AGENDA

- Welcome and Introductions
- Aaron Powell Introduction
- IT Service Investment Board 2016-17 Meeting Plan
- Technology Recharge Fee FY18 Recommendation
- Provost Reinvestment Funds Update
  - Update on FY 2017 request
  - FY 2018 request
- Multi-Factor Authentication Modernization
  - Review and Comment
- HR/Payroll Modernization Program Update
  - Integrated Service Center Update
- UW-IT Investment Planning FY17 and FY18
- Wrap up
IT Service Investment Board 2016-17 Agenda

> **Fall 2016**
  - Technology Recharge Fee FY 2018 Recommendation
  - Provost Reinvestment Funds Request
  - Multi-Factor Authentication Modernization
  - HR/Payroll Modernization Program Update
  - UW-IT Investment Planning FY17 and FY18

> **Winter 2017**
  - Administrative Systems Modernization Update
    > HR/P Modernization
    > Finance Transformation
    > Student Modernization
  - FY 2018 UW-IT portfolio review and prioritization – Discussion and recommendations

> **Spring 2017**
  - IT Projects and Acquisition Policy Update (APS 2.3)
    > Communications and implementation plan
  - HR/P Modernization Program Update
  - UW-IT Investment Plan Prioritization
  - IT Service Management Board proposal
  - IT Strategy Board proposal on research services and investments
Technology Recharge Fee FY 2018

Recommendation

Bill Ferris
Chief Financial Officer, UW-IT

Linda Nelson, Director of Finance and Administration, College of Arts & Sciences
TRF Advisory Committee Members

> Bill Ferris, UW Information Technology, Co-Chair
> Linda Rose Nelson, College of Arts & Sciences, Co-Chair
> Maureen (Mo) Broom, UW Medicine
> Kelly Campbell, Evans School of Public Policy & Governance
> Gary Farris, Graduate School
> Amy L. Floit, Office of Planning & Budgeting
> David C. Green, School of Medicine
> Barbara Wingerson, Finance & Facilities

> Ex Officio (non-voting):
  Betsy Bradsby, Research Accounting & Analysis
TRF Advisory Committee Charge

Support the IT Service Investment Board (SIB) in its annual review and assessment of the Technology Recharge Fee by providing analysis, identifying issues and making recommendations.

— Allocation methodology
— Rate levels
— Services to be covered
— Costs to provide services
# 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>
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<tbody>
<tr>
<td>Medical</td>
<td>$53.43</td>
<td>$53.43</td>
<td>$53.43</td>
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<td>$50.00</td>
<td>$50.91</td>
<td>$51.34</td>
<td>1.1%</td>
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<tr>
<td>Center***</td>
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<td></td>
<td></td>
<td></td>
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<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>0.8%</td>
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</table>

* FY11 TRF coincided with telecom rate reductions: $6M savings to campus
** Rate change for FY14 reflects adjustment in methodology (shift in allocation of Student Admin Sys)
*** Excluded from GOF/DOF Subsidy; Network & Telecom billed separately. Effective rate $85.00.
UW-IT Funding – FY 2017

$113M
UW-IT Operating Budget

Self Sustaining 23%
IM & University Supported 32%

$52M
Basic Services

Central Funding 27%
Basic Services 45%
TRF Funding 18%
UW-IT Expenditures – FY 2017

- IT Infrastructure, $57.6
- Teaching and Learning, $8.9
- Research, $0.4
- Administrative Systems, $28.8
- Collaboration, $7.7
- Enterprise Risk Mgmt., $5.9
- IT Administration, $3.5
Proposal for FY 2018 – TRF Rate

- Maintain fundamental cost allocation methodology used for prior TRF
- UW-IT FY 2017 budget as base
  — Use of UW-IT Fund Balance (Carryover) - $750K
  — Planned Salary Savings of $2.5M
- Maintain FY17 TRF rate (no increase)
## FY 2017 TRF Recommendation

<table>
<thead>
<tr>
<th>TRF Monthly Rate</th>
<th>FY17</th>
<th>FY18</th>
<th>$ Increase</th>
<th>% Increase</th>
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<tbody>
<tr>
<td>Med Center Employee*</td>
<td>$51.34</td>
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<td>$0.00</td>
<td>0.0%</td>
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<tr>
<td>Admin/Academic Employee</td>
<td>$56.13</td>
<td>$56.13</td>
<td>$0.00</td>
<td>0.0%</td>
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</table>

*Excluded from GOF/DOF subsidy; Network & Telecom billed separately. Effective rate $85.00.
QUESTIONS
FY17 Provost Reinvestment Funds Request

Bill Ferris
Chief Financial Officer, UW-IT
FY 2017 Request - Outcomes
Provost Reinvestment Funds

> Undergraduate Admissions Modernization
  – Support for existing UGA $240,000
  – Transfer, international, and $365,293
    post-baccalaureate admissions

> Financial Aid Modernization $653,780
  – move OSFA to a fully paperless process and significantly
    improve information exchange between students, their
    parents and OFSA.

> Accessible Technologies $115,000
  – 1 of 2 FTE funded - Accessibility Spec for 2 Years

> Analytics for Student Success (Civitas) $240,000

*All Allocations are Temporary for 2 years: FY 17 and FY 18
FY 2018 Request
Provost Reinvestment Funds

> Research Consultancy $415,000
   — 3.0 FTE to supplement 2 FTE in UW-IT Research Computing to address the scale of data-driven computing challenges across UW research communities (2 Yrs Temp)

> Secure Research Environment $175,000
   — 1.0 FTE staff and operating funds to create a service to accommodate new federal compliance requirements for managing confidential data by research grants (2 Yrs Temp)
FY 2018 Request
Provost Reinvestment Funds

> Financial Aid Modernization $403,820
  — 3 additional FTE in FY 2018 to support Phase 2 of the initiative for “Packaging”, a set of processes used to determine or revise the financial aid award offered to a student (1 Year Temp)

> Analytics for Student Success $250,000
  – Licensing for Civitas, a predictive analytics platform focused on student success and retention (2 Years Temp)
QUESTIONS
Multi-Factor Authentication (MFA) Modernization

Nathan Dors, Assistant Director, Identity & Access Management, UW-IT

Daniel Schwalbe, Director & Associate Chief Information Security Officer, UW-IT
What is MFA?

> Multi-Factor Authentication (MFA) is a stronger type of authentication that requires more than one kind of evidence (e.g., more than just a password) to prove the identity of a user.

> Types of authentication factors
  - Something you know - a password
  - Something you have - a hardware token or device
  - Something you are - a fingerprint
Why do we use MFA?

> To reduce the likelihood of a UW system or data breach facilitated by an unauthorized user stealing a legitimate user’s password.

> How are passwords stolen?
  
  – Password reuse on 3rd party websites that get compromised
  – Phishing scams
  – Malware
  – Online guessing
  – Offline cracking
Where do we use MFA?

> MFA is used by applications with sensitive data and for privileged access to systems:
  – Mainframe apps like HEPPS, SDB, FIN, PAS
  – Web-based apps like ASTRA, OPUS, DeptTools
  – Linux shell access to Hyak and other standard managed servers
  – RADIUS access to UW-IT network devices

> About 6,500 users are enrolled in MFA

> Current MFA vendor is Entrust

> UW Administrative Policy Statements don’t mandate MFA, but information security guideline gives advice
Why modernize MFA now?

> Provide access to excellent MFA infrastructure
  – Simple
  – Accessible, easy to use
  – Easy to administer
  – Self-service enrollment
  – Bring your own device (BYOD)
  – Support inter-institutional collaboration (interoperability standards)

> Reduce enterprise risk by enabling MFA
  – Mitigate threats
  – Cost-effective expansion
  – NIST and industry alignment (FIDO Alliance)
How are we modernizing MFA?

> Project goals
  – Enable a new MFA solution
  – Transition current uses to new solution
  – Expand use to cover required uses in Workday

> Status
  – Fall 2016: evaluation, procurement
    > Evaluating cloud-based vendor solution (Duo Security)
    > Duo already in use by hundreds of R&E institutions
    > Duo site license available via InCommon subscription
  – Winter 2017: design, implement
    > Self-service MFA enrollment on Identity.UW
  – Spring 2017: transition, expand
  – Summer 2017: improve, retire previous solution
QUESTIONS
HR/Payroll Modernization Program Update

Aubrey Fulmer
Executive Program Director, HR/Payroll Modernization Program
Where We Stood Last Time

> Last April we had just completed preparation in the new “Building a Cohesive Design” phase of the program

> Since then:
  – Foundations & Campus Foundations oriented hundreds to Workday
  – Business Owners and key campus stakeholders completed a review and endorsed the redesigned Workday solution over the summer
  – During two eight-hour sessions, more than 150 campus administrators reviewed future business processes
Where We Stand Today

- Configuration and Build virtually complete; change control in place for new requirements

- Program in test phase:
  - Unit and Regression testing (U/R) complete 12/2
  - Integration and End to End testing (iE2E) begins 12/5
  - End user/Campus User Acceptance Testing (UAT) begins late February
    > 160 campus administrators expected to participate

- Significant people readiness efforts underway
  - Training plan approved; role-based training plans in process
  - Communications team will soon be fully staffed
  - Change management work includes launch of community of practice

- Integrated Service Center (ISC) moving full speed ahead
High-Level Goals of the ISC

> Provide outstanding customer service
  – Offer a single point of contact and subject matter expertise for payroll, HR, and benefits
  – Reduce customer handoffs and keep them personal and high-touch
  – Simplify the process of getting help, provide application support for Workday
  – Enhance collaboration between functions now operating separately

> Curate data consistently and accurately
  – Provide guardrails for data integrity so that we can validate, audit, and verify employment data more accurately
  – Empower more strategic employment decision-making for the University
ISC Scope of Services and Timeline

> HR, Benefits, Academic HR and Payroll support for faculty, staff and students
> Facilitation of transactional processes (e.g., HCM Business Process approvals, reviews, corrections)
> Inquiry support for employees, managers and departmental specialists
> Departments will still initiate transactions within their units
> Implementation on track for launch in spring 2017
## Managing Program Risks

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
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<tr>
<td>Changes as a result of union negotiations could impact the scope and delivery of the Workday solution.</td>
<td>Outside counsel has been retained to support UWHR and the program in managing labor relations communications and coordination.</td>
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<tr>
<td>Change management, training and our post-product support plans have been based on benchmarking the number of system users consistent with other higher education institutions of similar size/complexity. Any significant deviation from these numbers will require an adjustment of the plans.</td>
<td>The program is working with campus partners to ensure that we identify the right resources to meet the operational needs of the unit in our new future state.</td>
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<tr>
<td>Report requirements are still being defined, which will push report build into the testing phase.</td>
<td>Functional and business subject matter experts are currently evaluating reporting needs to enable approved future state process designs. Program will prioritize critical reports first; testing can progress while some report build effort remains.</td>
</tr>
<tr>
<td>List of departmental systems impacted by HRPM may not be fully identified, despite multiple inquiries/attempts to capture this information.</td>
<td>The program launched a final comprehensive survey to the HR/P Administrators Network to identify enterprise and key departmental systems. A Technical Readiness Leads group has been organized to help identify impacted systems and prepare for the future state.</td>
</tr>
<tr>
<td>The program has designed Workday taking the Integrated Service Center (ISC) model into account; changing that model would result in a necessary redesign of Workday and the program.</td>
<td>The Integrated Service Center design has been extensively communicated to business owners and campus administrators; all business owners signed off on business process designs that included the ISC.</td>
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QUESTIONS
UW-IT Investment Planning FY17 and FY18

Erik Lundberg
Assistant Vice President, IT Services and Strategic Sourcing, UW-IT
Today...

> Wrap up of last year – Investment Planning for FY 2017
> Looking forward – Investment Planning for FY 2018
> Impacts of long-term ERP Modernization projects
Wrap Up – Investment Planning for FY 2017

> 19 business cases were submitted (down from 54 in previous year), with 18 approved to proceed as projects

> 14 more introduced during the year

> Backlog of 15 from prior years (which is normal)
  — capacity continues to be diminished due to HR/Payroll Modernization
* Approximately 18 Approved Projects do not start in any given year, for a variety of reasons
Wrap Up – Investment Planning for FY 2017

Strategic Service Portfolio

Service Portfolio Review Board

IT Strategy Board

Business Case Development

UW-IT Service Portfolio and Business Services

Service Teams

Business Teams

Business Case Evaluation

UW-IT Project Prioritization Criteria

Portfolio Review Board

Investment Plan

IT Service Investment Board

Portfolio Review Board, Expend. Review Committee
Coming Year – Investment Planning for FY 2018

- Capacity continues to be significantly diminished due to HR/Payroll Modernization
- Project backlogs are normal, and we’ve made them more visible and manageable
- 21 Business Cases submitted for next year, plus 15 “mid-year” proposals for the current year (FY17)
- With backlog of 15, we have 51 potential projects in next 18 months
Impacts of long-term ERP Modernization

How are we responding?

- Continuing to pay down 30-40 years of technical debt - *ERP modernization will be the norm for next 10 + years*
- Transforming enterprise business processes - *the new norm*
- Keeping the trains running, and small, incremental improvements
- **Strategic Planning** - now an active, constantly evolving and inclusive process, which will help better focus our investments
- Assisting with the management of the broad Finance Project Portfolio
- **Re-inventing ourselves** to modernize ERPs *and continue to make transformational headway*
Coming Year – Investment Planning for FY 2018

> More to come in winter
QUESTIONS AND DISCUSSION