

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Internal Lending Program Quarterly Report for the Quarter Ended June 30, 2010

For information only.

Attachment

Internal Lending Program Quarterly Report, Quarter Ended June 30, 2010

Average
Cost of
Debt
4.5%

Internal Lending Program Quarterly Report

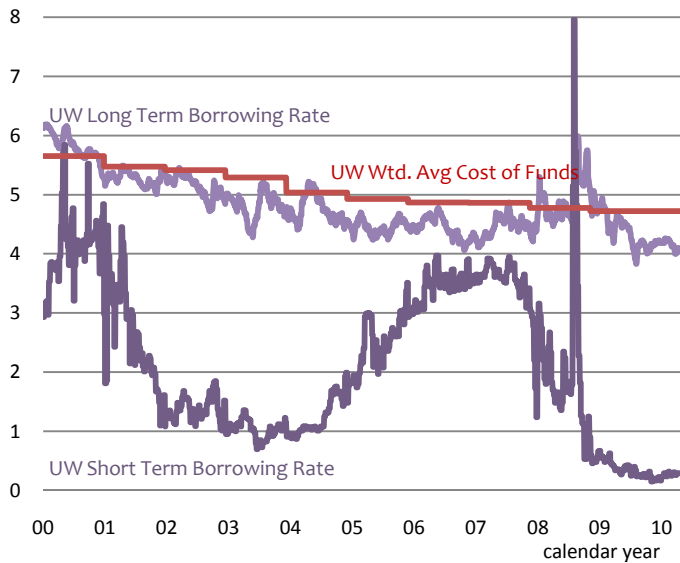
Quarter Ended June 30, 2010

(dollars in millions)

Internal
Lending
Rate
5.5%

Interest Rates

Rates continue to be at near-historic lows. The BABs program which returns 35% of interest cost to issuers is set to expire in December 2010.



External Borrowing

The University expects to issue \$150M in long term debt by October 2010. Of that amount \$100 million will be in the ILP and \$50 million is reserved for Balmer Hall & Tacoma Phase 3.

Debt Issued to Fund ILP	Issued FY10	Total Outstanding	Wtd. Avg Rate	Wtd. Avg Maturity (yrs)
Commercial Paper	0	30	0.2%	0.02
Variable Rate	0	0	n/a	n/a
Fixed Rate	0	677	4.4%	16.6
ILP Total	0	707	4.2%	15.9
Non-ILP Debt	0	356	5.0%	12.6
Total Debt	0	1,063	4.5%	14.8

Note: Used \$78 of \$150M authorization for FY2010.

Internal Lending

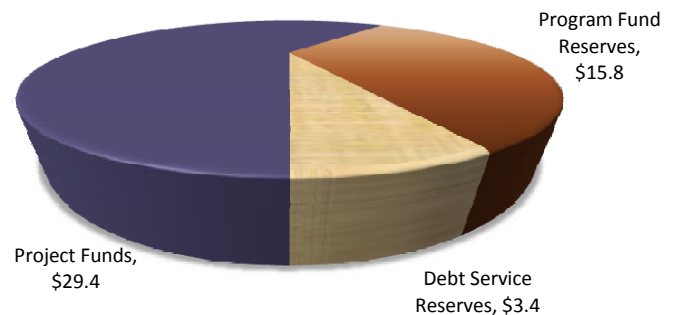
The two projects with the biggest draws in 4th quarter were the UWMC Expansion and Housing & Dining Phase 1.

	As of 6/30/09	FY10	Total
Approved Project Budget			
Internal Loans	449	140	589
Cash	97	49	146
Total Approved Budget	546	189	735
Capital Expenditures Funded to Date			
Internal Loans	19	81	100
Cash	40	76	116
Total Funded to Date	59	157	216

Cash Position

The pace of funding loans continues to pick up. In the last 12 months, the ILP has funded \$80 million from project funds.

Beginning Balance Jul-09	\$120.4
Internal Debt Service	\$57.8
External Debt Service	(\$48.8)
Net Debt Proceeds	(\$80.4)
Expenses	(\$0.4)
Ending Balance Mar-10	\$48.6



Ending Balance Composition

Internal Lending Program - Approved Funding

Project Name	Date Approved	Debt	Cash	Total Approved Budget	Spent to Date (all sources)
UWMC Expansion	Feb-08	160	10	170	34%
AAALAC Projects	Mar-08	25	3	28	98%
Pediatric Dentistry	Mar-08	12	6	18	74%
Tower Improvements	Mar-08	13	0	13	91%
J-Wing	Jul-08	16	8	24	14%
PACCAR Business School	Jul-08	30	65	95	83%
AAALAC Budget Increase	Nov-08	7	0	7	0%
Housing Phase 1	May-09	164	0	164	7%
Alumni Association TI's	May-09*	2	0	2	33%
Molecular Engineering - ICR only	Jun-09	20	5	25	20%
HUB Renovation	Jul-09	117	11	128	6%
ECC Renovation	Jul-09	15	1	16	6%
Hall Health Renovation	Jul-09	8	3	11	11%
UWMC, Phase 1 Increase	Jan-10	0	34	34	0%
Total		589	146	735	29%

* Note: approved under delegated authority.

Project Funding By Source - Actual and Projected

