Universities of Wisconsin Board of Regents
Meeting of the Business & Finance Committee
Overture Room, Gordon Dining & Event Center
770 W. Dayton Street, Madison, Wisconsin
& via Zoom Videoconference
September 18, 2025

The meeting of the Business and Finance Committee was called to order at 8:45 a.m. by Chair, Regent Ashok Rai.

A. Calling of the Roll

Present: Regent Chair Ashok Rai, Regent Haben Goitom, Regent Noah Fritz, Regent Jim Kreuser, Regent Timothy Nixon, Regent Tom Palzewicz, and Regent Jack Salzwedel. Absent: Regent Karen Walsh.

B. Declaration of Conflicts

The chair asked committee members to identify any conflicts of interest regarding items on the agenda. No conflicts were identified.

C. Approval of the Minutes of the July 10, 2025 Meeting of the Business & Finance Committee

Corrections: None

Motion to adopt made by: Regent Salzwedel
Motion seconded by: Regent Nixon
Motion carried unanimously (voice vote)

Upon the direction of Regent Rai, hearing no corrections, the minutes of the July 10, 2025 meeting were approved as distributed.

D. Approval of UW-Madison Master Agreement with Janssen Research & Development, LLC

UW-Madison Vice Chancellor for Finance and Administration Rob Cramer presented a proposed new master clinical trial agreement with Janssen Research & Development, LLC. The proposed five-year agreement will allow the initiation of new orders to bring new investigational products to patients treated by UW-Madison and offer principal investigators additional opportunities to conduct medical research.

Janssen Research & Development, LLC is a multinational pharmaceutical, medical device, and healthcare corporation. Therapeutic areas include cardiovascular and metabolism, immunology, infectious diseases and vaccinations, neuroscience, oncology, and pulmonary hypertension. Since 2010, UW-Madison has received more than $3 million in research funding from Janssen Research & Development, LLC or its affiliates.

Questions/comments: Regent Nixon asked how UW-Madison selects companies such as Janssen with which to pursue a clinical trial or other agreement. VC Cramer replied that private firms often initiate contact with the university, and noted that changes to Regent Policy Document 13-1 have had a positive effect in streamlining the process for entering into such agreements, and in making it easier to do business with UW-Madison.

In response to a question from Regent Salzwedel, VC Cramer clarified the ownership of intellectual property created under clinical trials or other agreements. Regent Rai noted that while the university provides the principal investigators, it ought not be considered the researcher. Regent Salzwedel asked for the number of similar agreements currently in effect at UW-Madison, which VC Cramer stated he could provide.

Motion to adopt Resolution D. made by: Regent Salzwedel
Motion seconded by: Regent Fritz
Motion carried unanimously (voice vote)

E. Universities of Wisconsin Office of Trust Funds

1. Quarterly Investment Reports

UW Office of Trust Funds Chief Investment Officer Chuck Saunders presented the quarterly investment report for the period ending June 30, 2025. As of that date, assets in the Long-Term Fund and Income Cash Fund totaled a combined $664.5 million, with a return of 6.25% in the Long Term Fund. Assets in the Intermediate Term Fund totaled nearly $764 million after gains of 3.4% for that quarter. All funds performed in line with their benchmarks.

Mr. Saunders further provided an overview of the funds’ performances over the fiscal year ending June 30. The Long Term Fund returned 10.4%, and the Intermediate Term Fund returned 8.5% for the year, outperforming the State Investment Fund.

2. Review of Asset Allocation of the Intermediate Term Fund

Mr. Saunders then introduced Doug Oest of Marquette Associates, the investment consultant for the Intermediate Term Fund (ITF). Mr. Oest provided an overview of an asset allocation study conducted by Marquette Associates at the request of the fund’s investment committee. He noted that the study concluded that the current allocation is more efficient than several other models that were tested, and that the ITF investment committee concurred with the recommendation to maintain the existing allocation.

Questions/comments: In response to a question Regent Nixon regarding investment in Blackrock funds, Mr. Saunders noted that with the ITF platformed at the State of Wisconsin Investment Board, no other option is available in that asset class. In response to a question from Regent Salzwedel referring to the asset allocation of the Long Term Fund, Mr. Saunders noted that the allocation of that fund will also be reviewed and similarly reported to the committee.

3. **Approval of Revision to Investment Policy Statement for the Applied Security Analysis Program (ASAP) RegentFund**

Mr. Saunders then introduced Betsi Hill, Director of the Applied Security Analysis Program (ASAP) at the UW-Madison School of Business. The ASAP program provides students with experience in the investment business through hands-on management of real portfolios, including the RegentFund, whose investment guidelines are outlined within the Office of Trust Funds Investment Policy Statement (IPS).

The committee was asked to approved modifications to the ASAP-related portion of the IPS that allow for investments in Rule 144A bonds, and update and clarify the benchmark indexes and weights. In other areas of the IPS, technical revisions were proposed to align references to Regent bylaws and policies with current language.

Questions/Comments: Regent Goitom asked why 144A bonds were specifically excluded in the original IPS, which Ms. Hill characterized as a holdover from a period in which all assets were managed in-house. In response to a question from Regent Palzewicz, Ms. Hill noted that liquidity is a factor included in student analysis.

Motion to adopt Resolution E. 3. made by: Regent Nixon
Motion seconded by: Regent Goitom
Motion carried unanimously (voice vote)

F. Update on Shared Services Efforts Across the Universities of Wisconsin

Associate Vice President for Shared Services Stacey Rolston, with Chief Information Officer Steven Hopper joining remotely, provided a status update on progress made in addressing the observations and recommendations offered in an assessment by Deloitte in 2024. Topics of focus included standardization and efficiency, support for university operations (in areas including customer service, governance, service level agreements, and metrics and key performance indicators), and service growth. AVP Rolston noted that following the July implementation of Workday, 293 business processes moved to a single process, though further refinement will drive efficiency. Accessible dashboards provide overviews of service requests including ticket volume and aging of open requests by service category, enabling resources to be directed to areas of greatest need. Metrics have been established for all service areas, and being prepared for review by university personnel. A new governance model will include all shared services, with membership from all universities. By early 2026, a standard service level agreement will be adopted for all services. Growth in service levels was limited by the focus on business processes and the Workday implementation, but shared liability cards and financial settlements were highlighted as recent new service examples. Next steps will include establishment of road maps for each service, including a strategy, timeline, and plan for implementation.

Questions/comments: Regent Rai emphasized the importance of service roadmaps, noting that these will provide a standard against which to evaluate future proposals brought by the universities to the committee. Regent Kreuser thanked AVP Rolston for the presentation and work, which was echoed by VP Julie Gordon. Regent Goitom asked for clarification on the volume of human resources-related service requests noted on the dashboard displayed in the presentation. AVP Rolston indicated this is largely due to employees learning and navigating Workday, and should reduce over time as users become familiar with the system.

The meeting was adjourned at 9:50 am.

Respectfully submitted,

David Volz
Committee Clerk