entities (36.3%) were established for the benefit of a specific institutional program, department or center. The remaining are a variety of affiliated organizations generally affiliated with a UW institution, such as the Stout Technology and Business Park at UW-Stout and UW-Madison's Morgridge Institute for Research, University Research Park, and William Vilas Trust Estate. All UW real estate foundations are considered subsidiaries of the institutional primary foundations. As a result, real estate foundations are not reported or counted separately in this analysis.



In total, these foundations and associated affiliated organizations generate significantly more resources for the UW System institutions than the administrative support provided to them. In FY 2021-22, UW institutions received \$366.8 million from primary fundraising foundations, while providing administrative support of nearly \$10.6 million to them. When other affiliated organizations required to submit annual cost-benefit comparisons are included, UW institutions received \$379.8 million and provided support of \$11.6 million.

A total of 18 foundations and associated affiliated organizations received support of \$100,000 or more in FY 2021-22 and are required to annually provide an accounting of UW support provided and benefits received. These entities, which are denoted in Appendix A, include the primary fundraising foundations for all four-year UW universities, except UW-Superior, two alumni associations (UW-La Crosse and UW-Platteville), and UW-Madison's Wisconsin Union Association, Friends of PBS, Wisconsin Public Radio Association, and American Institute of the History of Pharmacy.

For four of these foundations and associated affiliated organizations that received support in excess of \$100,000, the related UW institution reported providing more administrative support than what it monetarily received from the organization. These entities include:

- UW-La Crosse Alumni Association,
- UW-Madison Wisconsin Union Association,
- UW-Madison American Institute of the History of Pharmacy, and
- UW-Platteville Alumni Association.

On average, the administrative support exceeded the financial return by approximately \$141,800. Some UW institutions are currently considering revising or have revised their relationships with these entities.

Appendix A

Institution	Entity	Administrative Support Provided	Benefits/Funds Received	Received More Than \$100,000 Support
Eau Claire	UW-Eau Claire Foundation, Inc.	\$389,276	\$47,513,702	X
Green Bay	UW-Green Bay Foundation, Inc.	\$319,014	\$3,932,967	X
Green Bay	Friends of Toft Point, Inc.			
Green Bay	University Village Housing, Inc. c/o U.W.G.B., Business & Finance			
Green Bay	Weidner Center Presents, Inc			
La Crosse	UW-La Crosse Foundation, Inc.	\$682,667	\$3,455,191	X
La Crosse	UW-La Crosse - Alumni Association	\$217,437	\$99,480	X
Madison	University of Wisconsin Foundation, Inc.	\$363,310	\$272,226,114	X
Madison	William F. Vilas Trust Estate			
Madison	University Research Park, Inc.			
Madison	Morgridge Institute for Research			
Madison	The University of Wisconsin Trust (Brittingham)*	\$3,583	\$204,215	
Madison	Kelab, Inc.			
Madison	Center for Advanced Studies in Business, Inc. (CASB)			
Madison	WiCell Research Institute			
Madison	Madison Family Residency Corp., Inc.			
Madison	Wisconsin Technology Innovation Initiative Inc (Wi2)			
Madison	Wisconsin Center for Education Products & Services (WCEPS)			
Madison	Babcock House			
Madison	Friends of the Arboretum, Inc.			
Madison	Friends of the Waisman Center, Inc.			
Madison	Badger Basketball Boosters, Inc.			
Madison	The Varsity Collective*			
Madison	Friends of the Geology Museum UW-Madison, Inc.	\$24,060	\$15,000	
Madison	The UW-Madison Retirement Association, Inc.			
Madison	University of Wisconsin School of Pharmacy Alumni Association, Inc.	\$11,554	\$8,600	
Madison	Friends of Madison Student Radio, Inc.			
Madison	Friends of UW Veterinary Medicine Teaching Program, Inc.			
Madison	Friends of the School of Human Ecology at UW-Madison, Inc.			
Madison	Healthy Minds Innovations, Inc.			
Madison	University of Wisconsin-Madison Nurses Alumni Organization, Inc.			
Madison	UW-Madison Ophthalmology Alumni Association, Inc.			
Madison	Wisconsin Real Estate Alumni Association			
Madison	UW-Madison School of Music Alumni Association, Inc.			
Madison	UW Naval Reserve Officers Training Corps (NROTC) Alumni Association			
Madison	Friends of the UW Odyssey Project, Inc			
Madison	The Wisconsin Union Association, Inc	\$173,248	\$64,000	X
Madison	Friends of the WI Singers			
Madison	Friends of PBS	\$133,111	\$8,356,599	X
Madison	Wisconsin Public Radio Association	\$141,233	\$4,476,387	X
Madison	Wisconsin 4-H Foundation, Inc.			
Madison	Leadership Wisconsin, Inc.			
Madison	Wisconsin Agricultural & Life Sciences Alumni Association, Inc. (WALSAA)			
Madison	Friends of Allen Centennial Garden			
Madison	Friends of Max Kade Institute for German-American Studies, Inc.			
Madison	Wisconsin Crop Improvement Association, Inc. (WCIA)			
Madison	American Institute of the History of Pharmacy	\$111,090	\$0	X
Madison	Economic Justice Institute, Inc.			
Madison	Friends of Lake Superior Research Reserve			
Madison	The French House			
Madison	Friends of the Lakeshore Nature Preserve			
Milwaukee	UW-Milwaukee Foundation Inc	\$4,857,097	\$18,188,551	X
Milwaukee	Washington County Campus Foundation	\$7,956	\$237,407	
Milwaukee	University of Wisconsin -Waukesha Foundation, Inc.	\$10,043	\$46,354	
Oshkosh	UW Oshkosh Foundation	\$715,521	\$1,151,177	X
Oshkosh	The University of Wisconsin - Fox Cities Foundation, Inc.	\$0	\$122,544	

Oshkosh	University of Wisconsin - Fond du Lac Foundation, Inc.	\$0	\$40,800	
Parkside	University of Wisconsin-Parkside Benevolent Foundation Inc	\$260,691	\$1,638,377	X
Parkside	The University of Wisconsin-Parkside Alumni Association	\$0	\$0	
Platteville	UW-Platteville Foundation, Inc.	\$915,955	\$3,205,185	X
Platteville	Friends of the Campus, Inc. (Baraboo)	\$0	\$0	
Platteville	Richland County Campus Foundation Ltd	\$0	\$0	
Platteville	University of Wisconsin Platteville Alumni Association	\$228,981	\$0	X
Platteville	UW-Platteville Pioneer Education and Development Foundation Inc	\$0	\$0	
River Falls	UW-River Falls Foundation, Inc.	\$275,763	\$3,091,206	X
Stevens Point	UW-Stevens Point Foundation, Inc.	\$1,075,804	\$3,721,332	X
Stevens Point	University Foundation: UW-Marshfield/Wood County inc	\$2,106	\$91,259	
Stevens Point	University of Wisconsin - Marathon County Foundation, Inc.	\$1,625	\$184,281	
Stevens Point	American Suzuki Foundation of Stevens Point WI, Inc.			
Stevens Point	Becoming an Outdoors-Woman, Inc			
Stevens Point	Friends of Schmeeckle Reserve, Inc.			
Stevens Point	UW-Stevens Point Paper Science Foundation			
Stout	Stout University Foundation Inc	\$100,688	\$2,690,667	X
Stout	Stout Technology and Business Park			
Superior	UW-Superior Foundation, Inc.	\$55,471	\$1,332,807	
Superior	UW-Superior Alumni Association			
Whitewater	University of Wisconsin-Whitewater Foundation Inc	\$602,722	\$3,937,924	X
Whitewater	QB Club Booster Club	\$3,571	\$0	
Whitewater	Tip Off Club	\$3,431	\$0	
UW System Admin	Wisconsin Humanities Council			

* New Associated Affiliated Organizations added to the FY 2021-22 report

The University of Wisconsin Trust - Brittingham (UW-Madison)

The Varsity Collective (UW-Madison)

Removed from the prior year report:

UW-Manitowoc Foundation, Inc. (UW-Green Bay)

UW-Marinette County Foundation, Inc. (UW-Green Bay)

UW-Sheboygan County Foundation, Inc. (UW-Green Bay)

UW Medical Alumni Association, Inc. (Madison)

Friends of Wehr Nature Center (Madison)

UW-Milwaukee Alumni Association, Inc. (UW-Milwaukee)

UW-Rock County Foundation, Inc. (UW-Whitewater)