



March 12, 2012

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 Special Meeting

THURSDAY, APRIL 5, 2012

**2:30 to 4:00 p.m. Walker Ames Room
Kane Hall
Room 225**

**SPECIAL MEETING OF
BOARD OF REGENTS**

The purpose of the Special Meeting is to receive public comment and input from UW community members on the University's budget.

Individual personnel matters will not be considered, nor will testimony on them be received.

In addition to this Special Meeting, the Board encourages campus constituencies to voice their opinions to and through the designated representatives for faculty, students, and alumni, and through the means of communication that have been established and encouraged by the University's various governance and administrative mechanisms.

Written communication is encouraged as a means of providing opinions to the Board. Communications to the Board should be sent to the Board's Secretary and should normally be copied to the Office of the President/Provost.

The Board encourages those wishing to speak at the Special Meeting to sign up in advance, and provide the following information by email or fax, or by using the form available on the Board's website: <http://www.washington.edu/regents/>

This information is not necessary to attend the meeting.

Include the following information:

- Your name
- Specific topic you wish to address involving the University's budget
- Your contact information – email address and/or telephone number

Speakers will be subject to a three-minute time limit.

Priority will be given to sign-ups received by noon on Monday, April 2, and to those who sign up at the meeting if time remains for additional speakers at the meeting.

Send written comments or your request to speak to:

Office of the Board of Regents
139 Gerberding Hall, Box 351264, Seattle WA 98195-1264
Email: regents@uw.edu
Fax: 206-543-6110 Phone: 206-543-1633

More information is available at <http://www.washington.edu/regents/>

To request disability accommodation, contact the Disability Services Office at: 206.543.6450 (voice), 206.543.6452 (TTY), 206.685.7264 (fax), or email at dso@uw.edu. The University of Washington makes every effort to honor disability accommodation requests. Requests can be responded to most effectively if received as far in advance of the event as possible, preferably at least 10 days.



AGENDA
BOARD OF REGENTS
University of Washington

SPECIAL MEETING

April 5, 2012

2:30 p.m.

Walker-Ames Room
Kane Hall, Room 225

- I. CALL TO ORDER**
- II. BACKGROUND ON UW BUDGET**
Paul Jenny, Vice Provost, Planning & Budgeting
- III. REGENTS RECEIVE COMMENTS AND INPUT REGARDING THE UNIVERSITY OF WASHINGTON BUDGET**
- IV. DATE FOR NEXT REGULAR MEETING:** Thursday, May 3, 2012
- V. ADJOURNMENT**

OFFICIAL MINUTES

MINUTES

BOARD OF REGENTS University of Washington

SPECIAL MEETING April 5, 2012 Walker-Ames Room, Kane Hall

The Board of Regents held a special meeting on Thursday, April 5, 2012, beginning at 2:30 p.m., in the Walker-Ames Room in Kane Hall. The notice of the meeting was appropriately provided to the public and the media.

CALL TO ORDER

Board Chair Kristianne Blake called the meeting to order at 2:30 p.m.

Regent Blake thanked everyone for attending and stated the purpose of the meeting was for Regents to hear input and comments from members of the University community about the University's budget. She said individual personnel matters would not be considered, nor would testimony on them be received.

Regent Blake introduced herself and the other Regents in attendance at the meeting: Bill Ayer, Craig Cole, Bill Gates, Joanne Harrell, Kelsey Knowles, Pat Shanahan, and Orin Smith.

She advised attendees the meeting would be audio recorded for Board records.

BACKGROUND ON UW BUDGET

Regent Blake invited Paul Jenny, Vice Provost of Planning & Budgeting, to present a brief overview of the University's budget and the budget approval process. Copies of the presentation were available for meeting attendees and a copy is attached.

REGENTS RECEIVE COMMENTS AND INPUT REGARDING THE UNIVERSITY OF WASHINGTON BUDGET

Regent Blake invited meeting attendees to address the Regents. Speakers signed up in advance or at the meeting and had a three-minute time limit for their remarks in order to accommodate all who wished to provide comments.

Regents heard from students, faculty and staff members, and members of the University community about the budget and other related matters.

The next regular meeting of the Board of Regents will be held on Thursday, May 3, 2012.

ADJOURNMENT

The Special Meeting was adjourned at 3:55 p.m.



Joan Goldblatt
Secretary of the Board of Regents

Approved at the meeting of the Board on May 3, 2012.

University of Washington BOARD OF REGENTS SPECIAL MEETING

PAUL JENNY, VICE PROVOST, PLANNING & BUDGETING

April 5, 2012

UW BY THE NUMBERS

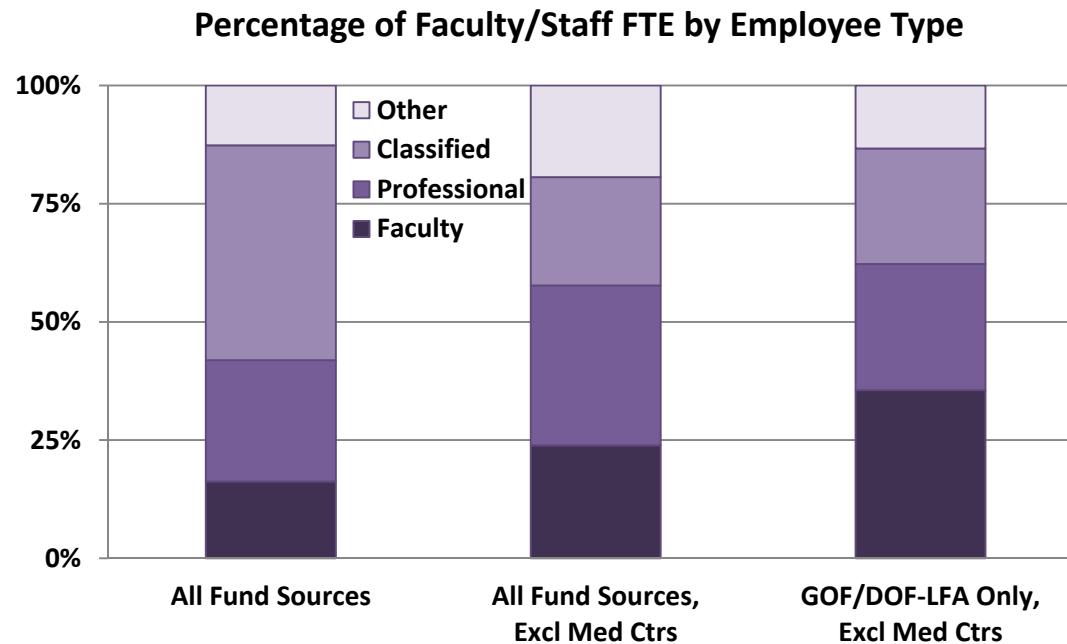
- Three campuses support over 50,000 graduate, professional and undergraduate students (plus an additional 41,000 Educational Outreach students)
- Last year, we awarded more than 14,000 degrees
- One quarter of UW undergrads are Husky Promise eligible and half of our undergrads leave the UW without any debt
- Even after a 20% tuition rate increase, the UW has the third lowest undergrad, resident tuition and fee rate of Global Challenge State peers

PERSONNEL

Fall 2011 FTE:

- 31,000 – All fund sources, including medical centers
- 20,100 – All fund sources, excluding medical centers
- 6,800 – GOF/DOF-LFA funded only, excluding medical centers

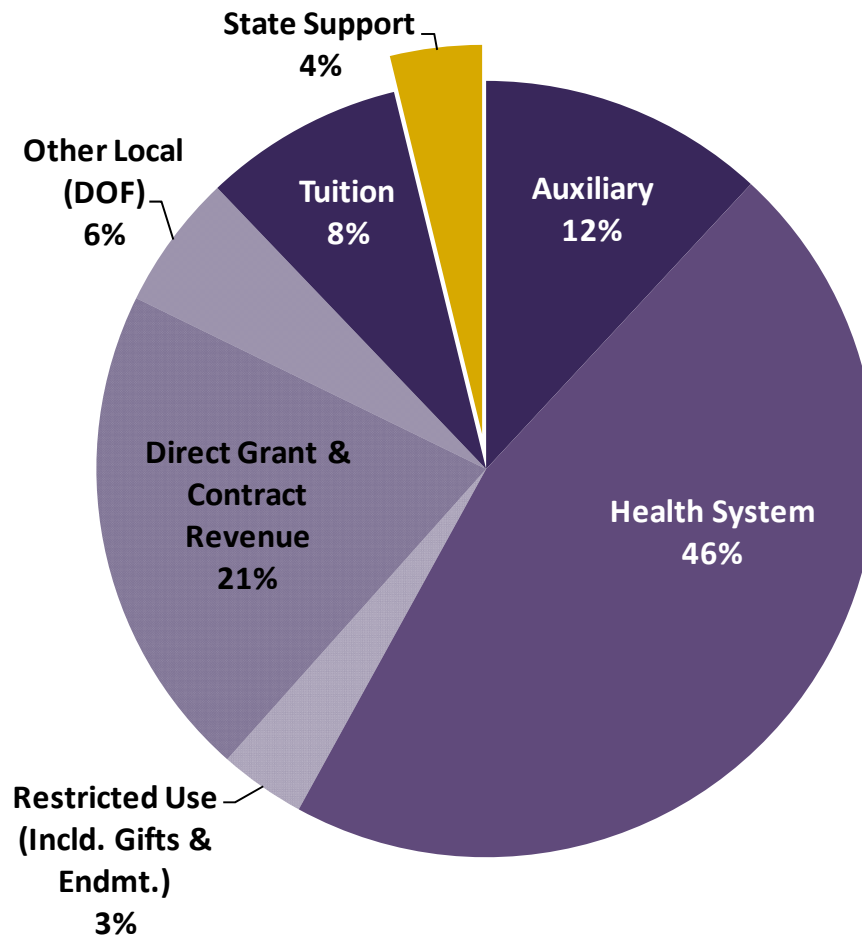
The composition of faculty/staff varies between these groups:



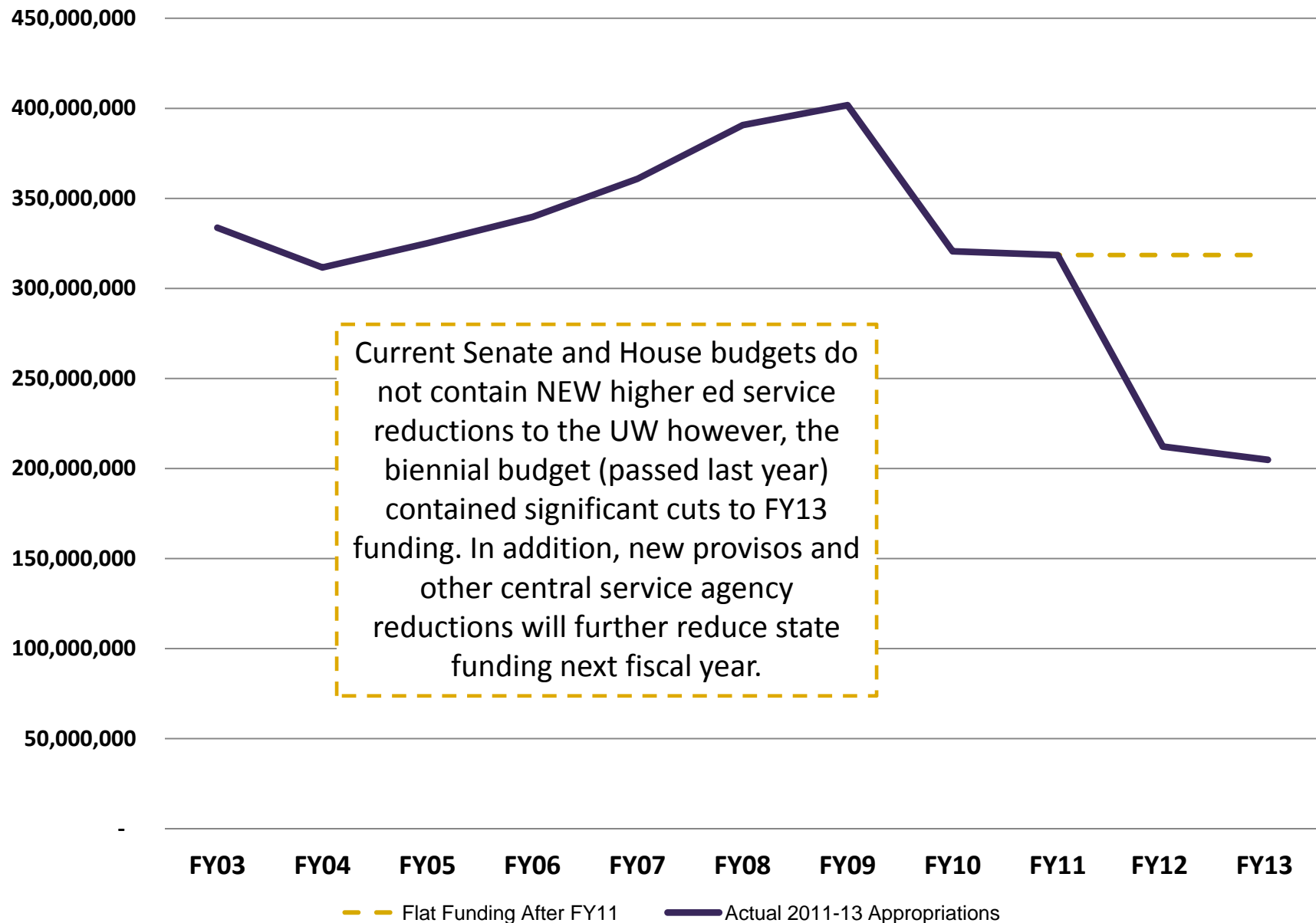
FY12 OPERATING BUDGET = \$5.5B

State support dominates our conversations because when combined with tuition (GOF), it forms our core foundation of educational support.

While state support has fallen significantly it still represents 31% of our GOF budget. Some units produce significantly less tuition than others and rely disproportionately on state funding.



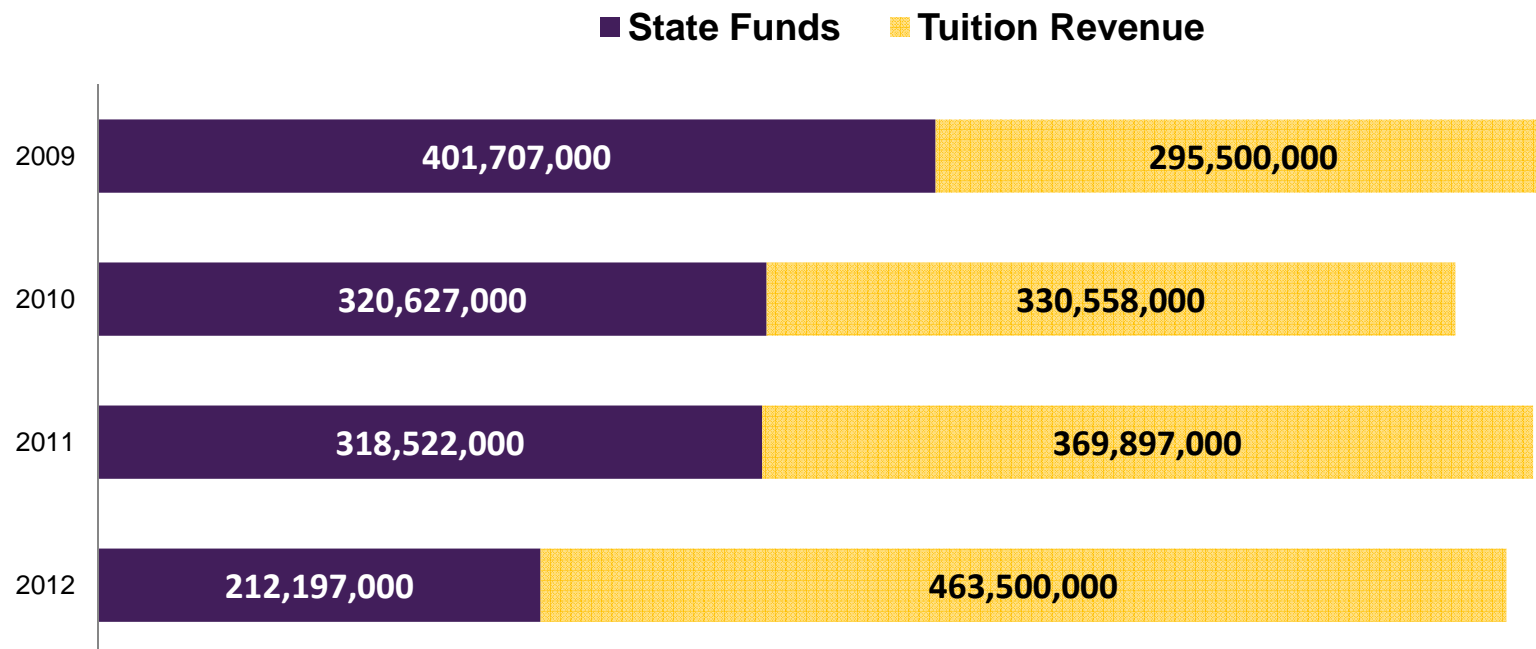
FY13 STATE FUNDING: CRYSTAL BALL GAZING



CENTRAL OPERATING RESOURCES

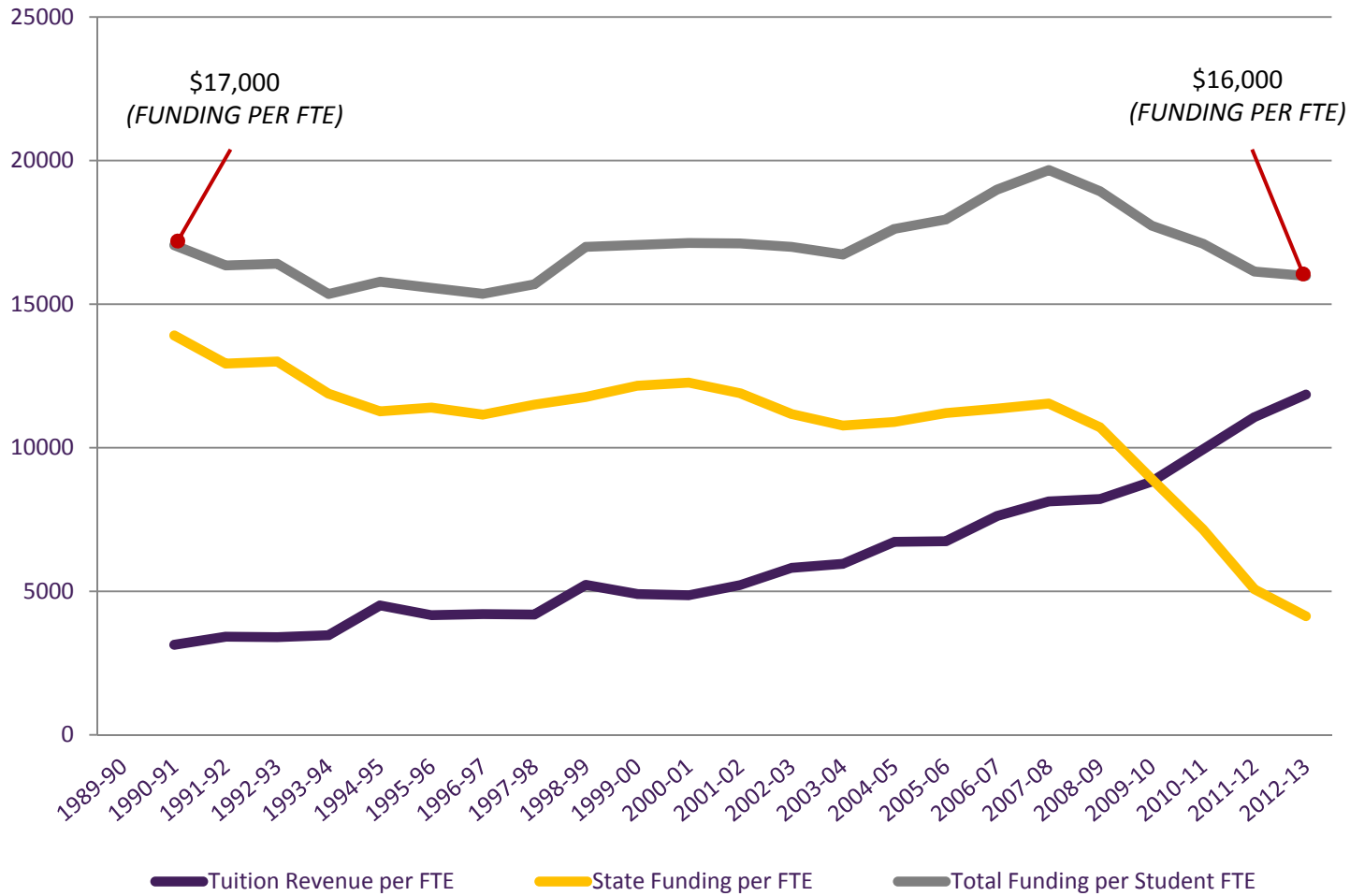
State funds declined over 30% in FY12, with tuition revenue growing to fill state funding gap

Since FY09, the UW has lost half of its state funding



SHIFTING SOURCES OF EDUCATIONAL REVENUE

STATE AND TUITION FUNDING PER STUDENT FTE
(in 2013 Dollars)



UW BUDGET IMPACTS

ADMINISTRATIVE

- Laid off or eliminated over 1,000 positions and reduced use of overtime
- Centralized, streamlined, and automated core services (including procurement) across units

ACADEMIC

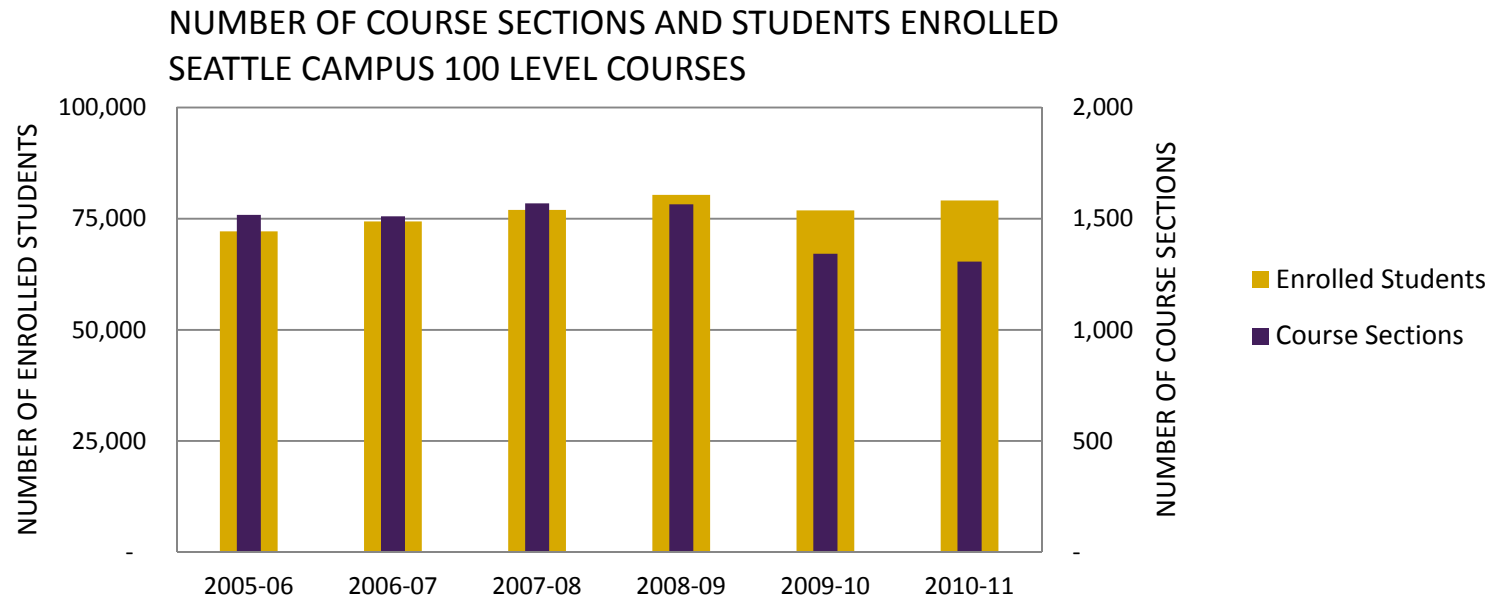
- Accelerating change in composition of our academic workforce
- Increasing class size
- Increase in nonresident admissions
- Degree, emphasis, and minor eliminations and halted admissions

ACTIVITY BASED BUDGETING (ABB)

- ABB is an institutional budget model that more directly aligns revenue allocations and attribution of expenditures for academic and administrative units.
- ABB is not the strategic plan of the University, nor does it determine its mission. Rather, it is the process whereby leadership can implement policies that serve the best interests of the University and advance the strategic plans for the institution and its components.
- For information about ABB and to explore our ABB models, please visit: **<http://opb.washington.edu/content/activity-based-budgeting-project>**
- ABB focuses on the budget relationship between the Provost and the Deans, Vice Presidents, and Vice Provosts. There is no requirement to apply it at the departmental level.

UW CONSEQUENCES: CLASS SIZE

- Course reductions concentrated in the lower levels:
 - Mostly constant average class size (ACS) for 200, 400, and 500+ level courses
 - Increase in ACS for 100 level courses from 48 to 61
 - Increase in ACS for 300 level courses from 37 to 42



COMPARISON TO PEER TUITION & FEE RATES

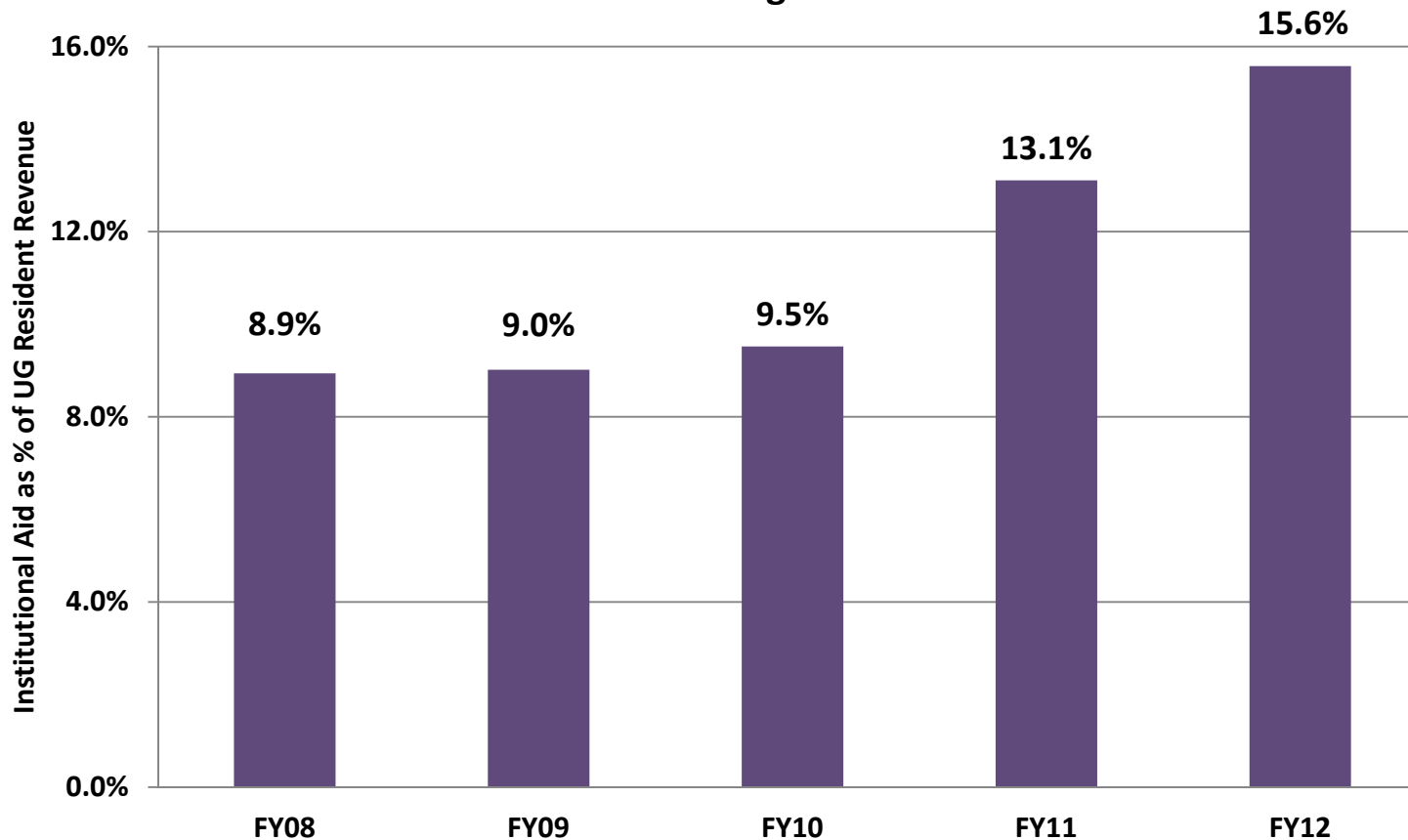
YEAR	PEER GROUP	RESIDENT UG TUITION & FEES	NON-RESIDENT UNDERGRAD TUITION & FEES
2010-11	GLOBAL CHALLENGE + U MICH	\$10,887	\$30,790
	UNIVERSITY OF WASHINGTON	\$8,701	\$25,329
2011-12	GLOBAL CHALLENGE + U MICH	\$11,700	\$33,100
	UNIVERSITY OF WASHINGTON (20%)	\$10,571	\$28,055

Note: To compare to peers, the total tuition & fees charged must be used. For 2010-11, tuition was \$8,122 but total tuition & fees was \$8,701.

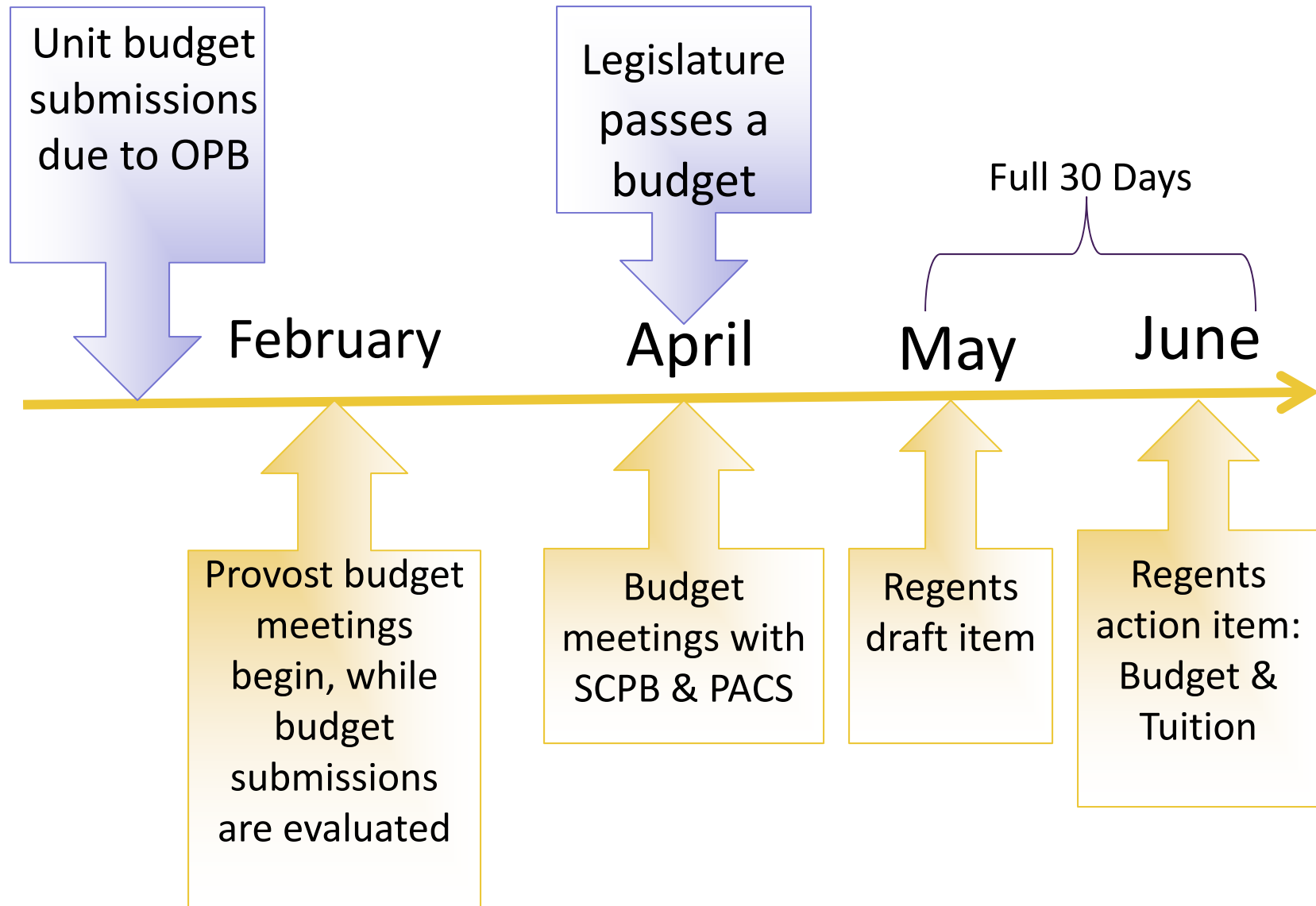
UW COMMITMENT TO AID

As undergraduate tuition has increased, the amount of institutional aid represents an increasing proportion of revenue from undergraduate residents. We are required to return 5% of tuition revenue for aid.

Return to Aid for Undergraduate Residents



FY13 BUDGET DEVELOPMENT TIMELINE



RESOURCES

- OPB homepage: <http://opb.washington.edu/>
- OPB's blog highlights budget news from Olympia: <http://depts.washington.edu/opbblog/>
- Unit budget submissions: <http://opb.washington.edu/content/annual-budget-discussions-provost-fy13>
- Regents meeting information: <http://www.washington.edu/regents/meetings/>