IT STRATEGY BOARD

February 10, 2020

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

UWFT COMPLEMENTS UW-IT MODERNIZATION FOCUS

"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"
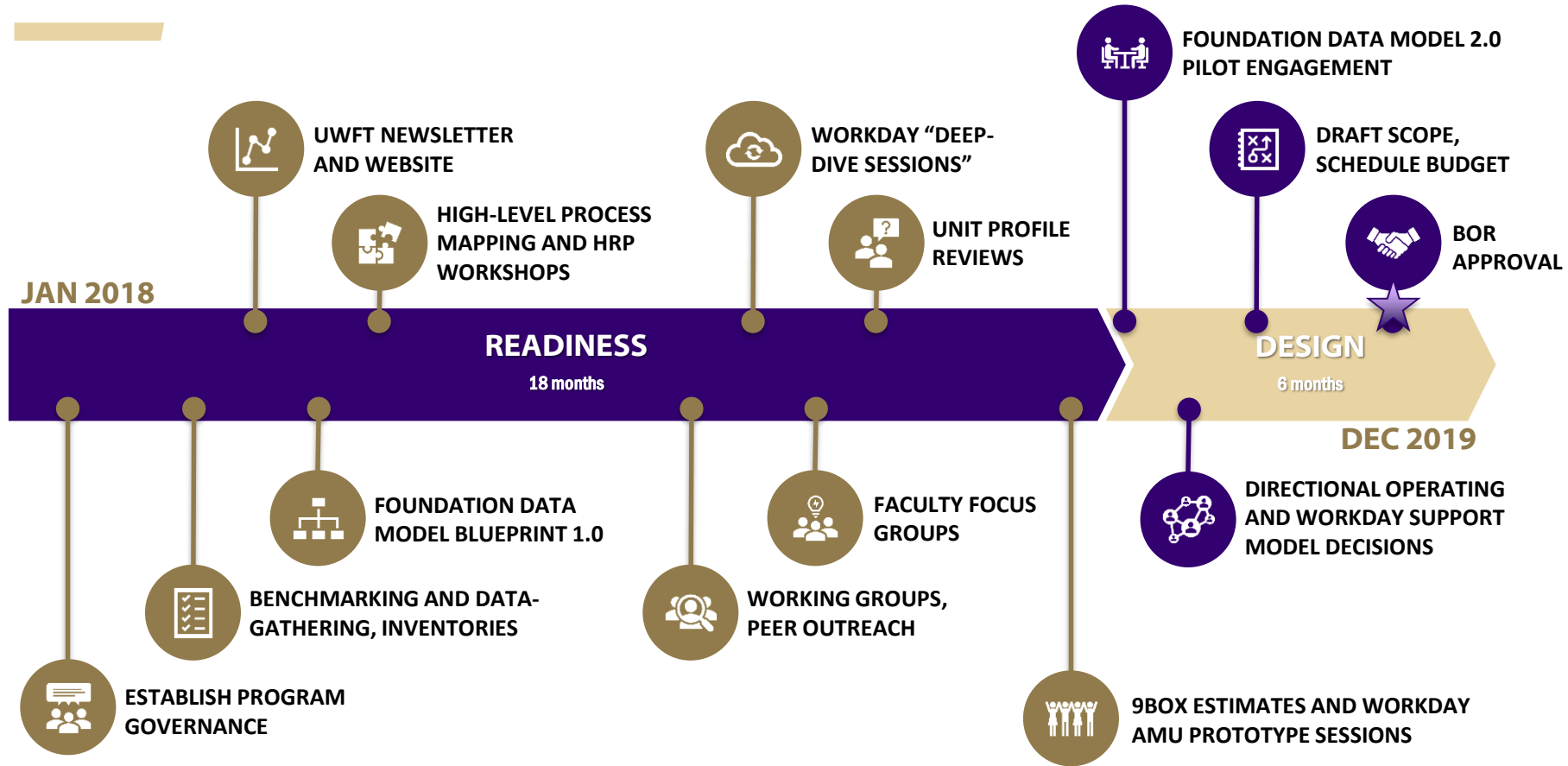

"A boundaryless transformation strategy is the very opposite of ripping-and replacing core systems every few years. Instead, it empowers organizations to evolve and refresh systematically, enabling the flexibility to incorporate rapid technology changes as they arrive."
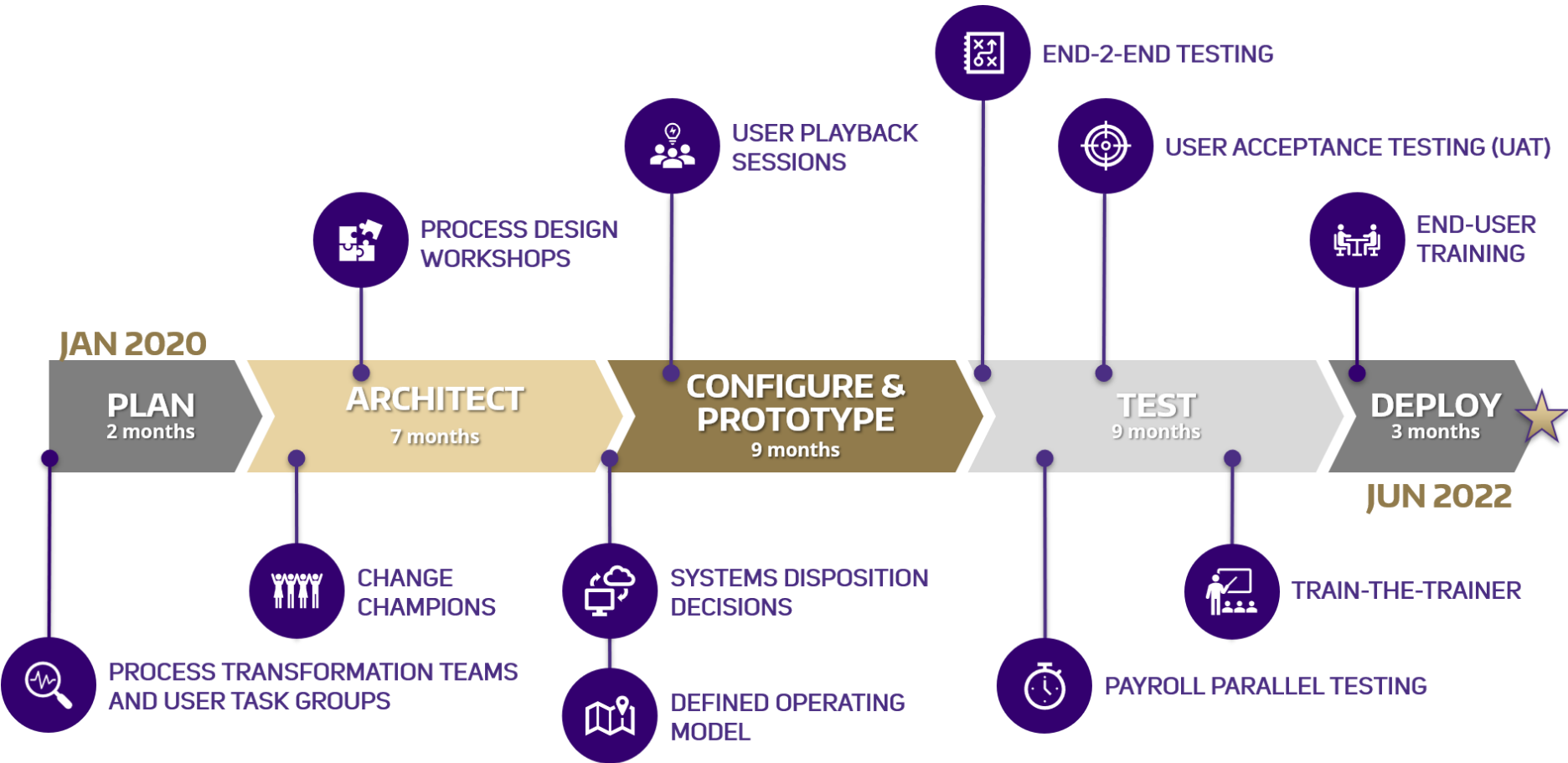
Accenture

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
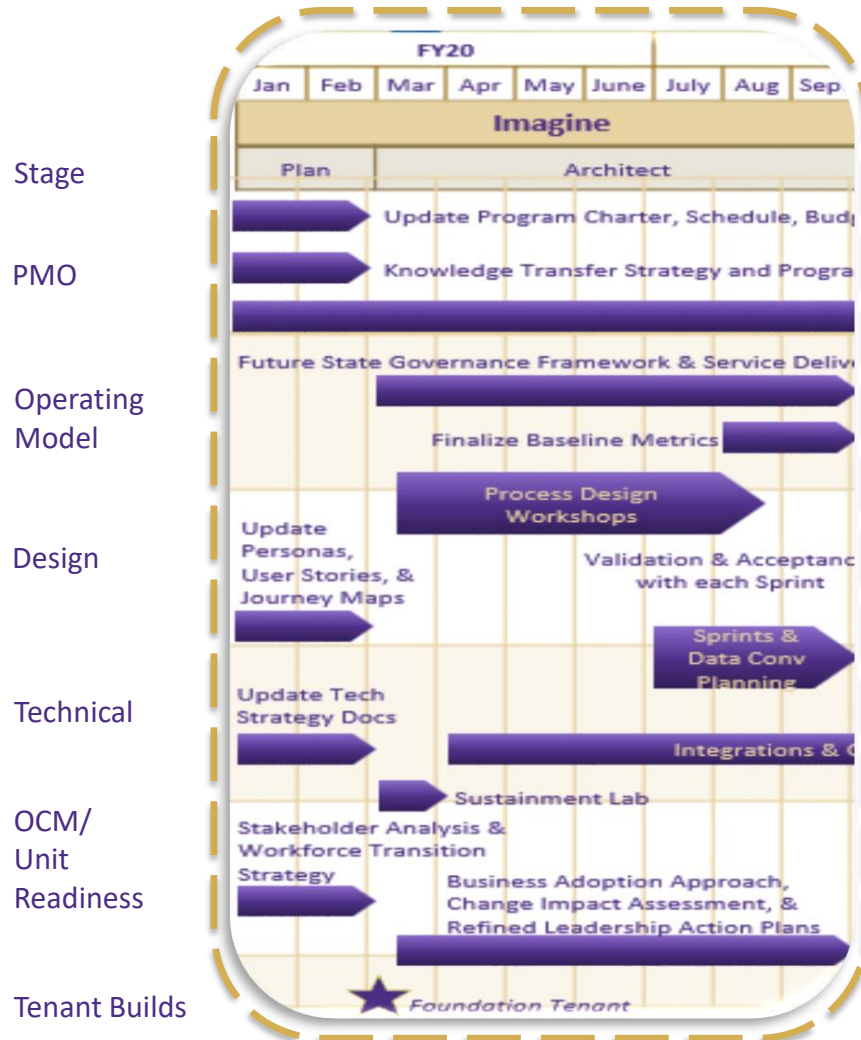
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PROGRAM ACCOMPLISHMENTS

FOUNDATION DATA MODEL 2.0 PILOT ENGAGEMENT

UWFT NEWSLETTER AND WEBSITE

WORKDAY "DEEP-DIVE SESSIONS"

DRAFT SCOPE, SCHEDULE BUDGET

HIGH-LEVEL PROCESS MAPPING AND HRP WORKSHOPS

UNIT PROFILE REVIEWS

BOR APPROVAL

JAN 2018

READINESS
18 months

DESIGN
6 months

DEC 2019

FOUNDATION DATA MODEL BLUEPRINT 1.0

FACULTY FOCUS GROUPS

DIRECTIONAL OPERATING AND WORKDAY SUPPORT MODEL DECISIONS

BENCHMARKING AND DATA-GATHERING, INVENTORIES

WORKING GROUPS, PEER OUTREACH

ESTABLISH PROGRAM GOVERNANCE

9BOX ESTIMATES AND WORKDAY AMU PROTOTYPE SESSIONS

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IMPLEMENTATION TIMELINE

END-2-END TESTING

USER PLAYBACK SESSIONS

USER ACCEPTANCE TESTING (UAT)

PROCESS DESIGN WORKSHOPS

END-USER TRAINING

PLAN
2 months

ARCHITECT
7 months

CONFIGURE & PROTOTYPE
9 months

TEST
9 months

DEPLOY
3 months

JUN 2022

CHANGE CHAMPIONS

SYSTEMS DISPOSITION DECISIONS

TRAIN-THE-TRAINER

PROCESS TRANSFORMATION TEAMS AND USER TASK GROUPS

DEFINED OPERATING MODEL

PAYROLL PARALLEL TESTING

FINANCE TRANSFORMATION
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YEAR 1: PLAN AND ARCHITECT APPROACH

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

NINE END-TO-END BUSINESS PROCESS AREAS	
Asset Acquire to Retire	Customer Requisition to Payment
Hire to Retire (HRP Remediation)	Grant Award to Close
Manage Cash and Financial Assets	Procurement and Supply Chain
Project Inception to Close	Plan and Manage the Business
Record to Report	

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

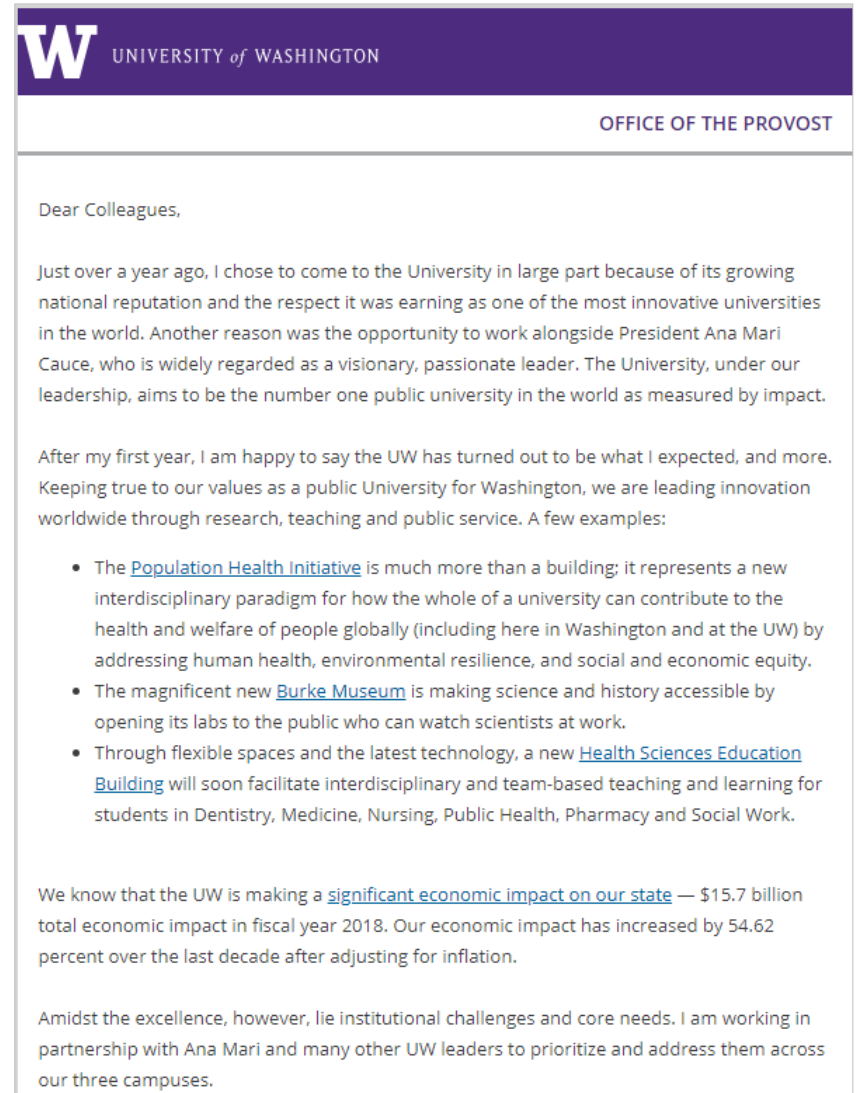# QUESTIONS

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

UNIVERSITY of WASHINGTON

OFFICE OF THE PROVOST

Dear Colleagues,

Just over a year ago, I chose to come to the University in large part because of its growing national reputation and the respect it was earning as one of the most innovative universities in the world. Another reason was the opportunity to work alongside President Ana Mari Cauce, who is widely regarded as a visionary, passionate leader. The University, under our leadership, aims to be the number one public university in the world as measured by impact.

After my first year, I am happy to say the UW has turned out to be what I expected, and more. Keeping true to our values as a public University for Washington, we are leading innovation worldwide through research, teaching and public service. A few examples:

- The Population Health Initiative is much more than a building; it represents a new interdisciplinary paradigm for how the whole of a university can contribute to the health and welfare of people globally (including here in Washington and at the UW) by addressing human health, environmental resilience, and social and economic equity.
- The magnificent new Burke Museum is making science and history accessible by opening its labs to the public who can watch scientists at work.
- Through flexible spaces and the latest technology, a new Health Sciences Education Building will soon facilitate interdisciplinary and team-based teaching and learning for students in Dentistry, Medicine, Nursing, Public Health, Pharmacy and Social Work.

We know that the UW is making a significant economic impact on our state — $15.7 billion total economic impact in fiscal year 2018. Our economic impact has increased by 54.62 percent over the last decade after adjusting for inflation.

Amidst the excellence, however, lie institutional challenges and core needs. I am working in partnership with Ana Mari and many other UW leaders to prioritize and address them across our three campuses.

UW-IT Strategy 2020

Good technology, well-delivered, for a better University

Enhance the student experience

Advance world-class research

Enable academic administration

Modernize UW business administration

Support the workforce

Build technology foundations

Manage enterprise risk

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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

Project	Sponsor	Oversight Level *	Overall Risk & Project Health *	Budget Rating	Schedule Rating	Scope Rating	Resource Rating	Issues Rating	Actual Cost	Budget
Destination: One	Tim Dellit	3 - UW	Yellow	Green	Yellow ↓	Green	Green ↑	Yellow	$56,202,000	$159,500,000
Finance Transformation Readiness	Mark Richards	3 - OCIO	Green ↑ (A) Final	Green	Green	Green ↑	Green ↑	Green ↑	$23,956,000	$25,535,000
UW Finance Transformation Implementation	Mark Richards	3 - OCIO	Gray	Gray	Gray	Gray	Gray	Gray	$0	$245,044,000
Advancement CRM Replacement	Julie Brown Dan Peterson	3 - OCIO	Yellow ↓ (B)	Green	Yellow	Green	Green	Yellow ↓	$1,108,065	$4,000,000
Clinical Trials Management System	John Slattery	2 - UW	Green	Green	Green	Green	Green	Green	$9,034,000	$15,704,000
Northwest Hospital HR & Labor Integration	Nicki McCraw	2 - UW	Green (C)	Green	Green	Green	Green	Green	$9,653,000	$14,974,000
Pharmacy Inventory Management System	Shabir Somani	2 - UW	Green ↑ (D) Final	Green	Green ↑	Green ↑	Green	Green ↑	$14,619,000	$14,911,000
HFS Point of Sale	Pam Schreiber	2 - UW	Green Final	Green	Green	Green	Green	Green	$755,000	$900,000
F&A Space	Sue Camber	2 - UW	Yellow ↓ (E)	Yellow	Yellow ↓	Green	Yellow ↓	Yellow ↓	$49,500	$246,000
Transportation System Improvement Project	John Chapman	1 - UW	Green	Green	Green	Green	Green	Green	$3,144,384	$3,371,300
Finance E-Commerce/Touchnet	Brian McCartan	1 - UW	Green ↓	Green	Green	Green	Green	Green ↓	$245,588	$1,000,000
Audit/Complaince of Unstructured Network Data	Xiao-Ping Chen	1 - UW	Green new	Green	Yellow	Green	Green	Green	$55,000	$55,000
ICA Group Sales	Erik Jones	1 - UW	Green Final	Green	Green	Green	Green	Green	$0	$500

13 projects — $118,821,537 / $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

TRF Monthly Rate	FY20 TRF Rate	FY 2021 Base Rate	FY 2021 * w/ CISO $250K	Increase
Med Ctr Employee	51.75	51.58	**52.18**	$0.43/0.8%
Campus Employee	57.53	57.62	**58.28**	$0.75/1.3%

*Contingent upon final approval by Provost

Addendum: TRF Rate History

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Medical Center	$53.43	$53.43	$53.43	$50.00	$50.00	$50.91	$51.34	$51.34	$52.20	$51.75	$52.18
Campus	$52.68	$52.68	$52.68	$54.50	$54.50	$55.51	$56.13	$56.13	$57.28	$57.53	$58.28

Rebalancing of Rate

						Incr. to Campus:	1 %	0%	2%	0.5%	1.3%

> 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

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Wrap Up