AGENDA

> Call to Order
  – Governance Board Update

> UW Finance Transformation Update

> UW-IT Strategy

> Academic Administration Strategy

> IT Project Portfolio Executive Review

> Technology Recharge Fee FY 2021

> Wrap up
Governance Board Update
IT Governance Board Update

IT Service Investment Board (January 30)

> **UW Finance Transformation update:** Discussion focused on total program costs, expected cost savings and costs to units. Major risks include hiring, speed of decision-making and data integration with legacy systems, especially the Student Database System. Change management effort is ramping up, with a key date of September 2020 for the program to have enough information for units to start planning.

> **Technology Recharge Fee FY 2021 Recommendation:** Board endorsed recommendation to maintain current rate methodology until after UW Finance Transformation goes live and to raise rates slightly to support increased investment in cybersecurity.

> **Evolving Privacy and Security Compliance Environment:** An update on the rapidly evolving and increasingly complex privacy and cybersecurity compliance environment, including growing public concerns about data privacy, increasing privacy and cybersecurity regulations at the federal and state levels, and impacts of these changes on the University.

IT Service Management Board (meets monthly)

> Board has narrowed list of 20+ recommendations down to seven, and is working on a recommendations report to be submitted to the Vice President for UW-IT and CIO in March. Report will then be shared with the IT Strategy Board and IT Service Investment Board.

> Recommendations focus culture shift towards University-wide adoption of enterprise solutions to create consistency across the student experience and efficiencies throughout the workforce.
UW Finance Transformation Update

Brian McCartan
Vice President for Finance, UW Finance & Administration
UW FINANCE TRANSFORMATION IS AN OPPORTUNITY TO REIMAGINE AND STREAMLINE OUR FINANCE-RELATED POLICIES AND PROCESSES, WITH THE HELP OF NEW TECHNOLOGY
“Provide modern, flexible and integrated business information systems to support a complex, global research institution and access to better business information for planning and analysis”

“A boundaryless transformation strategy is the very opposite of ripping-and replacing core systems every few years. Instead, it empowers organizations to evolve and refresh systematically, enabling the flexibility to incorporate rapid technology changes as they arrive.”

Accenture
SINCE WE LAST MET...

> In early summer, leadership from UWFT, UW-IT, UW Finance and UW Medicine went before the Board of Regents twice to review the work completed in Readiness, and secure approval to proceed to Design

  – The Design Phase was a 6-month period of time devoted to firming up this multi-year program’s scope, schedule and budget

  – UWFT went before the Board of Regents on December 12 to ask for Stage 2 funding. It was unanimously approved; we have a go-live date of July 1, 2022

> Engagement with stakeholders so far has been steady, but will grow significantly in frequency, and broaden in reach, beginning in 2020

  – Envisioning what could be: The program engaged in 45 workshop-style sessions in 2019

  – Efforts have been underway on the FDM, Operating Model and business process redesign

> New members of the UWFT Sponsor team include Mia Tuan and Bob Stacey. In addition, Mary Lidstrom joined for the duration of Design
PROGRAM ACCOMPLISHMENTS

**READINESS**
- UWFT NEWSLETTER AND WEBSITE
- HIGH-LEVEL PROCESS MAPPING AND HRP WORKSHOPS
- FOUNDATION DATA MODEL BLUEPRINT 1.0
- BENCHMARKING AND DATA-GATHERING, INVENTORIES
- ESTABLISH PROGRAM GOVERNANCE

**DESIGN**
- WORKDAY “DEEP-DIVE SESSIONS”
- UNIT PROFILE REVIEWS
- FACULTY FOCUS GROUPS
- WORKING GROUPS, PEER OUTREACH
- 9BOX ESTIMATES AND WORKDAY AMU PROTOTYPE SESSIONS

**JAN 2018**

**DEC 2019**
- FOUNDATION DATA MODEL 2.0 PILOT ENGAGEMENT
- DRAFT SCOPE, SCHEDULE BUDGET
- BOR APPROVAL
- DIRECTIONAL OPERATING AND WORKDAY SUPPORT MODEL DECISIONS

**18 months**

**6 months**
IMPLEMENTATION TIMELINE

JAN 2020

PLAN
2 months

ARCHITECT
7 months

CONFIGURE &
PROTOTYPE
9 months

TEST
9 months

DEPLOY
3 months

JUN 2022

PROCESS DESIGN WORKSHOPS

USER PLAYBACK SESSIONS

END-2-END TESTING

USER ACCEPTANCE TESTING (UAT)

END-USER TRAINING

TRAIN-THE-TRAINER

PAYROLL PARALLEL TESTING

PROCESS TRANSFORMATION TEAMS AND USER TASK GROUPS

CHANGE CHAMPIONS

SYSTEMS DISPOSITION DECISIONS

DEFINED OPERATING MODEL

FINANCE TRANSFORMATION
UNIVERSITY OF WASHINGTON
Plan Stage Objectives:
> Develop key foundational documents, such as the Program Management Plan, Work Plan, and Tenant Management Plan
> Plan the dates, duration and sequence of activities throughout the Architect stage
> Defines the team members (UW and Deloitte), roles and responsibilities, and communication plans to be used throughout the project

Architect Stage Objectives:
> Document Workday business processes design, integration, conversion and report requirements as well as organizational change impacts
> Process design workshops, led by the Design Team, and follow up further discovery sessions for integrations, conversions and report are critical path
> Discuss process requirements and current pain points
> Initiate knowledge transfer process with the System project team on Workday terminology and concepts
OPPORTUNITY: RE-THINK 9 BUSINESS PROCESS AREAS

• To truly transform, we will step out of our comfort zone and reconsider every aspect of the nine end-to-end business process areas

• Transformation goals have been developed for each

• Process Transformation Teams have been set up

<table>
<thead>
<tr>
<th>NINE END-TO-END BUSINESS PROCESS AREAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Acquire to Retire</td>
</tr>
<tr>
<td>Hire to Retire (HRP Remediation)</td>
</tr>
<tr>
<td>Manage Cash and Financial Assets</td>
</tr>
<tr>
<td>Project Inception to Close</td>
</tr>
<tr>
<td>Record to Report</td>
</tr>
</tbody>
</table>

END-TO-END TRANSFORMATION GOALS

Overall, the University is aiming to achieve simplified, standardized and streamlined business processes.
WHAT IS AN OPERATING MODEL

AN OPERATING MODEL ANSWERS THE QUESTION:
“What is the best way to organize and distribute finance work?”

Our new operating model seeks to achieve the following transformation goals:

- Achieve greater efficiency and productivity
- Support higher value activities aligned with the mission
- Enable savings and other productivity gains
- Increase compliance
- Provide high quality, consistent customer service across units
**FUTURE STATE OPERATING MODEL**

The University has made a high-level directional decision to move toward an operating model where more business processes take place in a shared environment, where logical.

Specific financial processes will belong in one of three levels:

1. Enterprise-wide level (across the entire UW, including Academy and Medicine)
2. Organization-wide level (across Academy or Medicine)
3. Regional hub level

*Some processes will still remain at the unit level*
GO-LIVE IS NOT THE END...

...IT IS THE BEGINNING OF THE REST.
UWFT is Hiring – Help Share the News!

> Customize your own or send our message and links to your network
  – We have a template and images that can be used
  – Share via email or social networking apps

> Spread the word about our upcoming recruiting event (being held in partnership with UW-IT) on February 26
QUESTIONS
UW-IT Strategy

Aaron Powell
Vice President, UW-IT and Chief Information Officer
Making Core Investments to Advance our Mission

We are playing the long game to build a better university, and to secure a more stable foundation for serving our students and the state of Washington in the future.

- Provost Mark Richards
UW-IT Strategy 2020

Good technology, well-delivered, for a better University

- Enhance the student experience
- Enable academic administration
- Support the workforce
- Build technology foundations
- Advance world-class research
- Modernize UW business administration
- Manage enterprise risk
Academic Administration Strategy

Erik Hofer
Associate Vice President for Academic Services, UW-IT
Academic Administration IT

> Academic Administration IT includes technologies that are specifically designed to support the administrative work carried about by academic administrators, typically inside of academic units.

> Work in this area is often carried out by individuals who also maintain a faculty role.
Examples

> Faculty hiring
> Review, Promotion, and Tenure
> Faculty Activity Reporting
> Commitment management
> Service assignments
> Teaching assignments
> Faculty Lifecycle/Supply Chain management
Academic Administration IT at UW

> Historically, UW-IT has not played a large role in providing enterprise solutions for support of academic administration.

> The academic administration marketplace is growing, with several firms selling products intended to make academic administration easier.

> UW operates under very real financial and operational constraints.
Key Questions

> What IT Strategy is appropriate in this environment?

> What role should UW-IT play?

> How do we appropriately invest in high quality academic administration data given other competing concerns?
A proposed strategy

1. Recognize that academic units pursue appropriate solutions given their unique needs and constraints.

2. UW-IT will monitor market trends and advise the UW community on the developing academic administration market and curate a picture of solutions in use at UW.

3. UW-IT will partner with academic units to ensure appropriate oversight of IT projects as required by the state and UW policy (APS 2.3).

4. UW-IT is open to moving existing solutions operating at scale to the UW-IT portfolio.
Discussion

> Is this approach the right one?

> Are there areas where stronger central leadership is needed?

> What mechanisms would be effective for sharing market analyses and efforts underway at UW?

> How might UW-IT create value through oversight instead of being perceived as creating overhead?

> How might UW-IT help promote healthy data use?
QUESTIONS
IT Project Portfolio
Executive Review

Erik Lundberg
Assistant Vice President, Research Computing & Strategy, UW-IT
## UW Enterprise IT Projects

**Project Portfolio Executive Summary - Dec 31, 2019**

<table>
<thead>
<tr>
<th>Project</th>
<th>Sponsor</th>
<th>Oversight Level</th>
<th>Overall Risk &amp; Project Health</th>
<th>Budget Rating</th>
<th>Schedule Rating</th>
<th>Scope Rating</th>
<th>Resource Rating</th>
<th>Issues Rating</th>
<th>Actual Cost</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical Trials Management System</td>
<td>John Slattery</td>
<td>2 - UW</td>
<td>![Green Diamond] (C)</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>$9,034,000</td>
<td>$15,704,000</td>
</tr>
<tr>
<td>Northwest Hospital HR &amp; Labor Integration</td>
<td>Nicki McCraw</td>
<td>2 - UW</td>
<td>![Green Diamond] (D) Final</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>$9,653,000</td>
<td>$14,974,000</td>
</tr>
<tr>
<td>F&amp;A Space</td>
<td>Sue Camber</td>
<td>2 - UW</td>
<td>![Yellow Diamond] (F)</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>![Green Diamond]</td>
<td>$49,500</td>
<td>$246,000</td>
</tr>
</tbody>
</table>

**Total Projects:** 13  
**Total Actual Cost:** $118,821,537  
**Total Budget:** $485,240,800
QUESTIONS
Technology Recharge Fee FY 2021

Bill Ferris
Chief Financial Officer, UW-IT
What is the Technology Recharge Fee?

> The Technology Recharge Fee (TRF) is a per capita fee paid by all UW academic and administrative units.
> This fee supplements central funding to provide basic technology services for all campuses and the medical centers.
> Annual review by the Service Investment Board.
> Review and recommendation by the TRF Advisory Committee.
> Approval by Provost.
> Represents ~20% of UW-IT Operating Budget.
TRF Advisory Committee Members

- Bill Ferris, UW Information Technology, Co-Chair
- Linda Rose Nelson, College of Arts & Sciences, Co-Chair
- Betsy Bradsby, UW Finance Transformation
- Maureen (Mo) Broom, UW Medicine
- Jason Campbell, Planning & Budgeting
- Kelly Campbell, School of Pharmacy
- Gary Farris, School of Dentistry
- Bill Fritz, UW Tacoma
- David C. Green, School of Medicine
- Amy Stutesman, UW Bothell
- Barbara Wingerson, UW Facilities
TRF Rate Adjustment for FY 2021*

> Maintain current TRF rate model/methodology for next 3 years
> Defer major TRF revamp until implementation of Finance Transformation—either for FY 2023 or FY 2024
> Minor adjustments to current base rate due to changes in cost allocation
> Include new permanent investment of $250K for Cybersecurity

<table>
<thead>
<tr>
<th>TRF Monthly Rate</th>
<th>FY20 TRF Rate</th>
<th>FY 2021 Base Rate</th>
<th>FY 2021 * w/ CISO $250K</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Med Ctr Employee</td>
<td>51.75</td>
<td>51.58</td>
<td>52.18</td>
<td>$0.43/0.8%</td>
</tr>
<tr>
<td>Campus Employee</td>
<td>57.53</td>
<td>57.62</td>
<td>58.28</td>
<td>$0.75/1.3%</td>
</tr>
</tbody>
</table>

*Contingent upon final approval by Provost
## Addendum: TRF Rate History

<table>
<thead>
<tr>
<th></th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Center</td>
<td>$53.43</td>
<td>$53.43</td>
<td>$53.43</td>
<td>$50.00</td>
<td>$50.00</td>
<td>$50.91</td>
<td>$51.34</td>
<td>$51.34</td>
<td>$52.20</td>
<td>$51.75</td>
<td>$52.18</td>
</tr>
<tr>
<td>Campus</td>
<td>$52.68</td>
<td>$52.68</td>
<td>$52.68</td>
<td>$54.50</td>
<td>$54.50</td>
<td>$55.51</td>
<td>$56.13</td>
<td>$56.13</td>
<td>$57.28</td>
<td>$57.53</td>
<td>$58.28</td>
</tr>
</tbody>
</table>

**Rebalancing of Rate**

<table>
<thead>
<tr>
<th></th>
<th>1 %</th>
<th>0%</th>
<th>2%</th>
<th>0.5%</th>
<th>1.3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increment to Campus</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

> TRF supplements existing GOF/DOF resources to provide Basic Services

> Medical Centers are excluded from GOF/DOF subsidy and billed separately for Network & Telecom resulting in an effective rate ~$85/mo.

> The initial TRF coincided with a $20/month reduction of the Dial Tone rate, a $6M annual savings to campus
QUESTIONS
Wrap Up
QUESTIONS AND DISCUSSION