



May 5, 2011

TO: Members of the Board of Regents
Ex-officio Representatives to the Board of Regents
FROM: Joan Goldblatt, Secretary of the Board of Regents
RE: Schedule of Meetings

WEDNESDAY, MAY 11, 2011

**5:30 p.m. Hill-Crest DINNER FOR REGENTS,
AND OTHER GUESTS**

THURSDAY, MAY 12, 2011

**10:00 to 11:25 a.m. 142 Gerberding Hall ACADEMIC AND STUDENT AFFAIRS
COMMITTEE: Regents Harrell (Chair),
Barer, Cole, Gates, Youn**

**11:35 a.m. to 12:30 p.m. 142 Gerberding Hall FINANCE, AUDIT AND FACILITIES
COMMITTEE: Regents Smith (Chair), Blake,
Brotman, Cole (alternate), Jewell**

**12:45 to 2:40 p.m. 142 Gerberding Hall ACADEMIC AND STUDENT AFFAIRS
COMMITTEE: Regents Harrell (Chair),
Barer, Cole, Gates, Youn**

in Joint Session with

**FINANCE, AUDIT AND FACILITIES
COMMITTEE: Regents Smith (Chair), Blake,
Brotman, Cole (alternate), Jewell**

**3:00 p.m. Petersen Room REGULAR MEETING OF BOARD OF
Allen Library REGENTS**

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**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

Academic and Student Affairs Committee
Regents Harrell (Chair), Barer, Cole, Gates, Youn
May 12, 2011
10:00 to 11:25 a.m.
142 Gerberding Hall

1. **Academic and Administrative Appointments** **ACTION** A-1
Mary Lidstrom, Interim Provost and Executive Vice
President
2. **Establishment of Master of Sustainable Transportation Degree** **ACTION** A-2
James Antony, Associate Dean and Associate Vice Provost,
The Graduate School
Gregory Miller, Professor and Chair, Department of Civil &
Environmental Engineering
Scott Rutherford, Professor, Department of Civil &
Environmental Engineering
3. **Academic & Student Affairs Committee Calendar Discussion** **INFORMATION** A-3
Mary Lidstrom
4. **Guiding Principles for Tuition Setting** **INFORMATION** A-4
Frances Youn, Regent
5. **Update on Research: Past Trends, Current Status, and Future
Prospects for Research Funding** **INFORMATION** A-5
David Eaton, Interim Vice Provost, Office of Research
6. **Other Business**



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

Finance, Audit and Facilities Committee
Regents Smith (Chair), Blake, Brotman, Cole (alternate), Jewell

**May 12, 2011
11:35 a.m. to 12:30 p.m.
142 Gerberding Hall**

1. **Report of Contributions – March, 2011** **INFORMATION** F-1
Walter G. Dryfoos, Associate Vice President, Advancement Services
Connie Kravas, Vice President, University Advancement
2. **2011 Audit Plans – KPMG and Peterson Sullivan** **INFORMATION** F-2
Richard Cordova, Executive Director, Internal Audit
3. **Actions Taken Under Delegated Authority** **INFORMATION** F-3
Richard Chapman, Associate Vice President, Capital Projects Office
4. **Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2011** **INFORMATION** F-4
Doug Breckel, Associate Vice President, Treasury Office
Chris Malins, Senior Associate Treasurer, Treasury Office
5. **Renaming Beardslee Cove Apartments at UW Bothell to “Husky Village,” Approval of Temporary Placeholder Names for Residence Buildings at UW Bothell, and Approval of Donor Naming Opportunities Plan** **ACTION** F-5
Kenyon S. Chan, Chancellor, UW Bothell
6. **Investment Program Update** **INFORMATION** F-6
Keith Ferguson, Chief Investment Officer
7. **Other Business**



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

Academic and Student Affairs Committee
Regents Harrell (Chair), Barer, Cole, Gates, Youn

In Joint Session with

Finance, Audit and Facilities Committee
Regents Smith (Chair), Blake, Brotman, Cole (alternate), Jewell

**May 12, 2011
12:45 to 2:40 p.m.
142 Gerberding Hall**

1. **Establishing a Universal Student U-PASS Fee** **ACTION** A-6
Madeleine McKenna, ASUW President
Sarah Reyneveld, GPSS President
Eric Godfrey, Vice President and Vice Provost, Student Life
Josh Kavanagh, Director, Transportation Services, Facilities Services
2. **Amendment of Lease with Unico Properties for the Metropolitan Tract** **ACTION** F-7
Todd Timberlake, Chief Real Estate Officer
3. **UW Medicine Board Annual Operations and Governance Report: UW Medicine Strategic Initiatives Overview** **INFORMATION** F-8
Shan Mullin, Chair, UW Medicine Board
Paul Ramsey, CEO, UW Medicine, Executive Vice President for Medical Affairs, and Dean of the School of Medicine
4. **Proposed FY 2012 Operating and Capital Budgets** **INFORMATION** F-9
Phyllis Wise, Interim President
Mary Lidstrom, Interim Provost and Executive Vice President
Paul Jenny, Vice Provost, Planning and Budgeting
5. **Background Information Related to Proposed Tuition Increases for Academic Year 2011-12** **INFORMATION** F-10
Phyllis Wise
Mary Lidstrom
Paul Jenny
6. **Other Business**



AGENDA

**BOARD OF REGENTS
University of Washington
May 12, 2011]
3:00 p.m.
Petersen Room, Allen Library**

(Item No.)

- I. CALL TO ORDER**
- II. ROLL CALL Assistant Secretary Kelly Keith**
- III. CONFIRM AGENDA**
- IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Simon**
- V. REPORT OF THE UNIVERSITY PRESIDENT: Dr. Wise**
- VI. CONSENT AGENDA**

Approval of Minutes of Meeting of April 14, 2011

Establishment of Master of Sustainable Transportation Degree A-2

Establishing a Universal Student U-PASS Fee A-6

Renaming Beardslee Cove Apartments at UW Bothell to "Husky Village,"
Approval of Temporary Placeholder Names for Residence Buildings at UW
Bothell, and Approval of Donor Naming Opportunities Plan F-5

Amendment of Lease with Unico Properties for the Metropolitan Tract F-7

VII. STANDING COMMITTEES**A. Academic and Student Affairs Committee: Regent Harrell – Chair**

Academic and Administrative Appointments (ACTION)	A-1
Academic & Student Affairs Committee Calendar Discussion (Information only)	A-3
Guiding Principles for Tuition Setting (Information only)	A-4
Update on Research: Past Trends, Current Status, and Future Prospects for Research Funding (Information only)	A-5

Joint Session**A. Academic and Student Affairs Committee: Regent Harrell – Chair****B. Finance and Audit Committee: Regent Smith – Chair**

UW Medicine Board Annual Operations and Governance Report: UW Medicine Strategic Initiatives Overview (Information only)	F-8
Proposed FY 2012 Operating and Capital Budgets (Information only)	F-9
Background Information Related to Proposed Tuition Increases for Academic Year 2011-12 (Information only)	F-10

B. Finance, Audit and Facilities Committee: Regent Smith – Chair

Report of Contributions – March, 2011 (Information only)	F-1
2011 Audit Plans – KPMG and Peterson Sullivan (Information only)	F-2
Actions Taken Under Delegated Authority (Information only)	F-3
Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2011 (Information only)	F-4
Investment Program Update (Information only)	F-6

VIII. OTHER BUSINESS

Reports from ex-officio representatives to the Board:

Faculty Senate Chair – Professor JW Harrington

ASUW President – Ms. Madeleine McKenna

GPSS President – Ms. Sarah Reyneveld

Alumni Association President – Ms. Colleen Fukui-Sketchley

IX. DATE FOR NEXT REGULAR MEETING: Thursday, June 9, 2011**X. ADJOURNMENT**

MINUTES

**BOARD OF REGENTS
University of Washington**

May 12, 2011

The Board of Regents held its regular meeting on Thursday, May 12, 2011, beginning at 3:00 p.m. in the Petersen Room of the Allen Library. The notice of the meeting was appropriately provided to the public and the media.

CALL TO ORDER

Regent Joanne Harrell called the meeting to order at 3:00 p.m. In his, and Board Vice Chair Kristianne Blake's, absence Board Chair Herb Simon asked Regent Harrell to chair the meeting.

ROLL CALL

Assistant Secretary Keith called the roll: Present were Regents Harrell (presiding), Barer, Brotman, Cole, Gates, Smith, and Youn; Dr. Wise, Dr. Lidstrom, Ms. Warren, Ms. Goldblatt; ex-officio representatives: Professor Harrington, Ms. McKenna, Ms. Reyneveld, Ms. Fukui-Sketchley.

Absent: Regent Blake, Jewell, and Simon

CONFIRM AGENDA

The agenda was confirmed as presented.

REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Harrell

Regent Harrell asked Regent Youn to introduce the three finalists for the position of 2011-12 Student Regent. They are: Ivan Barron, a PhD student in the College of Education; Jed Bradley, an undergraduate majoring in Political Science and Philosophy; and Kelsey Knowles, a graduate student in the Evans School of Public Affairs. Regent Youn briefly outlined the appointment process for the Student Regent. Applications are screened by a panel of ASUW and GPSS leaders, three finalists' names are sent to the Governor's office, and the Governor makes the selection for a term starting on July 1.

Regent Harrell invited students from the Kick Out Sodexo Coalition to address the Board about their concerns. Students were protesting UW's food service contract with Sodexo because of alleged international human rights and labor practice violations.

Regent Harrell thanked the students, on behalf of the Regents, for attending the meeting and sharing their perspective.

Regent Harrell invited President Wise to give a report.

REPORT OF THE UNIVERSITY PRESIDENT: Dr. Wise

President Wise introduced UW students who received scholarship awards:

Beinecke Scholar: Byron Gray

Goldwater Scholars: Mark Bun, Benjamin Dulken (not able to attend), Jane Hung, and
Cameron Turtle

Harry S. Truman Scholar: Andrew Lewis

Udall Scholar: Anshika Kumar

Woodrow Wilson–Rockefeller Brothers Fellowship for Aspiring Teachers of Color:
Emily Lee

Students joined Regents at the table and answered questions about their University experience and academic achievements.

President Wise reported last week the University welcomed President–Designate Michael Young to campus. She anticipates he will inherit a marvelous university, with incredible accomplishments in the areas of learning, discovery and engagement. She looks forward to his arrival on July 1.

Dr. Wise thanked everyone for the privilege of serving as University President for the last year. She said she learned more about the university than she ever thought she didn't know and she realized how rich an environment it is.

President Wise reported on her recent travel to Asia, where she visited Taipei, Seoul, Beijing, and Tainan. As she traveled she said she realized the reach of the University is international. She met with highly accomplished and influential UW graduates from all colleges, including Business, Law, Engineering and Arts and Sciences. These graduates told her they value their experience at the UW and want to continue to give back to the University by providing advice, counsel, and connections. She told the students at the Board meeting they will join leaders in the global world, and become leaders as well.

CONSENT AGENDA

Regent Harrell noted there were five items for approval on the consent agenda, and called for a motion.

MOTION: Upon the recommendation of the Chair of the Board and the motion made by Regent Cole, seconded by Regent Gates, the Board voted to approve the five items on the consent agenda as shown below:

Minutes for the Special Meeting of April 14, 2011

Establishment of Master of Sustainable Transportation Degree (Agenda no. A-2)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the Department of Civil & Environmental Engineering to offer the Master of Sustainable Transportation degree program, effective Autumn Quarter 2011. This is a self-sustaining professional program offered in coordination with UW Educational Outreach (UWEO). The degree program will have provisional status with a review to be scheduled in the 2016-2017 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

See Attachment A-2.

Establishing a Universal Student U-PASS Fee (Agenda no. A-6)

It was the recommendation of the administration, the Academic and Student Affairs Committee, and the Finance, Audit and Facilities Committee that the Board of Regents authorize for the Seattle Campus:

- 1) Collection of a new voluntary student fee of \$76 per academic quarter maintained by students upon themselves pursuant to RCW 28B.15.610 and intended to fund universal access by Seattle Campus students to the U-PASS program (Universal Student U-PASS Fee hereafter.)

The establishment of this voluntary fee was approved by a majority vote of the student senates in ASUW Resolution R-17-2 and GPSS Resolution 10.27-11.

See Attachment A-6.

Renaming Beardslee Cove Apartments at UW Bothell to “Husky Village,” Approval of Temporary Placeholder Names for Residence Buildings at UW Bothell, and Approval of Donor Naming Opportunities Plan (Agenda no. F-5)

It was the recommendation of the administration and the Finance, Audit, and Facilities Committee that the Board of Regents:

- 1) Approve renaming the Beardslee Cove Apartment complex to “Husky Village,”
- 2) Approve the use of temporary placeholder names for the eight resident buildings, and
- 3) Approve the Donor Naming Opportunities Plan.

See Attachment F-5.

Amendment of Lease with Unico Properties for the Metropolitan Tract (Agenda no. F-7)

It was the recommendation of the administration, the Academic and Student Affairs Committee, and the Finance, Audit and Facilities Committee that the Board of Regents delegate to the President the authority to execute an amendment to the lease with Unico Properties, providing for University control over all tenant lease and investment

decisions, accelerated ground rent payments, elimination of non-compete clause, and property management of the Rainier Tower Sublease.

See Attachment F-7.

STANDING COMMITTEES

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Harrell Chair

Academic and Administrative Appointments (Agenda no. A-1)

At the request of Regent Harrell, President Wise highlighted the following appointments:

- President–Designate Michael K. Young appointed as Professor in the School of Law, effective July 1. Dr Wise said he is an accomplished scholar and administrator.
- Debra Friedman appointed as Chancellor and Professor of Urban Studies at UW Tacoma, effective July 1. Dr. Friedman is currently at Arizona State University, and has worked at UW in the past.
- Harvey D. “Toby” Bradshaw, Chair of the Department of Biology
- Julia Parrish, Associate Dean of the College of the Environment
- Peggy Odegard, Chair of the Department of Pharmacy

MOTION: Upon the recommendation of the administration and the motion made by Regent Barer, seconded by Regent Smith, the Board voted to approve the personnel appointments. Regent Youn abstained from the vote.

See Attachment A-1.

Academic & Student Affairs Committee Calendar Discussion (Agenda no. A-3) (Information Only)

Regent Harrell reported Provost Lidstrom presented an annual calendar for the Academic and Student Affairs Committee. This tool will allow the committee to anticipate topics and plan agendas effectively to ensure the committee focuses on the right topics at the right times, and in an orchestrated manner. This, she said, will be helpful for students, the administration, faculty and other concerned stakeholders.

See Attachment A-3.

Guiding Principles for Tuition Setting (Agenda no. A-4) (Information only)

Regent Harrell reported Regent Youn facilitated a presentation about guiding principles for tuition setting, emphasizing “trust, transparency, and team identity.” During the presentation Regents heard from a Franklin High School student who plans to attend UW in the fall, and from Jennifer Wiley, the Principal of Franklin High School, who received her masters and doctorate degrees in education from University of Washington. Regent Harrell said it was interesting and enlightening to hear Dr. Wiley’s perspective about tuition and ways to improve education.

See Attachment A-4.

Update on Research: Past Trends, Current Status, and Future Prospects for Research Funding (Agenda no. A-5) (Information only)

In response to a request from the Regents, Professor David Eaton, Vice Provost for Research, provided a presentation on research trends. Regent Harrell said it was a privilege to have an opportunity to focus on research and discuss what the University might anticipate in the future.

See Attachment A-5.

FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Smith, Chair

Report of Contributions – March, 2011 (Agenda no. F-1) (Information only)

The total gifts received in March, 2011, was \$19,570,867, the total for the year to date is \$246,741,675.

See Attachment F-1.

2011 Audit Plans – KPMG and Peterson Sullivan (Agenda no. F-2) (Information only)

See Attachment F-2.

Actions Taken Under Delegated Authority (Agenda no. F-3) (Information only)

See Attachment F-3.

Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2011 (Agenda no. F-4) (Information only)

See Attachment F-4.

Investment Program Update (Agenda no. F-6) (Information only)

Regent Smith reported Regents received a comprehensive report on the consolidated endowment fund, which addressed investment strategies, capital allocations by category, and the fund's overall performance. He noted the fund is conservatively invested with fifteen percent of its total value in cash, compared to five percent for funds at similar universities, and with a smaller allocation to fixed income asset investments. Regent Smith noted there is a cost to the UW for this strategy. A more aggressive equity investment strategy with lower cash balances would be expected to provide a higher return over the long run at a cost of higher variability in the annual amounts available for instruction and a higher risk over time that the real value of the endowment fund would

be diminished. This, he said, is a trade-off Regents will address in greater detail at a future meeting.

See Attachment F-6.

Joint Session

Academic and Student Affairs Committee: Regent Harrell – Chair

Finance, Audit and Facilities Committee: Regent Smith – Chair

UW Medicine Board Annual Operations and Governance Report: UW Medicine Strategic Initiatives Overview (Agenda no. F-8) (Information only)

Regent Smith said Dean Paul Ramsey and UW Medicine Board Chair Shan Mullin presented information on the UW Medicine opportunity to form an alliance with Valley Medical Center. He said this alliance would provide many advantages to Valley Medical Center and the residents of that region by offering improved primary and secondary care as well as better access to the tertiary and quaternary care offered by UW Medicine at UW and Harborview Hospitals. The alliance would result in cost-savings for both institutions and opportunities to reduce duplication of services while increasing service levels. This was an information item. It will return to the Board for exploration of additional issues, and consideration of approval of the alliance.

See Attachment F-8.

Proposed FY 2012 Operating and Capital Budgets (Agenda no. F-9) (Information only)

Regent Smith reported Paul Jenny updated the Regents on the budget situation in Olympia. The report was principally based on the current version of the Senate budget, which is similar to the proposed House budget. The budget implications to the University are severe. The budget report was followed by a look at tuition rate options to offset the impact of budget reductions. It is expected an information item on the budget will be presented at the June 9 meeting. The University Operating and Capital Budget for FY 2012 and the tuition rates for academic year 2011-12 will be approved at a later date.

See Attachment F-9.

Background Information Related to Proposed Tuition Increases for Academic Year 2011-12 (Agenda no. F-10) (Information only)

See Attachment F-10.

REPORTS FROM EX OFFICIO REPRESENTATIVES TO THE BOARD OF REGENTS

An update from student leaders at UW Bothell is attached.

Faculty Senate Chair: Professor JW Harrington

Professor Harrington's remarks are attached.

ASUW President: Ms. Madeleine McKenna

Ms. McKenna urged administrative leaders to "take a serious look" at the Sodexo contract issue. She asked the University to commit to investigating the allegations brought against the company, and to uphold the commitment to insuring contractors and suppliers are ethical in their business practices throughout the world. She reported ASUW passed a resolution in support of the efforts of the Kick Out Sodexo Coalition.

Ms. McKenna said the passage of House Bill 1795 is an historic moment for the University. It signals the shift toward "the privatization of public higher education in America." Students have major concerns about the bill. The Washington Students Association (WSA), a coalition of the state's public four-year universities and college, unanimously voted to oppose HB 1795 because of concerns about the lack of protections for students in the areas of predictability in tuition increases and accountability. Ms. McKenna believes HB 1795 allows the possibility of unfettered tuition increases for students with median family income above the 125th percentile. She hopes and trusts the Board of Regents will take the tuition setting responsibility seriously to make sure the consequences of tuition increases are well thought out and well understood. She is deeply concerned about the way the bill was passed; it was rushed through the Senate in one day without opportunity for students to put forward amendments they believe would have offered them greater protections.

Moving forward, she said students are committed to working with the administration as they take on the new responsibility of tuition setting and she hopes students will be included in the discussion to craft tuition policy. An advisory committee is being formed to work with the Provost on planning and budgeting decisions to strengthen the commitment to shared governance. She appreciates Regent Youn bringing forward the item discussing guiding principles for tuition setting and hopes to continue the discussions to derive a set of common values to drive tuition decisions. She believes trust, transparency, and team spirit are a good start.

Ms. McKenna thanked the Board for approving the universal U-PASS fee. This, she said, will encourage sustainability on campus and offer students access to affordable transportation options.

Regent Barer thanked the student leaders for expressing their support of students who spoke earlier about the Sodexo contract. He said it is "spectacular" that students are concerned about the University's principles and values being extended internationally. Regent Barer encouraged the students to consider "due process" when exporting this country's views and values globally. He urged them to consider the fundamental principles and values in the Bill of Rights and include them with human rights as an important value. He recommended dialogue as the way to accomplish their goals. He cited this country's founding values – innocent until proven guilty and not being deprived of property without due process.

Ms. McKenna responded she greatly values due process but doesn't feel a proposed meeting between students and Sodexo representatives addresses the concerns of the students. She hopes there will be a serious inquiry into the allegations of the students. Saying she does not want to attend a university that supports unethical business practices, she hopes there will be a thorough investigation.

GPSS President: Ms. Sarah Reyneveld

Ms. Reyneveld said she, and GPSS, also support the efforts of the Kick Out Sodexo Coalition. In partnership with ASUW, and in the spirit of due process, she asked the University to investigate allegations about human rights abuses.

Ms. Reyneveld observed the historic shift in tuition setting authority and said as the shift is occurring students will be working with, and relying on, the Board to create mechanisms to ensure tuition is affordable, the University remains accessible, and no student be "priced out" of the dream of higher education. She said President Wise has assured the UW community and the Board of Regents tuition setting is a responsibility she does not take lightly. Ms. Reyneveld said this is a responsibility students would like to share. They are working with Provost Lidstrom to create the Provost's Advisory Committee on Students to give students a voice during budget and tuition setting discussions.

Graduate and professional school tuition has been locally controlled for six years. Tuition rates have been commensurate with the average rates of tuition at global peer universities, but could potentially exceed the average in some particular degree areas. Ms. Reyneveld said it is essential for students to have a voice at the Board table, possibly through a public comment period. This would give them the opportunity to weigh in on issues such as the impact on students of more loans, higher debt burdens, and how this will affect their ability pursue higher education. She agrees with Ms. McKenna's opinion that HB 1795 was rushed through the Senate, missing an opportunity to discuss ways in which the tuition policy could be more transparent and collaborative. Members of the Board of Regents have met with students to discuss challenges around tuition. Student opinions have been considered. She urges all to work together as they move forward, and proposes working with the legislature to include more specific amendments. She reiterated her desire for the Board to consider offering a public comment period and for the University to institutionalize mechanisms for student input.

She reported on a recent GPSS-sponsored student-parent awareness day. Dozens of student-parents brought their children to class to raise awareness and encourage a family-friendly environment on campus. Nationally, one out of every ten students is a student-parent. Currently, UW does not capture this data.

GPSS will be sponsor its first annual Science and Policy Summit on May 13. The summit will showcase the critical forefront of the interaction between science and policy and demonstrate how graduate student achievements in the area of research and policy in science will move the state forward. President Wise and College of the Environment Dean, Lisa Graumlich, will give remarks. The keynote speaker will be Professor Edward L. Miles, from the School of Marine and Environmental Affairs. The summit will feature panels on health; water protection; energy; and built environments and transportation.

Alumni Association President: Ms. Colleen Fukui-Sketchley

Ms. Fukui-Sketchley reflected on the legislative session saying UWImpact captured several measurable outcomes. The next steps are communication and capacity building. UWImpact's political consultants observed increased numbers of people voicing their support of higher education due to the program, which continues to build a network of alums and provide them with the tools to speak about the UW. She said during the legislative session alumni became aware of what was at stake. Once they learned, they were called to action. The future of UWImpact involves systemic change. She said this is "a marathon not a sprint." Ms. Fukui-Sketchley reflected the Alumni Association started private philanthropy at the UW in the mid-1960s. UWAA is again stepping up in an advocacy role, but the message is the same – support the UW to make education available to students.

The UWAA is looking forward to commencement activities as they welcome the next generation of alumni. This year UWAA trustees will again serve as guardians of the gonfalon banners during the commencement ceremonies.

Ms. Fukui-Sketchley praised and recognized the leadership and passion of the student leaders and said it had been a pleasure to serve with them.

DATE FOR NEXT MEETING

The next regular meeting of the Board of Regents will be held on Thursday, June 9, 2011, on campus.

ADJOURNMENT

The regular meeting was adjourned at 4:08 p.m.



Joan Goldblatt
Secretary of the Board of Regents

Approved at the meeting of the Board on June 9, 2011.

University of Washington
Remarks of the Faculty Senate Chair
Regular meeting of the Board of Regents
Thursday 12 May 2011

Thank you, Chair Harrell.

I'd like to comment on a number of today's discussions, and then note some of this year's successes in faculty and shared governance.

I. Issues of the day

While it is hard to generalize about the faculty's reactions to the prospect of **institutional control over resident undergraduate tuition**, I think most colleagues:

- feel that it's a positive move to replace Legislative politics with internal discussions and, indeed, internal politics;
- recognize the need to act responsibly – our Faculty Legislative Representative has told me of the innumerable conversations with and statements by legislators that they'll be watching our actions closely;
- have concerns about “privatization” of higher education via the setting of “market rates” for our activities;
- hope for some restoration of state funding; and
- want to see substantial holdbacks for financial aid.

We share Regent Cole's concerns about the bases for decisions to move toward “market rate” **fee levels in high-cost professional and undergraduate programs**, for fear that students' academic and career choices will veer far from the social optimum.

I was gratified to hear some of your questions regarding our **investment and spending policies**. Many faculty members feel that to the extent that reserve funds, unrestricted liquidity, endowment payouts, and debt capacity are to provide resources for rainy days, we are standing outside getting soaked by a downpour.

Relevant to the discussion of **graduate tuition and underrepresented minorities**: I've been very involved in the Graduate Opportunities and Minority Achievement Program (GOMAP), overseen by the Graduate School. This program provides fellowships for graduate-student recruitment that in some way diversifies the student mix in individual graduate programs, in return for the graduate program's commitment to provide TA or RA employment for some number of years. GOMAP relies on central and private funds, and the budget cuts have reduced the number of fellowships offered and the TA/RA allocations they leverage.

II. Successes this year

I sit on the committee that oversees the services and fees that **UW Technology** offers and charges to academic and administrative units. This winter we agreed that despite increased costs, there would not be any increase in the fees charged.

After consultation with the **UW Fund Review Committee and the Faculty Council on Benefits and Retirement**, the Provost developed an RFP for fund oversight and advising that satisfies the key recommendations of both groups.

Regarding the **proposals to consolidate two small schools into other colleges**, I want to praise Interim Provost Mary Lidstrom's ability to dispassionately assess the units' work to address her concerns, with special attention to the empirics of the plan and the buy-in by students and faculty. This was real data-based decision making with real interest in consultation.

During 2009-10 the Faculty approved a number of **changes to the structure of our governance organizations**, to improve deliberation and reduce costs: we reduced the number of Senators and found a smaller space for Senate meetings; made a number of changes to the composition of the Senate Executive Committee; and reduced the number of Faculty Councils.

In August & September 2010, I consulted with the elected leadership and with our Parliamentarian about a number of agenda changes that would help make the smaller Senate into a more deliberative body in addition to its legislative role. We've instituted *written* reports from officers with opportunity for *questions* from the floor instead of presentation of those reports, invited guest presentations only on matters about which the Senate will likely consider formally, established a "consent agenda" of items that are approved unless removed from that portion of the agenda, and established an opportunity ("Good of the Order") for Senate discussion of items without a motion.

Among the results:

- We've seen a higher proportion of Senators speak at our meetings.
- The Savery Hall classroom, where Herb Simon will come to our last scheduled Senate meeting next week, is less formal and more engaging than the larger, steeply raked space in Gowen Hall.
- Our meetings spend much less time in oral reports and slide presentations.
- Officers and guests spend more time responding to specific questions than presenting what we/they guess that the Senate needs to hear.
- We don't discuss or debate matters like minutes or Council nominations unless there is a specific concern.
- As chair, I've certainly appreciated the opportunity to refer some questions and issues to the more unstructured format of "Good of the Order."

Bruce Balick has organized our **faculty/administration/student budget committee** (SCPB) agendas around the key budget and planning decisions that the Provost is facing; she has

openly sought that committee's input and has directed Paul Jenny to provide the information needed. The Provost will work with a new student group to hear recommendations regarding tuition, enrollment, and financial aid. In August, I'll begin working with Provost Wise to coordinate the SCPB agenda for next year.

III. Looking ahead

I've got two more meetings with you, but looking ahead to next year, I'd like to invite you:

- to see the activity and ask questions in our classes and labs, perhaps on the afternoons before Regents meetings; and
- to make even more movement toward faculty-Regents communication, in informal contexts. I will encourage President Young to continue the tradition of a reception for Senators, and to hold a reception or meeting of our most distinguished faculty – and to invite Regents to those events.

VII. STANDING COMMITTEES

A. Academic and Student Affairs

Academic and Administrative Appointments

RECOMMENDED ACTION:

It is the recommendation of the administration and the Academic and Student Affairs Committee the Board of Regents approve the appointments to the University faculty and administration as presented on the attached list.

Attachment
Personnel Recommendations

ADMINISTRATIVE APPOINTMENTS

College of Arts and Sciences

Department of Biology

Bradshaw, Harvey D.

Chair, Biology, effective 7/1/2011

Continuing Appointment:

- Professor, Biology

Degrees:

- PhD, 1984, Louisiana State University
- BS, 1979, East Carolina University

College of the Environment

College of the Environment

Parrish, Julia Kathryn

Associate Dean, College of the Environment, effective 4/15/2011

Continuing Appointments:

- Professor, Aquatic and Fishery Sciences
- Professor, Biology
- Adjunct Professor, School of Marine and Environmental Affairs

Degrees:

- PhD, 1988, Duke University
- BS, 1982, Carnegie Mellon University

School of Pharmacy

Department of Pharmacy

Odegard, Peggy Lynn Soule

Chair, Pharmacy, effective 7/1/2011

Continuing Appointment:

- Professor, Pharmacy

Degrees:

- PharmD, 1990, University of Washington
- BS, 1985, University of Washington

University of Washington, Tacoma

University of Washington, Tacoma

Friedman, Debra

Chancellor, Tacoma , effective 7/1/2011

Degrees:

- PhD, 1983, University of Washington
- MA, 1978, University of Washington
- BA, 1976, Adelphi University

ENDOWED APPOINTMENTS

College of Arts and Sciences

School of Music

Collier, Thomas W.

Adelaide D. Currie Cole Endowed Professorship in the School of Music, effective 1/1/2011

Continuing Appointment:

- Associate Professor, Music

Degrees:

- BA, 1971, University of Washington
- Bachelor of Music (BMus), 1971, University of Washington

Seales, Marc Anthony

Adelaide D. Currie Cole Endowed Professorship in the School of Music, effective 1/1/2011

Continuing Appointment:

- Professor, Music

Degree:

- BA, 1978, Western Washington University

School of Dentistry

Department of Periodontics

Wilkinson, Raymond Felix

Saul Schluger Endowed Chair In Periodontics, effective 7/1/2011

Continuing Appointment:

- Clinical Professor, Dental Pathway, Periodontics

Degrees:

- MS, 1970, Ohio State University
- DDS, 1963, Creighton University

College of Engineering

Department of Materials Science and Engineering

Zhang, Miqin

**Kyocera Professorship in Materials Science and Engineering,
effective 4/1/2011**

Continuing Appointments:

- Professor, Materials Science and Engineering
- Adjunct Professor, Neurological Surgery
- Adjunct Professor, Orthopaedics and Sports Medicine
- Adjunct Professor, Radiology

Degrees:

- PhD, 1999, University of California (Berkeley)
- Master Of Applied Science, 1993, University of Victoria (Canada)
- Bachelor Of Engineering, 1983, Jiangxi Institute of Metallurgy (China)

School of Medicine

Department of Pathology

Swanson, Kristin Rae

**James D. Murray Endowed Chair of Applied Mathematics in
Neuropathology, effective 1/1/2011**

Continuing Appointments:

- Research Associate Professor, Pathology
- Adjunct Research Associate Professor, Applied Mathematics

Degrees:

- PhD, 1999, University of Washington
- MD, 1998, University of Washington
- BS, 1996, Tulane University

Daniel J. Evans School of Public Affairs

Daniel J. Evans School of Public Affairs

Dobel, J. Patrick

**John & Marguerite Corbally Professorship In Public Service,
effective 9/16/2011**

Continuing Appointments:

- Professor, Public Affairs
- Adjunct Professor, Political Science

Degrees:

- PhD, 1976, Princeton University
- MA, 1972, Princeton University
- BA, 1970, Boston College

NEW APPOINTMENTS

College of Arts and Sciences

Department of English

Knight, Jeffrey Todd

Assistant Professor, English, effective 9/16/2011

Degrees:

- PhD, 2009, Northwestern University
- MPHIL, 2007, Cambridge University (UK)
- BA, 2002, Miami University

Department of Physics

Steiner, Andrew William

Research Assistant Professor, Physics, effective 7/1/2011

Degrees:

- PhD, 2002, State University of New York (Stony Brook)
- MA, 1998, State University of New York (Stony Brook)
- BS, 1997, Carnegie Mellon University

Department of Sociology

McCormick, Tyler Harris

Assistant Professor, Sociology, effective 7/16/2011

Degrees:

- PhD, 2011, Columbia University
- MPHIL, 2010, Columbia University
- MA, 2008, Columbia University
- MS, 2008, University of Connecticut
- BA, 2005, Duke University

Department of Statistics

McCormick, Tyler Harris

Assistant Professor, Statistics, effective 7/16/2011

Degrees:

- PhD, 2011, Columbia University
- MPHIL, 2010, Columbia University
- MA, 2008, Columbia University
- MS, 2008, University of Connecticut
- BA, 2005, Duke University

School of Dentistry

Department of Pediatric Dentistry

Seminario, Ana Lucia

Assistant Professor, Pediatric Dentistry, effective 4/1/2011

Prior UW Appointment:

Acting Assistant Professor, temporary, Pediatric Dentistry

Degrees:

- PhD, 2006, University of Charles (Prague)
- DDS, 1997, Peruvian University Cayetano Heredia

Department of Restorative Dentistry

Anderson, Jens Martin

Senior Lecturer, Part-time, Restorative Dentistry, effective 7/1/2011

Prior UW Appointment:

Lecturer Part-Time, Restorative Dentistry

Degrees:

- DDS, 1965, University of Washington
- BS, 1961, Pacific Lutheran University
- BA, 1960, Pacific Lutheran University

College of Engineering

Department of Bioengineering

Weidner, Marcus Tobias

Research Assistant Professor, Bioengineering, effective 4/1/2011

Prior UW Appointment:

Senior Fellow, Bioengineering

Degrees:

- PhD, 2006, University of Kassel (Germany)
- Diploma, 2002, University of Kassel (Germany)

Zheng, Ying

Research Assistant Professor, Bioengineering, effective 3/29/2011

Degrees:

- PhD, 2008, University of Michigan
- BS, 2002, University of Science and Technology of China

Department of Industrial and Systems Engineering

Chaovalitwongse, Wanpracha Art

Associate Professor, Industrial and Systems Engineering, effective 6/16/2011

Prior Non-UW Appointment:

Associate Professor, Industrial & Systems Engineering,
Rutgers University

Prior UW Appointment:

Affiliate Associate Professor, Industrial and Systems
Engineering

Degrees:

- PhD, 2003, University of Florida
- MS, 2000, University of Florida
- Bachelor Of Engineering, 1999, King Mongkut Institute of Technology (Thailand)

College of the Environment

School of Aquatic and Fishery Sciences

Laidre, Kristin L.

APL Assistant Professor without Tenure, Aquatic and Fishery Sciences, effective 3/14/2011

Prior Non-UW Appointment:

Oceanographer, UW Applied Physics Lab

Degrees:

- PhD, 2003, University of Washington
- BS, 1999, University of Washington

School of Law

School of Law

Sanford, Sallie Thieme

Assistant Professor without Tenure, Law, effective 1/1/2011

Prior UW Appointment:

Acting Assistant Professor, temporary, Law

Degrees:

- JD, 1991, University of California (Los Angeles)
- BA, 1986, Brown University

School of Medicine

Department of Bioengineering

Studholme, Colin B.

Professor without Tenure, Bioengineering, effective 4/16/2011

Prior Non-UW Appointment:

Associate Professor, Radiology and Biomedical Imaging,
University of California, San Francisco

Degrees:

- PhD, 1997, University of London (UK)
- MSC, 1991, University of Edinburgh (UK)
- Bachelor in Engineering, 1990, University of Bradford (England)

Department of Medicine

Bar, Merav

Assistant Professor without Tenure, Medicine, effective 2/1/2011

Prior UW Appointment:

Clinical Instructor, Salaried, Medicine

Degrees:

- MD, 1999, Hebrew University (Israel)
- Bachelor Of Mechanical Science, 1994, Hebrew University (Israel)

Martin, Daniel B.

Assistant Professor without Tenure, Medicine, effective 3/1/2011

Prior UW Appointment:

Lecturer Part-Time, Medicine

Degrees:

- MD, 1995, Yale University
- BS, 1989, Cornell University

Department of Obstetrics and Gynecology

Gammill, Hilary Seglin

Assistant Professor without Tenure, Obstetrics and Gynecology, effective 1/2/2011

Prior UW Appointment:

Acting Assistant Professor, temporary, Obstetrics and Gynecology

Degrees:

- MD, 1999, University of Washington
- BA, 1993, Amherst College

Department of Pediatrics

Studholme, Colin B.

Professor without Tenure, Pediatrics, effective 4/16/2011

Prior Non-UW Appointment:

Associate Professor, Radiology and Biomedical Imaging, University of California, San Francisco

Degrees:

- PhD, 1997, University of London (UK)
- MSC, 1991, University of Edinburgh (UK)
- Bachelor in Engineering, 1990, University of Bradford (England)

Department of Psychiatry and Behavioral Sciences

Ferguson, Susan

Assistant Professor without Tenure, Psychiatry and Behavioral Sciences, effective 4/1/2011

Prior UW Appointment:

Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- PhD, 2004, University of Michigan
- BS, 2000, University of Michigan

School of Public Health

Department of Health Services

Ceballos, Rachel M.

Assistant Professor without Tenure, Health Services, effective 5/1/2011

Prior UW Appointment:

Affiliate Assistant Professor, Health Services

Degrees:

- PhD, 2005, Pennsylvania State University
- MS, 2002, Pennsylvania State University
- BA, 1998, California State University (Long Beach)

University of Washington, Bothell

Interdisciplinary Arts and Sciences Program, Bothell

Carlisle, Shauna Kenlyn

**Assistant Professor, Interdisciplinary Arts and Sciences,
Bothell, effective 9/16/2011**

Prior UW Appointment:

Teaching Associate, Interdisciplinary Arts and Sciences,
Bothell

Degrees:

- PhD, 2010, University of Washington
- Master Of Social Work, 2002, University of Washington
- BA, 1995, University of Manitoba (Canada)

Faber, Crispin Thurlow

**Associate Professor, Interdisciplinary Arts and Sciences,
Bothell, effective 3/16/2011**

Prior UW Appointment:

Associate Professor, Communication

Degrees:

- PhD, 2001, Cardiff University (Wales)
- MA, 1996, University of Sheffield
- MED, 1990, University of Natal (South Africa)
- BA, 1989, University of Natal (South Africa)

Silva, Janelle Mellissa

**Lecturer, Full-time, Interdisciplinary Arts and Sciences,
Bothell, effective 9/16/2011**

Degrees:

- PhD, 2010, University of California (Santa Cruz)
- MS, 2007, University of California (Santa Cruz)
- BA, 2004, University of California (Santa Cruz)

Science and Technology, Bothell

Hill, Erin Manette

**Lecturer, Full-time, Science and Technology, Bothell, effective
4/1/2011**

Prior UW Appointment:

Affiliate Instructor, Interdisciplinary Arts and Sciences,
Bothell

Degrees:

- PhD, 2009, University of California (Irvine)
- MS, 2006, University of California (Irvine)
- BS, 2004, University of Washington

University of Washington, Tacoma

Social Work Program, Tacoma

Ackerman, Alissa

Assistant Professor, Social Work, Tacoma, effective 9/16/2011

Prior Non-UW Appointment:

Full-time Lecturer, Sociology, University of California,
Merced

Adjunct Professor, Sociology, University of the Pacific

Degrees:

- PhD, 2009, City University of New York
- MPHIL, 2008, City University of New York
- MA, 2006, City University of New York
- BS, 2003, Florida State University
- Associate Of Art (AA), 2002, Northwood University

Urban Studies Program, Tacoma

Friedman, Debra

Professor, Urban Studies, Tacoma, effective 7/1/2011

Degrees:

- PhD, 1983, University of Washington
- MA, 1978, University of Washington
- BA, 1976, Adelphi University

ADDENDUM

NEW APPOINTMENT

School of Law

Young, Michael Kent

Professor, Law, effective 7/1/2011

Prior Non-UW Appointment:

President and Distinguished Professor, Law, University of Utah

Degrees:

- JD, 1976, Harvard University
- BA, 1973, Brigham Young University (Utah)

VII. STANDING COMMITTEES

A. Academic and Student Affairs

Establishment of Master of Sustainable Transportation DegreeRECOMMENDED ACTION:

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the Department of Civil & Environmental Engineering to offer the Master of Sustainable Transportation degree program, effective Autumn Quarter 2011. This is a self-sustaining professional program offered in coordination with UW Educational Outreach (UWEO). The degree program will have provisional status with a review to be scheduled in the 2016-2017 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

BACKGROUND:

In March 2010, the Graduate School received a Planning Notification of Intent (PNOI) from the graduate faculty in the Department of Civil & Environmental Engineering requesting authority to develop the self-sustaining Master of Sustainable Transportation degree program. The PNOI was circulated to stakeholders across campus, then submitted to the Higher Education Coordinating Board which granted permission to develop in June 2010. The full degree proposal was submitted in October 2010. Implementation is planned for Autumn Quarter 2011, with the program anticipating 18 degrees granted per year at maturity.

The practice-oriented Master of Sustainable Transportation addresses the major issues surrounding sustainable transportation. This 42 credit program will develop students' awareness of the sustainable engineering strategies and will provide the students with a solid background that can be applied in practice. This emphasis fits in with the University of Washington's sustainability mission, which is part of the university's strategic plan. The Master of Sustainable Transportation will be a self-sustaining program, available via distance delivery through software that allows for real time class sessions emphasizing class participation. Online instruction allows for students from geographic locations both within and outside the Puget Sound region.

In October 2010, the Graduate School appointed two reviewers to evaluate the Master of Sustainable Transportation proposal. The reviewers both supported approval of the degree program. Each reviewer made specific recommendations on the program, to which the program provided detailed responses.

The Graduate School Council met on December 9, 2010, to discuss the Master of Sustainable Transportation degree proposal. The Council

VII. STANDING COMMITTEES

A. Academic and Student Affairs

Establishment of Master of Sustainable Transportation Degree (continued p. 2)

recommended unanimously that the proposal be forwarded to the Higher Education Coordinating Board for review and approval. The Vice Provost and Dean of the Graduate School concurred with this recommendation.

On March 8, 2011, the Higher Education Coordinating Board Education Committee discussed the full Master of Sustainable Transportation proposal, which was then considered by the full Higher Education Coordinating Board on March 31, 2011. The Board approved the proposal by the Department of Civil & Environmental Engineering at the University of Washington to offer the Master of Sustainable Transportation.

The Vice Provost and Dean of the Graduate School, the Dean of the College of Engineering, and the Provost have reviewed and approved the recommendation. The Higher Education Coordinating Board will be informed of the Board of Regents' action on the Master of Sustainable Transportation.

VII. STANDING COMMITTEES

A. Academic and Student Affairs

Academic & Student Affairs Committee Calendar Discussion

For information only.

Interim Provost and Executive Vice President Mary Lidstrom will lead a discussion of the Committee's agenda calendar.

Attachment:

A&SA Committee Draft Topic Calendar

**Academic and Student Affairs Committee of the Board of Regents
Draft Topic Calendar**

MONTH/ TOPIC	September	October	November	January	February	March (UWT or UWB)	May	June	July
Regular actions	Academic and Administrative Appointments (Academic HR)								
	Degrees and Certificates—Establishment or Naming (Graduate School)								
								Granting of degrees	
								Services & Activities Fees & Tech Fees (Seattle, Bothell, Tacoma)	
Regular information	Monthly Faculty Presentations (invited by Provost)								
						UWB/UWT Student Presentation			Annual ICA Report
				Monthly Legislative Report (Joint Committee "A" item)					
Budget (Joint Committee, "F" item)							FY budget—review draft	FY budget—approve	
								Biennial budget, even years—review draft	Approve biennial budget (even years)
Proposed topics with suggested month	Teaching & Learning (Fall '11 Technology) VP/Dean UAA + others	Diversity VP OMAD	Research VPR	Access	Student Services VP Student Life	Academic Performance (AKA Student Outcomes)	Student Presentation (Seattle student govt or student Regent)	Alumni Association Executive Director, UWAA	Grad School (Grad student funding/financial aid) VP/Dean

Related University Events											
MONTH/ TOPIC	September	October	November	December	January	February	March	April	May	June	July
UNIVERSITY ACTIVITIES/ DEADLINES	Freshman Convocation	President's Annual Address	Faculty Senate Quarterly Mtg	Admissions deadline (Dec)			Faculty Senate Quarterly Mtg			Recognition Ceremony (Regents Day, 3:30-5:00)	Faculty Senate Quarterly Mtg
										Graduation	

VII. STANDING COMMITTEES

A. Academic and Student Affairs

Guiding Principles for Tuition Setting

For information only.

Regent Frances Youn will lead a discussion featuring comments by students on tuition setting.

Guiding Principles for Tuition Setting:
"The Triple T's"



Accountability.

Quality.

Affordability.

Students

Predictability.

Accessibility.

Transparency

Strategic
Investments.

Trust

Team Identity

Trust



Transparency



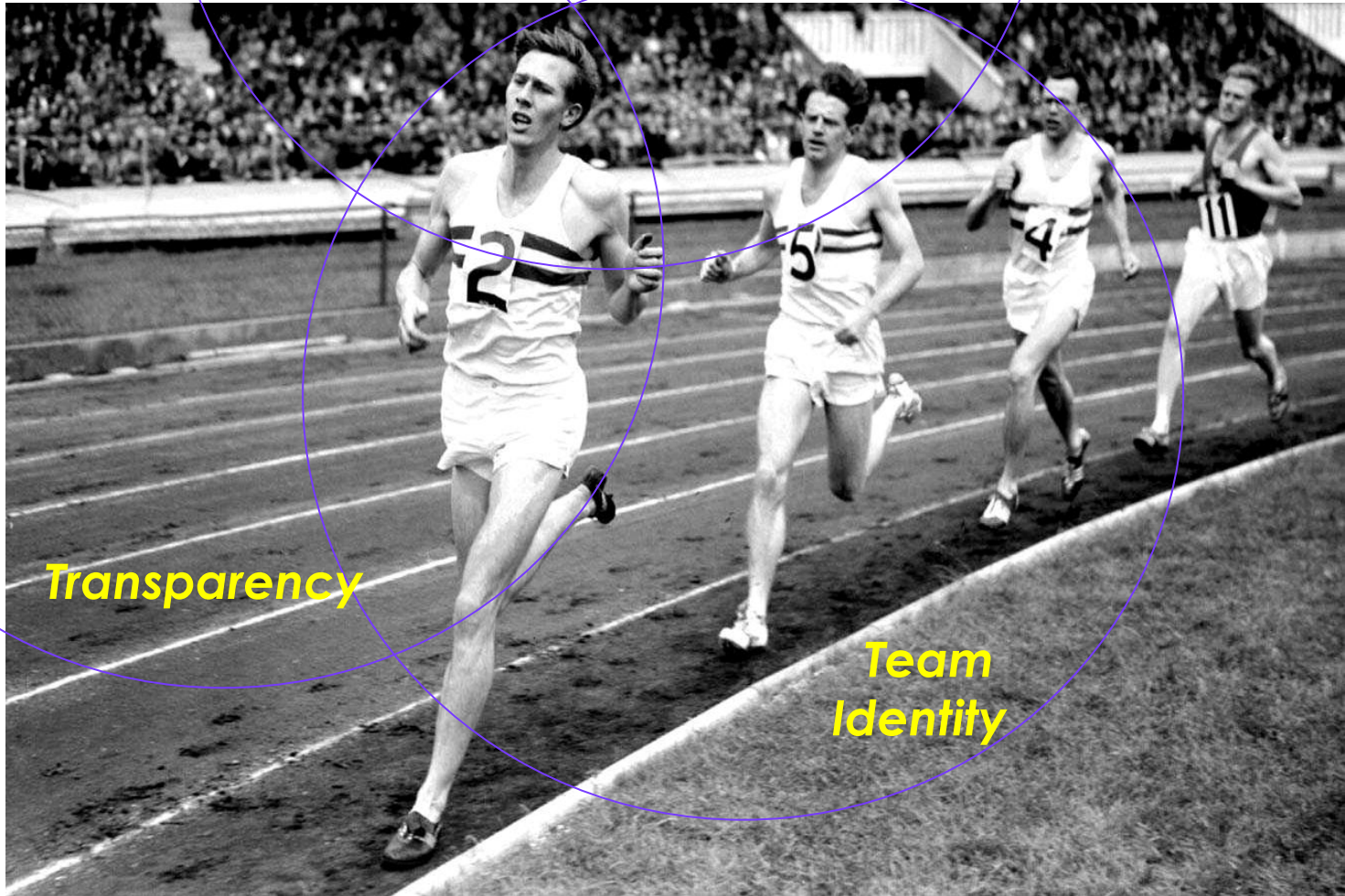


Team Identity

Board of Regents



Trust



Transparency

**Team
Identity**

The University of Washington's “4 minute mile”



Guiding F



Jennifer Wiley

Principal, Franklin High School, Seattle Public Schools

Trust

Team Identity



Jennifer Wiley

Principal, Franklin High School, Seattle Public Schools

Education

- Doctoral degree in educational leadership and policy studies, University of Washington
- Master's degree in educational leadership and policy studies, University of Washington
- Bachelor's degree in music education, the Conservatory of Music, University of the Pacific in Stockton, Calif.

Career path

- Music and math teacher, Hayward CA
- Assistant principal, Shorewood High School, Shoreline WA
- Principal, Summit K-12, Seattle WA
- Principal, Franklin High School, Seattle WA

Research

Her doctoral research examined the unique challenges and opportunities for school leaders and children in township schools in post-apartheid South Africa.

Background

Born in Spokane, Wash., Jennifer attended Catholic schools on a scholarship and was the first in her family to go to college. In high school, she swam and ran track and played softball, basketball and soccer. She began music lessons at age five and studied music and applied/math physics in college. For the last eight years, she has been principal at Franklin High School in Seattle's South End.

About Franklin High School

- 96 percent of Franklin’s students are students of color.
- 69 percent of all students qualify for free and reduced lunches.
- 88 percent of Franklin’s 2009 senior class reported that they were going to four-year or two-year colleges.
- The school — which turns 100 next year — is steeped in history and boasts a roster of famous alumni from Chicago Cub Ron Santo to musician Kenny G to former Gov. Gary Locke to baseball great Fred Hutchinson.

Turning point

Jennifer had been teaching in California for five years when she weighed whether to continue in education or pursue a career in civil rights law as a result of experiencing first-hand the disparate education opportunities that students in urban centers often experience. She was studying for the LSAT when she interviewed for the UW College of Education’s Danforth Educational Leadership Program, an intensive one-year program that trains principals and administrators. After much consideration, she realized she could make the most direct impact on educational inequities by working directly with young people.

On why she chose the UW for graduate study

“The UW school of education has a clear social justice agenda. Other public institutions I looked at did not have the courage to explicitly address the moral endeavor of public education. UW staff created a sense of urgency about the direct link between a healthy and representative democracy and public education like no other.” As the beneficiary of a private school education, she wanted to replicate the rigor and power of that educational model in a public school to ensure that every child in any school can secure the future of his or her dreams irrespective of race or class or other historical barriers.

Her story

At the Franklin High School graduation ceremonies in 2009, the principal wore purple. When she rose to address the 259 graduating seniors, she assured them she was not wearing the purple of Franklin’s rival high school. She was wearing Husky purple because she, too, had graduated that very weekend with her doctorate in education from the University of Washington.

She wanted to show her students that if she could be the first in her family to go to college and ultimately earn her doctorate, so could they. Like her students, Jennifer Wiley has traveled a long, challenging road to where she is.

“A public school can be every bit as powerful and potent as a private school but without the second-class citizenry,” she said. “When students come across the threshold of a schoolhouse, all things are possible. Good education should never be left to chance for our young people. We ought to make it a national priority to secure the very best experiences for every child in the U.S.”

Jennifer readily admits that not all of Franklin’s students will go to college, and that it’s not necessarily the right choice for everyone. But, she wants to make sure that every student who graduates has the choice.

VII. STANDING COMMITTEES

A. Academic and Student Affairs

Update on Research: Past Trends, Current Status and Future Prospects for Research Funding

For information only.

David Eaton, Interim Vice Provost for Research, will provide a short summary of trends in federal research funding over the past decade, including UW growth and market share. He will provide some highlights of recent new major awards, as well his perspectives on federal funding of research in the coming years.



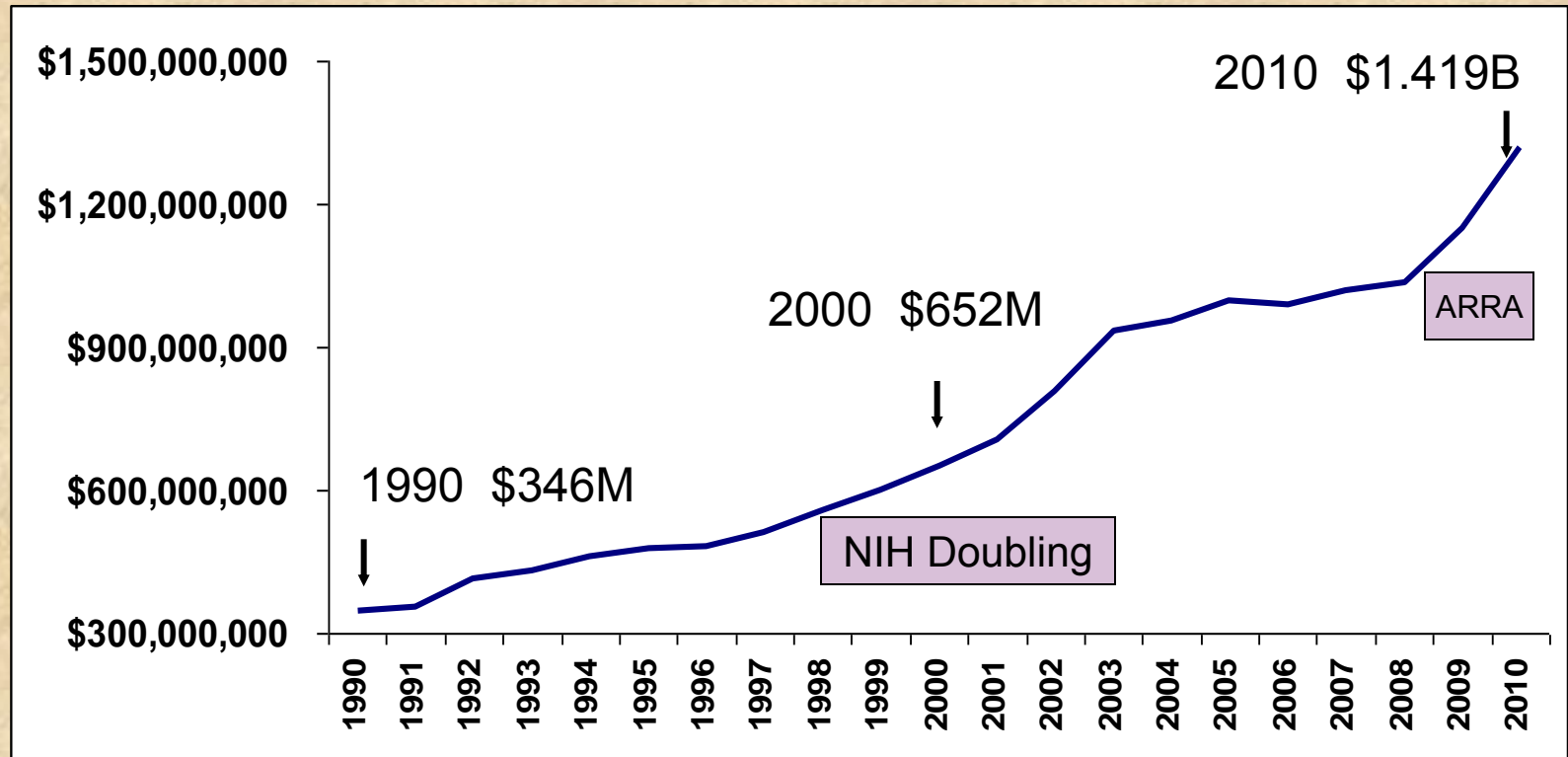
Dr. Eaton is a professor in the School of Public Health and Director of the Center for Ecogenetics & Environmental Health. He is an Associate Vice Provost for Research, currently serving as Interim Vice Provost. Dave received his Ph.D. in pharmacology from the University of Kansas Medical Center (KUMC) in 1978. He joined the UW faculty as an Assistant Professor of Environmental Studies and Environmental Health in 1979. He is now Professor of Environmental and Occupational Health Sciences, and also holds adjunct appointments in Public Health Genetics and Medicinal Chemistry. He served as Associate Dean for Research in the School of Public Health from 2000-2005, and as Associate Vice Provost for Research from 2005-2010. He is currently founding Director of the Center for Ecogenetics and Environmental Health at the University of Washington, and Interim Vice Provost for Research, at the UW. Nationally, he has served as President of the Society of Toxicology and on numerous other Boards and Commissions, including the NAS/NRC Board of Environmental Studies and Toxicology; he has chaired or served on numerous National Academy committees dealing with controversial areas in toxicology, such as ‘safe’ levels of arsenic in drinking water, evaluation of the EPA’s Risk Assessment on Dioxins in the environment, and a review of the federal strategy to address environmental health and safety issues related to nanomaterials. He has published over 150 scientific articles and book chapters in the field of toxicology, and is author of several key textbook chapters on the principles of toxicology, such as ‘Casarett and Doull’s Toxicology’, ‘Comprehensive Toxicology’ and ‘Textbook of Clinical Occupational and Environmental Medicine’. Dr. Eaton is an Elected Fellow of the American Association for the Advancement of Science and the Academy of Toxicological Sciences, and is a Lifetime National Associate of the National Academies of Sciences.

Update on Research Funding

What does the future hold?

Dave Eaton
Interim Vice Provost for Research
and
Professor and Director,
Center for Ecogenetics & Environmental Health

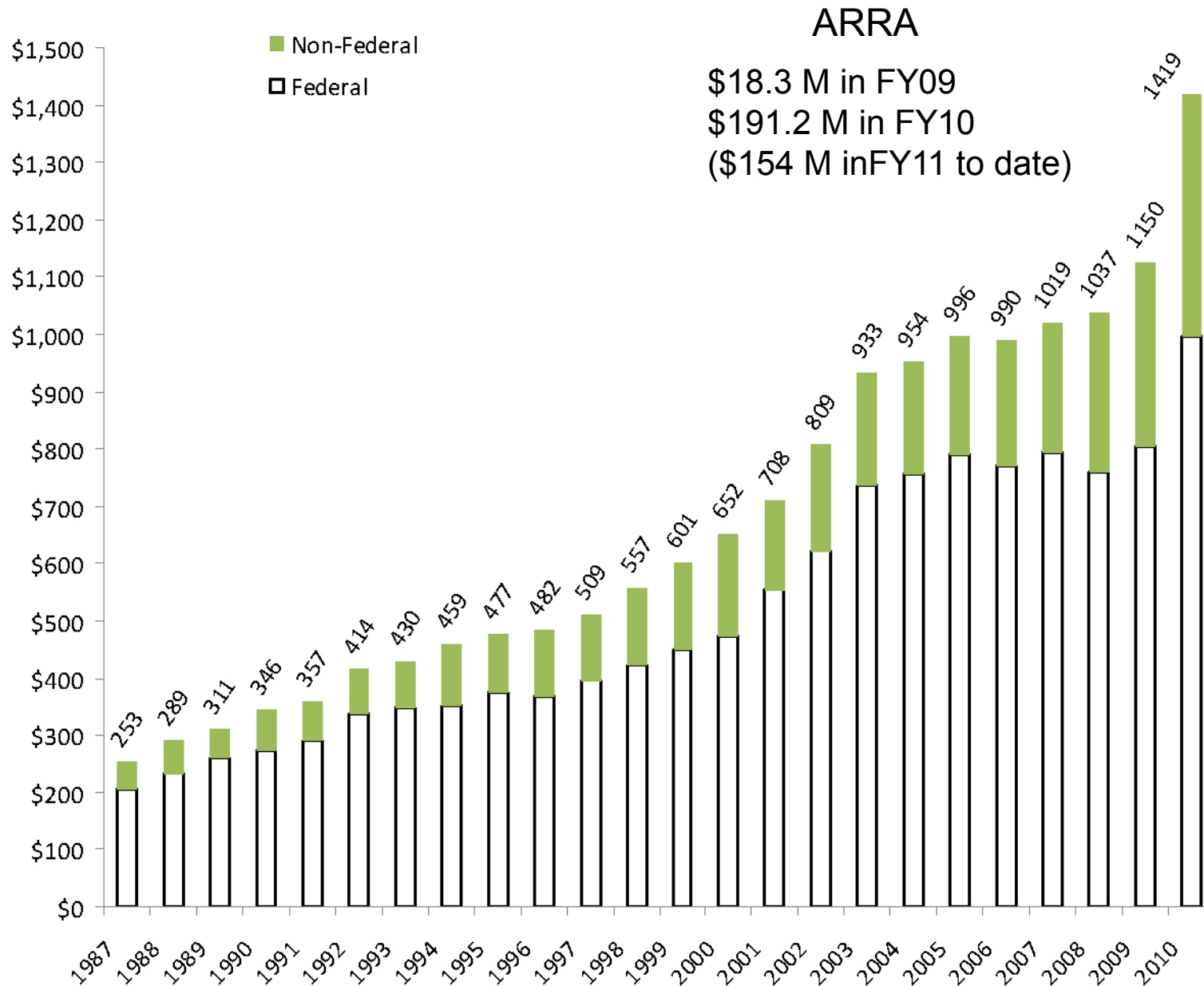
UW Grant & Contract Funding Trends 1990 - 2010



- Research funding has doubled twice in the past 20 years
- Major increases during the period of NIH doubling 1998-2003.

Long-term: President Obama has made a strong commitment to increased research funding; Research funding has typically had bi-partisan support

Total Grant and Contract Awards by Year (in Millions) Fiscal Years 1987-2010

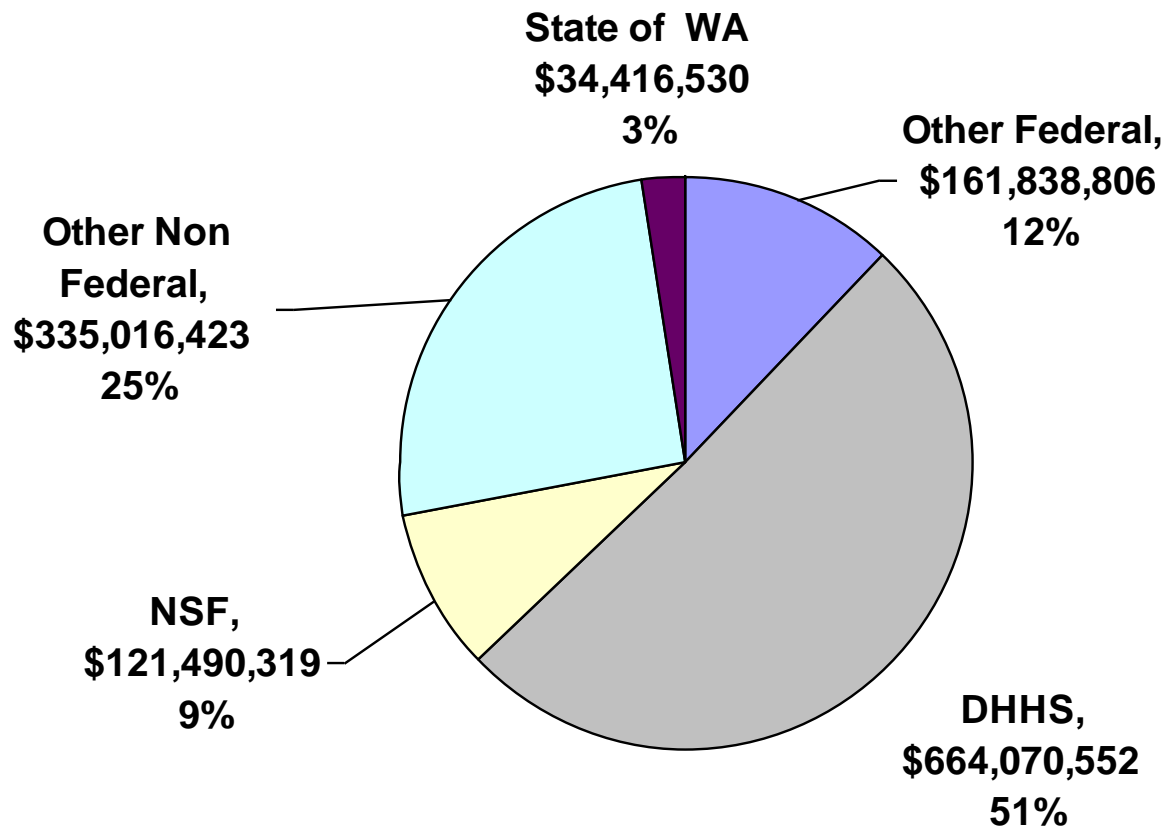


FY2010- Basic Facts

- UW was awarded 5,454 awards totaling \$1.42 billion
 - fourth consecutive year over a billion dollars
- 70% from federal, 30% from non-federal sources
 - Federal awards over \$996 million
- Generated nearly \$500 million in salaries, including:
 - \$163M for faculty salaries
 - \$208.6M for staff salaries
- UW received 498 ARRA awards worth \$191.2M
 - 1st in the country in receipt of NIH ARRA awards.

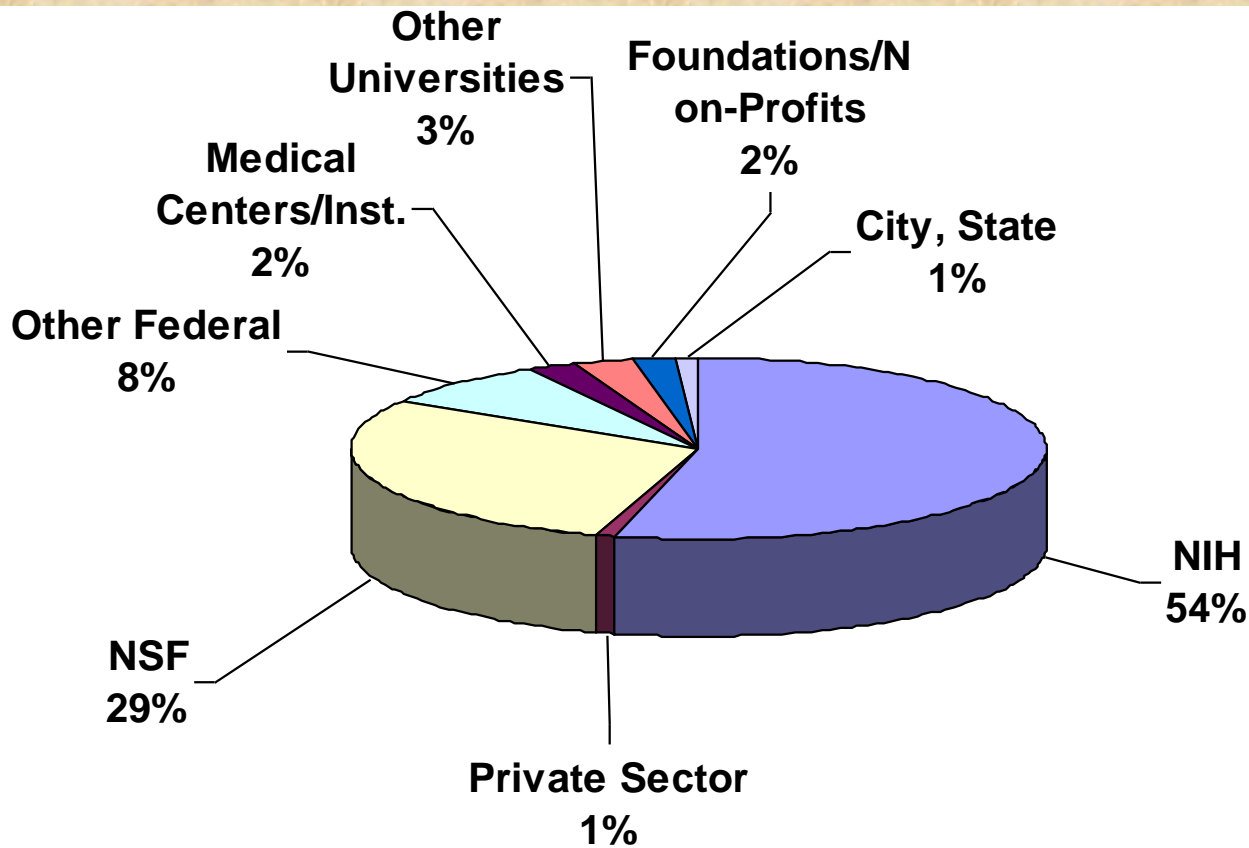
UW G&C Awards FY 2010

\$1.42 Billion

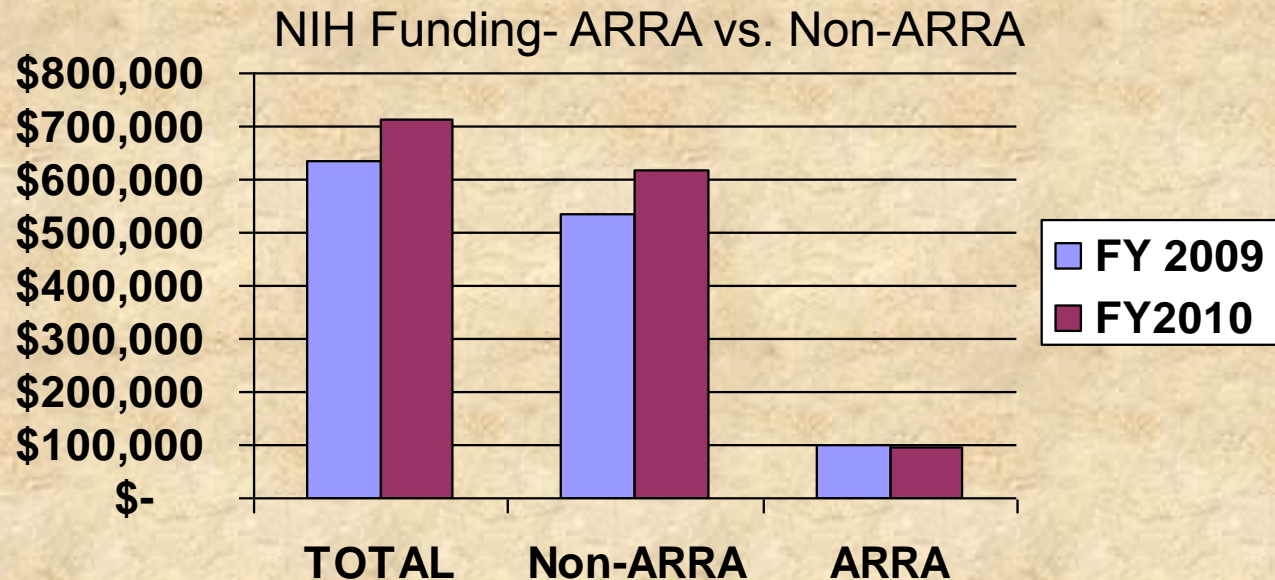


ARRA Funding 2009-2011

747 Awards worth \$365 Million



Federal Funding: ARRA vs. Non-ARRA awards

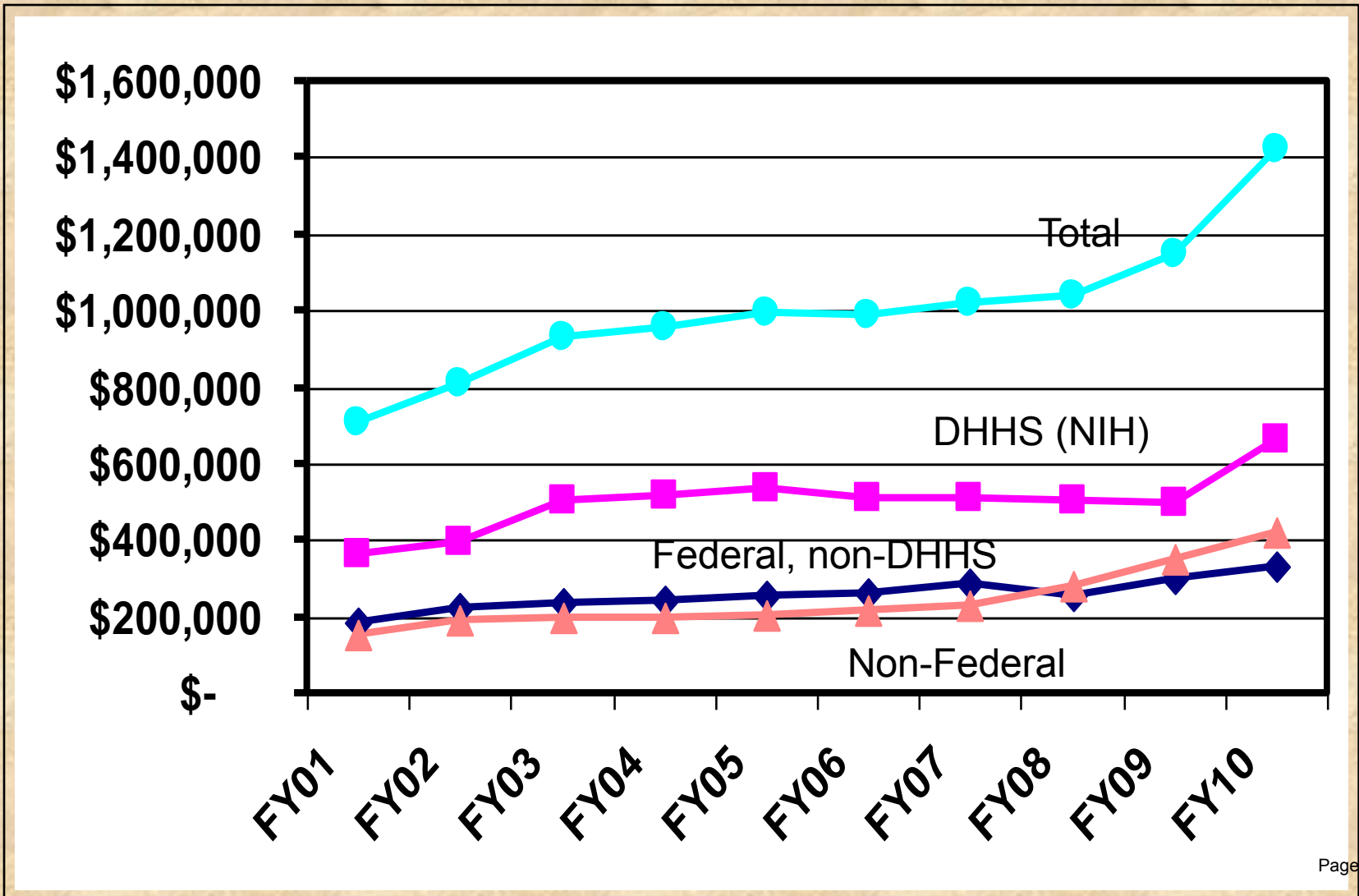


ARRA Research Funding Impacts:

- 658 FTE = jobs created or maintained
 - Largely specialized and technical jobs
 - Students, post-docs, technicians, some support staff
 - Very little overlap with State budget cut-related jobs
- Immediate economic stimulation (direct + indirect)
- At the end of 2 years, funding will drop ~ 15%
- But Base will have increased (perhaps >15%!)

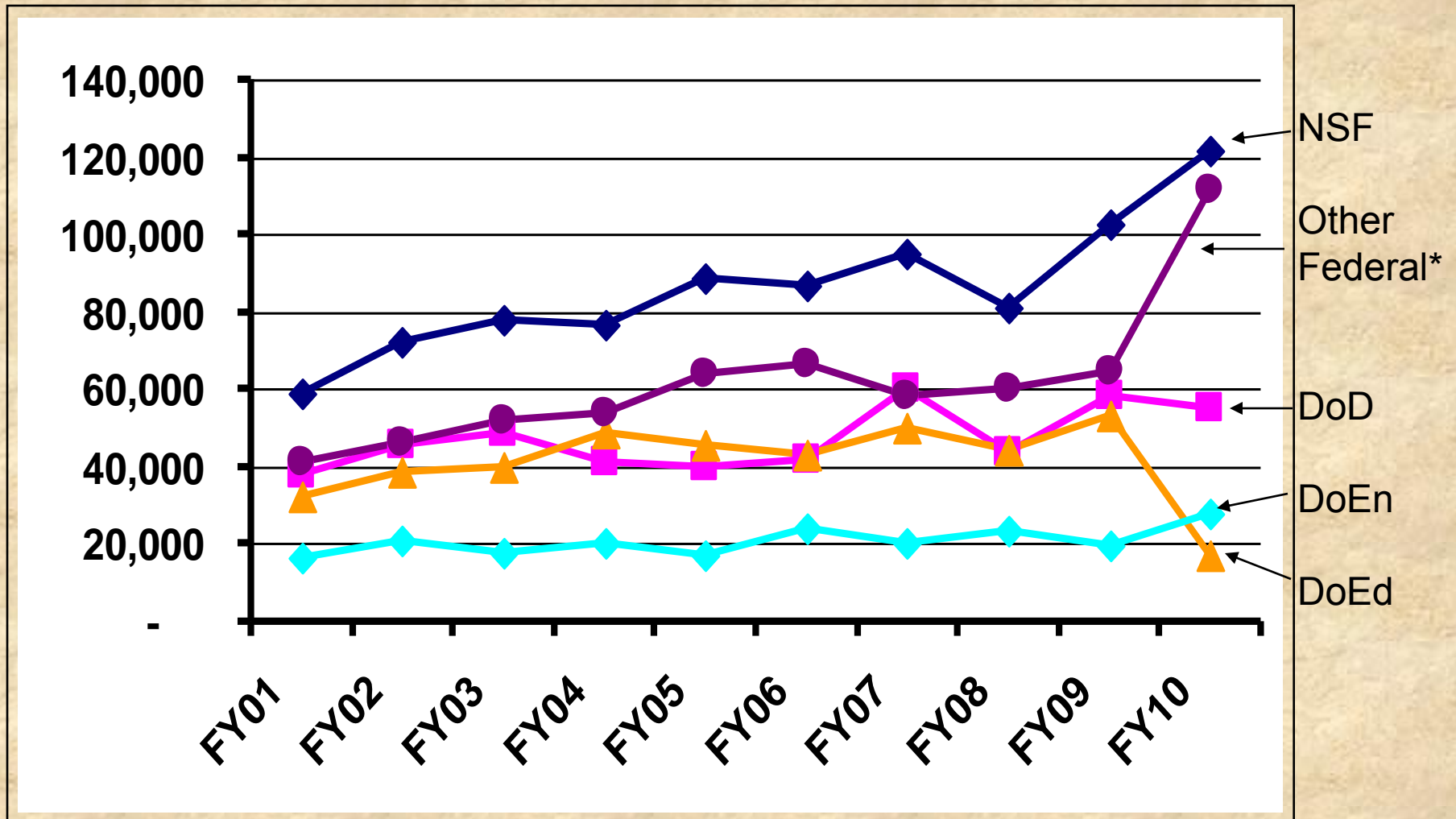
Federal and non-Federal Funding Trends

FY 2001-2010 (Includes ARRA funding)



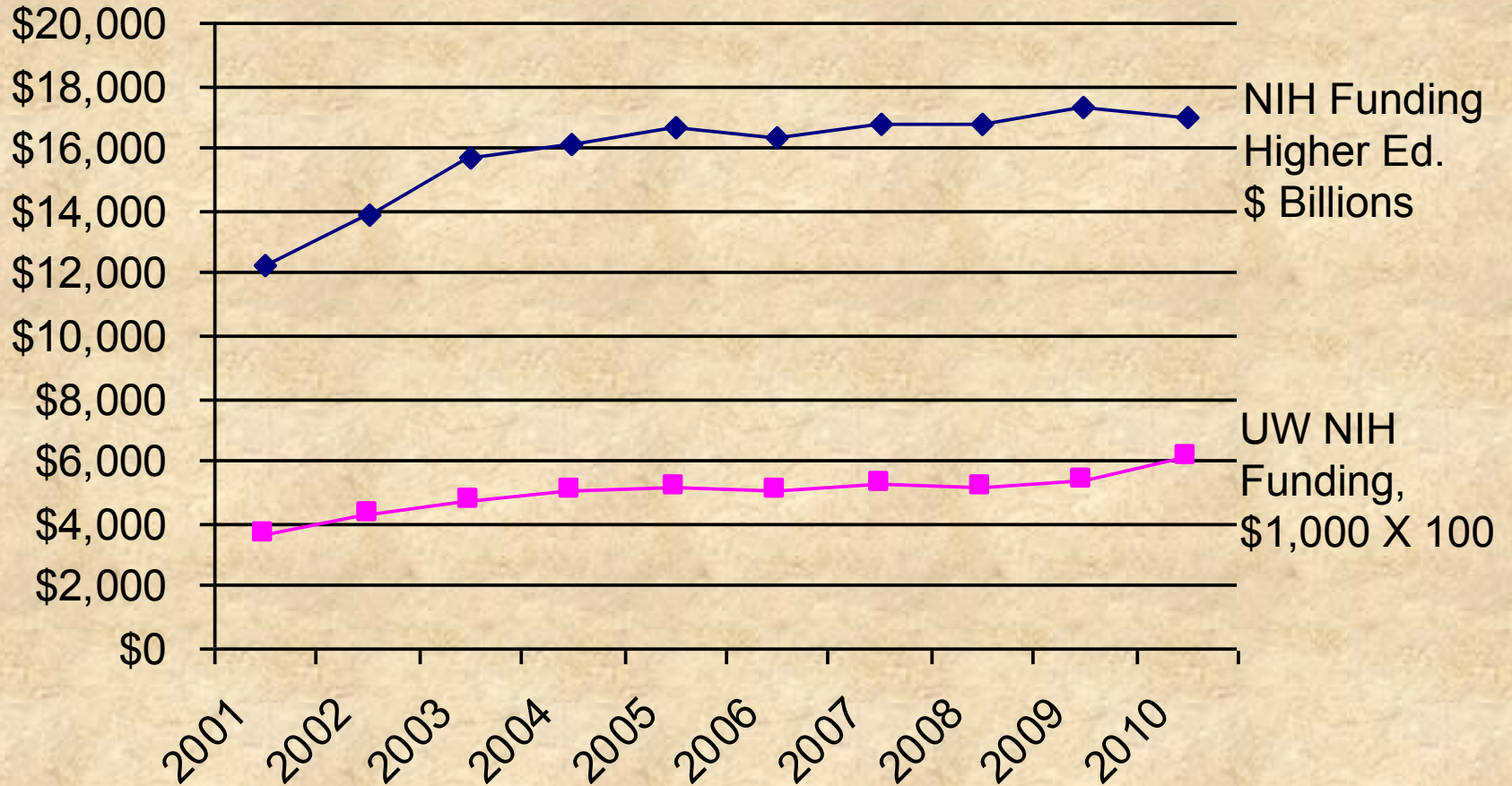
Federal, Non-DHHS Funding

FY 2001-2010 (includes ARRA)



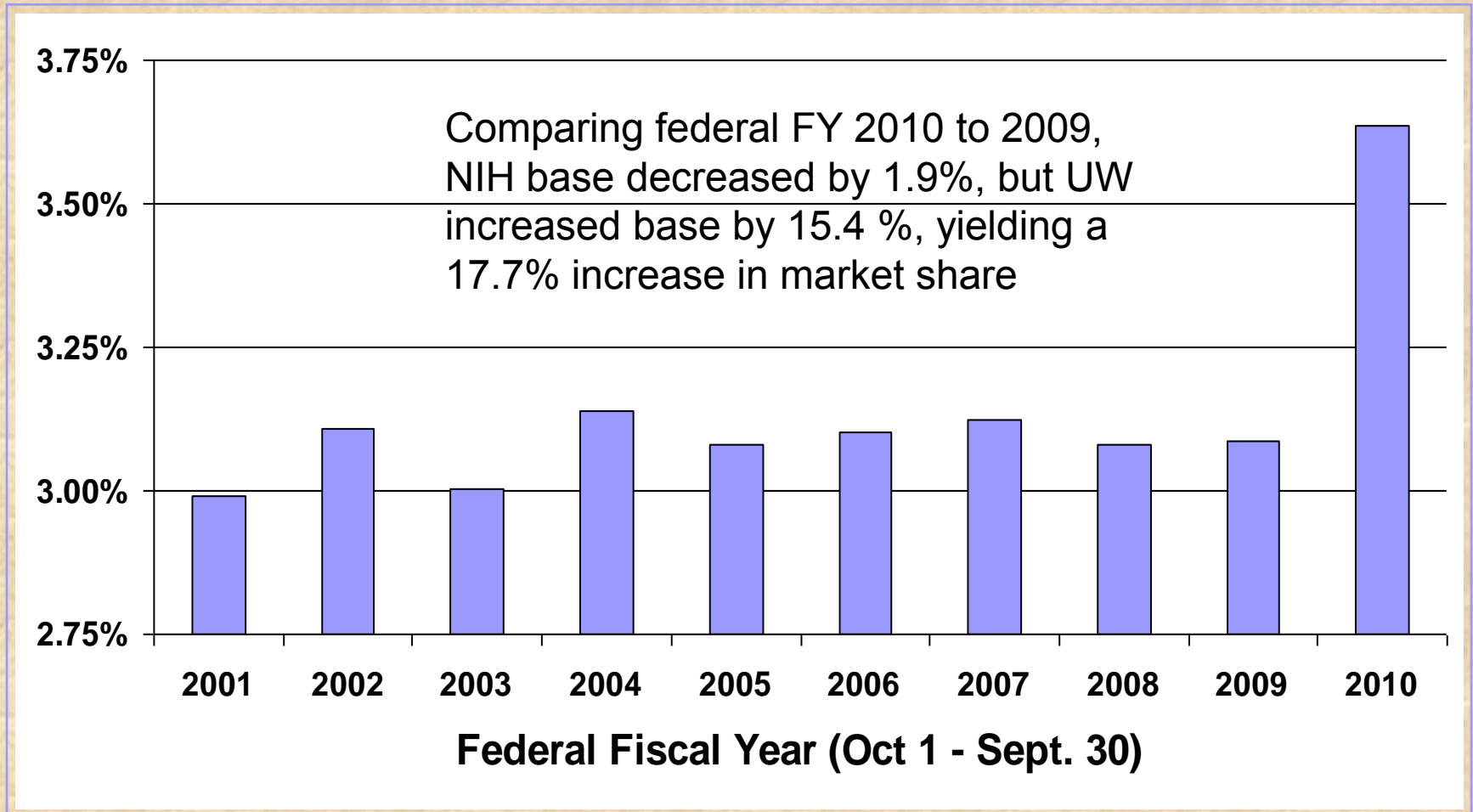
*FY2010 includes \$62M grant from HRSA for Global Health

UW -NIH Funding

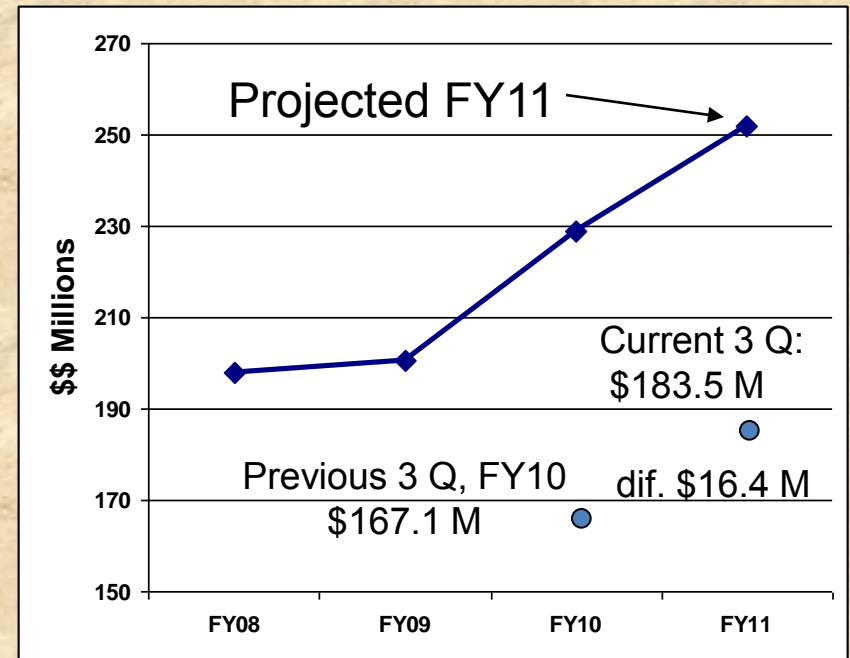
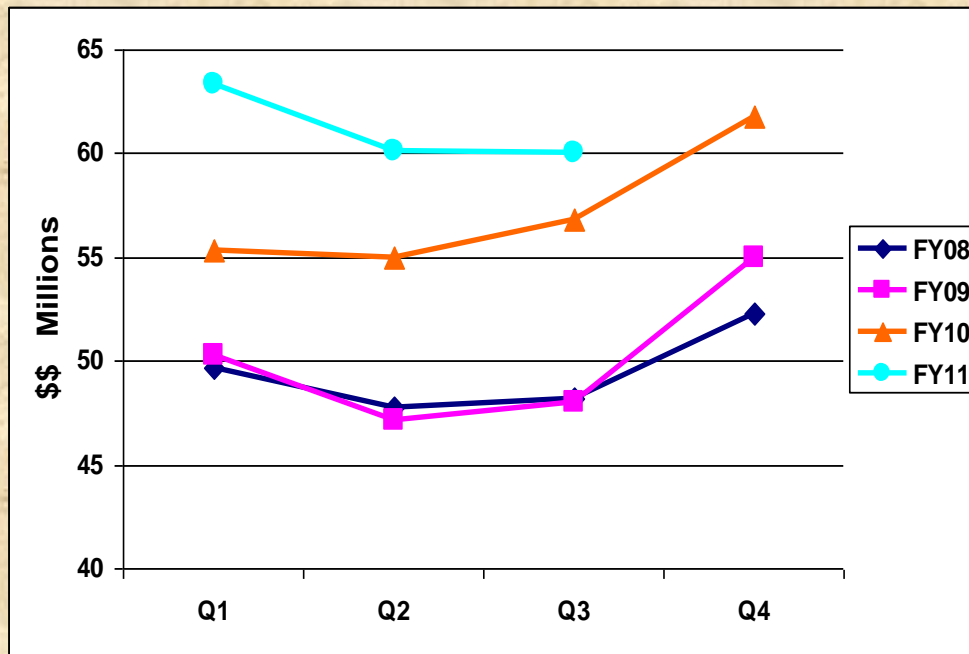


UW “Market Share” of Base* NIH funding to Academic Research Institutions

(*Excluding ARRA funding received in FY2009 and 2010)



Indirect Cost Recovery Revenue Trends



What Are the Results of Research?

- Trained workforce
- Breakthroughs that lead to public benefit
 - Healthcare
 - Energy
 - Environment
 - Communications
 - Sustainable cities
- Intellectual property that leads to companies and jobs



The Chronicle of Higher Education

September 28, 2010

The Top 100 Institutions in Federally Financed R&D Expenditures, 2009

Rank	Institution	2009 \$\$, x 1000
1	Johns Hopkins U.	\$1,587,547
2	U. of Michigan (all campuses)	\$ 636,216
3	U. of Washington (all campuses)	\$ 619,353*
4	Massachusetts Inst. Technol.	\$ 532,618
5	U. of California, San Diego	\$ 511,428

*NSF chronically 'under-reports' UW grants and contract awards from federal agencies, for reasons I'm don't know! Our data indicate that we had FY2009 expenditures on Federal G&C of **\$707,963,586**.

UW Global Ranking by HEEAC, 2010

“Higher Education Evaluation & Accreditation Council of Taiwan” (HEEACT)

- This ranks institutions only on the impact of research, based on the number and quality of scientific publications
- Considers overall ranking based on detailed assessment in 6 science areas: Clinical, Life, Natural, Engineering, Social, Agricultural and Environmental

Rank	Institution	'Score'
1	Harvard	96.3
2	Stanford	50.3
3	J. Hopkins	49.9
4	Univ. Wash.	49.0
5	UCLA	48.4
6	UC-Berkeley	46.4
7	MIT	46.1
8	Univ. Mich.	45.9
9	Univ. Toronto	43.7
10	Oxford U.	42.8

Summary – future research funding

- Federal funding for research will, at best, remain flat for the next several years
 - F&A rate will go down 2%, from 56% to 54% (main campus)
- In order to ‘grow’ our research, we will need to increase our ‘market share’
 - Happened in FY 2010 for NIH funding; less clear with NSF
 - Develop central support program for large, interdisciplinary grants
 - Provide seed funding for innovative interdisciplinary programs
 - Invest in new facilities that attract and retain top faculty
- And/or, we will need to seek new sources
 - Examples –USDA grant for \$40M; HRSA grant for \$62M
 - Industry funding has not been a substantial part of our portfolio – an area for potential growth if economy continues to recover
 - Seek ‘entrepreneurial’ faculty and foster partnerships – C4C
 - Increasing support from foundations is helpful, but has a serious down-side: low Indirect Cost recovery

Threats to the Research Enterprise

- Decreases in federal funding for research
- Loss of key faculty
 - Retirements
 - Loss to other Universities, particularly ‘privates’ (retention)
- Ability to recruit top new faculty, retain current stars
 - Competitive salaries
 - Competitive start up funds
 - Excellent facilities
 - Family support / spousal hires

VII. STANDING COMMITTEES

A. Academic and Student Affairs

in Joint Session with

B. Finance, Audit and Facilities

Establishing a Universal Student U-PASS Fee

RECOMMENDED ACTION:

It is the recommendation of the administration, the Academic and Student Affairs Committee, and the Finance, Audit and Facilities Committee that the Board of Regents authorize for the Seattle Campus:

- 1) Collection of a new voluntary student fee of \$76 per academic quarter maintained by students upon themselves pursuant to RCW 28B.15.610 and intended to fund universal access by Seattle Campus students to the U-PASS program (Universal Student U-PASS Fee hereafter.)

The establishment of this voluntary fee was approved by a majority vote of the student senates in ASUW Resolution R-17-2 and GPSS Resolution 10.27-11.

BACKGROUND:

The UW's U-PASS program was established in 1991 by the Associated Students of the University of Washington (ASUW) and Graduate and Professional Student Senate (GPSS) in partnership with UW Transportation Services to provide an unlimited right to ride transit product to UW students at a significantly reduced price. Additional bundled services to support students who walk and bike, carpool, or who mix their travel modes were included to create a deeply integrated multimodal travel option that mimicked the utility of a private automobile at a fraction of the cost.

Today, U-PASS provides participants with unlimited rides on the bus, train, and light rail service of six regional transit agencies, reduced cost access to Zipcar, vanpool subsidies, discounted carpool parking, bicycle and pedestrian infrastructure enhancements and programming, the NightRide shuttle service, and a variety of merchant discounts.

Participation grew steadily for the first eighteen years of the program. U-PASS became central to the UW student experience providing an inexpensive mobility solution for school, work, volunteering, and social activities. Transit use became the social norm among students and the UW benefitted through reduced

VII. STANDING COMMITTEES

A. Academic and Student Affairs

in Joint Session with

B. Finance, Audit and Facilities

Establishing a Universal Student U-PASS Fee (continued p. 2)

greenhouse gas emissions, reduced traffic congestion, and improved relations with our University District neighbors.

The economic downturn that began in 2008 triggered two significant trends that placed the U-PASS program in financial peril. First, the average number of rides taken by existing program participants increased by approximately 20%. Second, regional transit agencies, challenged by declining sales tax receipts, began a series of fare increases. These factors compounded to rapidly increase the University's overall cost to operate the program.

At the same time, the University's ability to generate funds to subsidize the program began to suffer erosion from the City of Seattle's new commercial parking tax and from decreasing participation in the University's parking program. The result was significant increases in U-PASS prices as program participants were asked to bear a greater percentage of the rapidly increasing program costs.

During 2008, Transportation Services struggled to achieve substantive cost savings in either transit contract costs or tax burden. In order to keep the program solvent, the department instituted the most significant U-PASS price increase since the program began with the price of a Student U-PASS increasing 98% from \$50 to \$99. Within six months, it was evident that student price sensitivity was greater than anticipated. Participation began to plummet and low-intensity users began to leave the system, further increasing the average cost per program participant.

At the beginning of 2010, Transportation Services developed and began implementation of a new business plan that has the potential to place the U-PASS on sound financial footing for the next five years. An executive summary of this plan was included in Transportation Services May 2010 presentation to the Board of Regents. Implementation continues and most indicators point toward the plan being successful.

Parallel to Transportation Services development of a revised business plan, students took up the question of the U-PASS's future. ASUW, in partnership with GPSS, convened the Student Transportation Taskforce. Central to the Taskforce's work was a survey of the university community to gauge student

VII. STANDING COMMITTEES

A. Academic and Student Affairs

in Joint Session with

B. Finance, Audit and Facilities

Establishing a Universal Student U-PASS Fee (continued p. 3)

commitment to the U-PASS program and identify a preferred option for reforming the program's funding model. An executive summary of the Taskforce's report and recommendations is included in the attachments. The response rate was an impressive 17.5% of the entire student population. The central finding was that 79% of students preferred implementation of a Universal Student U-PASS. The breadth of support for the Universal Student U-PASS option is best illustrated by the fact that it was even supported by 53% of students that were not currently participating in U-PASS.

Prior to the summer recess, the Taskforce issued its draft report and recommendation that the U-PASS program be made universal, meaning that all students would be required to participate. Throughout the summer and fall, Transportation Services worked with student leaders to identify a process for affecting this change and to model associated program costs.

Transportation Services identified three possible statutory bases for implementing the fee. The first required that a parallel universal fee be established for all faculty and staff, something that was determined to be untenable in the current economic climate. The second was the Student Activity Fee process, which was thought by both Transportation Services and ASUW/GPSS leadership to be too slow and uncertain to be a viable path. The third was RCW 28B.15.610, Voluntary Fees of Students, the same authorizing statute used by Washington State University and Western Washington University for their transit pass programs. This path was determined to be efficient and also vested control with the students, an important consideration when establishing a universal fee.

ASUW took action on the Universal Student U-PASS as one of the first pieces of legislation considered after the school year began. GPSS acted with similar expediency. Following the Senates' action authorizing their respective boards to enter detailed negotiations with Transportation Services and to implement the resulting programs, the precise program parameters and implementation were identified in negotiations between ASUW, GPSS and Transportation Services with oversight from Student Life.

Implementation of the Universal Student U-PASS provides the greatest possible value for the largest number of students. Further, by broadening the base of participants, it helps to stabilize student U-PASS rates. Because this fee will

VII. STANDING COMMITTEES

A. Academic and Student Affairs

in Joint Session with

B. Finance, Audit and Facilities

Establishing a Universal Student U-PASS Fee (continued p. 4)

replace the existing “opt out” U-PASS fee of \$99 it will actually reduce the cost of attendance for most students immediately. The majority of students will see their transportation costs decrease by 23% from today’s level as a result of this action. They will also avoid the projected cumulative fee increase of 50% that would occur over the next two years were the program to continue on an opt-out basis. By year two of the Universal Student U-PASS, the U-PASS fee will be 48% less than the projected U-PASS fee were the program to continue on an opt-out basis and the typical student will save \$72 per quarter on U-PASS fees.

Implementation of the Universal Student U-PASS has no immediate implications for the parallel faculty and staff U-PASS program which will remain optional. Appropriate measures have been taken to prevent cross subsidies between the two programs.

REVIEW AND APPROVALS:

This recommendation has been reviewed and approved by the President, Associated Students of the University of Washington; the President, Graduate and Professional Student Senate; the Vice President and Vice Provost, Student Life; and the Senior Vice President.

Attachments

1. RCW 28B.15.610, Voluntary Fees of Students
2. ASUW Senate Resolution R-17-2, Authorizing a Universal Student U-PASS
3. GPSS Senate Resolution 10.27-11, Authorizing a Universal Student U-PASS
4. Student Governance and Policies: Voluntary Fees of Students Under RCW 28B.15.610
5. Memorandum of Understanding Regarding Implementation of a Universal Student U-PASS
6. Report of the Student Transportation Task Force, Executive Summary
7. U-PASS Program Profile: “UW provides access to education and employment to 60,000 King County residents”
8. U-PASS Fee Projections Without Universal U-PASS
9. Commuter Services (Parking & U-PASS) Pro-forma

RCW 28B.15.610 VOLUNTARY FEES OF STUDENTS

The provisions of this chapter shall not apply to or affect any student fee or charge which the students voluntarily maintain upon themselves for student purposes only. Students are authorized to create or increase voluntary student fees for each academic year when passed by a majority vote of the student government or its equivalent, or referendum presented to the student body or such other process that has been adopted under this section. Notwithstanding *RCW [42.17.190](#) (2) and (3), voluntary student fees imposed under this section and services and activities fees may be used for lobbying by a student government association or its equivalent and may also be used to support a statewide or national student organization or its equivalent that may engage in lobbying.

[2009 c 179 § 1; 1969 ex.s. c 223 § [28B.15.610](#). Prior: 1915 c 66 § 8; RRS § 4552. Formerly RCW [28.77.065](#).]

Notes:

***Reviser's note:** RCW [42.17.190](#) was recodified as RCW [42.17A.635](#) pursuant to 2010 c 204 § 1102, effective January 1, 2012.

ASUW SENATE RESOLUTION R-17-2
AUTHORIZING A UNIVERSAL U-PASS

WHEREAS the U-PASS has provided affordable transportation to the University of Washington since 1991; and

WHEREAS the availability of the U-PASS has prevented an estimated 61% increase in University associated traffic in the University District¹; and

WHEREAS transportation in the Puget Sound region accounts for approximately half of all carbon emissions within that region; and

WHEREAS the University of Washington and the U-PASS program provide environmentally friendly modes of transportation across Puget Sound; and

WHEREAS University of Washington students rely on transportation provided by the U-PASS to access education, employment, and affordable housing; and

WHEREAS due to funding limitations, the price of the U-PASS was forced to rise nearly one hundred percent just two years ago; and

WHEREAS a change in the funding model of the U-PASS is necessary to the long- term viability of such a program; and

WHEREAS the Associated Students of the University of Washington passed R-16-12² and LD-16-1³ in support of the U-PASS program during the 2009-2010 academic year; and

WHEREAS in Spring Quarter 2010 the Student Transportation Taskforce conducted a survey offered to all students faculty and staff at the University of Washington that received over 14,000 responses; and

WHEREAS 79% of student respondents to the survey indicated support for a Universal U-PASS model that would provide a U-PASS to all students on the condition that the price be guaranteed to remain between \$60 and \$80 for at least two years.

THEREFORE BE IT RESOLVED BY THE ASSOCIATED STUDENTS OF THE UNIVERSITY OF WASHINGTON

¹ University of Washington Transportation Services

² <http://senate.asuw.org/senate-asuw/legislation/16/R/R-16-12.html>

³ <http://senate.asuw.org/senate-asuw/legislation/16/LD/LD-16-1.html>

THAT the Senate adopt the results of the 2010 Student Transportation Taskforce survey as student opinion; and

THAT the students request that the ASUW Board of Directors and University of Washington Board of Regents pursue implementation of the proposed Universal U-PASS outlined in the 2010 Student Transportation Taskforce survey through methods outlined in RCW 28B.15.610; and

THAT all transit agencies who provide service to students through the U-PASS program present a predictable, fair method of calculating costs for students in exchange for guaranteed student participation in the U-PASS program; and

THAT the Associated Students of the University of Washington reserve the right to withdraw the Universal U-PASS program through vote of the Senate and the ASUW Board of Directors outlined in RCW 28B.15.610 if the cost of purchasing transit privileges from the transit agencies who provide service to students through the U-PASS program is deemed to be unaffordable on a per U-PASS member basis; and

THAT a copy of this legislation be forwarded to the Associated Students of the University of Washington Board of Directors, University of Washington Interim President Phyllis Wise, University of Washington Interim Provost Mary Lidstrom, the University of Washington Board of Regents, University of Washington Director of Transportation Services Josh Kavanagh, Daphne Tackett of Pierce County Transit, Carol Cooper of King County Metro, Wendy Sorensen of Kitsap Transit, Steffani Lillie of Everett Transit, Sarah Lovell of Sound Transit, and Kate Tourtellot of Community Transit.

GPSS SENATE RESOLUTION 10.27-11
AUTHORIZING A UNIVERSAL U-PASS

Title: **RESOLUTION IN SUPPORT OF A UNIVERSAL U-PASS**

Sponsored by: Shawn L. Mincer (Secretary), Charles Plummer (Earth and Space Sciences) and Sarah Reyneveld (President)

Written by: Shawn L. Mincer (Secretary), Charles Plummer (Earth and Space Sciences) and Sarah Reyneveld (President)

Resolution Number: 10.27-11

WHEREAS the current funding model is unsustainable and a new funding model for the U-PASS has become necessary; and

WHEREAS the University of Washington (UW) has been an early and consistent leader nationally in developing sustainable transportation options for the university community and the U-PASS has provided affordable transportation to the University of Washington since 1991; and

WHEREAS the availability of the U-PASS has prevented an estimated 61% increase in University associated traffic in the University District¹ despite growth of the student populations specifically, and the density of the neighborhood generally. This reduction in vehicle trips has meant that the average UW Seattle commuter emits 30% less carbon than the average commuter in our region²; and

WHEREAS Washington State's Commute Trip Reduction (CTR) Law, RCW 70.94.521-551, directs state agencies in King and other counties to decrease vehicular travel and limit SOV use and in 2008 the Puget Sound Regional Council highlighted the U-PASS system as a successful example of Transportation Demand Management (TDM); and

WHEREAS many University of Washington graduate and professional students rely on transportation provided by the U-PASS to access education, employment and leisure activities, especially with the majority of students living off-campus; and

WHEREAS due to funding limitations, the price of the U-PASS was forced to rise nearly one hundred percent just two years ago from \$50 to \$99 and student participation fell from 83% to 66%; and

¹ University of Washington Transportation Services

² U-PASS Profile (UW Department of Transportation Services)

ATTACHMENT 3

WHEREAS a change in the funding model of the U-PASS is necessary to the long-term viability of such a program; and

WHEREAS the U-PASS is an integrated, multimodal solution that supports the full range of green transportation option; and

WHEREAS in Spring Quarter 2010 the Student Transportation Taskforce conducted a survey offered to all students faculty and staff at the University of Washington that received over 14,000 responses; and

WHEREAS of all the students who responded to the survey, 92% of all graduate students, 79% of all of the students, and 53% of students who did not use U-PASS supported a Universal U-PASS model that would provide a U-PASS to all students on the condition that the price is guaranteed to remain between \$60 and \$80 for at least two years.

THEREFORE BE IT RESOLVED BY THE GRADUATE AND PROFESSIONAL STUDENT SENATE OF THE UNIVERSITY OF WASHINGTON:

THAT the GPSS supports the implementation of a Universal UPASS to assure the continued viability and success of the UPASS program; and

THAT the GPSS commends UW Transportation Services for their leadership and their commitment to UPASS; and

THAT the GPSS Executive Committee and University of Washington Board of Regents explore implementation of the proposed Universal U-PASS outlined in the 2010 Student Transportation Taskforce survey; and

THAT the Puget Sound regional transit partners to U-PASS provide a predictable, fair method of calculating costs for students in exchange for guaranteed student participation in the U-PASS program; and

THAT the Graduate and Professional Student Senate reserve the right to withdraw from the Universal U-PASS program through vote of the Senate if Puget Sound regional transit partners fail to adhere to a predictable, fair method of calculating costs for students in exchange for guaranteed student participation in the U-PASS program.

THAT a copy of this resolution be forwarded to the University Board of Regents, Interim President Phyllis Wise, Interim Provost Mary Lidstrom, Dean Jerry Baldasty, UW Director of Transportation Josh Kavanagh, Mayor Mike McGinn, Seattle City Council, and the Puget Sound regional transit partners of U-PASS.

Presented to GPSS for approval on November 3, 2011.

Approved on November 3, 2011.

STUDENT GOVERNANCE AND POLICIES: VOLUNTARY FEES OF STUDENTS UNDER
RCW 28B.15.610

Student Policies, Chapter 205

Voluntary Fees of Students (DRAFT)

1. Overview

RCW 28B.15.610 authorizes students to voluntarily maintain fees upon themselves for student purposes. This policy establishes the University process by which students may, when authorizing a voluntary fee, seek the support of the Administration in fee collection and service administration.

2. Implementation of Voluntary Fee

When a voluntary fee is authorized in accordance with the provisions of RCW 28B.15.610 the fee is thereafter mandatory for all students upon which the fee is imposed; however in situations where the fee is used to support political and ideological philosophies or other speech protected by the constitution students shall be allowed to opt out of the fee.

3. Requirements of Collection and Administration

a. Assessment of Student Support

Prior to asking the administration to collect and administer a voluntary student fee, ASUW and GPSS must assess student support for the fee in one of two ways, a survey of the student body or a written petition.

- If a survey is utilized, it must have response rates of at least 10% from the undergraduate student body and 10% from the graduate/professional student body. The results of the survey and analysis thereof shall be presented to ASUW and GPSS for their consideration.
- If a written petition is utilized, the petition question must be submitted for review of the ASUW Board of Directors and GPSS Executive Committee. The written petition must gain signatures from at least 15% from the undergraduate student body and 15% from the graduate/professional student body. Petition forms must be consistent with the format available through ASUW and GPSS. The petitions must be submitted to the Office of the Vice President and Vice Provost for Student Life with enough time allowing for validation of signatures by the Registrar. Results of the petition verification and the physical petitions must be presented to the ASUW and GPSS.

ASUW and GPSS then may each pass a resolution that, when enacted under the process outlined in their bylaws, directs their executive officers to work with the Vice Provost for Student Life and Sponsoring Administrative Unit on fee implementation.

b. Sponsoring Administrative Unit

When proposing a Voluntary Fee that will be collected and administered by the University's administration, ASUW and GPSS must identify a sponsoring administrative unit that will provide the services that the fee is intended to support. If the Fee is adopted and the Board of Regents approves collection the sponsoring administrative unit shall both provide the services and serve as technical advisor to students in their oversight of fee administration. The sponsoring administrative unit shall provide fiscal support for a campus-wide survey, analysis of the survey results, and any necessary follow-up assessment. All data shall be jointly owned by ASUW and GPSS.

c. Governance

ASUW and GPSS, in consultation with the Office of the Vice President and Vice Provost for Student Life, shall establish a fee oversight plan that includes, at minimum:

- An oversight board consisting of students and accountable to the student body through ASUW and GPSS
- A technical advisor from the sponsoring administrative unit
- An advisor appointed from the Office of the Vice President and Vice Provost for Student Life

d. Implementation

ASUW and GPSS shall develop, in consultation with the technical and Student Life advisors, a memorandum of understanding, which codifies the following:

- The implementation date of the fee and sunset date (if applicable)
- The amount of the fee
- The purpose for which fee proceeds are to be used
- The population of students upon which the fee will be imposed
- The Fee oversight plan
- The means for terminating the agreement/Fee
- Any other terms identified by the signatories as necessary to the smooth implementation and successful administration of the fee and associated services

The memorandum of understanding is to be signed by the senior official of the sponsoring administrative unit, the Vice President and Vice Provost for Student Life (with the Provost's concurrence), and upon approval of the memorandum of understanding by the ASUW Board of Directors and GPSS Executive Board, the Presidents of ASUW and GPSS.

4. Regents Approval Required

Following adoption of the memorandum of understanding, the signatories shall jointly seek authority from the University of Washington Regents for the Administration to collect and administer the fee on behalf of students. Implementation of the fee as envisioned in the memorandum of understanding is contingent on Regents approval.

MEMORANDUM OF UNDERSTANDING REGARDING
IMPLEMENTATION OF A UNIVERSAL STUDENT U-PASS

The parties, ASUW, GPSS, Student Life, and Transportation Services agree to the following terms for implementation of a Universal Student U-PASS fee imposed in accordance with RCW 28B.15.610.

Purpose of Fee

The Universal Student U-PASS Fee (hereinafter “Fee”) is intended to fund the Student U-PASS Program (hereinafter “Program”), with the following Program provisions:

- Unlimited right to ride on King County Metro Transit, Sound Transit, Community Transit, Pierce Transit, Kitsap Transit, and Everett Transit.
- Free-fare access to the NightRide Shuttle
- Discounted car-sharing and vanpool subsidies
- Merchant discounts, marketing, promotions, and other reasonable overhead not to exceed 5% of program budget.

As a condition of the Fee, Transportation Services will continue to support pedestrian and bicycle programming and infrastructure and discounted carpool parking as elements of a broader multimodal transportation program that includes U-PASS.

Governance

The Fee will be established by students pursuant to RCW 28B.15.610 and collected by the Administration for the benefit of students. Students will oversee Fee setting and implementation, along with the scope of services provided by the Fee via the Advisory Board.

Oversight shall be by the Universal Student U-PASS Advisory Board (hereinafter “Advisory Board”), which shall report to and make recommendations to the ASUW Boards of Directors and the GPSS Executive Committee. The Advisory Board shall be composed of the following representatives:

- six undergraduate students appointed by ASUW in accordance with its bylaws
- three graduate students appointed by GPSS in accordance with its bylaws
- a student chair to be elected by the Advisory Board from within its members.
- a technical advisor (nonvoting) appointed by the Director of Transportation Services
- an advisor (nonvoting) appointed by the Vice Provost and Vice President for Student Life

Transportation Services will give the Advisory Board regular briefings during transit contract negotiations and quarterly updates on program finances. The Advisory Board shall be advised of any prospective changes to Program

ATTACHMENT 5

benefits and shall have the opportunity to comment. Additions of services valued at more than 1% of the Program budget or elimination of any program component shall be subject to Advisory Board approval.

Fee Implementation Date

- The Fee and Program shall be implemented beginning with the fall academic quarter of 2011.

Fee Increases

Transportation Services agrees to maintain the Program in line with the above parameters and to make reasonable efforts to control program costs. If an increase of the Fee is necessary to maintain program solvency:

- Transportation Services shall propose the new fee to the Advisory Board by the end of January of each academic year. The Advisory Board shall in turn make its recommendation to the ASUW Board of Directors and GPSS Executive Committee for their consideration. The ASUW Board of Directors and the GPSS Executive Committee have the joint authority to approve the proposed fee following presentation to ASUW and GPSS Senates. Any Fee increase may then be adopted in accordance with the requirements of RCW 28B.15.610.

Termination Conditions

The Fee may be terminated as set forth in RCW 28B.15.610 and the Parties will follow the steps provided below:

- Either the Advisory Board or the ASUW or GPSS Senates may recommend the discontinuation of the Fee. Upon receiving this recommendation, the ASUW Board of Directors, following presentation to ASUW Senate, may approve the termination of the Fee before the end of March of each academic year.
- Upon receiving this recommendation, the GPSS Executive Committee will present it along with their recommendations to the Senate who may approve the termination of the Fee before the end of March of each academic year.
- If termination is approved by both GPSS and ASUW, it must be approved between the beginning of September and the end of March of the same academic year. The Fee will be discontinued effective the next fall quarter.
- If the Fee is discontinued the Program will revert to an “opt out” program at a rate to be established and managed by Transportation Services in consultation with the University Transportation Committee.

Fee Amount

- In the initial quarter, and for the seven following quarters, the amount of the Fee shall be \$76 per academic quarter.

Population

- The population for the Fee shall be all students who pay the Services and Activities Fee.

- Transportation Services may elect to offer U-PASS products to other populations to the extent that doing so supports University goals. The rate for those individual opt-in sales shall be set by Transportation Services and shall be higher than the Universal Student U-PASS fee.

Other Financial Considerations

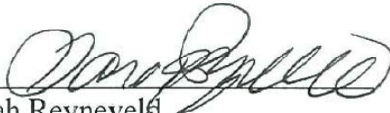
- The Faculty/Staff and Student U-PASS programs will be financially separate. Revenues and costs associated with the programs will be tracked and held separately from one another. There shall be no cross subsidies between the programs.
- It is agreed that upon implementation of the Universal Student U-PASS that reserves in Transportation Services' U-PASS Rate Stabilization Fund (the U-PASS fund balance) will be divided between the Faculty/Staff U-PASS program and the Student U-PASS program in proportion to the number of participants in each program.



Madeleine McKenna

President, Associated Students of the University of Washington

5/2/11



Sarah Reynevelt

President, Graduate and Professional Student Senate

5/2/2011



Eric Godfrey

Vice Provost and Vice President for Student Life

5/2/2011



Josh Kavanagh

Director, Transportation Services

5/2/11

REPORT OF THE STUDENT TRANSPORTATION TASK FORCE,
EXECUTIVE SUMMARY

The Student Transportation Task Force (STT) was created in October 2009 by the ASUW Board of Directors to address the issue of rising U-PASS costs. In the 2008-2009 academic year, the U-PASS increased in price from \$50 to \$99 in response to steep increases in Metro fares and declining program subsidies. This price jump led to the largest decline in student U-PASS participation in the program's 20-year history, and the U-PASS budget shortfall grew to almost \$5 million in fiscal year (FY) 2010. With no end in sight to fare hikes, declining subsidies, and program attrition, STT was charged with finding a means to preserve the affordability and accessibility of sustainable transportation options for students.

STT researched viable alternative funding models that would ensure the U-PASS program's financial solvency. From this research, the Task Force concluded that there are three possible options for the program's future in the short term:

1. The present funding model, would maintain the current U-PASS funding structure.
2. A Universal U-PASS, which would mandate a U-PASS purchase for all UW students.
3. A Universal Transportation Fee, which would levy a baseline transportation fee for all UW students and would keep the U-PASS as an opt-out program.

In order to gauge the level of support for the three proposed options, STT crafted a U-PASS Use and Opinion Survey and distributed it among UW students, faculty, and staff. After analyzing survey results from 14,144 responses, STT has concluded that there is sufficient support for a Universal U-PASS to merit a restructuring of the current U-PASS model. The most popular funding model among respondents was a Universal U-PASS, with 79% approval. Approximately 53% of current non-U-PASS holders supported this option.

The survey results also revealed that students, faculty, and staff support a pay-as-you-go transportation program. While this was not one of the three proposed options, and while this is not technologically feasible at this time, STT recommends that the University pursue further research into the implementation of a pay-as-you-go system with the ORCA card if it becomes technologically feasible.

Based upon our work this year, STT recommends the following:

- **Implement a Universal U-PASS in January 2011.** This recommendation is contingent upon a guaranteed price between \$60-80. This price must also be guaranteed for at least two years.

ATTACHMENT 6

- **Continue to research the possibility of a pay-as-you-go transportation program.** This option is currently technology unfeasible, but warrants future research and consideration.
- **Continue advocacy efforts to reduce U-PASS costs.** Including efforts to reduce overall Metro rider fare and reduce the City of Seattle's commercial parking tax.
- **Reinstate the Student Transportation Task Force for the 2010-2011 school year.** Next year, STT will carry out the recommendations of this report, contingent upon approval by the ASUW BOD, Student Senate, and the Board of Regents. Moreover, STT will continue to address students' other transportation concerns.



Creating healthier lives.
It's the Washington Way.

UW provides access to **EDUCATION** and **EMPLOYMENT** to **60,000** King County residents

Including . . .

159 librarians

808 medical residents

4,059 working graduate students

2,154 research workers

27,785 undergraduate students

7,844 faculty

1,193 computer professionals

416 building trades workers

679 custodians

233 food workers

50 truck drivers

51 gardeners

2,746 nurses



U-PASS directly improves the LIVE

Sue Park
Custodian
Shoreline



Sue drives to the Seattle Campus everyday with 8 of her Custodial Services colleagues in a Metro vanpool. "Everyone in my van has a U-PASS. They can take a bus when they don't ride with us."

Kaela Reilly
Freshman
Shoreline



Kaela takes transit everyday for class and will soon be riding the bus to her job as well. "U-PASS makes it a lot more convenient to get places and I don't have to worry about money as much."

Kenneth Nelson
Senior
U-District



"U-PASS gave me an incentive to use the bus system so that I can go to different places with my friends. It gave me that accessibility to get to places that I probably wouldn't go had I not had the U-PASS."

Josef Eckert
Masters Candidate
Ballard



Josef credits U-PASS as one of the deciding factors for coming to UW. "A lot of other graduate programs I looked at didn't offer such a low cost transportation program."

Gordy French
Web Developer & UW alumnus
South Lake Union



Gordy depended on his U-PASS as a student and counted it as an asset when deciding to work at UW. "U-PASS makes it possible for me to live and work in the city and not own a car."

Margo Bergman
Masters Candidate
West Seattle

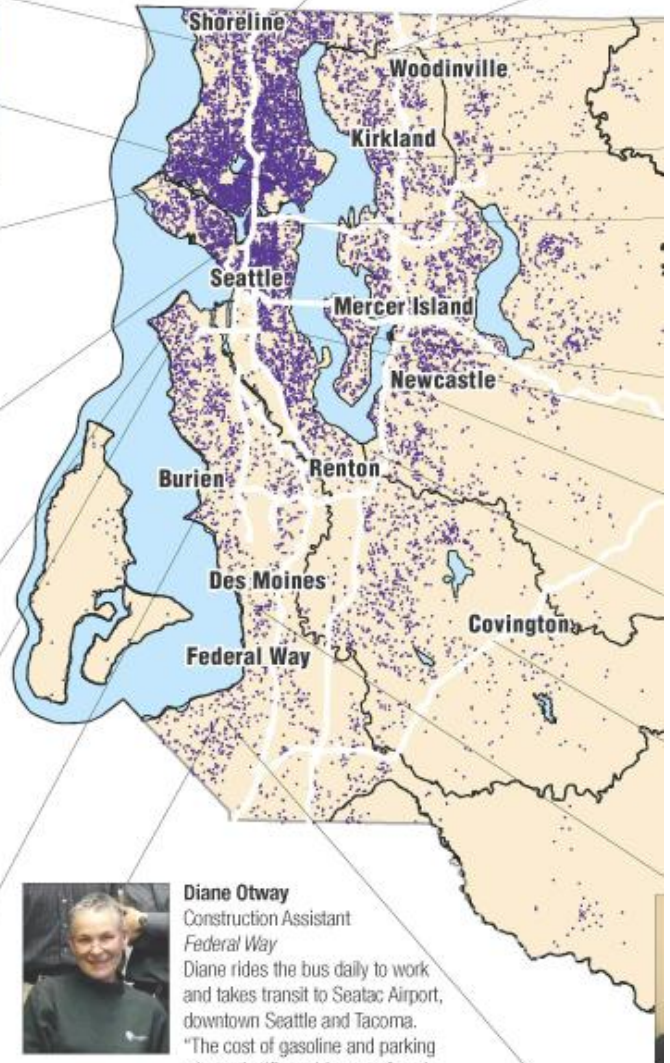


"I love the freedom of the U-PASS, the flexibility, and how it is accepted on so many forms of transportation. It's made it easy for me to consider going to school and still working."

Nigel Heinsius
Web Developer
West Seattle



Nigel rides his bicycle most days, but puts it on the water taxi or bus when he needs to. "I think of my U-PASS as a 'Get Out of Jail Free' card. I don't use it everyday but I feel good having it with me whenever I go out."



Diane Otway



Construction Assistant
Federal Way
Diane rides the bus daily to work and takes transit to Seatac Airport, downtown Seattle and Tacoma. "The cost of gasoline and parking take a significant bite out of one's budget. I'd much rather spend those monies doing something fun and take the bus."

Susan Swanzy
Clinical Technologist
Burien



"U-PASS makes my long commute worry free by leaving the driving to someone else. I also value the overall benefit to the environment by one less vehicle crowding the roadways and polluting the air."



S of 40,000 King County residents



Derreck Ross

Sophomore
Woodinville
"U-PASS is nice because usually every student has one, so if you and your friends want to run down to Wallingford and grab some Dick's burgers, everyone can ride the bus together."



Janet McDaniel

Program & Internship Coordinator
Woodinville
"Because I don't worry about traffic and parking, I've taken advantage of using the U-PASS to visit museums, movies, going to theatre festivals, site seeing, downtown shopping and dinner out in different locations. U-PASS has shown me that I don't need my car as much as I thought I did."



Neil Rotta

Senior
Kirkland
"It's security, it's comforting to have it, if you go out with friends and you are out late, it's there."



Anne Taufen Wessells

Assistant Professor
Montlake
U-PASS enables Anne to make the most of her commute to UW Tacoma. "I place significant value on being able to use my commute time productively—to work, to read, and to think. I can't bus commute every day due to child care constraints, but even two days a week is worthwhile for me."



Andrea Sullivan-Clarke

Instructor and PhD Candidate
Mercer Island
"U-PASS means peace of mind. My bus commute is a good time to prepare for that morning class or to come home and make the transition from grad student to mom."



Dennis Tat

Junior
Newcastle
"U-PASS is the best way to get to school. It saves me money and it allows me to explore the area more."



Karin Mellskog

Designer
Mt Baker
"Having a U-PASS means being able to get where I want, when I want. I really appreciate being able to combine light rail and the bus system and make unlimited transfers, if needed."



Reed Keeney

Accounting Manager
Des Moines
"When I was first hired at the University over five years ago I thought it would only be a temporary job because of the 25 mile commute, but U-PASS and express buses allowed me to get to campus in just a few minutes over driving."



Corey Lingenfelter

Sophomore
Renton
"U-PASS is a quick and easy way to get on the bus. I can just flash my card at the bus driver and I don't have to think about it."



Dale Baxmann

Maintenance Supervisor
Covington
Dale bicycles over 20 miles to campus each day and then rides the bus the other way. "Work Life balance is important and U-PASS is a part of that."

U-PASS Members
 Highways
 NORTH

David Corrado

Sophomore
Federal Way
"U-PASS is freedom. Riding the bus I can listen to music, chat with friends, do homework, read and not have to worry about the traffic."



U-PASS - It's About Climate Change

"The county will implement aggressive transit, land use and transportation demand strategies, such as commute trip reduction and transit-oriented development, to encourage King County residents to use public transit as an alternative to single occupancy vehicles" – 2007 King County Climate Plan

Commuters at the University of Washington are living the climate goal and we are committed to continuing to improve our performance:

- Almost 80% of commute trips to UW Seattle are made using green transportation options
- UW Seattle commuters emit 7,840 fewer metric tons of CO₂ per year as a direct result of the U-PASS program
- The average UW Seattle commuter emits 30% less CO₂ than the typical commuter in our region

U-PASS - It's About Cultural Change

Since 1991, the U-PASS program has been creating a culture of transit use and low impact commuting. Students and employees are immersed in a community where transit is the most common commute choice and the majority of commuters do not drive alone. U-PASS is fostering the next generation of transit riders and transit supporters tens of thousands of students at a time.

- 83% of students and 59% of faculty and staff are U-PASS members
- 92% of U-PASS members use their U-PASS to ride Metro

"The U-PASS program allows us to educate a large audience regarding their transportation choices and hopefully influence their commute behavior with the ultimate goal of increasing sustainable commuting in our region." - Joni Earl, Chief Executive Officer, Sound Transit

"If I did not have a U-PASS I probably would not be comfortable taking the bus at all anywhere. I had never taken the bus before. I am a lot more comfortable taking the bus now." - Neil Rotta, Senior, Political Science & Latin American Studies

"As a result of ten years with a U-PASS, I became accustomed to taking mass transit every day. As an alumnus, I now take the bus or walk to work each day, even though I no longer have a U-PASS." - Erin Lennon, Seattle attorney, UW Alumnus 2002, 2008, and former employee

U-PASS - It's About the Whole Community

"Vital to the general success of the University Area's transportation system has been the 'U-PASS' program. . . . [T]he continued success and influence of the U-PASS program will be critical to offering real transportation choice and effective congestion management in the University Area well into the future." - City of Seattle University Area Transportation Action Strategy

U-PASS has had a tangible impact on the traffic volumes in the University District and on campus. Despite a 28% increase in the campus population since the creation of U-PASS, there were fewer vehicle trips to campus per day in 2009 than in any of the previous 27 years.

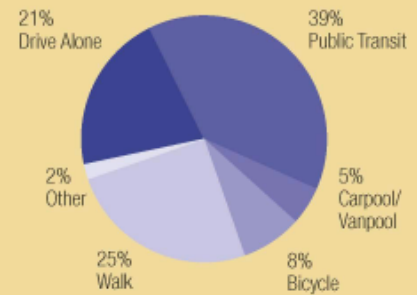
U-PASS - It's About Leadership

"There are only a handful of institutions in the US that have the breadth of program and documented success in managing travel demand that has been achieved at the University of Washington through its U-PASS program" - Peter Valk, President Transportation Management Services

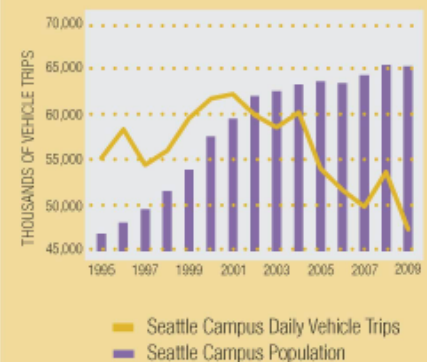
The University of Washington was recently awarded the international Association for Commuter Transportation's (ACT) prestigious Leadership Award for the U-PASS program's outstanding contributions to the field of Transportation Demand Management. King County and the Bellevue Downtown Association also received awards from ACT this year. Reflecting on this accomplishment, King County Metro General Manager Kevin Desmond said "these three awards show that our region continues to be a leader in providing innovative, multi-modal options for commuters."

We know that the future demands a world where there is greater use of transit and other forms of lower carbon transportation. With U-PASS we have been leading the way, and together we can maintain our position at the forefront of the nation.

Commute Trips to UW Seattle



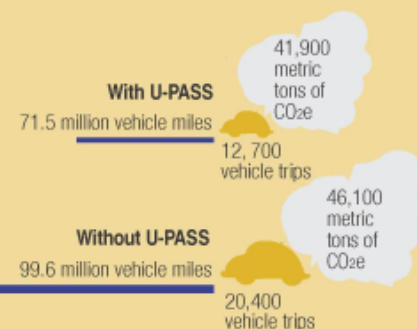
Reduction in Daily Vehicle Trips to Campus



The U-PASS Transit Impact

- U-PASS members took **11.5 million trips** on King County Metro in 2008, accounting for 9.6% of all King County Metro trips.
- Without U-PASS University commuters would take at least **9,600 fewer transit trips** per day

The U-PASS Difference



U-PASS Fee Projections Without Universal U-PASS

April 19, 2011

U-PASS Population 11-12

	Student	Faculty/Staff
Fall	26,884	11,497
Winter	25,820	12,419
Spring	23,354	13,427
Summer	9,229	12,824
Total	85,287	50,167
Share	63%	37%

Projected Student Transit Costs

	2011-2012	2012-2013
King County Metro	\$12,909,588	\$13,296,876
Sound Transit	\$1,722,989	\$1,791,909
Community Transit	\$819,724	\$852,513
Pierce Transit	\$128,879	\$134,034
Everett Transit	\$7,382	\$7,677
Kitsap Transit	\$40,776	\$42,407
Total	\$15,629,338	\$16,125,416

Other U-PASS Costs

	Total Costs	Student Share	Student Costs
Salaries & Benefits	\$231,761	50%	\$115,881
General Program Expenses (Rideshare, ORCA, Advertising, etc.)	\$781,814	47%	\$367,491
NightRide	\$240,297	90%	\$216,267
Active Transportation	\$530,050	63%	\$333,741
Total	\$1,783,922		\$1,033,379

U-PASS Subsidies

	Total Subsidy	Student Share	Student Subsidy
Transit Subsidy	\$1,482,333	63%	\$933,336
TDM Fee	\$6,776,892	63%	\$4,267,001
Total	\$8,259,225		\$5,200,336

Summary and Fee

	2011-2012	2012-2013	Average
Total Student U-PASS Program Cost	\$16,662,717	\$17,158,795	\$16,910,756
Subsidies	\$5,200,336	\$5,200,336	\$5,200,336
Net Expenses	\$11,462,381	\$11,958,459	\$11,710,420
Total Student U-PASS Members	85,287	80,713	83,000
Fee	\$134.40	\$148.16	\$141.28

COMMUTER SERVICES (PARKING & U-PASS) PRO-FORMA

The attached financials include the following assumptions:

- No increases to parking or faculty/staff U-PASS fees during the 11-13 biennium
- No additional increases to parking or sales taxes during the 11-13 biennium
- Modest increases in general expenses, wages, and benefit expenses as detailed in note 3a.
- Deferred maintenance, software/hardware investments, and construction of the Mercer garage are treated as operating expenses against fund balance rather than utilizing debt financing.
- Modest fare increases from all transit agencies as detailed in notes 3b and 3c.
- Implementation of the Transportation Demand Management fee, a tax minimizing measure that partitions the fee collected during parking transactions. This will have no impact on gross (tax and fee inclusive) prices for customers but will reduce taxable income by \$6.78M.
- Limits on the number of trips per individual for which the University will be billed by King County Metro (9/week for students and 14/week for faculty and staff)
- Implementation of the Universal Student U-PASS
- Reallocation of parking fine revenue, \$800k annually, to active transportation programs.

*Items pending negotiation are marked with an asterisk in the attached financials.

Attached: Commuter Services (by service line): biennial budget, current and forecast

 Universal Student U-PASS: biennial budget detail, current and forecast

 U-PASS Financial Performance: trends for consolidated
 (faculty/staff/active transportation) U-PASS performance, including
 remedies under updated business plan

 Endnotes for financial statements

ATTACHMENT 9

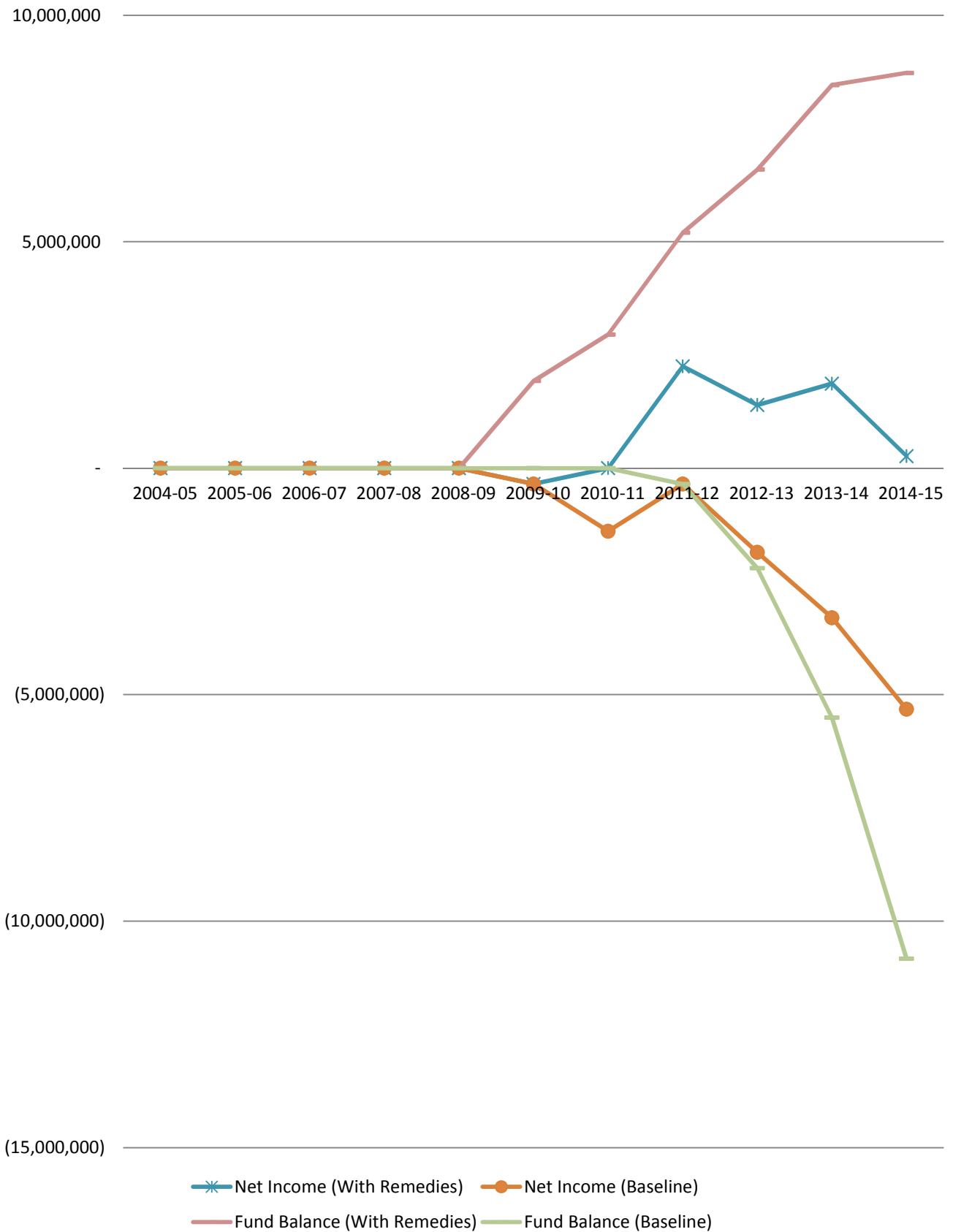
Commuter Services (by service line)

	2009-10	2010-11	2011-12	2012-13
Parking Alone				
Revenues	16,749,116	17,420,794	11,692,005	11,692,005
Expenses	6,402,966	7,289,946	7,693,632	7,866,222
Net Operating Income	10,346,150	10,130,848	3,998,374	3,825,784
Non-Operating Income (Expense) w/o UPASS Transfer	(3,372,608)	(5,684,265) ⁽²⁷⁾	(8,559,739) ⁽²⁸⁾	(4,856,284)
Fund Transfer to UPASS	(5,028,943)	(6,088,908)	0	0
Net Income	1,944,599	(1,642,325)	(4,561,365)	(1,030,501)
Fund Balance	9,006,379	7,364,054	2,802,689	1,772,188
Student UPASS				
Revenues	10,544,356	10,510,208	16,446,116	16,342,685
Expenses	14,265,774	15,016,001	15,041,505	15,393,080
Net Operating Income	(3,721,417)	(4,505,792)	1,404,611	949,605
Fund Transfer from Parking/CPT Mitigation	3,721,418	4,505,792	370,000	370,000
Net Income	0	(0)	1,774,611	1,319,605
Fund Balance	0	0	3,957,311	5,276,916
Faculty/Staff UPASS				
Revenues	5,407,775	5,293,224	6,980,896	7,065,978
Expenses	5,709,873	6,252,746	6,668,529	7,155,736
Net Operating Income	(302,098)	(959,523)	312,367	(89,758)
Fund Transfer from Parking/CPT Mitigation	302,097	959,523	130,000	130,000
Net Income	0	0	442,367	40,242
Fund Balance	0	0	1,209,261	1,249,503
Active Transportation				
Revenues			32,654	34,287
Expenses			800,000	800,000
Net Operating Income			(767,346)	(765,713)
Fund Transfer from Parking			800,000	800,000
Net Income			32,654	34,287
Fund Balance		0	32,654	66,941
UPASS Unallocated Rate Stabilization				
Net Income	1,925,620	1,023,974	0	0
Fund Balance	1,925,620	2,949,594	0	
Commuter Services Consolidated (all services) Net Income				
UPASS	(0)	(0)	2,249,632	1,394,133
Parking	1,944,599	(1,642,325) ⁽²⁷⁾	(4,561,365) ⁽²⁸⁾	(1,030,501)
Commuter Services Consolidated (all services) Fund Balance				
UPASS	1,925,620	2,949,594	5,199,226	6,593,359
Parking	9,006,379	7,364,054	2,802,689	1,772,188

Universal Student U-PASS

	2009-10	2010-11	2011-12	2012-13
Revenues				
Student UPASS	10,544,356	10,510,208	16,446,116	16,342,685
UPASS - Student	9,499,965	9,360,000	9,182,250	9,688,833
Transit Subsidy	1,023,143	1,126,573	1,126,573	1,023,142
Other - UPASS	21,248	23,635	0	0
*TDM Fees collected by (transfer from) parking(11)			5,014,900	5,014,900
*Net Impact of Universal Student U-PASS in FY12(15)			1,122,393	615,810
Expenses				
Student UPASS (3c)	14,265,774	15,016,001	15,041,505	15,393,080
Transit Service - Metro	11,918,850	12,967,044 ⁽¹³⁾	12,909,588	14,014,710
Rebate/Demand adj. (22)	(1,656,033)	(1,732,258)	0	0
Transit Service - Community	1,125,293	871,991	819,724	887,224
Transit Service - Sound	1,322,414	1,555,650	1,722,989	1,908,969
Transit Service - Other	160,979	181,162	183,508	198,886
Transit Service - Night Ride	169,859	218,418	183,508	198,886
Salaries/Wages	160,310 ⁽¹⁷⁾	82,579	55,863	55,863
Benefits	47,846	24,624	10,018	10,519
Camp Svcs - Phy Pl, other	4,028	12,654	4,440	4,573
Other Operating Expenses	361,622	715,751	363,051	373,943
Rate Stabilization	650,605	118,386	0	
*Net impact of Universal U-PASS with Trips per Pass Cap with Metro (basic) (14a)			1,423,545	1,371,466
*Incremental impact of Trips per Pass Cap with Metro (aggressive) (14b)			(2,634,730)	(3,631,957)
Net Operating Income	(3,721,417)	(4,505,792)	1,404,611	949,605
Non-Operating Income (Expense)				
Student UPASS	3,721,418	4,505,792	370,000	370,000
Fund Transfer from Parking	3,721,418	4,505,792	0	0
CPT Mitigation Assumption-Student	0	0	370,000	370,000
Net Income	0	(0)	1,774,611	1,319,605

U-PASS Financial Performance



Notes

- 3a Beyond FY12, general expenses have been forecasted to increase at 3% annually. Beyond FY11 benefits are scaled at 5% and beyond FY13 wages at 3%.
- 3b Student baseline transit cost projections assume use of the 2010 U-PASS survey data, 3% per year fare increases for Metro and 4% per year fare increases for all other agencies, and a full recovery over the forecast horizon to pre-fee-increase U-PASS participation rates. In addition, ST trips are projected to increase by 2% per year and CT trips are projected to increase by 1% per year. All other trip growth is due to the recovery in U-PASS participation. Beyond FY12, general expenses have been forecasted to increase at 3% annually. Beyond FY11 benefits are scaled at 5% and beyond FY13 wages at 3%.
- 3c Faculty/staff baseline transit cost projections assume use of the 2010 survey data, 3% per year fare increases for Metro and 4% per year fare increases for all other agencies, and a full recovery over the forecast horizon to pre-fee-increase non-carpool U-PASS sales rates. In addition, ST trips are projected to increase by 2% per year and CT trips are projected to increase by 1% per year. All other trip growth is due to the recovery in U-PASS participation. Beyond FY12, general expenses have been forecasted to increase at 3% annually. Beyond FY11 benefits are scaled at 5% and beyond FY13 wages at 3%.
- 11 The TDM (Transportation Demand Management) fee is a tax minimizing measure that partitions the fee collected during parking transactions. The TDM fee goes directly to U-PASS, rather than being passed through parking as is currently the case, and as a result will not be subject to taxation. Out of pocket costs for parkers will not increase.
- 13 Beginning in FY11, we began receiving a discount on our blended trip rate with Metro to account for the proportion of the U-PASS population that is eligible for youth, senior, and disabled rider fares. This discount on the blended rate was carried forward in the baseline calculations for subsequent years.
- 14a Net impact of Universal Student U-PASS with basic trips per pass cap assumption for Metro: This projection is based on the 2008 U-PASS survey data and includes all trips made by students (regardless of whether the trip makers were U-PASS members or not). The pass cap assumption is that we will not be charged for trips in excess of any of the following: 10 per work week, 2 per Saturday, and 2 per Sunday.
- 14b Net impact of Universal Student U-PASS with aggressive trips per pass cap assumption for Metro: This projection is based on the 2008 U-PASS survey data and includes all trips made by students (regardless of whether the trip makers were U-PASS members or not). The pass cap assumption is that we will not be charged for trips in excess of 9 trips per week.

- 14c Implementation of the basic trips per pass cap for employee U-PASSes with Metro retains the assumptions from the baseline transit projections but assumes that we will not be charged for trips in excess of any of the following: 10 per work week, 2 per Saturday, and 2 per Sunday.
- 15 Net impact of Universal Student U-PASS assuming an increase in student participation to 100% of students and a per pass cost reduction to \$76 per quarter.
- 19 For the purpose of establishing baselines no increases in Parking or U-PASS rates are presumed beyond FY11. If adopted, rate increases would be considered remedies.
- 22 Credit for trips projected but not taken due to reduced program participation since FY09 survey for ridership model.
- 26 Parking fines are presently transferred to Shuttles to fund Health Sciences share to HSE costs. UWMC & Harborview each pay their own way.
- 27 Reflects \$2.2 million in special capital expenses (deferred maintenance catch up).
- 28 Reflects \$5 million in special capital expenses (major software/hardware acquisition and construction of Mercer garage).

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities

Report of Contributions – March, 2011

For information only.

Attachment

University of Washington Foundation Report of Contributions for March, 2011

Report *of* Contributions

All Areas

March 2011



UNIVERSITY *of* WASHINGTON | *Foundation*

ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month				Year to Date			
	Gifts	Private Grants	Total	Donors ¹	Gifts	Private Grants	Total	Donors
UW Medicine	\$2,028,819	\$3,214,118	\$5,242,937	2,763	\$25,426,221	\$77,011,442	\$102,437,663	13,673
Arts and Sciences	\$851,256	\$718,190	\$1,569,446	1,526	\$12,217,108	\$8,202,176	\$20,419,285	11,124
Broadcast Services	\$626,748		\$626,748	840	\$2,449,380		\$2,449,380	12,068
Built Environments	\$38,431	\$1,185,000	\$1,223,431	81	\$1,345,756	\$1,412,646	\$2,758,402	1,057
Business School	\$419,550		\$419,550	377	\$10,653,121		\$10,653,121	3,395
Dentistry	\$1,097,520	\$21,067	\$1,118,587	114	\$4,396,711	\$116,067	\$4,512,778	1,182
Education	\$52,213		\$52,213	150	\$1,478,916	\$2,091,107	\$3,570,023	913
Engineering	\$808,053	\$125,190	\$933,243	379	\$7,292,519	\$10,100,664	\$17,393,183	3,514
Environment	\$231,061	\$31,096	\$262,157	360	\$2,938,997	\$5,624,809	\$8,563,806	2,070
Evans School of Public Affairs	\$45,867	\$50,000	\$95,867	87	\$272,555	\$565,321	\$837,876	345
Graduate School	\$13,134		\$13,134	28	\$1,024,574	\$511,666	\$1,536,240	205
Information School	\$19,486		\$19,486	57	\$370,605	\$288,076	\$658,681	690
Intercollegiate Athletics	\$1,845,203		\$1,845,203	3,968	\$19,069,760		\$19,069,760	11,973
Law	\$72,656		\$72,656	153	\$3,276,453	\$350,000	\$3,626,453	1,320
Libraries	\$212,321		\$212,321	1,304	\$2,131,192		\$2,131,192	4,753
Minority Affairs	\$20,859		\$20,859	138	\$353,711		\$353,711	525
Nursing	\$51,642		\$51,642	154	\$924,195	\$557,584	\$1,481,779	1,289
Pharmacy	\$332,163		\$332,163	143	\$1,219,096	\$1,092,093	\$2,311,189	1,034
President's Funds	\$2,993,345		\$2,993,345	165	\$4,565,649		\$4,565,649	1,193
Public Health	\$13,546	\$334,583	\$348,129	118	\$545,749	\$18,134,154	\$18,679,903	610
Social Work	\$50,541	\$300,000	\$350,541	301	\$1,870,575	\$632,828	\$2,503,403	802
Student Life	\$893,981		\$893,981	314	\$4,007,527		\$4,007,527	2,077
Undergraduate Academic Affairs	\$14,793		\$14,793	94	\$367,728	\$1,776,568	\$2,144,296	395
University Press	\$7,951		\$7,951	12	\$1,467,200		\$1,467,200	196
UW Alumni Association	\$70,554		\$70,554	1,346	\$558,843		\$558,843	11,485
UW Bothell	\$333,292	\$100,000	\$433,292	208	\$574,708	\$1,071,122	\$1,645,830	469
UW Tacoma	\$202,562		\$202,562	140	\$4,064,163	\$699	\$4,064,862	610
Other University Support	\$134,076	\$10,000	\$144,076	109	\$1,218,143	\$1,121,498	\$2,339,641	1,732
Total	\$13,481,623	\$6,089,244	\$19,570,867	14,633	\$116,081,155	\$130,660,520	\$246,741,675	79,401

MONTHLY HIGHLIGHTS

The UW received \$19.57M in total private voluntary support (\$13.48M in gifts and \$6.09M in grants) in the current month.

Areas including UW Medicine, Arts and Sciences, Broadcast Services, Built Environments, Dentistry, Engineering, Environment, Evans School of Public Affairs, Graduate School, Intercollegiate Athletics, Law, Libraries, Public Health, Undergraduate Academic Affairs, University Press, UW Bothell and UW Tacoma are ahead of last year's year-to-date totals.

¹ Donors are defined as those entities who have a credit amount of greater than \$0.00.

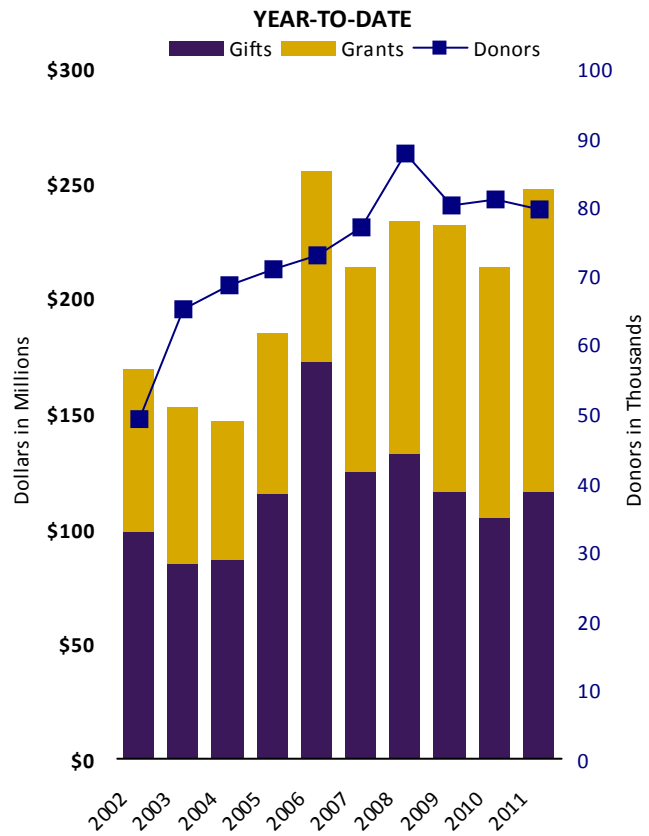
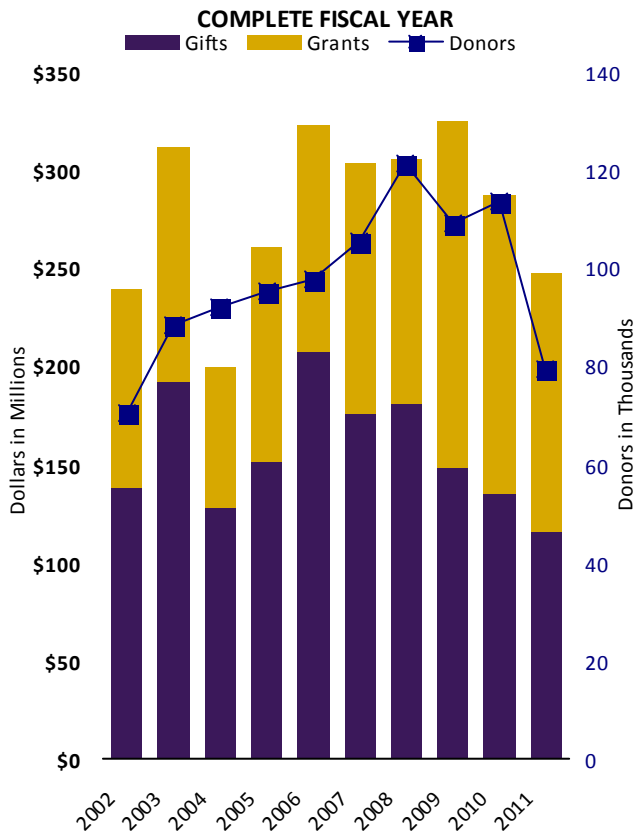
The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

DEVELOPMENT SUMMARY BY CONSTITUENCY

School	Current Month		Year to Date		Prior Year to Date		Prior Year Total	
	Total	Donors	Total	Donors	Total	Donors	Total	Donors
UW Medicine	\$5,242,937	2,763	\$102,437,663	13,673	\$98,684,851	13,327	\$137,228,784	15,896
Arts and Sciences	\$1,569,446	1,526	\$20,419,285	11,124	\$17,894,048	11,352	\$22,353,398	13,980
Broadcast Services	\$626,748	840	\$2,449,380	12,068	\$2,211,636	12,840	\$2,884,588	21,203
Built Environments	\$1,223,431	81	\$2,758,402	1,057	\$1,392,059	1,090	\$2,460,168	1,345
Business School	\$419,550	377	\$10,653,121	3,395	\$11,131,310	3,548	\$13,466,725	4,129
Dentistry	\$1,118,587	114	\$4,512,778	1,182	\$2,990,014	1,090	\$3,317,422	1,250
Education	\$52,213	150	\$3,570,023	913	\$3,996,894	1,191	\$4,695,480	1,575
Engineering	\$933,243	379	\$17,393,183	3,514	\$15,481,743	3,761	\$22,392,566	4,345
Environment	\$262,157	360	\$8,563,806	2,070	\$6,936,500	1,585	\$8,056,542	2,066
Evans School of Public Affairs	\$95,867	87	\$837,876	345	\$553,573	320	\$729,548	508
Graduate School	\$13,134	28	\$1,536,240	205	\$831,036	289	\$946,285	312
Information School	\$19,486	57	\$658,681	690	\$1,465,966	585	\$1,598,080	699
Intercollegiate Athletics	\$1,845,203	3,968	\$19,069,760	11,973	\$10,944,352	12,643	\$17,893,004	24,696
Law	\$72,656	153	\$3,626,453	1,320	\$1,323,140	1,456	\$1,644,729	2,038
Libraries	\$212,321	1,304	\$2,131,192	4,753	\$901,794	4,424	\$1,034,271	5,362
Minority Affairs	\$20,859	138	\$353,711	525	\$386,074	560	\$538,889	738
Nursing	\$51,642	154	\$1,481,779	1,289	\$2,926,130	1,475	\$3,464,905	1,743
Pharmacy	\$332,163	143	\$2,311,189	1,034	\$2,649,602	846	\$3,869,407	1,046
President's Funds	\$2,993,345	165	\$4,565,649	1,193	\$505,469	1,279	\$586,255	1,536
Public Health	\$348,129	118	\$18,679,903	610	\$13,099,765	648	\$16,560,816	754
Social Work	\$350,541	301	\$2,503,403	802	\$2,651,705	722	\$3,641,796	832
Student Life	\$893,981	314	\$4,007,527	2,077	\$4,753,675	2,328	\$5,341,443	2,802
Undergraduate Academic Affairs	\$14,793	94	\$2,144,296	395	\$646,365	562	\$688,975	640
University Press	\$7,951	12	\$1,467,200	196	\$190,865	108	\$292,500	169
UW Alumni Association	\$70,554	1,346	\$558,843	11,485	\$558,955	11,915	\$894,199	18,266
UW Bothell	\$433,292	208	\$1,645,830	469	\$1,357,155	459	\$1,556,176	630
UW Tacoma	\$202,562	140	\$4,064,862	610	\$1,804,306	638	\$3,009,562	827
Other University Support	\$144,076	109	\$2,339,641	1,732	\$5,115,422	1,620	\$5,482,304	2,729
Total¹	\$19,570,867	14,633	\$246,741,675	79,401	\$213,384,405	81,006	\$286,628,819	113,746

¹ The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

FISCAL YEAR COMPARISON OF TOTAL CONTRIBUTIONS



Fiscal Year	Complete Fiscal Year				Year to Date			
	Gifts	Private Grants	Total	Donors	Gifts	Private Grants	Total	Donors
2010-2011	\$116,081,155	\$130,660,520	\$246,741,675	79,401	\$116,081,155	\$130,660,520	\$246,741,675	79,401
2009-2010	\$135,813,022	\$150,815,796	\$286,628,819	113,746	\$105,043,051	\$108,341,354	\$213,384,405	81,006
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$116,100,795	\$115,613,536	\$231,714,331	80,180
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$132,985,022	\$99,910,341	\$232,895,363	87,433
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$124,552,021	\$89,059,944	\$213,611,965	76,956
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$172,770,589	\$81,941,825	\$254,712,414	72,765
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$115,356,793	\$69,335,008	\$184,691,801	70,733
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$86,890,630	\$59,858,287	\$146,748,917	68,371
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$84,999,647	\$67,468,488	\$152,468,135	65,044
2001-2002	\$137,959,340	\$100,820,547	\$238,779,887	70,560	\$99,211,901	\$69,607,925	\$168,819,827	49,087



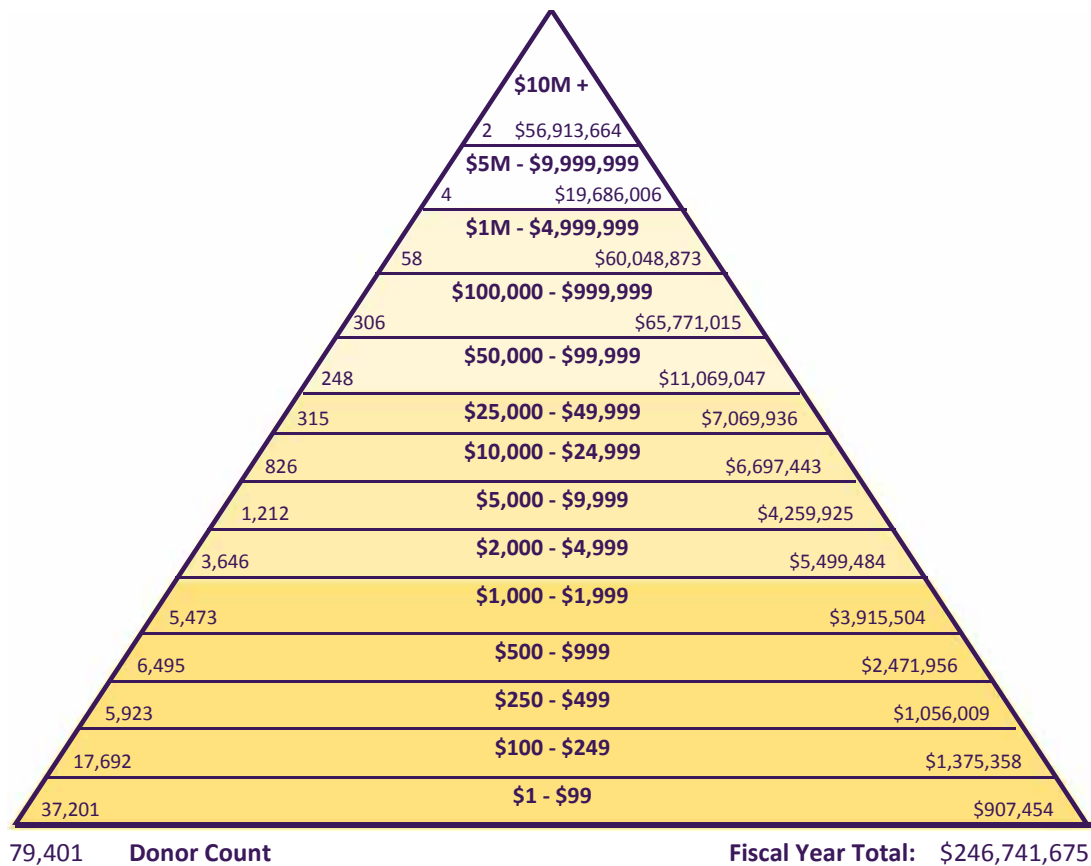
ANNUAL FUNDING THEME PROGRESS

Theme	Current Use	Year to Date	
		Endowment	Total
Student Support	\$7,723,929	\$11,668,711	\$19,392,640
Faculty Support	\$7,021,969	\$6,518,120	\$13,540,089
Program Support for Faculty and Students	\$164,544,026	\$11,522,678	\$176,066,704
Capital	\$14,969,170	\$635	\$14,969,805
Excellence Funds	\$20,780,779	\$1,991,658	\$22,772,437
Total	\$215,039,874	\$31,701,801	\$246,741,675

DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors ¹	Total	Donors	Total
Alumni	37,052	\$36,215,212	38,380	\$24,835,924	50,992	\$35,117,094
Corporations	1,955	\$35,748,598	2,139	\$33,338,968	2,832	\$43,318,033
Family Foundations	145	\$12,720,870	157	\$9,785,786	171	\$13,713,745
Foundations	363	\$78,512,126	350	\$59,205,027	433	\$89,376,760
Non-Alumni	39,423	\$21,878,072	39,528	\$28,958,816	58,737	\$35,745,608
Organizations	463	\$61,666,798	452	\$57,259,884	581	\$69,357,578
Total	79,401	\$246,741,675	81,006	\$213,384,405	113,746	\$286,628,819

DEVELOPMENT ACTIVITY PYRAMID



¹ Prior Fiscal Year to Date numbers reflect the number of alumni for the reported period based on the state of the data at the end of the prior fiscal year.



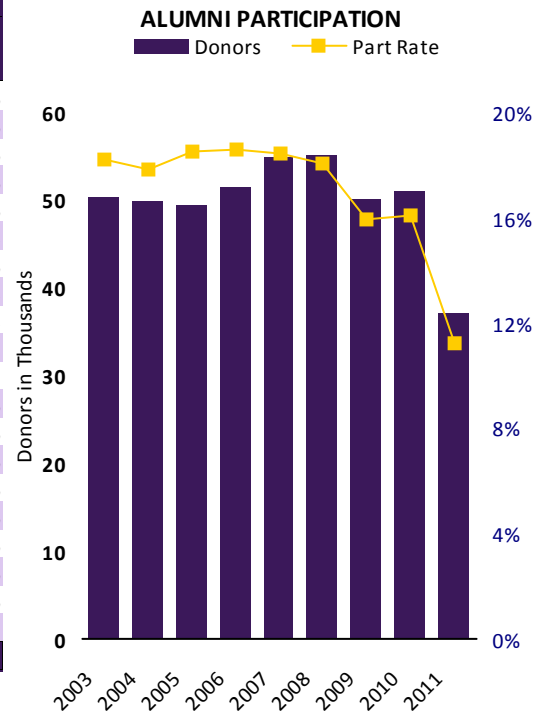
ANNUAL PROGRESS BY GIVING LEVEL

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +					\$37,069,189	\$19,844,475	\$56,913,664
\$5M - \$9,999,999	\$6,401,760				\$5,487,827	\$7,796,419	\$19,686,006
\$1M - \$4,999,999	\$9,012,987	\$300,000	\$7,000,500	\$14,054,701	\$16,999,488	\$12,681,197	\$60,048,873
\$100,000 - \$999,999	\$5,829,902	\$10,037,816	\$3,864,611	\$13,012,434	\$14,919,884	\$18,106,369	\$65,771,015
\$50,000 - \$99,999	\$2,136,383	\$1,968,583	\$948,249	\$2,704,388	\$1,992,066	\$1,319,378	\$11,069,047
\$25,000 - \$49,999	\$1,280,750	\$1,372,713	\$347,943	\$2,247,060	\$951,793	\$869,677	\$7,069,936
\$10,000 - \$24,999	\$1,797,288	\$1,566,776	\$355,090	\$1,755,869	\$660,468	\$561,953	\$6,697,443
\$5,000 - \$9,999	\$1,775,995	\$1,103,487	\$117,900	\$790,968	\$225,627	\$245,948	\$4,259,925
\$2,000 - \$4,999	\$2,730,526	\$1,798,942	\$64,070	\$610,617	\$138,176	\$157,153	\$5,499,484
\$1,000 - \$1,999	\$1,916,225	\$1,542,215	\$18,657	\$341,549	\$52,696	\$44,163	\$3,915,504
\$500 - \$999	\$1,321,065	\$972,335	\$2,950	\$143,090	\$8,666	\$23,851	\$2,471,956
\$250 - \$499	\$618,506	\$385,034	\$500	\$41,365	\$2,237	\$8,367	\$1,056,009
\$100 - \$249	\$824,355	\$505,494	\$400	\$35,678	\$3,431	\$6,000	\$1,375,358
\$1 - \$99	\$569,472	\$324,677		\$10,881	\$577	\$1,848	\$907,454
Total	\$36,215,212	\$21,878,072	\$12,720,870	\$35,748,598	\$78,512,126	\$61,666,798	\$246,741,675

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +					1	1	2
\$5M - \$9,999,999	2				1	1	4
\$1M - \$4,999,999	11	13	3	11	12	8	58
\$100,000 - \$999,999	50	85	18	51	52	50	306
\$50,000 - \$99,999	52	85	16	44	31	20	248
\$25,000 - \$49,999	75	103	11	70	30	26	315
\$10,000 - \$24,999	256	332	28	128	45	37	826
\$5,000 - \$9,999	483	484	21	142	38	44	1,212
\$2,000 - \$4,999	1,677	1,601	21	243	47	57	3,646
\$1,000 - \$1,999	2,442	2,641	17	287	46	40	5,473
\$500 - \$999	3,070	3,113	5	250	14	43	6,495
\$250 - \$499	2,797	2,947	2	142	8	27	5,923
\$100 - \$249	8,329	9,006	3	283	23	48	17,692
\$1 - \$99	17,808	19,013		304	15	61	37,201
Total	37,052	39,423	145	1,955	363	463	79,401

ALUMNI PARTICIPATION BY CONSTITUENCY (CURRENT FISCAL YEAR)

Area	Solicitable	To UW		To Unit	
		Year to Date	Part Rate	Year to Date	Part Rate
UW Medicine	19,185	2,876	14.99%	1,896	9.88%
Arts and Sciences	151,787	15,261	10.05%	4,743	3.12%
Business School	39,725	5,551	13.97%	1,878	4.73%
Built Environments	8,496	1,033	12.16%	465	5.47%
Dentistry	4,650	905	19.46%	524	11.27%
Education	18,092	2,420	13.38%	553	3.06%
Engineering	33,868	3,744	11.05%	1,861	5.49%
Environment	11,635	1,313	11.28%	664	5.71%
Evans School of Public Affairs	2,747	413	15.03%	152	5.53%
Interdisc. Grad. Programs	2,200	247	11.23%		
Interschool Programs	2,459	383	15.58%		
Information School	4,950	836	16.89%	433	8.75%
Law	8,186	1,311	16.02%	810	9.89%
School of Nursing	8,909	1,392	15.62%	827	9.28%
Pharmacy	3,690	757	20.51%	656	17.78%
Public Health	4,683	586	12.51%	242	5.17%
Social Work	6,753	798	11.82%	431	6.38%
UW Bothell	8,069	522	6.47%	163	2.02%
UW Tacoma	9,452	529	5.60%	301	3.18%
Unspecified	9,472	1,118	11.80%		
ALL UW TOTAL	330,521	37,052	11.21%		



ALUMNI PARTICIPATION BY CONSTITUENCY (PREVIOUS FISCAL YEAR)

Area	Solicitable	To UW				To Unit			
		Year to Date		FY Total		Year to Date		FY Total	
		Donors ¹	Part Rate	Donors	Part Rate	Donors	Part Rate	Donors	PFY Final
UW Medicine	19,127	2,917	15.25%	3,647	19.07%	1,978	10.34%	2,277	11.90%
Arts and Sciences	146,824	15,134	10.31%	21,644	14.74%	4,840	3.30%	5,915	4.03%
Business School	38,262	5,599	14.63%	7,650	19.99%	1,919	5.02%	2,283	5.97%
Built Environments	8,184	1,025	12.52%	1,430	17.47%	465	5.68%	567	6.93%
Dentistry	4,540	920	20.26%	1,116	24.58%	515	11.34%	586	12.91%
Education	18,841	2,580	13.69%	3,221	17.10%	450	2.39%	548	2.91%
Engineering	32,965	3,870	11.74%	5,082	15.42%	1,994	6.05%	2,382	7.23%
Environment	17,376	1,832	10.54%	1,310	7.54%	411	2.37%	616	3.55%
Evans School of Public Affairs	2,496	389	15.58%	602	24.12%	160	6.41%	207	8.29%
Interdisc. Grad. Programs	1,817	216	11.89%	334	18.38%				
Interdisc. Undergrad. Programs	258	17	6.59%	29	11.24%				
Interschool Programs	520	47	9.04%	528	101.54%				
Information School	4,614	768	16.64%	1,009	21.87%	386	8.37%	436	9.45%
Law	7,905	1,352	17.10%	1,892	23.93%	782	9.89%	1,031	13.04%
School of Nursing	8,644	1,444	16.71%	1,820	21.06%	844	9.76%	950	10.99%
Pharmacy	3,547	695	19.59%	891	25.12%	480	13.53%	562	15.84%
Public Health	4,580	619	13.52%	776	16.94%	230	5.02%	268	5.85%
Social Work	6,522	740	11.35%	990	15.18%	357	5.47%	416	6.38%
UW Bothell	6,995	555	7.93%	1,003	14.34%	180	2.57%	216	3.09%
UW Tacoma	8,050	504	6.26%	901	11.19%	220	2.73%	306	3.80%
Unspecified	11,600	1,571	13.54%	1,653	14.25%				
ALL UW TOTAL	317,522	36,913	11.63%	50,992	16.06%				

¹ Prior Fiscal Year to Date numbers reflect the number of alumni for the reported period based on the state of the data on the date this report was run in the prior fiscal year.



The University of Washington Alumni Association is the broad-based engagement vehicle for University Advancement and the University of Washington. Through its strategically designed programs, the UW Alumni Association invites alumni, donors and friends to engage in the life of the UW. Research indicates that engaged alumni and friends are more inclined to support the University and its students. The UW Alumni Association is proud to develop a solid base of support for the University of Washington.



UWAA Member Giving by Constituency

School	Solicitable Alumni	Member		Alumni Giving	
		Members ¹	Donors	Members	Non Members
UW Medicine	19,185	1,901	838	44.08%	10.47%
Arts and Sciences	151,787	19,054	5,347	28.06%	5.07%
Business School	39,725	7,231	2,414	33.38%	6.68%
Built Environments	8,496	1,137	350	30.78%	6.92%
Dentistry	4,650	1,014	433	42.70%	9.60%
Education	18,092	2,851	915	32.09%	6.99%
Engineering	33,868	4,535	1,351	29.79%	6.08%
Environment	11,635	1,430	408	28.53%	6.68%
Evans School of Public Affairs	2,747	330	99	30.00%	9.52%
Interdisc. Grad. Programs	2,200	202	58	28.71%	6.71%
Interdisc. Undergrad. Program					
Interscholar Programs	2,459	555	183	32.97%	7.88%
Information School	4,950	765	262	34.25%	10.97%
Law	8,186	1,039	464	44.66%	10.24%
School of Nursing	8,909	1,316	478	36.32%	9.65%
Pharmacy	3,690	622	307	49.36%	13.17%
Public Health	4,683	403	149	36.97%	8.25%
Social Work	6,753	609	183	30.05%	8.20%
UW Bothell	8,069	829	124	14.96%	2.75%
UW Tacoma	9,452	734	132	17.98%	2.16%
Unspecified	9,472	1,925	552	28.68%	4.35%
Non-Alumni		8,276	4,676	56.50%	
Total	330,521	53,368	17,900	33.54%	

Alumni Activity

1 in 3.5 registrants at 2010 UW events were UWAA members
1 in 25 registrants at 2010 UW events were UW donors
3 in 4 registrants at 2010 UW events were Solicitable Alumni
1 in 25 UWAA members attended a 2010 UW event
1 in 3 2009-2010 Football/Basketball season ticket holders were UWAA members
1 in 7 UWAA members were 2009-2010 Football/Basketball season ticket holders

Top 10 Membership by Class Year

Class Year	Part. Rate	Class Year	Population
1955	23.02%	2010	1,839
1959	21.92%	1971	1,109
1946	21.92%	1973	1,082
1953	21.89%	1974	1,076
1954	21.88%	1970	1,040
1956	21.51%	1972	1,029
1952	20.69%	1976	1,015
1950	20.55%	1975	999
1958	20.53%	1977	946
1957	20.35%	1968	912

Activity Participation - Rolling 3 Year Total³

School ²	Participants	Part. Donors	% Donors	Alum Non-Part.	Alum Non-Par Donor	% Non-Part Donor
Intercollegiate Athletics	1,896	1,860	98.10%			
UW Medicine	4,557	3,510	77.02%	20,837	3,400	16.32%
Arts and Sciences	14,680	3,518	23.96%	136,793	8,245	6.03%
Built Environments	1,696	740	43.63%	7,316	769	10.51%
Business School	6,607	1,798	27.21%	33,991	3,265	9.61%
Dentistry	1,972	803	40.72%	2,920	413	14.14%
Education	1,963	416	21.19%	16,300	992	6.09%
Engineering	2,888	982	34.00%	31,531	3,310	10.50%
Environment	1,338	602	44.99%	10,822	1,130	10.44%
Evans School of Public Affairs	829	317	38.24%	2,156	309	14.33%
Graduate School	430	224	52.09%	2,085	6	0.29%
Information School	764	237	31.02%	4,370	629	14.39%
Law	2,165	939	43.37%	6,462	1,123	17.38%
Libraries	1,216	1,173	96.46%			
Nursing	1,016	454	44.69%	8,155	1,387	17.01%
Pharmacy	389	237	60.93%	3,488	923	26.46%
Public Health	634	218	34.38%	3,932	398	10.12%
Social Work	853	298	34.94%	6,037	740	12.26%
UW Bothell	787	258	32.78%	7,753	642	8.28%
UW Tacoma	553	246	44.48%	9,164	897	9.79%

¹ Members include paid Annual Members, Lifetime Members, and TPC Level Donors

² Activity is based on a unit affiliated Alumni or Donor being labeled as a positive RSVP, host, speaker, or participant at any tracked UW activity.

³ 3-Years consists of any activity since 7/1/2006

Source: University of Washington Alumni Association



VII. STANDING COMMITTEES**B. Finance, Audit and Facilities****2011 Audit Plans – KPMG and Peterson Sullivan**

For information only.

Attachments

1. KPMG University of Washington 2011 Audit Plan
2. Peterson Sullivan University of Washington Metropolitan Tract Audit
3. Peterson Sullivan University of Washington Audits of Housing and Dining System and Retail and Remote Food Services
4. Peterson Sullivan University of Washington Audits of Departments in Student Life



HIGHER EDUCATION

University of Washington 2011 Audit Plan

AUDIT

F-2.1/205-11
5/12/11

AUDIT ■ TAX ■ ADVISORY

ATTACHMENT 1



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I. Executive Summary

Scope of Audit

We will audit the balance sheet of the University of Washington (the University) as of June 30, 2011, and the related statements of revenues, expenses, and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on the financial statements based on our audit, however we will not express any opinion on the effectiveness of internal controls over financial reporting.

An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we will express no such opinion.

Additionally, we will report separately on our audits for the UW Medical Center, Intercollegiate Athletics, the Parking System and the Internal Lending Program. We also issue reports on many of the audits of component units, including the discretely presented component unit UW Medicine/Northwest. See page 4 for those reports.

Coordination with Other Auditors

We will coordinate and rely on audit testwork performed by the following other auditors: Peterson Sullivan, Shallo, Galluscio, Bianchi and Fucito, the Washington State Auditor's Office, and the University's Internal Audit Department as considered necessary.

This coordinated approach allows us to reduce duplicative testwork during the audit of the University and increase overall efficiency.

Tentative Timetables

Our timetable is expected to be similar to that of the previous year. We will coordinate with the Office of Financial Management and Internal Audit for a more detailed schedule of events and prepare an outline of specific data requirements, timelines, and individuals responsible.



II. Financial Reporting Entity

The financial statements of the University of Washington consist of (a) the University of Washington, (b) organizations for which the University is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the University are such that exclusion would cause the University's financial statements to be misleading or incomplete if excluded.

The definition of the reporting entity is based primarily on the notion of financial accountability. An entity is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the entity. An entity may also be financially accountable for governmental organizations that are fiscally dependent on it.

An entity has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the entity (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.



II. Financial Reporting Entity

The following illustration depicts the entities included in the University of Washington Annual Report.

2010 Assets (in millions)	Entities	Financial Statements
\$ 7,000	University of Washington Research, Teaching, and Public Service Activities (Main Campus)* UW Medical Center* Parking System* Intercollegiate Athletics* Internal Lending Program* Airlift Northwest* Housing and Food Services Metropolitan Tract	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;"> University of Washington Annual Report </div>
\$ 73	Wholly Owned Insurance Company	
	Portage Bay Insurance*	
\$ 154	Affiliated Organizations - Medical Entities	
	University of Washington Physicians*	
	University of Washington Physicians Network*	
\$ 299	Affiliated Organizations - Real Estate Properties	
	Community Development Properties C-D	
	Radford Court Properties	
	Educational Research Properties	
	Washington Biomedical Research Properties I	
	Washington Biomedical Research Properties II	
	TSB Properties	
	Twenty-fifth Avenue Properties	
\$ 308	Affiliated Organizations	
	University of Washington Alumni Association*	
	UW Medicine/Northwest*	

* Audited by KPMG LLP (KPMG)

Organizations Not included in University of Washington Annual Report
Harborview Medical Center*
University of Washington Foundation *
Henry Gallery Association, Inc.
Washington Law School Foundation
Washington Pulp and Paper Foundation



III. Scope of Our Audits

University Annual Report

We will audit the balance sheet of the University as of June 30, 2011 and the related statements of revenues, expenses, and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America U.S. GAAP. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we will express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In planning and performing our audit of the financial statements, we consider internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. Our audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. If, however, during our audit, we note matters involving internal control and other operational matters, they will be presented for your consideration. These comments and recommendations, all of which will be discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies.

An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion.

This audit meets the needs of the board of regents and the administration to manage the University and assist in meeting the University's financial reporting requirements as a public agency and the State of Washington.

UW Medical Center

We will audit the financial statements of the UW Medical Center as of June 30, 2011. We will conduct our audit in accordance with U.S. GAAP. We will provide an audit report on the UW Medical Center and will use our audit as support in our overall opinion on the University.



III. Scope of Our Audits (Continued)

Intercollegiate Athletics (ICA)

An audit of the ICA will be performed for the year ended June 30, 2011. We will conduct our audit in accordance with U.S. GAAP.

We will be performing required agreed-upon procedures to meet the requirements of the National Collegiate Athletic Association (NCAA).

Parking System

An audit of the Parking System will be performed for the year ended June 30, 2011. We will conduct our audit in accordance with U.S. GAAP.

Internal Lending Program

An audit of the Internal Lending Program will be performed for the year ended June 30, 2011. We will conduct our audit in accordance with U.S. GAAP.

Airlift Northwest

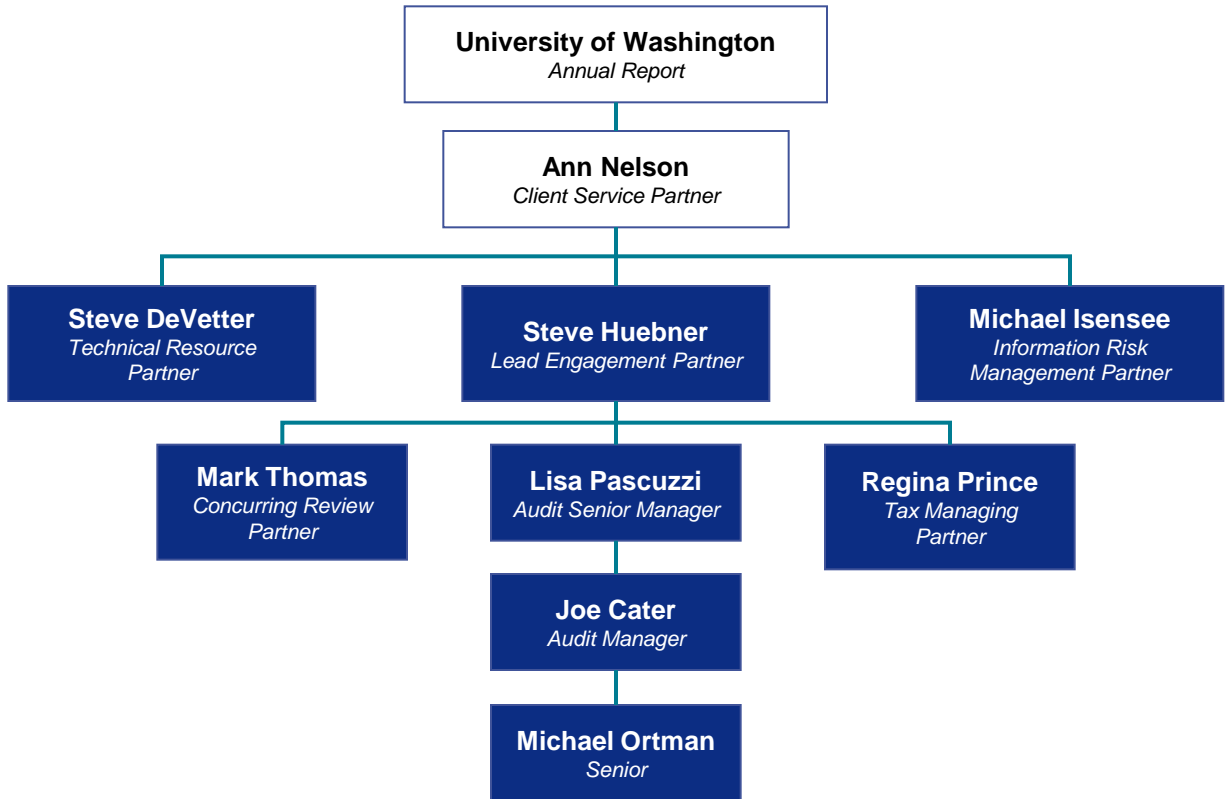
On July 1, 2010 Airlift Northwest dissolved its separate 501 (c)(3) status and became a self-sustaining unit of the University of Washington. An audit of Airlift Northwest will be performed for the year ended June 30, 2011. We will conduct our audit in accordance with U.S. GAAP.

Affiliated Organizations

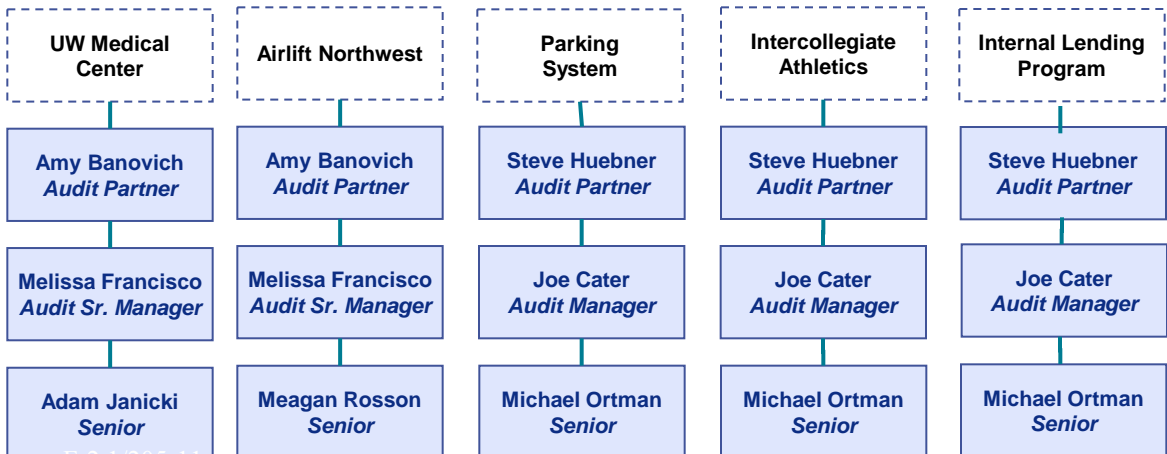
An audit of each of the following affiliated organizations will be performed for the year ended June 30, 2011: Portage Bay Insurance, University of Washington Physicians, University of Washington Physicians Network, University of Washington Alumni Association, UW Medicine/Northwest, Harborview Medical Center, and University of Washington Foundation. We will conduct our audits in accordance with U.S. GAAP.



IV. KPMG LLP (KPMG) Team Overview



Individual Department and Auxiliary Audits:





V. KPMG Audit Process

We apply our audit process through our four-step audit approach. Each step allows us to identify more clearly the University's business risks, and hence our audit risks, and to focus our audit approach on the risks of material misstatements in the financial statements.

An overview of KPMG's standard four-step audit approach follows:



IT General Controls

Throughout the audit phases outlined above, KPMG will be testing IT General Controls in Access to Programs and Data, Program Change, Program Development, Computer Operations, and End-User Computing. In addition, when applicable, KPMG will also test IT application controls in the areas of; application access (segregation of duties), key reports, key calculations, and interfaces (to ensure completeness and accuracy of data transfer).



V. KPMG Audit Process (Continued)

In Scope Applications	
<i>University of Washington</i>	
Audit Program, and relevant audit objective references	Application Name
Student database	SDB
Human Resources and Payroll	Higher Education Payroll and Personnel System (HEPPS)
General Ledger	FAS/ FIN
Expenditures	eProcurement
Expenditures	PAS
<i>UW Medical Center</i>	
Audit Program, and relevant audit objective references	Application Name
General Ledger	PFM
AR/Billing	EPIC
<i>Harborview Medical Center</i>	
Audit Program, and relevant audit objective references	Application Name
General Ledger	PFM
AR/Billing	EPIC
<i>Northwest Hospital & Medical Center</i>	
Audit Program, and relevant audit objective references	Application Name
General Ledger	PFM
AR/Billing	STAR



V. KPMG Audit Process (Continued)

Overview of Audit Procedures

Balance Sheet

Financial Statement Caption	Audit Considerations	Key Audit Procedures
<ul style="list-style-type: none"> ● Cash and Investments ● (\$3.3 billion) 	<ul style="list-style-type: none"> ● Accounting for and control over cash and investments focused on the completeness, existence, accuracy, and valuation. 	<ul style="list-style-type: none"> ● Test account reconciliations ● Confirm key cash and investment balances ● Procedures in accordance with the AICPA practice aid to test the existence and valuation of investments with special emphasis on alternative Investments, subprime, auction rate securities, derivatives, and other hard-to-value investments
<ul style="list-style-type: none"> ● Accounts Receivable – Patient Services ● (\$267 million) 	<ul style="list-style-type: none"> ● Existence of receivables ● Reasonableness of contractual and bad debt allowances ● Collectibility of receivables 	<ul style="list-style-type: none"> ● Substantive audit and controls procedures to test reasonableness of accounts receivable, contractual allowance, and bad debt reserves ● Understand any changes in reserve methodology ● Accounts receivable testing for existence of account balances ● Test account reconciliation
<ul style="list-style-type: none"> ● Accounts Receivable – Grants and Contracts ● (\$151 million) 	<ul style="list-style-type: none"> ● Existence of receivables ● Accuracy of receivables ● Collectibility of receivables 	<ul style="list-style-type: none"> ● Evaluate internal controls ● Select a sample and agree to underlying contracts. ● Assess the validity and collectibility of billed and unbilled receivables.
<ul style="list-style-type: none"> ● MetroTract ● (\$126 million) 	<ul style="list-style-type: none"> ● Proper recording of net assets of MetroTract 	<ul style="list-style-type: none"> ● Obtain and review the audit report of Peterson & Sullivan



V. KPMG Audit Process (Continued)

Financial Statement Caption	Audit Considerations	Key Audit Procedures
<ul style="list-style-type: none"> Capital Assets (\$3.0 billion) 	<ul style="list-style-type: none"> Proper capitalization and classification of assets Appropriate depreciation/ amortization Safeguarding assets 	<ul style="list-style-type: none"> Review a reconciliation of capital asset activity Test and evaluate internal controls over capital asset additions Test a sample of significant additions and retirements by examining supporting documentation. Test the reasonableness of useful lives of sampled additions.
<ul style="list-style-type: none"> Accounts Payable and Accrued Liabilities (\$315 million) 	<ul style="list-style-type: none"> Recognition of transaction in proper accounting period Accuracy of amounts recorded and assessment of management's estimates 	<ul style="list-style-type: none"> Perform review of subsequent disbursements in management's liability estimation method. Review reasonableness and test the underlying data of the Triangle Accrual Review reasonableness of balances compared to expectations
<ul style="list-style-type: none"> Self Insurance Reserve (\$58 million) 	<ul style="list-style-type: none"> Valuation of management's estimates for legal liabilities 	<ul style="list-style-type: none"> Obtain and review KPMG audit report of the captive insurance company
<ul style="list-style-type: none"> Long-term liabilities (\$1.3 billion) 	<ul style="list-style-type: none"> Proper classification Compliance with financial covenants 	<ul style="list-style-type: none"> Confirm balances Test disclosure and classification Test financial covenants
<ul style="list-style-type: none"> Net Assets (\$5.2 billion) 	<ul style="list-style-type: none"> Proper classification of restrictions 	<ul style="list-style-type: none"> Review reasonableness of balances compared to expectations



V. KPMG Audit Process (Continued)

Statement Of Revenues, Expense, And Changes In Net Assets

Financial Statement Caption	Audit Considerations	Key Audit Procedures
<ul style="list-style-type: none"> ● Student tuition and fees ● (\$528 million) 	<ul style="list-style-type: none"> ● Accounting for and control over the tuition cycle ● Proper accounting for scholarship allowances 	<ul style="list-style-type: none"> ● Review reasonableness of balances compared to expectation on a per student basis ● Test and evaluate internal controls
<ul style="list-style-type: none"> ● Patient services ● (\$1.0 billion) 	<ul style="list-style-type: none"> ● Proper recording of revenues ● Proper cut-off of revenue between periods ● Accuracy of recording of contractual deductions from revenue ● Proper recording of charity care amounts in accordance with charity care policy 	<ul style="list-style-type: none"> ● Charge capture testing for appropriate capture of revenues at set charge master rates ● Revenue cut-off testing for appropriate revenue recognition ● Test and evaluate internal controls
<ul style="list-style-type: none"> ● Grants and Contracts revenue ● (\$1.2 billion) 	<ul style="list-style-type: none"> ● Proper recording of revenues and collections ● Accuracy of account balances 	<ul style="list-style-type: none"> ● Test and evaluate internal controls ● Test accuracy and eligibility of sampled expenditures that drive revenue recognition
<ul style="list-style-type: none"> ● Auxiliary Enterprise revenue ● (\$156 million) 	<ul style="list-style-type: none"> ● Proper consolidation of entities 	<ul style="list-style-type: none"> ● Obtain and review departmental and component unit statements for proper inclusion in the financial statements
<ul style="list-style-type: none"> ● Salaries and Benefits ● (\$2.2 billion) 	<ul style="list-style-type: none"> ● Recognized in proper accounting period ● Accuracy of amounts recorded 	<ul style="list-style-type: none"> ● Test and evaluate the internal controls ● Review reasonableness of balances compared to expectation on a per FTE basis



V. KPMG Audit Process (Continued)

Financial Statement Caption	Audit Considerations	Key Audit Procedures
<ul style="list-style-type: none"> State Appropriations (\$303 million) 	<ul style="list-style-type: none"> Accuracy of amounts recorded 	<ul style="list-style-type: none"> Confirm balances with information provided from the state accounting system
<ul style="list-style-type: none"> Investment gain (\$309 million) 	<ul style="list-style-type: none"> Accuracy of amounts recorded 	<ul style="list-style-type: none"> Confirmation of amounts with the custodian Obtain and review the SAS 70 internal control report provided by the service organization.

Coordination with Other Auditors

When necessary we will coordinate and rely on audit testwork performed by the following other auditors.

Auditor	University Component
Peterson Sullivan	Metro Tract, Housing and Food Services
Washington State Auditor's Office	Research – Compliance with Laws and Regulations Statewide Debt
University of Washington Internal Audit	Various
Shallo, Galluscio, Bianchi and Fucito	Various Real Estate Component Units

This coordinated approach allows us to reduce duplicative testwork during the audit of the University and increase overall efficiency.

Utilization of Internal Audit

KPMG will utilize the staffing resources of University of Washington Internal Audit to reduce related audit fees.



VI. New Accounting Pronouncements

Summary of Statement No. 59, *Financial Instruments Omnibus* (Issued June 2010)

The requirements of this Statement are effective for the University of Washington as of June 15, 2010.

The objective of this Statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice.

We are working with management to understand the requirements and their application in the University's financial statements for this fiscal year.



VII. Tentative Timetable

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Initial planning meetings	●								
Present audit plan to board of regents' finance and audit committee	●								
Planning meetings with University of Washington finance department	●								
Interim fieldwork	●								
Final fieldwork					●	●	●		
Financial statements Preparation and reporting							●	●	
Presentation of financial statement and management letter to board of regents' finance and audit committee									●

We will coordinate with the controller's office a more detailed schedule of events, which outlines specific data requirements, timelines, and individuals responsible for each will be prepared.



Ann C. Nelson

Client Service Partner
KPMG LLP
801 2nd Avenue, Suite 900
Seattle, WA 98104
Telephone • 206-913-4192
Fax • 206-913-7269
email • anelson@kpmg.com

Steven D. Huebner

Lead Engagement Partner
KPMG LLP
801 2nd Avenue, Suite 900
Seattle, WA 98104
Telephone • 206-913-6583
Fax • 206-260-7263
email • shuebner@kpmg.com

Peterson Sullivan LLP
University of Washington Metropolitan Tract Audit
For the Year Ending June 30, 2011

The following is a summary of the services we will provide for the **University of Washington Metropolitan Tract** for 2011. Our general audit plans and related timelines are also included.

SUMMARY OF SERVICES TO BE PROVIDED

We will perform the following audit services:

- **Metropolitan Tract:** The audit of the Metropolitan Tract represents the majority of the audit work we perform. Incorporates all of the properties within the Metro Tract (including the Cobb Building).
- **Rainier Tower Sublease:** We audit the results of operations specifically associated with the Rainier Tower sublease on a stand-alone basis.
- **Fairmont Olympic Hotel:** We audit the schedule of gross rental income and percentage rent, including amounts due to the University. We also perform various tests associated with lease compliance.
- **Unico Properties:** We audit the schedule of gross rental income and percentage rent, including amounts due to the University. Again, we perform various tests associated with lease compliance.
- **Cobb Building:** We perform certain lease compliance agreed-upon procedures.

SUMMARY OF AUDIT PLANS

Metropolitan Tract

We focus our audit procedures in the areas deemed to be the highest risk. At the Metropolitan Tract, we have determined that cash, accounts receivable from Unico, and the rental revenue stream (including lease compliance) represent the largest dollar value and the highest volume of activity and, therefore, the highest audit risk. In addition, given the current economic climate, we will obtain understanding on how the economy is effecting the operations of Metropolitan Tract and the Management's strategy to address these issues. We prepare our audit programs to focus audit efforts in these areas.

Rainier Tower Sublease

The Rainier Tower sublease financial results are included in the Metropolitan Tract financial statements. We audit this activity and also audit the separate results of operations for the Rainier Tower on a stand-alone basis. We expect to focus our audit procedures on rental revenue recognition (including lease compliance) and capital expenditures.

Fairmont Olympic Hotel

The financial results from the Fairmont Olympic Hotel are included in the Metropolitan Tract financial statements. We also audit the financial results related to the revenue and percentage rentals on a stand-alone basis. We focus our audit procedures on Fairmont revenue as this is the driver as to amounts paid to the Metro Tract. We test revenue recognition, completeness of reported revenue, and proper classification and presentation of revenue. In addition, we perform certain agreed-upon procedures related to the Fairmont activity. These procedures include, but are not limited to, testing to ensure that the Fairmont classifies revenue properly in accordance with the lease, and testing to see that capital expenditures meet certain requirements.

Unico Properties, Inc.

The financial results from the Unico Properties are included in the Metropolitan Tract financial statements. We audit this activity and also audit the financial results related to the gross rental income and percentage rentals on a stand-alone basis. We focus our audit procedures on revenue recognition and revenue classification between commercial space and office space. We will also select applicable tenants and test the calculation of percentage rents. In addition, we will perform certain agreed-upon procedures related to lease compliance. These procedures include, but are not limited to, lease compliance with the Cobb lease and the allocation of parking revenue.

AUDIT TIMELINE

Our audit procedures are expected to take place as follows:

- Procedures related to the Unico activity and the Cobb Building begin mid June 2011.
- The Rainier Tower audit begins late July 2011.
- Procedures related to the Fairmont begin mid August 2011.
- The Metropolitan Tract audit begins late August 2011.
- Reports for Fairmont and Unico are prepared for the year ended December 31, 2010, and will be issued in September 2011 or sooner.
- Reports for the Metropolitan Tract and Rainier Tower are prepared for the year ending June 30, 2011, and will be issued by October 31, 2011, or sooner.

**Peterson Sullivan LLP
University of Washington
Audits of Housing and Dining System and
Retail and Remote Food Services
For the Year Ending June 30, 2011**

The following is a summary of the Services we will provide for the **University of Washington Housing and Dining System and Retail and Remote Food Services** for 2011. Our general audit plans and related timelines are also included.

SUMMARY OF SERVICES TO BE PROVIDED

We will provide the following audit services:

- **Housing and Dining System**
- **Retail and Remote Food Services**

SUMMARY OF AUDIT PLANS

We focus our audit procedures in the areas deemed to be the highest risk. For both of these audits, we have determined that cash, capital assets, accounts payable, accrued expenses, deferred revenue, and residence hall or food/catering revenues represent the largest dollar value and the highest volume of activity and, therefore, the highest audit risk. We expect an increase in capital asset activity in accordance with the University's capital improvement plan.

We will follow up on the internal control during the fiscal year 2010 audit related to the accounting for the construction-in-process. We will evaluate any procedural changes made during this fiscal year.

AUDIT TIMELINE

Our audit procedures are expected to take place as follows:

- Audit planning meeting with the University personnel – May 20, 2011.
- Inventory year-end count observation on June 30, 2011.
- Internal control testing in July 2011.
- Audits begin in late September 2011.
- Audit reports are prepared for the year ending June 30, 2011, and will be issued by November 30, 2011.

**Peterson Sullivan LLP
University of Washington
Audits of Departments in Student Life
For the Year Ending June 30, 2011**

The following is a summary of the services we will provide for the **University of Washington Departments within Student Life** for 2011. Our general audit plans and related timelines are also included.

SUMMARY OF SERVICES TO BE PROVIDED

We perform audits for the departments listed below in every other year and perform internal control reviews in years when audits are not performed. When performing our audits, the audits are for a two-year period. The Student Life activities are on a full-audit cycle in 2011. The activities audited are:

- **Student Activities and Union Facilities ("SAUF")**
- **Associated Students of the University of Washington ("ASUW")**
- **Graduate and Professional Student Senate ("GPSS")**
- **Student Publications**
- **Student Facilities Fees – Seattle Campus** (audited every year - not just the two-year cycle).

SUMMARY OF AUDIT PLANS

SAUF/ASUW/GPSS/Student Publications

Other than cash, these entities have very limited assets and liabilities. The majority of the audit work focuses on cash receipts for services provided and transfers from student fees. We expect to focus primarily on fees associated with services provided.

Operating costs are primarily salaries, which we will audit in detail. Also, we will make sure related party disclosures are complete.

Instances of fraud (if any) will be communicated to the appropriate governing body.

Student Facilities Fees – Seattle Campus

We have determined that student facilities fees receipts, debt service payments, and cash disbursements made to various entities in the University of Washington represent the largest dollar value and the highest volume of activity and, therefore, the highest audit risk.

AUDIT TIMELINE

Our audit procedures are expected to take place as follows:

- Audits begins in the mid September 2011
- Audit reports are prepared for the year ending June 30, 2011, and will be issued by December 1, 2011.

VII. STANDING COMMITTEES**B. Finance, Audit and Facilities**Actions Taken Under Delegated Authority

For Information only.

Pursuant to the Standing Orders of the Board of Regents, Delegation of Authority, and to the delegation of authority from the President of the University to the Senior Vice President in Administrative Order No. 1, to take action for projects or contracts that exceed \$1,000,000 in value or cost but are less than \$5,000,000, the Administration may approve and execute all instruments.

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED
AUTHORITY – CAPITAL PROJECT BUDGETS

1. Magnuson Health Sciences Center B-Wing 3rd Floor Orthodontics Clinic
Remodel Project No. 202110
Action Reported: Award Construction Contract

On April 7, 2011, a construction contract was awarded to Western Ventures Construction, Inc. of Mountlake Terrace, Washington, in the amount of \$563,700 including three bid alternates for the Magnuson Health Sciences Center (MHSC) B-Wing 3rd Floor Orthodontics Clinic Remodel. Six bids were received for this project; the highest bid was \$668,250. The budgeted construction cost was \$542,046 versus a base bid of \$459,700, excluding alternates.

Western Ventures Construction, Inc. is a general contractor that has successfully completed numerous projects for the University of Washington (UW), including other projects within the Magnuson Health Sciences Center. Recent projects completed at the UW include the Burke Museum Geology Collections Renovation and the UW Medical Center 8NN ADA Upgrade. Western Ventures is currently working on the following: MHSC B-Wing Fire Protection project, Mary Gates Hall Student Services, Child and Family Well-Being Center and Safe Campus.

The Orthodontics Clinic project is an interior renovation of the 3rd floor clinic in the B-wing. The remodel is to upgrade the aesthetics and efficiency of the Orthodontics lab. The base scope includes renovation to the lobby, reception, break room, conference room, and sterilization & dispensary stations. The finishes will be upgraded with the clinic at the operatories. The School of Dentistry and the Orthodontics Alumni provided additional monies in the amount of \$38,000 to fund Bid Alternates 2 and 3.

Construction began in April of 2011 and is forecast to be complete in September of 2011.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 2)

The project budget is established at \$1,000,000. Funding of \$1,022,977 is provided from Department of Orthodontics and was donated by the Alumni. An early feasibility was funded directly by the department for \$15,023.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$167,330	\$164,993
Total Construction Cost*	\$712,248	\$755,271
Other Costs	\$35,332	\$32,646
Project Administration	\$85,090	\$85,090
Total Project Budget	\$1,000,000	\$1,038,000

* Includes construction contract amount, contingencies, and state sales tax.

2. Waterfront Activities Center Dock Replacement Project No. 203205 Actions Reported: Adopt Budget and Select Engineer

On December 11, 2009, a professional services agreement was awarded to Reid Middleton, Inc. for the Waterfront Activities Center Dock Replacement Project under their existing Master Term contract for Engineering Services. The agreement amount is \$16,524 for a pre-design study of options for replacement of the dock versus a budget of \$243,888 for total consultant services. The balance of the design budget is intended for basic design services, hazardous materials consultant, and environmental consultants.

Reid Middleton, Inc. is located in Everett, Washington, and specializes in civil and structural engineering. Reid Middleton, Inc. has a waterfront group that specializes in marine structures, and has extensive experience with float docks like the Waterfront Activities Center dock.

The recently completed predesign study for this project recommends replacement of aged floats, piling and safety upgrades at the Waterfront Activity Center dock. The dock is primarily used during football games, and the schedule is timed to coincide with the planned Husky Stadium Renovation schedule that will open in fall of 2013. Construction over water can only occur between July 15, 2012 and November 2, 2012 due to fish habitat requirements. Design work must start in 2011 in order to obtain permits and maintain the schedule.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 3)

The project budget was established on March 18, 2011 at \$1,028,012. Funding of \$26,340 has been provided by Intercollegiate Athletics for the pre-design. The remaining funding will be provided by Intercollegiate Athletics.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$243,888	\$243,888
Total Construction Cost*	\$674,656	\$674,656
Other Costs	\$40,937	\$40,937
Project Administration	\$68,531	\$68,531
Total Project Budget	\$1,028,012	\$1,028,012

* Includes construction contract amount, contingencies, and state sales tax.

3. University of Washington Medical Center (UWMC) Post Anesthesia Care Unit Renovation Project No. 203081 Action Reported: Select General Contractor/Construction Manager (GCCM)

On April 13, 2011, a GC/CM selection process was completed for the University of Washington Medical Center (UWMC) Post Anesthesia Care Unit Renovation (PACU). In February 2011, the Capital Projects Office advertised for firms interested in providing GC/CM services. Six firms responded to the Request for Proposals for this project, and three firms were interviewed on April 5, 2011. Final proposals were received from two firms on April 13, 2011. The highest scoring proposer was Sellen Construction Company.

Sellen Construction Company is a local general contractor that has been performing work successfully in the private and public sector in Seattle, and particularly in the local medical community, since the early 1970's. Sellen is currently registered on the University of Washington's Critical Patient Care Facilities Roster, and has successfully completed projects for the University of Washington (UW) and Harborview Medical Center, including both design bid build and GC/CM projects. Recent GC/CM projects completed at the UW include the Conibear Shellhouse Renovation and Addition, and the Foster School of Business Phase 1. Sellen is currently serving as the GC/CM on the Foster School of Business Phase II. They also recently completed the Harborview Medical Center Emergency Department CT project as a design bid build project.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 4)

The remodel of the existing PACU unit seeks to increase patient safety and comfort, enhance the staff's functional processes, provide better ergonomic conditions at work stations, and increase the unit's capacity for supply and equipment storage. The PACU is approximately 4500 sq ft and provides both pre-op and post-op care. A new head wall design will meet better standards of ergonomic locations for gases and other patient care components.

A GC/CM is being used for this project due to the risks associated with patient safety, construction phasing requirements to keep the facility in operation 24/7, and the location of the construction project in vicinity to the operating rooms. The State's Project Review Committee (PRC) reviewed and approved the PACU project on January 27 to use the GC/CM tool. The State has authorized use of GC/CM for projects with a value less than \$10M with approval of the PRC.

Design is scheduled to be complete by September 2011. Negotiations for preconstruction services were completed in April of 2011. Maximum Allowable Construction Cost (MACC) negotiations are forecasted to be complete in September 2011. Construction will begin in November 2011, with completion scheduled for December of 2012.

The project budget is established at \$2,415,000. Funding of \$2,415,000 will be provided from the University of Washington Medical Center.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$419,773	\$419,773
Total Construction Cost*	\$1,764,156	\$1,764,156
Other Costs	\$41,904	\$41,904
Project Administration	\$189,167	\$189,167
Total Project Budget	\$2,415,000	\$2,415,000

* Includes construction contract amount, contingencies, and state sales tax.

No donor funding is being contemplated nor are any naming opportunities envisioned.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 5)

REPORT OF ACTIONS TAKEN UNDER SPECIFIC DELEGATED AUTHORITY – CAPITAL PROJECT BUDGETS

1. University of Washington Job Order Contract Action Reported: Award of Construction Contract

In January 2011, the Capital Projects Office advertised for firms interested in providing JOC services. Ten firms submitted qualifications, and the University selected three companies to interview. These firms were then invited to submit bids which consisted of coefficient markups for work to be performed at the University of Washington Seattle, Bothell and Tacoma campuses and associated sites.

At the February 2011 Board of Regents meeting, the President was delegated authority to award a Job Order Contract (JOC) to the most qualified contractor selected. The maximum total contract amount for the cumulative value of all work orders shall not exceed \$4 million per year for a maximum of three years. Each work order is limited to a maximum of \$300,000; with the exception that the University may issue two work orders not exceeding \$350,000 for each year of the contract.

The firm with the highest scoring proposal, resulting from the evaluation of the Request for Qualifications, the interview, and the submittal of a composite coefficient, was Lease Crutcher Lewis, 107 Spring Street, Seattle, Washington. Lease Crutcher Lewis is a local general contractor with extensive experience working on the University of Washington campuses. They have constructed UW Tacoma Phase 2b, UW Bothell Garages, William H. Gates Building and Mary Gates Hall.

Funding will be provided by various sources on a project by project basis.

Attachment 1

JOC Selection – Final Proposal Bid/Point Tabulation

2. Student Housing Lander Hall Replacement, Project Number 203518: Action Reported – Selection of General Contractor / Construction Manager (GC/CM) and Award of Preconstruction Contract

In January 2010, the Board of Regents approved the use of the alternative public works contracting procedure, General Contractor/ Construction Manager (GC/CM) and delegated authority to the President to award a preconstruction and construction contract for the Terry and Lander Halls Renovation projects. .

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 6)

During the predesign phase of the Terry and Lander Hall Renovation project. Skanska USA Building Inc was awarded the GC/CM Preconstruction service contract. The decision revising the Lander Hall portion of the project from renovation to new construction led to a reselection of the GC/CM.

On March 28, 2011, under specific delegated authority, the Capital Projects Office awarded a Preconstruction Services agreement to Walsh Construction Company/WA (Walsh Construction), as the GC/CM. Nine firms submit qualifications, three firms were interviewed, and three firms were selected to submit proposals for its Percent Fee and Specified General Conditions costs. The other finalists were Absher Construction, and Anderson Construction.

Walsh Construction constructed the Stevens Court housing project in the 1980's and is currently working on the Poplar Hall (Site 33W) and Alder Hall (Site 35W). Walsh Construction has constructed many multi-family housing projects in the Seattle area.

Lander Hall was constructed in the early 1950's and it currently provides approximately 833 residence hall beds. Lander Hall was originally designed for two beds per room and is currently occupied with three beds per room. One of the program goals for the renovation of Lander Hall includes the elimination of the triple bed configurations.

The new Lander Hall building will include the regional information and service desk for the west of 15th Avenue residence halls, the relocation of the existing 1101 Café, and an entry to new below-grade parking to replace the existing surface and below-grade parking. The new Lander Hall building will include a combination of approximately 550 residence style and student apartment beds.

The Lander Hall Replacement project design completes in May 2012 with construction scheduled for July 2012 to July 2014 for occupancy at the start of fall quarter 2014. The Lander Hall replacement is part of the Student Housing Phase II projects, which includes Mercer Hall Replacement and Site 30W projects. The total Phase II project budget is \$257,000,000, with the Lander Hall replacement portion at \$77 million.

Attachment 2

GC/CM Selection Tabulation Form



Master averaging all evaluators 4
JOC RFQ Evaluation Form Possible Points Are Averaged For 4 Evaluators

Contractor

Evaluation Criteria		Bayley Const	BNB Builders	CDK Const	Centennial	Global Engin	KBR	Leace Crutcher Lewis	Lydig Const	Berschauer Phillips	YI & Associates
Qualifications (16 points total)	Possible Points										
Experience with limited design Projects	4	2.75	2.625	2.125	3.375	3.5	3.25	3.375	2.5	3	2.375
Experience in Hospitals, Health Care Facilities, Acute Care Facilities/Wet Labs	5	3	4.5	4.25	4.125	3	3.875	4.75	3.75	3.125	2.125
Partnering/Teamwork Client/Multiple Projects	3	2	2.25	1.875	2.75	2.25	2.625	2.875	2.75	2.5	2.5
Experience/Scheduling/Budget Adherence	2	1.875	1.875	1.375	1.75	1.875	1.625	2.125	1.875	1.75	1.5
Experience with Unit Price Books	2	1.125	0	0.25	2	1.875	1.875	1.125	0	1.625	1.875
Concept of proposal (14 points total)											
Corporate Organization	2	1.75	1.875	1.375	2	1.875	1.875	2	1.875	1.5	1.75
Project Organization	5	3.625	3.75	3.125	3.875	3.5	3.625	4.5	3.625	3.125	3.25
Quality Control Procedures	2	1.625	1.75	1	1.875	1.875	1.875	2	1.625	1.875	1.375
Management of Subcontractors	3	2.125	2.875	2.125	2.125	2	2.125	2.75	2.125	2	2
Safety Procedures	2	1	1	1	2	1	1	0	1	2	0.5
Professional Personnel Ability	15	9.5	12.5	10.75	11.5	8.25	10.75	13	11.75	9	8.5
Location	3	3	3	2.875	3	2.75	0	3	2.875	3	2
MWBE OUTREACH AND PARTICIPATION	7	6	3	4	7	3	5	4	3	5	4
Workload/Capacity	5	4.5	4.5	3.125	4.5	4.25	4.25	5	4.5	4.25	2
Subtotal		43.875	45.500	39.250	51.875	41.000	43.750	50.500	43.250	43.750	35.750
Interview	20		12.25		13.5			18.75			
Final Proposals	20		0		20			18			
Total Points 100 Possible points			57.750		85.375			87.250			

Compiled by: _____

Date _____

Verified by: _____

Date _____

Proposal Evaluations	GC/CM Nar		Absher		Anderson		Walsh		BN Builders		Howard S Wright		JE Dunn		Marpac		Skanska		Walsh Pacific	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score
	Evaluator 1	6	32.0	2.0	39.0	1.0	42.0	3.0	38.0	4.0	34.0	7.0	29.0	7.0	29.0	4.0	34.0	9.0	27.0	
Evaluator 2	3	44.0	2.0	47.0	1.0	48.0	5.0	38.0	4.0	42.0	7.0	27.0	7.0	27.0	6.0	30.0	9.0	25.0		
Evaluator 3	2	40.0	2.0	40.0	1.0	48.0	5.0	30.0	6.0	28.0	8.0	22.0	4.0	34.0	6.0	28.0	9.0	21.0		
Evaluator 4	1	46.0	4.0	42.0	1.0	46.0	6.0	38.0	5.0	39.0	9.0	33.0	7.0	37.0	3.0	43.0	8.0	35.0		
Evaluator 5	3	38.0	1.0	41.0	2.0	39.0	3.0	38.0	5.0	34.0	6.0	32.0	9.0	27.0	6.0	32.0	6.0	32.0		
Evaluator 6	1	49.0	3.0	44.0	2.0	47.0	6.0	31.0	5.0	33.0	8.0	26.0	9.0	22.0	4.0	39.0	7.0	27.0		
Evaluator 7	2	38.0	3.0	37.0	1.0	43.0	4.0	35.0	5.0	31.0	6.0	31.0	6.0	30.0	5.0	31.0	9.0	28.0		
Evaluator 8	3	36.0	2.0	37.0	1.0	45.0	4.0	35.0	5.0	32.0	6.0	31.0	6.0	31.0	6.0	31.0	9.0	24.0		
Average Score (max. 50)	2.6	40.4	2.4	40.9	1.3	44.8	4.5	35.4	4.9	34.1	7.1	28.9	6.9	29.6	5.0	33.5	8.3	27.4		
Interviews	Absher		Anderson		Walsh															
Evaluator 1	26.0		29.0		33.0															
Evaluator 2	27.0		24.0		33.0															
Evaluator 3	22.0		26.0		35.0															
Evaluator 4	21.0		28.0		34.0															
Evaluator 5	25.0		24.0		31.0															
Evaluator 6	23.0		25.0		33.0															
Evaluator 7	25.0		22.0		33.0															
Evaluator 8	24.0		26.0		35.0															
Average Score (max. 35)	24.1		25.5		33.4															
Total Proposal and Interview	64.5		66.4		78.1															
Final Proposals																				
Contractor's Fee Percentage	3.00%		3.533%		2.286%															
Contractor's Fee Amount	\$1,401,000		\$1,650,000		\$1,067,562															
Specified General Conditions Amount	\$1,900,000		\$1,215,164		\$1,420,878															
Final Proposal Bid Number	\$3,301,000		\$2,865,164		\$2,488,440															
Low Conforming Proposal	\$2,488,440		\$2,488,440		\$2,488,440															
Difference	\$812,560		\$376,724		\$0															
Percentage Within Low Proposal	32.65%		15.14%																	
Proposal Score* (max. 15)	0		5		15															
Total Score (max. 100)	64.5		71.4		93.1															
Final Proposal Scoring Key*																				
Low Conforming Proposal	15 points										Final Ranking									
Proposals within 5% of low	13 points										<u>Walsh</u>									
Proposals within 10% of low	10 points										<u>Anderson</u>									
Proposals within 15% of low	8 points										<u>Absher</u>									
Proposals within 20% of low	5 points																			
Others	0 points																			
											1st									
											2nd									
											3rd									

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities

Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2011

For information only.

Attachment

Internal Lending Program Quarterly Report, Quarter Ended March 31, 2011

Average
Cost of
Debt
4.4%

Internal Lending Program Quarterly Report

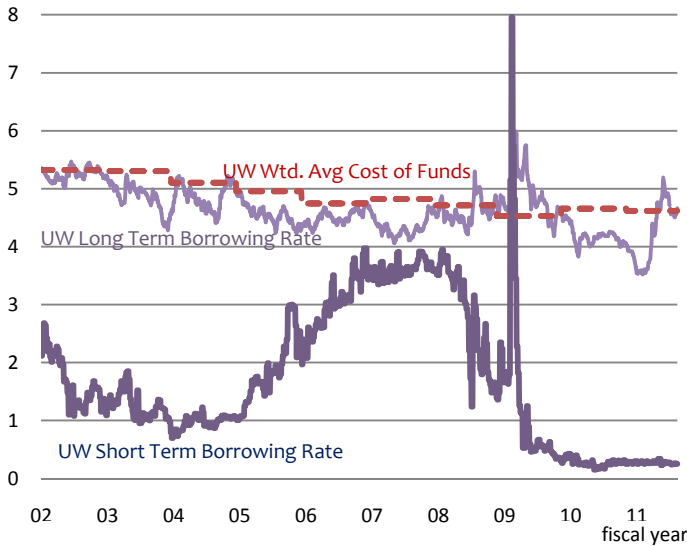
Quarter Ended March 31, 2011

(dollars in millions)

Internal
Lending
Rate
5.5%

Interest Rates

A lack of supply in the municipal bond market has helped interest rates remain low. If the UW issued long term tax-exempt bonds today, the overall rate would be about 4.6%.



External Borrowing

The next General Revenue Bond issuance is scheduled for July 2011. Additionally, NW Hospital debt is now included in the portfolio shown below, adding about \$90 million in total outstanding obligations.

Debt Issued to Fund ILP	Issued FY11	Total Outstanding	Wtd. Avg Rate	Wtd. Avg Maturity (yrs)
Commercial Paper	75	105	0.3%	0.15
Variable Rate	0	0	n/a	n/a
Fixed Rate	120	703	4.5%	17.2
ILP Total	195	808	3.9%	14.9
Non-ILP Debt	214	681	5.0%	14.2
Total Debt	409	1,489	4.4%	14.6

Note: Used \$155m of \$308m General Revenue authorization for FY 2011.

Internal Lending

Amounts owed to the program totaled \$649M as of 7/1/2010. Through March 2011, units borrowed \$131M and repaid \$23M. The largest borrower during this period was UWMC with \$45M for the Phase 1 Expansion.

	By Mission			Total
	Education	Research	Service	
Beginning Bal Jul-10	108	111	430	649
Additions	12	9	110	131
Reductions	(5)	(7)	(11)	(23)
Annual Activity	7	2	99	108
Total Receivable	115	113	529	757

Cash Position

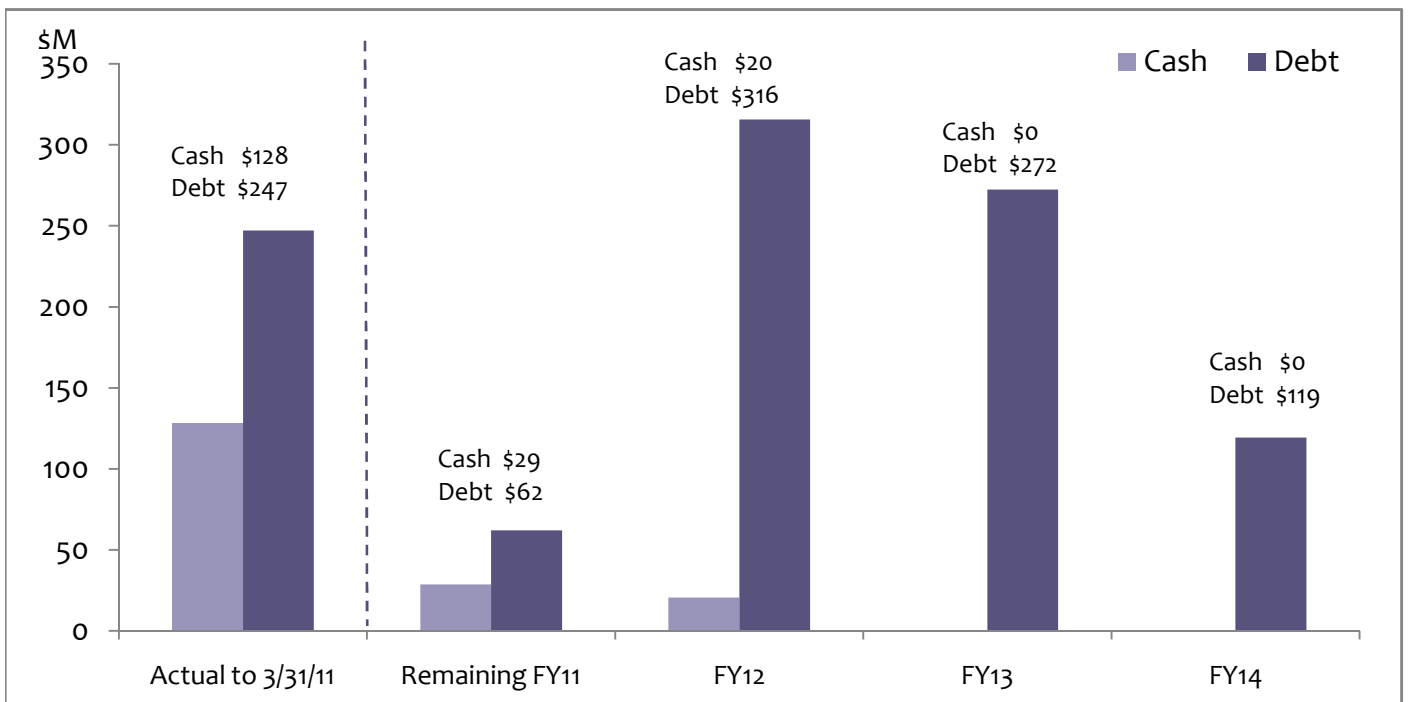
The University issued \$75 million in commercial paper in March 2011 to fund cash flows through the end of the fiscal year.

Beginning Balance Jul-10	\$48.6
Internal Debt Service	48.5
External Debt Service	(32.6)
Net Debt Proceeds	45.9
Expenses	(0.4)
Ending Balance Mar-11	\$110.0

Approved Funding - by Project and Source

Project Name	Date Approved	Total Budget	Debt	Cash	Spent to Date (all sources)
UWMC Expansion	Feb-08	170	160	10	59%
AAALAC Projects	Mar-08	28	25	3	94%
Pediatric Dentistry	Mar-08	17	11	6	98%
Tower Improvements	Mar-08	13	13	0	96%
J-Wing	Jul-08	24	16	8	67%
PACCAR Business School	Jul-08	95	30	65	94%
AAALAC Budget Increase	Nov-08	7	7	0	38%
Housing Phase 1	May-09	164	164	0	30%
Molecular Engineering - ICR only	Jun-09	25	20	5	20%
HUB Renovation	Jul-09	128	117	11	21%
ECC Renovation	Jul-09	16	15	1	10%
Hall Health Renovation	Jul-09	11	8	3	51%
UWMC, Phase 1 Increase	Jan-10	34	0	34	8%
Husky Stadium Renovation	Nov-10	260	250	10	0%
Housing Phase 2	Feb-11	286	286	0	0%
UW Bothell Acquisition	Feb-11	13	13	0	0%
Total		1,291	1,135	156	28%

Funding Forecast for Approved Projects - by Source



VII. STANDING COMMITTEES**B. Finance, Audit, and Facilities**

Renaming Beardslee Cove Apartments at UW Bothell to “Husky Village,”
Approval of Temporary Placeholder Names for Residence Buildings at UW
Bothell, and Approval of Donor Naming Opportunities Plan

RECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit, and Facilities Committee that the Board of Regents:

- 1) Approve renaming the Beardslee Cove Apartment complex to “Husky Village,”
- 2) Approve the use of temporary placeholder names for the eight resident buildings, and
- 3) Approve the Donor Naming Opportunities Plan.

BACKGROUND:

The University of Washington Bothell recently acquired the Beardslee Cove Apartments. The sale closed on April 29, 2011 for a final purchase price of \$10,937,000. Upon acquisition, the UW Bothell Student Affairs Office worked with students to develop a student residential life program for 244 future residents. As part of that development, students and staff recommended that the housing area and individual buildings be named so that residents can develop an identity with their housing unit. Currently, the buildings are labeled A, B, C, D, E, F, G, and H. These labels will not create the identity so important in student residential life.

In developing the suggested names, UW Bothell Student Life recommended temporary placeholder names that could easily be changed when prospective donors could be recruited. After consideration of many possible names, the student residential life program submitted suggestions to the University of Washington Bothell Naming Committee.

The proposed temporary names are:

- Building A: Dogwood Hall
- Building B: Aspen Hall
- Building C: Hawthorne Hall
- Building D: Cottonwood Hall

VII. STANDING COMMITTEES

B. Finance, Audit, and Facilities

Renaming Beardslee Cove Apartments at UW Bothell to “Husky Village,” Approval of Temporary Placeholder Names for Residence Buildings at UW Bothell, and Approval of Donor Naming Opportunities Plan (continued p. 2)

Building E:	Oak Hall
Building F:	Pine Hall
Building G:	Spruce Hall
Building H:	Willow Hall

DONOR NAMING OPPORTUNITIES PLAN:

The Donor Naming Opportunities Plan (attachment 4) details the outdoor areas and buildings that have been identified as possible donor naming opportunities for the UW Bothell student apartments, currently known as Beardslee Cove. The minimum amounts will comply with the Facilities and Spaces Naming Policy adopted by the Board of Regents: at least 50% of the project costs for buildings or outdoor areas; and the cost to provide and equip the space for interior features, objects or spaces.

The Donor Naming Opportunities Plan was developed by the Vice Chancellor for Advancement and External Relations and the Director of Advancement. It was reviewed by the Chancellor’s Executive Staff and approved by Chancellor Kenyon Chan for proposal to the Regents.

The giving levels proposed in the Donor Naming Opportunities Plan were generated based on the following three considerations: (1) the Regents’ policy with regard to minimum amounts for donor naming opportunities, (2) the Advancement staff’s experience with capital campaigns and building naming in the Seattle area, and (3) comparison to building naming levels on other small campuses of public universities.

REVIEW AND APPROVALS:

In accordance with University procedures, the University of Washington Bothell Names Committee, the Chancellor, the Vice Chancellor for Advancement and External Relations, and the Interim President have reviewed and approved this request.

Attachments

1. April 26, 2011 Letter from Vice Chancellor Penny to University of Washington Bothell Names Committee;

VII. STANDING COMMITTEES

B. Finance, Audit, and Facilities

Renaming Beardslee Cove Apartments at UW Bothell to “Husky Village,”
Approval of Temporary Placeholder Names for Residence Buildings at UW
Bothell, and Approval of Donor Naming Opportunities Plan (continued p. 2)

2. April 27, 2011 Letter from the University of Washington Bothell Names Committee to Chancellor Kenyon Chan;
3. April 27, 2011 Letter of Approval from Chancellor Chan to Interim President Wise with concurrence of Interim President Phyllis Wise
4. Donor Naming Opportunities Plan

W UNIVERSITY of WASHINGTON | BOTHELL

April 26, 2011

Ms. Betsy Tippens
Chair, University of Washington Bothell Naming Committee
Assistant Vice Chancellor for Information Technologies
Box 358540, University of Washington Bothell

Dear Betsy:

I am writing about the UW Bothell's recent acquisition of the Beardslee Cove property. As you know, the campus plans to convert the existing apartments on the property into a student housing complex.

The Department of Student Life has consulted with students and other campus units regarding potential names for the complex and buildings. As a result the following names are proposed:

For the complex:

- o Husky Village

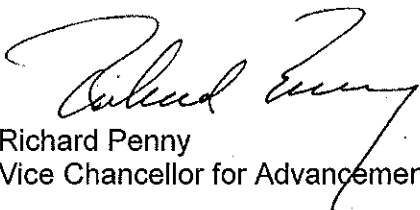
For the eight individual residence halls:

- o Dogwood Hall
- o Aspen Hall
- o Hawthorne Hall
- o Cottonwood Hall
- o Oak Hall
- o Pine Hall
- o Spruce Hall
- o Willow Hall

Would the Naming Committee please consider recommending to the Chancellor these proposed names?

Thank you.

Sincerely,



Richard Penny
Vice Chancellor for Advancement and External Relations

cc: Kenyon Chan
Marilyn Cox

ATTACHMENT 1

W UNIVERSITY *of* WASHINGTON | BOTHELL

April 27, 2011

Kenyon S. Chan
Chancellor
University of Washington Bothell

Dear Chancellor Chan:

The University of Washington Bothell Naming Committee has reviewed a request from Vice Chancellor Richard Penny for naming of the recently acquired Beardslee Cove apartments. As you know, the campus has plans to convert this property into a student housing complex. After consultation with campus units, the following names are proposed:

For the complex:

- Husky Village

For the eight individual residence halls:

- Dogwood Hall
- Aspen Hall
- Hawthorne Hall
- Cottonwood Hall
- Oak Hall
- Pine Hall
- Spruce Hall
- Willow Hall

The University of Washington Bothell Naming Committee has reviewed and approved this proposal. On behalf of the committee, I respectfully ask that you grant this request and forward it to Interim President Wise for transmittal to the Board of Regents. Thank you.

Sincerely,



Betsy Tippens
Assistant Vice Chancellor for Information Technologies

cc: University of Washington Bothell Naming Committee
Richard Penny

ATTACHMENT 2

April 27, 2011

Dr. Phyllis Wise
Interim President
University of Washington

Dear Interim President Wise:

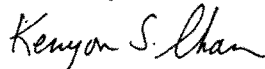
As you know, the University of Washington Bothell recently acquired the Beardslee Cove Apartments. Upon our acquisition, I asked our student affairs office to work with students to develop a student residential life program for our 244 future residents. As part of that development, students and staff recommended that the housing area and individual buildings be named so that residents can develop an identity with their housing unit. Currently, the buildings are labeled A, B, C, D, E, F, G, and H. These labels will not create the identity so important in student residential life.

In developing the suggested names, we asked student life to recommend generic names that could easily be changed when prospective donors could be recruited. After consideration of many possible names, the student residential life program submitted suggestions to the University of Washington Bothell Naming Committee. The Naming Committee has recommended the following names for consideration:

- For the complex:
 - Husky Village
- For the eight individual residence buildings:
 - Dogwood Hall
 - Aspen Hall
 - Hawthorne Hall
 - Cottonwood Hall
 - Oak Hall
 - Pine Hall
 - Spruce Hall
 - Willow Hall

I concur with these recommendations and I respectfully ask that you endorse this request for the naming of the Husky Village and eight individual residence halls and forward to the Board of Regents for their approval.

Sincerely,



Kenyon S. Chan
Chancellor

cc: University of Washington Bothell Names Committee
Richard Penny



Concurrence
Phyllis Wise, Interim President

5/2/11
Date

**BEARDSLEE COVE APARTMENTS
Donor Naming Opportunities Plan**

Listed below are recommended donor naming opportunities for the UW Bothell student apartments, currently known as Beardslee Cove. Note that these buildings are already constructed, and the cost of acquisition will be covered by the future income stream generated by housing revenues.

Buildings or Outdoor Areas

Overall complex	\$10,000,000
Individual residence buildings (one of eight total)	\$1,000,000
Outdoor park area with deck	\$50,000

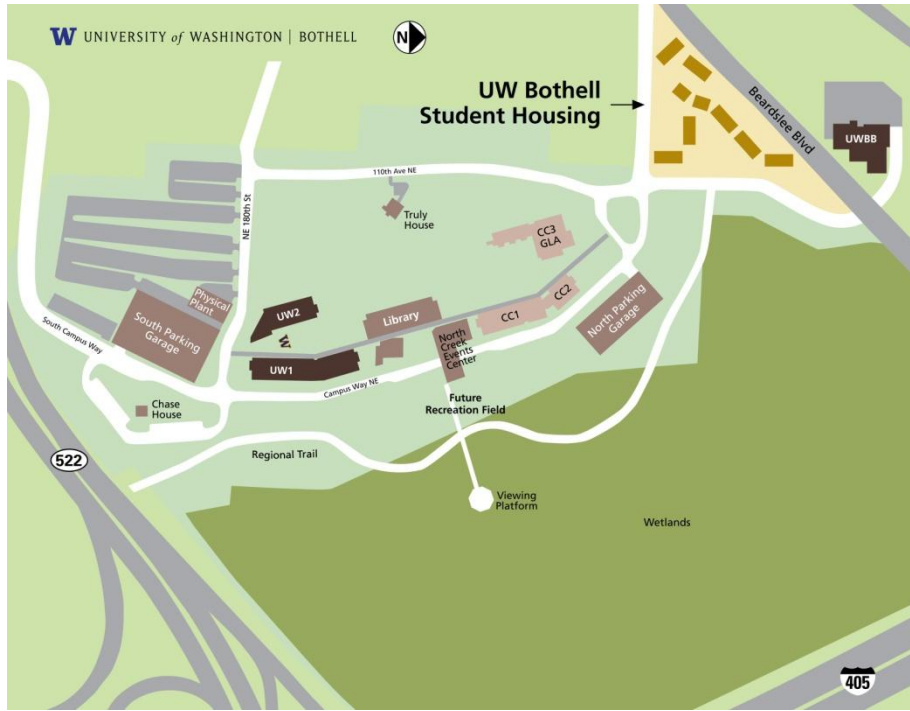


Figure 1. A map of the UW Bothell Campus showing the student housing



Figure 2. A student residence building at the complex



Figure 3. Interior view of a sample student residence



Figure 4. A sample floor plan.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities

Investment Program Update

For information only.

Attachment

Investment Program Update



Investment Program Update

*A Report to the Board of Regents
May 12, 2011*

Treasury Office
University of Washington

Investment Program Update

A Report to the Board of Regents

May 12, 2011

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Executive Summary

- The Board of Regents approved significant policy revisions in 2010. An anticipated lower return environment compelled a reduction in spending. Asset allocation changes simplified the portfolio structure enabling an integrated management process and improving the risk profile.
- UWINCO thoroughly examined roles and responsibilities of the committee, CIO and staff in 2010. Furthermore, UWINCO performed an in-depth review of managers in both the Consolidated Endowment Fund (CEF) and Invested Funds (IF).
- UW distinguishes itself by a globally integrated investment team and management style highlighted by significant exposure to emerging markets. Since UW has a small endowment, execution of this global strategy requires thoughtful management of human resources.
- The CEF is conservatively positioned and includes the following characteristics:
 - Enhanced liquidity
 - Reduced probability of impairment risk
 - Underperformance in equity bull markets
- The IF are managed to stabilize campus support and enhance long term performance through a combination of:
 - High quality fixed income
 - Diversified CEF exposure

Roles and Responsibilities

Roles & Responsibilities: Investment Program Overview

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University, including the Consolidated Endowment Fund and other University funds.

Investment program oversight resides with the Finance, Audit and Facilities Committee (FAF), a subcommittee of the Board of Regents. In May 2001, the Board approved the establishment of an advisory committee, the University of Washington Investment Committee (UWINCO), consisting of Board members and external investment professionals. In 2004, the Board approved the appointment of the University's first Chief Investment Officer (CIO) to manage the day to day activities of the investment portfolios.

From the "Statement of Investment Objectives and Policy for the Consolidated Endowment Fund"

Roles & Responsibilities: Governance

Board of Regents

Sets investment policy

- Spending rate
- Strategic asset allocation
- Delegations

Appoints investment officer/advisors

- Chief Investment Officer (CIO)
- UWINCO members
- Investment consultants

Program review

- Program oversight/accountability

UWINCO

Advises CIO

- Investment planning
- Asset allocation
- Manager identification
- Market trends

Advises the Board of Regents

- Investment program oversight
- CIO oversight

Chief Investment Officer (CIO)

Implements investment program

- Day-to-day management
- Tactical asset allocation
- Manager appointments
- Manager terminations
- Risk management
- Research

Monitors results

- Performance reporting

Governance of the investment program is defined around clearly established roles and responsibilities.
In 2010, UWINCO focused on clarifying actions required to meet those roles.

Roles & Responsibilities: 2010 Policy Changes

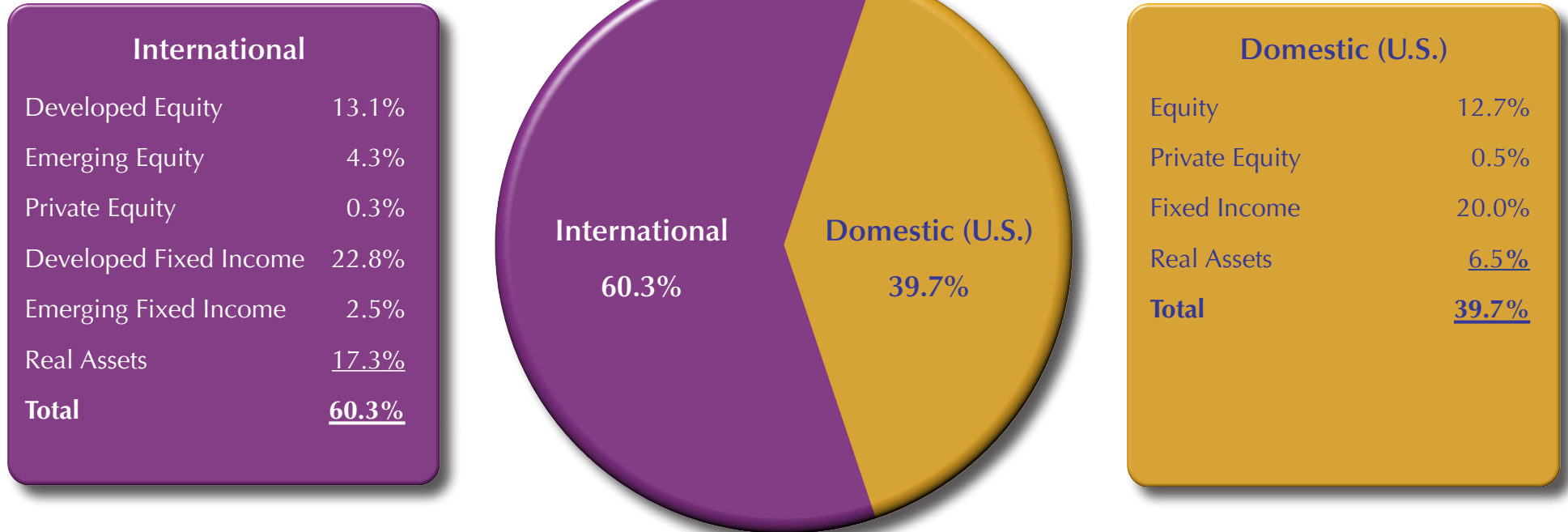
The Board of Regents approved significant policy revisions in 2010. The changes outlined below simplified the portfolio structure enabling an integrated management process and improving the risk profile.

- Revised spending policy – 5% of a five-year rolling average
- Simplified categories of investments – Capital Appreciation & Capital Preservation
- Enhanced liquidity and monitoring controls

Capital Markets

Capital Markets: Global Composition

\$113t as of December 31, 2010



Data compiled from multiple sources as of 12/31/10. Balances do not include currency or derivatives.

Over the last 6 years the CEF's exposure to emerging markets has increased from 4% to 17%.

Capital Markets: Equity Indices Movements

The Real (Inflation-Adjusted) Mega-Bears

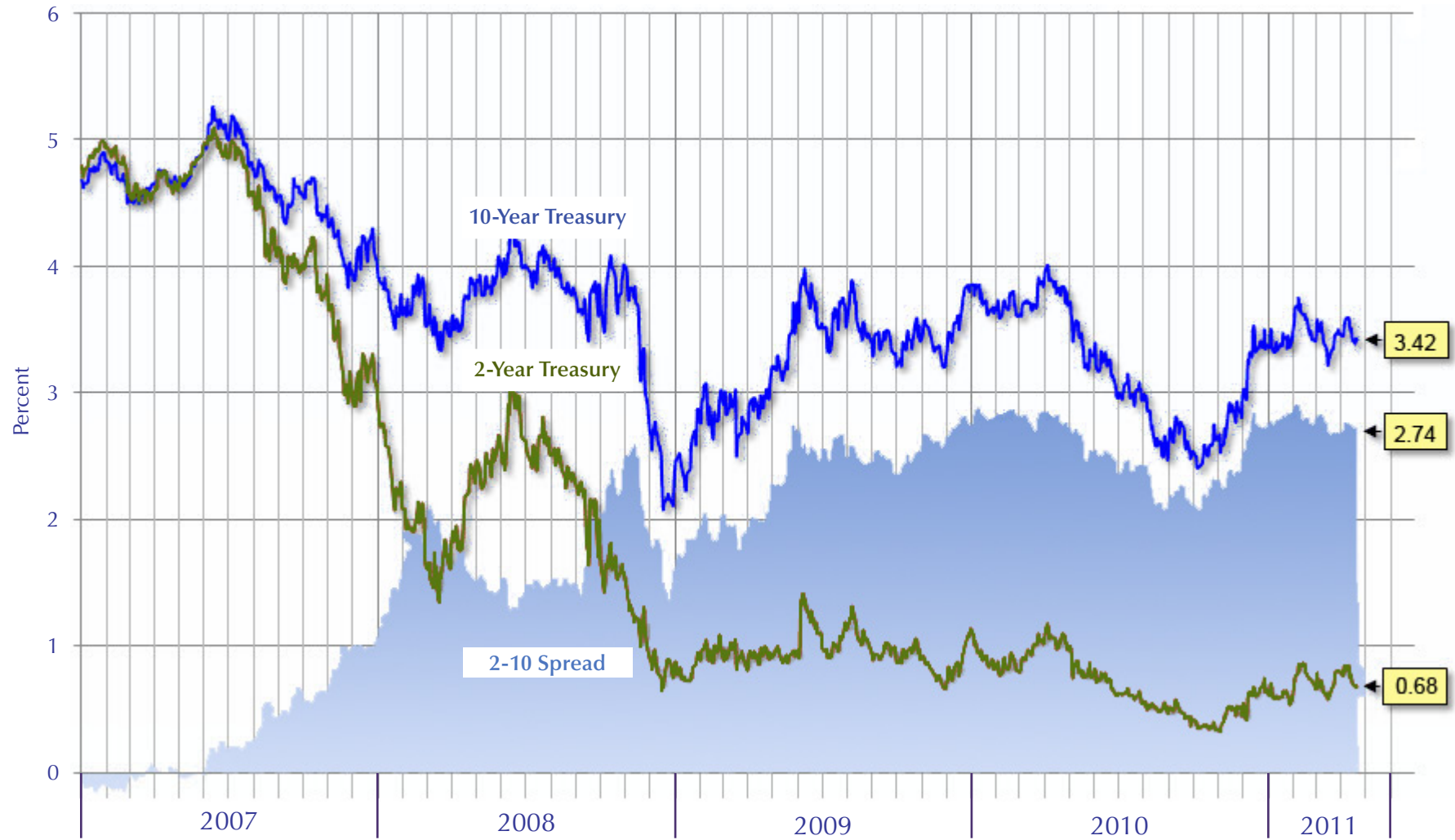


Source: dshort.com

The Mega-Bear comparison starts the current bear in 2000. Why? In real terms, the S&P 500 hits its all-time high in March of that year. The nominal high in 2007, when adjusted for inflation, was actually 16% below the 2000 real high.

Capital Markets: Treasury Yields

2- and 10- Year Treasury Yields* since 2007 (w/2-10 spread in background)



*As of April 21

Source: dshort.com

Consolidated Endowment Fund

Profile: Consolidated Endowment Fund (CEF)

Description: A permanent fund established through private gift funds to support the program specified by the donor.

Size: \$2.1 billion at December 31, 2010 including \$0.4 billion of operating funds.

Composition: Over 3,200 individual endowments which are comingled for investment purposes similar to a mutual fund.

Primary Objective: To preserve the purchasing power of each endowed gift over time. This objective drives the discussion on spending policy, return requirements, long-term asset allocation and risk tolerance.

Secondary Objective: To provide a steady stream of income to support individual programs. This objective influences the spending formula used in calculating the income distributions.

Profile: CEF Characteristics

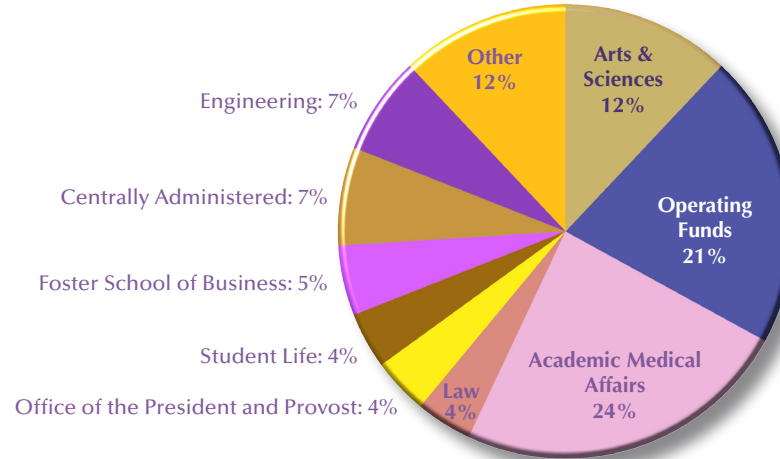
as of December, 31 2010 (\$=m)

Endowed Program Support¹

Principal by Purpose

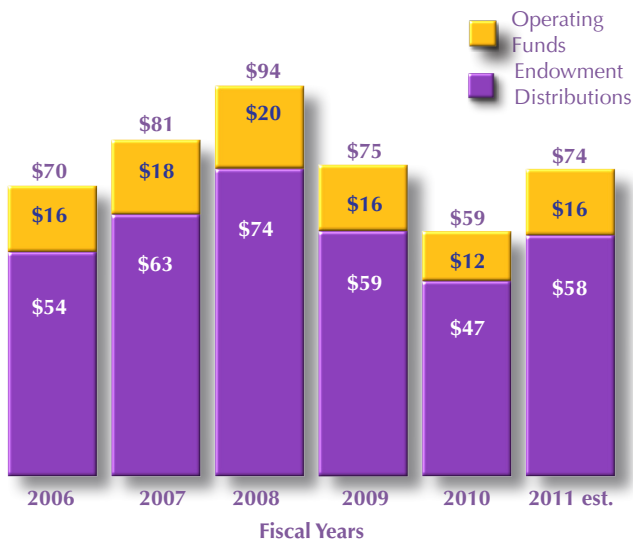


Principal by School and College



¹ Includes operating funds invested in the CEF.

Endowed Dollars Distributed

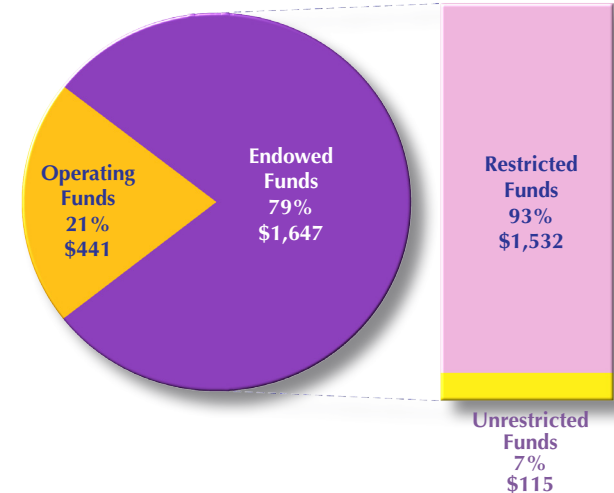


Endowment Distributions as a % of UW Revenues

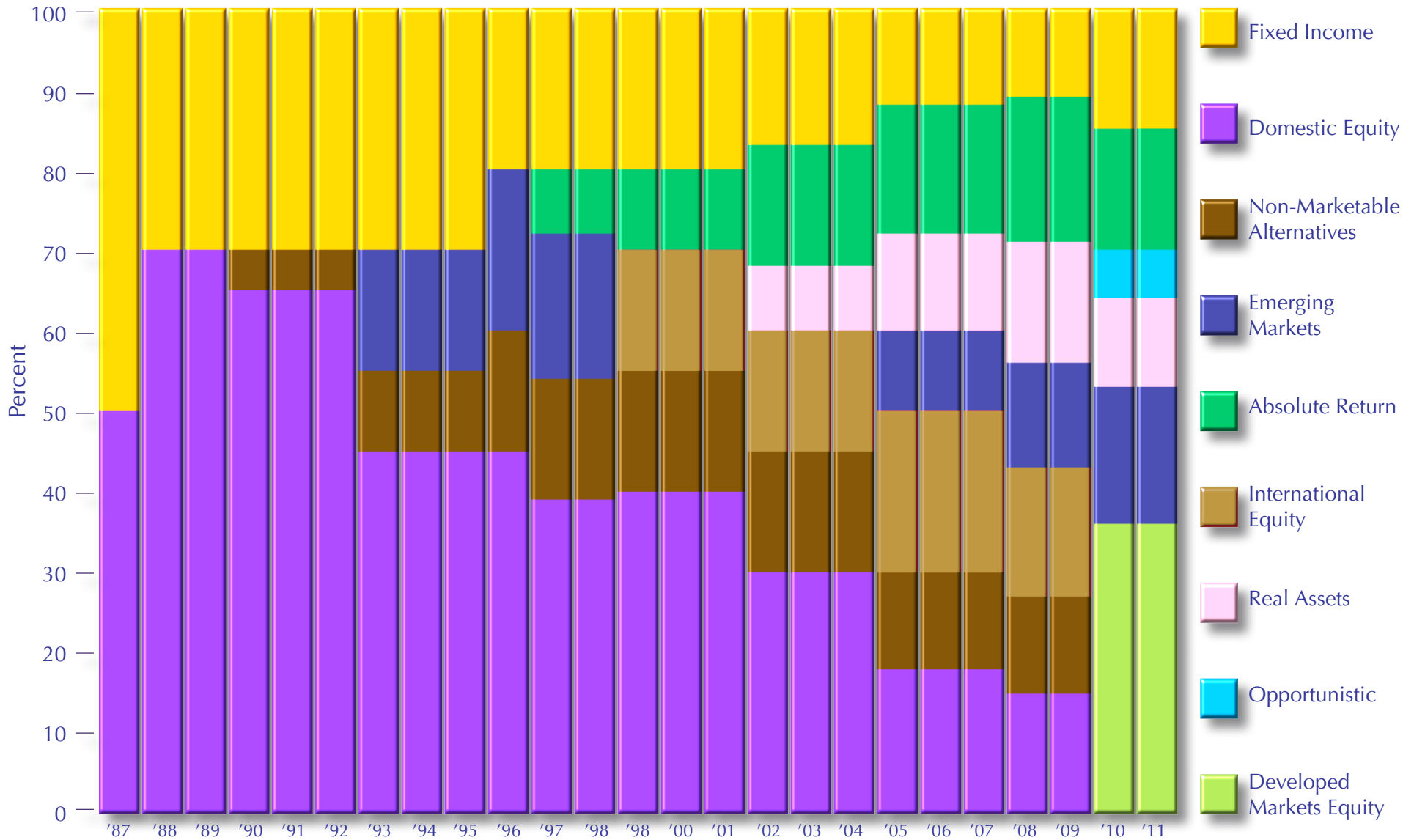
Fiscal Years	Annual UW Revenues	Endowment Distributions	%
2006	\$3,455	\$70	2.0%
2007	\$3,666	\$81	2.2%
2008	\$3,427	\$94	2.7%
2009	\$3,054	\$75	2.5%
2010	\$3,923	\$59	1.5%
2011*	\$3,500	\$74	2.1%

* estimated

Endowment Composition \$2,088



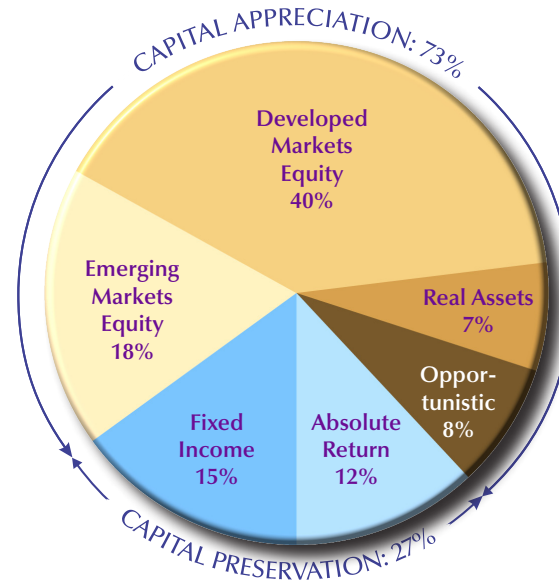
Profile: CEF Policy Asset Allocation



Over the past twenty-five years, the CEF has grown significantly in size and complexity. The portfolio today is diversified across many dimensions: asset classes, countries, sectors, investment styles and managers.

Positioning: CEF Portfolio

Asset Allocation as of December 31, 2010 (\$=m)

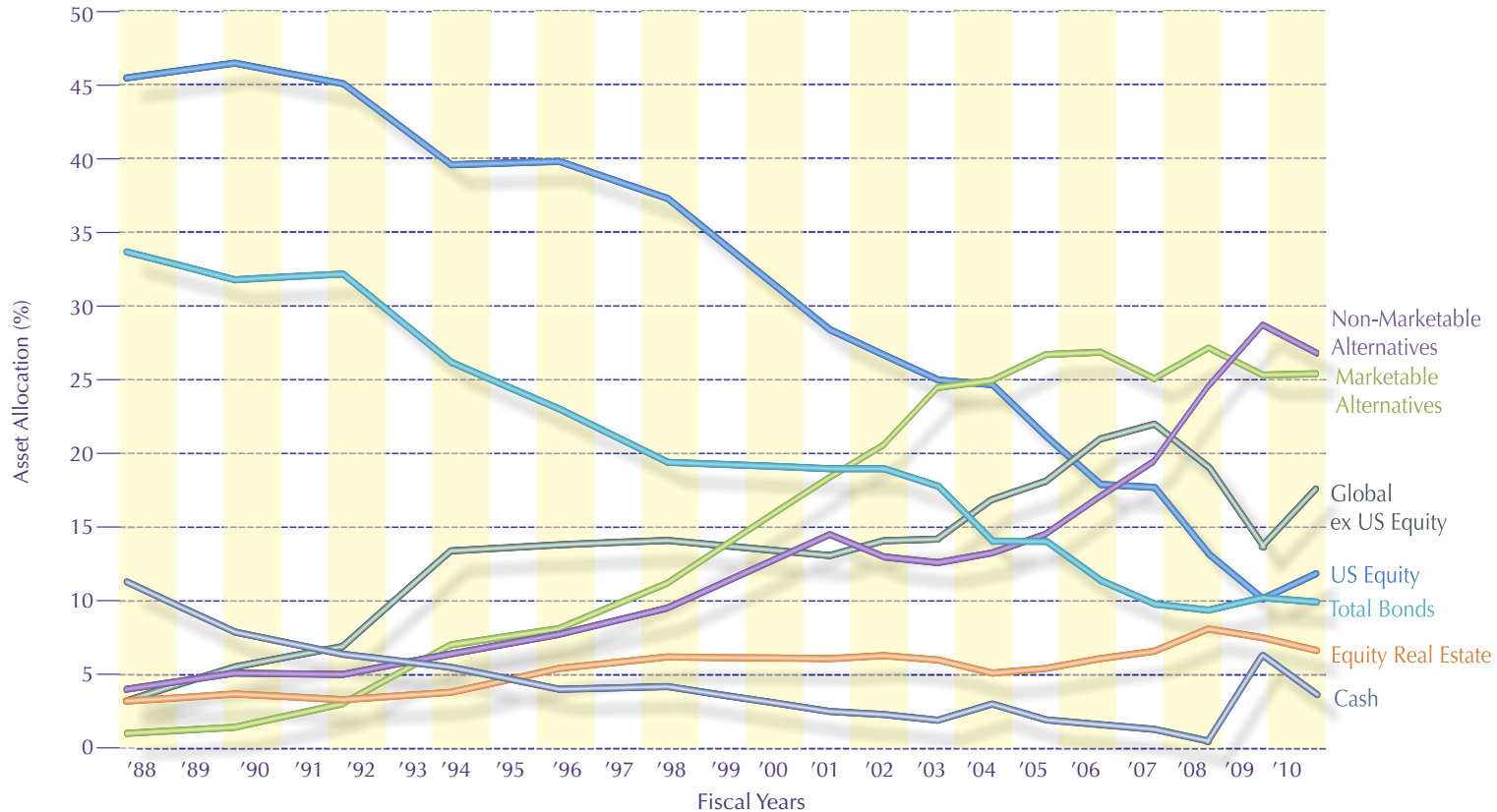


	Current Allocation (\$m)		Target	Policy Range
Emerging Markets Equity	\$369	18%	17%	
Developed Markets Equity	\$840	40%	36%	
Real Assets	\$143	7%	11%	
Opportunistic	\$166	8%	6%	
Capital Appreciation	\$1,518	73%	70%	55%–85%
Absolute Return	\$248	12%	15%	
Fixed Income	\$323	15%	15%	
Capital Preservation	\$571	27%	30%	15%–45%
Total CEF	\$2,088	100%		

Current positioning favors Capital Appreciation led by public equities.

Positioning: Asset Allocation Trends at Other Universities

June 1988–June 2010



	'88	'90	'92	'94	'96	'98	'00	'02	'04	'06	'08	'10	UW '10
US Equity	45.3	46.3	44.9	39.4	39.6	37.1	31.2	26.5	24.5	17.7	13.0	11.6	11.2
Global ex US Equity	2.9	5.2	6.6	13.1	13.5	13.8	13.1	13.8	16.6	20.7	18.8	17.3	29.8
Marketable Alternatives	0.7	1.1	2.7	6.7	7.8	10.9	15.7	20.3	24.7	26.6	26.9	25.1	20.6
Non-Marketable Alternatives	3.7	4.8	4.7	6.1	7.4	9.2	12.5	12.7	13.0	16.8	24.3	26.5	15.7
Total Bonds	33.4	31.5	31.9	25.9	22.7	19.1	18.8	18.7	13.8	11.1	9.1	9.6	6.3
Equity Real Estate	2.9	3.4	3.0	3.5	5.1	5.9	5.8	6.0	4.8	5.8	7.8	6.3	9.6
Cash	11.0	7.6	6.1	5.2	3.7	3.9	2.8	2.0	2.7	1.3	0.2	3.3	6.9

Source: Cambridge Associates

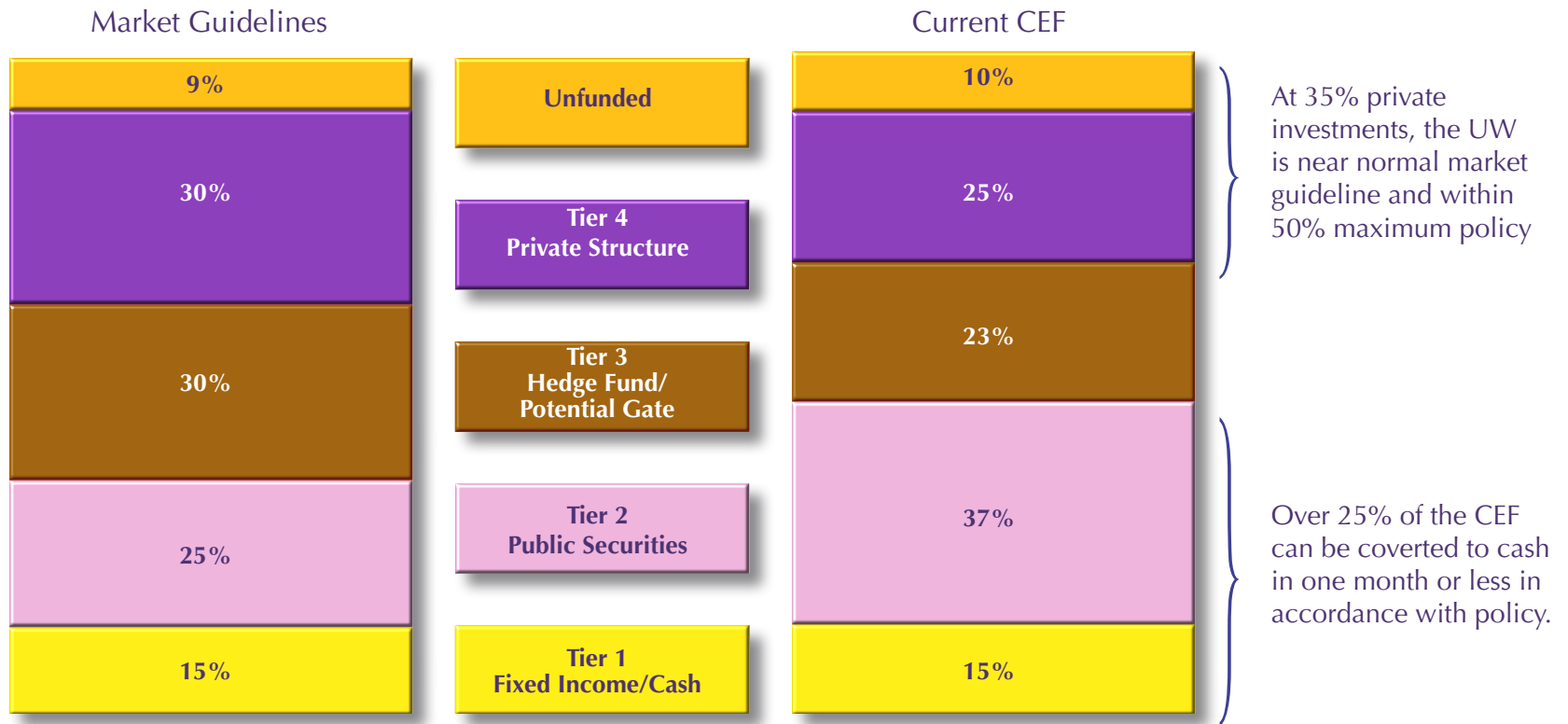
Asset allocation trends among large endowments mirror the UW's experience. However, the UW has a lower allocation to private investment (non-marketable alternatives) and a higher allocation to international equities.

Liquidity: Philosophy, Guidelines and Implications

- Our **philosophy** is to manage liquidity to a conservative case:
 - Ensure solvency represents the only downside risk
 - Accommodate lack of a borrowing policy
 - Avoid UW being forced sellers of distressed assets
 - Provide UW flexibility to capitalize on market dislocations
- Our **guideline** is to maintain sufficient liquidity to meet 2+ years of liabilities:
 - Project distributions to campus
 - Forecast capital calls to private equity funds
- The **implications** for our portfolio:
 - Limit exposure to private funds where UW does not control liquidity
 - Continue high exposure to fixed income with limited downside and excellent liquidity

Liquidity: Current CEF versus Guidelines

As of December 31, 2010



The efficient management of liquidity suggests a level that provides for two years of endowed program distributions along with sufficient capital to meet contractual commitments to private investment managers. Heightened sensitivity to illiquidity risk since 2008 financial crisis led to enhance liquidity monitoring and controls.

Spending and Inflation: Required CEF Returns

Total Nominal Return* Required to Meet the Long Term Spending Target

Endowment Distributions	4.0%	Long Term Policy Rate
Advancement Office	0.8%	} Administrative Fee
Investment Office	0.2%	
Expected Inflation	3.0%	Consumer Price Index
Total Return Required	8.0%	

* Return is assumed net of investment fees (manager, consulting, custodial and legal) of approximately 50 basis points.

Required Nominal Return Matrix

Distribution Rate plus Administrative Fees

	3.0%	4.0%	5.0%	6.0%	7.0%
1.0%	4.0%	5.0%	6.0%	7.0%	8.0%
2.0%	5.0%	6.0%	7.0%	8.0%	9.0%
3.0%	6.0%	7.0%	8.0%	9.0%	10.0%
4.0%	7.0%	8.0%	9.0%	10.0%	11.0%
5.0%	8.0%	9.0%	10.0%	11.0%	12.0%
6.0%	9.0%	10.0%	11.0%	12.0%	13.0%
7.0%	10.0%	11.0%	12.0%	13.0%	14.0%
8.0%	11.0%	12.0%	13.0%	14.0%	15.0%

Inflation

 Long Term spending plus inflation rate estimate.

Program distributions, administrative fees and inflation are critical factors in defining a sustainable level of program support.

Spending: Impairment Risk

	Spending Level	Impairment Risk	
	6.5%	64.0%	
	6.0%	53.0%	
	5.5%	41.0%	
The spending level includes distributions to endowed programs and administrative fees.	5.0%	28.0%	Impairment risk is the probability of a real drop in endowment value over a fifty year period.
	4.5%	19.0%	
	4.0%	11.0%	
	3.5%	7.0%	
	3.0%	3.0%	

An endowed institution balances the competing demands of current and future generations. 2010 policy changes to spending and asset allocation reduced the probability of impairment risk by nearly 50%.

Performance and Risk: CEF

As of December 31, 2010

		<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	<u>20 Year</u>
RETURN	Total CEF Return	11.6%	5.1%	6.0%	9.2%	10.2%
	Policy Benchmark ¹	10.9%	5.9%	5.6%	8.7%	10.1%
	70/30 Market Benchmark ²	12.6%	3.6%	3.0%	6.8%	8.7%
	Peer Quartile Ranking ³	2nd	2nd	3rd	NA	NA
	Return Contribution (m)	\$219	\$451	\$868	\$1,398	\$1,683
RISK	CEF Sharpe Ratio⁴	1.51	0.27	0.41	0.60	0.72
	Policy Benchmark Sharpe Ratio	1.08	0.34	0.35	0.52	0.67

¹ Policy Benchmark is a blend of market indices weighted to reflect the strategic asset allocation of the CEF.

² 70% S&P 500 plus 30% Government Bonds.

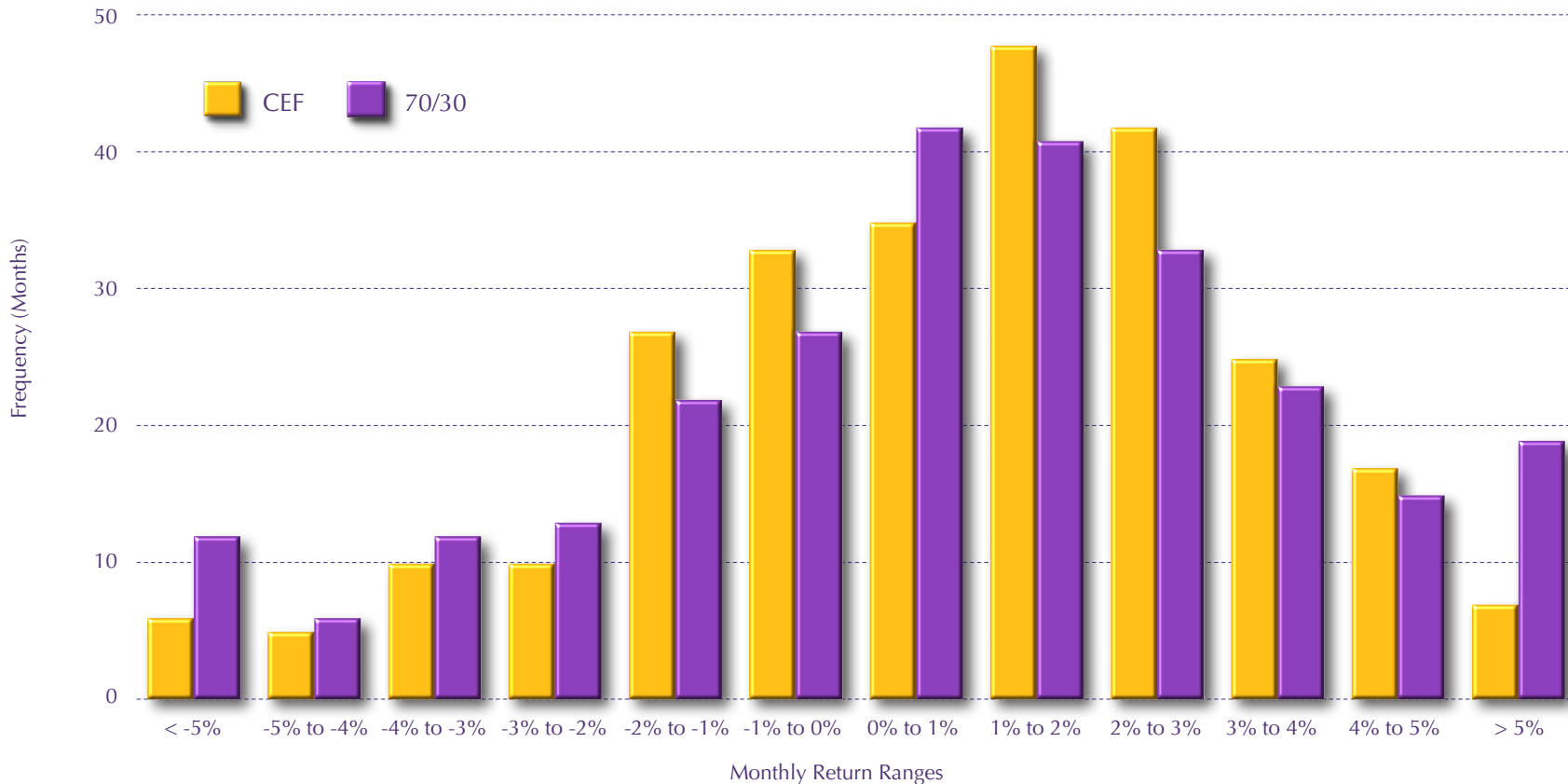
³ Cambridge Associates Top 50 Colleges & Universities.

⁴ The higher the Sharpe ratio, the better the fund's historical risk-adjusted performance. The Sharpe ratio is calculated using standard deviation and excess return over the risk-free rate to determine reward per unit of risk.

The CEF outperformed the policy benchmark over most periods with a better risk profile.

Performance and Risk: CEF Distribution of Returns

CEF Return Histogram Versus 70% S&P500 and 30% Government Bonds Inception through December 31, 2010

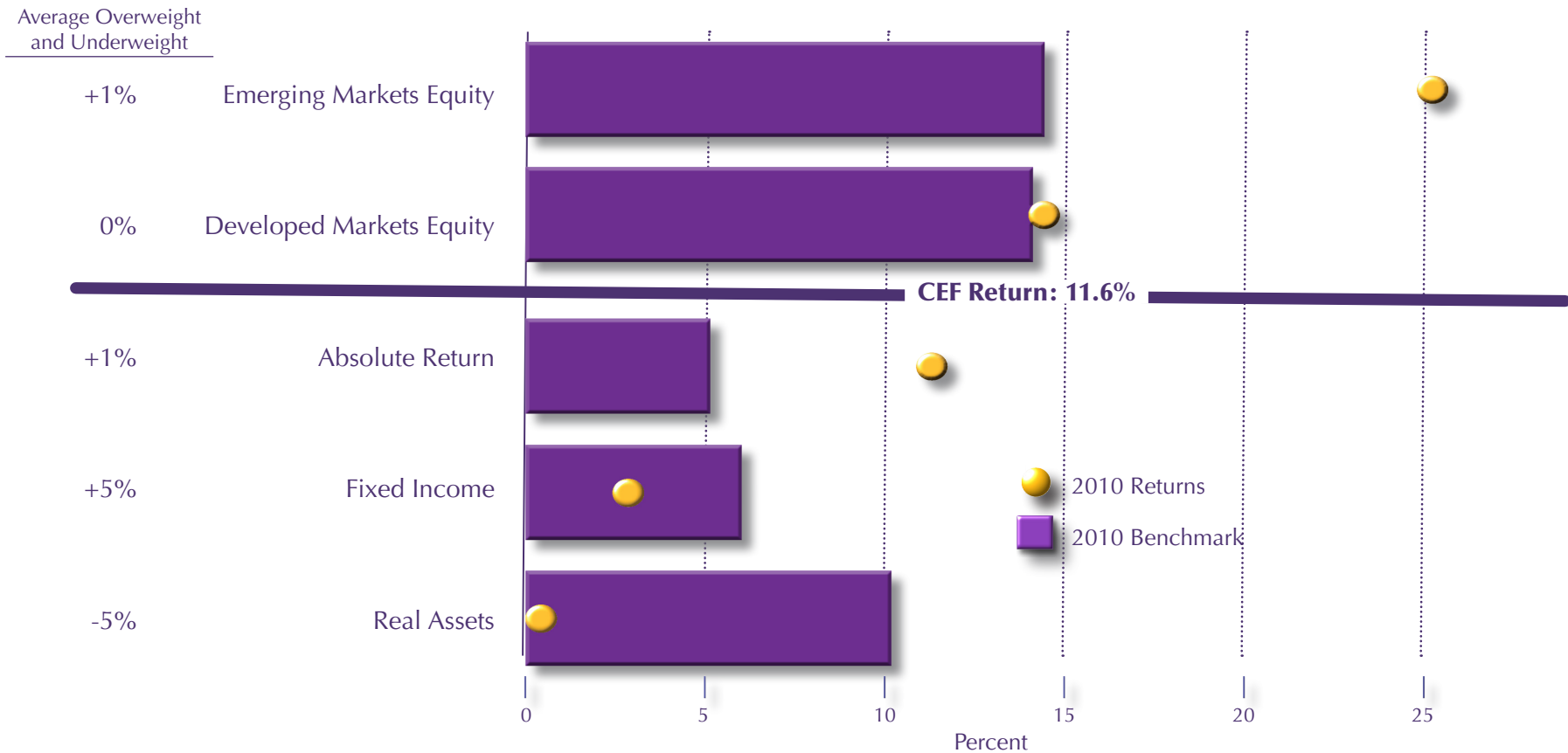


CEF Performance Recap through December 31, 2010

	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	<u>20 Year</u>	<u>ITD (11/88)</u>
Total CEF Return	11.6%	5.1%	6.0%	9.2%	10.2%	10.2%
70/30 Benchmark	12.6%	3.6%	3.0%	6.8%	8.7%	7.4%

The CEF has more stable returns relative to a passive portfolio.

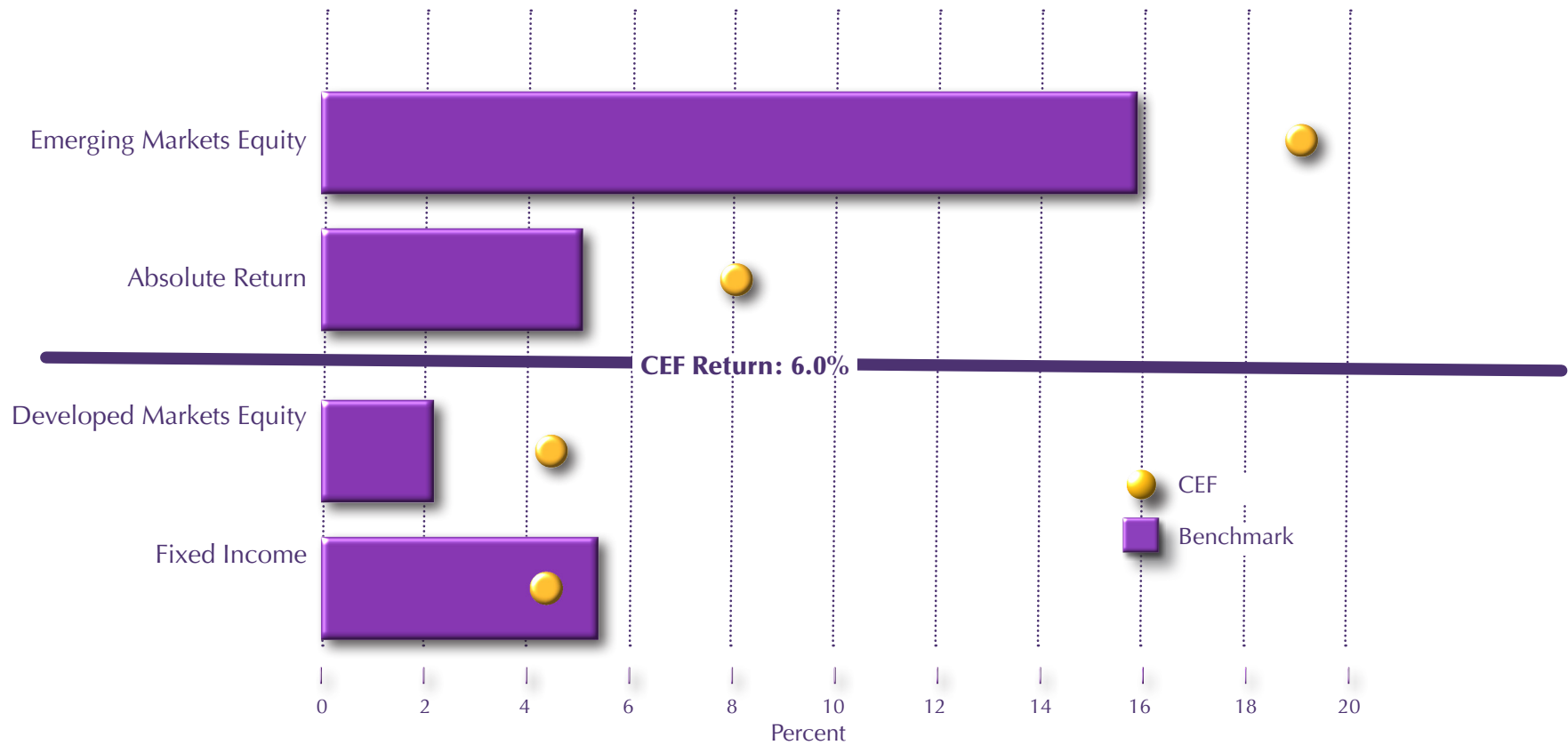
Performance: 2010 by Asset Class



Note: Opportunistic strategy commenced 7/1/2010. Six month return of 6.2% is not presented on annual return chart but is included in the overall CEF return.

All strategies had positive returns for the year led by developed and emerging markets.

Performance: Ten-Year Returns by Asset Class



Note: Opportunistic Strategy commenced 7/1/2010 and has a six month return of 6.2%. Real Assets Strategy commenced 1/1/2004 and has a seven year return of 4.0%. The strategies are not presented on the ten-year return chart, but their returns are included in the overall CEF return.

All strategies had positive returns for the ten-year period led by emerging markets and absolute return.

Invested Funds

Profile: Invested Funds (IF)

Description: The operating funds of the University.

Size: \$1.2 billion at December 31, 2010 plus \$0.4 billion invested in CEF units.

Composition: Institutional funds (35%) and funds on deposit by campus departments (65%).

Financial Objective: To meet the day-to-day financial obligations of the University as they come due. To support University initiatives and programs.

Investment Objective: To achieve investment returns above those of money market instruments.

Depositor Time Frame: Short to limited term.

University Guarantees: Access to funds on demand. Principal guaranteed.

Profile: IF Depositors

Average Cost Basis for the fiscal year ended June 30, 2010 (\$ 000's)

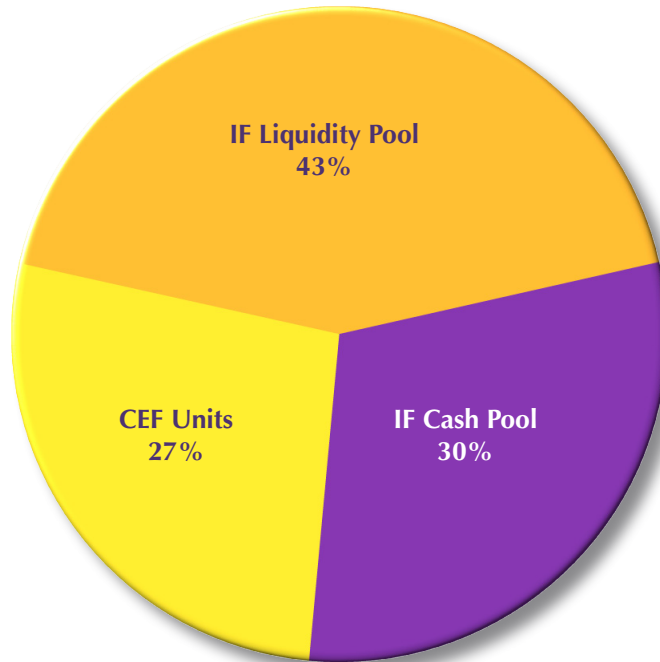
Campus Depositors Funds ¹			Institutional Funds		
UW Medicine	\$345,801	25.0%	General Institutional Funds	\$399,924	28.9%
Insurance Funds	77,403	5.6%	Reserves	79,457	5.7%
Grants	53,222	3.8%			
Office of Research	51,679	3.7%			
Auxiliary Services	45,297	3.3%			
College of Arts & Sciences	38,132	2.8%			
College of Engineering	36,401	2.6%			
Foster School of Business	22,431	1.6%			
Student Facilities & Fees	13,544	1.0%			
All Others	219,934	15.9%			
Total	\$903,844	65.3%	Total	\$479,381	34.7%

¹ Includes gifts, private grants, royalty funds and auxiliary reserves.

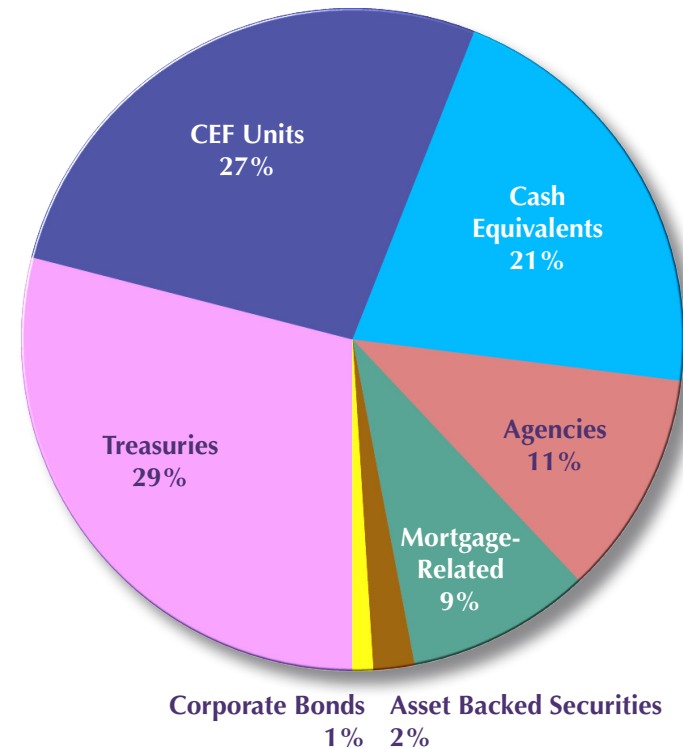
Positioning: IF Asset Allocation

As of December 31, 2010

By Pool



By Asset Type



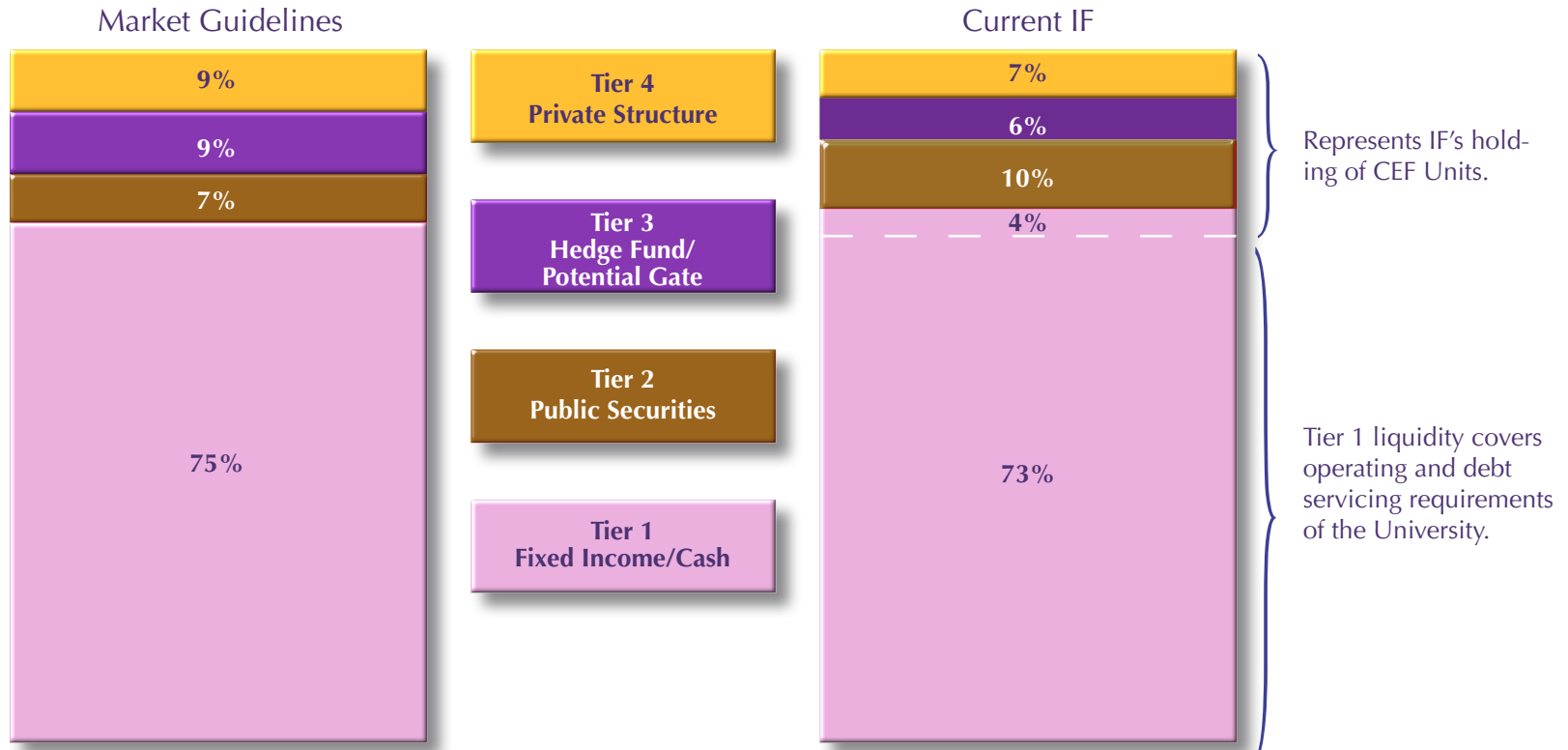
	Fund Allocation (\$m)		Range	Duration in Years		Guidelines
	Actual	Maximum		Actual	Maximum	
Cash Pool	\$480	30%	10%–40%	0.4	3.0	Average quality of "AA"
Liquidity Pool	\$697	43%	30%–60%	3.5	4.2	Average quality of "AA" ¹
Total Cash & Liquidity Pool	\$1,177	73%				
CEF Units held by IF	\$441	27%	15%–40%			
Total Invested Funds	\$1,618	100%				

¹ At least 25% in US Gov't and its agencies

Invested Funds are highly liquid with CEF units providing enhanced returns.

Positioning: Current IF versus Guidelines

As of December 31, 2010



Invested Funds are managed to protect the principal and meet the liquidity requirements of the University.

Performance and Risk: IF

As of December 31, 2010

		<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	<u>20 Year</u>
RETURN	Total IF Return including CEF units	5.8%	4.5%	5.0%	6.4%	7.1%
	Policy Benchmark ¹	5.4%	5.2%	4.8%	6.4%	7.0%
	Total IF Return excluding CEF units	3.7%	4.4%	4.6%	5.2%	5.8%
	Policy Benchmark ¹	3.2%	4.7%	4.6%	5.1%	5.6%
MARKET	Three Month T-Bill	0.1%	2.3%	2.3%	3.2%	3.6%
RISK	IF Sharpe Ratio²	3.5	0.7	1.0	1.3	1.5
	Policy Benchmark Sharpe Ratio	2.6	1.0	0.9	1.3	1.5

¹ Policy Benchmark is a blend of market indices weighted to reflect the strategic asset allocation of the IF.

² The higher the Sharpe ratio, the better the fund's historical risk-adjusted performance. The Sharpe ratio is calculated using standard deviation and excess return over the risk-free rate to determine reward per unit of risk.

**The inclusion of CEF exposure in the IF portfolio enhanced performance in 2010.
Over the long term, CEF exposure has improved the performance of IF by over 1% per annum.**

VII. STANDING COMMITTEES

A. Academic and Student Affairs

in Joint Session with

B. Finance, Audit and Facilities

Amendment of Lease with Unico Properties for the Metropolitan TractRECOMMENDATION:

It is the recommendation of the administration, the Academic and Student Affairs Committee, and the Finance, Audit and Facilities Committee that the Board of Regents delegate to the President the authority to execute an amendment to the lease with Unico Properties, providing for University control over all tenant lease and investment decisions, accelerated ground rent payments, elimination of non-compete clause, and property management of the Rainier Tower Sublease.

BACKGROUND:**Purpose and Benefit**

The lease with Unico for the Metropolitan Tract is nearing the end of its 60 year term (1954-2014). The University and Unico have determined that transferring additional decision-making authority to the University in advance of the termination of the lease will result in a smoother transition through 2014.

By amending the lease, the University will have full authority over the terms of tenant lease agreements and investment in tenant improvements. Currently, decision-making around tenant deals is governed by reference to market standards as defined in the Unico lease. Shifting control to the University ensures these decisions are in the best interest of the University.

In addition, the University will receive rent from Unico on a monthly basis, rather than quarterly, and at a higher percentage amount. This allows for better cash management and provides cash flow benefits to the University.

Unico will continue in its role managing and leasing the Metropolitan Tract, providing full transparency to the University in all management and operations. As part of the lease amendment, the non-compete clause will be eliminated and Unico will have more flexibility to enter into business arrangements with other parties in downtown Seattle. Unico will also take on property management of the Rainier Tower sub-lease previously contracted separately by the University

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

in Joint Session with

B. Finance, Audit and Facilities Committee

Amendment of Lease with Unico Properties for the Metropolitan Tract (continued p. 2)

The lease will stay in place through its termination date of October 31, 2014, but will be amended to achieve the purposes outlined above. There is no commitment to continue a business relationship beyond 2014; however, the parties acknowledge that Unico will be allowed to compete to provide future services on the Metropolitan Tract.

Lease Amendment

The lease will be amended on the following terms:

- The University will assume complete decision-making control over all tenant leasing and capital expenditures.
- Unico will pay the University 75% monthly rent with true-up at end of each quarter (under the current agreement the University receives \$250k per quarter with balance due at year end).
- Unico will be released from its non-compete in downtown Seattle (current non-compete boundaries: Stewart/Denny to North; I-5 to East; Dearborn to South; and Puget Sound to West).
- Unico will take over Rainier Tower Sub-lease property management at current rates and no additional cost to the University.

Next Steps

Unico's board has reviewed the lease amendment and is in concurrence. Upon Regents approval, the lease amendment will be executed and effective on June 1, 2011.

REVIEW & APPROVALS

The terms of the lease amendment between the University and Unico as outlined above have been reviewed and recommended for approval by the UW Advisory Committee on Real Estate (ACRE), the Senior Vice President, and the Chief Real Estate Officer.

VII. STANDING COMMITTEES**A. Academic and Student Affairs**

in Joint Session with

B. Finance, Audit and Facilities**UW Medicine Board Annual Operations and Governance Report: UW Medicine Strategic Initiatives Overview**

For information only.

The UW Medicine health care system has made significant progress in implementing the strategic plan adopted in 2009. The fundamental goal of the UW Medicine strategic plan is to achieve a fully integrated, balanced, and accountable health care delivery system. The strategies articulated in the plan are focused on:

- building key clinical programs through direct investment;
- developing core systems and organizational capabilities that provide the infrastructure for those services in support of our mission to improve health;
- identifying and developing primary and secondary care services in the local market that align with UW Medicine's tertiary and quaternary care activities;
- developing strategic affiliations and alliances locally and throughout the region that support our ability to improve health; and
- enhancing our ability to serve as a national leader in responding to changing health care reimbursement through creation of an Accountable Care Organization.

Attachments

1. UW Medicine Fact Sheet
2. Executive Summary, UW Medicine Strategic Plan
3. Executive Summary, UW Medicine Major Accomplishments and Activities
4. Proposed Strategic Alliance: Public Hospital District No. 1 dba Valley Medical Center and UW Medicine



UW Medicine's mission

To improve the health of the public by advancing medical knowledge, providing outstanding primary and specialty care to the people of the region, and preparing tomorrow's physicians, scientists and other health professionals.

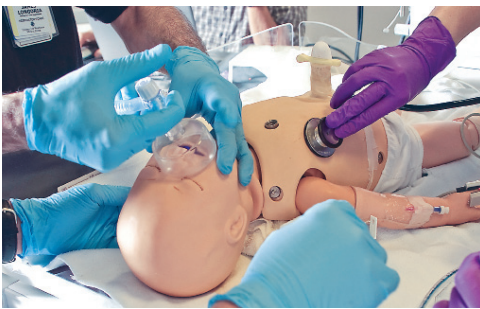
Components of UW Medicine

UW Medicine owns or operates:

- Harborview Medical Center
- University of Washington Medical Center
- Northwest Hospital & Medical Center
- UW Medicine Neighborhood Clinics
- UW School of Medicine
- UW Physicians
- Airlift Northwest

UW Medicine shares in the ownership and governance of:

- Children's University Medical Group
- Seattle Cancer Care Alliance



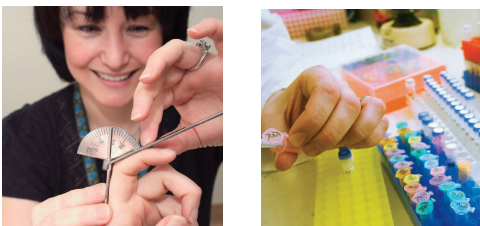
People

- More than 18,300 employees contribute to the mission of UW Medicine.
- The School of Medicine has approximately 2,000 employed faculty members and more than 4,600 clinical faculty across the WWAMI program who teach medical students, residents and post-doctoral fellows.
- UW Medicine has approximately 4,500 students and trainees across a broad range of undergraduate, professional and post-graduate programs.



Patient care

- About 51,000 admissions each year to UW Medicine's two core academic medical centers, Harborview Medical Center and UW Medical Center, and Northwest Hospital & Medical Center
- About 1.4 million outpatient and emergency room visits to the hospitals and clinics annually



Faculty includes:

- Four Nobel Prize winners
- 33 Institute of Medicine members
- 32 National Academy of Sciences members
- 16 Howard Hughes Medical Institute investigators
- 10 Canada Gairdner International Award recipients
- Five National Academy of Engineering members

RESEARCH

UW Medicine is a leader in stem-cell research

The UW Institute for Stem Cell and Regenerative Medicine has one of the nation's largest concentrations of researchers studying human embryo cells. UW faculty members are conducting basic research in biology, engineering and medicine to find potential and innovative uses of stem cells to treat various medical conditions, including heart disease and blindness.

Center for AIDS Research (CFAR)

The UW has been at the forefront of HIV/AIDS research since 1988 and is one of the first AIDS research centers in the United States.

Pancreatic cancer research

Teri Brentnall, UW professor of medicine in gastroenterology, led an international team of scientists that discovered the link between a genetic mutation and familial pancreatic cancer. The team also developed a screening protocol for the disease using endoscopic ultrasound.

Tumor Vaccine Group

The UW Tumor Vaccine Group is working on a cancer vaccine to prevent cancer relapse. Despite advances in surgery, chemotherapy and radiation, patients with cancer may ultimately relapse because of residual microscopic disease. Our cancer vaccine program targets that patient population whose disease has been optimally treated with standard therapies but who remain at risk for relapse.

The Institute for Health Metrics and Evaluation (IHME)

at the UW is an independent research center that is rigorously measuring the effectiveness of responses to the world's most pressing health issues. The institute provides scientific evaluations of health system and health program performance in order to guide health policy and accelerate global health progress.

The UW School of Medicine is ranked consistently among the top three schools in receipt of National Institutes of Health grant funding in U.S. News & World Report surveys.

THE 2011 RANKINGS:

1. Harvard University
2. University of Washington
3. University of Pennsylvania

UW School of Medicine research provides a significant economic benefit to the community.

UW Medicine generated more than \$800 million in research funds last year. A number of established and start-up biotechnology companies, including Zymogenetics and ICOS, have their roots in UW School of Medicine research.

EDUCATION

The five-state WWAMI regional medical educational network, serving Washington, Wyoming, Alaska, Montana and Idaho, is widely considered the best academic model for the training and placing of physicians in underserved communities.

The UW School of Medicine has been ranked as the No. 1 primary-care medical school in the country for 17 consecutive years. In addition, UW Medicine teaching programs are ranked among the best in the country in the 2011 rankings by *U.S. News & World Report*.

CLINICAL CARE

UW Medicine medical centers are ranked among the top medical centers.

Several UW Medicine programs were ranked highly by *U.S. News & World Report*, including rehabilitation medicine and cancer.

Harborview Medical Center is the only Level I adult and pediatric trauma and regional burn center serving Washington, Alaska, Montana and Idaho. Harborview was the 2007 recipient of the prestigious Foster G. McGaw prize, which honors excellence in community service and outreach in health care. Harborview is owned by King County and managed by the University of Washington. All staff are UW employees, and all physicians are UW faculty. Harborview and UW School of Medicine faculty physicians based there provide more than \$150 million in charity care per year.

UW Medical Center ranked in the top 1 percent out of more than 5,000 major medical centers in the 2009 "Best Hospitals Honor Roll" by *U.S. News & World Report* and was the first medical center in the country to achieve Magnet Hospital certification, the highest honor awarded by the American Nurses Credentialing Center. It is also a leader in solid organ and stem cell transplantation, Regional Heart Center care and high-risk neonatal care.

Northwest Hospital & Medical Center is a full-service, nonprofit community hospital offering personalized, technologically advanced medical, surgical and therapeutic services. Its staff of health-care professionals is recognized for promoting wellness through early detection and prevention, minimally invasive interventions and innovative clinical practices. HealthGrades has recognized Northwest Hospital for excellence and has ranked it among the top 5 percent of hospitals in the nation for patient safety for four years.

UW Neighborhood Clinics is a network of primary care clinics with seven neighborhood locations throughout the greater Puget Sound area. The clinics offer a complete spectrum of primary-care services for the entire family, from pediatrics to geriatrics. They also offer ancillary services, including on-site laboratory and X-ray facilities and nutrition services.

Airlift Northwest, an air medical transport program, was founded by a consortium of hospitals in the Seattle area, including Harborview Medical Center, UW Medical Center and Seattle Children's. Airlift Northwest has provided air medical transport for more than 80,000 patients since 1982.

Medic One is an international model for emergency care. It was developed in a collaborative effort among Harborview, the Seattle Fire Department and the UW School of Medicine. The system, one of the first of its kind in the world, is the model most emulated by communities throughout the country.

UW Medicine
1959 N.E. Pacific St., Box 356350
Seattle, WA 98195
206.543.7718

May 1, 2011

UW MEDICINE STRATEGIC PLAN

UW Medicine's mission is to improve the health of the public

The UW Medicine strategic plan supports the three major activities that advance this mission: providing outstanding patient care; advancing medical knowledge through research; and training the next generation of healthcare professionals and scientists.

STRATEGIC GOALS AND OBJECTIVES were developed in the 2008 planning process to advance UW Medicine's mission:

- Expand and strengthen centers of excellence and other core clinical programs;
- Deliver consistent, excellent service and improve patient access;
- Expand UW Medicine Health System's strategic outreach to patients and healthcare professionals throughout the WWAMI region;
- Identify or develop primary and secondary care services in the local market that align with UW Medicine's tertiary and quaternary care activities;
- Enhance UW Medicine's educational programs to address the region's healthcare workforce needs and to maximize the focus of future healthcare professionals on quality, safety and efficiency;
- Enhance UW Medicine's research programs to promote rapid and effective translation of research from laboratory to clinical settings.

FIVE PRIORITY AREAS:

- **Build key clinical programs.** Improve existing patient care programs that are central to UW Medicine's ongoing success in improving health and develop new programs suited to UW Medicine's preeminence in specialized tertiary and quaternary care.
- **Build networks and affiliations.** Develop strategic affiliations and alliances locally and throughout the region that support our ability to improve health; broaden clinical programs in primary and secondary care to support the needs of our patients, sustain our referral base, and secure our ability to serve as an Accountable Care Organization.
- **Deliver excellent service.** Enhance UW Medicine's ability to deliver excellent care by ensuring that all care and service provided are outstanding, compassionate, timely, coordinated and complete.
- **Deliver high-quality, safe and effective patient care.** Implement initiatives to maintain the highest quality care and safety standards that support UW Medicine's mission of improving health.
- **Enhance support for research, teaching and patient care.** Increase the efficiency and effectiveness of services that support UW Medicine's core activities of research, teaching and patient care on behalf of improving health through workforce development, human resources, facilities growth and renovation, and information technology advances.

May 1, 2011

MAJOR ACCOMPLISHMENTS AND ACTIVITIES THROUGH 4/30/11

Build key clinical programs

- Established three new UW Medicine institutes (eye, pain relief, vascular);
- Construction proceeding well for UW Medical Center Tower to expand NICU and oncology beds;
- Expanded UW Medicine Spine & Sports, including Seattle Sports Concussion Program.

Build networks and affiliations

- Completed affiliation with Northwest Hospital & Medical Center;
- Launched regional strategic outreach plan with hospitals throughout WWAMI region;
- Expanded behavioral health services with integrated mental health pilot sites;
- Reconfigured Airlift Northwest operations and expanded services;
- Exploring additional opportunities for affiliations;
- Developing and expanding primary care network, including medical home pilots.

Deliver excellent service

- Launched “Patients First” initiative including Leadership Development Institutes;
- Established and disseminated the “four pillars” among faculty, staff, and trainees: Focus on serving the patient/family; provide highest quality of care; become the employer of choice; practice fiscal responsibility;
- Expanded Transfer Center to serve all three hospitals in UW Medicine Health System;
- Implemented a consolidated UW Medicine Contact Center for clinic appointments.

Deliver high-quality, safe and effective patient care

- Established quality and safety projects and assessment tools for all UW Medicine sites;
- Launched multiple safety and quality improvement initiatives;
- Expanded simulation training activities and facilities in the Institute for Simulation and Interprofessional Studies (ISIS);
- Established UW Medicine Board Patient Safety and Quality Committee;
- Implemented planning for medical school and residency curricula improvements that expand the focus on training physicians who deliver high-quality, safe, cost-effective, and effective patient care.

Enhance support for research, teaching and patient care

- Implemented EPIC facility billing and patient registration system for HMC, UWMC, and SCCA;
- Deployed EPIC ambulatory electronic medical record in UW Medicine Eye Institute and nine additional clinics;
- Enhancing services within UW Medicine Health System to support translational research and clinical training programs;
- Integrating clinical data system-wide using AMALGA from Microsoft;
- Advancing UW Medicine strategic research planning, including program plans for South Lake Union Phase III;
- Planning expansion of graduate medical education training programs for the region in high-demand specialties.

UW Medicine

Proposed Strategic Alliance: Public Hospital District No. 1 dba Valley Medical Center and UW Medicine

F-8.4/205-11
5/12/11

OVERVIEW

- **Mission**
- **Strategic plan and priorities**
- **Key elements of proposed strategic alliance**

F-8.4/205-11
5/12/11

MISSION

UW Medicine: To improve the health of the public by advancing medical knowledge, providing outstanding primary and specialty care to the people of the region, and preparing tomorrow's physicians, scientists and other health professionals.

Valley Medical Center: Governed by publicly elected commissioners, VMC provides, in collaboration with its medical staff and community agencies, comprehensive quality care and service in a cost-effective and compassionate manner to improve and sustain the overall health of our community.

UW MEDICINE STRATEGIC PLAN

Key Goals:

Identify or develop primary and secondary care services in the local market that align with UW Medicine's tertiary and quaternary care activities.

Develop strategic affiliations and alliances locally and throughout the region that support our ability to improve health, broaden clinical programs in primary and secondary care to support the needs of our patients, sustain our referral base and secure our ability to serve as an Accountable Care Organization (ACO).

F-8.4/205-11
5/12/11

VMC STRATEGIC PLAN

Increase access to healthcare services for South King County residents (over 600,000 people) and improve efficiency of care.

Expand clinical, teaching and research programs.

Position Valley Medical Center for future healthcare reform opportunities, such as the creation of an Accountable Care Organization.

SHARED COMMITMENT

UW Medicine and Valley Medical Center share a commitment to providing outstanding clinical care with an emphasis on patient safety and service and to reducing health disparities in the community.

Valley Medical Center is a public hospital district that includes a full-service acute care hospital on a 44 acre campus, eight primary care clinics, five urgent care clinics and nine medical and surgical specialty clinics. Ranked 5th in quality in the first Best Hospitals Metro Area (2011) rankings by *U.S. News & World Report*.

Valley Medical Center provides significant primary, specialty and some tertiary care that complements UW Medicine's tertiary and quaternary services at UW Medical Center and Harborview Medical Center.

F-8.4/205-11

5/12/11

KEY ELEMENTS OF A STRATEGIC ALLIANCE

The Public Hospital District would continue to exist as a municipal corporation and would own Valley Medical Center, its clinics and urgent care centers and other assets and liabilities. UW would not be responsible for operating losses at Valley Medical Center.

The strategic alliance agreement would create a governance structure to oversee the operation of Valley Medical Center as an integral component entity of UW Medicine.

Valley Medical Center would become a part of UW Medicine as the 8th component entity to further our mutual missions to improve the health of the public.

F-8.4/205-11

5/12/11

NEW GOVERNANCE STRUCTURE

Board oversight would be through a newly created board comprised of five District commissioners, five Community Trustees who reside in the District area appointed by UW Medicine, two current or former members of one of the boards of a component entity of UW Medicine or of the UW Medicine Board appointed by UW Medicine, and the CEO of UW Medicine or designee as an ex officio trustee.

Initial Community Trustees may be nominated by the Mayors of Covington, Kent, Maple Valley, Newcastle and Renton as well as from anyone residing within the District.

Two Community or Commissioner Trustees will be appointed to the UW Medicine Board.

F-8.4/205-11

5/12/11

MANAGEMENT

Valley Medical Center would be managed as a component entity of UW Medicine and strive to improve quality of care, patient safety, and access to care while controlling costs.

The Valley CEO would report to the UW Medicine CEO and the new Board.

UW Medicine would appoint or remove the CEO subject to the new Board's approval.

Valley Medical Center would continue using an open medical staff model; employees would remain employed by District.

F-8.4/205-11
5/12/11

KEY DISTRICT RESERVED POWERS

Transfer or encumbrance of any material asset of the District remains with the District.

Exercise of statutory power to raise revenues by levy of property taxes remains with the District.

Sale, transfer or change in bed license or other hospital licenses requires District approval.

Issuance of tax obligated debt requires District approval.

F-8.4/205-11
5/12/11

RISKS AND OPPORTUNITIES

Ongoing healthcare reform is changing reimbursement and key new reimbursement models are still under development (e.g., federal government is seeking comment on proposed rules for Medicare Accountable Care Organizations).

Significant opportunity to integrate and reduce costs.

Alliance between Valley Medical Center and UW Medicine brings additional primary and secondary care capacity to UW Medicine Health System and additional access to tertiary and quaternary services for the Valley community.

Alliance creates opportunity to build key clinical programs, teaching and research opportunities.

F-8.4/205-11
5/12/11

QUESTIONS

F-8.4/205-11
5/12/11

VII. STANDING COMMITTEES**A. Academic and Student Affairs**

in Joint Session with

B. Finance, Audit and Facilities**Proposed FY 2012 Operating and Capital Budgets****INFORMATION ITEM:**

The FY 2012 Operating and Capital Budgets are being presented as an *information* item for the May 2011 joint meeting of the Finance, Audit and Facilities Committee and the Academic and Student Affairs Committee. These budgets will also be presented as an *information* item at the June 2011 joint meeting of the Finance, Audit and Facilities Committee and the Academic and Student Affairs Committee as we anticipate that the Legislature may not complete the special session by June 9, 2011. Additionally, if SHB 1795 passes and the Regents are granted tuition setting authority, additional tuition information items will be presented for consideration in June before *action* is taken on budgets and tuition rates in July.

PREVIEW OF THE JUNE 2011 INFORMATION ITEM

This information item previews the June 2011 information item of the FY 2012 (FY12) Operating and Capital Budgets. In July, the Board of Regents will be asked to do four things:

1. Adopt the FY 2012 Operating Budget
2. Establish tuition rates for all tuition categories for the 2011-12 and 2012-13 academic years
3. Approve certain fee increases for implementation during FY12
4. Adopt the FY12 Capital Budget

Attachments

1. Executive Summary – Fiscal Year 2012 Operating and Capital Budgets
2. UW 10 Year Capital Plan Update

Executive Summary – Fiscal Year 2012 Operating and Capital Budgets

The proposed operating and capital budgets presented in this information item mark the beginning of a new legislative biennium. While the University of Washington's state funding continues to fall precipitously, the state general fund appropriation for FY12 is nearly 35 percent lower than the previous year, other areas of the budget are expected to grow.

Note that several key developments differentiate the UW Administration's proposed FY12 operating and capital budgets from previous budgets:

- All documents and presentations have been redesigned to facilitate transparency, ease understanding, and more effectively highlight the most relevant information.
- All UW Health System clinics and hospital operations are now displayed in the budgeted operating revenues and expenses of the University.
- The capital budget includes an introduction of the One Capital Plan. The plan is an effort to integrate strategic academic program planning created by UW's Colleges and Schools – and characterized as College Precinct Plans – with prioritized short, mid, and long term space and capital needs.

Finally, please note that both proposed budgets assume that the **Washington State Senate's engrossed budget prevails during conference negotiations**. A conference budget may be completed in time to include final capital and operating appropriations in the June Regent's budget item but if SHB 1795 passes and the Regents are granted tuition setting authority, Regents will not be asked to set tuition rates until July.

Timeline:

- Thursday, May 12, 2011:** Information Item: **Draft** Operating, Capital, and Tuition Items
- Thursday, June 9, 2011:** Information Item: **Semi-Completed Capital and Operating** Items (depending on whether conference budgets are completed in Olympia) and **Tuition Flexibility Item** in the event that SHB 1795 passes
- Thursday, July 21, 2011:** **Action Item:** Operating and Capital Budgets

Operating Budget - Revenues and Expenditures by Fund and Category

Budgeted revenues and expenditures for the coming fiscal year are \$5.1 billion, a 6 percent increase over the prior fiscal year. Note that the inclusion of budgeted operating funds for the medical system is a new feature, and that including these funds increases the FY11 adopted budget.

TABLE 1: Revenues and Expenditures by Area	FY 2011 Adopted	FY 2012 Proposed	Change FY11 to FY12 (\$)	Change FY11 to FY12 (%)
University Operating Resources				
State General Fund*	318,522,000	207,760,000	(110,762,000)	-35%
Tuition Operating Fee Revenue	369,897,000	455,047,000	85,150,000	23%
Use of Fund Balance for Temporary Expenditures	10,000,000	0	(10,000,000)	-
Designated Operating Fund	58,902,000	66,442,000	7,540,000	13%
Indirect Cost Recovery	230,000,000	230,000,000	0	-
Institutional Overhead	16,268,000	17,288,000	1,020,000	6%
TOTAL REVENUES	1,003,589,000	976,537,000	(27,052,000)	-3%
TOTAL EXPENDITURES	1,003,589,000	976,537,000		
Research Enterprise				
Grants and Contracts Direct Costs	958,994,000	1,150,898,000	191,904,000	20%
TOTAL REVENUES	958,994,000	1,150,898,000	191,904,000	20%
TOTAL EXPENDITURES	958,994,000	1,150,898,000		
Restricted Funds				
Gift Income & Endowment Distributions	184,630,000	192,630,000	8,000,000	4%
State Restricted Funds	6,884,000	6,931,000	47,000	1%
TOTAL REVENUES	191,514,000	199,561,000	8,047,000	4%
TOTAL EXPENDITURES	191,514,000	199,561,000		
UW Health System				
UW Medical Center	725,600,000	827,700,000	102,100,000	14%
Harborview Medical Center**	755,900,000	729,500,000	(26,400,000)	-3%
NW Hospital	240,000,000	244,000,000	4,000,000	2%
UW Physicians	231,400,000	245,400,000	14,000,000	6%
UW Neighborhood Clinics	25,100,000	26,800,000	1,700,000	7%
Airlift NW	36,600,000	36,900,000	300,000	1%
TOTAL REVENUES	2,014,600,000	2,110,300,000	95,700,000	5%
TOTAL EXPENDITURES	2,014,600,000	2,110,300,000		
Auxiliary Activities				
Housing and Dining	63,500,600	68,680,000	5,179,400	8%
Intercollegiate Athletics	63,664,000	71,872,000	8,208,000	13%
Educational Outreach	73,292,249	85,225,117	11,932,868	16%
Parking	33,224,226	35,151,671	1,927,445	6%
Other Auxiliary Activities	402,193,685	402,193,685	0	-
TOTAL REVENUES	635,874,760	663,122,473	27,247,713	4%
TOTAL EXPENDITURES	635,874,760	663,122,473		
Total Revenues	4,804,571,760	5,100,418,473	295,846,713	6.16%
Total Expenditures	4,804,571,760	5,100,418,473	295,846,713	6.16%

* Units already took a permanent reduction midyear in FY11 which is carried forward and included in the reduction for FY12 above.

**Harborview Medical Center is managed by UW Medicine, but appears on King County's financial statement.

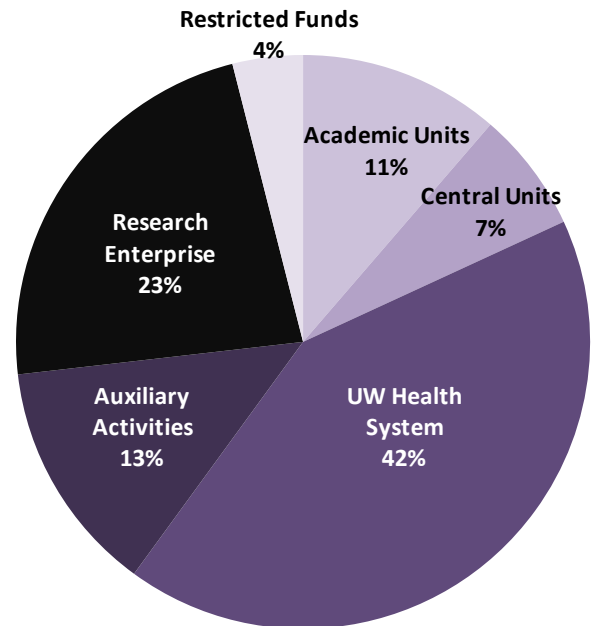
Significant Considerations for FY12

The UW's FY12 budget, combining all sources of revenue, is anticipated to be \$5.1 billion.

Primary revenue sources in FY12 include those from the UW's Health System, federal grants and contracts, and tuition operating fees.

Health System: Because most of the UW's Health System was not previously included in the Regents budget, the FY11 adopted budget has been retroactively adjusted by \$1.5 billion so that it can be accurately compared against the FY12 budget proposal. Note, however, that Valley Medical Center is not reflected in this presentation because final Regental action on the Center is not expected until June 2011. Also note that while Harborview is reflected, it does not appear on the UW's audited financial statements.

Tuition operating fees: Tuition revenue now comprises 68 percent of the University's general operating fund resources (state funds plus tuition revenue). Slow economic recovery continues to stunt the state's general fund resulting in another significant state funding reduction for higher education. The UW's **state funding reduction** for the biennium, before tuition increases, is expected to be approximately 35 percent. Tuition revenue continues to supplant state general fund support.

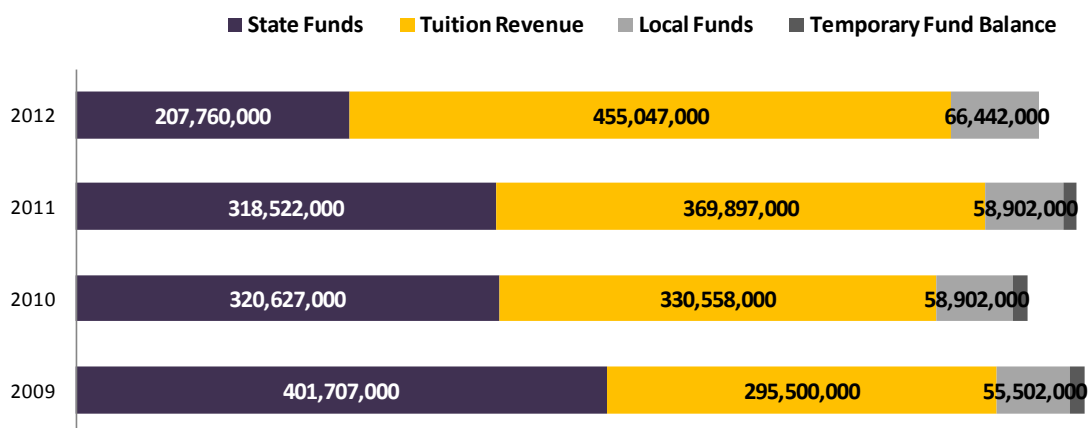


Important Considerations Implicit in the FY12 Budget:

1. UW Administration developed these budget recommendations according to the priorities and principles developed during broad cross-campus consultation (including in depth discussion with unit leadership and consultation of both qualitative and quantitative data).
 - **Quality with regard to our mission: learning, discovery, and engagement**
 - **Impact on the student experience and on the faculty experience**
 - **Affordability and leverage**
 - **Positioning the University for the future**
2. Under the guidelines of Activity Based Budgeting (ABB), tuition revenue flows back to where it is produced. Tuition revenue has been distributed this way between UW's campuses. Additionally, on the Seattle campus, 70 percent of the incremental revenue from tuition increases will be allocated back to the **academic units** that generate tuition revenue while 30 percent will be maintained centrally to be utilized for central costs like payroll, facilities maintenance and for strategic investments such as the Provost's Reinvestment Funds.
3. FY12 budget recommendations are presented in a new format, as the UW Administration seeks to streamline this document to increase transparency and understanding. As a result, some FY11 adopted numbers have revised from those previously shown in the FY11 adopted budget for comparison purposes.

University Operating Resources

As the chart below demonstrates, state funds, tuition revenue, and designated funds are used to fund university operations. Over time, activity (academic) units have experienced growth in tuition revenue and designated funds, while state funds have declined. Note that because the Legislature is currently in special session and a conference budget is not yet available, we modeled the **Senate engrossed budget** in this budget item. The Senate engrossed operating budget affects the university operating resource budget in the following ways: first, the budget **authorizes 16 percent resident undergraduate tuition** rate increases in both FY12 and FY13; second, the **budget reduces state funding by \$101 million in FY12**; and third, the budget stipulates that the **UW maintain student FTEs** at current levels.



The proposed FY 2012 University Operating Resources budget is presented in Table 2 below and proposed tuition increases for the 2011-12 academic year are presented in Table 3. Greater detail and policy considerations are available in Appendix items 1 and 2.

TABLE 2: University Operating Resources

Revenues	FY 2011 Adopted	FY 2012 Proposed
University Operating Resources		
State General Fund	318,522,000	207,760,000
Tuition Operating Fees	369,897,000	455,047,000
Use of Fund Balance for Temporary Expenditures	10,000,000	0
Designated Operating Fund	58,902,000	66,442,000
Indirect Cost Recovery	230,000,000	230,000,000
Institutional Overhead	16,268,000	17,288,000
TOTAL REVENUES	1,003,589,000	976,537,000
TOTAL EXPENDITURES	1,003,589,000	976,537,000

Potential Tuition Rates

The following rate changes are presented for review. As mentioned, **the Senate budget increases for resident undergraduate students are presented for information only. Regents may ultimately set tuition rates without caps from the Legislature and the rates and revenue amounts presented in tables 1 and 2 would change.**

TABLE 3: Potential Tuition Rate Changes for 2011-12 and 2012-13

2011-12 and 2012-13 Tuition Rates to be Approved								
Tuition Category	2011-12				2012-13			
	Resident		Nonresident		Resident		Nonresident	
	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition
Undergraduate								
Undergraduate	16.0% *	9,422	10.00%	27,230	16.0% *	10,930	10.0%	29,950
Graduate Tiers								
Graduate Tier I	11.0%	12,070	3.0%	24,940	11.0%	13,398	3.0%	25,688
Graduate Tier II	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Graduate Tier III	10.0%	13,140	3.0%	26,010	10.1%	14,468	2.9%	26,758
Other Graduate								
Master of Library and Information Science <i>(moving to Educational Outreach FY13)</i>	7.0%	13,220	7.0%	28,930	<i>moving to fee based (EO)</i>			
Master of Public Affairs <i>(incoming)</i>	15.0%	15,860	15.0%	31,320	15.0%	18,240	15.0%	36,020
Master of Public Affairs <i>(continuing)</i>		13,790		27,230		15,860		31,320
Master of Public Health	10.0%	14,240	10.0%	28,910	10.0%	15,660	10.0%	31,800
College of Built Environments	14.0%	15,770	14.0%	34,500	14.0%	17,980	14.0%	39,330
Dental Professional (year 1)	14.0%	26,560	0.0%	49,470	14.0%	30,280	0.0%	49,470
Dental Professional (years 2,3,4)	10.0%	25,620	0.0%	49,470	10.0%	28,190	0.0%	49,470
Nursing Master and Doctor of Nursing Practice	12.0%	19,480	12.0%	38,550	12.0%	21,820	12.0%	43,180
Doctor of Pharmacy	12.0%	19,950	12.0%	37,050	10.0%	21,950	10.0%	40,760
Medical professional	10.0%	24,720	4.4%	53,700	10.0%	27,190	4.6%	56,170
Law (JD) <i>(note title change)</i>	8.5%	25,780	8.5%	39,850	8.0%	27,850	8.0%	43,030
Master of Laws (LLM) <i>(formerly Asian Law at Tier III)</i>	25.0%	14,930	25.0%	31,600	5.0%	15,680	5.0%	33,180
Master of Business Administration <i>(incoming)</i>	4.0%	25,510	2.0%	37,580	5.0%	26,790	5.0%	39,460
Master of Business Administration <i>(continuing)</i>		24,520		36,840		25,510		37,580
Master of Social Work	22.0%	13,270	8.0%	26,150	10.0%	14,600	3.0%	26,940
Master of Nursing, Bothell <i>(remaining at Tier II)</i>	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Master of Business Admin Bothell <i>(incoming)</i>	4.0%	21,720	2.0%	28,330	5.0%	22,810	5.0%	29,750
Master of Business Admin Bothell <i>(continuing)</i>		20,880		27,770		21,720		28,330
Master of Nursing, Tacoma <i>(remaining at Tier II)</i>	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Master of Business Admin Tacoma <i>(incoming)</i>	4.5%	18,150	0.0%	31,570	5.0%	19,060	5.0%	33,150
Master of Business Admin Tacoma <i>(continuing)</i>		17,360		31,570		18,150		31,570
Category Changes								
School of Public Health								
Master of Science and PhD <i>(from Tier I to Tier III)</i>	8.9%	13,140	4.0%	26,010	10.1%	14,468	2.9%	26,758
School of Social Work								
PhD of Social Work <i>(from Tier I to Tier II)</i>	4.5%	12,610	2.0%	25,480	10.5%	13,938	2.9%	26,228
Post Baccalaureate								
Post Baccalaureate/Non-Matriculated taking undergraduate courses only	16.0%	9,422	7.5%	26,606	16%	10,930	7.50%	28,610
Post Baccalaureate/Non-Matriculated taking graduate courses only	10.0%	13,140	3.00%	26,010	10.1%	14,468	2.9%	26,758

*16% resident undergraduate tuition increases are representative of the Senate budget only. These rate increases may change.

Note: Cohort model tuition allows students to pay the same tuition from program entry until graduation (assuming the student has continuous attendance)

Financial Aid Policy Alternatives

Potential tuition increases are best evaluated alongside financial aid data. Eligible resident undergraduate students receive Pell and State Need Grants, and the University allocates the additional funds necessary to ensure that these students do not pay tuition, fees, and other educational costs (depending on need) as part of Husky Promise. Of graduate students in the tier tuition categories, 54% receive tuition waivers associated with their academic responsibilities.

Figure A: UW Resident Undergraduates with Need (2009-10)

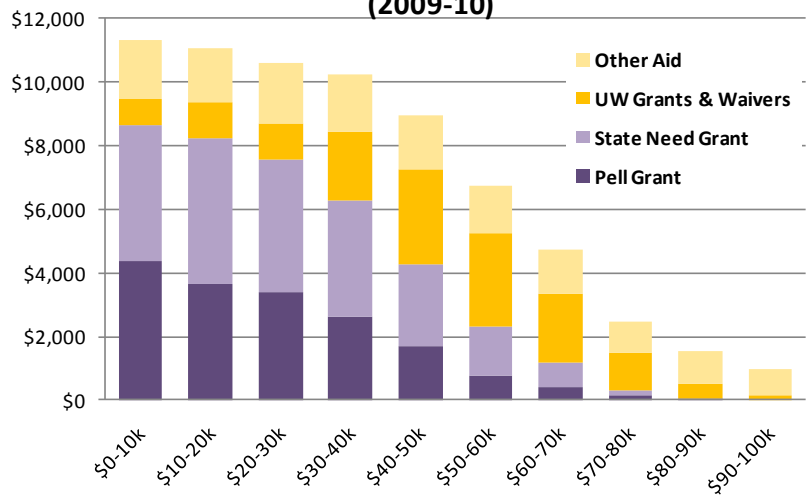


TABLE 4: Pell, State Need Grant, and Husky Promise Data

Pell & State Need Grant		2009-10 Actual Awards			2010-11 Actual Awards		
	Number of Students	Percent of Undergrad Enrollment	Amount Awarded	Number of Students	Percent of Undergrad Enrollment	Amount Awarded	
Pell Grant Funding	8,600	25%	\$37,989,000	10,450	32%	\$43,215,000	
State Need Grant Funding	7,000	20%	\$41,487,000	7,500	23%	\$39,390,500	
Husky Promise Data		2009-10 Actual Awards			2010-11 Actual Awards		
	Number of Students	Percent of Undergrad Enrollment	Autumn 2009 Enrollment	Number of Students	Percent of Undergrad Enrollment	Amount Awarded	
Seattle	5,635	25%	22,794	6,440	25%	25,534	
Bothell	434	21%	2,103	610	25%	2,437	
Tacoma	727	30%	2,445	960	36%	2,633	

The legislative process is ongoing and it is possible that Regents may set resident undergraduate tuition rates without caps from the Legislature for 2011-12 and 2012-13. If that occurs, several financial aid policies would be under consideration. Those policies are highlighted below. If SHB 1795 passes, and Regents set **all tuition categories**, the mandated financial aid set aside would increase to **5%**; this increase is presented in **table 5** below for rate increases of 20 and 25 percent.

- I. **Current Aid Policy Updated for FY12** – Based on current financial aid and waiver policy, a **16 percent increase in undergraduate resident tuition would maintain the institutional investment in resident student financial aid (the ‘return to aid’) at an amount equivalent to 11 percent of resident undergraduate tuition revenue.** Note that high student demand and inadequate state funding for the State Need Grant created a \$5.6 million shortfall in Husky Promise funding in FY11. The UW used institutional funds to cover this shortfall and anticipates carrying this cost forward in all future years.

TABLE 5: Current Aid Policy

Return to Aid - Current Policy	2010-11	2011-12 Increase	2011-12 Tuition Increase		
		13%	16%	20%	25%
Net Operating Fee Revenue	\$182,145,000	\$208,527,000	\$214,075,000	\$221,442,000	\$230,673,000
Incremental Revenue		\$26,382,000	\$31,930,000	\$39,297,000	\$48,528,000
State Mandated					
3.5% Set-Aside	\$6,606,000	\$7,563,000	\$7,764,000	\$8,032,000	\$8,366,000
2009-11 1/7th Set Aside	\$2,960,000	\$2,960,000	\$2,960,000	\$2,960,000	\$2,960,000
Return to Aid - State Mandated	4.8%	4.6%	4.6%	4.5%	4.5%
Current University Policy					
3% Need/1% Merit Waivers	\$8,118,000	\$9,118,000	\$9,361,000	\$9,683,000	\$10,087,000
Husky Promise/SNG shortfall - UW Investment	\$5,658,000	\$5,658,000	\$5,658,000	\$5,658,000	\$5,658,000
Return to Aid - UW Policy	6.9%	6.5%	6.4%	6.3%	6.2%
Total Current Return to Aid	11.7%	11.1%	11.0%	10.9%	10.7%
Change to 5% Set-Aside					
5% Set-Aside				\$11,474,000	\$11,952,000
Total Return to Aid				12.3%	12.2%

- II. **Potential Financial Aid Policy Currently Under Legislative Consideration** – Two alternative financial aid options are being considered by the Legislature. The first option would increase the statutorily mandated set aside of 3.5 percent (noted above) to 5 percent. Assuming a 16 percent tuition increase, this policy would increase the UW’s total return to aid commitment to more than 12 percent. The second option under consideration is a stepped waiver program with student eligibility being dependent on household income and financial need. The 3.5 percent mandated set aside would remain, but waivers would increase. This policy would **increase the UW’s total return to aid in FY12 to 15.5 percent at a 16 percent undergraduate resident tuition increase, and 18.4 percent at a 25 percent tuition increase.**
- III. **Tuition Setting Authority** – An additional financial aid policy to consider is one that would be implemented should the Regents receive authority from the Legislature to set resident undergraduate tuition. The Regents could decide to divert a set amount of incremental revenue for every percent increase over 16 percent. Depending on the actual tuition rate increase, a policy such as this would likely result in a return to aid rate between 12 and 15 percent. In this case, Husky Promise would be fully covered and depending on the need expressed by Husky Promise students, some financial aid would be extended to students in middle income brackets. **Note that even under current policy, students in middle income brackets at the UW receive some financial aid** (see figure A on page 7).

2011-12 Proposed Fee Increases Requiring Legislative Authorization

Under terms of Initiative 1053, all agency fee increases (including tuition) must receive legislative approval prior to implementation. This approval is currently provided in Section 603 of the **Senate engrossed operating budget**. The language includes a specific increase level for undergraduate resident tuition. For all other fee categories, the Board of Regents is authorized to increase fees “by amounts judged reasonable and necessary by the governing board.”

Tuition rates for state-subsidized academic programs, service and activities fees, technology fees, and others are specifically approved by the Regents. For fee increases that are implemented under authority that the Regents have delegated to the President and Provost, the Regents must determine that fee increases in those categories are reasonable and necessary.

Campus Budget Reductions and Tuition Allocation

Budget reduction and tuition revenue allocations in the FY12 Central University Operations budget are summarized below.

TABLE 6: Budget Reductions and New Allocations for FY12 (Senate Proposal)

<u>CAMPUS BUDGET REDUCTIONS</u>	
Seattle FY12 Reductions	(101,231,000)
Bothell FY12 Reductions	(4,823,000)
Tacoma FY12 Reductions	(6,184,000)
Total Budget Reductions	(112,238,000)
<u>TOTAL INCREMENTAL TUITION ALLOCATION TO UNITS</u>	
UW Seattle Academic Units	47,520,000
UW Seattle Provost Reinvestment Funds	20,366,000
UW Bothell	9,606,000
UW Tacoma	7,658,000
Total Incremental Revenue Allocated to Units	85,150,000
<u>NET REDUCTIONS/INCREASES BY CAMPUS</u>	
UW Seattle	(33,345,000)
UW Bothell	4,783,000
UW Tacoma	1,474,000
Total UW Net Reduction	(28,562,000)

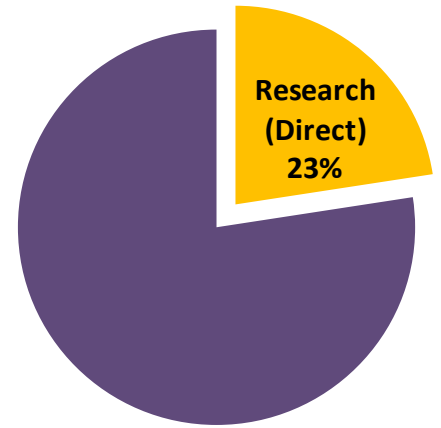
The total **budget reduction for the UW Seattle campus is \$101,231,000 under the Senate budget, which includes \$15,000,000 of required cost increases for FY12** to compensate for expenses that all units will experience.

Under the Senate budget, UW Bothell's and UW Tacoma's estimated budget reductions are **\$4,823,000 and \$6,184,000, respectively.** Bothell and Tacoma's required cost increases will be

implemented locally. The Chancellors for UW Bothell and UW Tacoma will conduct a process to determine how budget reductions will be distributed at each campus.

These reductions are representative of budget reductions before any increases in designated operating fund revenues are applied.

Research Enterprise



Direct expenditures on grants and contracts are projected to increase in FY12 over the budgeted level in FY11 by about 20 percent. FY11 projections were projected too low last June given our success rate securing American Recovery and Reinvestment Act (ARRA) grants. The budgeted level of grant and contract direct costs will probably decline in FY12 as about 90 percent of the funding the UW received from ARRA grant awards will have been spent. In addition, it is reasonably likely that there may be further reductions in National Institutes of Health and National Science Foundation research budgets in the federal budget process for FY12.

Indirect cost recovery revenue is now presented on Table 1 along with other university operating resources. This is to account for the fact that the University uses these funds for general operations as well as general institutional expenses to support the research, public service and research functions of the University. For comparison purposes, FY11 totals in Table 1 have been adjusted to reflect this change.

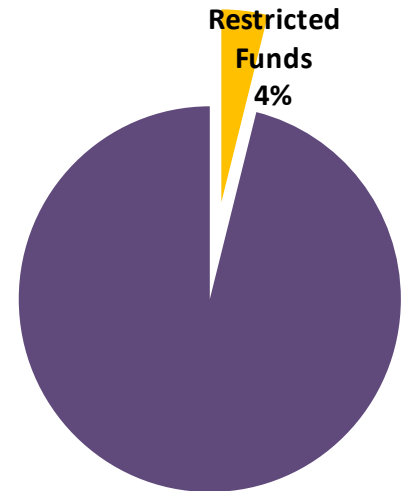
TABLE 7: Research Enterprise

Revenues	FY 2011 Adopted	FY 2012 Proposed
Research Enterprise		
Grants and Contracts Direct Costs	958,994,000	1,150,898,000
TOTAL REVENUES	958,994,000	1,150,898,000
TOTAL EXPENDITURES	958,994,000	1,150,898,000

Restricted Funds

Expenditures for nearly all gifts and state restricted funds can **only be used** for the purposes specified by the granting agency, donor or legislature. Thus, annual expenditures for these areas are assumed to be equal to budgeted levels.

State restricted funds are primarily appropriations from the Accident and Medical Aid accounts, which benefit the School of Public Health for specific activities performed by the Department of Environmental Health. In addition, there is a small appropriation from the Bio-Toxin and Geoduck accounts that are included in this category.



Note that gift income and endowment distributions projected for FY12 are based on revenue for these budgets, not expenditures. This is a departure from prior budget presentations as we attempt to standardize budgeting methods across all units.

TABLE 8: Restricted Funds

Revenues	FY 2011 Adopted	FY 2012 Proposed
Restricted Funds		
Gift Income & Endowment Distributions	184,630,000	192,630,000
State Restricted Funds	6,884,000	6,931,000
TOTAL REVENUES	191,514,000	199,561,000
TOTAL EXPENDITURES	191,514,000	199,561,000

UW Health System

In past budget items, revenue and expenditures from the University of Washington Medical Center were presented for information only. As part of the Administration's ongoing effort to illuminate the full UW revenue landscape, all six components of the UW Health System are now included in Table 1 above and in Table 9 below.

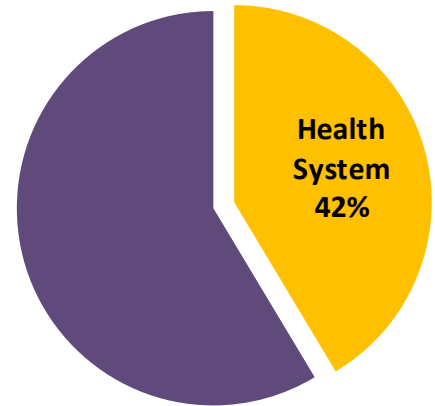


TABLE 9: UW Health System

Revenues	FY 2011 Adopted	FY 2012 Proposed
UW Health System		
UW Medical Center	725,600,000	827,700,000
Harborview Medical Center	755,900,000	729,500,000
NW Hospital	240,000,000	244,000,000
UW Physicians	231,400,000	245,400,000
UW Neighborhood Clinics	25,100,000	26,800,000
Airlift NW	36,600,000	36,900,000
TOTAL REVENUES	2,014,600,000	2,110,300,000
TOTAL EXPENDITURES	2,014,600,000	2,110,300,000

Auxiliary Units

The University's large, self-sustaining auxiliary business enterprises (Educational Outreach, Housing and Food Services, Intercollegiate Athletics, and Parking and Transportation Services) are all financially stable and slow growth is expected in FY 2012.

Auxiliary enterprises also include internal service units (Stores, Motor Pool, Publication Services, etc.), Student Government, Recreational Sports, and miscellaneous other activities.

The University charges institutional overhead to all of these units to recover the cost of central services utilized by these academic enhancement and support activities.

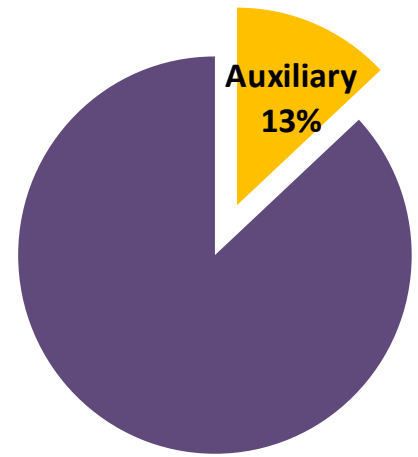
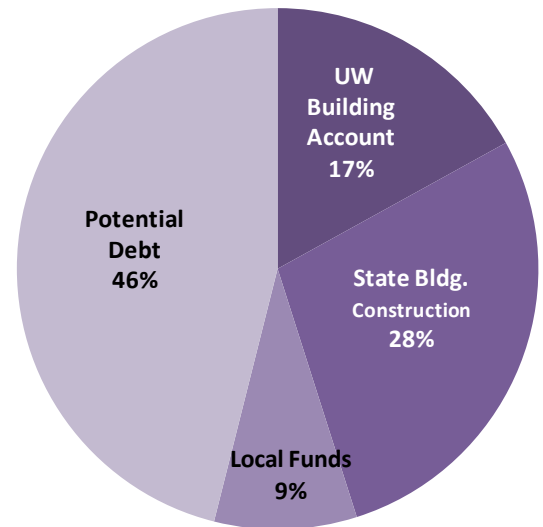


TABLE 10: Auxiliary Units

Revenues	FY 2011 Adopted	FY 2012 Proposed
Auxiliary Activities		
Housing and Dining	63,500,600	68,680,000
Intercollegiate Athletics	63,664,000	71,872,000
Educational Outreach	73,292,249	85,225,117
Parking	33,224,226	35,151,671
Other Auxiliary Activities	402,193,685	402,193,685
TOTAL REVENUES	635,874,760	663,122,473
TOTAL EXPENDITURES	635,874,760	663,122,473

Capital Budget

The proposed FY 2012 University of Washington Capital Budget presented on the following page reflects several years of integrated program and infrastructure planning resulting in a capital investment prioritization approach - UW's One Capital Plan. Due to the timing of the current legislative special session, the State of Washington Building Construction and UW Building Fee accounts displayed below represent the **Senate's funding approach** as of mid-April 2011.



UW's **One Capital Plan** is an effort to integrate strategic academic program planning created by UW's Colleges and Schools – and characterized as College Precinct Plans – with prioritized short, mid, and long term space and capital needs. The integration of these rigorously developed academic program needs with the university's need to target recapitalization investments in our current capital space and infrastructure assets, results in a comprehensive plan of capital projects/programs identified in the One Capital Plan. The capital projects summary identified in the One Capital Plan appendix endeavors to **identify capital projects, programs, potential fund sources, and chronology in one place; while the summary is not exhaustive, it represents a current-to-date summary of key potential future capital investment opportunities for Regental consideration.**

State Funding: The Senate's proposed 2011-2013 capital budget includes \$41,362,000 in State Building Construction Account funds for minor capital building systems renewal and major infrastructure improvements, and supports new investments including design and construction funding for Phase I of the Odegaard Undergraduate Learning Center and the Intellectual House project. Design phase funding from the UW Building Account was also proposed for Anderson Hall. Additionally, the Senate budget proposed appropriating \$23,875,000 from the UW Building Account for minor capital building systems renewal projects and major infrastructure improvements.

Local Funding: \$13,000,000 of UW Local funds, primarily from sponsored research indirect cost recovery, are proposed for critical minor capital program improvements and continued precinct planning activities for the College of Arts and Sciences Life Sciences, UW Health Sciences, the UW's Energy Future infrastructure assessment, West of 15th Avenue planning, and the permanent relocation of the UW Police to a more secure location.

Debt Funding: Potential debt of \$67,800,000 is proposed to implement a comprehensive capital investment program to support critical core research facilities. The investment program would include multiple concurrent projects that will allow UW's core biomedical research mission to be successful. The revenue source for this large capital program's debt service is proposed to be from an allocation of indirect cost recovery funds from the operating budget.

While state capital resources remain a critical component of the UW's capital resource planning future, the ability of the public to fund major capital investments will remain very limited for the foreseeable future. As we bring greater rigor and clarity to our long range academic program and campus infrastructure needs, and identify those components most critical to success in both the short and long

term, our capital needs will continue to require much more than the State can reasonably support - particularly our infrastructure and the burgeoning deferred maintenance recapitalization requirements necessary to support our core teaching and research missions.

Our planning activities include review of several potential **revenue generating partnerships** critical to fulfilling the capital investment approaches and priorities in UW's One Capital Plan. Future opportunities that must be explored include targeted philanthropy, enhancement of the Metropolitan Tract contributions to UW Seattle capital asset development, and innovative public/private partnerships particularly related to recapitalization of our infrastructure assets.

Finally, included as a budget shift from capital to operating resources in the 2009-11 State capital appropriation, House and Senate budget proposals continue the 2009-11 precedent by providing \$25,825,000 for the UW's preventative facility maintenance operating budget funded from the UW Building Account. Note that we display the FY12 amount of building fee for facility maintenance and building system repairs of \$12,912,500.

For FY12, the Administration recommends the following summary for your review and consideration:

Capital Budget- FY 2012	UW Building Account	State Building Construction Account	Local Funds	Potential Debt	TOTAL
Infrastructure					
College of Arts & Sciences- Life Sciences Precinct Plan			100,000		100,000
Major Infrastructure - Improvement Projects	2,125,000	2,725,000			4,850,000
Major Infrastructure - UW Energy Future			500,000		500,000
Minor Capital Repair - Building Systems Renewal	21,750,000	17,962,000			39,712,000
Minor Capital Repair - Program			11,500,000		11,500,000
UW Health Sciences Precinct Plan			350,000		350,000
West of 15th Avenue Plan			250,000		250,000
Instruction					
Anderson Hall Renovation	1,100,000	1,400,000			2,500,000
Odegaard Undergraduate Learning Center - Phase 1		16,575,000			16,575,000
Research					
Core Research Facilities Improvement Program					
E Wing 6th Floor Renovation				2,200,000	2,200,000
Foega East				10,000,000	10,000,000
Guthrie Renovation				14,000,000	14,000,000
NHP I Wing				20,800,000	20,800,000
SLU Brotman Building Renovation				3,800,000	3,800,000
Western Building Renovation				3,000,000	3,000,000
T Wing Level 1 Renovation				14,000,000	14,000,000
Biological & Environmental Sciences Building			200,000		200,000
Student Life					
Intellectual House		2,700,000			2,700,000
UW Police Department Relocation			100,000		100,000
TOTAL CAPITAL INVESTMENTS	24,975,000	41,362,000	13,000,000	67,800,000	147,137,000
Facility Maintenance and Operations					
Fund shift capital to operating	12,912,500				12,912,500

**Appendix 1
Proposed Budget
University Operating Resources for Fiscal Year 2012**

	FY 2011 Adopted	FY 2012 Proposed	Comment
REVENUES			
State General Fund	318,522,000	207,760,000	<i>Based on Senate Adopted Budget</i>
Tuition Operating Fee	369,897,000	455,047,000	
Designated Operating Fund	58,902,000	66,442,000	
Institutional Overhead	16,268,000	17,288,000	
Indirect Cost Recovery	230,000,000	230,000,000	
Subtotal: Ongoing University Operating Revenues	993,589,000	976,537,000	
Use of Fund Balance for Temporary Expenditures	10,000,000	0	
TOTAL REVENUES	1,003,589,000	976,537,000	
EXPENDITURES			
Adjusted Base Budget	1,003,589,000	976,869,000	
UW Seattle Budget Reductions:			
FY 2012 Reductions		(101,231,000)	
Subtotal for UW Seattle Budget Reductions		(101,231,000)	
UW Bothell Budget Reductions			
FY 2012 Reductions		(4,823,000)	
Subtotal for UW Bothell Budget Reductions		(4,823,000)	
UW Tacoma Budget Reductions			
FY 2012 Reductions		(6,184,000)	
Subtotal for UW Tacoma Budget Reductions		(6,184,000)	
TOTAL BUDGET REDUCTIONS		(112,238,000)	
Incremental Tuition Allocation to Academic Units			
UW Seattle Academic Units		47,520,000	
UW Bothell		9,606,000	
UW Tacoma		7,658,000	
Subtotal		64,784,000	
Incremental Tuition Allocation to the Provost			
Strategic Investments		20,366,000	
Subtotal		20,366,000	
Compensation Adjustments			
UW Seattle - Academic Units - Benefits Adjustments		4,779,000	
UW Seattle - Administrative Units - Benefit Adjustments		2,439,000	
Faculty Promotions		650,000	
Subtotal		7,868,000	
Other Adjustments			
Required Cost Increases/Adjustments		16,558,000	<i>See Appendix 2</i>
Research Cost Recovery Allocation Change		950,000	
Dedicated Indirect Cost Recovery Changes		500,000	
Legislative Actions		880,000	<i>See Appendix 2</i>
Subtotal		18,888,000	
TOTAL EXPENDITURES		976,537,000	

Appendix 2
Required Cost Increases/Adjustments for Fiscal Year 2012

Item	FY 2012 Change
<u>Institutional Budgets</u>	
Utilities:	
Electricity	(100,000)
Natural gas	72,000
Water/sewer	625,000
Solid waste disposal	(285,000)
Solid waste staff	13,000
Power Plant	165,000
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Subtotal utilities:	490,000
Other institutional budgets:	
Property rentals-general	1,300,000
State Department of Personnel Cost	40,000
Property rental-Sand Point unassigned space	126,000
Wellington Hills	(120,000)
Hazardous Materials Mitigation (Asbestos)	100,000
University Risk Financing	205,000
Investment Management Fees	150,000
Residential Parking Zone	35,000
Transportation subsidy	51,000
Sound Transit coordination (Brooklyn Station)	30,000
State audit misc	(25,000)
UW Tower Data Center Electricity	280,000
Disability Accommodations	200,000
<hr/>	
Subtotal other institutional budgets:	2,372,000
<u>Debt Service</u>	
6th Floor Health Sciences Renovations Debt Service	120,000
Molecular Engineering Building - ICR supported debt	331,000
J Wing Floors 1&2 Renovation	200,000
Physics/Astronomy Building	400,000
Health Sciences K Wing	200,000
<hr/>	
Subtotal Debt Service	1,251,000

Appendix 2, continued
Required Cost Increases/Adjustments for Fiscal Year 2012

Other Issues

WWAMI funding differential	250,000
Mainframe Financing agreement	850,000
Previous Dean/VP Commitments	2,000,000
So. Lake Union Research Facilities - O&M Support	4,500,000
UW Bothell increase to ICR	190,000
UW Tacoma increase to ICR	190,000
Summer quarter cost increase	1,186,000
UW Bothell - FY12 Net Summer Qtr Tuition	1,688,000
UW Tacoma - FY12 Net Summer Qtr Tuition	1,591,000
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Subtotal Other Issues	12,445,000

Subtotal Required Cost Increases **16,558,000**

Research Cost Recovery Policy Allocation

FY 2012 Projected RCR change	950,000
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Subtotal Policy Application	950,000

Dedicated Indirect Cost Recovery Dollars

Medicine - South Lake Union & Harborview Locations	500,000
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Subtotal Dedicated Indirect Cost Recovery	500,000

Subtotal RCR & Dedicated Indirect Cost Recovery **1,450,000**

Legislative Actions

WWAMI Medical Education Program	150,000
Washington Park Arboretum	143,000
O&M UWT Phase 3	499,000
Embodied Energy & Carbon	88,000
<hr/>	
Subtotal Legislative Actions	880,000

TOTAL REQUIRED COST INCREASES/ADJUSTMENTS **18,888,000**

Program	Wave	Project Name	Total Funding (\$,000)	First 2 years 2011-13					Next 4 years 2013-17					Last 4 years 2017-21				
				State	Central Equity	Potential Central Debt	Partners	Non-Central Debt	State	Central Equity	Potential Central Debt	Partners	Non-Central Debt	State	Central Equity	Potential Central Debt	Partners	Non-Central Debt
Acquisition	II	UW Bothell Strategic Real Estate Investment	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	
Acquisition	II	UW Seattle Strategic Real Estate Investment	50,000	-	-	10,000	-	-	-	-	20,000	-	-	-	20,000	-	-	
Acquisition	II	UW Tacoma Strategic Real Estate Investment	10,000	-	-	-	-	-	5,000	-	-	-	-	5,000	-	-	-	
			65,000	-	-	10,000	-	-	5,000	-	20,000	-	-	5,000	-	25,000	-	
Athletics	II	ICA Baseball Stadium, Press Box and Team Support Facility	14,000	-	-	-	-	-	-	-	-	14,000	-	-	-	-	-	
Athletics	II	ICA Basketball Operations and Practice Center	30,000	-	-	-	-	-	-	-	-	30,000	-	-	-	-	-	
Athletics	II	ICA Sand Volleyball Facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Athletics	II	ICA Soccer Grandstand and Related Support Facilities	16,000	-	-	-	-	-	-	-	-	16,000	-	-	-	-	-	
Athletics	II	ICA Team Operations Building for Track and Field and Soccer	8,000	-	-	-	-	-	-	-	-	8,000	-	-	-	-	-	
Athletics	III	ICA Graves Hall Renovation	8,500	-	-	-	-	-	-	-	-	-	-	-	8,500	-	-	
Athletics	III	ICA Softball Press Box Upgrades and Grandstand Roof and Expansion	3,500	-	-	-	-	-	-	-	-	-	-	-	3,500	-	-	
Athletics	III	ICA Track and Field Grandstands	4,000	-	-	-	-	-	-	-	-	-	-	-	4,000	-	-	
			84,000	-	-	-	-	-	-	-	-	68,000	-	-	-	16,000	-	
Clinic	II	UW Medicine Northwest - Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Clinic	II	UW Medicine Northwest - SCCA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Clinic	II	UW Medicine/Future Affiliations - Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Clinic	II	UWMC Expansion Phase 2	97,000	-	-	-	-	-	-	26,000	-	-	71,000	-	-	-	-	
			97,000	-	-	-	-	-	-	26,000	-	-	71,000	-	-	-	-	
Housing	II	Student Housing - McMahon Renovation	98,000	-	-	-	-	-	-	-	-	-	98,000	-	-	-	-	
Housing	II	Student Housing - New Center (1101 Cafe Replacement)	55,000	-	-	-	-	-	-	-	-	-	55,000	-	-	-	-	
Housing	II	Student Housing - Terry Addition (New Terry)	24,000	-	-	-	-	-	-	-	-	-	24,000	-	-	-	-	
Housing	II	Student Housing - Terry Renovation	58,500	-	-	-	-	-	-	-	-	-	58,500	-	-	-	-	
Housing	III	Student Housing - Haggett Renovation	74,000	-	-	-	-	-	-	-	-	-	-	-	-	-	74,000	
Housing	III	Student Housing - Hansee Renovation	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	50,000	
Housing	III	Student Housing - McCarty Renovation	65,000	-	-	-	-	-	-	-	-	-	-	-	-	-	65,000	
			424,500	-	-	-	-	-	-	-	-	-	235,500	-	-	-	189,000	
Infrastructure	I	College of Arts & Sciences - Life Sciences Precinct Plan	100	-	100	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	I	College of the Environment Precinct Plan	100	-	100	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	I	Major Infrastructure - Improvement Projects	78,850	4,850	-	-	-	-	26,500	-	7,500	20,000	-	20,000	-	-	-	
Infrastructure	I	Major Infrastructure - UW Energy Future	95,000	-	500	-	-	-	-	4,500	-	45,000	-	-	-	45,000	-	
Infrastructure	I	Minor Capital Repair - Preservation	219,712	39,712	-	-	-	-	80,000	-	-	-	-	100,000	-	-	-	
Infrastructure	I	Minor Capital Repair - Program Improvements	128,300	-	24,300	-	-	-	-	52,000	-	-	-	-	52,000	-	-	
Infrastructure	I	UW Health Sciences Precinct Plan	350	-	350	-	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	I	UW Tacoma Groundwater and Soil Remediation	100,000	-	-	-	-	-	20,000	-	-	-	-	80,000	-	-	-	
Infrastructure	I	West of 15th Avenue Plan	1,250	-	250	-	-	-	-	-	-	1,000	-	-	-	-	-	
Infrastructure	II	Enterprise Information System	125,000	-	-	25,000	-	-	-	-	50,000	-	-	-	50,000	-	-	
Infrastructure	II	Metropolitan Tract Recapitalization	200,000	-	-	-	-	-	-	-	-	200,000	-	-	-	-	-	
Infrastructure	II	UW Bothell Major Infrastructure Projects	10,500	-	-	-	-	-	5,250	-	-	-	-	5,250	-	-	-	
Infrastructure	II	UW Tacoma Major Infrastructure Projects	30,500	-	-	-	-	-	2,500	-	-	15,000	-	13,000	-	-	-	
Infrastructure	III	Rainier Vista Triangle Garage Improvements	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	
Infrastructure	III	UW Seattle Structured Parking	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	
			1,034,662	44,562	25,600	25,000	-	-	134,250	56,500	57,500	281,000	-	218,250	52,000	50,000	45,000	
Instruction	II	Anderson Hall Renovation	22,500	2,500	-	-	-	-	-	-	-	-	-	20,000	-	-	-	
Instruction	II	Anthropology Renovation Projects	6,500	-	-	-	-	-	6,500	-	-	-	-	-	-	-	-	
Instruction	II	College of Engineering Academic Building - Renovation	25,000	-	-	-	-	-	2,250	-	-	-	-	22,750	-	-	-	
Instruction	II	Denny Hall Renovation	45,000	-	-	-	-	-	45,000	-	-	-	-	-	-	-	-	
Instruction	II	Health Sciences Teaching Building	135,000	-	-	-	-	-	9,500	-	-	-	-	125,500	-	-	-	
Instruction	II	Hutchinson Hall Renovation	30,000	-	-	-	-	-	-	-	-	-	-	30,000	-	-	-	
Instruction	II	Lewis Hall Renovation	12,000	-	-	-	-	-	12,000	-	-	-	-	-	-	-	-	
Instruction	II	Odegaard Undergraduate Learning Center Phase 1	16,575	16,575	-	-	-	-	-	-	-	-	-	-	-	-	-	
Instruction	II	Odegaard Undergraduate Learning Center Phase 2	22,500	-	-	-	-	-	22,500	-	-	-	-	-	-	-	-	
Instruction	II	Padelford Renovation	25,000	-	-	-	-	-	25,000	-	-	-	-	-	-	-	-	

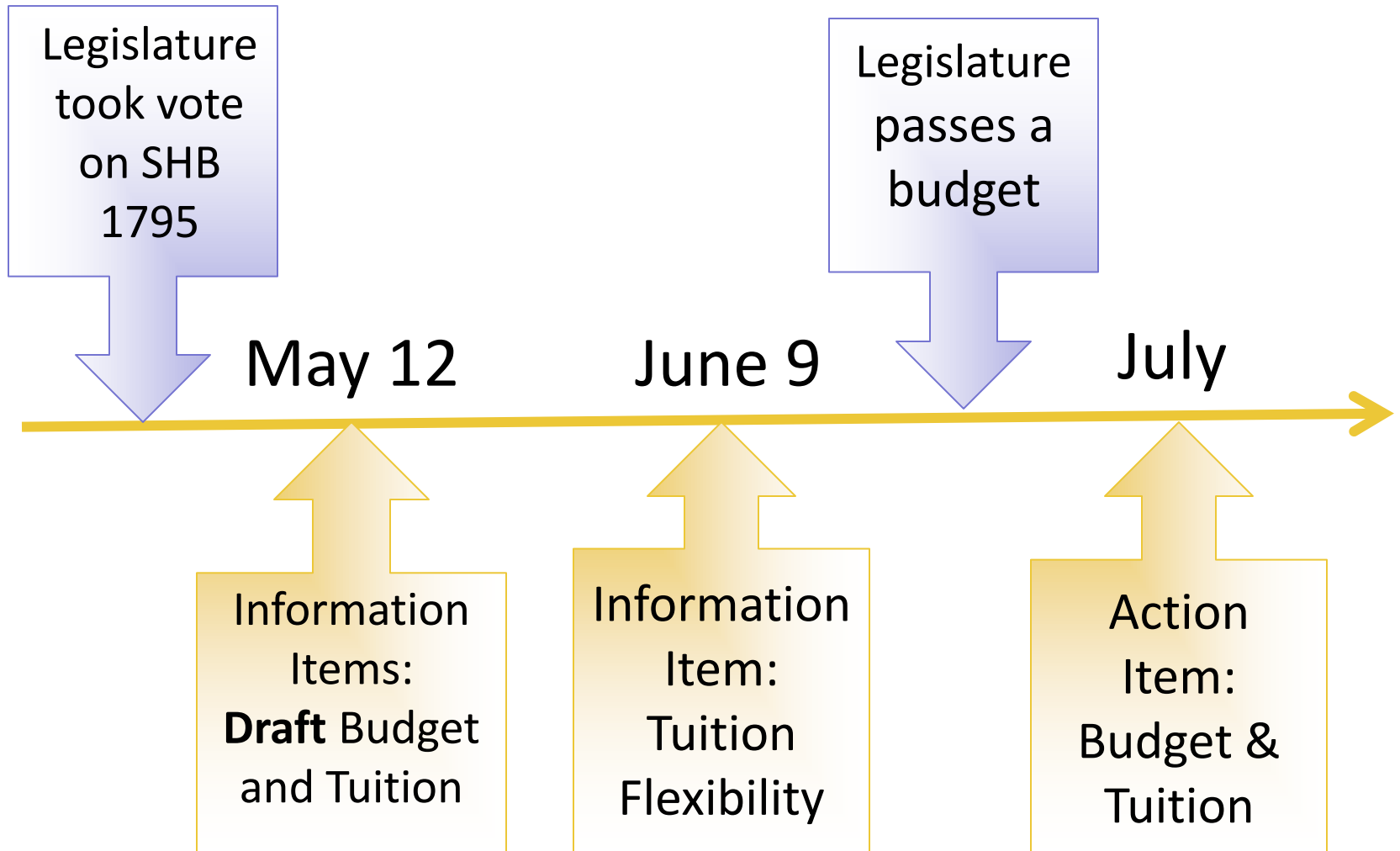
Program	Wave	Project Name	Total Funding (\$,000)	First 2 years 2011-13					Next 4 years 2013-17					Last 4 years 2017-21				
				State	Central Equity	Potential Central Debt	Partners	Non-Central Debt	State	Central Equity	Potential Central Debt	Partners	Non-Central Debt	State	Central Equity	Potential Central Debt	Partners	Non-Central Debt
Instruction	II	Sand Point Building 5 - Archival Storage	5,000	-	-	5,000	-	-	-	-	-	-	-	-	-	-	-	
Instruction	II	UW Bothell Phase 3	62,850	-	-	-	-	-	62,850	-	-	-	-	-	-	-	-	
Instruction	II	College of Arts & Sciences Renewal Program I - Communications Building	9,000	-	-	-	-	-	9,000	-	-	-	-	-	-	-	-	
Instruction	II	College of Arts & Sciences Renewal Program II - Gowen and Raitt Halls	10,000	-	-	-	-	-	10,000	-	-	-	-	-	-	-	-	
Instruction	II	College of Arts & Sciences Renewal Program III - Smith Hall	8,000	-	-	-	-	-	8,000	-	-	-	-	-	-	-	-	
Instruction	II	College of Arts & Sciences Renewal Program IV - Thompson Hall	5,000	-	-	-	-	-	5,000	-	-	-	-	-	-	-	-	
Instruction	III	College of Arts & Sciences Academic Building - Renovation	48,000	-	-	-	-	-	-	-	-	-	-	48,000	-	-	-	
Instruction	III	College of Arts & Sciences Fine Arts District	100,000	-	-	-	-	-	-	-	-	-	-	50,000	-	50,000	-	
Instruction	III	College of Arts & Sciences Renewal Program V	10,000	-	-	-	-	-	-	-	-	-	-	10,000	-	-	-	
Instruction	III	College of Arts & Sciences Renewal Program VI	6,000	-	-	-	-	-	-	-	-	-	-	6,000	-	-	-	
Instruction	III	College of the Environment - Renovation	35,000	-	-	-	-	-	-	-	-	-	-	25,000	-	5,000	5,000	
Instruction	III	Computer Science & Engineering - Multiple Building Renovation	62,000	-	-	-	-	-	20,000	-	-	42,000	-	-	-	-	-	
Instruction	III	Computer Science & Engineering Building II	190,000	-	-	-	-	-	-	-	-	-	-	35,000	-	20,000	135,000	
Instruction	III	Eagleson Hall Renovation	12,000	-	-	-	-	-	-	-	-	-	-	12,000	-	-	-	
Instruction	III	Gould Hall Court Addition	5,000	-	-	-	-	-	-	-	-	5,000	-	-	-	-	-	
Instruction	III	Miller Hall Renovation	44,000	-	-	-	-	-	-	-	-	-	-	44,000	-	-	-	
Instruction	III	Robinson Center	5,000	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-	
Instruction	III	UW Bothell Phase 4	68,000	-	-	-	-	-	6,000	-	-	-	-	62,000	-	-	-	
Instruction	III	UW Tacoma Phase 4	79,500	-	-	-	-	-	7,000	-	-	-	-	72,500	-	-	-	
			1,104,425	19,075	-	5,000	-	-	250,600	-	-	47,000	-	562,750	-	25,000	195,000	
Research	II	Core Research - E Wing 6th Floor Renovation	2,200	-	-	2,200	-	-	-	-	-	-	-	-	-	-	-	
Research	II	Core Research - Foege East	130,000	-	-	10,000	-	-	-	-	120,000	-	-	-	-	-	-	
Research	II	Core Research - Guthrie Renovation	14,000	-	-	14,000	-	-	-	-	-	-	-	-	-	-	-	
Research	II	Core Research - NHP I Wing	20,800	-	-	20,800	-	-	-	-	-	-	-	-	-	-	-	
Research	II	Core Research - SLU Brotman Building Renovation	3,800	-	-	3,800	-	-	-	-	-	-	-	-	-	-	-	
Research	II	Core Research - Western Building Renovation	3,000	-	-	3,000	-	-	-	-	-	-	-	-	-	-	-	
Research	II	Core Research- T Wing Level 1 Renovation	14,000	-	-	14,000	-	-	-	-	-	-	-	-	-	-	-	
Research	II	Biological & Environmental Sciences Building	180,000	-	200	-	-	-	-	-	-	179,800	-	-	-	-	-	
Research	II	College of the Environment Research Vessel	10,000	-	-	-	-	-	5,000	-	-	5,000	-	-	-	-	-	
Research	II	Fluke Hall Renovation	15,000	-	-	5,000	-	-	-	-	5,000	-	-	-	5,000	-	-	
Research	II	Global Public Health, Nursing & Pharmacy Research Center	120,000	-	-	-	-	-	-	-	-	-	-	20,000	40,000	60,000	-	
Research	II	Innovation Collaboration Center - West of 15th Ave	45,000	-	-	-	-	-	-	-	-	-	-	-	20,000	25,000	-	
Research	II	Molecular Engineering Phase 2	65,000	-	-	-	-	-	-	-	-	65,000	-	-	-	-	-	
Research	II	Psychology Research Center - Guthrie Addition	65,000	-	-	-	-	-	-	-	-	-	-	5,000	15,000	45,000	-	
Research	II	Sand Point Building 5 - Freezer Farm	5,000	-	-	-	-	-	-	-	-	-	5,000	-	-	-	-	
Research	III	Interdisciplinary Research and Education Center I - West of 15th Ave	380,000	-	-	-	-	-	-	250	-	250	-	150,000	-	39,500	190,000	
Research	III	Interdisciplinary Research and Education Center II - West of 15th Ave	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150,000	-	
Research	III	South Lake Union Phase 3.2	147,000	-	-	-	-	-	-	12,800	-	-	-	-	-	-	134,200	
Research	III	South Lake Union Phase 3.3	190,000	-	-	-	-	-	-	-	-	-	-	-	16,500	-	173,500	
			1,559,800	-	200	72,800	-	-	5,000	13,050	125,000	250,050	5,000	150,000	41,500	119,500	470,000	
Student Life	II	Intellectual House	10,300	2,700	-	2,600	5,000	-	-	-	-	-	-	-	-	-	-	
Student Life	II	UW Police Department Relocation	10,000	-	10,000	-	-	-	-	-	-	-	-	-	-	-	-	
Student Life	III	Daycare Center Expansion	4,500	-	-	-	-	-	-	-	-	-	-	-	4,500	-	-	
Student Life	III	UW Tacoma Student Union - Phase 1	7,500	-	-	-	-	-	-	-	-	-	-	-	-	-	7,500	
			32,300	2,700	10,000	2,600	5,000	-	-	-	-	-	-	-	4,500	-	7,500	
		Total Funding	4,401,687	66,337	35,800	115,400	5,000	-	394,850	95,550	202,500	646,050	311,500	936,000	93,500	224,000	726,000	
		Total State	1,397,187															
		Total Central Equity	224,850															
		Total Potential Central Debt	541,900															
		Total Partners	1,377,050															
		Total Non-Central Debt	860,700															

University of Washington OPERATING & CAPITAL BUDGETS Fiscal Year 2012

F-9 and F-10/205-11
5/12/11

- Operating and capital budgets are **redesigned to better display and highlight** the most relevant information
- Hospital operations and six **UW Health System** clinics are included in the budgeted operating revenues and expenses
- **One Capital Plan** is included in an effort to integrate strategic academic program planning created by UW's Colleges and Schools
- Both operating and capital budgets assume that the **Washington State Senate's engrossed budget prevails during conference negotiations**

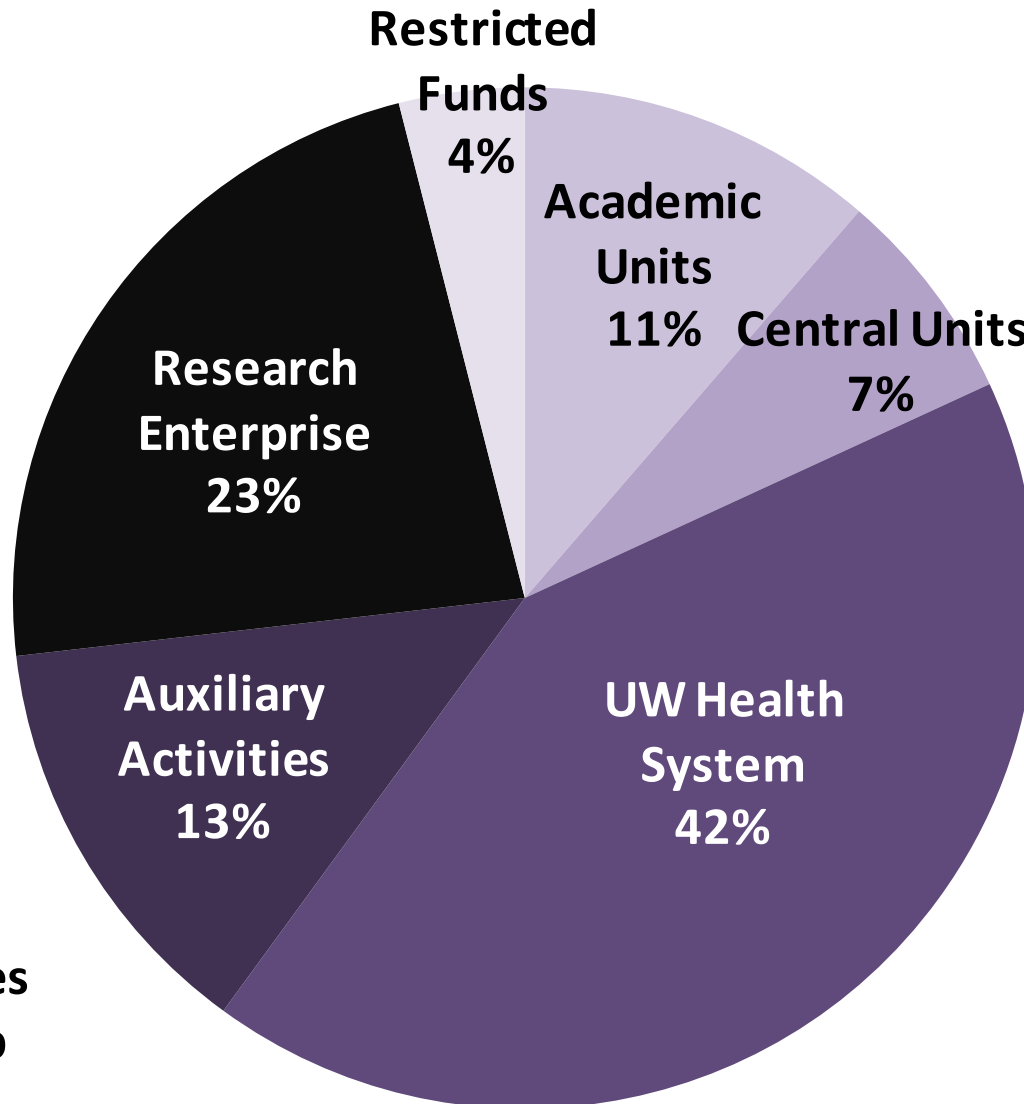
POTENTIAL TIMELINE



OPERATING BUDGET

OPERATING BUDGET EXPENSES & REVENUES

The proposed UW operating budget for FY12 is **\$5.1 billion**



Budgeted values
on pg. 2 of F-9b

OPERATING BUDGET OVERVIEW

Recommendations were developed based on priorities and principles resulting from broad campus consultation

Priorities:

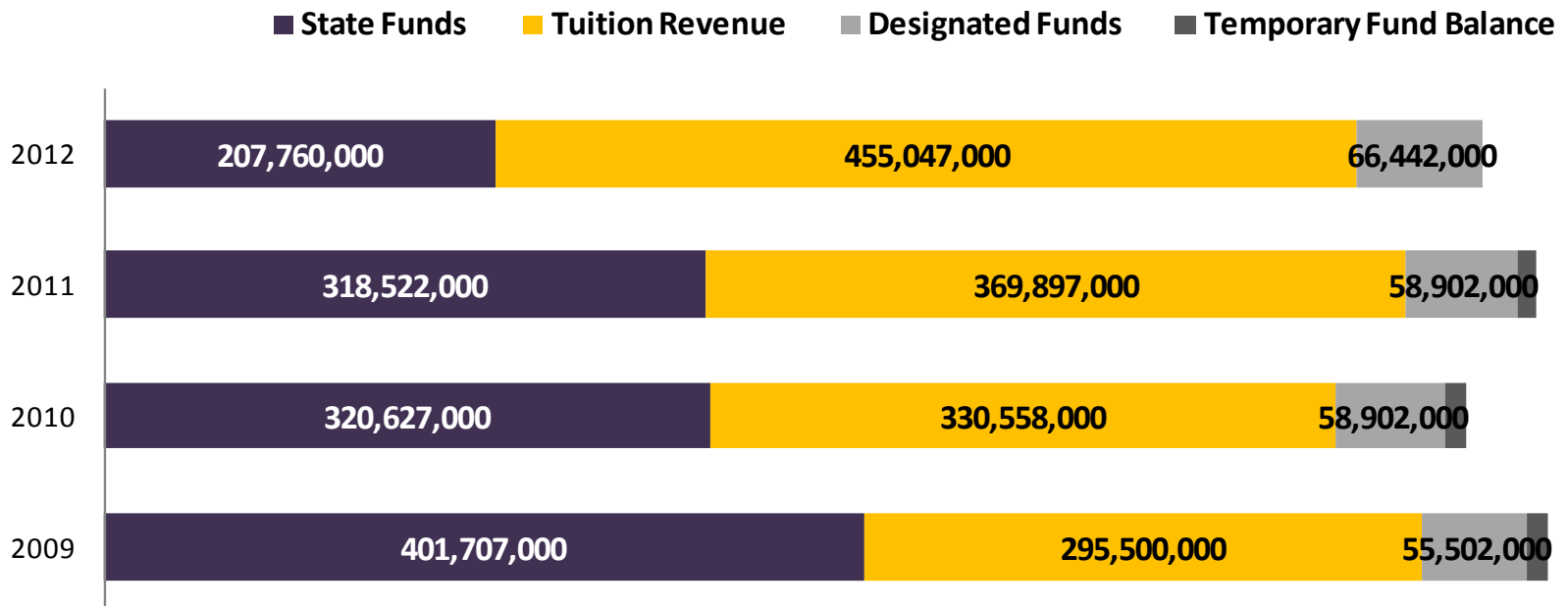
- **Quality** with regard to our three-fold mission: learning, discovery, and engagement
- Impact on the **student experience** and on the **faculty experience**
- Affordability and leverage
- Positioning the University for the **future**

Additionally, the Interim Provost made a **pact with students** to ensure **affordability, access, and quality.**

CENTRAL OPERATING RESOURCES

State funds, tuition revenue, and designated funds are used to fund university operations

State funds declined over 30% in FY12, with tuition revenue growing to fill state funding gap



CENTRAL OPERATING RESOURCES

This budget item assumes the **Senate engrossed operating budget passes, which:**

- **Authorizes two 16 percent resident undergraduate tuition** rate increases for FY12 and FY13
- Reduces state funding by **\$97 million in FY12**
- Stipulates that the **UW maintain student FTEs** at current levels

**Proposed tuition rate increases are included in more detail in forthcoming slides.

FY12 PLANNED APPROACH TO BUDGET REDUCTIONS

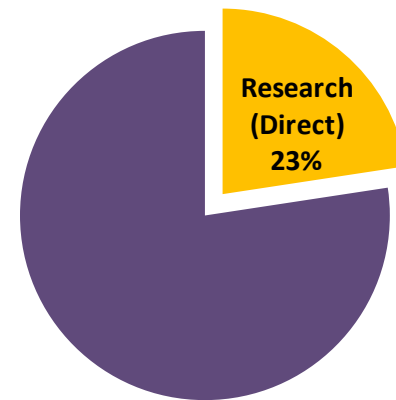
State reductions will be proportionately distributed to the three campuses and **Seattle's reduction includes \$15M of required cost increases**

<u>CAMPUS BUDGET REDUCTIONS</u>	
Seattle FY12 Reductions	(101,231,000)
Bothell FY12 Reductions	(4,823,000)
Tacoma FY12 Reductions	(6,184,000)
Total Budget Reductions	(112,238,000)
<u>TOTAL INCREMENTAL TUITION ALLOCATION TO UNITS</u>	
UW Seattle Academic Units	47,520,000
UW Seattle Provost Reinvestment Funds	20,366,000
UW Bothell	9,606,000
UW Tacoma	7,658,000
Total Incremental Revenue Allocated to Units	85,150,000
<u>NET REDUCTIONS/INCREASES BY CAMPUS</u>	
UW Seattle	(33,345,000)
UW Bothell	4,783,000
UW Tacoma	1,474,000
Total UW Net Reduction	(28,562,000)

FY12 RESEARCH & RESTRICTED FUNDS

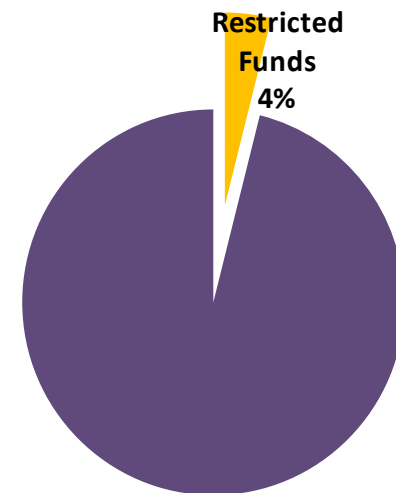
Research Enterprise (20% growth):

Includes direct revenue for grants and contracts



Restricted Funds (4% growth):

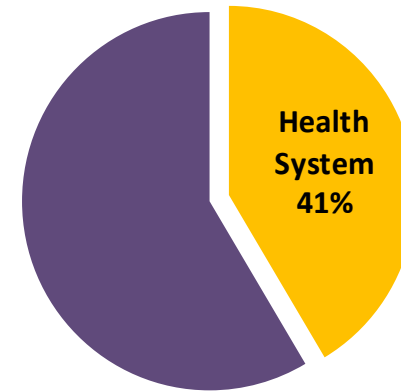
Includes designated state funding from the Medical Aid and Accident accounts as well as gift income and endowment distributions



FY12 HEALTH SYSTEM & AUXILIARIES

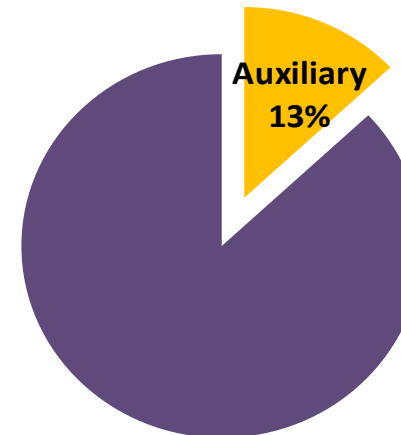
UW Health System (5% growth):

Includes all clinics and hospitals



Auxiliary Activities (4% growth):

Includes Housing & Dining, Athletics, Educational Outreach, Parking and Other Activities



TUITION & FINANCIAL AID

PROPOSED TUITION INCREASES (2011-12 AND 2012-13)

The **Senate Proposal** includes an increase cap of **16% for resident undergraduates**

SHB 1795 will grant Regents the ability to set tuition without caps imposed by the Legislature

Until further information is available, the Administration is recommending the following tuition increases and rates for 2011-12 and 2012-13:

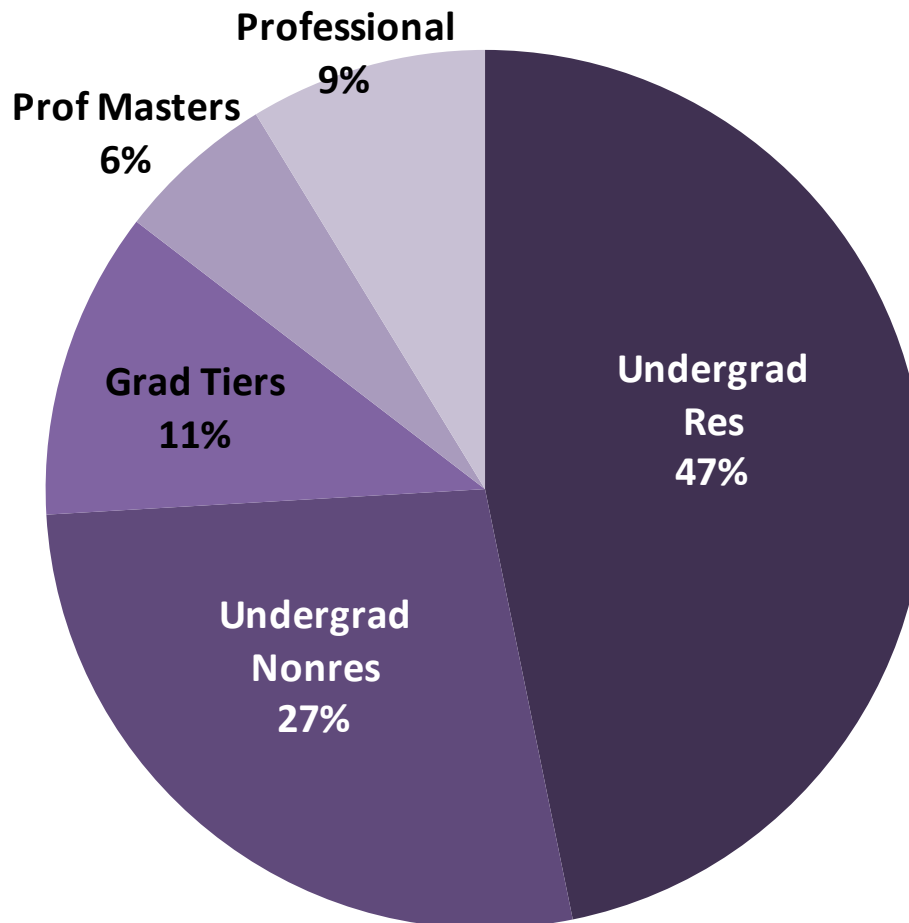
- Res Undergrads: 16% (\$9,422) in 2011-12 – 16% (\$10,930) in 2012-13
- Nonres Undergrads: 10% (\$27,230) in 2011-12 – 10% (\$29,950) in 2012-13
- Graduate and professional students: 2-25% in both 2011-12 and 2012-13 (see page 5 of F-9b for details)

RESIDENT UNDERGRADUATE PEER RATES

PEER GROUP	2010-11 RESIDENT UG TUITION	2010-11 NON-RESIDENT UNDERGRAD TUITION
GCS PEER AVERAGE	\$10,717	\$30,790
HEC BOARD 24 AVERAGE	\$10,204	\$26,568
<i>UNIVERSITY OF WASHINGTON</i>	<i>\$8,701</i>	<i>\$25,329</i>

2011-12 PROJECTIONS BY TUITION CATEGORY

Resident undergraduates provide the majority of tuition revenue, but nonresident undergraduates contribute disproportionately to revenue



Draft
projected
net tuition
revenue is
\$455M

WAIVER INFO

Estimated 2010-11 Operating Fee Waivers Representing Foregone Revenue

TA/RA Res Op Fee	\$18,046,000
TA/RA Nonresident	\$35,005,000
3% Need, 1% Merit	\$14,772,000
Other Graduate/Professional	\$10,619,000
Other	\$7,088,000
Waiver Total	\$85,530,000
3.5% Set-Aside	
	\$14,617,000

FINANCIAL AID POLICY

In 2010-11:

32% of undergraduates received Pell Grants

23% received State Need Grants

Nearly 50% of graduate students in the tier tuition categories received tuition waivers

Pell & State Need Grant	2009-10 Actual Awards			2010-11 Actual Awards		
	Number of Students	Percent of Undergrad Enrollment	Amount Awarded	Number of Students	Percent of Undergrad Enrollment	Amount Awarded
Pell Grant Funding	8,600	25%	\$37,989,000	10,450	32%	\$43,215,000
State Need Grant Funding	7,000	20%	\$41,487,000	7,500	23%	\$39,390,500
Husky Promise Data	2009-10 Actual Awards			2010-11 Actual Awards		
	Number of Students	Percent of Undergrad Enrollment	Autumn 2009 Enrollment	Number of Students	Percent of Undergrad Enrollment	Amount Awarded
Seattle	5,635	25%	22,794	6,440	25%	25,534
Bothell	434	21%	2,103	610	25%	2,437
Tacoma	727	30%	2,445	960	36%	2,633

FINANCIAL AID POLICY

Three Policies to Consider:

1. Current Policy
2. Senate and House Policy Proposals
3. Tuition Setting Authority

Return to Aid - Current Policy	2010-11	2011-12 Increase	2011-12 Tuition Increase		
		13%	16%	20%	25%
Net Operating Fee Revenue	\$182,145,000	\$208,527,000	\$214,075,000	\$221,442,000	\$230,673,000
Incremental Revenue		\$26,382,000	\$31,930,000	\$39,297,000	\$48,528,000
State Mandated					
3.5% Set-Aside	\$6,606,000	\$7,563,000	\$7,764,000	\$8,032,000	\$8,366,000
2009-11 1/7th Set Aside	\$2,960,000	\$2,960,000	\$2,960,000	\$2,960,000	\$2,960,000
Return to Aid - State Mandated	4.8%	4.6%	4.6%	4.5%	4.5%
Current University Policy					
3% Need/1% Merit Waivers	\$8,118,000	\$9,118,000	\$9,361,000	\$9,683,000	\$10,087,000
Husky Promise/SNG shortfall - UW Investment	\$5,658,000	\$5,658,000	\$5,658,000	\$5,658,000	\$5,658,000
Return to Aid - UW Policy	6.9%	6.5%	6.4%	6.3%	6.2%
Total Current Return to Aid	11.7%	11.1%	11.0%	10.9%	10.7%
Change to 5% Set-Aside					
5% Set-Aside				\$11,474,000	\$11,952,000
Total Return to Aid				12.3%	12.2%

CAPITAL BUDGET

UW's ONE CAPITAL PLAN: OBSERVATIONS

State of Washington Capital Resources

- Significant decline in major new and renovated building funding
- Resources targeted on <\$2M building systems renewal projects
- Deferred capital asset maintenance needs severely underfunded
- Funds needed to support significant groundwater/soil remediation on UW Tacoma campus

Capital and Space Requirements to Sustain Current Academic and Research Programs

- Existing building systems renewal to mitigate escalating recapitalization needs
- Major infrastructure repairs to mitigate campus-wide risk management
- Building renovations to leverage classroom , teaching support, and research efficiencies

UW's ONE CAPITAL PLAN: OBSERVATIONS

The Capital Reinvestment Challenge

- The near future will likely require the obligation of central university funding and rigorous assessment of new revenue opportunities to fund debt service

Revenue Enhancement Opportunities

- Increase net Metropolitan Tract revenues
- Transform Metro Tract and UW Building Fees from State to UW revenue
- Partnerships to leverage existing UW capital assets - example "UW's Energy Future"
- Targeted capital investment gifts
- Commercialization strategies

PROPOSED FY12 CAPITAL INVESTMENTS

Capital budget recommendations are included on page 15 of F-9b and include the **Senate's** capital appropriations of:

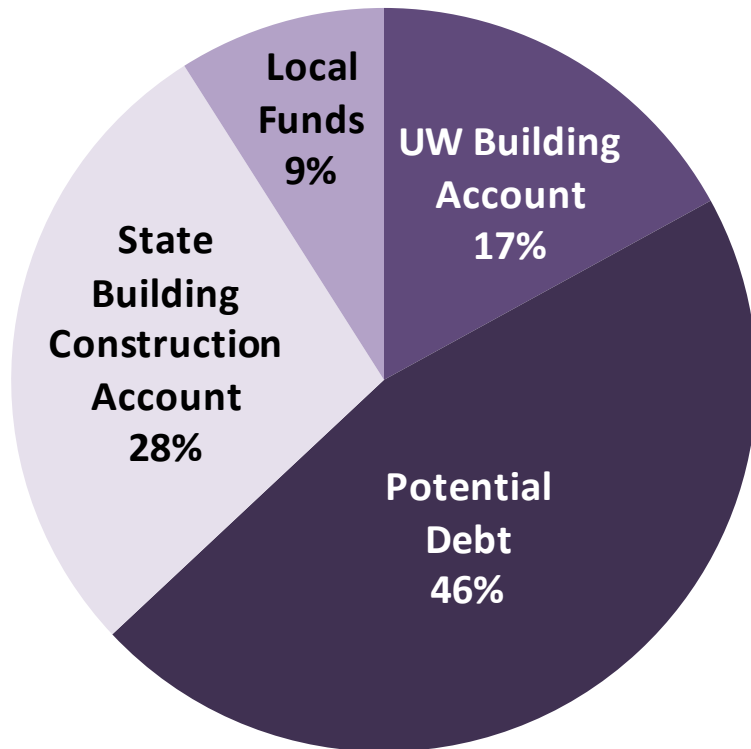
- **\$24.9 million UW Building Fee Account Funds**
- **\$41.3 million State Building Construction Account Funds**

Additionally, the capital budget on page 15 includes:

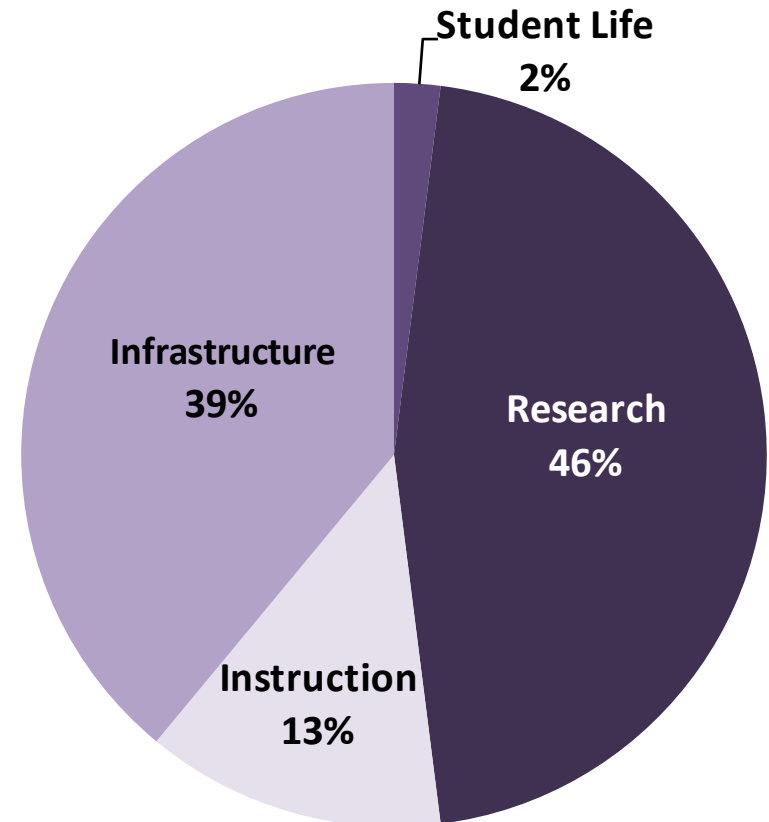
- **\$13 million in local fund allocations**
- **\$67.8 million in potential new debt**

PROPOSED FY12 CAPITAL INVESTMENT

Fund Source

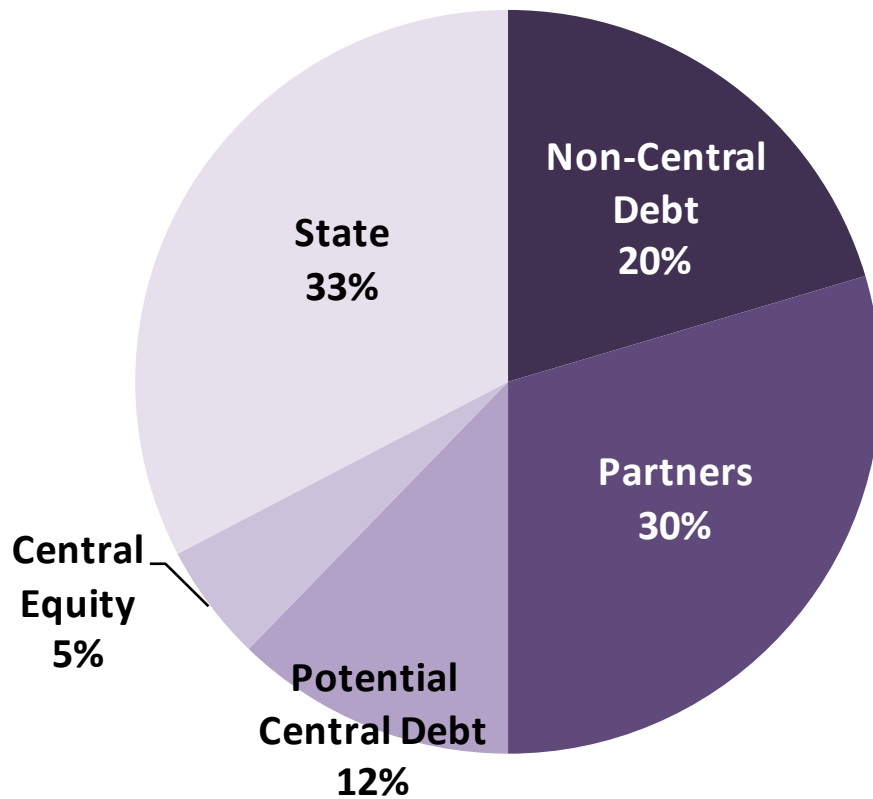


Program

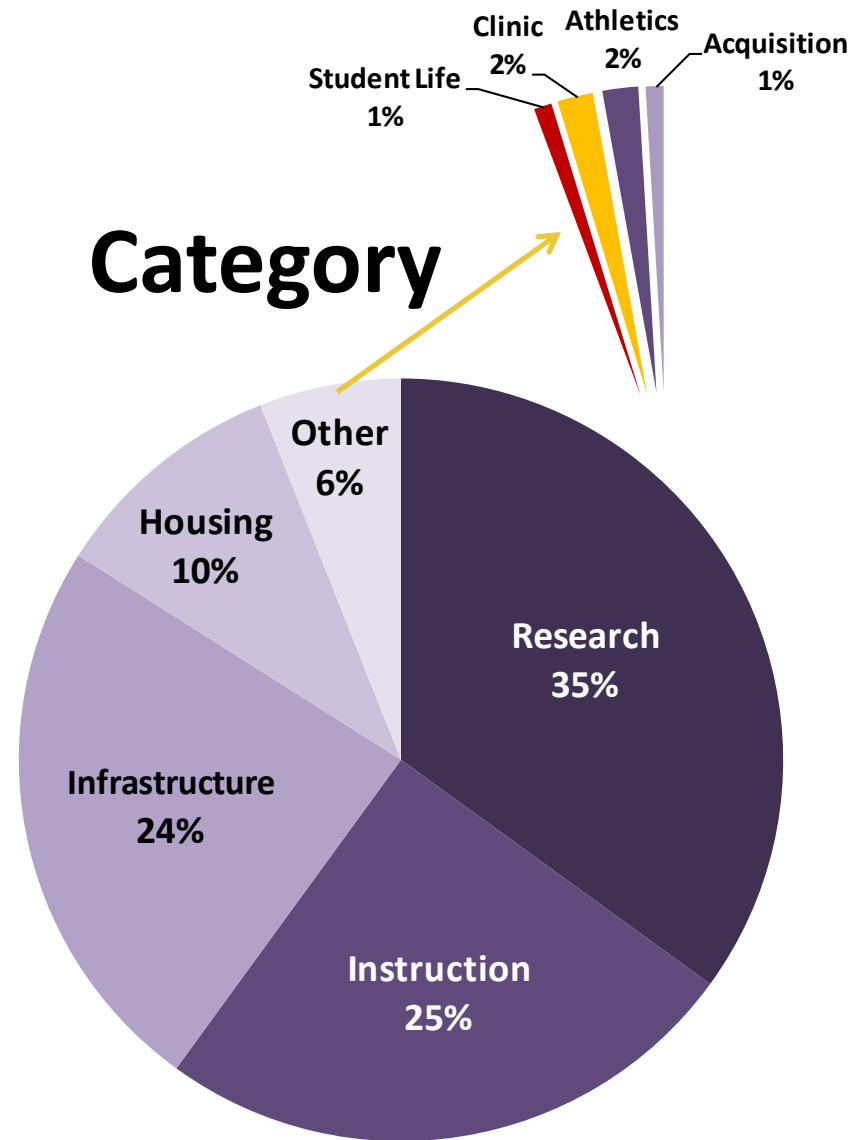


POTENTIAL 2011-21 CAPITAL INVESTMENT

Fund Source



Category



VII. STANDING COMMITTEES**A. Academic and Student Affairs**

in Joint Session with

B. Finance, Audit and Facilities**Background Information Related to Proposed Tuition Increases for Academic Year 2011-12****INFORMATION ITEM:**

The proposed FY 2012 Operating and Capital Budgets will be discussed in the May 2011 joint meeting of the Finance, Audit and Facilities Committee and the Academic and Student Affairs Committee. This May 2011 tuition information item accompanies the Operating and Capital Budgets and previews the tuition changes proposed for the 2011-12 and 2012-13 academic years. Tuition changes will again be discussed at the June 2011 Board of Regents, and presented as an action item at the July 2011 meeting.

This document will provide the following information:

1. Discussion of factors leading to the tuition proposals for the 2011-12 academic year
2. Tuition background and comparison information
3. The proposed tuition structure and increases for the 2011-12 and 2012-13 academic years

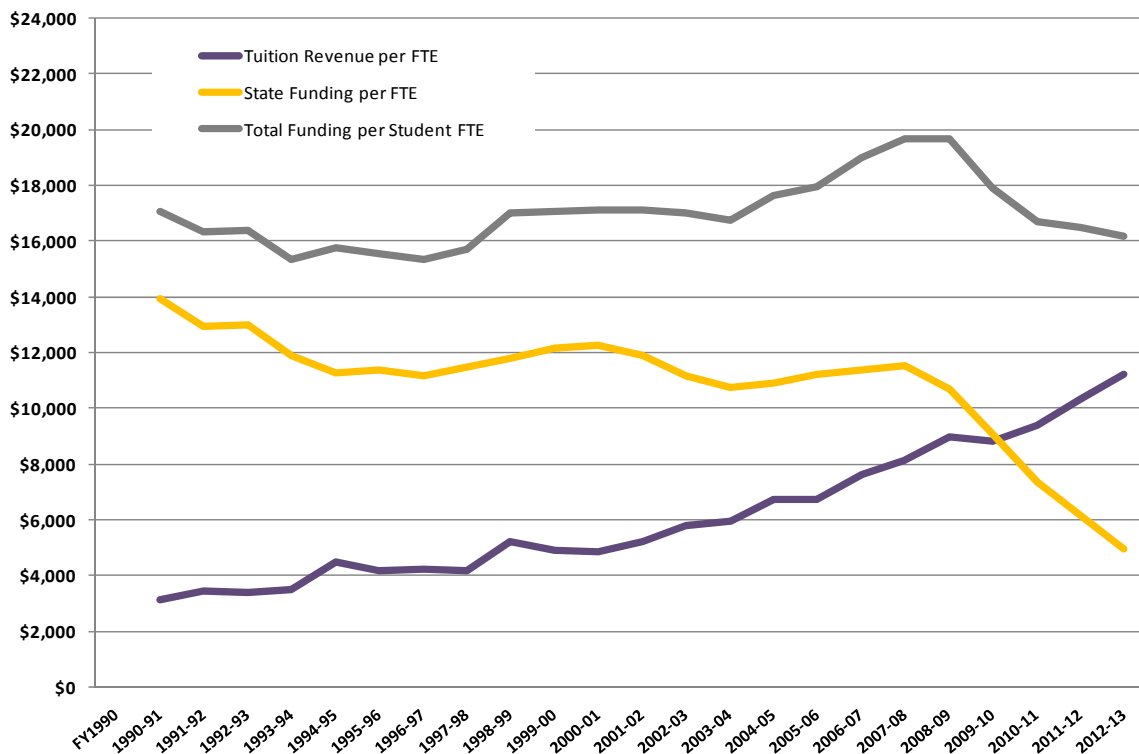
Attachment

Executive Summary – Tuition Setting for the 2011-12 Academic Year

Executive Summary – Tuition Setting for the 2011-12 Academic Year

The effect of the ongoing economic crisis on the Washington State budget has produced dramatic changes in public higher education funding as state financial support decreases and the student contribution increases. For the University of Washington (UW), the 2009-10 academic year marked the first time that student tuition revenue exceeded state support in the UW's operating resources budget.

State and Tuition Funding per FTE, Including the Governor's Budget for FY 2012 and FY2013 (in 2013 Dollars)



Source: Office of Planning & Budgeting

Resident Undergraduate Tuition

Declining state appropriations have resulted in increasing tuition. **Appendix 1** provides a five-year comparison of tuition and fees from universities between the Higher Education Coordinating Board 24 (HECB24) peer group and the University of Washington. This flagship university peer group provides insight to nationwide tuition and funding trends. At the UW, in spite of relatively large tuition increases, resident undergraduate tuition continues to be significantly below the HECB 24 peer average.

A graduating senior in the 2010-11 class paid tuition that is 36 percent higher than the rate paid upon entrance to the UW four years earlier (from \$6,384 in 2007-08 and to \$8,701 in 2010-11). Despite

increasing by \$2,316 over four years, annual undergraduate tuition at the UW remains well below peer institutions (\$8,702 compared to \$10,204).

Structural Changes in Graduate Tuition

Graduate tuition categories, on the other hand, have seen many changes with substantially higher increases.

The current tuition structure for the 2010-11 academic year provided in **Appendix 2** displays all tuition categories with details about the academic programs that reside within Tiers I, II, and III. Recent years have seen many changes in tuition categories as colleges and schools have felt pressure to differentiate their programs and majors with “stand alone” tuition categories. For example in 2010-11 Medicine and Dentistry became separate categories, and this year’s proposal, provided in **Appendix 3**, moves two more programs, Master of Social Work and Master of Laws (LLM) (previously Asian Law), out of the tier structure. Additionally, two programs will transfer or begin the transfer process to fee-based status (Master of Health Administration and Master of Library Science).

Student Cost and Debt Burden

Concerns over student indebtedness and affordability are ever present and growing as students continue to bear a greater share of responsibility for the cost of their education. **Appendix 4** shows tuition waivers, often referred to as foregone revenue, amounting to \$78,861,826 in 2009-10 compared to \$75,286,138 in the previous academic year. A five year trend illustrates the important role waivers play in softening the impact of increasing tuition for many students.

Student debt at graduation is another important indicator of tuition affordability. **Appendix 5** provides a comparison of student loan debt over the last five years (2004-05 to 2009-10). The median loan debt for graduating seniors increased by \$2,996 while the number of students graduating with debt decreased by 3.7 percent.

Tuition Approval for the 2011-13 Biennium

Appendix 6 provides tuition for both years of the 2011-13 biennium for Regental approval.

Tuition Comparison: HEC Board 24 and University of Washington

Higher Education Coordinating Board 24 and University of Washington Tuition Comparisons
2006-07 through 2010-11 Academic Years
Data includes tuition and mandatory fees

TUITION CATEGORY	RESIDENT					NONRESIDENT				
	Academic Year					Academic Year				
	2006-07	2007-08	2008-09	2009-10	2010-11	2006-07	2007-08	2008-09	2009-10	2010-11
Undergraduate										
HEC BOARD 24 Average	7,532	8,093	8,665	9,297	10,204	20,764	22,065	23,137	24,997	26,568
University of Washington	5,985	6,385	6,802	7,692	8,701	21,283	22,131	23,219	24,367	25,329
Gap	1,547	1,708	1,863	1,605	1,503	(519)	(66)	(82)	630	1,239
Graduate										
HEC BOARD 24 Average	9,059	9,420	10,043	10,755	11,648	19,862	20,489	21,302	22,720	23,980
University of Washington	8,818	9,417	10,047	10,727	11,449	20,641	21,464	22,519	24,064	24,789
Gap	241	3	(4)	28	199	(779)	(975)	(1,217)	(1,344)	(809)
Master of Business										
HEC BOARD 24 Average	17,590	18,611	20,528	22,434	24,260	27,950	29,119	30,626	33,141	36,083
University of Washington	17,825	19,843	21,782	23,917	25,099	27,525	29,543	32,452	35,657	37,419
Gap	(235)	(1,232)	(1,254)	(1,483)	(839)	425	(424)	(1,826)	(2,516)	(1,336)
Pharmacy										
HEC BOARD 24 Average	14,436	15,319	16,376	18,423	20,304	27,682	28,763	30,157	32,966	35,312
University of Washington	12,262	13,454	14,754	16,187	18,389	23,757	26,098	28,663	31,487	33,659
Gap	2,174	1,865	1,622	2,236	1,915	3,925	2,665	1,494	1,479	1,653
Law										
HEC BOARD 24 Average	17,711	19,192	20,990	23,762	25,784	29,550	31,297	33,597	36,557	38,784
University of Washington	16,255	17,846	19,585	22,267	24,339	23,878	26,231	28,809	32,777	37,299
Gap	1,456	1,346	1,405	1,495	1,445	5,672	5,066	4,788	3,780	1,485
Dentistry										
HEC BOARD 24 Average	22,397	24,230	27,084	29,427	31,485	40,626	42,792	46,702	49,735	52,460
University of Washington	15,872	17,425	19,122	20,997	23,869	37,694	41,429	45,527	50,037	50,049
Gap	6,525	6,805	7,962	8,430	7,616	2,932	1,363	1,175	(302)	2,411
Medicine										
HEC BOARD 24 Average	22,739	24,478	26,243	28,635	30,214	39,263	40,912	43,381	46,819	49,131
University of Washington	15,872	17,425	19,122	20,997	23,049	37,694	41,429	45,527	50,037	52,029
Gap	6,867	7,053	7,121	7,638	7,165	1,569	(517)	(2,146)	(3,218)	(2,898)

Appendix 2

Current 2010-11 Tuition Category Structure

Tuition Categories	
Undergraduate	All campuses
Graduate Tier I	All campuses
Graduate Tier II	All campuses
Graduate Tier III	All campuses
Information School	Master of Library and Information Science
Evans School of Public Affairs	Master of Public Affairs (cohort model)
College of Built Environments	Masters of Architecture, Landscape Architecture, Urban Planning, Real Estate, Construction Management
Foster School of Business	Master of Business Administration (cohort model)
School of Nursing	Nursing Master and Doctor of Nursing Practice
School of Pharmacy	Doctor of Pharmacy
School of Law	Law Master and Professional (<i>JD</i>)
School of Medicine	Medical Professional (<i>MD</i>)
School of Dentistry	Dental Professional (<i>DDS</i>)

In the Business Administration Master and Nursing Master categories, there are some differences in tuition levels across the Seattle, Bothell and Tacoma campuses. The Board of Regents also establishes tuition rates for post baccalaureate and non-matriculated students.

The current graduate tuition “tier” categorizations are listed below. The tier categorizations for some masters programs recognize differences in the cost of some programs and in the personal value of the degree to the graduates.

Tier I	
All colleges/schools	PhD programs not specified below
All colleges/schools	Master degrees not specified below
Tier II	
College of Education	All masters
College of the Environment	Forest Resources masters Ocean & Fishery Sciences masters [<i>Master of Marine Affairs, (GTTL) and Master of Marine Affairs</i>]
School of Medicine	Nonprofessional masters
UW Bothell	Master of Nursing, Master of Policy Studies
UW Tacoma	Master of Nursing
Tier III	
College of Engineering	All master and doctorate (PhD) degrees
School of Nursing	Master of Science and PhD in Nursing Science
UW Tacoma	Master in Computing and Software Systems

Appendix 3

Proposed 2011-12 Tuition Category Structure

New Tuition Rate Increases						
Tuition Category	Resident			Nonresident		
	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Undergraduate (under Senate proposal)	16.0%	1,300	9,422	7.5%	1,860	26,606
Graduate Tier I	11.0%	1,200	12,070	3.0%	730	24,940
Graduate Tier II	10.5%	1,200	12,610	3.0%	730	25,480
Graduate Tier III	10.0%	1,200	13,140	3.0%	730	26,010
SPH Master of Science and Ph.D.	Currently Tier I, Moving to Tier III					
Ph.D. of Social Work	Currently Tier I, Moving to Tier II					
New Tuition Categories/Pricing Proposals						
Tuition Category	Resident			Nonresident		
	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Master of Library and Information Science <i>(moving to Educational Outreach FY13)</i>	7.0%	870	13,220	7.0%	1,900	28,930
Master of Public Affairs <i>(incoming)</i>	15.0%	2,070	15,860	15.0%	4,090	31,320
Master of Public Health	10.0%	1,300	14,240	10.0%	2,630	28,910
College of Built Environments	14.0%	1,940	15,770	14.0%	4,240	34,500
Dental Professional (year 1)	14.0%	3,270	26,560	0.0%	-	49,470
Dental Professional (years 2,3,4)	10.0%	2,330	25,620	0.0%	-	49,470
Nursing Master and Doctor of Nursing Practice	12.0%	2,090	19,480	12.0%	4,130	38,550
Doctor of Pharmacy	12.0%	2,140	19,950	12.0%	3,970	37,050
Medical professional	10.0%	2,250	24,720	4.4%	2,250	53,700
Law (JD) <i>(note title change)</i>	8.5%	2,020	25,780	8.5%	3,130	39,850
Master of Laws (LLM) <i>(formerly Asian Law at Tier III)</i>	25.0%	2,990	14,930	25.0%	6,320	31,600
Master of Business Administration <i>(incoming)</i>	4.0%	990	25,510	2.0%	740	37,580
Master of Social Work	22.0%	2,400	13,270	8.0%	1,940	26,150
Programs Newly Transitioning to Educational (EO)						
Tuition Category	Resident			Nonresident		
	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Master of Health Administration						
Bothell and Tacoma						
Tuition Category	Resident			Nonresident		
	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Master of Nursing, Bothell	Remaining at Tier II					
Master of Business Admin Bothell <i>(incoming)</i>	4.0%	840	21,720	2.0%	560	28,330
Master of Nursing, Tacoma	Remaining at Tier II					
Master of Business Admin Tacoma <i>(incoming)</i>	4.50%	790	18,150	0.0%	-	31,570
Other Categories						
Tuition Category	Resident			Nonresident		
	Percent Increase	Dollar Increase	Total Tuition	Percent Increase	Dollar Increase	Total Tuition
Post Baccalaureate/Non-Matriculated taking undergraduate courses only	16.0%	1,300	9,422	7.5%	1,860	26,606
Post Baccalaureate/Non-Matriculated taking graduate courses only	10.0%	1,200	13,140	3.00%	730	26,010

Appendix 4

Waivers Representing Foregone Revenue

Waivers Representing Foregone Revenue by Category and Student Level	2005-06	2006-07	2007-08	2008-09	2009-10
Undergraduates					
3% Need, 1% Merit	\$10,100,256	\$5,494,787	\$6,269,220	\$7,128,561	\$7,894,332
TA/RA Res Op Fee	\$19,349		\$3,700	\$3,048	
TA/RA Nonresident	\$18,238				
ICA Gender Equity	\$2,917,391	\$1,571,036	\$1,704,677	\$1,843,732	\$2,006,551
Achievement Award	\$462,664	\$252,500	\$116,502	\$10,834	\$20,000
International Exchange	\$1,100,023	\$554,884	\$612,624	\$744,756	\$523,492
Fac/Staff Nonresident	\$9,120	\$9,758		\$9,423	
Child/Spouse of Fac/Staff NR	\$9,118	\$9,758	\$5,022	\$26,745	\$37,240
Child of Deceased Police/Fire	\$42,318	\$39,064	\$34,056	\$28,135	\$14,315
<u>Veteran's</u>	<u>\$422,320</u>	<u>\$583,304</u>	<u>\$985,467</u>	<u>\$1,253,360</u>	<u>\$1,188,932</u>
Total	\$15,100,797	\$8,515,091	\$9,731,269	\$11,048,595	\$11,684,860
Graduate and Professional Students					
3% Need, 1% Merit	\$5,172,795	\$3,137,060	\$3,612,070	\$4,352,212	\$4,544,980
TA/RA Res Op Fee	\$27,352,533	\$14,723,015	\$15,572,568	\$17,357,634	\$16,416,303
TA/RA Nonresident	\$52,369,713	\$29,176,136	\$29,944,842	\$32,218,852	\$33,733,391
Graduate/Professional NR	\$1,696,921	\$1,352,684	\$2,151,920	\$2,849,822	\$4,062,710
WWAMI	\$6,585,432	\$3,621,622	\$4,162,690	\$4,925,832	\$5,959,593
WICHE	\$107,829	\$54,053	\$41,507	\$133,115	\$160,088
Over 18 Hour Exemption	\$364,838	\$205,025	\$217,599	\$627,831	\$530,828
International Exchange	\$1,956,149	\$1,184,855	\$1,276,576	\$1,148,558	\$1,192,608
Fac/Staff Nonresident	\$180,909	\$109,407	\$149,668	\$106,848	\$49,165
Child/Spouse of Fac/Staff NR	\$27,326	\$52,396	\$29,335	\$14,864	\$30,165
<u>Veteran's</u>	<u>\$0</u>	<u>\$31,888</u>	<u>\$301,048</u>	<u>\$501,975</u>	<u>\$497,135</u>
Total	\$95,814,445	\$53,648,141	\$57,459,823	\$64,237,543	\$67,176,966
All Students					
3% Need, 1% Merit	\$15,273,051	\$8,631,847	\$9,881,291	\$11,480,772	\$12,439,312
TA/RA Res Op Fee	\$27,371,882	\$14,723,015	\$15,576,268	\$17,360,682	\$16,416,303
TA/RA Nonresident	\$52,387,951	\$29,176,136	\$29,944,842	\$32,218,852	\$33,733,391
Graduate/Professional NR	\$1,696,921	\$1,352,684	\$2,151,920	\$2,849,822	\$4,062,710
ICA Gender Equity	\$2,917,391	\$1,571,036	\$1,704,677	\$1,843,732	\$2,006,551
Achievement Award	\$462,664	\$252,500	\$116,502	\$10,834	\$20,000
International Exchange	\$3,056,172	\$1,739,740	\$1,889,200	\$1,893,314	\$1,716,100
WWAMI	\$6,585,432	\$3,621,622	\$4,162,690	\$4,925,832	\$5,959,593
WICHE	\$107,829	\$54,053	\$41,507	\$133,115	\$160,088
Over 18 Hour Exemption	\$364,838	\$205,025	\$217,599	\$627,831	\$530,828
Fac/Staff Nonresident	\$190,029	\$119,165	\$149,668	\$116,272	\$49,165
Child/Spouse of Fac/Staff NR	\$36,444	\$62,154	\$34,357	\$41,609	\$67,405
Child of Deceased Police/Fire	\$42,318	\$39,064	\$34,056	\$28,135	\$14,315
<u>Veteran's</u>	<u>\$422,320</u>	<u>\$615,191</u>	<u>\$1,286,515</u>	<u>\$1,755,335</u>	<u>\$1,686,067</u>
Total	\$110,915,242	\$62,163,233	\$67,191,092	\$75,286,138	\$78,861,826

Appendix 5

Loan Debt at Graduation

	2004-05		2009-10		CHANGE	
	Percent with Debt	Dollars Median Debt	Percent with Debt	Dollars Median Debt	Percent with Debt	Dollars Median Debt
Undergraduate	50.2%	13,356	46.5%	16,352	-3.7%	2,996
Graduate	48.0%	30,224	54.0%	38,555	6.0%	8,331
Medicine	94.5%	110,205	81.0%	152,205	-13.5%	42,000
Dentistry	94.3%	133,273	85.7%	159,519	-8.6%	26,246
Law	79.5%	64,400	81.3%	95,020	1.8%	30,620
Nursing	43.3%	30,930	53.0%	49,591	9.7%	18,661
MBA (Business)	40.8%	37,218	49.8%	41,000	9.0%	3,782
Pharmacy	77.5%	68,709	65.3%	95,169	-12.2%	26,460

A few comments on interpreting the Loan Debt information are needed. It is important to look at both the average loan debt and the percentage of students who graduate with debt in a particular degree category. For example, while the median debt for MBA students was \$41,000 in 2009-10, less than half of these students graduated with debt.

For undergraduate students receiving degrees at the end of the 2009-10 academic year, median loan debt is increasing after several years of with relatively little change; interestingly the percentage of students graduating with debt has been decreasing slightly. Students receiving degrees in most graduate and professional tuition categories have experienced significant increases in median loan debt in the 2009-10 academic year.

Appendix 6

Tuition Rates to be Approved

2011-12 and 2012-13 Tuition Rates to be Approved								
Tuition Category	2011-12				2012-13			
	Resident		Nonresident		Resident		Nonresident	
	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition	Percent Increase	Annual Tuition
Undergraduate								
Undergraduate	16.0% *	9,422	10.00%	27,230	16.0% *	10,930	10.0%	29,950
Graduate Tiers								
Graduate Tier I	11.0%	12,070	3.0%	24,940	11.0%	13,398	3.0%	25,688
Graduate Tier II	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Graduate Tier III	10.0%	13,140	3.0%	26,010	10.1%	14,468	2.9%	26,758
Other Graduate								
Master of Library and Information Science <i>(moving to Educational Outreach FY13)</i>	7.0%	13,220	7.0%	28,930	<i>moving to fee based (EO)</i>			
Master of Public Affairs <i>(incoming)</i>	15.0%	15,860	15.0%	31,320	15.0%	18,240	15.0%	36,020
Master of Public Affairs <i>(continuing)</i>		13,790		27,230		15,860		31,320
Master of Public Health	10.0%	14,240	10.0%	28,910	10.0%	15,660	10.0%	31,800
College of Built Environments	14.0%	15,770	14.0%	34,500	14.0%	17,980	14.0%	39,330
Dental Professional (year 1)	14.0%	26,560	0.0%	49,470	14.0%	30,280	0.0%	49,470
Dental Professional (years 2,3,4)	10.0%	25,620	0.0%	49,470	10.0%	28,190	0.0%	49,470
Nursing Master and Doctor of Nursing Practice	12.0%	19,480	12.0%	38,550	12.0%	21,820	12.0%	43,180
Doctor of Pharmacy	12.0%	19,950	12.0%	37,050	10.0%	21,950	10.0%	40,760
Medical professional	10.0%	24,720	4.4%	53,700	10.0%	27,190	4.6%	56,170
Law (JD) <i>(note title change)</i>	8.5%	25,780	8.5%	39,850	8.0%	27,850	8.0%	43,030
Master of Laws (LLM) <i>(formerly Asian Law at Tier III)</i>	25.0%	14,930	25.0%	31,600	5.0%	15,680	5.0%	33,180
Master of Business Administration <i>(incoming)</i>	4.0%	25,510	2.0%	37,580	5.0%	26,790	5.0%	39,460
Master of Business Administration <i>(continuing)</i>		24,520		36,840		25,510		37,580
Master of Social Work	22.0%	13,270	8.0%	26,150	10.0%	14,600	3.0%	26,940
Master of Nursing, Bothell <i>(remaining at Tier II)</i>	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Master of Business Admin Bothell <i>(incoming)</i>	4.0%	21,720	2.0%	28,330	5.0%	22,810	5.0%	29,750
Master of Business Admin Bothell <i>(continuing)</i>		20,880		27,770		21,720		28,330
Master of Nursing, Tacoma <i>(remaining at Tier II)</i>	10.5%	12,610	3.0%	25,480	10.5%	13,938	2.9%	26,228
Master of Business Admin Tacoma <i>(incoming)</i>	4.5%	18,150	0.0%	31,570	5.0%	19,060	5.0%	33,150
Master of Business Admin Tacoma <i>(continuing)</i>		17,360		31,570		18,150		31,570
Category Changes								
School of Public Health								
Master of Science and PhD <i>(from Tier I to Tier III)</i>	8.9%	13,140	4.0%	26,010	10.1%	14,468	2.9%	26,758
School of Social Work								
PhD of Social Work <i>(from Tier I to Tier II)</i>	4.5%	12,610	2.0%	25,480	10.5%	13,938	2.9%	26,228
Post Baccalaureate								
Post Baccalaureate/Non-Matriculated taking undergraduate courses only	16.0%	9,422	7.5%	26,606	16%	10,930	7.50%	28,610
Post Baccalaureate/Non-Matriculated taking graduate courses only	10.0%	13,140	3.00%	26,010	10.1%	14,468	2.9%	26,758

*16% resident undergraduate tuition increases are representative of the Senate budget only. These rate increases may change.

Note: Cohort model tuition allows students to pay the same tuition from program entry until graduation (assuming the student has continuous attendance)

Associated Students of the University of Washington Bothell

Earth Day

On April 21st UW Bothell held its Annual Earth Day Fair. Festivities included electric car and bike displays, a garbage sorting demonstration, tree planting in the wetlands, and the annual replanting of the “W” by UW Bothell students. This is an event that ASUWB holds: an annual replanting of our campus flower “W” coinciding with Earth Day. This year’s theme was “Plant Your Dream in the W” where students wrote their dream or legacy on a piece of compostable paper that they then planted with a flower in the “W”.



ASUWB with the UW Bothell gardeners.



Students participated in planting in the UW Bothell's wetlands.



A pile of one day's worth of garbage from the campus was sorted to show how much could be recycled.

UW Bothell Alumni Council 5k

Last May, the UW Bothell 5K was a great success and rose over \$12,000 to benefit student scholarships. Now in 2011, the Alumni Council hopes to surpass this number by expanding capacity and increasing the number of donations. The goal of the 5k run-walk is to provide scholarships to UW Bothell students who demonstrate qualities of character and leadership while exhibiting a strong commitment to community service and academic achievement. The event starts at 9:00 am on Saturday, May 14, 2011 at UW Bothell.

Secretary of State: Sam Reed campus event

Secretary of State Sam Reed came to the UW Bothell campus to speak with students in the Food for Thought Café. The event included a lecture on diversity, elections and college civics. ASUWB then facilitated an open discussion with UW Bothell students and Secretary Reed about issues that students felt were important. There was a lot of great dialogue and the students were very interactive and engaged.