



**May 31, 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 Meetings

**THURSDAY, JUNE 7, 2012**

<b>8:00 to 8:45 a.m.</b>	<b>142 Gerberding Hall</b>	<b>ACADEMIC AND STUDENT AFFAIRS COMMITTEE:</b> Regents Harrell (Chair), Ayer, Cole, Gates, Knowles
<b>8:50 to 10:35 a.m.</b>	<b>142 Gerberding Hall</b>	<b>FINANCE, AUDIT AND FACILITIES COMMITTEE:</b> Regents Smith (Chair), Jewell, Shanahan, Simon
<b>10:45 to 11:40 a.m.</b>	<b>142 Gerberding Hall</b>	<b>ACADEMIC AND STUDENT AFFAIRS COMMITTEE:</b> Regents Harrell (Chair), Ayer, Cole, Gates, Knowles  <i>in Joint Session with</i> <b>FINANCE, AUDIT AND FACILITIES COMMITTEE:</b> Regents Smith (Chair), Jewell, Shanahan, Simon
<b>Noon</b>	<b>Petersen Room Allen Library</b>	<b>REGULAR MEETING OF BOARD OF REGENTS</b>

*The dinner meeting scheduled on Wednesday, June 6, is canceled.*

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](mailto: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.

1.1/206-12  
6/7/12



**UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS**

**Academic and Student Affairs Committee**  
Regents Harrell (Chair), Ayer, Cole, Gates, Knowles

**June 7, 2012  
8:00 to 8:45 a.m.  
142 Gerberding Hall**

1. **Academic and Administrative Appointments** **ACTION** A-1  
Ana Mari Cauce, Provost and Executive Vice President
2. **Granting of Degrees for 2011-12** **ACTION** A-2  
Ana Mari Cauce
3. **UW Bothell Computing and Software Systems – Title Change for the Master of Science in Computing and Software Systems** **ACTION** A-3  
Rebecca Aanerud, Associate Dean, The Graduate School  
Kelvin Sung, Professor, Computing and Software Systems, UW Bothell
4. **Services and Activities Fee – University of Washington, Seattle: 2012-13 Operating and Capital Allocations** **ACTION** A-4  
Eric Godfrey, Vice President and Vice Provost, Office of Student Life  
Riley J. Lee-Card, SAF Co-Chair, Senior, College of Engineering  
Andrew B. Van Winkle, SAF Co-Chair, Third Year Student, School of Law
5. **Services and Activities Fee – University of Washington, Tacoma: Distribution of Fee and Allocation of Funds** **ACTION** A-5  
Cedric Howard, Associate Vice Chancellor for Student Affairs, UW Tacoma  
Rai Nauman Mumtaz, Chair 2011-12 Services and Activities Fee Committee, UW Tacoma
6. **Services and Activities Fee – University of Washington, Bothell: 2012-13 Distribution of Fees and Allocation of Funds** **ACTION** A-6  
Kenyon Chan, Chancellor, UW Bothell  
George Theo, Director of Student and Residential Life, UW Bothell  
Jodi St. George, 2011-12 Services and Activities Fee Committee Chair, UW Bothell
7. **Presentation on University of Washington Alumni Affairs and Constituent Relations** **INFORMATION** A-7  
Paul Rucker, Associate Vice President for Alumni Affairs and Constituent Relations and Executive Director of the UW Alumni Association



**UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS**

**Finance, Audit and Facilities Committee**  
Regents Smith (Chair), Jewell, Shanahan, Simon

**June 7, 2012  
8:50 to 10:35 a.m.  
142 Gerberding Hall**

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|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------|
| 1. <b>Report of Contributions – April 2012</b><br>Walter G. Dryfoos, Associate Vice President, Advancement Services<br>Connie Kravas, Vice President, University Advancement                                                                                                                                                                                                                                                                                                                                  | <b>INFORMATION</b> | <b>F-1</b> |
| 2. <b>Grant and Contract Awards Summary – March 2012</b><br>Ana Mari Cauce, Provost and Executive Vice President                                                                                                                                                                                                                                                                                                                                                                                              | <b>ACTION</b>      | <b>F-2</b> |
| 3. <b>Actions Taken Under Delegated Authority</b><br>Richard Chapman, Associate Vice President, Capital Projects Office                                                                                                                                                                                                                                                                                                                                                                                       | <b>INFORMATION</b> | <b>F-3</b> |
| 4. <b>On-Call Master Term Agreement – Select Architect</b><br>Richard Chapman                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>ACTION</b>      | <b>F-4</b> |
| 5. <b>UW Bothell Parking and U-PASS Rate Adjustments</b><br>Marilyn Cox, Vice Chancellor for Administration and Planning, UW Bothell                                                                                                                                                                                                                                                                                                                                                                          | <b>ACTION</b>      | <b>F-5</b> |
| 6. <b>Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Postpone Madrona Apartments to Future Phase, Reduce Project Budget and Reduce Debt Funding</b><br>Pamela Schreiber, Director, Housing & Food Services<br>Jon Lebo, Director, Student Life Projects, Capital Projects Office<br>Chris Malins, Senior Associate Treasurer, Asset Liability Management, Treasury Office<br>Wayne Sugai, Assistant Treasurer, Debt Financing, Treasury Office | <b>ACTION</b>      | <b>F-6</b> |
| 7. <b>Student Housing Phase III: Maple and Terry Halls Project – Approve Project Budget and Approve Debt Funding</b><br>Pamela Schreiber<br>Jon Lebo<br>Chris Malins<br>Wayne Sugai                                                                                                                                                                                                                                                                                                                           | <b>ACTION</b>      | <b>F-7</b> |
| 8. <b>Investment Performance Report, Third Quarter Fiscal Year 2012</b><br>Keith Ferguson, Chief Investment Officer, Treasury Office                                                                                                                                                                                                                                                                                                                                                                          | <b>INFORMATION</b> | <b>F-8</b> |
| 9. <b>Metropolitan Tract Quarterly Report for the Quarter Ended March 31, 2012</b><br>Todd Timberlake, Chief Real Estate Officer                                                                                                                                                                                                                                                                                                                                                                              | <b>INFORMATION</b> | <b>F-9</b> |

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|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------|
| 10. | <b>Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2012</b><br>Chris Malins<br><b>Ruchi Aggarwal</b> , Operations Manager, Internal Lending Program,<br>Treasury Office                                                                                                                                                                                            | <b>INFORMATION</b> | F-10 |
| 11. | <b>Debt Management Annual Report</b><br>Chris Malins                                                                                                                                                                                                                                                                                                                                         | <b>INFORMATION</b> | F-11 |
| 12. | <b>wəˈtəbʔaltɪx<sup>w</sup> (Intellectual House) Project - Approve Site Selection and Approve Project Budget, Approve Funding, and Delegate Authority to Award Construction Contract for Phase I</b><br><b>Sheila Edwards Lange</b> , Vice President-Minority Affairs, Vice Provost-Diversity<br>Jon Lebo<br><b>Rebecca G. Barnes</b> , University Architect, Office of Planning & Budgeting | <b>ACTION</b>      | F-12 |
| 13. | <b>Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Lander Hall Off-Ramp and Phase I and II Status Report</b><br>Pamela Schreiber<br>Jon Lebo                                                                                                                                                                                   | <b>INFORMATION</b> | F-13 |
| 14. | <b>Investment Program Update</b><br>Keith Ferguson                                                                                                                                                                                                                                                                                                                                           | <b>INFORMATION</b> | F-14 |
| 15. | <b>Comparative Asset Allocation, Performance, and Endowment Trends</b><br><b>Max Senter</b> , Investment Consultant and Managing Director,<br>Cambridge Associates                                                                                                                                                                                                                           | <b>INFORMATION</b> | F-15 |
| 16. | <b>Washington State Nurses Association Collective Bargaining Agreement – UW Ratification</b><br><b>Mindy Kornberg</b> , Vice President, Human Resources<br><b>Peter Denis</b> , Assistant Vice President, Labor Relations                                                                                                                                                                    | <b>ACTION</b>      | F-16 |
| 17. | <b>Teamsters Local 117 Collective Bargaining Agreement – UW Ratification</b><br>Mindy Kornberg<br>Peter Denis                                                                                                                                                                                                                                                                                | <b>ACTION</b>      | F-17 |
| 18. | <b>UAW Local 4121 Academic Student Employees Collective Bargaining Agreement – UW Ratification</b><br>Mindy Kornberg<br>Peter Denis                                                                                                                                                                                                                                                          | <b>ACTION</b>      | F-18 |
| 19. | <b>Other Business</b>                                                                                                                                                                                                                                                                                                                                                                        |                    |      |



**UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS**

**Academic and Student Affairs Committee**  
Regents Harrell (Chair), Ayer, Cole, Gates, Knowles

*In Joint Session with*

**Finance, Audit and Facilities Committee**  
Regents Smith (Chair), Jewell, Shanahan, Simon

**June 7, 2012  
10:45 to 11:40 a.m.  
142 Gerberding Hall**

1. **Fiscal Year 2013 Operating Budget, Tuition Item, and Capital Budget** **ACTION** F-19  
Paul Jenny, Vice Provost, Planning & Budgeting
2. **University of Washington Board of Regents Declaration of Concern for the Sustainability of Washington Public Higher Education** **ACTION** A-8  
Craig Cole, Regent
3. **Executive Session**  
(To review the performance of public employees.)
4. **Other Business**



## AGENDA

### BOARD OF REGENTS University of Washington

June 7, 2012

Noon

Petersen Room, Allen Library

(Item No.)

**I. CALL TO ORDER**

**II. ROLL CALL: Assistant Secretary Shelley Tennant**

**III. CONFIRM AGENDA**

**IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Blake**

**PUBLIC COMMENT PERIOD**

Board of Regents Governance, Regent Policy No. 13  
Policy Regarding Regent Conflicts of Interest (Action) BP-1

Board of Regents Governance, Regent Policy No. 14  
Statement of Ethical Principles (Action) BP-2

Board of Regents Resolution of Appreciation to Kelsey E. Knowles (Action) BP-3

**V. REPORT OF THE UNIVERSITY PRESIDENT: President Young**

**VI. CONSENT AGENDA**

Approval of Minutes of Meeting of May 3, 2012

Granting of Degrees for 2011-12 A-2

UW Bothell Computing and Software Systems – Title Change for the Master of  
Science in Computing and Software Systems A-3

Services and Activities Fee – University of Washington, Seattle: 2012-13  
Operating and Capital Allocations A-4

Services and Activities Fee – University of Washington, Tacoma: Distribution  
of Fee and Allocation of Funds A-5

Services and Activities Fee – University of Washington, Bothell: 2012-13 Distribution of Fees and Allocation of Funds	A-6
Grant and Contract Awards Summary – March 2012	F-2
On-Call Master Term Agreement – Select Architect	F-4
UW Bothell Parking and U-PASS Rate Adjustments	F-5
Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Postpone Madrona Apartments to Future Phase, Reduce Project Budget and Reduce Debt Funding	F-6
Student Housing Phase III: Maple and Terry Halls Project – Approve Project Budget and Approve Debt Funding	F-7
wəˈtəbʔaltɪx <sup>w</sup> (Intellectual House) Project - Approve Site Selection and Approve Project Budget, Approve Funding, and Delegate Authority to Award Construction Contract for Phase I	F-12
Washington State Nurses Association Collective Bargaining Agreement – UW Ratification	F-16
Teamsters Local 117 Collective Bargaining Agreement – UW Ratification	F-17
UAW Local 4121 Academic Student Employees Collective Bargaining Agreement – UW Ratification	F-18
Fiscal Year 2013 Operating Budget, Tuition Item, and Capital Budget	F-19

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee: Regent Harrell – Chair

Academic and Administrative Appointments (Action) A-1

Presentation on University of Washington Alumni Affairs and Constituent  
Relations (Information only) A-7

#### *Joint Session*

### A. Academic and Student Affairs Committee: Regent Harrell – Chair

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

University of Washington Board of Regents Declaration of Concern for the  
Sustainability of Washington Public Higher Education (Action) A-8

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

Report of Contributions – April 2012 (Information only) F-1

Actions Taken Under Delegated Authority (Information only)	F-3
Investment Performance Report, Third Quarter Fiscal Year 2012 (Information only)	F-8
Metropolitan Tract Quarterly Report for the Quarter Ended March 31, 2012 (Information only)	F-9
Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2012 (Information only)	F-10
Debt Management Annual Report (Information only)	F-11
Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Lander Hall Off-Ramp and Phase I and II Status Report (Information only)	F-13
Investment Program Update (Information only)	F-14
Comparative Asset Allocation, Performance, and Endowment Trends (Information only)	F-15

## **VIII. OTHER BUSINESS**

### **Reports to the Board:**

#### **Student Leaders:**

**ASUW President – Mr. Conor McLean**

**GPSS President – Mr. Charles Plummer**

**ASUW Tacoma President – Ms. Ally Molloy**

**ASUW Bothell President – Mr. Frederic Sawyer Hensen**

**Faculty Senate Chair – Professor Susan Astley**

**Alumni Association President – Ms. Susan Wilson Williams**

**IX. DATE FOR NEXT REGULAR MEETING:** Thursday, July 12, 2012, in the Allen Center, Bill & Melinda Gates Commons, Room CSE 691

**X. ADJOURNMENT**



**MINUTES**

**BOARD OF REGENTS  
University of Washington**

**June 7, 2012**

The Board of Regents held its regular meeting on Thursday, June 7, 2012, beginning at Noon 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 Blake called the meeting to order at noon.

**ROLL CALL**

Assistant Secretary Tennant called the roll.

Present were Regents Blake (presiding), Ayer, Cole, Gates, Jewell, Knowles, Shanahan, Simon, President Young, Provost Cauce, Ms. Warren, Ms. Goldblatt; ex officio representatives: Professor Astley, Mr. McLean, Mr. Plummer, Ms. Williams.

Absent: Regents Harrell and Smith

**CONFIRM AGENDA**

The agenda was confirmed as presented.

**REPORT OF THE CHAIR OF THE BOARD OF REGENTS:** Regent Blake

**PUBLIC COMMENT PERIOD**

Regent Blake stated the Governor recently signed Substitute House Bill 2313, effective on June 7, 2012. This bill mandates a time for public comment at each meeting of the Board of Regents. Starting this month there will be time for this at the beginning of each regular meeting of the Board. She added that Regents look forward to hearing from the public.

Regent Blake called the names of those who signed up in advance of the meeting, and said each person would have up to two minutes for remarks. UW student Josh Chambers commented on tuition.

**Board of Regents Governance, Regent Policy No. 13 Policy Regarding Regent Conflicts of Interest** (Agenda no. BP-1) (Action)

**Board of Regents Governance, Regent Policy No. 14 Statement of Ethical Principles** (Agenda no. BP-2) (Action)

Regent Blake introduced two proposed policies. The first addresses conflicts of interest and the second is a statement of ethical principles. She thanked Regents for their input into the development of these important policies. To complement these policies, the Executive Director of Internal Audit, Richard Cordova, developed a “Guide to Ethics Policies” which will be posted on the Internal Audit website.

During the discussion, Regent Cole said the Regents are continually interested in embracing good and best practices. In a review of Regent and University policies, Regents determined they wished to articulate the ideals to which they aspire. The two proposed policies provide an overall statement of University-wide principles. The University has extensive rules and regulations regarding conflicts of interest and institutional integrity, while the proposed policies are intended to be the “tip of the iceberg,” sitting over the policies currently in place in each and every area of the University.

Regent Blake thanked Regent Cole for his leadership in developing these policies, Regent Harrell for her involvement, and President Young’s Chief of Staff, Jack Johnson, for his work on the policies. Regent Cole acknowledged President Young’s support for the process and policies.

**MOTION:** Upon the recommendation of the Board Chair and the motion made by Regent Cole, seconded by Regent Jewell, the Board voted to approve Board of Regents Governance, Regent Policy No. 13, Policy Regarding Regent Conflicts of Interest, and No. 14, Statement of Ethical Principles.

See Attachments BP-1 and BP-2.

**Board of Regents Resolution of Appreciation to Kelsey E. Knowles** (Agenda no. BP-3) (Action)

Regent Blake read the resolution aloud.

**MOTION:** Upon the recommendation of the Board Chair and the motion made by Regent Jewell, seconded by Regent Cole, the Board voted to approve a Resolution of Appreciation to Kelsey E. Knowles. Regent Knowles abstained from the discussion and vote.

Applause followed the Board’s approval of the resolution. Regent Blake thanked Regent Knowles for her hard work and engagement with students in the public forums and the student budget roundtable. Regent Blake praised Regent Knowles for her involvement in Olympia, and said she was a tremendous addition to the Board. Regent Simon acknowledged the difficulty of serving as a Student Regent representing both the interests

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of the administration and those of students and said Regent Knowles demonstrated her maturity as she carried out this difficult job.

Regent Knowles thanked the Board for the resolution and said it was an amazing opportunity to serve students and the University community. She expressed gratitude for the opportunity to work with impressive student leaders from all three campuses, and thanked those leaders for their willingness to work with her, provide her with feedback and input, and brainstorm situations with her. She hoped she brought the student perspective to the Board. She especially thanked the Regents for treating the student member as a colleague, saying she found to be this “hugely valuable.” She appreciated being able to share her opinions as an equal.

See Attachment BP-3.

Regent Blake invited President Young to deliver his report, adding the Regents look forward to participating with him at the upcoming UW commencements.

#### **REPORT OF THE UNIVERSITY PRESIDENT:** President Young

President Young said he looks forward to an exciting three days of commencements for the Tacoma, Seattle, and Bothell campuses as they mark and celebrate the graduation of the Class of 2012.

He expressed his personal thanks to Kelsey Knowles for her exceptional service as Student Regent. He said she has done a truly admirable job in tackling important and complex issues and in reaching out to her fellow students through efforts such as the Student Budget Roundtable.

He also thanked the outstanding student leaders who served during 2011-12:

ASUW President – Conor McLean  
GPSS President – Charles Plummer  
ASUW Bothell President – Freddie Hensen  
ASUW Tacoma President – Ally Molloy

Following the Board meeting, the University will recognize and celebrate a number of extraordinary members of the UW community at the annual Awards of Excellence ceremony in Meany Hall.

The President expressed his appreciation to the Regents for a year of steadfast and vigorous advocacy for the University, its faculty and staff, and current and future students. The Board’s Declaration of Concern calling for a more sustainable model for financial and non-financial support is another example of its commitment to the success of the institution.

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**CONSENT AGENDA**

Regent Blake noted there were sixteen 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 Simon, seconded by Regent Jewell, the Board voted to approve the sixteen items on the consent agenda as shown below:

**Minutes for the meeting of May 3, 2012****Granting of Degrees for 2011-12** (Agenda no. A-2)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the granting of degrees to those individuals who, in the judgment of the faculty, have satisfied the requirements for their respective degrees during the 2011-12 academic year.

See Attachment A-2.

**UW Bothell Computing and Software Systems – Title Change for the Master of Science in Computing and Software Systems** (Agenda no. A-3)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the Computing and Software Systems Program at the University of Washington, Bothell to change its master's degree title from the Master of Science in Computing and Software Systems (MSCSS) to the Master of Science in Computer Science and Software Engineering (MSCSSE), effective Summer Quarter, 2012.

See Attachment A-3.

**Services and Activities Fee – University of Washington, Seattle: 2012-13 Operating and Capital Allocations** (Agenda no. A-4)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve for the Seattle campus:

- 1) Raising the S&A Fee level for 2012 - 13 from \$118 per full-time student per quarter to \$120; and
- 2) Allocating \$13,593,789 (operating: \$13,438,000; capital: \$155,789) for 2012 - 13 S&A Fee operating and capital funds.

See Attachment A-4.

**Services and Activities Fee – University of Washington, Tacoma: Distribution of Fee and Allocation of Funds** (Agenda no. A-5)

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It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the following Services and Activities Fee proposals for the University of Washington Tacoma:

- 1) no increase in the Services and Activities Fee for academic year 2012-13;
- 2) the distribution of Services and Activities Fee for 2012-13; and
- 3) the operating budgets and expenditures recommended for 2012-13.

See Attachment A-5.

**Services and Activities Fee – University of Washington, Bothell: 2012-13  
Distribution of Fees and Allocation of Funds** (Agenda no. A-6)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve for the University of Washington Bothell:

- 1) Recommended revisions to Services and Activities Fee guidelines; and
- 2) Recommended Services and Activities Fee Budget for 2012-13.

See Attachment A-6.

**Grant and Contract Awards Summary – March 2012** (Agenda no. F-2)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee the Board of Regents accept Grant and Contract Awards for the month of March, 2012, in the total amount of \$98,481,900.

See Attachment F-2.

**On-Call Master Term Agreement – Select Architect** (Agenda no. F-4)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to award an On-Call Master Term agreement for architectural services to Mahlum, subject to successful negotiation of the architectural and professional services agreement. This architectural agreement will replace an existing master term agreement with NBBJ that will expire in July 2012.

In the event of an unsuccessful negotiation with the selected firm, it was requested that authority be delegated to open negotiations with ZGF, Inc., the firm recommended as alternate.

See Attachment F-4.

**UW Bothell Parking and U-PASS Rate Adjustments** (Agenda no. F-5)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve parking and U-PASS rate adjustments as proposed for the University of Washington Bothell campus, effective July 1, 2012.

See Attachment F-5.

**Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Postpone Madrona Apartments to Future Phase, Reduce Project Budget and Reduce Debt Funding** (Agenda no. F-6)

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

- 1) Approve the reduction in the Student Housing Phase II Mercer Court Apartments and Lander Hall Replacement budget from \$257,000,000 to \$195,000,000, this reduction being the result of postponing the Madrona Apartments Project to a future phase of the Housing Master Plan, and
- 2) Approve the reduction in the Internal Lending Program authorization for Phase II from \$286,100,000 to \$217,100,000.

See Attachment F-6.

**Student Housing Phase III: Maple and Terry Halls Project – Approve Project Budget and Approve Debt Funding** (Agenda no. F-7)

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

- 1) Approve a total project budget of \$133,000,000 for Student Housing Phase III (Maple and Terry Halls Project); and
- 2) Approve the use of the Internal Lending Program to fund up to \$142,300,000 for design, construction, furniture, fixtures, equipment, and financing costs.

See Attachment F-7.

**wəˈtəbʔaltx<sup>w</sup> (Intellectual House) Project – Approve Site Selection and Approve Project Budget, Approve Funding, and Delegate Authority to Award Construction Contract for Phase I** (Agenda no. F-12)

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

- 1) Approve the selection of the southern portion of site 7C as the project site;
- 2) Approve the establishment of the Phase I project budget and funding at \$5,853,000; and

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- 3) Delegate authority to the President to award a construction contract for Phase I, subject to the scope, budget, and funding remaining within 10% of the established budget.

See Attachment F-12.

**Washington State Nurses Association Collective Bargaining Agreement – UW Ratification** (Agenda no. F-16)

It was the recommendation of the administration that the Board of Regents approve the Collective Bargaining Agreement between the University of Washington and the Washington State Nurses Association that covers approximately 1,360 Registered Nurses at University of Washington Medical Center (UWMC). The duration of the Agreement is from July 1, 2012 through June 30, 2013.

See Attachment F-16.

**Teamsters Local 117 Collective Bargaining Agreement – UW Ratification** (Agenda no. F-17)

It was the recommendation of the administration that the Board of Regents approve the Collective Bargaining Agreement between the University of Washington and the Teamsters Local 117 that covers approximately 35 Campus Police Officers at the University of Washington. The duration of the Agreement is from July 1, 2011 through June 30, 2013.

See Attachment F-17.

**UAW Local 4121 Academic Student Employees Collective Bargaining Agreement – UW Ratification** (Agenda no. F-18)

It was the recommendation of the administration that the Board of Regents approve the Collective Bargaining Agreement between the University of Washington and UAW that covers approximately 4,200 Academic Student Employees (ASEs). The duration of the Agreement is from May 1, 2012 through April 30, 2015.

See Attachment F-18.

**Fiscal Year 2013 Operating Budget, Tuition Item, and Capital Budget** (Agenda no. F-19)

It was the recommendation of the administration that the Board of Regents, pursuant to its authority under RCW 28B.20.130, the by-laws of the Board of Regents, and the Board of Regents Standing Order No. 1, approve the proposed Fiscal Year 2013 operating budget, tuition rates and capital budget for the University of Washington. In this action item, the Board of Regents, in its sole and independent discretion:

- 1) Adopts the Fiscal Year 2013 Operating Budget;

- 2) Establishes tuition rates for all tuition categories for the 2012-13 academic year;
- 3) Changes selected fees for Fiscal Year 2013;
- 4) Specifies that academic fee increases that are implemented under authority that the Board of Regents has delegated to the President and Provost that is consistent with the limitations the Board has specified are reasonable and necessary; and
- 5) Adopts the Fiscal Year 2013 Capital Budget.

See Attachment F-19.

## STANDING COMMITTEES

### **ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Cole, Vice Chair**

Regent Blake invited Regent Cole to provide a report from the Academic and Student Affairs Committee, and thanked him for serving as Chair in Regent Harrell's absence.

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

**MOTION:** Upon the recommendation of the administration and the motion made by Regent Cole, seconded by Regent Jewell, the Board voted to approve the personnel appointments. Regent Knowles abstained from the discussion and vote.

See Attachment A-1.

### **Presentation on University of Washington Alumni Affairs and Constituent Relations** (Agenda no. A-7) (Information only)

See Attachment A-7.

### *Joint Session*

### **ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Cole, Vice Chair** **FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Jewell, Vice Chair**

### **University of Washington Board of Regents Declaration of Concern for the Sustainability of Washington Public Higher Education** (Agenda no. A-8) (Action)

Regent Cole reported on the adoption of a Declaration of Concern addressing the sustainability of public higher education in Washington, saying there is a need to "tell it like it is" to the public and the University community following a situational assessment of the way things are currently. Regent Cole said things are "horrible" fiscally. Over the last few years the University has experienced a reduction in state funding by half. This unplanned policy shift converted the financing of public higher education away from



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being a public good and a benefit to the public at large. Regent Cole said universities were founded, and publicly supported, to create educated people, productive citizens, and participants in an active democracy.

Currently, UW students are paying 70% of the cost of their education. This dramatic shift is creating a burden on students, who are incurring debt. The long-term consequences of this will affect the ability of Washington residents to gain access to high quality education. The proposed declaration says UW Regents will guard the quality of the University's faculty and course offerings and its ability to engage in knowledge discovery. To prevent the decline of Washington's higher education system, something has to change, and now is the time to closely examine the structure of a broken system. Regent Cole said the state can't "increment" its way out of the situation. The Declaration is intended to be a statement of alarm, and people should understand that despite how well various aspects of the University have managed through this funding crisis, this is truly a crisis with potentially severe long-term implications for society.

Regent Blake added the Regents are committed not only to adopting the declaration but to taking future actions and working toward change.

**MOTION:** Upon the recommendation of the Academic and Student Affairs Committee and the Finance, Audit and Facilities Committee, and the motion made by Regent Cole, seconded by Regent Jewell, the Board voted to approve the University of Washington Board of Regents Declaration of Concern for the Sustainability of Washington Public Higher Education.

See Attachment A-8.

**FINANCE, AUDIT AND FACILITIES COMMITTEE:** Regent Jewell, Vice Chair

Regent Blake invited Regent Jewell to provide a report from the Finance, Audit and Facilities Committee, and thanked her for serving as Chair in Regent Smith's absence.

**Report of Contributions – April 2012** (Agenda no. F-1) (Information only)

The total gifts received in April 2012 was \$15,855,208; the total for the year-to-date is \$264,181,971.

See Attachment F-1.

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

See Attachment F-3.

**Investment Performance Report, Third Quarter Fiscal Year 2012** (Agenda no. F-8) (Information only)

See Attachment F-8.

**Metropolitan Tract Quarterly Report for the Quarter Ended March 31, 2012**  
(Agenda no. F-9) (Information only)

See Attachment F-9.

**Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2012**  
(Agenda no. F-10) (Information only)

See Attachment F-10.

**Debt Management Annual Report** (Agenda no. F-11) (Information only)

Regent Jewell reported on what she termed to be a helpful and encouraging report from the UW Treasury Office staff regarding borrowing rates, the internal lending program, and UW's AAA credit rating and how this relates to the long-term capital plan and the University's ability to fund its capital support. She praised the competent staff in UW Treasury, saying their work enables UW to invest in facilities, such as student housing, the HUB, Husky Stadium, and other projects, despite the state's budget situation.

She added she is delighted the Regents approved the wəʔəbʔaltx<sup>w</sup> project, explaining wəʔəbʔaltx<sup>w</sup> is a Lushootseed word which means "intellectual house." The project, she said, makes a "wonderful statement." The initial phase will consist of a longhouse building. Eventually the project will include two buildings with a courtyard. According to Dr. Edwards Lange, this project recognizes the indigenous people of the northwest and their place at the University and has taken forty years to come to fruition.

See Attachment F-11.

**Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Lander Hall Off-Ramp and Phase I and II Status Report** (Agenda no. F-13) (Information only)

Regent Jewell said it is great to see student housing buildings under construction and about to be occupied. During the report, the Regents heard there is tremendous demand for student housing, so Regents agreed to move forward with the next phases of building.

See Attachment F-13.

**Investment Program Update** (Agenda no. F-14) (Information only)

Regents received a report from Keith Ferguson about the investment program along with a report from Max Senter from Cambridge Associates about how the University invests its endowment and operating funds. The University's return on investment over the last few years is in the middle relative to peer institutions, following a challenging couple of years due to the focus in emerging markets. Regent Jewell said Regents learned "investing long-term endowment money is not for the faint of heart."

See Attachment F-14.

**Comparative Asset Allocation, Performance, and Endowment Trends** (Agenda no. F-15) (Information only)

See Attachment F-15.

Regent Jewell reported on Paul Jenny's presentation of the proposed operating and capital budgets, including tuition rates, for Board approval in the joint committee session. Regent Jewell recognized GPSS President Charles Plummer and ASUW President Conor McLean for their work on the Provost Advisory Committee for Students (PACS), where students gained a deep understanding of the budget. This group of students supported an increase in undergraduate resident tuition at a rate 1% lower than that approved by the Board, but Regent Jewell said the students recognized the challenges faced by the institution. Regents, she said, are committed to maintain educational quality through a combination of hard work by the Provost's office and by agreement with students that tuition increases are essential in the existing system. The budget was approved unanimously by the Board.

Regent Blake augmented the report from the Academic and Student Affairs Committee, saying the Board approved Student Activity Fees from all three campuses. Students participated in recommending these rates, and made very difficult decisions and choices. Presentations by students from the Student Activity Fees Committees demonstrated the thoughtfulness of those decisions.

**OTHER BUSINESS: REPORTS TO THE BOARD OF REGENTS**

Regent Blake invited the ASUW Bothell President to join the Regents at the Board table and noted the student leaders were attending their last Board of Regents meeting. She thanked them, on behalf of the Board, for their service to the University and to their fellow students, saying all have served particularly well.

**ASUW President: Mr. Conor McLean**

Mr. McLean said it has been a pleasure and honor to serve the students he has represented for the last year.

He highlighted ASUW's successes over the last year, saying some were internal and others more visible.

- 1) Last summer the ASUW Office of Government Relations was active in advocating for the congestion-reduction charge to preserve Metro bus routes serving the University District. Students testified, wrote letters, sent email messages, and participated in a phone bank.
- 2) The Office of Government Relations prepared a three-point policy proposal before the start of the special legislative session. One of the major policy recommendations would have created a dedicated revenue stream for the University.

- 3) Two new ASUW officer positions were created. The first, in the area of communications, focuses on how ASUW can brand itself and provides outreach to centralize and streamline the way ASUW is advertised to the rest of campus. The second creates volunteer opportunities to provide more ways for students to be involved with the Association and student government.
- 4) Working with GPSS, ASUW crafted a proposal to the Board of Deans to create college councils involving students in the budget process at the college level. About half the colleges have committed to forming councils.
- 5) ASUW efforts supported proactive involvement of students in the budgeting process. PACS is in its first year. Mr. McLean thanked Mr. Plummer for his service as Chair of PACS. To illustrate the success of PACS, Mr. McLean provided the example of a proposed international student fee. He said PACS analyzed the proposal and recommended the fee be deferred for further research. He said the Committee has a vital role in the policy-making of the university. He is optimistic and excited about the future of the Committee.

Mr. McLean ended his remarks with his thanks and received a round of applause for his service.

**GPSS President: Mr. Charles Plummer**

Mr. Plummer congratulated the graduates participating in commencement ceremonies during the next three days. He offered his thanks to fellow student leaders, praising the level of communication between GPSS and ASUW at Seattle, Bothell, and Tacoma, to strengthen tri-campus policy making.

Mr. Plummer reported GPSS was successful in its advocacy efforts providing a strong presence in Olympia and growing the federal lobbying effort by advocating on issues including student debt and federal research funding. In partnership with the UW administration, GPSS worked to ensure the University remains one of the top beneficiaries of federal research funding. He thanked the Provost for opening up the budgeting process and involving PACS, saying students can be active members of these conversations and be engaged in the processes.

GPSS restructured its organization to create more avenues for students to be involved in policy formation. Mr. Plummer promised Regents would see a more active graduate and professional student government next year.

He thanked Regent Knowles and said it was great working with her; he especially cited her work with students.

He thanked his colleagues in the GPSS Senate – a strong team of over 100 active senators who support the work of the GPSS officers.

Regent Blake thanked Mr. Plummer for his service as GPSS President, saying he was a great addition to the Board, and that she appreciated his comments. Attendees gave Mr. Plummer a round of applause.

**ASUW Tacoma President: Ms. Ally Molloy**

Ms. Molloy did not attend the meeting. Her report is attached to these minutes.

**ASUW Bothell President: Mr. Frederic Sawyer Hensen**

Mr. Hensen expressed his gratitude to the Board, and Regent Blake in particular, for inviting the Bothell and Tacoma presidents to the table to provide reports at each meeting. He announced his successor will be Kevin King.

Mr. Hensen was pleased to report the groundbreaking ceremony for the Science and Academic Building at UW Bothell was on May 25. The ceremony was attended by over 150 people, including faculty, staff, administrators, students, elected representatives, and members of the community. Mr. Hensen made remarks at the ceremony following those of Washington State Senator Rosemary McAuliffe and President Young who spoke about the importance of the building and the Bothell campus. Construction will begin in July. Construction of the sports field begins on June 11. Other upcoming building projects include the Student Union building and the Conservatory.

Two UW Bothell Business students won the first prize of \$20,000 in the Entrepreneurship Center annual business plan competition for their business plan to market a brand of trendy Russian boots in the United States.

Regent Blake thanked Mr. Hensen, and the students from UW Bothell, saying they have been significant participants in the Regent meetings, committee meetings, and in Olympia, demonstrating their commitment to the university.

Applause for Mr. Hensen followed his remarks.

**Faculty Senate Chair: Professor Susan Astley**

Dr. Astley's report is attached to these minutes.

**Alumni Association President: Ms. Susan Wilson Williams**

The UWAA welcomes the graduating class of 2012 and is thrilled to receive current graduates into the alumni family. Ms. Williams reported over 1,600 commencement participants have purchased a 2012 Grad Pack, which includes a UWAA membership.

The 2012 UWAA License Plate Gift program has just been launched. UWAA pays the first year fee for a UW license plate for graduating seniors and parents of incoming freshmen. It is a wonderful way to show Husky Pride and support future generations of students through scholarships.

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The June edition of UW Columns magazine was recently published. The UWAA's Washington Commons at the UW Tower was featured in a six-page photo essay in the June issue of "Gray Magazine: Pacific Northwest Design."

Ms. Williams distributed the 2012 UW Impact annual report summary containing performance data on UWAA's legislative advocacy network. The report includes analytics on advocate performance and emerging legislative district representation.

Ms. Williams announced the UWAA Officers for 2012-13, who take office on August 1:

President: Patrick Crumb  
President-Elect: Mike Egan  
Vice President: Roy Dias  
Treasurer: Clyde Walker (two-year term)  
Assistant Secretary: Daniel Heu-Weller  
Past President: Sue Williams

Ms. Williams said she plans to announce the UWAA's membership and other end-of-year numbers at the July meeting of the Board of Regents.

Regent Blake said Regents looked forward to thanking Dr. Astley and Ms. Williams at their last official Board meeting in July.

#### **DATE FOR NEXT MEETING**

The next regular meeting of the Board will be held on Thursday, July 12, in the Allen Center, Bill & Melinda Gates Commons, room CSE 691. The meeting will begin at 1:00 p.m.

#### **ADJOURNMENT**

The regular meeting was adjourned at 12:50 p.m.



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Joan Goldblatt  
Secretary of the Board of Regents

*Approved at the meeting of the Board on July 12, 2012.*

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Academic and Administrative Appointments

RECOMMENDED ACTION

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

*Attachment*

Academic and Administrative Appointments

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## ADMINISTRATIVE APPOINTMENTS

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### College of Arts and Sciences

#### **Department of Romance Languages and Literature**

**Watts, Richard Henry**

**Chair, Romance Languages and Literature, effective 7/1/2012**

Continuing Appointment:

- Associate Professor, French and Italian Studies

Degrees:

- PhD, 1998, Yale University
- MPHIL, 1994, Yale University
- MA, 1993, Yale University
- BA, 1989, University of California (Santa Barbara)

#### **Department of Slavic Languages and Literatures**

**Dziwirek, Katarzyna Anna**

**Chair, Slavic Languages and Literatures, effective 7/1/2012**

Continuing Appointment:

- Professor, Slavic Languages and Literatures

Degrees:

- PhD, 1991, University of California (San Diego)
- MA, 1987, University of California (San Diego)
- MA, 1985, University of Lodz (Poland)
- MA, 1984, University of Illinois

### College of Built Environments

#### **Department of Architecture**

**Griggs, James K. S.**

**Associate Dean of Technology Transfer, Built Environments,  
effective 6/16/2012**

Continuing Appointment:

- Associate Professor, Architecture

Degrees:

- MA, 1984, Yale University
- BA, 1979, Yale University

### College of Engineering

#### **College of Engineering**

**Notkin, David Samuel**

**Acting Associate Dean of Research and Graduate Studies,  
Engineering , effective 6/16/2012**

Continuing Appointment:

- Professor, Computer Science and Engineering

Degrees:

- PhD, 1984, Carnegie Mellon University
- Scientiae Baccalaureus (ScB), 1977, Brown University



## College of the Environment

### **School of Aquatic and Fishery Sciences**

**Punt, Andre Eric**

**Director, Aquatic and Fishery Sciences, effective 8/16/2012**

Continuing Appointment:

- Professor, Aquatic and Fishery Sciences

Degrees:

- PhD, 1991, University of Capetown (South Africa)
- MSC, 1988, University of Capetown (South Africa)
- BSC, 1986, University of Capetown (South Africa)
- BSC, 1985, University of Capetown (South Africa)

## School of Medicine

### **School of Medicine**

**Mitchell, Lori**

**Chief Financial Officer, UW Medicine and Vice President for Medical Affairs, School of Medicine, effective 5/1/2012**

Prior UW Appointment:

- Financial Operations Officer, UW Medicine Health System, and Associate Vice President for Medical Affairs for The University of Washington

Degree:

- BS, 1971, Oregon State University

## University of Washington, Bothell

### **Science and Technology, Bothell**

**Jackels, Charles Frederick**

**Interim Director, Science and Technology, Bothell, effective 3/16/2012**

Continuing Appointments:

- Professor, Computing and Software Systems, Bothell
- Professor, Science and Technology, Bothell

Degrees:

- PhD, 1975, University of Washington
- BChE, 1968, University of Minnesota

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## **ENDOWED APPOINTMENTS**

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## College of Arts and Sciences

### **Department of Biology**

**Torii, Keiko Uemura**

**Endowed Distinguished Professor of Biology, effective 9/16/2011**

Continuing Appointment:

- Professor, Biology

Degrees:

- PhD, 1993, University of Tsukuba (Japan)
- MS, 1989, University of Tsukuba (Japan)
- BS, 1987, University of Tsukuba (Japan)

## **Department of Economics**

**Turnovsky, Stephen John**

**Ford & Louisa Van Voorhis Professorship In Political Economy, effective 9/1/2012**

Continuing Appointment:

- Professor, Economics

Degrees:

- PhD, 1968, Harvard University
- MA, 1963, Victoria University of Wellington (New Zealand)
- BA, 1962, Victoria University of Wellington (New Zealand)

## **Department of History**

**Toews, John Edward**

**Joff Hanauer Distinguished Professorship in Western Civilization, effective 7/1/2012**

Continuing Appointment:

- Professor, History

Degrees:

- PhD, 1973, Harvard University
- MA, 1968, Harvard University
- BA, 1966, University of Manitoba (Canada)

## **Jackson School of International Studies**

**Lucero, Jose Antonio**

**Joff Hanauer Honors Professorship in Western Civilization, effective 9/1/2012**

Continuing Appointment:

- Associate Professor, International Studies

Degrees:

- PhD, 2002, Princeton University
- MA, 1997, Princeton University
- BA, 1994, Stanford University

## **School of Dentistry**

### **Department of Restorative Dentistry**

**Schwedhelm, Ernesto Ricardo**

**Bryan and Linda Edgar Professorship for Microscopic Technologies in Dentistry, effective 7/1/2012**

Continuing Appointment:

- Clinical Associate Professor, Dental Pathway, Restorative Dentistry

Degrees:

- MSD, 1983, Indiana University
- DDS, 1978, Universidad Tecnologica de Mexico

## School of Nursing

### Department of Biobehavioral Nursing and Health Systems

**Demiris, George**

**Alumni Endowed Professorship In Nursing, effective 5/1/2012**

Continuing Appointments:

- Professor, Biobehavioral Nursing and Health Systems
- Professor, Biomedical Informatics and Medical Education

Degrees:

- PhD, 2000, University of Minnesota
- MS, 1994, University of Heidelberg (Germany)
- BS, 1991, University of Heidelberg (Germany)

## School of Pharmacy

### Department of Pharmaceutics

**Thummel, Kenneth Eugene**

**Milo Gibaldi Endowed Chair in Pharmaceutics, effective 5/1/2012**

Continuing Appointments:

- Professor, Pharmaceutics
- Adjunct Professor, Environmental and Occupational Health Sciences
- Associate Dean, Pharmaceutics
- Chair, Pharmaceutics

Degrees:

- PhD, 1987, University of Washington
- BS, 1981, Boise State University
- BS, 1978, Boise State University

## School of Social Work

### School of Social Work

**Marcenko, Maureen Olivia**

**Charles O. Cressey Endowed Professorship, effective 7/1/2011**

Continuing Appointment:

- Associate Professor, Social Work

Degrees:

- PhD, 1988, McGill University (Canada)
- Master Of Social Work, 1978, Wayne State University
- BS, 1973, Wayne State University

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## NEW APPOINTMENTS

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## College of Arts and Sciences

### Department of Economics

**Kormilitsina, Anna**

**Visiting Assistant Professor, Economics, effective 4/23/2012**

Prior Non-UW Appointment:

Assistant Professor, Economics, Southern Methodist University

Degrees:

- PhD, 2008, Duke University
- MS, 2003, Moscow Institute of Physics & Technology (Russia)
- MA, 2003, New Economic School (Russia)
- BS, 2001, Moscow Institute of Physics & Technology (Russia)

## **Department of Physics**

### **Rybka, Gray Austin**

**Research Assistant Professor, Physics, effective 5/1/2012**

Prior UW Appointment:

Research Associate, Physics

Degrees:

- PhD, 2007, Massachusetts Institute of Technology
- BS, 2002, California Institute of Technology

## **School of Drama**

### **Zane, Lora**

**Associate Professor without Tenure, Drama, effective 8/1/2012**

Degrees:

- MFA, 1994, University of Southern California
- BFA, 1980, Ohio University

## **Business School**

### **Department of Accounting**

#### **Curtis, Asher**

**Assistant Professor, Accounting, effective 6/16/2012**

Prior Non-UW Appointment:

Assistant Professor, Accounting, University of Utah

Degrees:

- PhD, 2007, University of New South Wales (Australia)
- MCom, 2003, University of New South Wales (Australia)
- BComm, 2001, University of New South Wales (Australia)

#### **McVay, Sarah Elizabeth**

**Associate Professor, Accounting, effective 6/16/2012**

Prior Non-UW Appointment:

Associate Professor, Accounting, University of Utah

Degrees:

- PhD, 2004, University of Michigan (Ann Arbor)
- BA, 1997, University of Oregon

## **Department of Finance and Business Economics**

### **Duchin, Ran**

**Associate Professor, Finance and Business Economics, effective 6/16/2012**

Prior Non-UW Appointment:

Assistant Professor, Finance, University of Michigan

Degrees:

- PhD, 2008, University of Southern California
- MBA, 2003, Hebrew University (Israel)
- BA, 2001, Hebrew University (Israel)

### **Westerfield, Mark W.**

**Assistant Professor, Finance and Business Economics, effective 7/1/2012**

Prior Non-UW Appointment:

Assistant Professor, Finance and Business Economics,  
University of Southern California

Degrees:

- PhD, 2004, Massachusetts Institute of Technology
- BA, 1999, University of Chicago

## **Department of Information Systems and Operations Management**

**Iravani, Foad**

**Acting Assistant Professor, pending Ph.D., Information Systems and Operations Management, effective 9/16/2012**

Degrees:

- PhD - Expected, 2012, University of California (Los Angeles)
- MSC, 2007, University of Toronto (Canada)
- BSC, 2003, Sharif University of Technology (Iran)

**Wagner, Michael R.**

**Assistant Professor, Information Systems and Operations Management, effective 7/1/2012**

Prior Non-UW Appointment:

Assistant Professor, Operations Management, St. Mary's College of California

Degrees:

- PhD, 2006, Massachusetts Institute of Technology
- MEng, 2001, Massachusetts Institute of Technology
- Bachelor Of Electrical Engineering, 2000, Massachusetts Institute of Technology
- BS, 2000, Massachusetts Institute of Technology

## **Department of Marketing and International Business**

**Mizik, Natalie V.**

**Associate Professor, Marketing and International Business, effective 6/16/2012**

Prior Non-UW Appointment:

Associate Professor, Marketing, University of North Carolina

Degrees:

- PhD, 2002, University of Washington
- MS, 1995, Moscow State Institute Of International Relations (Russia)

**Muller, Alan**

**Visiting Associate Professor, Marketing and International Business, effective 7/19/2012**

Prior Non-UW Appointment:

Associate Professor, Business, University of Amsterdam

Degrees:

- PhD, 2004, Erasmus University (Netherlands)
- MA, 1998, University of Amsterdam (Netherlands)
- BA, 1993, University of Washington

## **College of Education**

### **College of Education**

**Lewis, Katherine Elizabeth**

**Assistant Professor, Education, effective 1/1/2013**

Degrees:

- PhD, 2011, University of California (Berkeley)
- MA, 2007, University of California (Berkeley)
- MSC, 2003, Trinity College (Ireland)
- BA, 1999, University of Notre Dame

**O'Doherty, Ann**

**Senior Lecturer, Full-time, Education, effective 8/16/2012**

Prior Non-UW Appointment:

Clinical Assistant Professor, Education Administration,  
University of Texas at Austin

Degrees:

- Doctor Of Education, 2007, University of Texas (Austin)
- MED, 1992, University of Texas (Austin)
- BS, 1981, Illinois State University

**Schindler, Holly S.**

**Assistant Professor, Education, effective 9/16/2012**

Prior Non-UW Appointment:

Lecturer, Early Childhood Development, Harvard  
University

Degrees:

- PhD, 2007, Boston College
- BS, 2003, University of Texas (Austin)

**Information School**

**Information School**

**Davis, Katharine E.**

**Assistant Professor, Information School, effective 9/16/2012**

Degrees:

- Doctor Of Education, 2011, Harvard University
- EdM, 2009, Harvard University
- EdM, 2002, Harvard University
- BA, 2000, Williams College

**School of Medicine**

**Department of Anesthesiology and Pain Medicine**

**Patel, Kushang Vaikunth**

**Research Assistant Professor, Anesthesiology and Pain  
Medicine, effective 6/1/2012**

Prior Non-UW Appointment:

Staff Scientist, National Institute on Aging, NIH

Degrees:

- PhD, 2004, University of Texas (Galveston)
- MPH, 1998, Tulane University
- BS, 1996, University of New Orleans

**Department of Laboratory Medicine**

**Hansen-Suchy, Kara Fran**

**Senior Lecturer, Full-time, Laboratory Medicine, effective  
6/1/2012**

Degrees:

- MED, 2005, Weber State University
- BS, 1979, Arizona State University

## **Department of Medicine**

### **Pan, Sheng**

**Research Assistant Professor, Medicine, effective 5/1/2012**

Prior UW Appointment:

Acting Assistant Professor, temporary, Medicine

Degrees:

- PhD, 1999, University of Washington
- MS, 1992, Central Michigan University
- BS, 1987, Xiamen University (China)

## **Department of Microbiology**

### **Peng, Xinxia**

**Research Assistant Professor, Microbiology, effective 5/1/2012**

Prior UW Appointment:

Senior Research Scientist, Department of Microbiology

Degrees:

- PhD, 2005, University of Tennessee
- MS, 2004, University of Tennessee (Knoxville)
- MS, 2001, University of Georgia
- MS, 1999, East China Normal University
- BS, 1996, East China Normal University

## **Department of Neurological Surgery**

### **Crane, Courtney Ann**

**Assistant Professor without Tenure, Neurological Surgery, effective 8/1/2012**

Degrees:

- PhD, 2005, University of Virginia
- BS, 1998, James Madison University

## **Department of Pediatrics**

### **Albers, Erin Lynn**

**Assistant Professor without Tenure, Pediatrics, effective 5/1/2012**

Prior UW Appointment:

Senior Fellow, Pediatrics

Degrees:

- MS, 2010, Vanderbilt University
- MD, 2004, University of Virginia
- BS, 2000, University of Illinois

### **Nanda, Kabita**

**Assistant Professor without Tenure, Pediatrics, effective 6/1/2012**

Prior Non-UW Appointment:

Assistant Professor of Pediatrics, Case Western Reserve University

Degrees:

- MD, 2003, Ross University
- BS, 1999, Indiana University

## **Department of Physiology and Biophysics**

**Haeseleer, Francoise J.**

**Research Associate Professor, Physiology and Biophysics,  
effective 3/16/2012**

Prior UW Appointment:

Staff Research Scientist, Physiology and Biophysics

Degrees:

- PhD, 1992, Universite Libre de Bruxelles
- BS, 1986, Universite Libre de Bruxelles

## **Department of Radiation Oncology**

**Kim, Edward Young**

**Assistant Professor without Tenure, Radiation Oncology,  
effective 7/1/2012**

Prior UW Appointment:

Clinical Assistant Professor, Salaried, Radiation  
Oncology

Degrees:

- MD, 2001, Case Western Reserve University
- BA, 1998, Case Western Reserve University
- BS, 1998, Case Western Reserve University

## **Department of Radiology**

**Mossa-Basha, Mahmud**

**Assistant Professor without Tenure, Radiology, effective  
8/6/2012**

Degrees:

- MD, 2005, University of Toledo
- BS, 2000, University of Michigan

**Scheel, John Robert**

**Assistant Professor without Tenure, Radiology, effective  
8/1/2012**

Degrees:

- MD, 2006, University of California (San Diego)
- PhD, 2005, University of California (San Diego)
- BS, 1997, University of California (Riverside)

## **Department of Rehabilitation Medicine**

**Childers, Martin Kent**

**Professor without Tenure, Rehabilitation Medicine, effective  
6/1/2012**

Prior Non-UW Appointment:

Professor of Neurology, Wake Forest University

Degrees:

- PhD, 2002, University of Missouri (Columbia)
- Doctor Of Osteopathic Medicine (DO), 1990, Western  
University of Health Sciences
- BA, 1980, Seattle Pacific University



## School of Public Health

### Department of Health Services

#### **Coe, Norma Beth**

**Assistant Professor without Tenure, Health Services, effective 2/1/2013**

Prior Non-UW Appointment:

Associate Director of Research, Boston College

Degrees:

- PhD, 2005, Massachusetts Institute of Technology
- BA, 1997, College of William and Mary

#### **Tefft, Nathan W.**

**Assistant Professor without Tenure, Health Services, effective 8/1/2012**

Prior Non-UW Appointment:

Assistant Professor, Bates College

Degrees:

- PhD, 2008, University of Wisconsin (Madison)
- MS, 2005, University of Wisconsin (Madison)
- BA, 2000, Williams College

## School of Social Work

### School of Social Work

#### **Martinson, Melissa Louise**

**Assistant Professor, Social Work, effective 9/16/2012**

Degrees:

- PhD, 2010, Columbia University
- Master Of Social Work, 2003, University of Minnesota
- BA, 1999, Hamline University

#### **Moore, Megan**

**Acting Assistant Professor, pending Ph.D., Social Work, effective 9/16/2012**

Degrees:

- Master Of Social Work, 2006, University of California (Berkeley)
- BA, 2003, University of California (Davis)

## University of Washington, Tacoma

### Social Work Program, Tacoma

#### **Cohen, Jeffrey**

**Assistant Professor, Social Work, Tacoma, effective 8/16/2012**

Prior Non-UW Appointment:

Senior Instructor, Criminology & Criminal Justice,  
Portland State University

Degrees:

- PhD, 2009, Indiana University of Pennsylvania
- MA, 2004, Indiana University of Pennsylvania
- BA, 1999, Indiana University of Pennsylvania

**Urban Studies Program, Tacoma**

**Tiger, Fern**

**Professor without Tenure, Urban Studies, Tacoma, effective  
7/1/2012**

Prior Non-UW Appointment:

Professor of Practice, Arizona State University

Degrees:

- MFA, 1969, Pennsylvania State University
- MS, 1968, Pratt Institute
- BFA, 1967, Pratt Institute

## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

Granting of Degrees for 2011-12RECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the granting of degrees to those individuals who, in the judgment of the faculty, have satisfied the requirements for their respective degrees during the 2011-12 academic year.

BACKGROUND

The statutes of the State of Washington require that the Board of Regents approve the granting of degrees to those individuals who have satisfied the requirements for their respective degrees. Similar action is taken each year by the Board of Regents.

Approximately 14,730 degrees will be awarded this academic year. For work completed at the University of Washington, Seattle, students will receive an estimated 12,320 degrees, specifically: 7,900 bachelor's degrees, 3,180 master's degrees, 570 professional degrees and 670 doctoral degrees. For work completed at the University of Washington, Bothell, students will receive about 1,125 degrees, including 905 bachelor's degrees and 220 master's degrees. For work completed at the University of Washington, Tacoma, students will receive about 1,285 degrees, including 1,045 bachelor's degrees and 240 master's degrees.

Last year a total of 14,117 degrees was awarded: At Seattle, 7,614 bachelor's degrees, 3,089 master's degrees, 532 professional degrees (Law, 183, Medicine, 188, Dentistry, 52, Pharmacy, 109), and 723 doctoral degrees; at Bothell, 804 bachelor's degrees and 212 master's degrees; and at Tacoma, 918 bachelor's degrees and 225 master's degrees.

## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

UW Bothell Computing and Software Systems – Title Change for the Master of Science in Computing and Software SystemsRECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the Computing and Software Systems Program at the University of Washington, Bothell to change its master's degree title from the Master of Science in Computing and Software Systems (MSCSS) to the Master of Science in Computer Science and Software Engineering (MSCSSE), effective Summer Quarter, 2012.

BACKGROUND

In February, 2012, the faculty in Computing and Software Systems voted to change the name of the master's program to the Master of Science in Computer Science and Software Engineering. The Graduate School received the title change request in April, 2012.

The new degree title will more clearly match the existing master's program curriculum, thus benefiting student recruitment as well as communication with external constituents. The new title will also better serve program graduates as they interact with potential employers.

There will be no change to the program requirements, thus no impact on faculty or program resources. All incoming students beginning Summer Quarter, 2012, will receive the new degree title. Students currently in the program will be granted the new degree title, with the option of receiving the existing degree title by petition to Computing and Software Systems and the Graduate School.

The Vice Provost and Dean of the Graduate School, the UW Bothell Chancellor, and the Provost have reviewed and approved the recommendation.

## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington, Seattle: 2012-13  
Operating and Capital AllocationsRECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve for the Seattle campus:

- 1) Raising the S&A Fee level for 2012 - 13 from \$118 per full-time student per quarter to \$120; and
- 2) Allocating \$13,593,789 (operating: \$13,438,000; capital: \$155,789) for 2012 - 13 S&A Fee operating and capital funds.

BACKGROUND

Each year, on the basis of recommendations by the administration and the S&A Fee Committee\*, the Board of Regents approves annual S&A Fee allocations for the Seattle campus. Additional allocations may be approved during a given year.

The present recommendations grew out of S&A Fee Committee discussions over the course of the 2011 - 12 academic year—discussions that included at different times representatives of the units supported by S&A Fee income. Based on revenue projections provided by the Office of Planning and Budgeting, the S&A Fee Committee estimates 2012-13 revenue to be \$13,438,000. The S&A Fee Committee submitted its written recommendations to the Vice President and Vice Provost for Student Life on May 20, 2012 (Attachment I). The Vice President and Vice Provost concurred with the recommendation of the fee assessment level and all operating and minor capital allocations (Attachment II).

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\* By statute, recommendations of the Committee are determined by the votes of its student members—four and five of whom, respectively, represent the GPSS and the ASUW. The rules call for three administrators and two faculty members to serve on the Committee in nonvoting, advisory roles.

\*\*Long Term Loan Fund based on 5% of the Service and Activities Fee.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington, Seattle: 2012-13  
Operating and Capital Allocations (continued p. 2)

The 2011 - 12 and recommended 2012 - 13 distributions of the quarterly S&A Fee are displayed below:

	<b>Full-time</b> 2011 – 12	<b>Full-time</b> 2012 – 13
<b>Long Term Loan Fund</b>	<b>\$4.13</b>	<b>\$6.00**</b>
Facilities and Programming Account	<u>\$113.78</u>	<u>\$114.00</u>
<b>Total</b>	<b>\$118.00</b>	<b>\$120.00</b>

The proposed 2012 - 13 operations and capital budgets for each program are detailed below:

Associated Students of the University of Washington (ASUW) – \$778,755  
(Operations) - \$35,000 (Capital)

The recommended allocation supports ongoing functions, programs, student leader and assistant salaries, and general operating costs of ASUW. The recommended allocation for capital would fund ASUW's sneak peek feasibility study (i.e., the showing of movie studio theatrical releases prior to general distribution),

Campus Sustainability Fund - \$330,000 (Operations)

This funding allocates funds for projects that further the University's commitment to environmental stewardship and campus sustainability. This fund is allocated by a student committee and managed by the UW Environmental Stewardship and Sustainability Office.

Classroom Support Services - \$87,163 (Operations)

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Services and Activities Fee – University of Washington, Seattle: 2012-13 Operating and Capital Allocations (continued p. 3)

The recommended allocation would continue to support wages of student staff for the Equipment Loan Program.

#### Counseling Center - \$470,793 (Operations) - \$2,375 (Capital)

The recommended allocation would allow the Counseling Center to continue to offer visits to the Center at no cost to students and allocate funding for an additional fulltime counselor and a half-time counselor/case manager.

#### Disability (D) Center - \$37,673 (Operations)

The recommended allocation would inaugurate the creation of a community space for students with disabilities. The Center, which was initiated by student leaders, would support and enhance a spirit of social justice and inclusion by promoting disability as an identity and culture. Funding would allow the hiring of student employees who would support and coordinate programming such as awareness campaigns, cultural events and educational workshops. Funding would also supplement the costs for ASL interpreters and CART (Communication Access Realtime Translation) captioners for student organization and campus department events.

#### Ethnic Cultural Center/Theater (ECC/T) - \$608,256 (Operations) - \$2,000 (Capital)

This recommended allocation would continue to support the ongoing functions, staff and general operations of the Ethnic Cultural Center/Theater.

#### Graduate and Professional Student Senate (GPSS) - \$309,000 (Operations)

The recommended allocation would continue to support ongoing programs, functions, tuition stipends, student assistant salaries, and general operating costs of GPSS.

#### Hall Health Primary Care Center (HHPCC) - \$6,243,146 (Operations)

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Services and Activities Fee – University of Washington, Seattle: 2012-13 Operating and Capital Allocations (continued p. 4)

The recommended allocation supports the HHPCC in its work to provide on-campus care for students, faculty, staff, and the community.

#### Q Center - \$186,174 (Operations) - \$6,400 (Capital)

The recommended allocations would support the ongoing programs, services, wages, and general operating costs of the Q Center.

#### Recreational Sports Programs (RSP) - \$1,936,353 (Operations) and \$100,000 (Capital)

The recommended allocation will support related programs, staff, and general operations. The capital allocation will provide \$100,000 in maintenance funding necessary to keep RSP facilities functional.

#### Services & Activities Fee Committee - \$19,644 (Operations)

The recommended allocation provides for partial tuition waivers for the Committee Chairperson(s) and the student salaries of the S&A Fee Coordinator and Web/IT Coordinator.

#### Husky Union Building (HUB) - \$651,615 (Operations)

The recommended allocation will continue to support ongoing programs and services through the HUB such as the Student Activities Office, Event Services, and the Student Organization Resource Center.

#### Student Legal Services (SLS) - \$149,505 (Operations) and \$6,400 (Capital)

The recommended allocations will fund the essential operations of the office and the salaries of its staff.

#### Student Parent Resource Center - \$1,379,923 (Operations)



## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Services and Activities Fee – University of Washington, Seattle: 2012-13 Operating and Capital Allocations (continued p. 5)

The recommended allocation provides staff support of this unit and Childcare Assistance Program subsidies to student parents.

#### Student Publications - \$250,000 (Operations) and \$3,614 (Capital)

The recommended allocations would support ongoing functions, salaries, and general operating costs of *The Daily*.

#### *Attachments*

1. May 20, 2012 letter to Mr. Eric Godfrey, Vice President and Vice Provost for Student Life, from Mr. Riley Lee-Card and Mr. Andrew Van Winkle, 2011-12 Co-Chairs, Services and Activities Fee Committee
2. May 22, 2012 letter to Mr. Riley Lee-Card and Mr. Andrew Van Winkle, 2011-12 Co-Chairs, Services and Activities Fee Committee, from Mr. Eric Godfrey, Vice President and Vice Provost for Student Life



## Services & Activities Fee Committee 2012 Committee Recommendations

May 20, 2012

Mr. Eric Godfrey  
Vice President & Vice Provost for Student Life  
University of Washington  
101 Gerberding  
Seattle, Washington 98195

Dear Mr. Godfrey,

On May 11, 2012, the Services & Activities Fee Committee (SAF Committee) met to approve recommendations for levying and allocating the 2012–2013 Services & Activities Fee. The SAF Committee adopted its recommendations after performing its due diligence, becoming well informed about each of the units, their roles on this campus, and the impact that the Committee's recommendations will have on the University community. The Committee's recommendation is broken down into the following components: a recommended fee level, each unit's recommended operational allocation, and each unit's recommended capital allocation.

This was a particularly challenging year for the SAF Committee, yet overall a successful year. The Committee's challenges came from an unprecedented amount of new funding requests, approximately \$1,600,000 in all, or an additional 12% above last year's fee. This challenge mostly stemmed from funding requests from three new units, large increases in benefit loading rates, and substantial increases in local childcare and healthcare costs. This challenge was further compounded by the Committee having more than \$200,000 less to work with at last year's fee level due to changes in RCW 28B.15.031(2). Additionally, the Committee had to be mindful of the impact that any fee increase would have in a year when students face another year of substantial tuition increases and new fees to retire the bonds for the new Husky Union Building, the new Ethnic Cultural Center, and a renovated Hall Health Primary Care Center. After balancing all these factors, the Committee presents the following recommendations.

### **2012-2013 Recommended Services and Activities Fee Rate:**

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The Services & Activities Fee Committee recommends a fee of \$120 per fulltime student, per quarter. This recommendation is a \$2 increase over the 2011-12 fee rate of \$118. As projected by the Office of Planning and Budgeting this fee would generate \$13,438,000 for allocation to the SAF Committee's respective units, but would not be spent on one-time capital allocations. To keep the fee low, the Committee voted to pay for this year's capital expenditures out of its general fund and in the future to start making capital expenditures out of its dedicated capital

expenditures fund. By setting the fee at this level, the SAF Committee's units would be able to maintain current operations, while accommodating additional funding requests from our units, including additional mental health counselors and the inauguration of the Disability and Deaf Cultural Center.

**Recommended Allocation for Operational Expenses:**

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**Associated Students of the University of Washington (ASUW) – \$778,755**

The SAF Committee applauds the ASUW in absorbing a large increase to fixed costs within the association. The Committee looks to support innovation and growth within the ASUW by approving the full request. The approval includes wages for the ASUW Executive Board through the summer to assist in the transition to the new HUB, but the Committee encourages the ASUW to reevaluate the continued need for full summer board hours after this year. For next year, the Committee requests an update on how the transition to the new HUB has affected operating and programming funds, the effectiveness of the Office of Volunteer Opportunities and the Office of Communications, and updates on the status of the Experimental College.

**Campus Sustainability Fund – \$330,000**

The SAF Committee thanks CSF for working together with the Committee throughout this year to improve communications. The Committee supports the work that CSF does on this campus and hopes this increased allocation will further CSF's sustainability efforts. To that end, the Committee supports the Campus Sustainability Fund's plan for initiating a large projects fund and further encourages CSF to allocate a higher percentage of their budget to this fund.

For next year, the SAF Committee recommends that all new projects have a clear maintenance schedule prior to funding, including agreement by other University units to assume the cost of maintenance following completion. Finally, the SAF Committee will request an update next year from CSF regarding its plans to pursue corporate sponsorship of projects and the establishment of a revolving loan fund.

**Classroom Support Services – \$87,163**

The Committee recommends funding Classroom Support Services at its current 2011-2012 funding level. The Committee voted against increased funding intended for the Odegaard laptop loan program. The Committee feels that funding expansion into the Odegaard Library would go beyond the mission of the SAF Committee by funding the academic and research missions of the University. The Committee recommends that this branch be funded through the UW Libraries instead of through the SAF. The Committee applauds CSS for meeting the growing demand for its services at Kane Hall.

**Community Standards and Student Conduct (CSSC) – \$0**

Last year, the SAF Committee voted to provide limited funding to this entity on an interim basis. After reviewing the mission of CSSC, and the SAF Committee's mission, this year's Committee voted not to renew funding for this entity. The Committee based its decision on the fact that funding an entity devoted to enforcing the University's own agency regulations with few opportunities for student leadership does not fit within the SAF Committee's mission. However, the SAF Committee is mindful of CSSC's critical need for additional staffing and the benefits

that it already provides to the University community through student accountability; accordingly, the SAF Committee urges the University to reflect the importance of CSSC's mission by funding this office's critical staffing needs.

### **Counseling Center – \$470,793**

The SAF Committee supports the mission and sustainability of the Counseling Center by approving its full request. The Committee recognizes that this allocation represents two significant increases in the last two years and recommends that the Counseling Center work at this current staffing level for the next few years before seeking additional SAF support for future staffing needs.

### **D Center – \$37,673**

The D Center came to the SAF Committee this year as a new entity with strong support and investment from the Division of Student Life, as well as strong moral support from individuals and groups across the University of Washington. The SAF Committee is pleased to recommend an initial allocation to the D Center of \$37,673 to help fill an unmet need on this campus and to help grow the disability and deaf communities on this campus.

As the D Center starts operations next year, the SAF Committee recommends that its student employees research the desirability and feasibility of establishing a disability council to bring together all the disability-related units on campus for the purpose of examining the successes and failures of each unit and ways to improve. The Committee also recommends that the D Center establish a student advisory board to guide the D Center's internal decision making and to cement the D Center's identity as a student-run entity. Finally, the SAF Committee requests a report to next year's Committee detailing how the D Center spends its ASL interpreter and CART captioner fund.

### **Ethnic Cultural Center (ECC) – \$608,256**

The SAF Committee approves an increase to the ECC budget of \$13,600 in order to pay for the annual service agreement for their new event management system. The Committee recommends increasing revenue through room rental fees in the new building and the theater in order to help pay for additional operational expansion. The Committee also recommends that the ECC allow more student engagement during its budgeting process in future years.

### **Graduate and Professional Student Senate (GPSS) – \$309,000**

The SAF Committee thanks the GPSS for exercising fiscal restraint by not requesting an increase for the next year and approves its full request. The Committee asks for information in the following year on how the reduced HUB room rates will affect the programming budget, and also requests that the GPSS improve their strategy in recruiting members to fill designated seats on the SAF Committee.

### **Hall Health Primary Care Center (HHPCC) – \$6,243,146**

The SAF Committee understands the need for an increase in SAF funding in order to offset increased fixed costs and voted to approve \$116,900 of its funding increase in order to help mitigate those costs. However, the Committee recommends that HHPCC research ways to reduce its billing and electronic medical record costs. In future budget cycles, the Committee would like

to see specific items that would be lost at various funding levels. Overall, the Committee applauds the work that HHPCC accomplishes especially throughout its recent renovation period.

#### **Husky Union Building (HUB) – \$651,615**

The SAF Committee recommends an increase of \$85,819 to assist in funding the new room rental fee model that significantly reduces the room rental costs for student governments and registered student organizations. The Committee believes that this will help reduce costs for many of its other units by allowing them to utilize their respective special allocation funds to increase programmatic funding across campus. The Committee requests information on how the new model affects usage rates and recommends that Housing and Food Services start providing revenue support to the HUB for Housing and Food Services' operations in the new building.

#### **Q Center – \$186,174**

This recommendation represents an increase to cover the growing costs of employee benefit rates. The SAF Committee renews its recommendation from last year for the Q Center to continue its mission at its current staffing levels given the substantial growth that the Q Center saw in the 2010-2011 school year and to realign the graduate student assistant's summer pay rate to reflect prevailing wage rates among other campus units. The Committee further encourages the Q Center to research and develop opportunities for securing alternative sources of funding both inside and outside of the University.

#### **Recreational Sports Programs (RSP) – \$1,936,353**

The SAF Committee has approved RSP's full funding request. The Committee thanks RSP for splitting their increased operating costs between SAF and user fees. For next year, the Committee recommends that RSP research the feasibility of generating additional revenue by opening use to alumni during non-peak times.

#### **SAF Committee Operations – \$19,644**

This amount funds the Committee's operations, internal audit, student assistants, and the SAF Committee cochairs' partial tuition waivers. The Committee is committed to enhancing its transparency to the student community and will continue to use a portion of its allocation to fund a student IT position and staff assistant position.

#### **Sexual Assault and Relationship Violence Information Services (SARIS) – \$0**

SARIS came to the SAF Committee for the first time this year to request funding for additional staff and program funding. After much discussion about SARIS, its role on this campus, and its funding request, the Committee voted not to fund SARIS's request. Committee members decided against funding SARIS for a variety of reasons; most significantly, a majority of Committee believed SARIS to be part of Student Life's mission, not the SAF Committee's. Going forward, the Committee believes that if SARIS intends to expand its educational outreach services that it should do so through a closer collaboration with the ASUW's SARVA, rather than duplicating efforts that could be done by SARVA.

#### **Student Parent Resource Center (SPRC) – \$1,379,923**

The SAF Committee recognizes the outstanding work that SPRC does on this campus, and has approved an increase of \$100,000 to help raise the student-parent subsidy from 60% to 80%. In

the future, the Committee wishes to know more about what happens to students who turn down grants, and also recommends that the SPRC research other ways to offset ever-rising childcare costs.

### **Student Publications – \$250,000**

This allocation represents Student Publications' request to maintain its funding at the 2011-2012 funding level. The SAF Committee appreciates the hard work that Student Publications has put in to get to the point of paying down the debt that it accumulated in years past. The Committee recommends that Student Publications work with the ASUW Experimental College on reviewing their current bin placement strategy, and whether placement could be improved to maximize outreach by both organizations.

### **Student Legal Services – \$149,505**

The SAF Committee thanks Student Legal Services for continually exercising fiscal restraint in its annual funding requests and approves its modest request to cover increases in benefit loading rates.

### **University of Washington Farm – \$0**

Along with SARIS and the D Center, the Farm is the third new entity to request funding from the SAF Committee and the sixth new unit request in three years. Although the Committee's members support the mission of the Farm and applaud the work it does in teaching the University community sustainable practices, the Committee is unanimous in its view that the Farm belongs in the University as an academic unit, and therefore not under SAF's purview.

The success of the Farm demonstrates the unmet demand of the University's students to develop a curriculum in urban sustainability. It is an entity that directly supports and furthers the academic mission of the University, so much so that it is currently incorporated into the curricula of 12 classes across at least 6 departments and programs. Accordingly, the SAF Committee respectfully urges those academic departments and programs to come together in financially supporting this valuable extension of the classroom.

### **Recommended Allocation for Capital Expenses:**

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#### **Associated Students of the University of Washington (ASUW) – \$35,000**

The SAF Committee approves this contingent allocation of \$35,000 to pay for a Sneak Peek feasibility study. The ASUW came to the Committee seeking a special allocation to study whether Kane Hall could be retrofitted so as to allow for the showing of pre-release films. The Committee wholly supports bringing Sneak Peek back to this campus, but felt that the ASUW had not sufficiently researched alternative locations. Thus, the Committee approved the request contingent on ASUW studying alternative locations on and off campus, and then picking one for a feasibility study.

#### **Counseling Center – \$2,375**

The SAF Committee approves this allocation for new furniture for their office suite in Schmitz Hall.

**Ethnic Cultural Center – \$2,000**

The Committee recommends that this allocation goes towards the capital costs of its new reservation system.

**Q Center – \$6,400**

The SAF Committee approves this allocation for new furniture in the HUB. The Committee recommends that the Q Center try to purchase as much as possible from UW Surplus to minimize costs.

**Recreational Sports – \$100,000**

This allocation covers the cost of various capital maintenance projects association with Recreational Sports.

**Student Legal Services – \$6,400**

The SAF Committee approves this allocation for new furniture in the HUB.

**Student Publications – \$3,614**

The Committee approves this allocation to fund a new server and hard drive to replace the current ones. The Committee recommends that Student Publications request funding next year from the Student Technology Fee Committee for other unmet technology needs.

**Closing Comments:**

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The Committee thanks the University administration and the Board of Regents for their consideration and requests the adoption of these recommendations. If adopted, these recommendations ensure that these units will be able to not only maintain their services, but also expand in new directions.

Sincerely,

Riley Lee-Card and Andrew Van Winkle  
2011-2012 Cochairs  
Services & Activities Fee Committee



May 22, 2012

Mr. Riley Lee-Card  
Mr. Andrew Van Winkle  
Co-Chairs  
Services and Activities Fee Committee

Dear Riley and Andrew,

Thank you for your letter of May 20, 2012, providing the details of the allocations proposed by the Services and Activities Fee (S&A Fee) Committee for 2012 – 13. Of particular note, the proposal calls for a \$2 increase in the quarterly S&A Fee, from \$118 per full-time student to \$120. An adjustment of this level enables the Committee to continue and enhance important programs and balance expenditures with revenues.

The Committee's recommended allocations are thoughtful and strategic. All of the programs and services the Committee intends to fund are important to our students and I am especially appreciative of its expanded commitment to mental health services for next year. This is a timely and strategic response to the growing demand in this area. I also appreciate your tangible new support to our students with disabilities as we launch the new Disability (D) Center.

After careful review, I concur in the recommendations for fee assessment levels and all operational and minor capital allocations. The budget will be presented to the Board of Regents for its consideration and action at its meeting on June 7, information on which will be communicated to you in the near future. I look forward to making this presentation with you.

Your leadership and collaboration have been greatly appreciated.

Sincerely yours,

Eric S. Godfrey  
Vice President & Vice Provost

ESG:mhk

cc: Provost Ana Mari Cauce w/enclosure  
Members of the Services and Activities Fee Committee  
Mr. Conor McLean w/enclosure  
Mr. Charles Plummer w/enclosure

A-4.2/206-12  
6/7/12

ATTACHMENT 2



VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington, Tacoma:  
Distribution of Fee and Allocation of Funds

RECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the following Services and Activities Fee proposals for the University of Washington Tacoma:

- 1) no increase in the Services and Activities Fee for academic year 2012-13,
- 2) the distribution of Services and Activities Fee for 2012-13; and
- 3) the operating budgets and expenditures recommended for 2012-13.

BACKGROUND

Services and Activities Fees at UW Tacoma and UW Bothell are collected separately from the Services and Activities Fee at the Seattle campus, but the process is handled in like manner for each campus. As provided under RCW 28B.15.045, a student committee proposes the annual program priorities and budget allocation levels to the Board of Regents for approval. The Board of Regents has approved the Services and Activities Fee (SAF) Guidelines that established the Services and Activities Fee (SAF) Committee for UW Tacoma and its operating procedures.

The Board of Regents is authorized to increase the Services and Activities Fee by an amount not to exceed the annual percentage increase in undergraduate tuition authorized by the legislature in the Omnibus Budget Bill.

The history of the level of the Services and Activities Fee at UW Tacoma is:

2003-04	\$ 97	2008-09	\$120
2004-05	\$ 97	2009-10	\$136
2005-06	\$103	2010-11	\$149
2006-07	\$106	2011-12	\$159
2007-08	\$113	2012-13	\$159

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committees

Services and Activities Fee – University of Washington, Tacoma:  
Distribution of Fees and Allocation of Funds (continued p. 2)

The SAF Committee at UW Tacoma has recommended the following for academic year 2012-2013. Chancellor Debra Friedman has reviewed and concurs with these recommendations.

1. Level of Fee:

The quarterly fee payable by a full-time student will remain at \$159 per quarter for a full-time student for the 2012-13 academic year.

2. Distribution of Fees:

Based upon estimated revenue of \$1,725,000 for fiscal year 2012-13, the Committee recommends that the fees be distributed as follows:

	2011-12 % Distribution	2011-12 Distribution Based on \$159 fee	2012-13 % Distribution	2012-13 Distribution Based on \$159 fee
Student Activities and Services		\$1,395,597	89.7%	\$1,547,639
Long-term student loans:	3.5%	\$50,618	3.5%	\$59,833
Long-term development	0%	0	6.8%	\$117,528
Total		\$1,446,215		\$1,725,000

3. 2012-13 Budget Allocations for Student Activities and Services

The Committee recommends the following distribution for Student Activities and Services for the 2012-13 year.

ASUWT (Student Government) – Stipends and Operations.....	\$134,268
Campus Event Fund .....	60,000
Childcare assistance program.....	72,000
Diversity Resource Center.....	62,515
Health Services.....	301,728
Ledger .....	130,127
Recreation and Fitness.....	94,552

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committees

Services and Activities Fee – University of Washington, Tacoma:  
Distribution of Fees and Allocation of Funds (continued p. 3)

Registered Student Organizations.....	20,920
Student Activities Board.....	128,131
Student Conference & Training.....	65,000
Student Health & Wellness Education & Promotions.....	16,636
Student Involvement.....	321,815
Student Mentoring Programs.....	79,313
Tahoma West.....	43,337
Volunteer Services.....	17,297
	TOTAL
	\$1,547,639

Allocations which are unspent at the end of the fiscal year will revert to the contingency operating budget. Any additional revenue generated as a result of implementation of a fee in the amount of \$159 or due to excess enrollment will remain in the Long Term Development fund.

*Attachments*

1. May 4, 2012 memorandum from Rai Nauman Mumtaz, University of Washington Tacoma Services and Activities Fee Committee, to Dr. Debra Friedman, Chancellor
2. 2012-2013 Annual Allocation Recommendations
3. May 18, 2012 letter from Dr. Debra Friedman, University of Washington Tacoma Chancellor, to Rai Nauman Mumtaz, University of Washington Tacoma Services and Activities Fee Committee accepting recommendations.

May 4, 2012

Chancellor Debra Friedman  
University of Washington Tacoma  
Box 358430  
Tacoma, WA 98402

Dear Chancellor Friedman,

On Friday, April 13, 2012 the Services & Activities Fee Committee (SAFC) met to discuss and approve recommendations regarding the collection and allocation of the Services & Activities Fees for the 2012-2013 academic year. This recommendation is the result of a lengthy process involving committee trainings and orientations, proposal presentations, and discussion of the long-term goals of the campus.

We believe that should you and the Board of Regents adopt our recommendations; the fee will optimally fund a diverse array of services and activities that are aligned with our values and will benefit the students at the University of Washington Tacoma.

### **SAFC Core Values**

SAFC's core values include the Childcare Assistance Program, the Longshoreman's Hall and Fitness Center, Health Services, Tahoma West, Student Life/Student Involvement, the Student Conference and Training Fund, the Student Activities Board (SAB), the Campus Event Fund (CEF), Registered Student Organizations (RSOs), Volunteer Services, the Ledger, the Associated Students of the University of Washington Tacoma (ASUWT), the Diversity Resource Center (DRC), and Student Mentoring Programs. This list of core values is neither comprehensive nor static.

### **2012-2012 UW Tacoma Service and Activities Fee Level**

The Board of Regents is authorized to increase the Services & Activities Fee by an amount not to exceed the annual percentage increase in undergraduate tuition authorized by the legislature in the Omnibus Budget Bill. The SAFC voted unanimously this year to keep the Services & Activities Fee the **same** (\$159/quarter for full time students and prorated for part-time students).

We made this decision since the expected Services and Activities Fee for the 2012-13 year (\$1,700, 000) is expected to be more than the Annual Allocation amount (\$1,547,639) SAFC approved this year. Additionally, by keeping the fee the same, we are showing our commitment that student fees will remain at a feasible level, even with increases in tuition.

### **Benefits Budget**

The SAFC approved unanimously the creation of a centralized benefits budget to which all benefits would be directly charged. Any unspent funds would roll back into the short term contingency fund. This fund would be monitored as well.

### **Longshoreman's Hall and Facilities Study**

The SAFC approved unanimously that the \$424,016 remaining from the \$675,000 set aside (\$500,000 in 2006 and an additional \$175,000 in 2008) continue to be held in a separate account to be used for a Facilities Study that will be conducted by the Division of Student Affairs. At the completion of the study any unspent funds will return to the short term contingency fund. SAFC approved this to increase the transparency behind the intent of these funds.

### **Program Allocations**

While determining funding of program allocations the Committee considered a variety of factors, including, but not limited to, whether the service is or should be a Core Value and the level of benefit to the students. The committee also completed line-by-line budget review of actual usage, projected expenditures, and staffing costs. This was done in an effort to enhance fiscal efficiency and full use of SAF funds before increasing the amount allocated to any given program.

Stipulations and recommendations on certain proposals are included on the attached SAFC 2012-13 Annual Recommendations.

### **Registered Student Organizations (RSOs) - \$20,920**

Registered Student Organizations are an integral part of student and campus life. They provide an opportunity for student engagement, camaraderie, and leadership development. RSOs also provide students with an opportunity to come together with people of similar interests, cultures, and viewpoints. The RSO proposal requested a slight increase in their budget, specifically in the compensation for the RSO Student Assistant. The Committee recommends an allocation of \$20,920 for this proposal for 2012-13.

### **Student Activities Board (SAB) - \$128,131**

The Committee recognized the important role the Student Activities Board plays on the campus and in our community, which placed it high on our list of priorities for funding. Diverse programming that promotes student engagement, provides opportunities to build a sense of student community, and offers stress relief activities were deemed essential to student development and success. SAB asked for a small increase in their proposal due increases in benefit loading rates.

The committee viewed the summer (until trainings in August) to be a period where only the Chair would be required to work, but not the coordinators. Therefore, SAFC voted to cut some funds from 'Wages and Benefits.' The Committee recommends an allocation of \$128,231 for the Student Activities Board (SAB) for 2012-201

### **Campus Event Fund (CEF) - \$60,000**

The Committee supports funding for the Campus Event Fund as it allows opportunities for students who are not directly involved with the SAB to be involved in the event planning process. Through this fund students, faculty, and staff can submit a request for funding to bring a broad spectrum of activities to our campus for the benefit of the students, which enhances campus life.

The CEF requested an increase of \$15,000 this year to accommodate an expected increase in the amount of funding requested by a larger number of entities next year. This increase is expected as a result of our student body size increasing each year and the student programs and services that are being offered. As such, the Committee recommends an allocation of \$60,000 for the Campus Event Fund (CEF) for 2011-2012.

### **Transportation - \$0.00**

Transportation's proposal requested the same amount as last year (\$5,859). However, after discussion with ASUWT, Transportation, and SAFC, the committee determined it would be ideal if Transportation was located directly under ASUWT, instead of Finance and Administration, to increase the transparency on student related transportation issues while providing support and guidance through ASUWT. Therefore, the Committee recommends an allocation of \$0.00 for transportation.

Please see the ASUWT comments/stipulation section on the allocation spreadsheet for details.

### **Volunteer Services - \$17,297**

Volunteer Services is a young service being offered through Student Involvement. The Committee determined this service to be an appropriate and timely program to implement with the recent calls to service from our new administration and the campus community. Therefore, the Committee deemed continuing to support a volunteer services program, which enhances opportunities for civic engagement. The Committee recommends an allocation of \$17,297 for Volunteer Services for 2012-2013, with the increase being attributed to hiring two (2) Breakaway Program Assistants instead of one (1).

### **Student Conference and Training Fund (SCTF) - \$65,000**

The Student Conference and Training fund provides development opportunities for students at UW Tacoma. The SCTF requested the same amount (\$65,000) as the previous year.

The Committee deemed this service to students important and recommends an allocation of \$65,000 for the Student Conference and Training for 2012-2013.

### **Recreation & Fitness Center - \$94,552**

The Longshoremen's Hall and the Fitness Center provide recreational, educational, and fitness opportunities to the students of UW Tacoma, all of which are essential to the student experience. This year, Recreation & Fitness once again requested an Intramurals Coordinator, while asking for additional hours in staffing and a larger operating expenses budget. SAFC agreed with the Intramural Coordinator being added while compromising on a partial increase in staffing hours and operational expenses in order to determine if these increase will result in greater student turnouts for these services. Therefore, the Committee recommends an allocation of \$94,552 for the Recreation and Fitness Center for 2012-2013.

### **Student Involvement - \$321,815**

Student Involvement budget this year is very similar to last years, with the exception of eliminating the request for a Front Desk Coordinator and a small increase in Hendrix's Handlers'

position as a result of an increase in benefit loading rates. Thus, the Committee recommends an allocation of \$321,815 for Student Involvement for 2012-2013.

**Childcare Assistance Program - \$72,000**

The Committee approved funding for the Childcare Assistance Program. This program is important to the diversity of our campus and benefits a different group of students (parents) than most of the other programs we have recommended to receive funding. The program saw an increase in usage over the past year, as the SAFC had hoped to see, and as such the CAP was given the increased amount they requested so that they can increase their service. Therefore, the Committee recommends an allocation of \$72,000 for the Childcare Assistance Program for 2012-2013.

**The Ledger - \$130,127**

A student newspaper is clearly a key part of an active and engaged student life. The 2012-2013 requested budget of the Ledger includes increasing the number of staff positions and hours. The Committee was able to cut the budget some through thorough research of the responsibilities of the proposed position and necessary hours. The Committee recommends an allocation of \$130,127 for The Ledger for 2012-2013.

**Associated Students of the University of Washington Tacoma (ASUWT) - \$134,268**

The ASUWT request this year sought increased funding primarily due to the requirement that they need to have one (1) senator per 500 students per their governing documents. With the projected FTE and because their governing documents state their terms will be from commencement to commencement, the Committee recommends an allocation of \$134,268 for the Associated Students of the University of Washington Tacoma (ASUWT) for 2012-2013.

**Tahoma West - \$47,337**

Tahoma West provides a venue for students to express their art, culture, and literature through a student-centered publication. Despite reducing printing costs, Tahoma West requested additional funds for staffing. The Committee agreed and recommends an allocation of \$47,737 for Tahoma West for 2012-2013.

**Student Health Services - \$301,728**

Health Services is a student-driven request for funding. Students voiced their opinions about the high demand for Health Services at UW Tacoma using a multitude of means including: informal and formal surveys, student forums, petitions, as well as through their student government representatives. Due to rising medical costs and unforeseen non-vendor expenses, the annual request from Health Services has seen a marginal increase. However, the Committee deemed these costs just and necessary in light of how many students have been using the services provided. Thus, the Committee recommends an allocation of \$301,728 for Health Services for 2012-2013.

**Student Health & Wellness Education and Promotions - \$15,735**

This new proposal was for the purpose of spreading health and wellness awareness through the UW Tacoma community, a goal that complements that of our Student Health Services. As such, the Committee deemed it important related programming that serves to create a more holistic

approach to Health and Wellness. Therefore, the Committee recommends an allocation of \$15,735 for Student Health & Wellness Education and Promotions for 2012-2013.

### **Diversity Resource Center - \$62, 215**

The Diversity Resource Center is a service to the students, which strives to create a welcoming and inclusive campus environment that enables all members of the UW Tacoma community to learn through the exploration of human differences. The DRC provides programs and support in three main areas: enhancing campus education; developing Community Partnerships; and building a diverse campus community. The Committee decided to fund the DRC, but determined that given the resources available, the DRC Program Coordinator and necessary equipment weren't necessary. Therefore, the Committee recommends an allocation of \$62,515 for the Diversity Resource Center for 2012-2013.

### **Student Mentoring Programs - \$79,313**

The Student Mentoring Programs proposal encompassed two programs: the first being a program that matches a faculty or staff member with a UW Tacoma student to serve as a mentor to the student during their time here and the other the STEPS (Students Together Empowering Personal Success) program. The STEPS program pairs UW Tacoma university student mentors with students from local high schools in a partnership focused on student development and success. STEPS mentors share knowledge and experience in navigating the complicated and challenging process of higher education, graduation and career exploration. The Committee decided to completely fund the Student Mentoring Programs and recommends an allocation of \$79,313 for Student Mentoring Programs for 2012-2013.

### **Operational Guideline Changes**

Throughout the year, the Committee discussed how to improve the efficiency of our process as well as ensure best practices and best use of student funds. That being said, SAFC is currently in the process of revising its Operation Guidelines.

### **Closing Comments**

SAFC believes that if the Chancellor and the Board of Regents approve these recommendations, these services and activities will positively enhance the lives of the students at UW Tacoma. We thank you for your time and consideration.

Regards,

Rai Nauman Mumtaz  
Chair, 2011-12 Services and Activities Fee Committee  
University of Washington Tacoma



**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b>REGISTERED STUDENT ORGANIZATIONS (RSO)</b>					
RSO Resource Center Operational Funds	\$750.00	\$750.00	\$750.00	\$750.00	
Individual RSO Budget Funds	\$4,400.00	\$4,400.00	\$4,400.00	\$4,400.00	
RSO Student Assistant	\$8,694.00	\$8,694.00	\$8,770.00	\$8,770.00	
Club Fairs & Block Party	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	
Honor Society Start Up Funds	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	<b>Stipulation:</b> One time allocation for honors society start up funds for the 2012-2013 fiscal year.
<b>Total:</b>	<b>\$20,844.00</b>	<b>\$20,844.00</b>	<b>\$20,920.00</b>	<b>\$20,920.00</b>	
<b>STUDENT ACTIVITIES BOARD (SAB)</b>					
Wages & Benefits	\$54,832.00	\$54,832.00	\$55,308.00	\$50,631.00	<b>Stipulation:</b> SAB is to absorb the reduction in hours during the Summer.
Event Budgets	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00	
Equipment (non-tech)		\$0.00	\$0.00	\$0.00	
Operational Costs	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	
<b>Total:</b>	<b>\$132,332.00</b>	<b>\$132,332.00</b>	<b>\$132,808.00</b>	<b>\$128,131.00</b>	
<b>CAMPUS EVENT FUND (CEF)</b>					
Autumn/Winter/Spring Event Applications	\$45,000.00	\$45,000.00	\$60,000.00	\$60,000.00	<b>Recommendation:</b> Encourage the make-up of the Funding Committee to be representative of the student body.
Misc.					
<b>Total:</b>	<b>\$45,000.00</b>	<b>\$45,000.00</b>	<b>\$60,000.00</b>	<b>\$60,000.00</b>	

**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b>TRANSPORTATION</b>					
Student Transportation Coordinator Salary	\$5,609.00	\$5,190.00	\$5,609.00	\$0.00	See ASUWT Budget Allocation
Supplies and Promotional Materials	\$250.00	\$250.00	\$250.00	\$0.00	<b>Stipulation:</b> \$250.00 moved to a line item in ASUWT budget
<b>Total:</b>	<b>\$5,859.00</b>	<b>\$5,440.00</b>	<b>\$5,859.00</b>	<b>\$0.00</b>	
<b>VOLUNTEER SERVICES</b>					
Operational Costs	\$500.00	\$500.00	\$350.00	\$350.00	
Volunteer Services Fair	\$300.00	\$300.00	\$0.00	\$0.00	
Volunteer Meetings, Events & Programs	\$5,000.00	\$4,500.00	\$3,500.00	\$3,500.00	
Volunteer Services Assistant	\$5,796.00	\$5,796.00	\$6,821.00	\$6,821.00	
Breakaway Program Assistant	\$3,019.00	\$3,019.00	\$6,626.00	\$6,626.00	<b>Stipulation:</b> Funding 2 Spring Breakaway Program Assistants with the understanding that that two separate and independent Spring Breakaway trips are planned.
<b>Total:</b>	<b>\$14,615.00</b>	<b>\$14,115.00</b>	<b>\$17,297.00</b>	<b>\$17,297.00</b>	

**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b>STUDENT CONFERENCE AND TRAINING FUND</b>					
	\$65,000.00	\$65,000.00	\$65,000.00	\$65,000.00	<b>Stipulations:</b> 1) Keep Club Camp, Mascot Camp, Student Leader Summit, and Student Leader Training line items. 2) Increase general fund to \$50,000 with the removal of the remaining line items. 3) Consolidate CEF and Conference and Training Fund to one proposal, New name: Student Conference and Event Fund.
<b>Total:</b>	<b>\$65,000.00</b>	<b>\$65,000.00</b>	<b>\$65,000.00</b>	<b>\$65,000.00</b>	
<b>RECREATION &amp; FITNESS</b>					
RF Student Coordinator	\$6,578.00	\$6,578.00	\$9,205.00	\$9,205.00	
RF Intramurals Coordinator	\$6,578.00	\$0.00	\$9,205.00	\$9,205.00	
Longshoremen's Hall Staffing (Academic Year)	\$23,000.00	\$23,000.00	\$36,833.00	\$30,000.00	<b>Stipulation:</b> LSH is open during Summer 2012. <b>Recommendation:</b> Increase in funding should be used primarily for summer 2012.
Fitness Center Staffing (Academic Year)	\$22,080.00	\$22,080.00	\$27,625.00	\$22,272.00	
Fitness Center Staffing (Summer)	\$5,175.00	\$5,175.00	\$5,481.00	\$5,220.00	
Operating Expenses	\$10,400.00	\$10,400.00	\$26,900.00	\$18,650.00	<b>Recommendation:</b> Increase in operating expenses should be used primarily for intramurals and fitness class programming.
<b>Total:</b>	<b>\$73,811.00</b>	<b>\$67,233.00</b>	<b>\$115,249.00</b>	<b>\$94,552.00</b>	

**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b>STUDENT INVOLVEMENT</b>					
Student Recreation Specialist	\$59,400.00	\$59,400.00	\$57,610.00	\$57,610.00	
Student Leadership Specialist	\$55,915.00	\$55,915.00	\$57,610.00	\$57,610.00	
Student Program Specialist	\$55,915.00	\$55,915.00	\$57,610.00	\$57,610.00	
Student Publications Manager	\$36,385.00	\$36,385.00	\$37,480.00	\$37,480.00	
Program Coordinator	\$61,116.00	\$61,116.00	\$47,774.00	\$47,774.00	
Front Desk Coordinator (OA3)	\$48,089.00	\$0.00	\$0.00	\$0.00	
Student Hourly Assistants	\$9,419.00	\$33,000.00	\$32,935.00	\$32,935.00	
Hendrix the Husky and Handler	\$7,728.00	\$7,728.00	\$7,796.00	\$7,796.00	
Student Marketing Assistant	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	
Operating Costs	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	
Student Recognition Event	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	
<b>Total:</b>	<b>\$356,967.00</b>	<b>\$332,459.00</b>	<b>\$321,815.00</b>	<b>\$321,815.00</b>	
<b>CHILDCARE ASSISTANCE PROGRAM</b>					
CAP Grants	\$57,000.00	\$57,000.00	\$72,000.00	\$72,000.00	
Operations	\$500.00	\$500.00	\$0.00	\$0.00	
<b>Total:</b>	<b>\$57,500.00</b>	<b>\$57,500.00</b>	<b>\$72,000.00</b>	<b>\$72,000.00</b>	

**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b>LEDGER</b>					
Editor in Chief	\$9,360.00	\$8,580.00	\$11,407.00	\$11,407.00	
Managing Editor			\$6,930.00	\$6,930.00	
News Editor			\$6,930.00	\$6,930.00	
New Assignment Editor	\$4,620.00	\$4,200.00			
Arts & Entertainment Editor	\$4,620.00	\$4,200.00	\$6,930.00	\$6,930.00	
Opinion Editor	\$4,285.00	\$3,850.00	\$6,930.00	\$6,930.00	
Advertising Manager	\$4,285.00	\$3,850.00	\$6,930.00	\$6,930.00	
Copy Editor	\$4,285.00	\$3,850.00	\$6,930.00	\$6,930.00	
Photo Editor	\$4,620.00	\$3,500.00	\$6,930.00	\$6,930.00	
Web/Video Manager			\$4,620.00	\$4,620.00	
Web Editor	\$3,850.00	\$3,850.00			
Video Editor	\$3,520.00	\$4,256.00			
Reporters	\$24,500.00	\$23,275.00	\$48,000.00	\$28,000.00	7 Reporters
Photographer	\$14,400.00	\$0.00	\$8,000.00	\$4,000.00	1 Photographer
Distribution Manager			\$900.00	\$900.00	
Benefits		\$9,514.00	\$18,691.00	\$15,590.00	
Printing	\$19,500.00	\$19,500.00	\$21,000.00	\$19,500.00	<b>Stipulation:</b> Number of issues stays the same as 2011-2012
Photography	\$4,600.00	\$0.00	\$0.00	\$0.00	
Operations and Office Expenses	\$0.00	\$4,600.00	\$4,600.00	\$4,600.00	
Projected Ad Revenue	-\$7,000.00	-\$7,000.00	-\$16,200.00	-\$7,000.00	
<b>Total:</b>	<b>\$99,445.00</b>	<b>\$90,025.00</b>	<b>\$149,528.00</b>	<b>\$130,127.00</b>	

**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b>ASUWT</b>					
Executive Branch	\$39,000.00	\$39,000.00	\$47,300.00	\$47,300.00	
Legislative Branch	\$35,000.00	\$35,000.00	\$51,200.00	\$51,200.00	
Other Staff	\$4,150.00	\$4,150.00	\$5,050.00	\$5,050.00	
Benefits	\$11,723.00	\$11,723.00	\$16,568.00	\$16,568.00	
Operations	\$16,375.00	\$16,375.00	\$13,900.00	\$13,900.00	
Transportation Budget (Added by 2011-12 SAFC)				\$250.00	<b>Stipulations:</b> 1) Transportation Coordinator responsibilities will be transitioned to ASUWT. 2)ASUWT Senator will be charged with focusing on Transportation Coordinator responsibilities, holding at least 3 meetings with Jennifer Burley to ensure a smooth transition 3)research other peer institutions that are using the Associated Student concept and then provide documentation on how they're structured to the SAFC during the 2013-14 Annual Allocation cycle.
<b>Total:</b>	<b>\$106,248.00</b>	<b>\$106,248.00</b>	<b>\$134,018.00</b>	<b>\$134,268.00</b>	

**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b><i>TAHOMA WEST</i></b>					
Printing	\$17,000.00	\$17,000.00	\$15,500.00	\$15,500.00	
Advertising and Promotion Expenses	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	
Office Expenses	\$1,470.00	\$1,470.00	\$1,470.00	\$1,470.00	
Stipends (Hourly Salaries)	\$5,750.00	\$5,750.00	\$23,366.80	\$23,367.00	
Annual Release Recognition Event	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	
Fall Showcase	\$600.00	\$600.00	\$600.00	\$600.00	
<b>Total:</b>	<b>\$27,220.00</b>	<b>\$27,220.00</b>	<b>\$43,336.80</b>	<b>\$43,337.00</b>	
<b><i>STUDENT HEALTH SERVICES</i></b>					
Contracted Vendor Services	\$194,184.00	\$194,184.00	\$194,184.00	\$194,184.00	<b>Stipulation:</b> provide scope of services study to SAFC during the 2013-14 Annual Allocation cycle.
Expansion of Clinic Hours	\$48,960.00	\$48,960.00	\$81,600.00	\$81,600.00	
Estimated Cost Escalation	\$19,500.00	\$19,500.00	\$0.00	\$0.00	
Advertising, Marketing, Outreach	\$5,000.00	\$4,000.00	\$5,000.00	\$5,000.00	
Addition of Physiatry Provider		\$0.00	\$6,924.00	\$6,924.00	
Non Vendor Operational Expenses	\$15, 652	\$15,652.00	\$14,020.00	\$14,020.00	
<b>Total:</b>	<b>\$283,296.00</b>	<b>\$282,296.00</b>	<b>\$301,728.00</b>	<b>\$301,728.00</b>	
<b><i>HEALTH AND WELLNESS EDUCATION &amp; PROMOTION</i></b>					
Salary for Hourly Staff	\$10,935.00	\$10,935.00	\$11,136.00	\$11,136.00	
One time Expense for Office Set-Up	\$3,810.00	\$2,000.00	\$0.00	\$0.00	
Annual Subscription for Student Health 101	\$0.00	\$0.00	\$2,500.00	\$2,500.00	
Office Operation	\$800.00	\$800.00	\$1,000.00	\$1,000.00	
Educational Outreach Materials	\$3,000.00	\$2,000.00	\$4,000.00	\$2,000.00	
<b>Total:</b>	<b>\$18,545.00</b>	<b>\$15,735.00</b>	<b>\$18,636.00</b>	<b>\$16,636.00</b>	
<b><i>EDUCATION ADVISORY BOARD</i></b>					
Membership	\$18,400.00	\$0.00	N/A	N/A	
<b>Total:</b>	<b>\$18,400.00</b>	<b>\$0.00</b>	<b>N/A</b>	<b>N/A</b>	

**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b><i>DIVERSITY RESOURCE CENTER</i></b>					
DRC Program Coordinator			\$58,045.00	\$0.00	
Computer Equipment			\$886.00	\$0.00	
DRC Student Assistant Lead			\$9,187.00	\$9,187.00	
DRC Student Assistants	\$27,814.38	\$27,815.00	\$28,328.00	\$28,328.00	
Operational Costs	\$5,000.00	\$5,000.00	\$3,000.00	\$3,000.00	
Diversity Educational Programs	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	
DRC Resource Collection Expansion	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	
<b>Total:</b>	<b>\$54,814.38</b>	<b>\$54,815.00</b>	<b>\$121,446.00</b>	<b>\$62,515.00</b>	
<b><i>STUDENT MENTORING PROGRAMS</i></b>					
Student Mentoring Specialist	\$55,322.16	\$55,322.16	\$58,491.00	\$58,491.00	
STEPS Coordinators	\$13,000.00	\$13,000.00	\$6,000.00	\$6,000.00	
SMS Student Assistants			\$8,422.00	\$8,422.00	
Computer Equipment	\$3,111.77	\$3,111.77	\$0.00	\$0.00	
Operational Costs	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	
Mentor/Mentee Development	\$1,000.00	\$1,000.00	\$2,000.00	\$2,000.00	
Travel Expenses	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	
<b>Total:</b>	<b>\$76,833.93</b>	<b>\$76,833.93</b>	<b>\$79,313.00</b>	<b>\$79,313.00</b>	



**2012-2013 SAFC Annual Allocation Recommendations**

TITLES OF PROPOSALS	11-12 Requests	11-12 Approvals	12-13 Requests	12-13 Approvals	12-13 Comments/Stipulations
<b>Grand Total:</b>	\$1,456,730.31	\$1,393,095.93	\$1,658,953.80	\$1,547,639.00	
<b>2012-2013 Anticipated Collections \$1.7 Million</b>					
Current Balance in Contingency Fund: \$265,000.					
Current Balance in Long Term Fund at close of FY12 \$2.98 Million					
<b>2010-2011 Allocations:</b>					
Long Term Dev: \$123,550					
SAF: \$1,049,056.00					
Total: \$1,172,606					

**W** UNIVERSITY *of* WASHINGTON | TACOMA

May 18, 2012

Rai Nauman Mumtaz  
Chair, 2011-2012 Services and Activities Fee Committee  
University of Washington Tacoma

Dear Nauman:

Thank you for submitting the recommendations of the Services and Activities Fee dated May 5, 2012. I accept the recommendations, and extend thanks to you and the committee for your thoughtful deliberations.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra Friedman", with a long horizontal flourish extending to the right.

Debra Friedman  
Chancellor

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds

RECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve for the University of Washington Bothell:

- 1) Recommended revisions to Services and Activities Fee guidelines
- 2) Recommended Services and Activities Fee Budget for 2012-13
- 3) Status report on Student Activities Center planning (information)

BACKGROUND

Services and Activities Fees at the UW Bothell and Tacoma campuses are collected separately from the Services and Activities Fees at the Seattle campus, but the process is handled in like manner. As provided under RCW 28B.15.045, a student committee recommends the annual allocations to the Board of Regents for approval. The Board of Regents, at the September 27, 1991 meeting, approved the Guidelines that established the Services and Activities Fees (SAF) Committee for the Bothell campus, including its operating procedures, and approved revisions June 9, 2011.

The Board of Regents is authorized to increase the Services and Activities Fee annually by a percentage not to exceed the annual percentage increase in tuition.

The quarterly rate history of the Services and Activities Fee at UW Bothell is:

<b>Academic Year</b>	<b>Fee</b>	<b>Academic Year</b>	<b>Fee</b>
1991-92	\$76	2002-03	\$83
1992-93	\$76	2003-04	\$86
1993-94	\$79	2004-05	\$89
1994-95	\$81	2005-06	\$91
1995-96	\$84	2006-07	\$93
1996-97	\$87	2007-08	\$95
1997-98	\$90	2008-09	\$101
1998-99	\$93	2009-10	\$108
1999-00	\$93	2010-11	\$123
2000-01	\$83	2011-12	\$123
2001-02	\$83		

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 2)

- 1) Recommended revisions to Guidelines (attached)
- 2) Recommended Services and Activities Fee Budget for 2012-2013:
  - A. Services and Activities Fee for 2012-2013  
 The SAF Committee is recommending a 5% increase (rounded up conservatively to the nearest whole dollar) in the Service and Activities Fee this coming year; an increase from \$123 per quarter to \$130.00. With this increase the annual SAF fee will be \$390.00. The fee revenue was calculated based on FY13 enrollment revenues (3,400 FTEs). The total estimated fee collection for all four quarters (2012-13) is \$1,476,378 as illustrated in Schedule 1, below.

<b>Schedule 1: Distribution of Fees</b>	
3,400 FTEs	\$ 1,371,378
Estimated Summer 2012 Revenue	\$105,000
Total Estimated Fee Revenues	\$1,476,378
Mandated Loan Fund (5%)	(\$73,819)
<b>2011-2012 Student Activities Fee Revenue</b>	<b>\$ 1,402,559</b>

B. 2012-13 Allocation of Student Activities and Services Funds

ASUWB	\$146,368
Beta Alpha Psi	\$7,881
Campus Events Board	\$143,188
Campus Radio	\$0.00
Career Center	\$74,008
Childcare Voucher Program	\$32,900
Collegiate Delta Epsilon Chi	\$24,160
Contingency Fund	\$77,004
Debate Society	\$3,948
Facilities Rentals	\$35,179
FMA Leadership Conference	\$11,455
FMA (Royal Roads International Competition)	\$2,668
Food for Thought	\$26,250
Freshman Council	\$11,327
Graduate Commons	\$2,618
Husky Herald (Newspaper)	\$47,279
Laptop Circulation and Support (Library Support)	\$16,317
Literary Journal (Clamor)	\$11,550
Policy Journal	\$6,063
Men's Basketball (Club)	\$0.00

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 3)

Recreation and Wellness Program	\$264,728
Student Civic Fellows	\$8,545
Student Life Operations	\$442,407
Sustainability Organization	\$6,345
Vocal Society	\$0.00
Total Requested Funding	\$1,402,559

### C. Proposed Operating Expenditures for SAF Funds

If specifically authorized by the Services and Activities Fee Committee at the time of allocation, the following expenditures are acceptable in support of bona fide school-related curricular or extracurricular functions, activities, or programs participated in by UW Bothell students in the furtherance of their education:

1. Ordinary supplies, purchased services or equipment necessary to conduct the student function, activity, or program.
2. Compensation for students or other University employees engaged in activities or services that directly involve or support currently enrolled UWB students such as student government, student activities, student life, financial aid, counseling, testing, placement, and security. Compensation is established once per year, during the Annual Budget cycle, and cannot be modified during the Contingency cycle.
3. Necessary and reasonable fees, meals, lodging, and transportation expenses for entertainers, lecturers, guest speakers and others who provide personal services on a contractual basis.
4. Trophies, plaques or medals, certificates of award or articles of personal property that are of nominal value (\$50 or less) given to currently enrolled UWB students as recognition for participation, achievement, or excellence as part of the functions of student organizations, activities, or programs.
5. Promotional Items are designed to promote any student organization, group, or funded project or service are limited to a total value of \$200 per quarter unless expressly stated otherwise by the Services and Activities Fee Committee at the time of allocation. Food and publicity (for specific events) are not considered a promotional item. Articles of clothing may be purchased with the approval of the Office of Student Life.
6. Cost of childcare for children of currently enrolled UWB students who are participating in UWB programs held on the UWB campus.

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Services and Activities Fee – University of Washington Bothell; 2012-13 Distribution of Fees and Allocation of Funds (continued p. 4)

7. Travel Awards can only be granted to currently enrolled UWB students and their advisor (UW faculty or staff) to participate in approved student functions, activities, or programs. Awards are limited to paying accommodations, transportation, registration fees, and incidental expenses as outlined by the SAF Committee. Approved travel awards are reimbursements and are reimbursed only when receipts are presented. All travel must comport with established UW travel policies and procedures. Travel must benefit the broader student community through participation upon return from the trip. Maximum reimbursement will be \$500 per student and \$2,500 per group unless expressly stated otherwise by the SAF Committee upon awarding of funds.
8. Food and refreshments may be purchased for on-campus UWB-student functions as outlined by the UW food policy (including award receptions, training programs), activities, or programs. Such funds are intended to support activities and programs open to the general student body. Funds are not intended to support routine meetings associated with student organizations (student government, campus events board, SAF, etc.). Services and Activities Fees may not be used to purchase or serve alcoholic beverages.
  - A. Consistent with state law, any expenditure of Services and Activities Fees, including loans, is considered a prohibited gift when made for the direct benefit of private individuals or groups. State law also prohibits contributions of Services and Activities Fees or property to a political candidate or cause in connection with any local, state, or federal election.
  - B. Services and Activities Fees shall not be used as fundraising contributions; matching funds for fundraising purposes; or for any expenses related to a meetings, event, or activities of which the principal purpose is fundraising.
  - C. When making allocations, the Committee may place stipulations on the use of funds or recommend guidelines in the operations of a program, or both. Stipulations shall be binding on the program.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 5)

D. 2012-13 Budget Notes and Funding Stipulations

**ASUWB**

Line Item	Requested	Awarded	Notes
			<ul style="list-style-type: none"> <li>• President: working 25 hours/week x 48 weeks/year (July 1 to June 30 with 4 weeks off) x \$14/hour = \$16,800 (stipend)</li> <li>• Vice president: working 25 hours/week x 48 weeks/year \$13/hour = \$15,600 (stipend)</li> <li>• Exec. Reps: working 19.5 hours/week x 40 weeks/year (8 of 10 summer weeks off) x \$12/hour x 4 representatives = \$37,440 (stipend)</li> <li>• Senators: working 3 hours/week x 30 weeks/year x \$12/hour x 10 senators = \$10,800 (stipend)</li> <li>• Office Assistant: working 15 hours/week x 30 weeks/year x \$10/hour = \$4,500 (hourly)</li> <li>• Holly: working 80 hours/year x \$12/hour = \$960 (hourly)</li> </ul>
Salary/Wages	\$86,550.00	\$86,105.00	
Benefits	\$12,896.00	\$14,208.00	

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 6)

Honoraria/ Awards	\$570.00	\$150.00	Student of the Month awards are allocated \$50 total. Distinguished faculty and staff awards are limited to \$100 total.
Printing/ Photocopying	\$600.00	\$600.00	
Transportation	\$2,000.00	\$1,500.00	This amount is for in-state transportation only, not for conferences.
Office Supplies	\$2,200.00	\$700.00	Bookmarks are not funded.
Food/ Refreshments	\$300.00	\$300.00	
Equipment rentals/ Purchase	\$15,103.00	\$0.00	This amount is requested to be funded from Long Term.
			<p>The “Other” amount is inclusive of:</p> <ul style="list-style-type: none"> <li>• \$12,997 for a travel/conferences fund including, but not limited to, meals, lodging, travel, and registration fees</li> <li>• \$7,800 for events (inclusive of food)</li> <li>• \$3,000 for the rainy day fund to be used as needed</li> <li>• \$900 for promotional items</li> <li>• \$14,000 for the SAEF grant</li> <li>• \$3,728 for governmental relations (WSA Membership and Training, Tri-campus Legislative</li> </ul>



VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 7)

Other	\$49,855.00	\$42,805.00	Reception, & Tri-Campus Higher Education Advocacy Day) <ul style="list-style-type: none"> <li>• \$50 for Holly’s maintenance</li> <li>• \$330 for the website</li> </ul>
Totals:	\$170,074.00	\$146,368.00	

**Beta Alpha Psi**

Line Item	Requested	Awarded	Notes
Other	\$8,485.00	\$7,881.00	\$7,881 is reserved for a conference and induction ceremony fund including, but not limited to, meals, lodging, travel, and registration fees.
Totals:	\$8,485.00	\$7,881.00	

**Campus Events Board**

Line Item	Requested	Awarded	Notes
Salary/Wages	\$75,920.00	\$49,208.00	The programmers are funded at \$12 an hour with the guideline that they work 15 hours a week for 42 weeks. The Chair is funded \$13 an hour for a suggested 19.5 hours for 45 weeks.
Benefits	\$7,270.00	\$8,120.00	
Honoraria/ Programming	\$75,000.00	\$60,860.00	
			<ul style="list-style-type: none"> <li>• \$10,000.00 unforeseen costs</li> <li>• \$12,000.00 to be used for a conference fund including, but not</li> </ul>

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A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 8)

Other*	\$35,000.00	\$25,000.00	limited to, meals, lodging, travel, and registration fees. <ul style="list-style-type: none"> <li>• \$3,000.00 for training and development.</li> </ul>
Totals:	\$193,190.00	\$143,188.00	

\*The total requested amount accounted for \$35,000 under "Other" while the category itself only stated \$34,000.

**Campus Radio**

Line Item	Requested	Awarded	Notes
Telecommunications	\$35.00	\$0.00	
Other	\$1,321.00	\$0.00	
Totals:	\$1,356.00	\$0.00	The Committee suggests that this group seek alternative sources of funding.

**Career Services**

Line Item	Requested	Awarded	Notes
Salary/Wages	\$48,800.00	\$44,745.00	\$44,745.00 to be used for student salary/wages.
Benefits	\$7,447.00	\$7,383.00	
Honoraria/ Programming	\$2,980.00	\$1,880.00	
Facilities Rental/ Set-up*	\$6,000.00	\$6,000.00	
Printing/ Photocopying	\$3,000.00	\$3,000.00	
Food/ Refreshments	\$5,000.00	\$4,000.00	This amount reflects a suggested \$200 food budget per event.
Other	\$7,000.00	\$7,000.00	This amount is inclusive of electronic and print resources.
Totals:	\$80,227.00	\$74,008.00	

\*This amount is adjusted, as the requested amount was miscalculated at \$400, but the total amount reflected the additional \$2000. The Committee suggests that the

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 9)

Career Services look for alternative sources of funding for the next budgeting cycle such as the General Operating Fund.

**Childcare**

Line Item	Requested	Awarded	Notes
Other*	\$35,000.00	\$32,900.00	
Totals:	\$35,000.00	\$32,900.00	

**Collegiate DECA**

Line Item	Requested	Awarded	Notes
Facilities Rental/Set-up	\$1,030.00	\$0.00	
Printing/ Photocopying	\$50.00	\$400.00	Due to the size and nature of DECA's programs and events, printing is a higher need and, as such, SAF has increased this line to assist in the success of these programs. Printing requests should be submitted to the Office of Student Life to accurately track the printing.
Transportation	\$18,900.00	\$0.00	*Moved to "other" as part of a conference fund.
Meals and Lodging	\$14,890.00	\$0.00	*Moved to "other" as part of a conference fund.
Food/ Refreshments	\$4,500.00	\$0.00	
			\$23,760.00 to be used for a conference fund for State and Nationals including, but not limited to, transportation, meals, lodging, and registration

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 10)

Other	\$9,750.00	\$23,760.00	fees for a suggested 25 students attending State and a suggested 20 students attending Nationals.
Totals:	\$49,120.00	\$24,160.00	

**Debate Society**

Line Item	Requested	Awarded	Notes
Salary/Wages	\$10,500.00	\$0.00	
Facilities			
Rental/Set-up	\$500.00	\$500.00	
Transportation	\$3,200.00	\$3,074.00	
Food/Refreshments	\$500.00	\$374.00	
Totals:	\$14,700.00	\$3,948.00	

All students must have equal opportunity to attend all competitions. The Committee suggests the Debate Society have multiple teams to rotate competitors.

**Facilities Rental**

Line Item	Requested	Awarded	Notes
Facilities			
Rentals/Set-ups	\$40,000.00	\$34,722.00	
Total	\$40,000.00	\$34,722.00	

**FMA Leadership Conference**

Line Item	Requested	Awarded	Notes
Transportation*	\$7,675.00	\$0.00	*Moved to other
Meals/Lodging for Travel*	\$14,140.00	\$0.00	*Moved to other
			\$11,455.00 to be used for a conference fund including, but not limited to, meals, lodging, transportation, and registration fees for a suggested 15 students. There was a calculated assumption of at least 3

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 11)

Other	\$3,375.00	\$11,455.00	students to a room. The CTA Pass will not be funded.
Total	\$25,190.00	\$11,455.00	

**FMA Royal Roads**

Line Item	Requested	Awarded	Notes
Transportation*	\$319.00	\$0.00	*Moved to other
Other	\$2,520.00	\$2,668.00	\$2,668.00 to be used for a conference fund including, but not limited to, meals, lodging, transportation, and registration fees.
Total	\$2,839.00	\$2,668.00	

**Food for Thought Café and Student Lounge**

Line Item	Requested	Awarded	Notes
Facilities Rentals/Set-ups	\$30,000.00	\$26,250.00	
Total	\$30,000.00	\$26,250.00	

**Freshman Council**

Line Item	Requested	Awarded	Notes
Facilities Rentals/Set-ups	\$3,000.00	\$0.00	
Transportation	\$2,000.00	\$1,759.00	Transportation costs for in-state travel.
Meals/Lodging for Travel	\$1,600.00	\$0.00	Funding for this item is included under "Other."
Food/Refreshments	\$1,800.00	\$0.00	

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 12)

			<ul style="list-style-type: none"> <li>• \$50.00 for awards for Freshman of the Month</li> <li>• \$7259.00 to be used for a conference fund including, but not limited to travel, lodging, meals, and registration fees. The conference costs are based on a guideline of 10 students attending.</li> <li>• \$2259.00 is for advocacy events and the Freshman Focus.</li> </ul>
Other	\$16,600.00	\$9,568.00	
Total*	\$25,000.00	\$11,327.00	

\*The line item totals requested did not match the grand total requested. In this total, SAF accounted for all of the stated line items. The Committee used the total of \$23,300 provided to the Committee in the Freshman Council's application.

**Graduate Commons**

Line Item	Requested	Awarded	Notes
Salary/Wages	\$1,000.00	\$0.00	
Benefits	\$150.00	\$0.00	
Telecommunications	\$420.00	\$420.00	
Printing/ Photocopying	\$350.00	\$0.00	
Office Supplies	\$200.00	\$200.00	
Equipment Rentals/ Purchase	\$2,350.00	\$1,998.00	These funds are for the furnishing of the Graduate Commons excluding the purchase of a fridge, microwave, and printer.
Total	\$4,470.00	\$2,618.00	

**Husky Herald**

Line Item	Requested	Awarded	Notes
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VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 13)

Salary/Wages	\$57,660.00	\$34,512.00	<ul style="list-style-type: none"> <li>• The Editor in Chief is funded at a \$12/hour with a guideline of 19.5 hours a week for a suggested 32 weeks for a total of \$7,488.</li> <li>• The junior staff is comprised of one Marketing &amp; Web Officer and two Assistant Editors. The Marketing &amp; Web Officer is funded at \$11/hour with a guideline of 19.5 hours a week for a suggested 32 weeks and is funded at \$6,864.</li> <li>• The two Assistant Editors are funded at \$11/hour with a guideline of 15 hours a week for a suggested 32 weeks for a total of \$10,560.</li> <li>• The writing staff is comprised of four writers and is funded at \$10/hour with a guideline of 6 hours a week for a suggested 30 weeks for a total of \$7,200.</li> <li>• Freelance work will be funded at \$40 an article and \$10 a photo for a freelance total of \$2,400.</li> </ul>
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A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 14)

Benefits	\$8591.34	\$5,695.00	
Honoraria/ Programming	\$800.00	\$800.00	
Facilities Rentals/Set-ups	\$500.00	\$300.00	
Transportation	\$2,400.00	\$0.00	Moved to other.*
Meals/Lodging for Travel	\$2,034.00	\$0.00	Moved to other.*
Food/ Refreshments	\$1,000.00	\$250.00	
			<ul style="list-style-type: none"> <li>• \$4,665.00 for a conference fund including, but not limited to, lodging, meals, transportation, and registration fees.</li> <li>• \$600.00 for promotional items at \$200 a quarter.</li> <li>• \$457.00 is to be used for ACP membership, webserver fees, and books.</li> </ul>
Other	\$1,790.85	\$5,722.00	
Total	\$74,776.19	\$47,279.00	

The Committee requires the Husky Herald pursue strong marketing and public relations on campus to ensure the success and increased readership of the paper. The Committee suggests doing this by incorporating new and innovative marketing techniques on campus.

**Laptop Circulation and Support (ASUWB Library Support)**

Line Item	Requested	Awarded	Notes
Salary/Wages	\$14,900.00	\$14,006.00	
Benefits	\$2,220.10	\$2,311.00	
Total	\$17,120.10	\$16,317.00	

For the 2013-2014 budgeting cycle, the committee suggests Library Laptops collaborate with IT for check-in, check-out, and reimaging. For the 2013-2014



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A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 15)

budgeting cycle, the committee requires setting up a meeting with the committee regarding outside contracting.

**Literary Journal (Clamor)**

Line Item	Requested	Awarded	Notes
Printing/ Photocopying	\$10,000.00	\$10,000.00	
Office Supplies	\$325.00	\$325.00	
Food/ Refreshments	\$250.00	\$200.00	
Other	\$2,425.00	\$1,025.00	This amount is inclusive of \$1,000 for media production and \$25 for domain registration.
Totals:	\$13,000.00	\$11,550.00	

No more than 5 free copies are to be provided per department. If departments require more than 5 copies, they must cover the cost of printing additional copies. The Committee wishes to ensure that currently enrolled UWB students are given first priority in regards to the disbursement of the printed journals. The Committee asks that Clamor continue to track their distribution of the journal and be prepared to present the results to the committee in the next budgeting cycle. The Committee asks that Clamor look into sustainable options such as online journals for the next budgeting cycle.

**Men’s Basketball (Club)**

Line Item	Requested	Awarded	
Other	\$547.00	\$0.00	
Total	\$547.00	\$0.00	

This request submitted by error. It was meant to be requested from Student Club funds from the Office of Student Life.

**Policy Journal**

Line Item	Requested	Awarded	Notes
Honoraria	\$500.00	\$500.00	
Facilities Rentals/Set-ups	\$300.00	\$300.00	
Printing/ Photocopying	\$5,000.00	\$5,000.00	
Transportation	\$200.00	\$113.00	

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A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 16)

Office Supplies	\$350.00	\$150.00	
Food/ Refreshments	\$300.00	\$0.00	
Total	\$6,650.00	\$6,063.00	

No more than 5 free copies are to be provided per department. If departments require more than 5 copies, they must cover the cost of printing additional copies. The Committee wishes to ensure that currently enrolled UWB students are given first priority in regards to the disbursement of the printed journals. The Committee asks that the Policy Journal continue to track their distribution of the journal and be prepared to present the results to the committee in the next budgeting cycle. The Committee asks that the Policy Journal look into sustainable options such as online journals for the next budgeting cycle.

**Recreation and Wellness Program**

Line Item	Requested	Awarded	Notes
Salary/Wages	\$169,480.00	\$164,680.00	<ul style="list-style-type: none"> <li>• HEROs at \$25,200.00 (5HEROs x \$10 x 12/hours for 42weeks)</li> <li>• Rec Supervisors funded at \$31,680.00 (5Rec x \$12 x 12hours/44weeks)</li> <li>• Officials funded at \$10,800.00</li> <li>• Assistant Director funded at \$52,000.00</li> <li>• Program Manager funded at \$45,000.00</li> </ul>
Benefits	\$43,197.52	\$44,148.00	
Facilities Rentals/Set-ups	\$20,000.00	\$20,000.00	
Telecommunications	\$2,300.00	\$0.00	
Equipment Rentals/ Purchase	\$10,000.00	\$10,000.00	
			<ul style="list-style-type: none"> <li>• Programming at \$62,308.74</li> <li>• Training at \$7,000</li> <li>• Fitness Center at \$5,000</li> <li>• Utilities at \$34,650</li> </ul>

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 17)

Other (including Sports Field support, health, and fitness program operations)	\$179,500.00	\$130,959.00	(33 weeks) <ul style="list-style-type: none"> <li>• Professional Development at \$7,000</li> <li>• Contingency at \$10,000</li> <li>• Student Health at \$5,000</li> </ul>
Sub Total	\$424,477.52	\$370,380.00	
Sports Field Revenue	<\$105,652.00>	<\$105,652.00>	
Total	\$318,825.52	\$264,728.00	

The Committee strongly suggests Recreation and Wellness assess usage and explore alternative sources of funding such as revenue from CCC students and outside teams.

**Student Civic Fellows**

Line Item	Requested	Awarded	Notes
Salary/Wages	\$6,000.00	\$5,400.00	The Committee suggests a \$300 stipend per quarter for a suggested 6 fellows.
Benefits	\$0.00	\$891.00	
Facilities Rentals/Set-ups	\$800.00	\$500.00	The Committee suggests that other than the North Creek Events Center, this group attempt to use a classroom space so facilities costs are kept low.
Printing/ Photocopying	\$100.00	\$100.00	
Transportation	\$191.76	\$0.00	This line item has been moved to other.
Meals/Lodging for Travel	\$1,074.00	\$0.00	This line item has been moved to other.
			\$1,654.00 to be used for a conference fund including, but not

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 18)

			limited to, meals, lodging, transportation, and registration fees.
Other	\$750.00	\$1,654.00	
Total	\$8,915.76	\$8,545.00	

The Committee believes that civic engagement and fellowship is core to UW Bothell's experiential academic mission and alternative sources of funding should be found in the University for the 2013-2014 Budget as SAF will consider not funding Student Civic Fellows in the coming years.

**Student Life Operations**

Line Item	Requested	Awarded	Notes
			<ul style="list-style-type: none"> <li>• \$45,000.00 for the Student Activities Program Manager</li> <li>• \$45,000.00 for the Student Life Advisor</li> <li>• \$16,500.00 for the Student Activities Program Assistant</li> <li>• \$45,000.00 for the Student Activities &amp; Organizations Program Manager</li> <li>• \$45,000.00 Student Life Fiscal Specialist</li> <li>• Marketing coordinators at \$12/hour for a suggested 15 hours a week for a total of \$19,200</li> <li>• The Student Assistants are funded at \$10/hour for a suggested 48 weeks for a total of \$28,100</li> <li>• The Diversity Programmers are</li> </ul>

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 19)

			funded at \$10/hour for a suggested 42 weeks and recommended 15 hours a week for a total of \$12,600.
Salary/Wages	\$303,480.00	\$256,400.00	
Benefits	\$79,895.00	\$74,795.00	
Honoraria/ Programming	\$21,000.00	\$21,000.00	
Facilities Rentals/Set-ups	\$7,000.00	\$4,000.00	
Telecommunications	\$6,500.00	\$3,500.00	
Transportation	\$4,500.00	\$4,500.00	
Meals/Lodging for Travel*	\$10,000.00	\$0.00	
Office Supplies	\$20,000.00	\$20,000.00	
Food/ Refreshments	\$18,800.00	\$11,612.00	
Equipment Rentals/ Purchases	\$3,600.00	\$3,600.00	
Other	\$50,000.00	\$43,000.00	<ul style="list-style-type: none"> <li>• \$10,000 to be used for a conference fund including, but not limited to, meals, lodging, travel, and registration fees.</li> <li>• The Office of Student Life is to make \$33,000 of this category available to student clubs and organizations.</li> </ul>
<b>Total</b>	<b>\$524,775.00</b>	<b>\$442,407.00</b>	

**Sustainability Organization**

<b>Line Item</b>	<b>Requested</b>	<b>Awarded</b>	<b>Notes</b>
Honoraria	\$100.00	\$50.00	
Facilities Rentals/ Set-ups*	\$700.00	\$0.00	

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
2012-13 Distribution of Fees and Allocation of Funds (continued p. 20)

Printing/ Photocopying	\$600.00	\$500.00	
Equipment Rentals/ Purchase*	\$500.00	\$0.00	
Other	\$5,000.00	\$5,795.00	This amount is inclusive of programming dollars for events.
<b>Total</b>	<b>\$6,900.00</b>	<b>\$6,345.00</b>	

\*The funding for these amounts is included under "Other."

**Vocal Society**

<b>Line Item</b>	<b>Requested</b>	<b>Funded</b>	<b>Notes</b>
Honoraria	\$200.00	\$0.00	
Printing/ Photocopying	\$50.00	\$0.00	
Food/ Refreshments	\$100.00	\$0.00	
Equipment Rentals/ Purchase*	\$50.00	\$0.00	
<b>Total*</b>	<b>\$400.00</b>	<b>\$0.00</b>	

\*The Committee suggested this club utilize the club and organization funding provided to the Office of Student Life in the annual funding process.

**Long Term Budget Request**

<b>Long-term Fund Request</b>	
ASUWB Furniture Request	\$15,103.00
<b>Total Long Term Fund Request</b>	<b>\$15,103.00</b>

3) Status report on Student Activities Center planning

During the past two years UW Bothell students and Cascadia Community College (CCC) students have worked together to support the development of a Student Activity Center project. A concept and massing study was completed for this project in March 2011, and in January 2012 the Regents approved the use of \$300,000 from the UW Bothell Student Long Term Fund to continue confirmation of program, initial schematic design, and cost estimating. LMN Architects has been selected as the design firm for the Student Activity Center and students have met with the design team during the past several months to move the project forward. A significant part of this phase has involved

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

Services and Activities Fee – University of Washington Bothell;  
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exploration of funding participation from CCC and development of a sound financing structure for the project. Once the final financing plan has been determined UW Bothell will come back to the Regents for adoption of the project budget, approval of the issuance of bonds, and delegation of authority to award a construction contract.

*Attachment*

Services and Activities Fees Committee Guidelines and Operating Procedures

# Services and Activities Fees Committee Guidelines and Operating Procedures

## Section 1. Services and Activities Fees

A. Services and Activities Fees are defined in [RCW 28B.15.041](#) to mean “fees, other than tuition fees, charged to all students registering at the . . . state universities . . . The legislature also recognizes that Services and Activities Fees are paid by students for the express purpose of funding student activities and programs” of their particular institution.

B. “It is the intent of the legislature that the governing boards ensure that students have a strong voice in recommending budgets for Services and Activities Fees” ([RCW 28B.15.045](#)), and that Services and Activities Fees expenditures for programs devoted to political or economic philosophies shall result in the presentation of a spectrum of ideas ([RCW 28.15.044](#)).

C. The level of the services and activities fees is recommended by the Services and Activities Fee Committee pursuant to [RCW 28B.15.045](#) and approved by the Board of Regents. Increases in the fee are subject to limitations set by the state legislature.

D. The Board of Regents shall adhere to the principle that the desires of the Services and Activities Fee Committee be given priority consideration for funding items that do not fall into the categories of pre-existing contractual obligations, bond covenant agreements, or stability of programs affecting students ([RCW 28B.15.045\(2\)](#)). Expenditures of Services and Activities Fees, however, are permitted for the construction, equipping, and betterment of buildings and facilities for student activities and services ([RCW 28B.10.300](#)).

E. The Services and Activities Fee long-term fund shall consist of all unallocated revenue (refer to sections 9 and 10) derived from the collection of services and activities fees and accrued interest.

F. Services and Activities Fees and revenues generated by programs and activities funded by such fees shall be deposited and expended through the Office of Finance and Administration and will be reduced, unless otherwise stipulated by the Services and Activities Fee Committee, from the allocation awarded for that program or activity. The expenditure of Services and Activities Fees and associated revenues are subject to all applicable University policies, regulations, and procedures and to the Budget and Accounting Act of the State of Washington ([RCW 43.88](#)).

G. In addition to the regulations governing the use of Services and Activities Fees, provisions of the State Constitution prohibit the use of public funds (Services and Activities Fees are considered public funds) with regard to making gifts or loans of money or property.

H. With the exception of any funds needed for bond covenant obligations, once the budget for expending Service and Activities Fees is approved by the Board of Regents, funds shall not be shifted from funds allocated by the Services and Activities Fee Committee until the administration



provides written justification to the Committee and the Regents, and the Regents and the Committee give their express approval. In the event of a fund-transfer dispute among the Committee, the administration, or the Regents, said dispute shall be resolved pursuant to Section 6 of these Guidelines ([RCW 28B.15.045 \(12\)](#)).

## **Section 2. Committee Membership**

A. The intent of this Committee is to be comprised of at least seven (7) and no more than nine (9) voting members who are currently matriculated students at UW Bothell and not elected or appointed officers of the ASUWB Senate, Student Technology Fee Committee, or serving in an officer or staff position for any student news media. The voting membership of the Committee should strive for a committee that is strongly representative of the student body, considering academic programs, class level, gender, cultural backgrounds, and other characteristics of the student body.

B. Ex-officio, non-voting members of the Committee should include a representative from Budget and Fiscal Services, and a representative from Student Affairs. The Chair of the Committee, with approval of the Chancellor, may appoint any other ex-officio member. The role of the representatives from Budget and Fiscal Services and Student Affairs is to provide information and orientation, background materials, and general support and guidance to the Committee.

C. Voting members will generally serve for one term, and each term is for a period of one year (from July 1 to June 30). A voting member may be reappointed for a second and third term, and up to two members may be allowed to serve for a fourth term; such reappointments are subject to the procedures described in Section 2.D. Majority of voting members should be selected before June 1st while leaving two open spots for incoming fall quarter students. The Committee may replace any of its voting members only for reasons spelled out in these Guidelines and Operating Procedures. Members who resign during their term(s) will submit a written resignation to the Committee chairperson. Vacancies will be replaced in the same manner as provided for new appointments and for the un-expired term of the original appointment.

D. The ASUWB Senate appoints members of the Services and Activities Fee Committee according to procedures for appointing students to University committees and boards established by the ASUWB Senate application process. The ASUWB president shall appoint, in consultation with his or her executive committee, a member of the ASUWB Executive Committee to serve as one of the voting members. The Chancellor makes the final appointment for all members sans the ASUWB representative. The chairperson of the Services and Activities Fee Committee shall be selected by the members of that Committee ([RCW 28B.15.045 \(3\)](#)) at its first business meeting. The chairperson will ideally possess monetary experience and have knowledge of the student fees. The chairperson shall call and preside over Committee meetings, prepare agendas, and serve as liaison to the broader University community where appropriate.

E. Voting members are expected to attend all meetings unless excused in advance by the Chair; develop and maintain effective communication within the Committee and across the campus community, demonstrate a willingness to engage in constructive dialogue on any issue being considered by the Committee, actively participate in the deliberations of the Committee, and adhere

to the rules and regulations governing the Committee. Members may request the resignation of a particular member if absences or conduct are deemed detrimental to the work of the Committee. A request for resignation to remove a member from the Committee requires a unanimous vote by all voting members of the Committee, except for the party whose resignation is being requested, and concurrence by the Chancellor.

### **Section 3. Committee Meetings**

A. Regular meetings shall be held at least three times per quarter (Autumn, Winter, and Spring) and more frequently as needed. During the winter and spring quarter, meetings will be held at least two (2) to three (3) times per month. All business, other than those items appropriate for consideration during executive session, will be conducted during open session and in full compliance with the Open Public Meetings Act.

B. An agenda and a copy of all funding requests to be considered by the Committee shall be sent to members and be publicly posted at least three-school days in advance of all regular meetings and shall specify the time and place of the meeting as well as the business to be transacted.

C. A special meeting of the Committee may be called at any time by the chair, by a simple majority of the voting members of the Committee, or by the Chancellor by delivering personally or by mail written notice to each member of the Committee at least 24-hours before the time of such meeting as specified in the notice. The time and place shall be decided by simple majority and absence(s) may be excused by the chair. The call and notice shall specify the time and place of the special meeting and the business to be transacted; final disposition shall not be taken on any other matter at such meetings.

D. The Committee may hold an executive session during a regular or special meeting only to consider matters permitted under the Open Public Meetings Act ([RCW 42.30.110](#)).

E. A quorum shall consist of a simple majority (50% + 1) of the current voting membership of the Committee. The chairperson shall be included as a voting member. Proxies shall not be considered for voting purposes.

F. All meetings shall be conducted in accordance with Robert's Rules of Order, Newly Revised. Deviations from such procedures will be at the discretion of the Chair with a simple-majority approval of the Committee present and voting.

G. Minutes shall be taken at all meetings of the Committee and shall be publicly posted not later than five-business days after the meeting concludes. Said minutes shall include the results of every action item taken by the Committee.

### **Section 4: Budgeting Process**

A. The Services and Activities Fee Committee shall notify the campus community of the opportunity to submit requests for annual funding no later than December 1:

1. The Committee shall establish the format and related deadlines for receiving budget requests in advance of notifying the campus community of the opportunity to apply for funding. At least 15-business days must be provided to members of the campus community for preparing their requests.

2. Any member of the University of Washington Bothell campus community may submit a request for annual funding.

3. The intent of the annual operating budget is to support on-going student activities, services, and programs. It is the intent that the funds deemed "long-term" shall be used to purchase capital (non-recurring) equipment and furnishings, lease and/or bond obligations, and other related expenditures.

B. A contingency fund shall be established by the Committee as part of its annual budget and should represent approximately 5% of the projected fee revenue. The purpose of this money is to fund proposals throughout the following fiscal year. The Chancellor or his or her designate shall review and approve all such recommendations from the Committee.

1. The Committee shall establish the format, priorities for funding, and related deadlines for receiving contingency requests. At least 10-business days must be provided to students for preparing their requests.

2. The intent of the contingency award is to fund student-initiated activities, events, projects, and services that were not proposed during the annual budgeting cycle. Contingency requests should represent new ideas for building and sustaining community on campus. As such, these requests are to be generated by student groups, committees, and boards. Other entities of the campus community are invited to submit requests during the annual budgeting cycle.

C. All proposals for either annual or contingency funding must contain adequate information about how a program will serve currently enrolled UWB students as well as a detailed breakdown of proposed expenditures and anticipated revenues.

D. The Committee shall review all requests for support from the services and activities fees, serving in an advisory capacity to the Chancellor and the Board of Regents.

E. At the Committee's discretion, a hearing may be required for those requests that lack sufficient detail or justification. The Committee should provide at least 10-business days' notice of a hearing to those individuals requested to be in attendance.

F. The Committee shall organize and publicize at least one open forum on its proposed annual funding allocations at least 10-calendar days prior to adopting a final budget.

G. The Chancellor may meet with the Committee at appropriate intervals in its budget formation process to respond to emergent ideas and issues and to apprise it of the general position of the Regents. The Chancellor may respond in writing to specific written proposals submitted by the Committee and take other actions as needed to assure that the lines of communication to the Committee remain open. The Chancellor may delegate these duties to another senior administrator.

H. The Committee shall send its final recommendations for an annual operating budget and long-term capital expenditures along with supporting documentation to the Chancellor on or about May 1 of each year. Within 10-business days after receiving the Committee's annual budget recommendations, the Chancellor will provide a written response to the Committee. In formulating his or her response, the Chancellor may seek the view of other affected University groups and senior administrators as to the final recommendations of the Committee prior to making his or her recommendation to the Board of Regents. In the event the Chancellor disagrees with any of the Committee's recommendations, the dispute resolution process described in Section 7 will be invoked.

I. At the time the Chancellor submits his or her proposed budget recommendations to the Board of Regents for the expenditure of services and activities fees, he or she shall also submit a copy of the Committee's recommendations and supporting documents along with any response from the administration.

J. Members of the Service and Activities Fee Committee shall have an opportunity to address the Board of Regents before the Regent's decisions on services and activities fee budgets and dispute resolution actions are made ([RCW 28B.15.045 \(1\)](#)).

K. If, during the year, there are unanticipated non-recurring expenses, and if there are sufficient long-term funds to not only fund the expenditures but also other long-term commitments, the Committee can request that the necessary funds be transferred from the long-term account to the current operating account.

## **Section 5. Guidelines for Funding**

A. Operating expenditures may be proposed in support of bona fide school-related curricular or extracurricular functions, activities, or programs participated in by UWB students in the furtherance of their education:

1. Ordinary supplies, purchased services or equipment necessary to conduct the student function, activity, or program.
2. Compensation for students or other University employees engaged in activities or services that directly involve or support currently enrolled UWB students such as student government, student activities, student life, financial aid, counseling, testing, placement, and security. Compensation is established once per year, during the Annual Budget cycle, and cannot be modified during the Contingency cycle.

3. Necessary and reasonable fees, meals, lodging, and transportation expenses for entertainers, lecturers, guest speakers and others who provide personal services on a contractual basis.

4. Trophies, plaques or medals, certificates of award or articles of personal property that are of nominal value (\$50 or less) given to currently enrolled UWB students as recognition for participation, achievement, or excellence as part of the functions of student organizations, activities, or programs.

5. Promotional Items are designed to promote any student organization, group, or funded project or service and are limited to a total value of \$800 per year unless expressly stated otherwise by the Services and Activities Fee Committee at the time of allocation. Food and publicity (for specific events) are not considered a promotional item. Articles of clothing may be purchased with the guidance and approval of the Office of Student Life and the Club Council. Promotional items must be purchased in compliance with University policies and procedures.

6. Cost of childcare for children of currently enrolled UW Bothell students who are participating in UW Bothell programs held on the UW Bothell campus.

7. Travel Awards can only be granted to currently enrolled UW Bothell students and their advisor(s), who shall be UW faculty or staff, to participate in approved student functions, activities, or programs. Awards are limited to paying accommodations, transportation, registration fees, and incidental expenses as outlined by the SAF Committee. All travel must comply with established UW travel policies and procedures. Approved travel awards are reimbursed only when receipts are presented. Travel must benefit the broader student community through participation upon return from the trip. Maximum reimbursement will be \$500 per student and \$2,500 per group unless expressly stated otherwise by the SAF Committee upon awarding of funds.

8. Food and refreshments may be purchased for UW Bothell-student functions as outlined by the UW food policy, which includes award receptions, training, activities, or programs. Such funds are intended to support activities and programs open to the general student body. Funds are not intended to support routine meetings associated with student organizations (student government, campus events board, SAF, etc.). Services and Activities Fees may not be used to purchase or serve alcoholic beverages.

B. Consistent with state law, any expenditure of Services and Activities Fees, including loans, is considered a prohibited gift when made for the direct benefit of private individuals or groups. State law also prohibits contributions of Services and Activities Fees or property to a political candidate or cause in connection with any local, state, or federal election.

C. Services and Activities Fees shall not be used as fundraising contributions; matching funds for fundraising purposes; or for any expenses related to a meetings, event, or activities of which the principal purpose is fundraising.

D. When making allocations, the Committee may place stipulations on the use of funds or recommend guidelines in the operations of a program, or both. The approved budget and stipulations, not the original request, shall be binding on the program.

E. Any program may move up to 5% of their annual or contingency budget between line items at the discretion of the Office of Student Life. Other changes to the approved budget and amounts above 5% require the approval of the Committee.

## **Section 6. General Criteria for Evaluating Funding Requests**

A. Requests for funding are evaluated by:

1. The degree to which the request supports a UWB student program or activity or provides a direct service that is of general interest and has broad appeal to currently enrolled UWB students;
2. How well the proposed program, activity, or service is conceived and organized and, if previously funded, its track record for success;
3. The likelihood of partial or full funding from another source or the probability that alternative funding (full or partial) is available from another source;
4. The number and diversity of currently enrolled UWB students likely to benefit from the program, activity, or service in proportion to the level of proposed funding; and
5. All other criteria approved in advance by the Committee and the Chancellor or his or her designate.

## **Section 7. Budget Disputes**

A. The Chancellor or his or her designate shall respond to the Committee recommendations in writing, outlining areas of agreement and potential areas of disagreement, allowing reasonable time for response, and clearly setting forth the next step in the review process. In the event of a dispute(s) involving the Committee recommendations, the administration shall meet with the Committee in a good faith effort to resolve such dispute(s) prior to submission of final recommendations to the Board of Regents ([RCW 28B.15.045\(5\)](#)).

B. If the dispute is not resolved within fourteen-calendar days, a dispute resolution committee shall be convened by the chair of the Committee within fourteen-calendar days ([RCW 28B.15.045\(6b\)](#)).

C. The dispute resolution committee shall be selected as follows: The administration shall appoint two nonvoting advisory members; the Board of Regents shall appoint three voting members; and the Committee chairperson shall appoint three student members of the Committee who will have a vote, and one student representing the Committee who will chair the dispute resolution committee

and be nonvoting except in the case of a tie vote. The dispute resolution committee shall meet in good faith and settle by vote any and all disputes. ([RCW 28B.15.045\(7\)](#))

D. The Board of Regents may take action on those portions of the Services and Activities Fees budget not in dispute and shall consider the results, if any, of the dispute resolution committee and shall take action ([RCW 28B.15.045\(8\)](#)).

## **Section 8. Review of Budget Allocations**

A. The Committee may choose to review the status of the current Annual Budget at any time during the year. The purpose of these reviews is to assess the status of awards and to have current budget information available for reference during future funding cycles.

B. The Committee may choose to conduct discretionary reviews of funded programs at any time during the year. Recipients of funding may be asked to provide the committee with spending records and projections inclusive of, but not limited to: budget request forms, receipts, and food request forms.

C. If the review finds that a program or organization is not spending in alignment with its allocation, is not in accordance with these Guidelines and Operating Procedures, or is failing to report information as stated in Section B, the Committee may freeze the remaining unexpended portion of that program or organization's budget. Until the freeze is removed, no further expenditures may be incurred against the budget. A freeze may remain in effect until the Committee is satisfied with the program's progress. Therefore, it is in the best interest of all organizations funded by the Services and Activities Fee to keep up to date records of their expenditures.

## **Section 9. Long Term Funds**

A. The Long Term Fund will maintain 30% of the projected annual Services and Activities Fee revenue and any additional funds designated for future projects or expenditures.

## **Section 10. Excess Funds**

- A. Excess funds are defined as unallocated or unspent annual or contingency dollars in any given academic year.
- B. A sufficient portion of the excess funds must be returned to the Long Term Fund to restore it to the 30% minimum annual projection should it fall below that level.
- C. Additional excess funds collected over the course of the academic year may be allocated in the contingency process or the annual process in the following academic year at the discretion of the Committee.

## **Section 11. Budget Spending and Reconciliation**

A. Groups receiving SAF funds are responsible for following all guidelines, procedures and reconciliation of funds as set forth by the SAF Committee, Student Life, and University policy and procedures.

### **Notes:**

i. The SAF Guidelines and Operating Procedures were originally authorized by the Board of Regents on September 27, 1991 and later amended by the Regents on June 12, 1998.

ii. Revised SAF Guidelines and Operating Procedures were adopted by the SAF Committee on April 8, 2005, approved by the Chancellor on May 22, 2005, and authorized by the Board of Regents on June 9, 2005.

iii. Further revisions to the SAF Guidelines and Operating Procedures were adopted by the SAF Committee on April 7, 2006, approved by the Chancellor on May 22, 2006, and authorized by the Board of Regents on June 8, 2006.

iv. Additional revisions to the SAF Guidelines and Operating Procedures were adopted by the SAF Committee on April 27, 2007, approved by the Chancellor on May 1, 2007, and authorized by the Board of Regents on June 7, 2007.

v. Additional revisions to the SAF Guidelines and Operating Procedures were adopted by the SAF Committee on April 11, 2008, approved by the Chancellor on April 14, 2008, and authorized by the Board of Regents on June 12, 2008.

vi. Additional revisions to the SAF Guidelines and Operating Procedures were adopted by the SAF Committee on May 23, 2011, approved by the Chancellor on May 23, 2011, and authorized by the Board of Regents on June 9, 2011



VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Presentation on University of Washington Alumni Affairs and Constituent Relations

This presentation will be for information only.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

*in Joint Session with*

B. Finance, Audit and Facilities Committee

University of Washington Board of Regents Declaration of Concern for the Sustainability of Washington Public Higher Education

RECOMMENDED ACTION

It is the recommendation of the Academic and Student Affairs Committee and the Finance, Audit and Facilities Committee that the Board of Regents approve the *University of Washington Board of Regents Declaration of Concern for the Sustainability of Washington Public Higher Education*.

*Attachment*

University of Washington Board of Regents Declaration of Concern for the Sustainability of Washington Public Higher Education

## **University of Washington Board of Regents**

### **Declaration of Concern for the Sustainability of Washington Public Higher Education**

The Board of Regents is the public's steward of the state's largest institution of higher learning and is mindful of its obligation to the public to ensure the University's integrity, fiscal prudence, long-term viability, and programmatic quality. It is also the Board's duty to keep the public (and its leaders) apprised of its best assessment of the state of the University and of the public higher education system of which it is part. In accordance therewith, and upon careful deliberation, the Board has unanimously reached the following conclusions.

**Conclusion 1.** Public higher education is an essential ingredient of a functioning democracy and a healthy economy, but the state financial construct for its funding is broken and *not sustainable*. The downward trajectory of state support will produce increasingly unwanted and dire consequences for the institutions, their students and faculty, and the general public welfare in a globally competitive economy.

**Conclusion 2.** Contrary to the foundational notion of an educated citizenry being a benefit to society that is worthy of encouragement, the erosion of state funding over many years, and the recent precipitous decline, have *radically and unduly shifted the burden of financing the higher education system to students*, who increasingly accomplish this by incurring family and personal debt. This places a restraint on the ability of many Washingtonians to fully pursue life's opportunities.

**Conclusion 3.** If Washington is to maintain affordable access to quality higher education for its citizens, then something has to change. The state's *financial and revenue structures will need to be reformed* so as to create a funding mechanism that is sufficient to provide the opportunity for higher learning to a broad spectrum of Washingtonians. Without such reform, this opportunity will diminish.

The Board's rationale for these conclusions and plan of action is set forth below.

#### **Rationale**

Since the founding of our nation, an educated populace has been deemed necessary for a successful and prosperous democracy. A generation before Washington even became a state, the Territorial Legislature created a public university (to become the University of Washington), and in adopting the state constitution years later, the people specifically provided for the creation of a system of public education from common schools through the college and university levels. These were not casual inclusions within the state's founding charter but were intended as bold policy pronouncements of an enduring nature. An educated citizenry was deemed to be an asset to society, the fostering of which was worthy of public support.

Washington can be proud of its entire system of public higher education, including its community and technical colleges, comprehensive regional institutions and its two research universities, which often appear favorably measured in national rankings and evaluations. The state's well-established and respected private institutions are an important complement to the quality and diversity of educational offerings.

The University of Washington is commonly regarded as one of the top research universities in the world. It is a global leader in many fields of learning and research, and the residents of Washington are the beneficiaries of the educational opportunities that this provides, as well as the impacts which make the UW one of the region's most powerful economic engines.

Over the past two decades, the funds provided to the University each year from tuition and state appropriations actually declined from an average of \$17,000 per student to about \$16,000 per student, in inflation-adjusted dollars. During that same period, the state's funding share declined from 80 percent to 30 percent, while the student's share increased from 20 percent to 70 percent. The most precipitous drop in this downward trajectory has occurred in the last three years, when the UW has seen its state support cut by more than 50 percent.

We recognize and appreciate the recent efforts of the Governor and the Legislature to provide the University with additional tools to manage through the current financial crisis. This includes passage of legislation granting tuition setting authority to the Board as well as the recent passage of legislation granting additional administrative flexibility over internal business operations and the investment of our operating fund. We are also gratified that the most recently passed supplemental budget did not make any further reductions in our public support.

Despite these efforts, Washington's overall financial framework for supporting its public institutions of higher education is broken. The twenty year shift in who pays for public higher education in Washington has turned upside down the historic vision of our founders and threatens our ability to continue to provide the benefit of an affordable university education to our citizens. We are systematically disinvesting in our children's future. We view this trend with great disappointment and alarm.

As Regents, we view our role as "public stewards," to ensure that the University is prudently managed for the benefit of Washington's citizens and the various University constituencies, given the resources available. Through the President and our system of shared governance, we are dedicated to providing the optimum degree of access to a first rate research university education. But under the current fiscal trajectory, something has to give, and it should not be the quality of the University's faculty and staff, its offerings to students, or its contributions to the discovery of knowledge.

### **Plan of Action**

Given the current situation, one which we deem unlikely to change for the better on its own, we do and will continue to advocate for:

- reform of the state's financial and revenue structures so as to provide a viable, dedicated stream of support for access to an affordable, quality public higher education for Washington's residents;

- sustained commitment of federal and state financial aid so that education can remain a viable path for upward social mobility;
- the authority of the University to manage its assets, revenues, and institutional affairs in an efficient, flexible, and expeditious manner to insure we optimize their benefits and provide clear value for our students as well as transparency to the public;
- the prudent and cost-effective utilization of University resources.

President and founding father John Adams once wrote:

*“Before any great things are accomplished, a memorable change must be made in the system of education and knowledge must become so general as to raise the lower ranks of society nearer to the higher. The education of a nation instead of being confined to a few schools and universities for the instruction of the few, must become the national care and expense for the formation of the many.”*

We believe these words are still true today and describe the foundation for the University of Washington’s primary role on behalf of the state and its citizens. As Regents, we call upon the civic and political leaders of this state, as well as the public at large, to work in common to shape the change that is necessary to protect and nurture the realization of a well-educated and capable American populace.

## Policy Regarding Regent Conflicts of Interest

By state law and University policy, all decisions of the Board of Regents are to be made solely on the basis of promoting the best interests of the University. Therefore, regents are required to publicly disclose their significant personal financial interests and refrain from participating in any University transaction in which they have a personal interest.

### 1. Public Disclosure of Personal Financial Interests

Under the Washington Public Disclosure Act, [RCW Chapter 42.17](#), elected officials and certain state appointed officials (including the University President and Board of Regents) are required annually to file a Personal Financial Interest Statement.

### 2. Specific Transactions

In the event that the Board of Regents is called upon to consider a transaction involving the University in which a regent has a beneficial interest, such regent shall, pursuant to the Ethics in Public Service Act, [RCW Chapter 42.52](#):

- Disclose fully the precise nature of his or her interest in such transaction; and
- Refrain from participating in the Board's consideration of the proposed transaction.

State law defines what constitutes a "transaction involving" the University and what is a "beneficial interest" in such a transaction.

Members of the Board of Regents should also act in accordance with the general provision of [RCW 42.52.020](#) stating that state officers and employees may not "have an interest, financial or otherwise, direct or indirect, or engage in a business or transaction or professional activity, or incur an obligation of any nature, that is in conflict with the proper discharge of the state officer's or state employee's official duties."

Questions or complaints under this policy may be referred to the Chair of the Board of Regents, the Executive Director of Internal Audit, or University legal counsel, for appropriate action.

## Statement of Ethical Principles

The faculty, staff, and students of the University of Washington are heirs to a 150-year commitment to honesty and integrity in conducting our mission of education, research and public service. As trustees of that legacy, it is our responsibility to hold ourselves and one another to the highest ethical standards, guiding our quests for the discovery and dissemination of knowledge and the conduct of other University affairs with a deep respect for the rules and societal standards that define the right way to conduct our work.

This Statement of Ethical Principles is intended to form a foundation for applying the various detailed regulations and ethics programs to which members of the University community are subject. The Statement should be used as a general guide in making ethical decisions in all situations, especially those where the right answer may not be immediately apparent.

### 1. Conflicts of Interest and Commitment

All regents, faculty, senior officials, and staff hold positions of trust, and we should conduct our activities accordingly. We must avoid activities that would compromise the public's confidence in the University's integrity or that would impair our independence and objectivity of judgment in the discharge of our responsibilities to the University. We should demonstrate sensitivity in identifying potential conflicts of interest, whether of a financial, personal, or professional nature. Conflicts of interest must be disclosed, reviewed, and appropriately managed or eliminated in accordance with the reporting and other provisions of applicable University and regulatory agency policies.

### 2. Respect and Civility

The University community is diverse in ethnicity, gender, age, religion, sexual orientation, political belief, and in many other ways. As members of this community, each of us must help establish and maintain a culture of tolerance and respect for the dignity and perspectives of others and promote civility in our discourse and behavior towards one another.

### 3. Accountability

We should hold ourselves accountable to each other, to the University, and to the public for our actions and our omissions. Our duty includes an obligation to report suspected violations of laws, regulations, or University policies to appropriate University officials and to avoid retaliation against others who in good faith report such violations.

#### **4. Stewardship and Use of Authority**

As stewards of University resources, we each have a responsibility to ensure that all assets under our control are used prudently, ethically, and for their designated purposes. We must avoid waste of University funds, property, or facilities or their diversion for non-University purposes. Similarly, we must be careful to use the authority delegated to us so that it serves institutional, rather than personal, objectives.

#### **5. Seeking Guidance**

Whenever we, as members of the University community, are uncertain about the best way to handle a situation, we should consult with our supervisors, the Executive Director of Internal Audit, University legal counsel, or other appropriate resources.



**University of Washington  
Board of Regents  
Resolution of Appreciation to  
Kelsey E. Knowles**

WHEREAS, in accordance with Washington state law, Governor Christine O. Gregoire appointed second-year Master in Public Administration student Kelsey E. Knowles to serve the prescribed one-year term, from July 5, 2011 to June 30, 2012, as the student member of the University of Washington Board of Regents; and

WHEREAS, as a 2005 alumna of the University of Washington, majoring in Political Science, she brought to her Regental responsibilities a deep appreciation and affection for her alma mater; and

WHEREAS, through her active involvement in student life, serving as Senator to the Graduate and Professional Student Senate representing the Evans School of Public Affairs, as an officer for the Evans Student Organization, and as the President of the Associated Students of the University of Washington in 2004-2005, she demonstrated her commitment to civic engagement and her extraordinary leadership skills which contributed greatly to the quality of student life for all students at the University; and

WHEREAS, she has served the Board with skill and distinction, smartly representing the students of the University and bringing to her work on the Board the perspective of an experienced, thoughtful, well-informed and very well-prepared student, deeply committed to the University's values, especially access, opportunity, and excellence in all respects; and

WHEREAS, her political acumen and strong commitment to student engagement has helped further the University's public mission; and

WHEREAS, her judgment, intelligence, keen analytical skills, and her enthusiasm for service have contributed profoundly to the work of the Board and made her an exemplary Regent, an equal among equals and a true colleague and friend; and

WHEREAS, her calm demeanor, seriousness of purpose, exceptional communication skills and fundamental commitment to students have made her an exemplary colleague and Regent;

NOW, THEREFORE, BE IT RESOLVED: That the members of the Board of Regents express to Kelsey Knowles their gratitude on behalf of the entire University community, especially the student body, and their own personal thanks for her exceptional service, dedication, and hard work, that we wish her continued success and happiness in all her future endeavors, and that this resolution be spread upon the minutes of the Board as a permanent record of the Board's sincere appreciation.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Report of Contributions – April 2012

For information only.

*Attachment*

UW Foundation Report of Contributions for April 2012

# Report of Contributions

All Areas | April 2012

## ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month				Year to Date			
	Gifts	Private Grants	Total	Donors <sup>1</sup>	Gifts	Private Grants	Total	Donors
UW Medicine	\$2,651,210	\$4,808,644	\$7,459,854	2,308	\$24,710,162	\$78,786,777	\$103,496,939	13,952
Arts and Sciences	\$870,844	\$612,435	\$1,483,279	1,217	\$11,700,333	\$8,127,685	\$19,828,018	11,146
Broadcast Services	\$217,478		\$217,478	372	\$6,733,633		\$6,733,633	15,920
Built Environments	\$40,114		\$40,114	109	\$1,123,495	\$5,000	\$1,128,495	880
Business School	\$416,789		\$416,789	265	\$18,674,695		\$18,674,695	3,877
Dentistry	\$33,452		\$33,452	106	\$1,377,486	\$55,404	\$1,432,891	1,178
Education	\$28,480		\$28,480	148	\$896,654	\$4,695,113	\$5,591,767	1,242
Engineering	\$533,651	\$272,143	\$805,794	204	\$10,636,633	\$7,680,305	\$18,316,938	3,748
Environment	\$337,560	\$739,592	\$1,077,152	226	\$3,717,516	\$5,202,801	\$8,920,317	2,225
Evans School of Public Affairs	\$29,480		\$29,480	42	\$229,437	\$474,196	\$703,633	418
Graduate School	\$42,517		\$42,517	20	\$1,016,121	\$859,273	\$1,875,394	235
Information School	\$17,633		\$17,633	50	\$334,576	\$182,676	\$517,252	791
Intercollegiate Athletics	\$2,353,956		\$2,353,956	3,805	\$26,192,575		\$26,192,575	10,410
Law	\$44,617		\$44,617	88	\$1,484,532	\$138,692	\$1,623,224	1,499
Libraries	\$156,555		\$156,555	509	\$1,163,361		\$1,163,361	4,428
Minority Affairs	\$12,268		\$12,268	108	\$949,002	\$18,400	\$967,402	631
Nursing	\$39,875	\$75,292	\$115,167	100	\$1,940,664	\$765,433	\$2,706,097	1,381
Pharmacy	\$59,131	\$2,310	\$61,441	96	\$914,538	\$8,842,944	\$9,757,482	1,213
President's Funds	\$17,342		\$17,342	81	\$561,508		\$561,508	1,148
Public Health	\$10,162	\$181,825	\$191,987	88	\$566,290	\$9,606,270	\$10,172,560	667
Social Work	\$36,197		\$36,197	53	\$1,796,518	\$855,415	\$2,651,933	862
Student Life	\$569,816		\$569,816	203	\$6,071,211		\$6,071,211	3,380
Undergraduate Academic Affairs	\$34,884		\$34,884	221	\$416,624	\$1,199,430	\$1,616,054	641
University Press	\$2,125		\$2,125	8	\$192,095		\$192,095	206
UW Alumni Association	\$104,089		\$104,089	1,851	\$826,011		\$826,011	14,494
UW Bothell	\$24,914	\$128,811	\$153,725	119	\$538,301	\$3,374,357	\$3,912,658	515
UW Tacoma	\$198,898	\$2,880	\$201,778	211	\$3,660,021	\$80,190	\$3,740,211	853
Other University Support	\$19,739	\$127,500	\$147,239	361	\$3,360,071	\$1,447,548	\$4,807,619	1,405
<b>Total</b>	<b>\$8,903,776</b>	<b>\$6,951,433</b>	<b>\$15,855,208</b>	<b>12,333</b>	<b>\$131,784,062</b>	<b>\$132,397,909</b>	<b>\$264,181,971</b>	<b>86,100</b>

## MONTHLY HIGHLIGHTS

The UW received \$15.86M in total private voluntary support (\$8.90M in gifts and \$6.95M in grants) in the current month.

Areas including Broadcast Services, Business School, Education, Engineering, Graduate School, Intercollegiate Athletics, Minority Affairs, Nursing, Pharmacy, Student Life, UW Alumni Association and UW Bothell are ahead of last year's year-to-date totals.

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

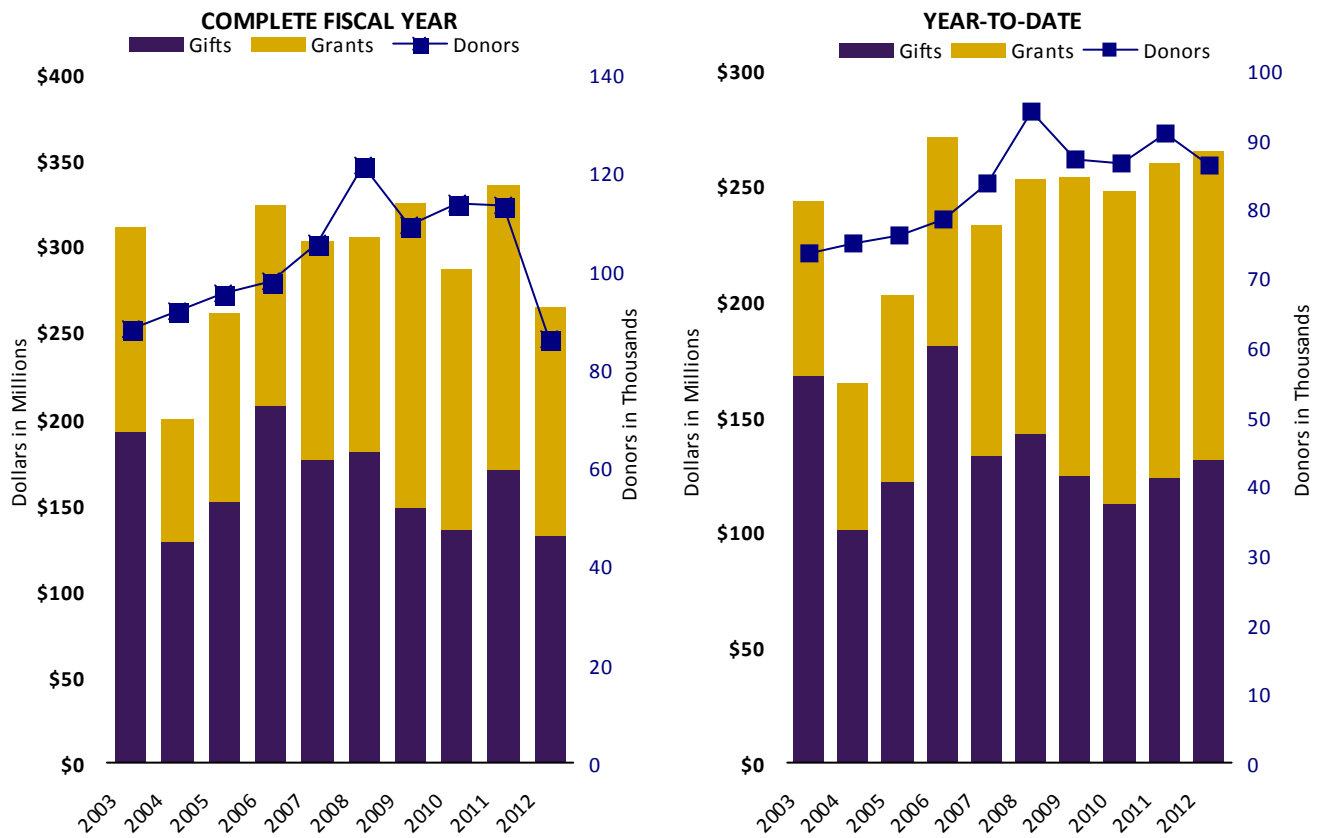
The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

**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	\$7,459,854	2,308	\$103,496,939	13,952	\$106,999,924	14,477	\$127,994,691	15,832
Arts and Sciences	\$1,483,279	1,217	\$19,828,018	11,146	\$22,672,168	12,321	\$26,366,179	14,021
Broadcast Services	\$217,478	372	\$6,733,633	15,920	\$2,563,943	18,352	\$2,945,722	21,519
Built Environments	\$40,114	109	\$1,128,495	880	\$3,844,165	1,089	\$4,097,082	1,304
Business School	\$416,789	265	\$18,674,695	3,877	\$11,099,603	3,526	\$14,099,968	4,136
Dentistry	\$33,452	106	\$1,432,891	1,178	\$4,578,814	1,255	\$4,880,520	1,371
Education	\$28,480	148	\$5,591,767	1,242	\$3,807,083	1,016	\$4,453,458	1,322
Engineering	\$805,794	204	\$18,316,938	3,748	\$18,285,497	3,744	\$28,104,317	4,207
Environment	\$1,077,152	226	\$8,920,317	2,225	\$9,093,898	2,278	\$10,224,490	2,596
Evans School of Public Affairs	\$29,480	42	\$703,633	418	\$865,433	402	\$1,259,897	536
Graduate School	\$42,517	20	\$1,875,394	235	\$1,564,744	216	\$1,904,156	260
Information School	\$17,633	50	\$517,252	791	\$906,791	713	\$978,535	747
Intercollegiate Athletics	\$2,353,956	3,805	\$26,192,575	10,410	\$19,674,539	12,499	\$25,769,643	24,108
Law	\$44,617	88	\$1,623,224	1,499	\$3,731,422	1,418	\$3,954,968	1,671
Libraries	\$156,555	509	\$1,163,361	4,428	\$2,159,342	5,154	\$2,221,330	5,602
Minority Affairs	\$12,268	108	\$967,402	631	\$383,533	584	\$1,125,063	762
Nursing	\$115,167	100	\$2,706,097	1,381	\$1,475,214	1,341	\$2,572,650	1,476
Pharmacy	\$61,441	96	\$9,757,482	1,213	\$3,032,794	1,067	\$3,449,822	1,256
President's Funds	\$17,342	81	\$561,508	1,148	\$4,598,580	1,249	\$4,660,973	1,419
Public Health	\$191,987	88	\$10,172,560	667	\$18,874,433	648	\$20,982,432	728
Social Work	\$36,197	53	\$2,651,933	862	\$2,703,073	835	\$3,825,867	922
Student Life	\$569,816	203	\$6,071,211	3,380	\$4,537,885	2,470	\$24,665,211	3,351
Undergraduate Academic Affairs	\$34,884	221	\$1,616,054	641	\$1,863,883	497	\$2,135,761	545
University Press	\$2,125	8	\$192,095	206	\$1,489,150	203	\$1,525,915	215
UW Alumni Association	\$104,089	1,851	\$826,011	14,494	\$692,540	13,448	\$943,635	17,676
UW Bothell	\$153,725	119	\$3,912,658	515	\$1,660,661	542	\$1,890,127	753
UW Tacoma	\$201,778	211	\$3,740,211	853	\$4,079,289	671	\$5,207,539	798
Other University Support	\$147,239	361	\$4,807,619	1,405	\$2,199,807	1,841	\$2,397,723	2,095
<b>Total<sup>1</sup></b>	<b>\$15,855,208</b>	<b>12,333</b>	<b>\$264,181,971</b>	<b>86,100</b>	<b>\$259,438,209</b>	<b>90,795</b>	<b>\$334,637,675</b>	<b>113,114</b>

<sup>1</sup> 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
2011-2012	\$131,784,062	\$132,397,909	\$264,181,971	86,100	\$131,784,062	\$132,397,909	\$264,181,971	86,100
2010-2011	\$170,201,978	\$164,435,696	\$334,637,675	113,114	\$123,674,547	\$135,763,662	\$259,438,209	90,795
2009-2010	\$135,813,022	\$150,815,796	\$286,628,819	113,746	\$111,988,255	\$135,616,240	\$247,604,495	86,388
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$124,878,006	\$128,163,902	\$253,041,908	87,101
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$142,940,995	\$109,295,358	\$252,236,353	93,875
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$133,126,824	\$99,466,674	\$232,593,498	83,674
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$180,494,199	\$90,387,665	\$270,881,863	78,460
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$122,122,874	\$80,143,890	\$202,266,764	76,167
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$101,365,172	\$62,684,981	\$164,050,153	74,985
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$168,025,960	\$75,232,159	\$243,258,119	73,546

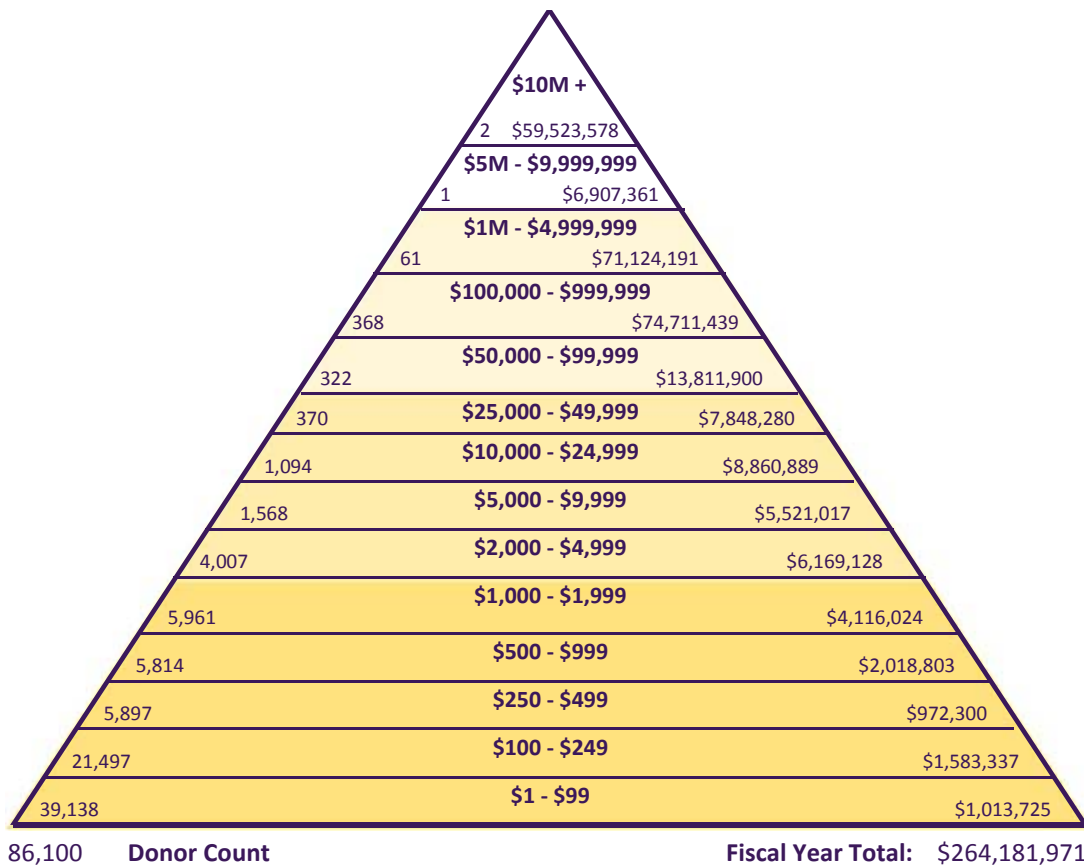
### ANNUAL FUNDING THEME PROGRESS

Theme	Current Use	Year to Date	
		Endowment	Total
Student Support	\$8,592,115	\$16,864,980	\$25,457,096
Faculty Support	\$7,844,968	\$3,488,770	\$11,333,738
Program Support for Faculty and Students	\$172,938,127	\$9,488,072	\$182,426,199
Capital	\$18,746,751	\$1,385	\$18,748,136
Excellence Funds	\$23,951,514	\$2,265,288	\$26,216,803
<b>Total</b>	<b>\$232,073,476</b>	<b>\$32,108,495</b>	<b>\$264,181,971</b>

### DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors <sup>1</sup>	Total	Donors	Total
Alumni	39,095	\$37,802,444	40,215	\$39,351,314	48,671	\$48,006,717
Corporations	2,254	\$42,055,435	2,128	\$38,567,165	2,568	\$48,099,904
Family Foundations	154	\$12,635,384	149	\$12,715,870	161	\$16,071,226
Foundations	359	\$81,142,781	387	\$80,756,165	446	\$97,547,429
Non-Alumni	43,760	\$29,829,865	47,398	\$23,324,432	60,669	\$49,015,743
Organizations	478	\$60,716,063	518	\$64,723,263	599	\$75,896,655
<b>Total</b>	<b>86,100</b>	<b>\$264,181,971</b>	<b>90,795</b>	<b>\$259,438,209</b>	<b>113,114</b>	<b>\$334,637,675</b>

### DEVELOPMENT ACTIVITY PYRAMID



<sup>1</sup> 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

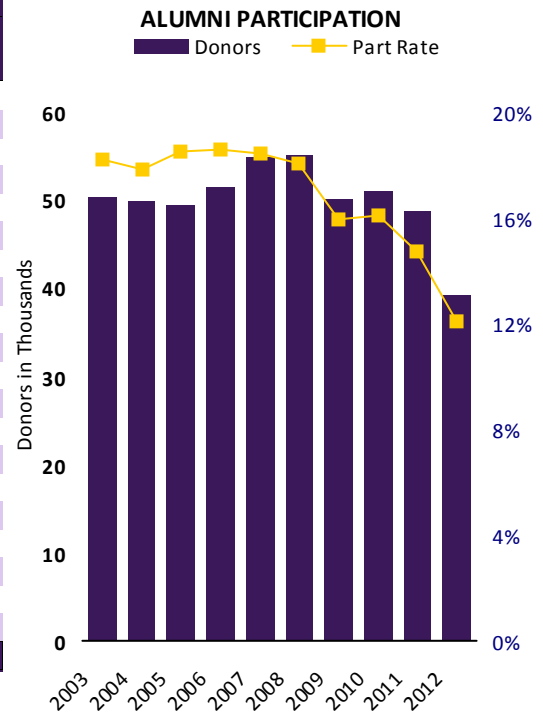
Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +					\$38,936,218	\$20,587,360	\$59,523,578
\$5M - \$9,999,999						\$6,907,361	\$6,907,361
\$1M - \$4,999,999	\$9,710,599	\$5,323,664	\$7,128,193	\$16,431,190	\$20,299,529	\$12,231,016	\$71,124,191
\$100,000 - \$999,999	\$9,364,995	\$11,314,331	\$3,525,214	\$15,559,908	\$17,937,106	\$17,009,885	\$74,711,439
\$50,000 - \$99,999	\$2,904,939	\$2,724,869	\$988,874	\$3,524,002	\$2,017,521	\$1,651,695	\$13,811,900
\$25,000 - \$49,999	\$2,065,058	\$1,237,557	\$362,108	\$2,016,606	\$919,224	\$1,247,728	\$7,848,280
\$10,000 - \$24,999	\$2,928,810	\$2,156,176	\$399,420	\$2,107,422	\$650,914	\$618,147	\$8,860,889
\$5,000 - \$9,999	\$2,357,219	\$1,471,331	\$150,265	\$1,084,068	\$215,918	\$242,216	\$5,521,017
\$2,000 - \$4,999	\$3,201,532	\$1,901,092	\$58,360	\$772,122	\$101,195	\$134,826	\$6,169,128
\$1,000 - \$1,999	\$2,017,765	\$1,669,812	\$17,378	\$316,877	\$43,311	\$50,881	\$4,116,024
\$500 - \$999	\$1,091,334	\$758,469	\$5,001	\$133,841	\$13,811	\$16,346	\$2,018,803
\$250 - \$499	\$565,781	\$346,749	\$350	\$47,147	\$4,077	\$8,197	\$972,300
\$100 - \$249	\$954,837	\$566,009	\$150	\$49,982	\$3,545	\$8,813	\$1,583,337
\$1 - \$99	\$639,574	\$359,804	\$70	\$12,271	\$412	\$1,593	\$1,013,725
<b>Total</b>	<b>\$37,802,444</b>	<b>\$29,829,865</b>	<b>\$12,635,384</b>	<b>\$42,055,435</b>	<b>\$81,142,781</b>	<b>\$60,716,063</b>	<b>\$264,181,971</b>

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +					1	1	2
\$5M - \$9,999,999						1	1
\$1M - \$4,999,999	14	18	3	9	9	8	61
\$100,000 - \$999,999	79	96	16	66	60	51	368
\$50,000 - \$99,999	77	117	16	57	30	25	322
\$25,000 - \$49,999	118	111	12	64	28	37	370
\$10,000 - \$24,999	375	438	33	159	49	40	1,094
\$5,000 - \$9,999	629	646	23	196	34	40	1,568
\$2,000 - \$4,999	1,897	1,706	22	297	35	50	4,007
\$1,000 - \$1,999	2,645	2,938	17	279	39	43	5,961
\$500 - \$999	2,676	2,824	8	252	22	32	5,814
\$250 - \$499	2,653	3,027	1	174	14	28	5,897
\$100 - \$249	9,421	11,585	2	397	26	66	21,497
\$1 - \$99	18,511	20,254	1	304	12	56	39,138
<b>Total</b>	<b>39,095</b>	<b>43,760</b>	<b>154</b>	<b>2,254</b>	<b>359</b>	<b>478</b>	<b>86,100</b>



### 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	19,296	3,073	15.93%	2,046	10.60%
Arts and Sciences	148,325	16,056	10.82%	4,648	3.13%
Business School	38,811	5,735	14.78%	2,055	5.29%
Built Environments	8,372	1,059	12.65%	463	5.53%
Dentistry	4,598	924	20.10%	552	12.01%
Education	17,578	2,533	14.41%	500	2.84%
Engineering	33,380	3,966	11.88%	1,939	5.81%
Environment	11,457	1,372	11.98%	659	5.75%
Evans School of Public Affairs	2,773	501	18.07%	198	7.14%
Interdisc. Grad. Programs	2,239	274	12.24%		
Interschool Programs	2,406	414	17.21%		
Information School	4,882	911	18.66%	480	9.83%
Law	8,074	1,397	17.30%	773	9.57%
School of Nursing	8,737	1,455	16.65%	805	9.21%
Pharmacy	3,705	825	22.27%	666	17.98%
Public Health	4,728	645	13.64%	236	4.99%
Social Work	6,543	830	12.69%	422	6.45%
UW Bothell	8,323	632	7.59%	184	2.21%
UW Tacoma	9,481	577	6.09%	248	2.62%
Unspecified	9,066	1,187	13.09%		
<b>ALL UW TOTAL</b>	<b>324,647</b>	<b>39,095</b>	<b>12.04%</b>		



### ALUMNI PARTICIPATION BY CONSTITUENCY (PREVIOUS FISCAL YEAR)

Area	Solicitable	To UW				To Unit			
		Year to Date		FY Total		Year to Date		FY Total	
		Donors <sup>1</sup>	Part Rate	Donors	Part Rate	Donors	Part Rate	Donors	PFY Final
UW Medicine	19,185	3,106	16.19%	3,576	18.64%	2,065	10.76%	2,273	11.85%
Arts and Sciences	151,787	16,343	10.77%	20,278	13.36%	4,767	3.14%	5,558	3.66%
Business School	39,725	5,856	14.74%	7,407	18.65%	1,922	4.84%	2,384	6.00%
Built Environments	8,496	1,089	12.82%	1,328	15.63%	445	5.24%	521	6.13%
Dentistry	4,650	973	20.92%	1,116	24.00%	551	11.85%	601	12.92%
Education	18,092	2,587	14.30%	3,180	17.58%	471	2.60%	542	3.00%
Engineering	33,868	3,998	11.80%	4,885	14.42%	1,974	5.83%	2,235	6.60%
Environment	11,635	1,393	11.97%	1,711	14.71%	648	5.57%	746	6.41%
Evans School of Public Affairs	2,747	443	16.13%	561	20.42%	151	5.50%	193	7.03%
Interdisc. Grad. Programs	2,200	264	12.00%	323	14.68%				
Interdisc. Undergrad. Programs									
Interschool Programs	2,459	420	17.08%	503	20.46%				
Information School	4,950	869	17.56%	981	19.82%	442	8.93%	464	9.37%
Law	8,186	1,397	17.07%	1,701	20.78%	765	9.35%	891	10.88%
School of Nursing	8,909	1,471	16.51%	1,709	19.18%	790	8.87%	883	9.91%
Pharmacy	3,690	791	21.44%	947	25.66%	617	16.72%	689	18.67%
Public Health	4,683	625	13.35%	736	15.72%	210	4.48%	234	5.00%
Social Work	6,753	833	12.34%	971	14.38%	427	6.32%	465	6.89%
UW Bothell	8,069	581	7.20%	803	9.95%	172	2.13%	271	3.36%
UW Tacoma	9,452	588	6.22%	772	8.17%	289	3.06%	373	3.95%
Unspecified	9,472	1,204	12.71%	1,540	16.26%				
<b>ALL UW TOTAL</b>	<b>330,521</b>	<b>39,572</b>	<b>11.97%</b>	<b>48,671</b>	<b>14.73%</b>				

<sup>1</sup> 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 <sup>1</sup>	Donors	Members	Non Members
UW Medicine	19,296	1,860	849	45.65%	11.16%
Arts and Sciences	148,325	18,422	5,382	29.22%	5.49%
Business School	38,811	7,106	2,531	35.62%	6.80%
Built Environments	8,372	1,095	334	30.50%	7.12%
Dentistry	4,598	985	412	41.83%	10.63%
Education	17,578	2,805	932	33.23%	7.35%
Engineering	33,380	4,430	1,378	31.11%	6.64%
Environment	11,457	1,403	401	28.58%	7.19%
Evans School of Public Affairs	2,773	325	121	37.23%	11.36%
Interdisc. Grad. Programs	2,239	212	63	29.72%	7.40%
Interdisc. Undergrad. Progra					
Interscholar Programs	2,406	536	187	34.89%	7.54%
Information School	4,882	755	267	35.36%	12.38%
Law	8,074	1,065	477	44.79%	10.84%
School of Nursing	8,737	1,301	496	38.12%	10.40%
Pharmacy	3,705	636	322	50.63%	14.53%
Public Health	4,728	401	144	35.91%	9.27%
Social Work	6,543	567	176	31.04%	9.09%
UW Bothell	8,323	710	118	16.62%	3.59%
UW Tacoma	9,481	619	109	17.61%	2.79%
Unspecified	9,066	1,824	598	32.79%	4.61%
Non-Alumni		8,858	5,060	57.12%	
<b>Total</b>	<b>324,647</b>	<b>53,991</b>	<b>18,686</b>	<b>34.61%</b>	

## Alumni Activity

<b>1 in 3 registrants at 2011 UW events were UWAA members</b>
<b>1 in 2 registrants at 2011 UW events were UW donors</b>
<b>7 in 10 registrants at 2011 UW events were Solicitable Alumni</b>
<b>1 in 50 UWAA members attended a 2011 UW event</b>
<b>1 in 3 2010-2011 Football/Basketball season ticket holders were UWAA members</b>
<b>3 in 5 UWAA members were 2010-2011 Football/Basketball season ticket holders</b>

## Top 10 Membership by Class Year

Class Year	Part. Rate	Class Year	Population
1955	22.59%	2011	1,661
1953	21.79%	1971	1,113
1954	21.45%	1973	1,085
1959	21.08%	1974	1,060
1946	20.90%	1970	1,041
1956	20.84%	1972	1,035
1957	20.32%	1976	1,028
1958	20.29%	1975	1,011
1944	20.15%	1977	952
1950	19.95%	1968	902

## Activity Participation - Rolling 3 Year Total <sup>3</sup>

School <sup>2</sup>	Participants	Part. Donors	% Donors	Alum Non-Part.	Alum Non-Par Donor	% Non-Part Donor
Intercollegiate Athletics	2,902	2,846	98.07%			
UW Medicine	4,878	3,482	71.38%	21,492	3,240	15.08%
Arts and Sciences	18,160	3,699	20.37%	140,010	7,880	5.63%
Built Environments	1,904	761	39.97%	7,376	687	9.31%
Business School	7,657	2,039	26.63%	34,023	3,091	9.09%
Dentistry	2,063	829	40.18%	2,888	409	14.16%
Education	2,255	449	19.91%	16,510	893	5.41%
Engineering	3,703	1,100	29.71%	31,711	3,138	9.90%
Environment	1,651	708	42.88%	10,928	1,028	9.41%
Evans School of Public Affairs	1,008	352	34.92%	2,191	265	12.09%
Graduate School	421	163	38.72%	2,181	4	0.18%
Information School	849	280	32.98%	4,549	662	14.55%
Law	2,342	924	39.45%	6,511	1,000	15.36%
Libraries	1,423	1,377	96.77%			
Nursing	1,114	436	39.14%	8,296	1,310	15.79%
Pharmacy	461	276	59.87%	3,576	948	26.51%
Public Health	759	251	33.07%	4,099	383	9.34%
Social Work	974	327	33.57%	6,177	652	10.56%
UW Bothell	1,020	290	28.43%	8,657	681	7.87%
UW Tacoma	749	283	37.78%	10,154	836	8.23%

<sup>1</sup> Members include paid Annual Members, Lifetime Members, and TPC Level Donors

<sup>2</sup> 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.

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

Source: University of Washington Alumni Association

( 07/01/2011 - 04/30/2012 )

Source: University Advancement, Information Management Report # devrpts\_s1205191



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Grant and Contract Awards Summary – March 2012

RECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents accept the Grant and Contract Awards of \$1,000,000 or more as presented in the attached report.

*Attachment*

Grant and Contract Awards Summary for March 2012

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# **Grant and Contract Awards Summary**

**to**

**The Board of Regents**

**of the**

**University of Washington**

**for**

**March 2012**

**Office of Research**

**Office of Sponsored Programs**

The numbers provided in this report are subject to adjustment at the time that the Annual Report of Sponsored Activity is published.  
The changes would reflect modifications and additions to existing awards.

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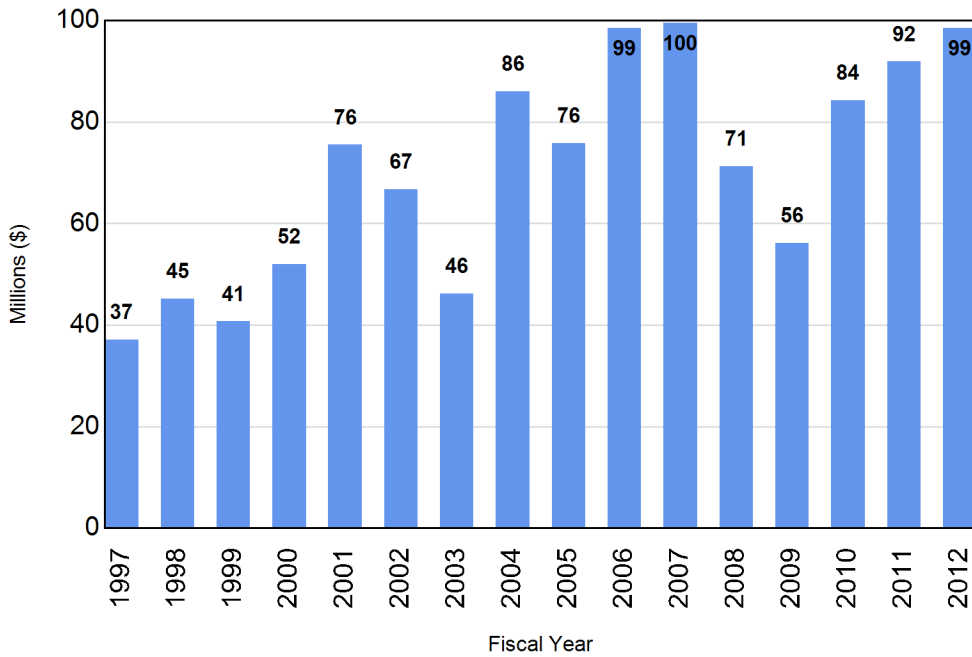
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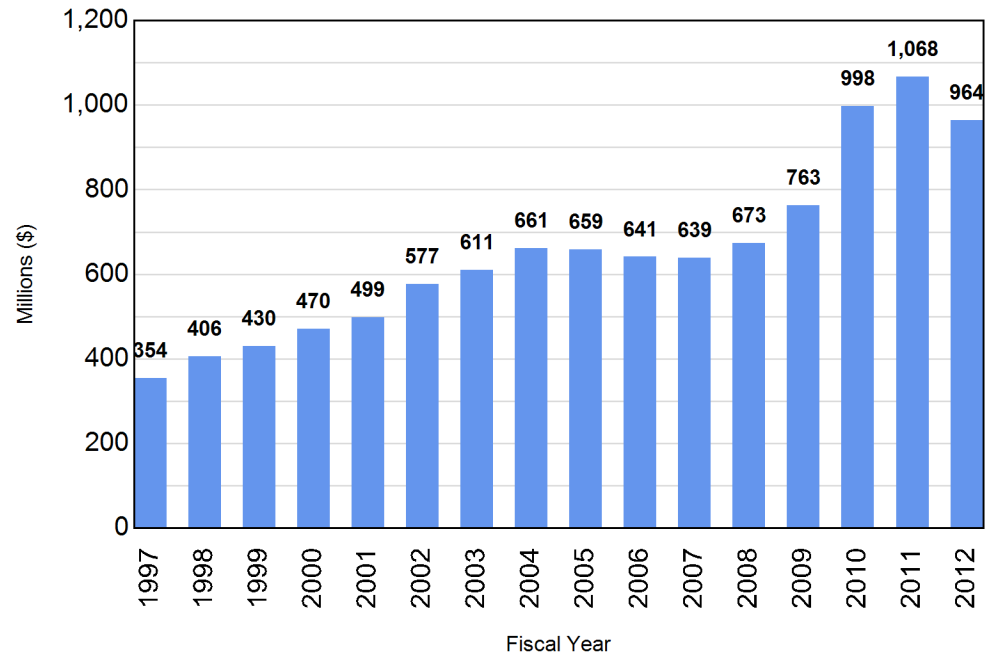
## Table of Contents

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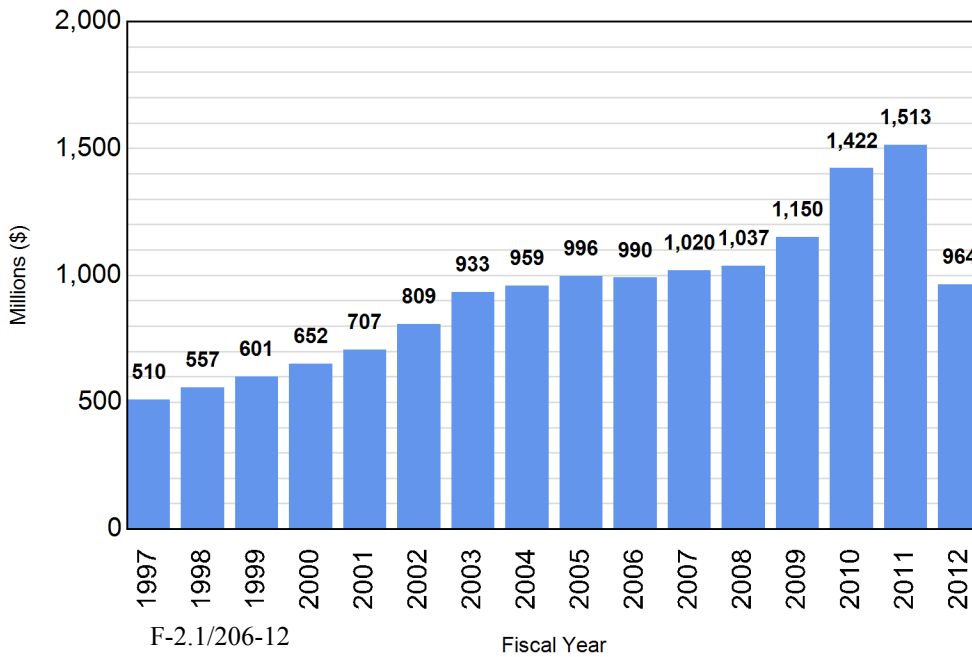
**March Only**  
**Comparison of Grant & Contract Awards**



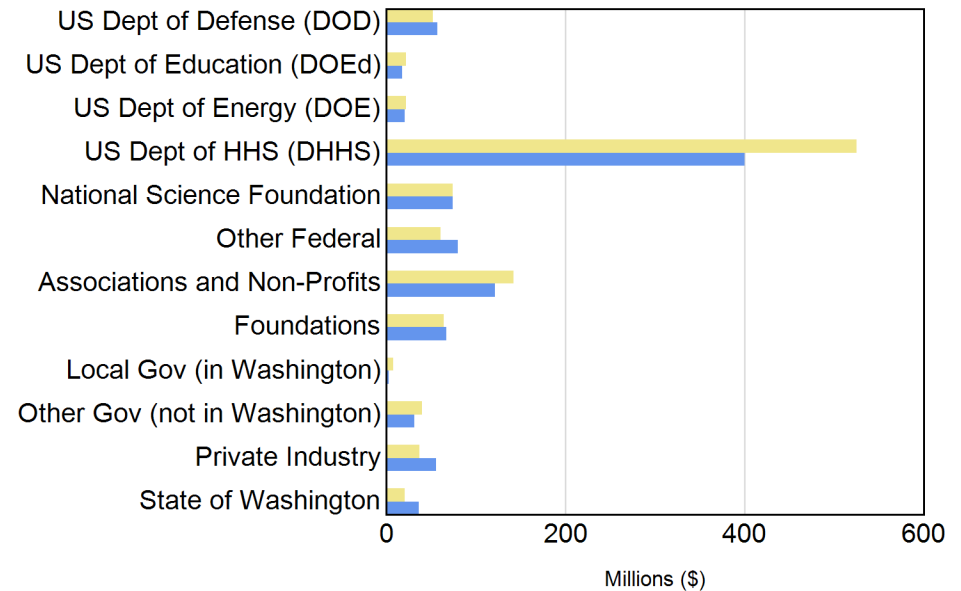
**Fiscal Year to Date**  
**Comparison of Grant & Contract Awards**



**Complete Fiscal Year**  
**Comparison of Grant & Contract Awards**



**Fiscal Year to Date**  
**Two-Year Comparison of Grant and Contract Awards**



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**Summary of Grant and Contract Awards**Fiscal Year 2011-2012

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Month	RESEARCH AND OTHER		TRAINING		Total Grants and Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 72,776,120	\$ 30,196,740	\$ 7,642,882	\$ 2,388,481	\$ 113,004,200
August	\$ 127,093,600	\$ 38,276,540	\$ 11,366,250	\$ 954,419	\$ 177,690,800
September	\$ 142,014,000	\$ 58,009,470	\$ 8,100,000	\$ 1,267,491	\$ 209,391,000
October	\$ 64,749,740	\$ 28,930,740	\$ 4,470,465	\$ 802,690	\$ 98,953,630
November	\$ 30,235,620	\$ 49,313,530	\$ 772,264	\$ 5,337,309	\$ 85,658,730
December	\$ 24,013,190	\$ 33,553,300	\$ 392,235	\$ 1,164,378	\$ 59,123,100
January	\$ 30,260,410	\$ 25,582,030	\$ 464,989	\$ 254,364	\$ 56,561,790
February	\$ 46,858,480	\$ 15,543,470	\$ 1,520,722	\$ 1,157,557	\$ 65,080,230
March	\$ 74,856,560	\$ 21,942,520	\$ 1,499,153	\$ 183,674	\$ 98,481,900
<b>FY12 to Date</b>	<b>\$612,857,795</b>	<b>\$301,348,343</b>	<b>\$36,228,955</b>	<b>\$13,510,362</b>	<b>\$963,945,455</b>
<b>FY11 to Date</b>	<b>\$671,911,818</b>	<b>\$297,318,402</b>	<b>\$83,908,524</b>	<b>\$14,747,857</b>	<b>\$1,067,886,600</b>
<b>Over (Under) Previous Year</b>	<b>(\$59,054,023)</b>	<b>\$4,029,941</b>	<b>(\$47,679,569)</b>	<b>(\$1,237,495)</b>	<b>(\$103,941,145)</b>

**Comparison of Grant and Contract Awards by Agency**

Fiscal Years 2010-2011 and 2011-2012

<b>Agency</b>	<b>Jul-Mar FY11</b>	<b>Jul-Mar FY12</b>
US Department of Defense (DOD)	\$ 51,820,529	\$ 56,790,210
US Department of Education (DOEd)	\$ 22,208,884	\$ 18,043,049
US Department of Energy (DOE)	\$ 21,774,683	\$ 20,400,422
US Department of Health and Human Services (DHHS)	\$ 525,004,995	\$ 400,138,084
National Science Foundation (NSF)	\$ 74,357,609	\$ 74,012,070
Other Federal	\$ 60,653,642	\$ 79,702,915
<b>Subtotal for Federal :</b>	<b>\$ 755,820,341</b>	<b>\$ 649,086,750</b>
Associations and Non-Profits	\$ 142,455,414	\$ 121,650,159
Foundations	\$ 64,606,922	\$ 66,870,247
Local Government (in Washington)	\$ 7,475,053	\$ 2,956,686
Other Government (not in Washington)	\$ 39,699,382	\$ 31,139,061
Private Industry	\$ 37,061,944	\$ 55,680,498
State of Washington	\$ 20,767,543	\$ 36,562,055
<b>Subtotal for Non-Federal :</b>	<b>\$ 312,066,259</b>	<b>\$ 314,858,705</b>
<b>Grand Total :</b>	<b>\$ 1,067,886,600</b>	<b>\$ 963,945,455</b>
<b>Amount of Increase (Decrease) :</b>		<b>(\$ 103,941,145)</b>
<b>Percent of Increase (Decrease) :</b>		<b>(9.7 %)</b>



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**Comparison of Grant and Contract Awards by School/College**Fiscal Years 2010-2011 and 2011-2012

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School/College	Jul-Mar FY11	Jul-Mar FY12
<b>Upper Campus</b>		
Architecture and Urban Planning	\$ 3,243,165	\$ 875,504
Arts and Sciences	\$ 67,871,147	\$ 61,005,584
Center for Commercialization	\$ 291,264	
College of the Environment	\$ 96,741,481	\$ 108,505,302
Computing & Communications		\$ 15,260
Director of Libraries	\$ 282,381	\$ 5,336,571
Education	\$ 18,931,493	\$ 16,875,524
Educational Outreach	\$ 175,000	\$ 50,000
Engineering	\$ 81,787,799	\$ 83,097,893
Evans School of Public Affairs	\$ 1,637,417	\$ 1,665,846
Executive Vice President	\$ 236,340	\$ 19,981
Foster School of Business	\$ 1,150,823	\$ 282,543
Graduate School	\$ 2,029,500	\$ 6,810,927
Information School	\$ 1,788,111	\$ 3,952,729
Law	\$ 1,962,988	\$ 3,602,575
Office of Research	\$ 49,768,469	\$ 40,958,450
Provost		\$ 29,468
Social Work	\$ 18,026,207	\$ 15,155,212
Undergraduate Education	\$ 1,578,269	\$ 939,534
VP Minority Affairs	\$ 7,810,926	\$ 9,150,947
VP Student Life	\$ 20,715	\$ 46,000
<b>Subtotal :</b>	<b>\$ 355,333,494</b>	<b>\$ 358,375,849</b>
<b>Health Sciences</b>		
Dentistry	\$ 2,950,951	\$ 2,605,788
Health Sciences Admin		\$ 1,690
Medicine	\$ 537,824,778	\$ 455,811,026
Nursing	\$ 13,393,070	\$ 10,725,309
Pharmacy	\$ 12,812,878	\$ 19,227,820
Public Health	\$ 122,335,735	\$ 83,508,240
<b>Subtotal :</b>	<b>\$ 689,317,412</b>	<b>\$ 571,879,872</b>
<b>Special Programs</b>		
Alcohol and Drug Abuse Institute	\$ 3,684,597	\$ 2,952,660
CHDD Administration	\$ 4,536,089	\$ 6,416,067
Hall Health Primary Care Center	\$ 283,155	
Regional Primate Center	\$ 7,075,612	\$ 18,763,020
<b>Subtotal :</b>	<b>\$ 15,579,453</b>	<b>\$ 28,131,747</b>

School/College	Jul-Mar FY11	Jul-Mar FY12
<b>Other UW Campuses</b>		
Bothell	\$ 2,244,980	\$ 4,280,997
Tacoma	\$ 5,411,261	\$ 1,276,990
<b>Subtotal :</b>	\$ 7,656,241	\$ 5,557,987
<b>Grand Total :</b>	\$ 1,067,886,600	\$ 963,945,455

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**Summary of Grant Awards****Fiscal Year 2011-2012***Excluding private awards from Foundations, Industry, Associations and Others*

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<b>Month</b>	<b>RESEARCH AND OTHER</b>		<b>TRAINING</b>		<b>Total Grants</b>
	<b>Federal</b>	<b>Non-Federal</b>	<b>Federal</b>	<b>Non-Federal</b>	
July	\$ 71,450,980	\$ 5,019,858	\$ 7,510,674	\$ 126,824	\$ 84,108,340
August	\$ 120,682,900	\$ 2,948,988	\$ 11,366,250	\$ 314,640	\$ 135,312,800
September	\$ 138,053,300	\$ 9,825,795	\$ 8,080,000	\$ 172,830	\$ 156,131,900
October	\$ 55,634,390	\$ 8,875,251	\$ 4,470,465	\$ 255,199	\$ 69,235,300
November	\$ 21,802,560	\$ 2,942,820	\$ 772,264	\$ 4,077,087	\$ 29,594,730
December	\$ 21,360,260	\$ 2,630,255	\$ 392,235	\$ 300,964	\$ 24,683,720
January	\$ 28,677,020	\$ 4,843,651	\$ 464,989	\$ 151,603	\$ 34,137,260
February	\$ 40,830,610	\$ 2,539,351	\$ 1,520,722	\$ 80,748	\$ 44,971,430
March	\$ 71,996,500	\$ 3,145,390	\$ 1,499,153	\$ 90,000	\$ 76,731,040
<b>Year to Date</b>	<b>\$ 570,488,600</b>	<b>\$ 42,771,360</b>	<b>\$ 36,076,750</b>	<b>\$ 5,569,895</b>	<b>\$ 654,906,600</b>

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**Summary of Grant Awards****Fiscal Year 2011-2012***Private awards from Foundations, Industry, Associations and Others*

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<b>Month</b>	<b>RESEARCH AND OTHER</b>	<b>TRAINING</b>	<b>Total Grants</b>
July	\$ 21,192,800	\$ 165,382	\$ 21,358,180
August	\$ 20,388,870	\$ 425,819	\$ 20,814,690
September	\$ 37,698,050	\$ 1,061,446	\$ 38,759,500
October	\$ 15,415,300	\$ 515,275	\$ 15,930,570
November	\$ 39,275,870	\$ 901,444	\$ 40,177,310
December	\$ 21,673,470	\$ 292,047	\$ 21,965,520
January	\$ 16,280,460	\$ 8,296	\$ 16,288,750
February	\$ 8,419,101	\$ 123,092	\$ 8,542,192
March	\$ 8,328,719	\$ 92,007	\$ 8,420,726
<b>Year to Date</b>	<b>\$ 188,672,600</b>	<b>\$ 3,584,808</b>	<b>\$ 192,257,400</b>

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**Summary of Contract Awards**Fiscal Year 2011-2012

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Month	RESEARCH AND OTHER		TRAINING		Total Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 1,325,143	\$ 3,984,090	\$ 132,208	\$ 2,096,275	\$ 7,537,716
August	\$ 6,410,709	\$ 14,938,690	\$ 0	\$ 213,960	\$ 21,563,360
September	\$ 3,960,724	\$ 10,485,630	\$ 20,000	\$ 33,215	\$ 14,499,570
October	\$ 9,115,353	\$ 4,640,188	\$ 0	\$ 32,216	\$ 13,787,760
November	\$ 8,433,068	\$ 7,094,843	\$ 0	\$ 358,778	\$ 15,886,690
December	\$ 2,652,925	\$ 9,249,576	\$ 0	\$ 571,367	\$ 12,473,870
January	\$ 1,583,393	\$ 4,457,920	\$ 0	\$ 94,465	\$ 6,135,778
February	\$ 6,027,863	\$ 4,585,020	\$ 0	\$ 953,717	\$ 11,566,600
March	\$ 2,860,064	\$ 10,468,410	\$ 0	\$ 1,667	\$ 13,330,140
<b>Year to Date</b>	<b>\$ 42,369,240</b>	<b>\$ 69,904,360</b>	<b>\$ 152,208</b>	<b>\$ 4,355,660</b>	<b>\$ 116,781,500</b>

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**Report of Grant and Contract Awards  
of \$1,000,000 or More**

**March 2012**

**Requiring action of  
The Board of Regents  
of the  
University of Washington**

**Office of Research  
Office of Sponsored Programs**

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**Detail of Public Grant Awards**

**Federal**

**US Department of Defense (DOD)**

**Office of Naval Research (ONR)**

To:	Kristi Hill, Assistant Professor Aero And Astro	\$ 1,499,873
For:	AIRFOILS: Animal Inspired Robust Flight with Outer and Inner Loop Strategies	
Eff:	8/1/2010	Classified: No
To:	Zoran Popovic, Associate Professor Computer Science & Eng	\$ 2,721,689
For:	Engage: A Game Based Learning and Problem Solving Framework	
Eff:	1/9/2012	Classified: No

**Total for Office of Naval Research (ONR):** **\$ 4,221,562**

**Total for US Department of Defense (DOD):** **\$ 4,221,562**

**US Department of Health and Human Services (DHHS)**

**National Institutes of Health (NIH)**

To:	Stanley C Froehner, Professor Physiology & Biophysic	\$ 1,221,198
For:	Molecular and Cellular Therapies for Muscular Dystrophy	
Eff:	4/1/2012	Classified: No
To:	Xiaoming Yang, Professor Radiology	\$ 1,125,587
For:	Intrabiliary MR/RF-enhanced chemotherapy of malignant biliary obstructions	
Eff:	2/15/2011	Classified: No

*National Human Genome Research Institute (NHGRI)*

To:	Deborah Nickerson, Professor Genome Sciences	\$ 3,250,000
For:	UW Center for Mendelian Genomics	
Eff:	12/5/2011	Classified: No

*Total for National Human Genome Research Institute (NHGRI):* *\$ 3,250,000*

*National Institute of Allergy and Infectious Diseases (NIAID)*

To:	Samuel Miller, Professor Department Of Medicine	\$ 8,035,349
For:	NWRCE for Biodefense and Emerging Infectious Diseases Research	
Eff:	3/1/2012	Classified: No

*Total for National Institute of Allergy and Infectious Diseases (NIAID):* *\$ 8,035,349*

**Total for National Institutes of Health (NIH):** **\$ 13,632,134**

**Total for US Department of Health and Human Services (DHHS):** **\$ 13,632,134**

**Detail of Public Grant Awards**

**Federal**

**National Science Foundation (NSF)**

**National Science Foundation (NSF)**

To:	Gerald Baldasty, Dean Dean's Office	\$ 3,667,548
For:	2011-2012 Graduate Research Fellowship	
Eff:	6/16/2011	Classified: No

**Total for National Science Foundation (NSF):** **\$ 3,667,548**

**Total for National Science Foundation (NSF):** **\$ 3,667,548**

**Other Federal**

**National Oceanic and Atmospheric Administration (NOAA)**

To:	Penelope Dalton, Director Marine Programs Office	\$ 2,405,000
For:	Program Plan for Renewal of Sea Grant College Support 2010-2014	
Eff:	12/1/2009	Classified: No

**Total for National Oceanic and Atmospheric Administration (NOAA):** **\$ 2,405,000**

**Research and Innovative Technology Administration**

To:	Yinhai Wang, Professor Civil & Envir Engineer	\$ 3,500,000
For:	Pac Trans Region X University Transportation Center	
Eff:	1/1/2012	Classified: No

**Total for Research and Innovative Technology Administration:** **\$ 3,500,000**

**Total for Other Federal:** **\$ 5,905,000**

**Total for Federal:** **\$ 27,426,244**

**Total Public Grants:** **\$ 27,426,244**

**Detail of Contract Awards**

**Private Industry**

**Inter-American Development Bank**

To:	Ali Mokdad, Professor Global Health	\$ 4,789,596
For:	Mesoamerica Health Indicators Project	
Eff:	1/20/2012	Classified: No

**Total for Inter-American Development Bank:** **\$ 4,789,596**

**Total for Private Industry:** **\$ 4,789,596**

**Total Contracts:** **\$ 4,789,596**

**Grand Total for all Awards** **\$ 32,215,840**



## VII. STANDING COMMITTEES

## B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority

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 BUDGETS1. Fisheries Teaching and Research Building Envelope Improvements, Project No. 202941Actions Reported: Select Architect/Budget Adjustment/Award Construction Contract

On April 18, 2012, a revised budget for the Fisheries Teaching and Research Building Envelope Improvements Project was established at \$1,235,000 versus an earlier budget of \$936,242. The budget was revised due to higher than expected construction bids.

On October 25, 2010, an architectural agreement was awarded to Cornerstone Architectural Group (Cornerstone) for the Fisheries Teaching and Research Building Envelope Improvements project under its existing Master Agreement for Architectural Services contract. The agreement amount is \$88,044 for basic services through design versus a budget value of \$225,653 for design consultants. The balance of the design budget includes previously completed programming, a hazardous materials consultant, other specialty consultants and construction phase services.

Cornerstone Architectural Group has been in business in Seattle for 17 years and has twelve employees. Cornerstone has experience in a broad range of project types and developed a building envelope practice in 2001 that has addressed long-term moisture problems in over 60 projects. The firm has provided services for roof replacements at Magnuson Health Sciences Center (MHSC) AA-Wing, MHSC T-Wing, and Wilcox Hall, curtain wall repairs at Suzzallo Library, and balcony waterproofing replacement at Gould Hall. Cornerstone has provided investigation and design services for roof replacements, plus wall, roof and window repairs at other public agencies locally including the federal General Services Administration, the US Postal Service, school districts and other state and local agencies.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 2)

On April 27, 2012, a construction contract was awarded to L. W. Sundstrom, Inc., in the amount of \$686,875. Three bids were received for this project; the highest bid was \$839,900. The budgeted construction cost was \$525,988. The project budget was established at \$936,242. The budget has been increased to \$1,235,000, due to the higher than planned bid results.

L. W. Sundstrom is a general construction company based in Ravensdale, Washington. The company was founded in 1999, has eight employees and does a wide range of work for public agencies. At the University of Washington, Sundstrom has renovated the temporary gallery at the Burke Museum and completed the site work and landscaping at Architecture Hall under a separate contract after the building renovation. Sundstrom has also completed projects for the City of Seattle, Metropolitan Parks in Tacoma and the City of Olympia.

The purpose of this project is to eliminate moisture in the ground floor concrete slab and water leaks through the below-grade, exterior wall at the Fisheries Teaching and Research Building. The work includes replacement of the below-grade waterproofing and foundation drainage on all sides of the building, cleaning or replacement of all interior, water damaged building materials and new interior finishes in damaged areas. Exterior work includes installation of a sump pump to move drainage from the site to the city storm system, excavation to access the building foundation plus removal and replacement of air intake wells, stairs, paving and plantings as necessary to accomplish the exterior work.

Construction began in May 2012 with completion forecast for October 2012.

The project budget was established at \$936,242 and has been increased to \$1,235,000. Funding has been provided by Facilities Services from the 2009-2011 Building Renewal budget for design and the 2011-2013 Building Renewal budget for construction.

Budget Summary:	Original Approved Budget	Current Approved Budget Forecast Cost at Completion
Total Consultant Svcs	\$159,672	\$225,653
Total Construction Cost*	\$679,629	\$887,511
Other Costs	\$15,731	\$17,005
Project Administration	\$81,210	\$104,831
Total Project Budget	\$936,242	\$1,235,000

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

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 3)

#### 2. Mechanical Engineering Building Exterior Renewal Project, No. 203453 Actions Reported: Award Construction Contract/Budget Adjustment

On April 30, 2012 a construction contract was awarded to Pioneer Masonry Restoration Company of Seattle, Washington, in the amount of \$669,000 for the Mechanical Engineering Building Exterior Renewal Project. Three bids were received for this project; the highest bid was \$1,000,000. The budgeted construction cost was \$1,026,000.

On May 3, 2012, the forecasted project budget was revised due to the bid results, reducing it from \$1,584,886 to \$1,106,000.

Founded in 1957, Pioneer Masonry Restoration Company has built a successful business focusing on façade restoration and waterproofing, with a strong presence in the Northwest. They have completed numerous projects for historic structures on the University of Washington campus including Johnson Hall, Suzzallo Library, Savory Hall, Mary Gates Hall and Guggenheim Hall. They have just completed the Magnuson Health Sciences Center E Court Restoration Project.

The goal of this project is to renew the façade of this 1959 building to extend its life and function for the University. Repairs to masonry walls and cast stone trims and panels will be made as necessary, including re-pointing and the application of sealants. Seismic upgrades include pinning of masonry walls above and adjacent to entries, and fastening of cast stone copings to parapet walls. Cleaning of all facades and entry plazas will complete the work.

Construction will start in June 2012 with completion forecast for November 2012.

The project budget is established at \$1,106,000. Funding of \$1,509,443 is provided from the 2011-13 Building Renewal Funds through Facility Services.

Budget Summary:	Current Approved Budget	Current Approved Budget Forecast Cost at Completion
Total Consultant Services	\$176,439	\$173,473
Total Construction Cost*	\$1,270,278	\$827,787
Other Costs	\$15,955	\$15,577
Project Administration	\$122,214	\$89,163
Total Project Budget	\$1,584,886	\$1,106,000

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

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 4)

#### 3. Foege Primary Chiller Improvements, Project No. 203614 Actions Reported: Select Architect/Adopt Budget

On May 2, 2012, an engineering agreement was awarded to Wood Harbinger Inc., for the Foege Primary Chiller Improvements Project. In April 2012, the Capital Projects Office selected two firms from the Shared Procurement Portal. The firms were Wood Harbinger Inc. and Affiliated Engineers Inc. Wood Harbinger was deemed most qualified for the project. The agreement amount is \$284,399 for basic services versus a budget value of \$361,850 for design consultants. The balance of the design budget is intended for a hazardous materials consultant, testing, and a previously completed predesign.

Wood Harbinger Inc. was founded in 1967 and is located in Bellevue, Washington. The firm primarily provides electrical and mechanical engineering services, and has been working with the UW since 2009. The projects that Wood Harbinger has completed on the Seattle campus focused mainly on building cooling systems; this includes the innovative new cooling system in Savery Hall and new emergency backup chillers at Foege.

The Foege Primary Chiller Improvements Project will provide a new chiller to fill operational gaps in the existing multi-stage cooling system, and correct or improve several other elements of the existing system. Design is expected to complete by September 2012 with construction beginning in November, and lasting through May of 2013.

The project budget is established at \$1,580,000. Funding of \$1,580,000 is provided from the 2011-2013 Building Renewal Capital Budget.

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$361,850	\$361,850
Total Construction Cost*	\$1,046,222	\$1,046,222
Other Costs	\$47,151	\$47,151
Project Administration	\$124,777	\$124,777
Total Project Budget	\$1,580,000	\$1,580,000

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

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 5)

#### 4. Bagley 233 Chemistry Undergraduate Laboratory Renovation, Project No. 203724 Actions Reported: Award Construction Contract/Budget Adjustment

On April 30, 2012 a construction contract was awarded to Andersen Construction Company's Seattle, Washington office, in the amount of \$745,000 for the Bagley 233 Chemistry Undergraduate Laboratory (UG) Renovation Project. Five bids were received for this project; the highest bid was \$929,000. The budgeted construction cost was \$1,170,000.

On May 09, 2012 the project budget was revised due to the bid results, reducing it from \$2,000,000 to \$1,350,000.

Andersen Construction Company is a Portland, Oregon based general contractor with over 62 years of success in the construction industry. They have completed numerous projects for Oregon State University, Portland State University, Lewis and Clark College, and Portland Community College. Their Seattle office has completed two UW projects: Hitchcock Hall 132 Improvements and the UWMC Maternal & Infant Care Clinic ADA Restroom Conversion, and they are currently constructing the UW Samuel E. Kelly Ethnic Cultural Center.

The project will renovate Bagley 233, 233A, 236 to conduct laboratory work for general chemistry laboratory students. This project will improve safety and reduce energy use. New finishes, lab bench casework, equipment, sinks and related services will be provided. The existing ventilation, plumbing, and sprinkler systems will be modified to accommodate the new layouts. Fume hoods will be replaced with low-flow hoods. New electrical panels will be provided in the lab spaces to support their respective systems. Lighting will be replaced, new power and communications outlets will be provided and fire protection systems will be modified.

Construction will start in June 2012 with substantial completion scheduled for November 2012.

Funding of \$1,350,000 is provided from the 2011-2013 College of Arts & Sciences Capital Budget.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 6)

Budget Summary:	Current Approved Budget	Current Approved Budget Forecast Cost at Completion
Total Consultant Services	\$244,603	\$208,346
Total Construction Cost*	\$1,498,945	\$962,615
Other Costs	\$105,900	\$70,261
Project Administration	\$150,552	\$108,778
Total Project Budget	\$2,000,000	\$1,350,000

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

#### 5. Classroom Support Services (CSS) Classroom Improvements, Project No. 203733 Action Reported: Award Construction Contract

On April 20, 2012, a construction contract was awarded to Regency Northwest Construction in the amount of \$863,000 for the CSS Classroom Improvements Project. Five bids were received for this project; the highest bid was \$999,326. The budgeted construction cost was \$1,050,000.

Regency Northwest Construction Inc. is a general construction company based in Bellevue, Washington. The company was founded in 1996, has seventeen employees and is experienced in a wide range of educational, healthcare and research facility type projects. Other recently completed projects for the UW include Kincaid Hall and Odegaard Undergraduate Library Elevator Upgrades. Regency Northwest has worked on the UW campus since 1996.

The CSS Classroom Improvement Project is a 13,000 square foot remodel of fourteen different classrooms, seminar rooms and auditoria across campus. These classrooms are located in four different buildings: Gould, Condon, Miller and Thomson Halls. The proposed scope includes ADA barrier removal, new room finishes (paint and window coverings), new furniture and technology upgrades to existing A/V equipment and new ceilings and lighting. The scope planned for Gowen Hall was included as a bid alternate, but was subsequently not accepted due to furniture requests taking priority. The large furniture order caused an increase in "Other Costs" as noted in the table below.

Construction started in April 2012 and is planned for completion in late August 2012 for occupancy before the start of Fall Quarter 2012.

The project budget is established at \$2,597,000. Funding of \$2,597,000 is provided from the UW Undergraduate Academic Affairs Budget.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 7)

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$248,415	\$251,753
Total Construction Cost*	\$1,322,213	\$1,083,327
Other Costs	\$824,656	\$1,060,204
Project Administration	\$201,716	\$201,716
Total Project Budget	\$2,597,000	\$2,597,000

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

#### 6. Mary Gates Hall Disability Resources for Students, Project No. 203752 Actions Reported: Select Architect/Adopt Budget

In October 2011, the Capital Projects Office and a representative of the Capital Resource Planning Office selected four firms from the Shared Procurement Portal. The firms were: Buffalo Design, Hoshide Wanzer Williams, Magellan Architects and Schacht-Aslani Architects. From this shortlist of firms a selection committee scored Schacht Aslani Architects as the most highly qualified firm, and they were awarded a professional services agreement to perform a predesign for the Mary Gates Hall Disability Resources for Students Project. The cost of the predesign was \$28,320. The original project budget of \$600,000 was increased to \$1,100,000 as a result of the predesign.

On April 11, 2012, an architectural agreement was awarded to Schacht-Aslani Architects. The agreement amount is \$97,993 for basic services, versus a budget value of \$216,711 for design consultants. The balance of the design budget is intended for a hazardous materials consultant, voice and data, acoustic, lighting, interior design, other specialty consultants required for the project and the previously completed predesign.

Schacht-Aslani Architects is a firm with experience working with the UW since 1996. They have significant educational facility planning and design experience, and documented experience with building renovation projects. Schacht-Aslani Architects has completed work on five advising, counseling, student, social and employment services facilities.

The scope of this project will include renovation of approximately 5,200 assignable square feet in Suite 011 on the ground floor of Mary Gates Hall. The renovation will provide a new testing center and associated staff offices for Disability Resources for Students.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 8)

Construction will start in July 2012 with substantial completion by Fall Quarter 2012.

The project budget is established at \$1,100,000. Funding of \$196,000 is currently provided through local minor capital funds. Remaining required funding will also be provided through local minor capital funds.

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$216,711	\$216,711
Total Construction Cost*	\$708,520	\$708,520
Other Costs	\$83,890	\$83,890
Project Administration	\$90,879	\$90,879
Total Project Budget	\$1,100,000	\$1,100,000

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

7. UWMC 2NN Catheter Lab Replacement, Project No. 203783  
Action Reported: Award Construction Contract

On April 20, 2012, a construction contract was awarded to Lease Crutcher Lewis of Seattle, Washington, in the amount of \$497,509 for the UW Medical Center (UWMC) 2NN Catheter Lab Replacement Project. Four bids were received for this project; the highest bid was \$736,713. The budget for construction was \$500,000.

Lease Crutcher Lewis is a general contractor that has successfully completed numerous projects for the University of Washington, including other projects within the UW Medical Center. Projects at the UW include the Bagley 291 Teaching Lab, Kincaid Hall Lab/Grad Office Renovation, UWMC Medical Specialties Remodel, UWMC Otolaryngology Renovation, the UWMC Pulmonary Diagnostics Renovation and UWMC Spec CT Remodel. Lease Crutcher Lewis is currently working on the UWMC OR 10, 11, 12 & 14 projects.

This project will renovate the existing Catheter Lab 4 and support spaces. The intent of the renovation is to replace aging single plane catheter lab equipment with new bi plane equipment. This will require room modifications necessary to complete the equipment installation. Modifications to the existing mechanical and electrical utilities servicing the room are required. The work will include upgrade to finishes and lighting.



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 9)

The project will begin construction in June 2012 and is scheduled to reach substantial completion in October 2012.

Funding for this project is provided by the University of Washington Medical Center.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$218,757	\$268,350
Total Construction Cost*	\$657,000	\$653,726
Other Costs	\$ 40,753	\$31,434
Project Administration	\$83,490	\$83,490
Total Project Budget	\$1,000,000	\$1,037,000

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

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**On-Call Master Term Agreement – Select ArchitectRECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to award an On-Call Master Term agreement for architectural services to Mahlum, subject to successful negotiation of the architectural and professional services agreement. This architectural agreement will replace an existing master term agreement to NBBJ that will expire in July 2012.

In the event of an unsuccessful negotiation with the selected firm, it is requested that authority be delegated to open negotiations with ZGF, Inc., the firm recommended as alternate.

BACKGROUND

The Capital Projects Office selected an architectural firm for an On-Call Master Term Agreement for various medical and campus-wide projects located at the University of Washington Medical Center (UWMC), Harborview Medical Center (HMC), and any of the University of Washington campuses. As individual projects arise, the parties will negotiate the scope of work and fee, and formalize it in a project authorization. Project authorizations under the On-Call Master Term Agreement will be executed prior to the expiration of the master term agreement, and will be limited to those with a total project budget (including design, construction, contingency and other costs) of less than \$4 million.

The On-Call Master Term Agreement will have a total project value of \$10 million (for the aggregate value of all projects), and will be for an initial two-year period with an option to extend the Master Term Agreement for one additional two-year periods (for a maximum of four years). If the consultant performs well on work awarded during the first two-year period then it is the intention of the Capital Projects Office to continue architectural services with the same consultant for the subsequent two-year period. It is anticipated that working with a consultant with successful recent experience in the design and delivery of projects for the University of Washington may result in the production of better design documents in a more timely fashion. It also assures that planning work initiated at the latter end of the first two-year period can be executed by the same consultant in the second two-year period.

In March 2012, the Capital Projects Office advertised for firms interested in providing on-call architectural services. Fourteen firms responded to the Request

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### On-Call Master Term Agreement – Select Architect (continued p. 2)

for Qualifications, and three firms were interviewed on May 10, 2012. It is the interview team's recommendation that Mahlum be awarded the Master Term Agreement for on-call architectural services.

Mahlum is a Seattle and Portland firm established in 1938. The firm's workload consists mainly in three market sectors: healthcare, education and student housing. Currently the firm employs 70 people. Mahlum recently completed several successful renovation projects at the Oregon Health and Sciences University, Providence St. Mary Medical Center, Evergreen Hospital and Salem Hospital. Their UW experience includes: UW Medical Center Regional Heart Center, miscellaneous Harborview Medical Center renovations, William H. Gates School of Law, Suzzallo Library and the new student residence halls.

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**UW Bothell Parking and U-PASS Rate AdjustmentsRECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve parking and U-PASS rate adjustments as outlined in the attached table for the University of Washington Bothell campus. The new rates will take effect July 1, 2012.

BACKGROUND

This recommendation originates from the Bothell Campus Commuter Services Task Force (CSTF), formerly known as the Parking and Transportation Task Force. Established in 2010, the CSTF includes faculty, staff, and student representatives from UW Bothell and Cascadia Community College, and is charged with developing a common vision for a transportation management strategy to support the campus in an environmentally and financially sustainable manner. The CSTF met monthly during the academic year to review current facilities, capacity, policies, sustainability goals and finances. One of the goals of the Task Force is to annually review the financial status of the system and recommend new rates as needed for the coming fiscal year.

Task Force members have communicated with their constituent groups including a range of faculty, staff, and student organizations, and have provided feedback to the CSTF. In addition, communications with the campus community regarding CSTF deliberations and potential rate increases have included:

- A website with proposed rates, FAQ, and facility for comments;
- UW Bothell Open House table talk sessions during week of April 5, 2012;
- Chancellor's Cabinet meeting, April 5, 2012;
- UW Bothell Chancellor's Town Hall meeting on April 26, 2012;
- Cascadia Community College Open Forums during week of April 9, 2012;
- Email information with opportunity to respond back by email; and
- Other various forms of broadly disseminated communications.

As is true at the University of Washington Seattle campus, parking operations and transportation management programs at UW Bothell are self-sustaining activities. Operations, maintenance, and capital expenses are supported by user fees and parking fine revenue from both UW Bothell and Cascadia Community College. The proposed rate and parking fine adjustments are designed to create incentives for the use of alternative modes of transportation, to comply with sustainability

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### UW Bothell Parking and U-PASS Rate Adjustments (continued p. 2)

and commute trip reduction goals, to establish capital reserves for future major maintenance and construction of parking facilities, and to encourage greater compliance with parking rules.

This is only the third increase in parking rates for the UW Bothell campus since 2007, and the first increase in parking fines since the campus opened in 2000.

UW Bothell has been the recipient of several statewide and regional commute trip reduction awards and has existing programs, policies, and goals in place to meet the goals of transportation demand management. As part of the proposed rate adjustment, the recommendation includes an increase in the U-PASS rate from \$83 to \$91 per quarter in FY 2013. Maintaining an increasing differential between the U-PASS rate and parking rates should sustain the economic incentive in favor of alternatives to driving alone.

#### REVIEW & APPROVAL

WAC 478-117-200 pertaining to the parking fees for UW Bothell and Cascadia Community College states that the UW Board of Regents and Cascadia Community College's Board of Trustees may each approve rate changes for parking permits but rate changes for daily parking must be made in agreement with Cascadia Community College.

The proposed parking and U-PASS rate adjustments have been reviewed and advanced for approval by the Bothell Campus Commuter Services Task Force (including representatives from ASUWB, as well as faculty, staff, and students from both UW Bothell and Cascadia Community College), the UW Bothell Auxiliary Services Director, the Vice Chancellor for Administration and Planning, and the Chancellor. In a parallel process, the proposed rates have been reviewed and recommended for approval by the Cascadia Community College Executive Team, and the President of Cascadia Community College. The Cascadia Community College Board of Trustees is scheduled to review and approve the proposed rate adjustment at their June meeting.

#### *Attachment*

UW Bothell Current and Proposed Parking/U-PASS Rates

**UW Bothell Current and Proposed Parking/U-PASS Rates**

<b>GENERAL PERMIT RATES</b>		
	<b>CURRENT</b>	<b>PROPOSED</b>
<b>CATEGORY</b>	<b>FY 2012</b>	<b>FY 2013</b>
Annual	\$ 581	\$ 640
Quarterly	\$ 145	\$ 160
Quarterly 2-day	\$ 83	\$ 91
Quarterly 3-day	\$ 110	\$ 121
Quarterly Motorcycle	\$ 55	\$ 61
Quarterly Carpool	\$ 63	\$ 160
<b>SPECIFIC PERMIT RATES</b>		
	<b>CURRENT</b>	<b>PROPOSED</b>
<b>CATEGORY</b>	<b>FY 2012</b>	<b>FY 2013</b>
Quarterly <50FTE Staff	\$ 83	N/A
Quarterly Night	N/A	\$ 80
<b>SHORT-TERM PARKING RATES</b>		
	<b>CURRENT</b>	<b>PROPOSED</b>
<b>CATEGORY</b>	<b>FY 2012</b>	<b>FY 2013</b>
Daily Max > 3 Hours (Peak)	\$ 5.00	\$ 6.00
3 Hours (Peak)	N/A	\$ 3.00
Daily (Non-Peak)	N/A	\$ 3.00
Meter -- Hourly	\$ 1.80	\$ 2.10
<b>TRANSIT RATES</b>		
	<b>CURRENT</b>	<b>PROPOSED</b>
<b>CATEGORY</b>	<b>FY 2012</b>	<b>FY 2013</b>
Quarterly UPASS	\$ 83	\$ 91
<b>PARKING FINES</b>		
	<b>CURRENT</b>	<b>PROPOSED</b>
<b>CATEGORY</b>	<b>FY 2012</b>	<b>FY 2013</b>
Parking without Appropriate Permit	\$ 20	\$ 40
Improper Parking	\$ 25	\$ 35
Parking with No Valid Payment	\$ 20	\$ 40
Parking out of Assigned Area/Stall	\$ 20	\$ 30
Occupying more than one stall	\$ 20	\$ 30
Parking in Stall/Area not Designated for Parking	\$ 20	\$ 60
Parking in Restricted Area	\$ 25	\$ 45
Parking in Prohibited Area	\$ 25	\$ 45
Parking on Planted Areas	\$ 25	\$ 60
Parking in Stall Designated for Wheelchair or Disability	\$ 100	\$ 250

Notes:

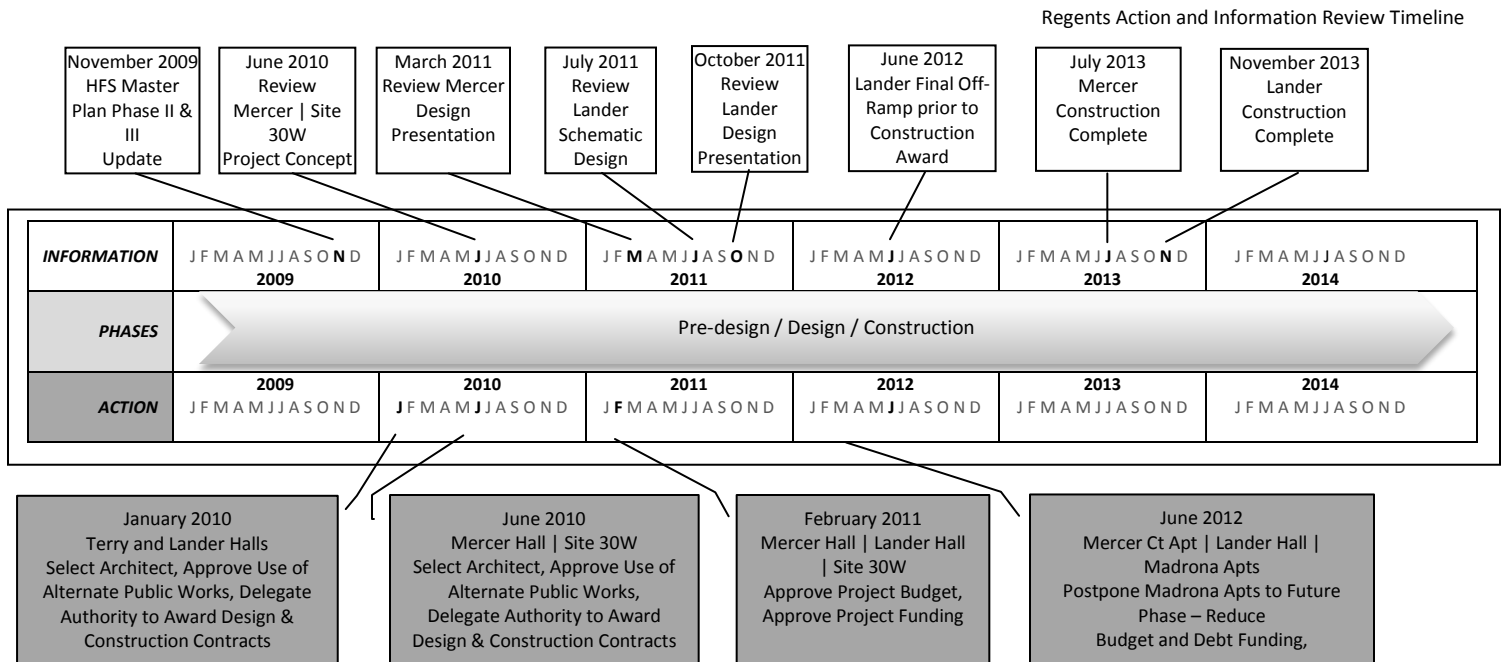
1. Q<50FTE Staff permit would no longer be offered (effective July 1, 2012).
2. Night Quarterly permit would be offered on a quarterly basis at a reduced price for shifts where majority of work hours are after 9:00 p.m.  
~Verification from supervisor would be required each quarter.
3. Non-Peak times would be:  
~Evenings after 9:00 p.m.  
~Weekends from Friday 9:00 p.m. to Monday 5:00 a.m.  
~Interim quarter breaks from Friday 9:00 p.m. Finals Week to Monday 5:00 a.m. week of classes starting.
4. Currently there are some differences in employee parking rates between UWB and CCC which are in the process of being resolved as Commuter Services moves closer to consolidation of the auxiliary unit.

**ATTACHMENT**

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Postpone Madrona Apartments to Future Phase, Reduce Project Budget and Reduce Debt Funding



*Note for duration of project:  
Written semi-annual reports in December & May  
Oral semi-annual updates in March & September*

RECOMMENDED ACTION

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

1. Approve the reduction in the Student Housing Phase II Mercer Court Apartments and Lander Hall Replacement budget from \$257,000,000 to \$195,000,000, this reduction being the result of postponing the Madrona Apartments Project to a future phase of the Housing Master Plan, and
2. Approve the reduction in the Internal Lending Program authorization for Phase II from \$286,100,000 to \$217,100,000.

HOUSING MASTER PLAN

The University of Washington has a goal of providing quality housing for its students and encouraging on-campus residency. Residential on-campus housing provides a community of young scholars who are immersed in a carefully

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Postpone Madrona Apartments to Future Phase, Reduce Project Budget and Reduce Debt Funding (continued p. 2)

structured living and learning environment with the opportunity to mature and be successful in their educational pursuits.

To achieve this goal, the department of Housing and Food Services (HFS) developed a comprehensive Housing Master Plan that proposed the addition of approximately 2,365 new beds over a ten-year period with a total project budget of approximately \$850 million. The Housing Master Plan was first presented to the Board of Regents in March 2008 and identified several crucial issues with student housing at the University. These included extensive deferred maintenance needs in the current stock of mid-20<sup>th</sup> century high-rise residence halls; the need for additional beds to alleviate the overcrowding in existing student housing facilities; and a demand for on-campus residency from upper division undergraduate and graduate students.

The Housing Master Plan has been updated to address the need to accommodate increased out-of-state and international enrollments. The current forecast is to construct approximately 2,195 new beds over a ten-year period at a cost of approximately \$844 million. HFS will continue to examine the feasibility of increasing density in one or more future projects in order to meet the overall goal of 2,365 net new beds.

The individual projects in the Housing Master Plan are sequenced to achieve three specific objectives: 1) to alleviate existing overcrowding, 2) to provide the surge space necessary to accommodate renovation of the existing residence halls, and 3) to increase the number of new beds to respond to student demand. The phased implementation of the housing plan, in turn, provides for managing project risk through the use of off-ramps (based on expected student occupancy) at key points throughout each phase of implementation. The financial analysis tests for the independent financial feasibility of each phase.

#### PHASE II CHANGES

The design and construction of the Madrona Apartments at Site 30W is being postponed as alternatives for north campus housing are being reconsidered. The Madrona Apartments may be constructed at a future date depending upon student demand. Site 30W is located on an existing parking lot, so construction is independent of other projects.



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Postpone Madrona Apartments to Future Phase, Reduce Project Budget and Reduce Debt Funding (continued p. 3)

The Housing Master Plan for north campus housing anticipated renovation of the existing mid-20<sup>th</sup> century residence halls. Based upon the renovation costs of Lander and Terry Halls, HFS is performing a predesign study of the north campus residence halls to explore the potential for replacing McMahan, Haggett, and McCarty Halls. Hansee Hall, with its significant architectural character, will remain as a renovation project. The study will also consider the feasibility of constructing additional residence beds in the north campus area in lieu of the Madrona Apartments Project on Site 30W. This study will be substantially complete in early summer of 2012.

PROJECT BUDGET

The revised Phase II total project budget is \$195,000,000 and is composed of the following:

	<u>Current</u>	<u>Revised</u>
Mercer Hall Replacement	\$ 118,000,000	\$ 118,000,000
Lander Hall Replacement	\$ 77,000,000	\$ 77,000,000
Madrona Apartments	<u>\$ 62,000,000</u>	<u>0</u>
	<u>\$ 257,000,000</u>	<u>\$ 195,000,000</u>

FINANCING PLAN:

The sources and uses for the project are as follows:

<u>Sources of Funds</u>	<u>Current (\$MM)</u>	<u>Revised (\$MM)</u>
Housing and Food Services	7.0	7.0
Internal Lending Program	<u>279.1</u>	<u>210.1</u>
<b>Total, Source of Funds</b>	<b>286.1</b>	<b>217.1</b>

<u>Uses of Funds</u>	<u>Current (\$MM)</u>	<u>Revised (\$MM)</u>
Design/Construction Cost	244.7	184.9
Furniture, Fixtures and Equipment	12.3	10.1
ILP interest during construction	26.3	19.8
ILP cost of issuance	<u>2.8</u>	<u>2.3</u>
<b>Total, Uses of Funds</b>	<b>286.1</b>	<b>217.1</b>

Annual debt service	19.0	15.0
Repayment source: HFS Housing revenue		

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Postpone Madrona Apartments to Future Phase, Reduce Project Budget and Reduce Debt Funding (continued p. 4)

Removing the Madrona Apartments from the Phase II financial analysis lowers the total borrowing amount for Phase II by approximately \$69 million and annual debt service by approximately \$4 million. The lower Phase II debt service improves HFS debt service coverage and ending reserve balances beginning in 2016.

#### REVISED PROJECT SCHEDULE

##### Mercer Court Apartments

Architect Selection	June 2010
Predesign	June 2010 – October 2010
Design	November 2010 – January 2012
Construction	August 2011 – August 2013
Occupancy	August 2013

##### Lander Hall Replacement

Architect Selection	January 2010
Predesign	March 2010 – October 2010
Design	November 2010 – July 2012
Construction	June 2012 – November 2014
Occupancy	December 2013

#### PREVIOUS ACTIONS

January 2010	Terry and Lander Halls Renovation architect appointment approved, GC/CM alternative public works contracting and delegation to award design and construction contracts approved.
June 2010	Mercer Hall Site and Site 30W architect appointment approved, GC/CM alternative public works contracting and delegation to award design and construction contracts approved. Review project concept.
February 2011	Phase II: Mercer Hall, Lander Hall Replacement and Site 30W (Madrone Apartments) approved project budget and ILP funding.

#### *Attachment*

Capital Projects Office – Summary Project Budget

**UNIVERSITY OF WASHINGTON  
CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET  
ALTERNATIVE PROCUREMENT (GC/CM)**

PROJECT: Housing Phase 2 (Mercer and Lander Halls)

Project Numbers: 203247 and 203518

ESTIMATED DATE OF COMPLETION: Mercer in August 2013 and Lander in November 2013

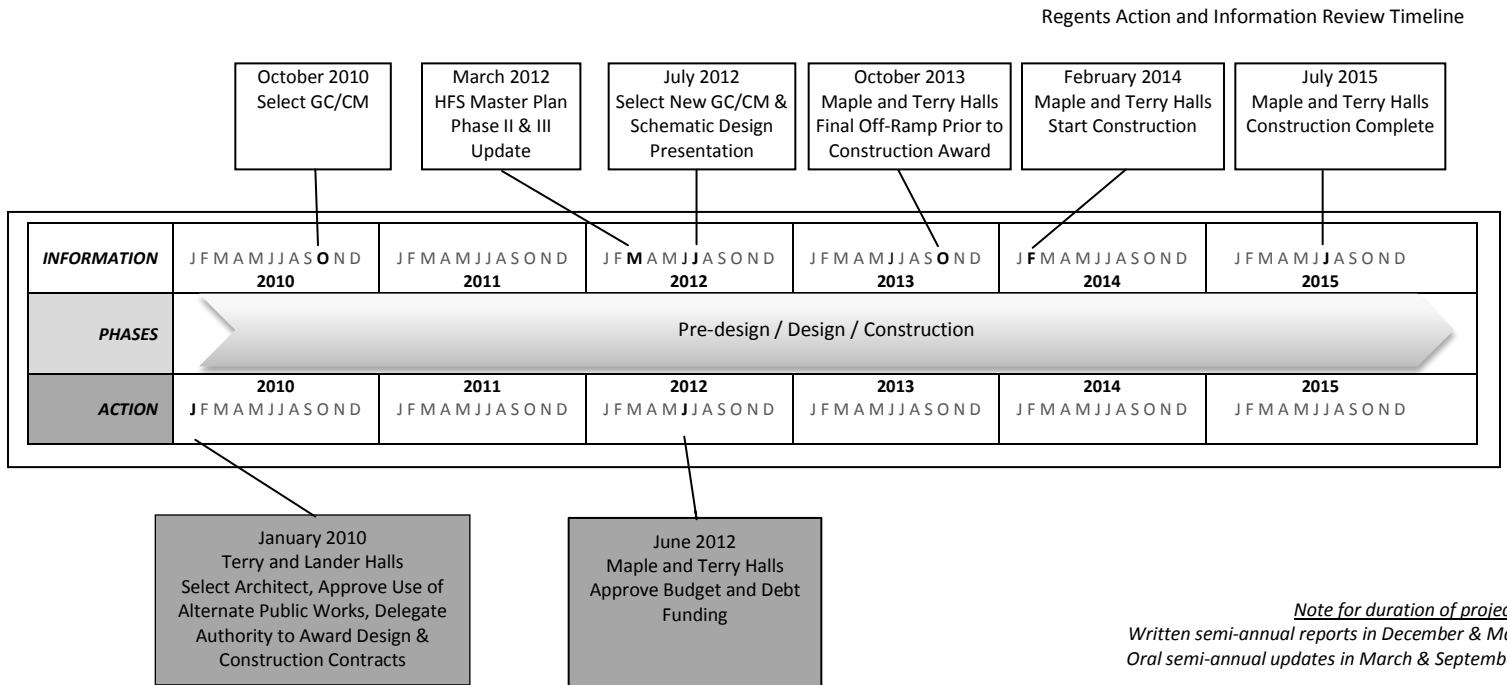
<u>Project Budget</u>	<u>Total Escalated Cost</u>	<u>% of TPC*</u>
Pre-Schematic Design Services	\$ 1,220,000	0.6%
A/E Basic Design Services	\$ 7,037,000	3.6%
Extra Services	\$ 4,439,000	2.3%
Other Services	\$ 1,943,000	1.0%
Design Services Contingency	\$ 1,510,000	0.8%
<b>Consultant Services</b>	<b>\$ 16,149,000</b>	<b>8.3%</b>
GC/CM Construction Cost	\$ 128,439,000	65.9%
Other Contracts	\$ -	0.0%
Construction Contingencies	\$ 11,072,000	5.7%
Sales Tax	\$ 13,253,000	6.8%
<b>Construction</b>	<b>\$ 152,764,000</b>	<b>78.3%</b>
HFS Equipment & Furnishings	\$ 10,074,000	5.2%
HFS Contingency	\$ 7,926,000	4.1%
Other Costs	\$ 3,640,000	1.9%
Project Management	\$ 4,447,000	2.3%
<b>Other</b>	<b>\$ 26,087,000</b>	<b>13.4%</b>
<b>Total Project Cost (TPC)</b>	<b>\$ 195,000,000</b>	<b>100.0%</b>
 <b><u>Included in Above:</u></b>		
Escalation at 3% per year *	\$ 10,603,000	5.8%

\*the estimated escalation is calculated from January 2011 to the mid-point of construction for each building project

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Student Housing Phase III: Maple and Terry Halls Project - Approve Project Budget and Approve Debt Funding



RECOMMENDED ACTION

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

- 1) Approve a total project budget of \$133,000,000 for Student Housing Phase III (Maple and Terry Halls Project); and
- 2) Approve the use of the Internal Lending Program to fund up to \$142,300,000 for design, construction, furniture, fixtures, equipment, and financing costs.

HOUSING MASTER PLAN

The University of Washington has a goal of providing quality housing for its students and encouraging on-campus residency. Residential on-campus housing provides a community of young scholars who are immersed in a carefully structured living and learning environment with the opportunity to mature and be successful in their educational pursuits.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase III: Maple and Terry Halls Project - Approve Project Budget and Approve Debt Funding (continued p. 2)

To achieve this goal, the department of Housing and Food Services (HFS) developed a comprehensive Housing Master Plan that proposes to add approximately 2,365 new beds over a ten-year period with a total project budget of approximately \$850 million. The Housing Master Plan was first presented to the Board of Regents in March 2008 and identified several crucial issues with student housing at the University. These included extensive deferred maintenance needs in the current stock of mid-20<sup>th</sup> century high-rise residence halls; the need for additional beds to alleviate the overcrowding in existing student housing facilities; and a demand for on-campus residency from upper division undergraduate and graduate students.

The Housing Master Plan has been updated to address the need to accommodate increased out-of-state and international enrollments. The current forecast is to construct approximately 2,195 new beds during the Housing Master Plan period for approximately \$844 million. HFS will continue to examine the feasibility of increasing density in one or more future projects in order to meet the overall goal of 2,365 net new beds.

The individual projects in the Housing Master Plan are sequenced to achieve three specific objectives: 1) to alleviate existing overcrowding, 2) to provide the surge space necessary to accommodate renovation of the existing residence halls, and 3) to increase the number of new beds to respond to student demand. The phased implementation of the housing plan, in turn, provides for managing project risk through the use of off-ramps (based on expected student occupancy) at key points throughout each phase of implementation. The financial analysis tests for the independent financial feasibility of each phase.

#### PROJECT SCOPE

The existing Lander/Center/Terry Hall complex is a single joined building with a partial below-grade parking level. The redevelopment of the Lander/Center/Terry Hall site will create three student-residence buildings separated at grade with pedestrian plazas at 11<sup>th</sup> and 12<sup>th</sup> Avenues. A new loading dock and below-grade parking garage will join the three buildings. The loading dock and a part of the garage will be constructed as part of the Lander Hall Replacement project (Phase II) and extended in this project, resulting in approximately 180 parking spaces below grade at the completion of Phase III. This development achieves the desired building program using all new construction for five floors of wood-framed construction over two floors of above-grade concrete.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase III: Maple and Terry Halls Project - Approve Project Budget and Approve Debt Funding (continued p. 3)

The Center Building (new Maple Hall) currently houses the kitchen and dining facility for the west of 15<sup>th</sup> Avenue residence halls. The Lander Hall project will include a new kitchen and dining facility.

Terry Hall currently provides approximately 846 residence hall beds. Terry was originally designed for two beds per room, and is now partially configured with three beds per room to accommodate student demand for on-campus housing (elimination of triple-bed configurations is part of the Housing Master Plan). Terry Hall will have two floors for Housing and Food Services offices with five and a half floors of residences above, also with lounges and study rooms.

Maple and Terry Halls will be designed with each unit having two beds and a private bathroom (similar to the Phase I projects). Maple Hall will have student activity and resource spaces, including a gaming area, meeting rooms, project workrooms and residences above with lounges and study rooms.

Maple Hall will provide approximately 800 beds and Terry Hall will provide approximately 300 beds, for a combined total of 1,100 beds. The number of beds in the new Terry Hall is lower than the existing Terry Hall for a couple of reasons: 1) the rooms are going from a triple-bed configuration to double-occupancy; and 2) the footprint for the new Terry Hall is smaller, because the new street level plaza aligning with 11<sup>th</sup> Ave NE is on part of the existing Terry Hall footprint. The redevelopment of the entire Lander/Center/Terry complex will provide approximately 1,750 beds, replacing the 1,200-bed design capacity of the existing Lander and Terry Halls.

#### PROJECT REFINEMENTS

Phase III Maple and Terry Halls will complete the redevelopment of the existing Lander and Terry Halls site (Lander Hall is being replaced as part of Phase II).

Phase III of the Housing Master Plan originally proposed renovation to the Center Building, Terry Hall, and McMahon Hall, plus the addition of apartments to Terry Hall. At the March 2012 Board of Regents meeting, renovation of McMahon Hall was removed from Phase III and moved to Phase IV of the Housing Master Plan.

After extensive building investigations by the GC/CM and code reviews architect, it was determined that the cost of renovating Terry Hall exceeded the cost of constructing a new residence hall on a square foot basis.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase III: Maple and Terry Halls Project - Approve Project Budget and Approve Debt Funding (continued p. 4)

Based on this information, changes to the Housing Master Plan were made. The new Phase III proposes to demolish Center Building and Terry Hall and construct new student residences: Maple and Terry Halls. These projects will add approximately 1,100 new and replacement beds for a net addition of 1,990 beds from Phases I, II, and III, after accounting for the elimination of overcrowding.

#### GC/CM

During the predesign phase of the Terry and Lander Halls Renovation project, Skanska USA Building Inc. was awarded the GC/CM Preconstruction service contract. The decision revising the Center Building and Terry Hall portion of the project from renovation to new construction has led to a reselection of the GC/CM. The Capital Projects Office (CPO) is currently in the process of selecting a new GC/CM for the Maple and Terry Halls project. CPO plans to report on the contract award for the new GC/CM at the July 2012 Regents meeting as an action taken under delegated authority.

#### PROJECT SCHEDULE

Students will move from the existing Terry Hall into the new Lander Hall between Autumn 2013 and Winter 2014 quarters to allow for the start of construction on Maple and Terry Halls. The project will be completed in time for occupancy at the start of Autumn quarter 2015.

Architect Selection	January 2010
Predesign	March 2010 – April 2012
Design	April 2012 – September 2013
Construction	February 2014 – July 2015
Occupancy	August 2015

#### PROJECT BUDGET

The proposed Housing Master Plan Phase III total project budget is \$133,000,000 (see attachment 1). Additional Internal Lending Program financing costs are estimated at approximately \$9,300,000.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase III: Maple and Terry Halls Project - Approve Project Budget and Approve Debt Funding (continued p. 5)

#### PHASE III FINANCING PLAN

The sources and uses for the project are as follows:

<u>Sources of Funds</u>	(\$MM)
Housing and Food Services	0.0
Internal Lending Program	142.3
<b>Total, Sources of Funds</b>	<b>142.3</b>

<u>Uses of Funds</u>	
Design/Construction/Contingency/Other	125.0
Furniture, Fixtures and Equipment	8.0
ILP interest during construction	7.9
ILP cost of issuance	1.4
<b>Total, Uses of Funds</b>	<b>142.3</b>

Annual debt service	9.8
Repayment source: HFS Housing revenue	

#### CREDIT ANALYSIS

The Treasury Office performed a detailed credit analysis of Phase III for Housing and Food Services as part of the due diligence for this borrowing. For purposes of this credit analysis, Phase III was evaluated in isolation from future phases of the Student Housing Master Plan.

#### **Phase III Maple and Terry Halls Off-ramp**

Off-ramps provide an opportunity to adjust project scope and/or timing in response to changing circumstances. The Phase III off-ramp will consider Autumn 2013 occupancy rates for on-campus housing and be reported in October 2013. Other factors in the consideration to proceed with the project include an evaluation of any local, regional, or national events that could seriously impact attendance at the UW and any significant changes in the local private rental market that might materially impact the demand for on-campus housing.

If the estimated Autumn 2013 occupancy for on-campus housing is less than 90% and the expected leased rate for Mercer Court Apartments is less than 80%, Phase



## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase III: Maple and Terry Halls Project - Approve Project Budget and Approve Debt Funding (continued p. 6)

III will be postponed or mitigation will be proposed to allow the project to proceed as planned.

Off-Ramp Date	Target Indicator	Minimum Threshold	HFS will postpone or propose mitigation if:
October 2013	Mercer Court occupancy	80%	Estimated Autumn 2013 occupancy is less than 80%
October 2013	HFS system occupancy	90%	Estimated Autumn 2013 occupancy is less than 90%

#### **Base Case and Stress Tests**

Project debt will be repaid with revenue from the Housing and Food Services system.

Base Case (see attachment 2): The base case ("expected case") analysis shows that HFS will be able to service the project debt while maintaining a minimum debt service coverage ratio of 1.25 in all years except 2016 and 2017, when coverage drops temporarily to 1.24 and 1.20, respectively. Coverage returns to 1.25 in 2018. Reserve levels are projected to remain above targeted minimums in all years.

Stress Tests (see attachment 3): Sensitivity analyses were performed to assess the financial impact of higher construction cost inflation, lower occupancy in new HFS units, and both stresses combined ("worst case"). These sensitivity analyses assume that HFS management takes no contingency actions to mitigate the negative financial impacts

Under the stress scenarios, HFS maintains positive ending reserve balances but temporarily fails to meet minimum coverage and reserve targets. Under the construction cost inflation stress test, HFS achieves positive coverage after 3 years at slightly below minimum (2016-2018) and maintains positive required reserves through the planning period. Under the more stringent occupancy stress test, HFS achieves positive coverage after 4 years at slightly below minimum (2016-2019) and moves toward positive required reserves after 2022.

Under the combined "worst case" stress scenario, HFS maintains positive ending reserve balances but temporarily fails to meet minimum coverage and reserve

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase III: Maple and Terry Halls Project - Approve Project Budget and Approve Debt Funding (continued p. 7)

targets. HFS achieves positive coverage after 4 years at below minimum (2016-2019) and fails to meet minimum required reserve levels after 2018. HFS management actions to mitigate these impacts would include controlling costs by closing underperforming residence halls, reducing staff costs, and reducing capital expenditures.

#### PREVIOUS ACTIONS

January 2010	Terry and Lander Halls Renovation architect appointment approved, GC/CM alternative public works contracting and delegation to award design and construction contracts approved.
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#### *Attachments*

1. Capital Projects Office – Summary Project Budget
2. Housing and Food Services Pro-forma
3. Summary of Stress Tests & Mitigation

**UNIVERSITY OF WASHINGTON  
CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET  
ALTERNATIVE PROCUREMENT (GC/CM)**

PROJECT: Housing - Maple and Terry Halls

Project Number: 203512

ESTIMATED DATE OF COMPLETION: July 2015

<u>Project Budget</u>	<u>Total Escalated Cost</u>	<u>% of TPC*</u>
Pre-Schematic Design Services	\$ 794,000	0.6%
A/E Basic Design Services	\$ 5,058,000	3.8%
Extra Services	\$ 2,763,000	2.1%
Other Services	\$ 1,176,000	0.9%
Design Services Contingency	\$ 937,000	0.7%
<b>Consultant Services</b>	<b>\$ 10,728,000</b>	<b>8.1%</b>
GC/CM Construction Cost	\$ 84,300,000	63.4%
Other Contracts	\$ 1,110,000	0.8%
Construction Contingencies	\$ 7,200,000	5.4%
Sales Tax	\$ 8,798,000	6.6%
<b>Construction</b>	<b>\$ 101,408,000</b>	<b>76.2%</b>
HFS Equipment & Furnishings	\$ 8,000,000	6.0%
HFS Contingency	\$ 7,000,000	5.3%
Other Costs	\$ 3,189,000	2.4%
Project Management	\$ 2,675,000	2.0%
<b>Other</b>	<b>\$ 20,864,000</b>	<b>15.7%</b>
<b>Total Project Cost (TPC)*</b>	<b>\$ 133,000,000</b>	<b>100.0%</b>
 <b><u>Included in Above:</u></b>		
Escalation at 3% per year through October 2014	\$ 5,127,000	4.0%

**Housing & Food Services**  
**FY 2011-2022 Base Case Proforma**  
**HMP Phase III (\$000)**

	Audit <b>2011</b>	Budget <b>2012</b>	Forecast <b>2013</b>	Forecast <b>2014</b>	Forecast <b>2015</b>	Forecast <b>2016</b>	Forecast <b>2017</b>	Forecast <b>2018</b>	Forecast <b>2019</b>	Forecast <b>2020</b>	Forecast <b>2021</b>	Forecast <b>2022</b>
<b><u>Net Income</u></b>												
Operating Revenue	67,727	70,633	77,753	91,518	98,065	112,310	116,263	120,363	124,617	129,029	133,407	138,155
Operating Expense	49,530	52,998	56,580	60,738	62,366	66,964	69,141	71,393	73,723	76,133	78,627	81,207
<b>Net Operating Income</b>	<b>18,197</b>	<b>17,635</b>	<b>21,173</b>	<b>30,780</b>	<b>35,698</b>	<b>45,345</b>	<b>47,121</b>	<b>48,970</b>	<b>50,894</b>	<b>52,896</b>	<b>54,780</b>	<b>56,949</b>
Non Operating Income	1,166	683	516	703	809	1,005	985	980	993	1,024	1,366	1,444
<b>Total Income Before Debt Svc. and Cap. Exp.</b>	<b>19,363</b>	<b>18,318</b>	<b>21,689</b>	<b>31,483</b>	<b>36,507</b>	<b>46,350</b>	<b>48,106</b>	<b>49,950</b>	<b>51,887</b>	<b>53,920</b>	<b>56,146</b>	<b>58,392</b>
<b><u>Debt Service</u></b>												
HFS Debt Service (Includes HMP Phase I)	8,776	12,942	16,282	16,068	16,009	16,004	16,027	16,023	16,022	16,019	16,018	16,273
Phases II and III Debt Service	-	-	-	6,417	12,524	20,429	23,136	23,161	23,161	23,161	23,161	23,161
<b>Total Debt Service</b>	<b>8,776</b>	<b>12,942</b>	<b>16,282</b>	<b>22,484</b>	<b>28,533</b>	<b>36,433</b>	<b>39,163</b>	<b>39,184</b>	<b>39,183</b>	<b>39,180</b>	<b>39,179</b>	<b>39,434</b>
<b>HFS System Coverage</b>	<b>2.07</b>	<b>1.36</b>	<b>1.30</b>	<b>1.37</b>	<b>1.25</b>	<b>1.24</b>	<b>1.20</b>	<b>1.25</b>	<b>1.30</b>	<b>1.35</b>	<b>1.40</b>	<b>1.44</b>
<b><u>Capital Expenses</u></b>												
HFS Capital Expenses	6,499	9,196	9,605	4,800	4,700	4,700	13,700	14,000	14,309	14,627	14,955	15,293
<b>HFS Income After Debt Svc. and Cap. Exp.</b>	<b>4,087</b>	<b>(3,820)</b>	<b>(4,197)</b>	<b>4,199</b>	<b>3,274</b>	<b>5,217</b>	<b>(4,757)</b>	<b>(3,234)</b>	<b>(1,606)</b>	<b>113</b>	<b>2,011</b>	<b>3,666</b>
<b><u>Reserves</u></b>												
HFS Beginning Reserve Balance	25,314	29,195	25,206	21,250	25,449	28,723	33,940	29,183	25,949	24,344	24,456	26,468
Plus Income After Debt Svc. and Cap. Exp.	4,087	(3,820)	(4,197)	4,199	3,274	5,217	(4,757)	(3,234)	(1,606)	113	2,011	3,666
<b>Ending Reserve Balance</b>	<b>29,401</b>	<b>25,375</b>	<b>21,009</b>	<b>25,449</b>	<b>28,723</b>	<b>33,940</b>	<b>29,183</b>	<b>25,949</b>	<b>24,344</b>	<b>24,456</b>	<b>26,468</b>	<b>30,133</b>
HFS Reserve Requirement	12,406	13,100	13,816	14,648	14,973	15,893	16,328	16,779	17,245	17,727	18,225	18,741
<b>Over / (Under) Reserve Requirement</b>	<b>16,995</b>	<b>12,275</b>	<b>7,193</b>	<b>10,801</b>	<b>13,750</b>	<b>18,047</b>	<b>12,855</b>	<b>9,171</b>	<b>7,099</b>	<b>6,730</b>	<b>8,242</b>	<b>11,392</b>

**Housing & Food Services  
Summary of Stress Tests & Mitigation\*  
HMP Phase III (\$000)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Base Case</b>												
HFS Debt Service Coverage	2.07	1.36	1.30	1.37	1.25	1.24	1.20	1.25	1.30	1.35	1.40	1.44
Ending Reserve Balance	29,401	25,375	21,009	25,449	28,723	33,940	29,183	25,949	24,344	24,456	26,468	30,133
Excess / (Deficit) of Reserve Over Requirement	16,995	12,275	7,193	10,801	13,750	18,047	12,855	9,171	7,099	6,730	8,242	11,392
<b>Occupancy Stress</b>												
HFS Debt Service Coverage	2.07	1.36	1.30	1.37	1.25	1.14	1.12	1.18	1.24	1.31	1.38	1.44
Ending Reserve Balance	29,401	25,375	21,009	25,449	28,723	30,038	21,859	15,738	11,836	10,301	11,376	14,891
Excess / (Deficit) of Reserve Over Requirement	16,995	12,275	7,193	10,801	13,750	14,145	5,531	(1,040)	(5,409)	(7,425)	(6,849)	(3,851)
<b>Construction Cost Stress</b>												
HFS Debt Service Coverage	2.07	1.36	1.30	1.37	1.25	1.22	1.18	1.22	1.27	1.32	1.37	1.41
Ending Reserve Balance	29,401	25,375	21,009	25,449	28,723	33,316	27,681	23,559	21,056	20,262	21,358	24,099
Excess / (Deficit) of Reserve Over Requirement	16,995	12,275	7,193	10,801	13,750	17,423	11,353	6,780	3,811	2,536	3,133	5,358
<b>Worst Case Stress</b>												
HFS Debt Service Coverage	2.07	1.36	1.30	1.37	1.25	1.12	1.09	1.15	1.22	1.28	1.35	1.41
Ending Reserve Balance	29,401	25,375	21,009	25,449	28,723	29,413	20,357	13,348	8,548	6,107	6,266	8,856
Excess / (Deficit) of Reserve Over Requirement	16,995	12,275	7,193	10,801	13,750	13,520	4,029	(3,431)	(8,697)	(11,619)	(11,959)	(9,885)

\*Stress testing is a sensitivity exercise and assumes that HFS managements takes no compensating action to mitigate negative impacts.

Shaded areas:

- Debt service coverage below minimum 1.25 times
- Ending reserve did not meet minimum balance requirement

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Investment Performance Report, Third Quarter Fiscal Year 2012

For information only.

*Attachment*

UW Investment Performance Report, Third Quarter Fiscal Year 2012

# UNIVERSITY OF WASHINGTON

## Investment Performance Report

Third Quarter Fiscal Year 2012

As of March 31, 2012

Treasurer, Board of Regents  
Treasury Office

Published May 2012

UNIVERSITY OF WASHINGTON  
INVESTMENT PERFORMANCE REPORT  
THIRD QUARTER FISCAL YEAR 2012

As of March 31, 2012

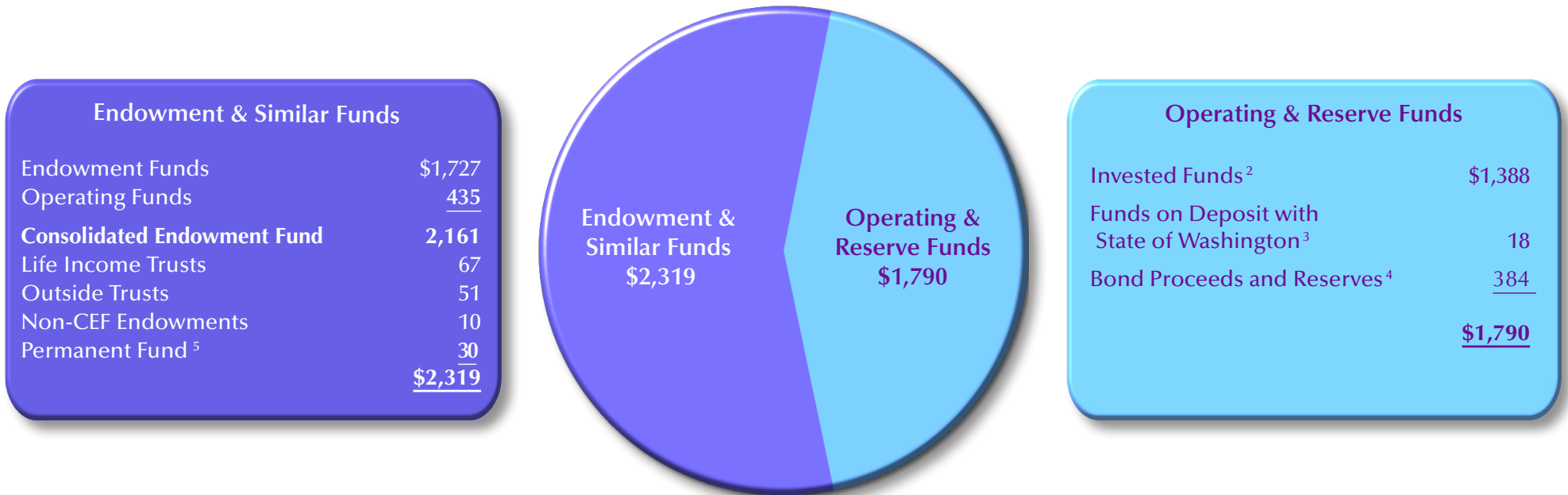
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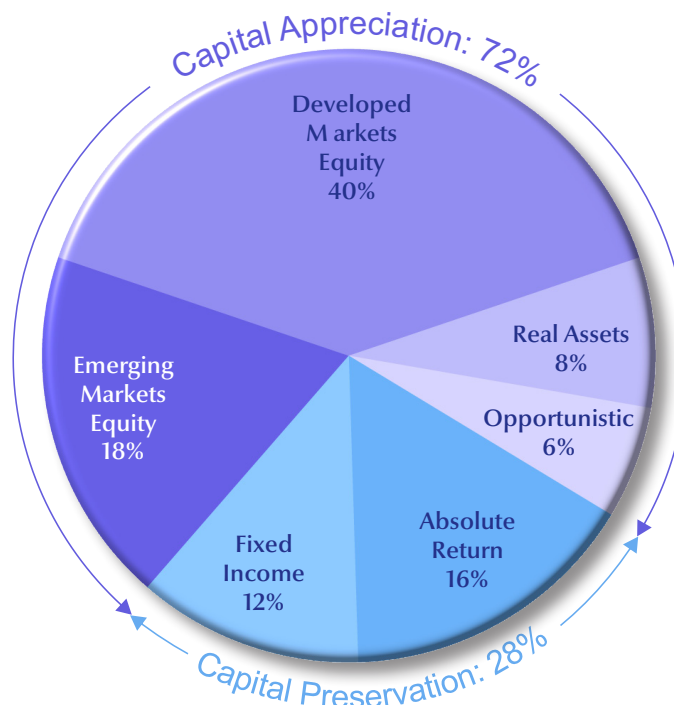
# TREASURY ASSETS<sup>1</sup> AS OF MARCH 31, 2012

\$ = millions



1. Total market value of assets at 3/31/12: \$4.1 billion. Includes assets whose management falls under the auspices of the Finance & Audit Committee of the Board of Regents, excluding Metro Tract and Forest Trust Lands.
2. The Invested Funds holds Consolidated Endowment Fund units valued at \$435. To avoid double counting, the dollars are included only in the CEF totals.
3. Bond Retirement Fund and Building Fund.
4. Debt service reserve funds and construction project funds which have not yet been disbursed.
5. Proceeds from sale of land grants and subsequent investment returns on deposit with the state of Washington.

# CEF ASSET ALLOCATION<sup>1</sup> FOR THE QUARTER ENDING MARCH 31, 2012



Current Allocation (\$ = millions)	Policy	
	Target	Range
Emerging Markets Equity      \$398      18%	17%	
Developed Markets Equity      \$860      40%	36%	
Real Assets      \$166      8%	11%	
Opportunistic      \$126      6%	6%	
Capital Appreciation <sup>2</sup> \$1,550      72%	70%	55%-85%
Absolute Return      \$353      16%	15%	
Fixed Income <sup>3</sup> \$258      12%	15%	
Capital Preservation      \$611      28%	30%	15%-45%
<b>Total CEF</b> <b>\$2,161</b> <b>100%</b>		

<sup>1</sup> Exposures at 3/31/12: International: 36%, Foreign Currency: 33%

<sup>2</sup> Includes 25% current exposure to private investments

<sup>3</sup> Includes allocation to cash

# CEF PERFORMANCE SUMMARY FOR THE QUARTER ENDING MARCH 31, 2012

## ROLLING YEAR RETURNS<sup>1</sup> (%)

	Rolling Years			
	3 <sup>rd</sup> Qtr FY 2012	1-Year	5-Year	10-Year
<b>Total CEF Return</b>	<b>6.3</b>	<b>1.8</b>	<b>1.8</b>	<b>6.7</b>
Strategy Weighted Policy Benchmark	6.9	4.0	3.6	6.9
70% MSCI ACWI/30% BC Govt Bond	8.0	2.7	2.6	6.2
<b>Capital Appreciation</b>	<b>8.9</b>	<b>1.8</b>	<b>1.4</b>	<b>6.6</b>
MSCI ACWI	12.0	-0.2	0.3	5.9
<b>Capital Preservation</b>	<b>0.9</b>	<b>1.8</b>	<b>1.5</b>	<b>5.4</b>
BC Government Bond	-1.1	7.9	6.0	5.5

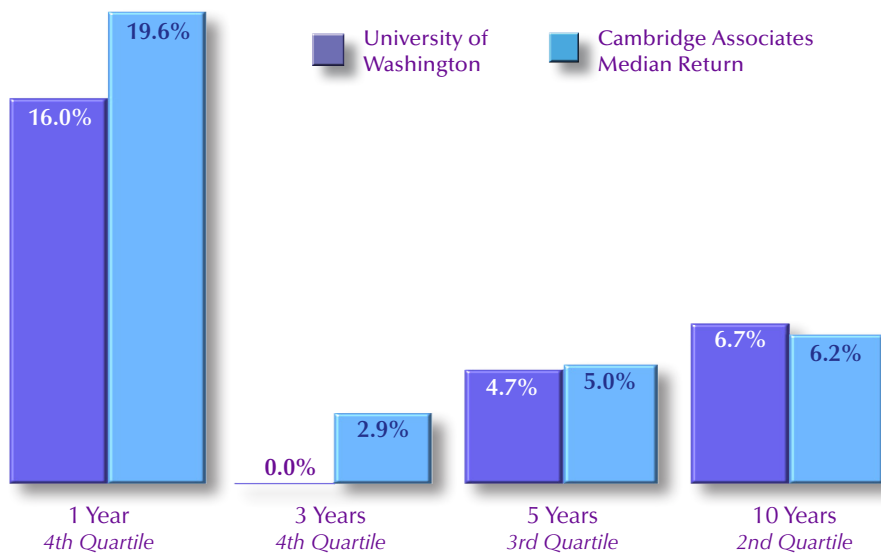
<sup>1</sup>Total Return: average annual compound return (dividend or interest plus capital appreciation or depreciation)

## FISCAL YEAR RETURNS<sup>1</sup> (%)

	FYTD 2012	Fiscal Years			
		2011	2010	2009	2008
<b>Total CEF Return</b>	<b>0.7</b>	<b>16.0</b>	<b>12.5</b>	<b>-23.3</b>	<b>1.9</b>
Strategy Weighted Policy Benchmark	2.5	19.9	9.8	-16.9	0.9
70% MSCI ACWI/30% BC Govt Bond	1.6	21.8	10.9	-18.6	-3.2
<b>Capital Appreciation</b>	<b>0.4</b>	<b>21.5</b>	<b>13.7</b>	<b>-29.3</b>	<b>1.0</b>
MSCI ACWI	-0.6	30.8	12.3	-28.9	-8.8
<b>Capital Preservation</b>	<b>1.3</b>	<b>3.6</b>	<b>10.8</b>	<b>-14.0</b>	<b>4.0</b>
BC Government Bond	5.5	2.3	6.5	6.6	9.7

<sup>1</sup>Total Return: average annual compound return (dividend or interest plus capital appreciation or depreciation)

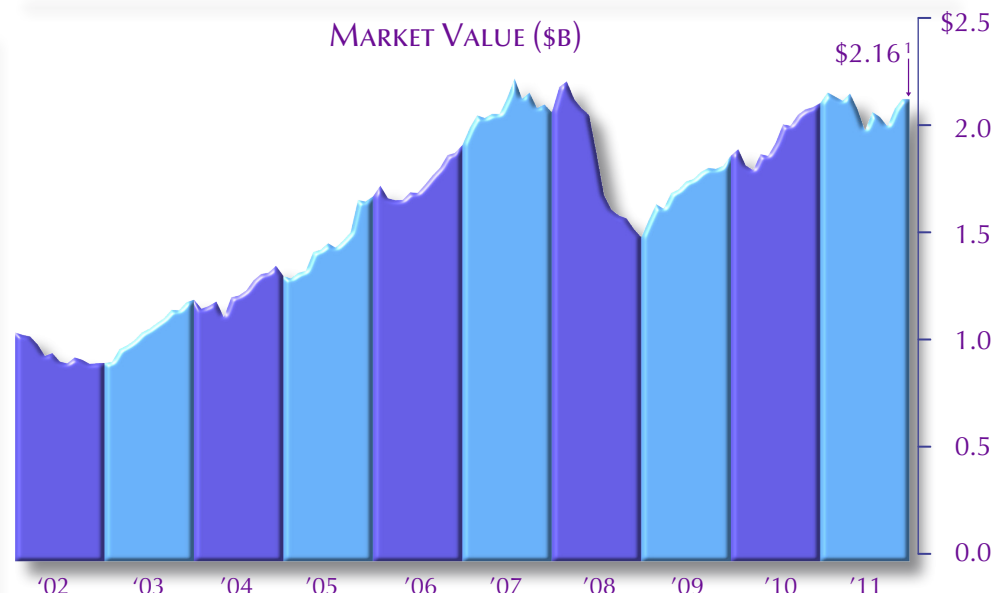
## CAMBRIDGE ASSOCIATES ENDOWMENT UNIVERSE<sup>1</sup>



F-8.1/206-12  
6/7/12

<sup>1</sup>For periods ending 6/30/2011

## MARKET VALUE (\$B)



<sup>1</sup>Reflects inclusion of IF units in CEF, starting 2001. Value without IF units would be \$1.73

# CEF PERFORMANCE BY STRATEGY

Total Return<sup>1</sup> As of March 31, 2012

	3 <sup>rd</sup> Qtr FY '12	1 Year	3 Years	5 Years	10 Years	
<b>Consolidated Endowment Fund</b>	<b>6.3</b>	<b>1.8</b>	<b>12.8</b>	<b>1.8</b>	<b>6.7</b>	
Capital Appreciation	<b>Capital Appreciation</b>	<b>8.9</b>	<b>1.8</b>	<b>15.3</b>	<b>1.4</b>	<b>6.6</b>
	MSCI ACWI	12.0	-0.2	21.4	0.3	5.9
	Emerging Markets Equity	12.8	-4.4	28.3	8.3	16.6
	MSCI EMF	14.1	-8.5	25.4	5.0	14.5
	<b>Developed Markets Equity</b>	<b>8.8</b>	<b>3.6</b>	<b>15.4</b>	<b>1.0</b>	<b>5.8</b>
	MSCI World	11.7	1.1	20.9	-0.1	5.3
	<b>Real Assets<sup>2</sup></b>	<b>3.2</b>	<b>8.0</b>	<b>1.0</b>	<b>-1.0</b>	<b>—</b>
	NCREIF Property Index <sup>2</sup>	3.0	14.3	2.4	3.1	—
	CA Natural Resources <sup>2</sup>	8.2	12.0	12.7	10.1	—
	<b>Opportunistic<sup>3</sup></b>	<b>5.9</b>	<b>1.2</b>	<b>—</b>	<b>—</b>	<b>—</b>
MSCI ACWI	12.0	-0.2	—	—	—	
Capital Preservation	<b>Capital Preservation</b>	<b>0.9</b>	<b>1.8</b>	<b>7.6</b>	<b>1.5</b>	<b>5.4</b>
	BC Government Bond	-1.1	7.9	4.0	6.0	5.5
	<b>Absolute Return (including historic MAS returns)</b>	<b>2.1</b>	<b>2.4</b>	<b>13.2</b>	<b>4.0</b>	<b>7.9</b>
	HFRI Conservative plus historic MAS benchmark)	2.4	-2.3	4.9	2.3	4.6
Fixed Income	<b>0.2</b>	<b>1.7</b>	<b>2.5</b>	<b>2.0</b>	<b>3.9</b>	
	BC Government Bond	-1.1	7.9	4.0	6.0	5.5
<i>Public Market Indices</i>						
S&P	12.6	8.5	23.4	2.0	4.1	
NASDAQ	18.7	11.2	26.5	4.1	4.8	
NAREIT	3.0	14.3	2.4	3.1	8.1	
MSCI EAFE	11.0	-5.3	17.7	-3.0	6.2	
BC High Yield	5.5	6.6	23.9	8.1	9.3	
CG World Bond Index(unhedged to USD)	-0.5	5.1	6.2	6.8	7.9	

<sup>1</sup> Total Return: average annual compound return (dividend or interest plus capital appreciation or depreciation)

<sup>2</sup> Reported on a quarter lag.

<sup>3</sup> New strategy reflecting data starting 7/1/2010.

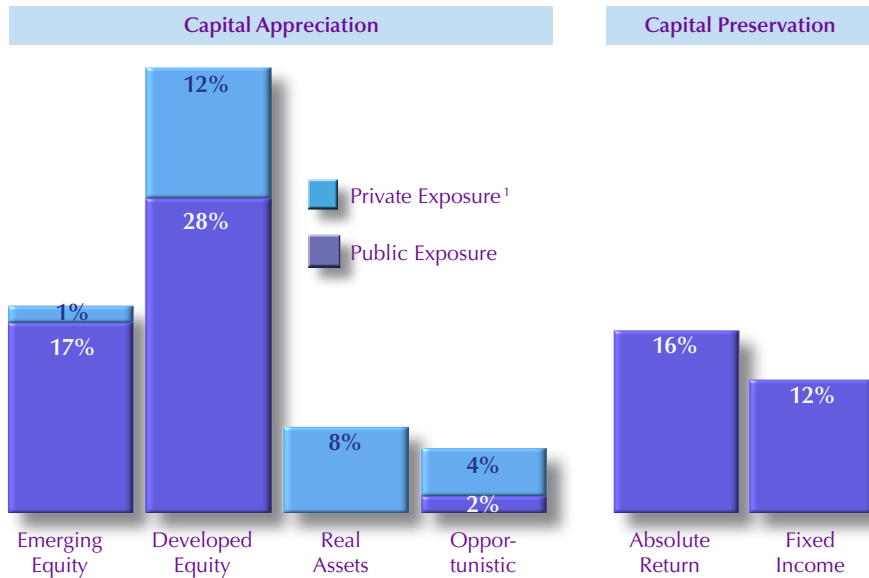
# CEF ACTIVITY AS OF MARCH 31, 2012

*\$ = millions*

	<u>FYTD 2012</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>5 Years</u>	<u>10 Years</u>
<b>Beginning Balance</b>	<b>\$2,154</b>	<b>\$1,830</b>	<b>\$1,649</b>	<b>\$1,947</b>	<b>\$1,073</b>
Gifts	65	63	43	377	674
Transfers	7	5	5	36	88
<b>Total Additions</b>	<b><u>\$72</u></b>	<b><u>\$68</u></b>	<b><u>\$48</u></b>	<b><u>\$413</u></b>	<b><u>\$763</u></b>
Operating Funds Purchases	1	51	8	107	208
Net Investment Return	14	301	201	181	1,003
Distributions	(64)	(76)	(59)	(389)	(723)
Administrative Fees	(3)	(4)	(4)	(20)	(33)
Advancement Support	(13)	(16)	(14)	(78)	(130)
<b>Ending Balance</b>	<b><u>\$2,161</u></b>	<b><u>\$2,154</u></b>	<b><u>\$1,830</u></b>	<b><u>\$2,161</u></b>	<b><u>\$2,161</u></b>
Net Change	\$7	\$325	\$181	\$214	\$1,088

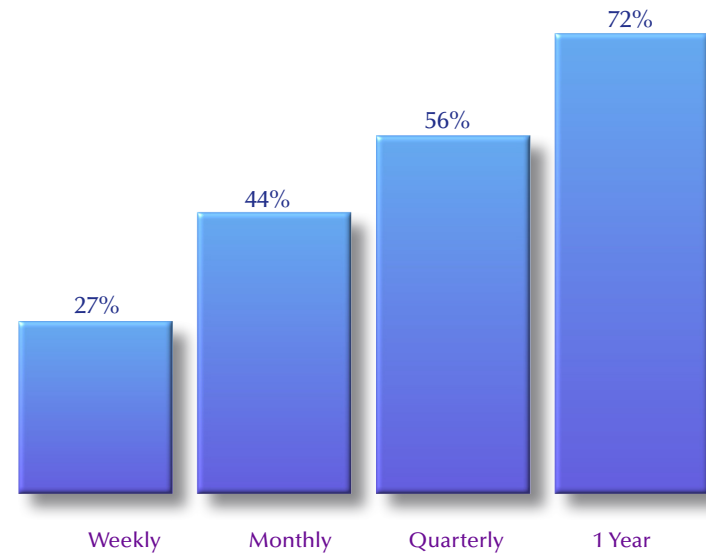
# CEF EXPOSURES FOR THE QUARTER ENDING MARCH 31, 2012

## PUBLIC/PRIVATE EXPOSURE BY STRATEGY

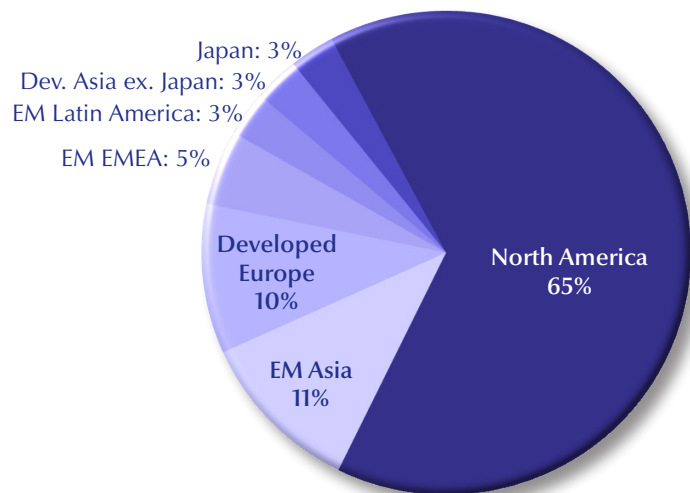


<sup>1</sup> Excludes 10% uncalled capital commitment

## LIQUIDITY AS A PERCENTAGE OF THE CEF

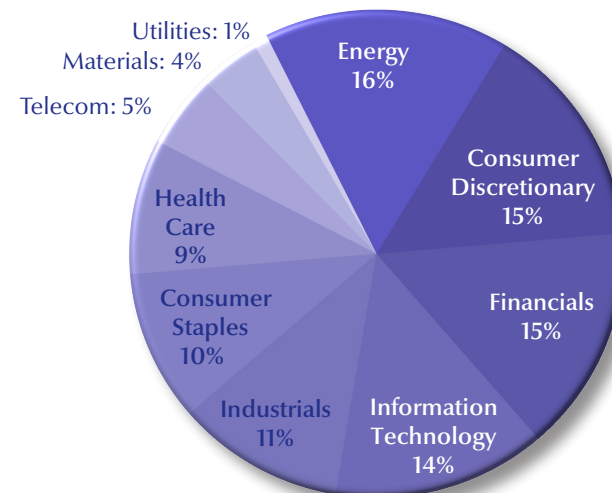


## GEOGRAPHIC EXPOSURE <sup>1</sup>



<sup>1</sup> Foreign currency exposure: 33%

## EQUITY SECTOR EXPOSURE <sup>1</sup>



<sup>1</sup> Emerging Markets, Developed Markets, Real Assets and select Absolute Return equity

# INVESTED FUNDS FOR THE QUARTER ENDING MARCH 31, 2012

## TOTAL RETURN<sup>1</sup> (%)

	3 <sup>rd</sup> Qtr FY 2012	1-Year	5-Year	10-Year
<b>IF including CEF units</b>	<b>1.5</b>	<b>2.7</b>	<b>3.1</b>	<b>4.8</b>
Weighted Benchmark	1.5	3.5	4.1	5.1
<b>IF excluding CEF units</b>	<b>0.0</b>	<b>3.4</b>	<b>4.0</b>	<b>4.1</b>
Weighted Benchmark	-0.2	3.5	4.4	4.2
<b>Cash</b>	<b>-0.2</b>	<b>0.1</b>	<b>2.5</b>	<b>3.0</b>
Cash Benchmark <sup>2</sup>	0.0	0.0	2.4	2.8
<b>Liquidity</b>	<b>0.1</b>	<b>5.6</b>	<b>4.8</b>	<b>4.6</b>
LB Intermediate Govt Bond	-0.4	5.7	5.5	4.9

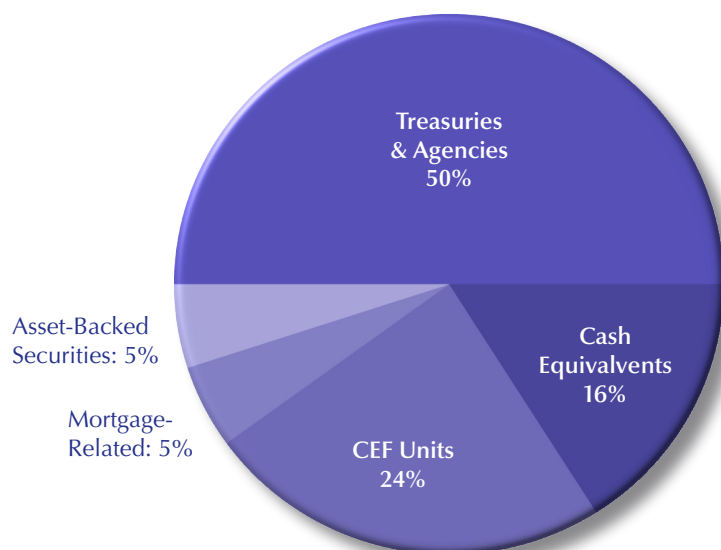
<sup>1</sup> Total Return: average annual compound return (dividend or interest plus capital appreciation or depreciation)

<sup>2</sup> Citi 2-year Treasury prior to 10/1/2008; 3 month T-Bill thereafter.

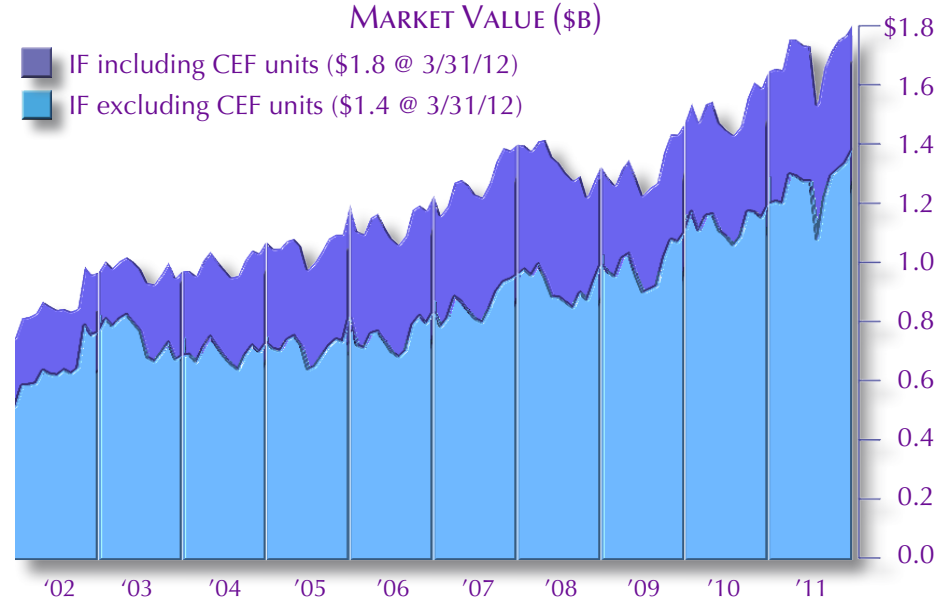
## FUND ALLOCATION BY POOL (\$M)

	Fund Allocation		Range	Duration in Years	
				Actual	Maximum
Cash Pool	\$600	33%	10%–40%	0.5	3.0
Liquidity Pool	<u>\$788</u>	<u>43%</u>	30%–60%	3.6	4.5
<b>Total Cash &amp; Liquidity Pool</b>	<b>\$1,388</b>	<b>76%</b>			
CEF Units held by IF	<u>\$435</u>	<u>24%</u>	15%–40%		
<b>Total Invested Funds</b>	<b><u>\$1,823</u></b>	<b><u>100%</u></b>			

## MIX OF INVESTMENTS



## MARKET VALUE (\$B)



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Metropolitan Tract Quarterly Report for the Quarter Ended March 31, 2012

For information only.

*Attachment*

Metropolitan Tract Quarterly Report for the Quarter Ended March 31, 2012



# Metropolitan Tract Quarterly Report

## Q1 ended 3/31/2012

### Q1 Notables:

- Revenue exceeded the budget due to timing of payments from Unico and higher than expected retail revenues
- Total occupancy on the Metropolitan Tract is 90%, with office occupancy at 91% and retail at 85%
- The Olympic Hotel recorded improved occupancy as well as rate increases in Q1 2012 compared to the same period in 2011
- No capital expenditures were paid out in Q1 due to the timing of project completions

### Market News:

- Rents have stabilized and the UW and Unico are focusing on larger office vacancy blocks in the IBM Building and retail spaces across the Tract
- Office vacancy in the Seattle Central Business District is currently at 16% and asking rates are \$27 - \$30/ square foot for Class A space
- Russell Center "WAMU" sold for \$480 million to Common Wealth Partners, a California investment firm

## Operations & Cash Flow

(Millions \$)

	Quarter Ended 3/31		YTD	
	Actual	Budget	Actual	Budget
Revenues <sup>1</sup>	\$ 7.7	\$ 6.4	\$ 7.7	\$ 6.4
Operating Expenses <sup>2</sup>	\$ (2.8)	\$ (2.2)	\$ (2.8)	\$ (2.2)
NOI	\$ 4.9	\$ 4.2	\$ 4.9	\$ 4.2
Non-Operating Expenses <sup>3</sup>	\$ (0.6)	\$ (0.7)	\$ (0.6)	\$ (0.7)
Net Income	\$ 4.4	\$ 3.5	\$ 4.4	\$ 3.5
Capital & TIs	\$ -	\$ (1.3)	\$ -	\$ (1.3)
Net Cash Flow	\$ 4.4	\$ 2.2	\$ 4.4	\$ 2.2
Distribution to University	\$ -	\$ -	\$ -	\$ -
Increase/(Decrease) in Cash	\$ 4.4	\$ 2.2	\$ 4.4	\$ 2.2

<sup>1</sup> Revenues include rent from tenant leases, operating savings payments from Unico and Leasehold Excise Tax receipts from tenants.

<sup>2</sup> Operating Expenses include Leasehold Excise Tax payments, earthquake insurance, professional fees and Met Tract Real Estate Office management expenses.

<sup>3</sup> Non-Operating Expenses include funding for the UW Real Estate office for non-Metro Tract University real estate services

## Metropolitan Tract Portfolio



Unico Portfolio		Olympic Hotel		Cobb Building		Rainier Tower Sublease	
Rainier Tower	569,155	Luxury Hotel Rooms	450	Residential Units	91	Sublease Space	379,463
Financial Center	339,527	Office Space	15,500	Retail Space	18,171	Lease Expiration	10/31/2014
Puget Sound Plaza	274,885	Retail Space	28,000	Lease Expiration	3/22/2050	Annual Revenue	\$1M (net)
IBM Building	225,129	Parking Stalls	787	Annual Revenue	\$200K		
Skinner Building	193,672	Lease Expiration	10/1/2040				
Total Office	1,602,368	Annual Revenue	\$3M				
Retail Space	141,806						
Parking Stalls	744						
Lease Expiration	10/31/2014						
Annual Revenue	\$16.5M						

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Internal Lending Program Quarterly Report for the Quarter Ended March 31, 2012

For information only.

*Attachment*

Internal Lending Program Quarterly Report, Quarter Ended March 31, 2012

Average  
Cost of  
Debt  
4.3%

# Internal Lending Program Quarterly Report

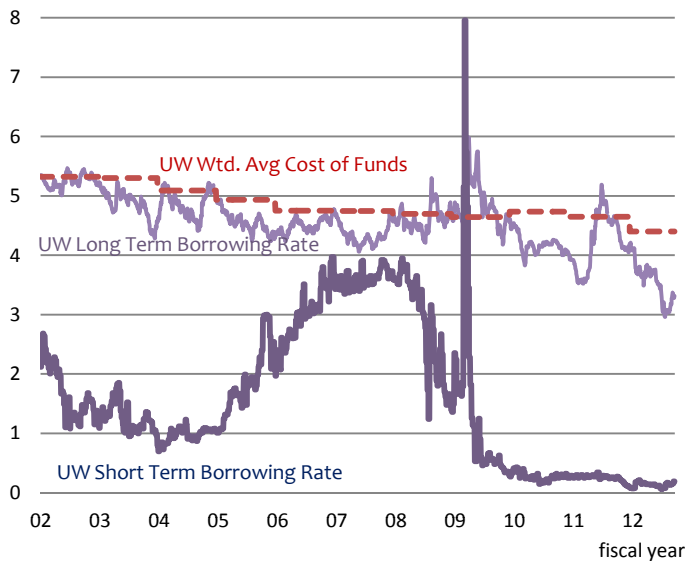
Quarter Ended March 31, 2012

(dollars in millions)

Internal  
Lending  
Rate  
5.5%

## Interest Rates

Uncertainty surrounding Europe has created a low interest rate environment with investors looking for a safe place to invest. If the UW issued long-term tax exempt bonds today, the overall rate would be between 2.8% and 3.3%.



## External Borrowing

The University borrowed \$268 million in March 2012 at an all-in rate of 3.67%. The proceeds were used to pay off \$75 million in commercial paper issued earlier in the fiscal year, refund \$62 million in existing debt and provide capital funding for authorized projects.

Type of Debt	Issued FY12	Total Outstanding	Wtd. Avg Rate	Wtd. Avg Maturity (yrs)
Commercial Paper	0	25	0.1%	0.18
Variable Rate	0	0	n/a	n/a
Fixed Rate	503	1,143	3.9%	16.47
<b>ILP Total</b>	<b>503</b>	<b>1,168</b>	<b>3.8%</b>	<b>16.12</b>
<b>Non-ILP Debt</b>	<b>12</b>	<b>931</b>	<b>4.8%</b>	<b>14.73</b>
<b>Total Debt</b>	<b>515</b>	<b>2,099</b>	<b>4.3%</b>	<b>15.51</b>

Non-ILP outstanding includes \$457 million for Valley & NW Hospital debt.

## Internal Lending

The large increase in internal lending for the Service mission is mainly due to converting \$108 million of non-ILP debt to ILP debt, Housing & Dining projects (\$73 million), and HUB Renovation (\$45 million).

	By Mission			Total
	Education	Research	Service	
Beginning Bal Jul-11	113	111	609	833
Additions	6	25	244	275
Reductions	(12)	(8)	(14)	(34)
<b>Annual Activity</b>	<b>(6)</b>	<b>17</b>	<b>230</b>	<b>241</b>
<b>Total Receivable</b>	<b>107</b>	<b>128</b>	<b>839</b>	<b>1,074</b>

## Cash Position

Net debt proceeds reflect the debt issuances less project funding for the fiscal year to date.

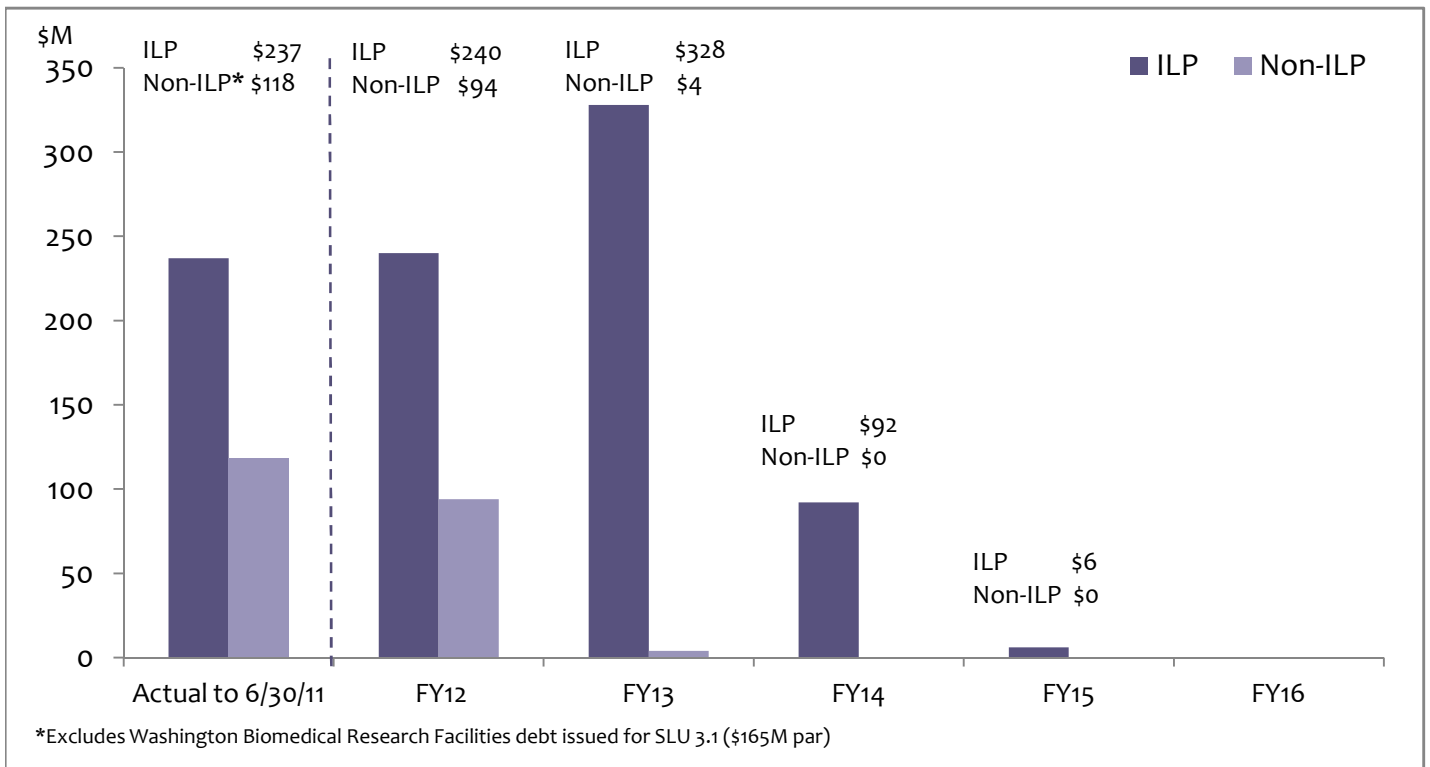
Beginning Balance Jul-11	\$51.2
Internal Debt Service	69.6
External Debt Service	(40.8)
Net Debt Proceeds	183.3
Expenses	(0.3)
<b>Ending Balance Mar-12</b>	<b>\$263.0</b>

## Funding Status for Approved Projects - by Project and Source

Project Name	Date Approved	Current Budget	ILP	Non-ILP	Spent to Date (all sources)
Bothell Sports Field	Jun-11*	4	2	2	0%
Bothell Student Housing Acquisition	Feb-11	13	13	0	86%
ECC Renovation	Jul-09	15	14	1	31%
Housing Phase 1	May-09	151	150	1	82%
Housing Phase 2 - excludes site 30W	Feb-11	195	189	6	13%
HUB Renovation	Jul-09	119	113	6	68%
Husky Stadium Renovation	Nov-10	251	221	30	20%
Husky Stadium Renovation Increase	Jun-11	11	11	0	0%
J-Wing	Jul-08	19	11	8	100%
Molecular Engineering	Jun-09	76	18	58	87%
Tacoma Phase 3	May-10	54	5	49	77%
UWMC Expansion Phase 1	Feb-08	166	156	10	80%
UWMC Expansion Phase 1 Increase	Jan-10	45	0	45	84%
<b>Total</b>		<b>1,119</b>	<b>903</b>	<b>216</b>	<b>53%</b>

\*approved under delegated authority.

## Funding Forecast for Approved Projects - by Source



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Debt Management Annual Report

INFORMATION

There will be an oral report for information only.

*Attachment*

Debt Management Annual Report

# UNIVERSITY OF WASHINGTON DEBT MANAGEMENT ANNUAL REPORT



BOARD OF REGENTS

FINANCE, AUDIT AND FACILITIES COMMITTEE

June 7, 2012

ATTACHMENT

F-11.1/206-12  
6/7/12

# Discussion Outline

Overview and Outlook	Pages 4 - 7
External Debt Portfolio	Pages 9 - 13
Internal Debt Portfolio	Pages 15 - 20
Institutional Metrics and Debt Capacity	Pages 22 - 25
Additional Materials	Pages 27 - 36

# Overview and Outlook



# Debt Management Outlook

- The University has an aggressive capital plan – about \$5.3 billion through 2023 – with \$2.0 billion coming from debt.
- Challenges to the UW’s revenues include declining state funds, uncertainties around federal research funding, and potential changes to Medicare and Medicaid reimbursements and Pell Grant support.
- Increasing amount of leverage puts pressure on university credit ratings and could increase borrowing cost.
- The University has been able to lock in very low rates on recent debt issuances, however \$519 million in unfunded authorizations creates some rate risk in the future.
- Interest rates continue to be attractive for high grade issuers like UW:
  - Short and long term rates are at historical lows
  - The spread between taxable and tax-exempt debt is narrow, making taxable debt more appealing in shorter maturities
  - The addition of taxable debt to the portfolio can increase flexibility with a minimal increase in interest cost

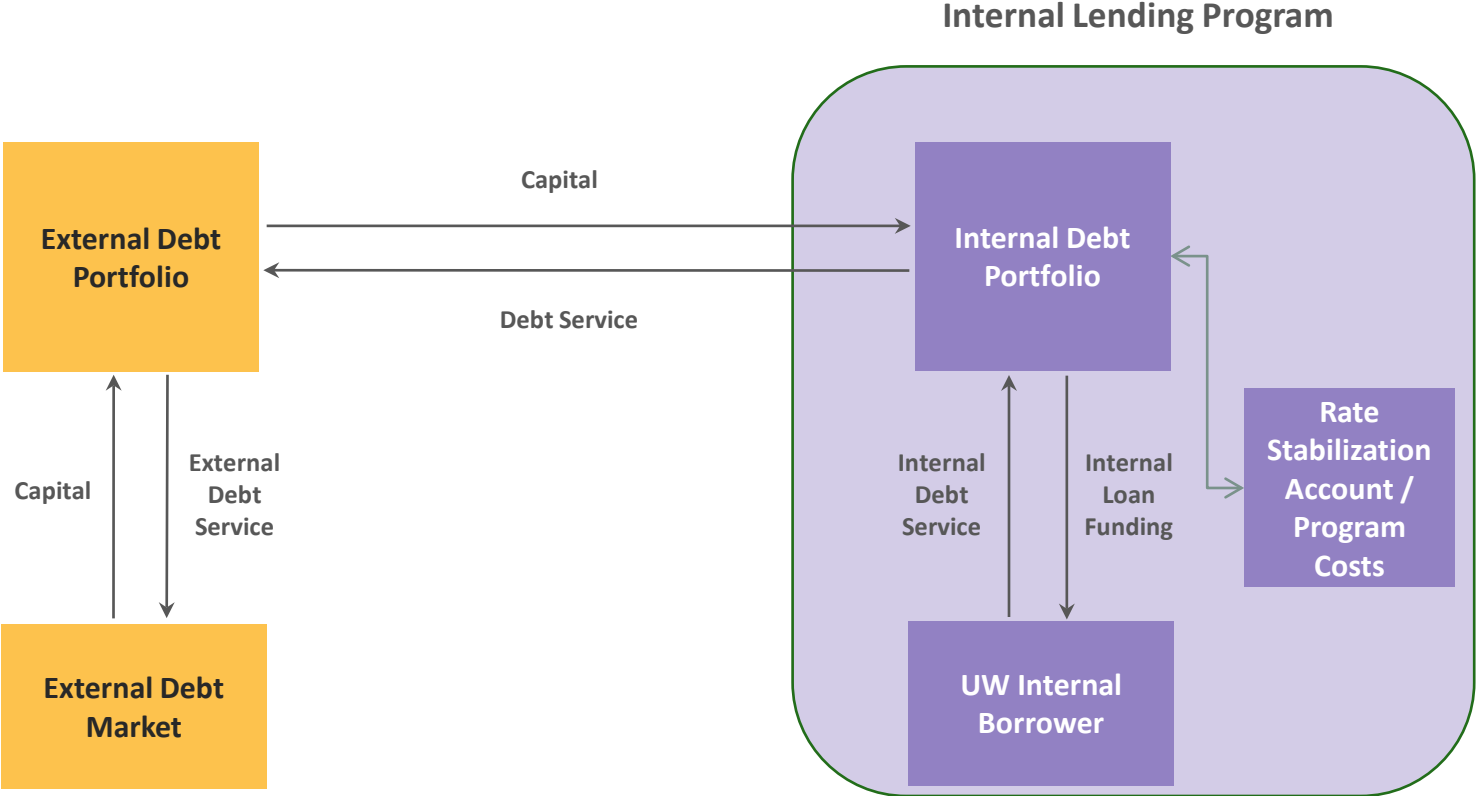
# Accomplishments

- **Maintain Cost Effective Access to the Debt Markets**
  - Aaa Stable rating reaffirmed by Moody's in December 2011
  - Competitively sold \$211 million of General Revenue Bonds in July 2011 at 3.88%
  - Sold \$268 million of General Revenue Bonds in March 2012 at 3.67%
  - Launched investor outreach program
  
- **Seek Opportunities to Reduce Long Term Institutional Borrowing Costs**
  - Realized savings of \$14 million by refinancing lease-backed bonds as General Revenue Bonds in July 2011 and March 2012
  - Funded project cash flows with short term commercial paper prior to long term takeout at an average rate of 0.2%
  
- **Improve Communications and Operations**
  - Led Moody's visit to UW campus for institutional credit review
  - Presented best practices for internal banks at national higher education treasury symposium (invited back!)
  - Created PAC-12 Finance Officers Group and hosted inaugural meeting
  - Hosted higher education treasury leadership group summit at UW in May

# Initiatives

- **Enterprise financial forecasting and analysis**
  - UW-wide stress tests
  
- **Portfolio structuring**
  - Variable rate
  - Non-amortizing
  - Taxable
  
- **Ongoing due diligence**
  - Internal Loans
  - Semi annual reporting to regents on large borrowers
  - Formalizing internal review of loan covenants
  - Institutional Risks
  
- **Investor Outreach**
  - Direct visits
  - Investor conferences
  - Phone calls prior to bond sale
  - Internet “road shows”
  - Retail investor participation
  
- **Rate stabilization account**
  - Projected balances
  - Operating target

# Debt Portfolio Diagram

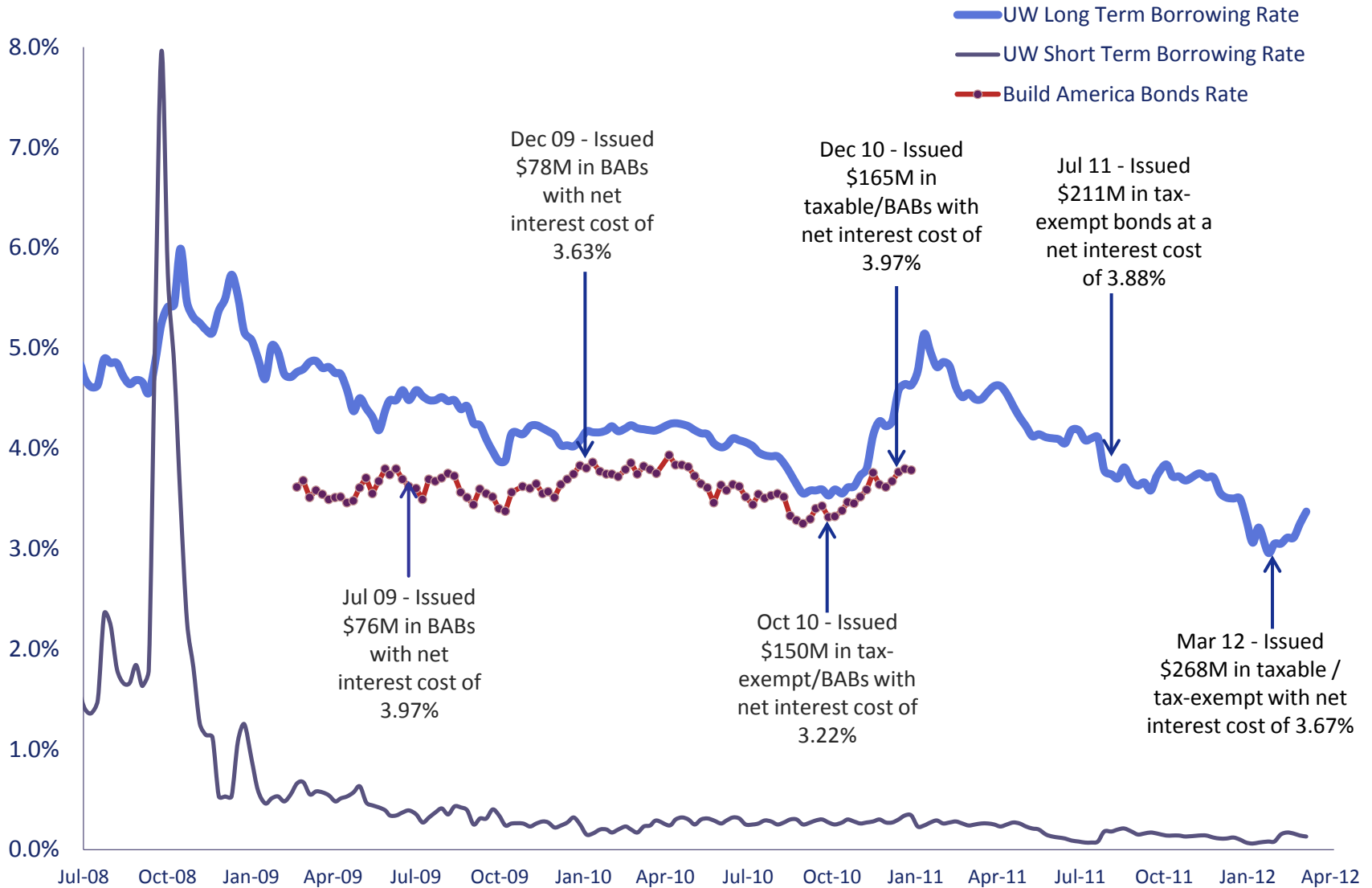


- Maintain cost effective access to the debt markets
- Seek opportunities to reduce long term institutional borrowing costs

- Provide quality underwriting and monitoring of new and outstanding obligations
- Fund rate stabilization account to minimize increases in the internal lending rate

# External Debt Portfolio

# Interest Rates and Issuances July 2008 – April 2012



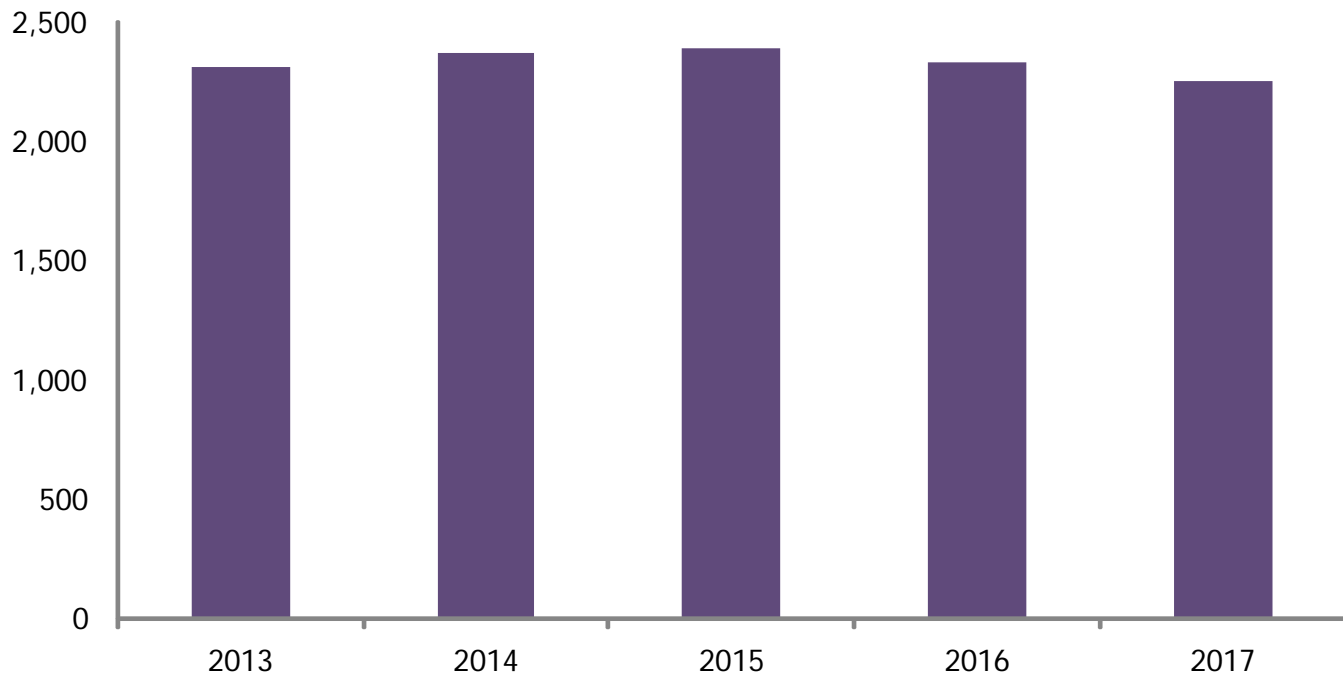
## External Debt Portfolio – June 2012

Type of Debt	Issued FY2012	Total Outstanding	Weighted Average Rate	Weighted Average Maturity (yrs)
Commercial Paper	\$0	\$25	0.1%	0.08
Other Variable Rate	0	0	n/a	n/a
Fixed Rate	503	1,134	3.9%	16.4
<b>ILP Total</b>	<b>503</b>	<b>1,159</b>	<b>3.8%</b>	<b>16.0</b>
Non-ILP Debt	12	921	4.9%	14.6
<b>Total</b>	<b>\$515</b>	<b>\$2,080</b>	<b>4.3%</b>	<b>15.4</b>

*(Dollars in Millions)*

# Outstanding Debt 2013 – 2017

(in millions)	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>
Annual Borrowing <sup>(1)</sup>	281	134	86	16	2
Outstanding Debt <sup>(2)(3)</sup>	2,309	2,371	2,388	2,330	2,252



(1) Based on expected cash flows for projects authorized by the Board of Regents

(2) Assumes that all future debt is 30 year amortizing bonds at 5.5%. Structure of actual issuance will vary

(3) Includes Northwest Hospital & Valley Medical Center debt

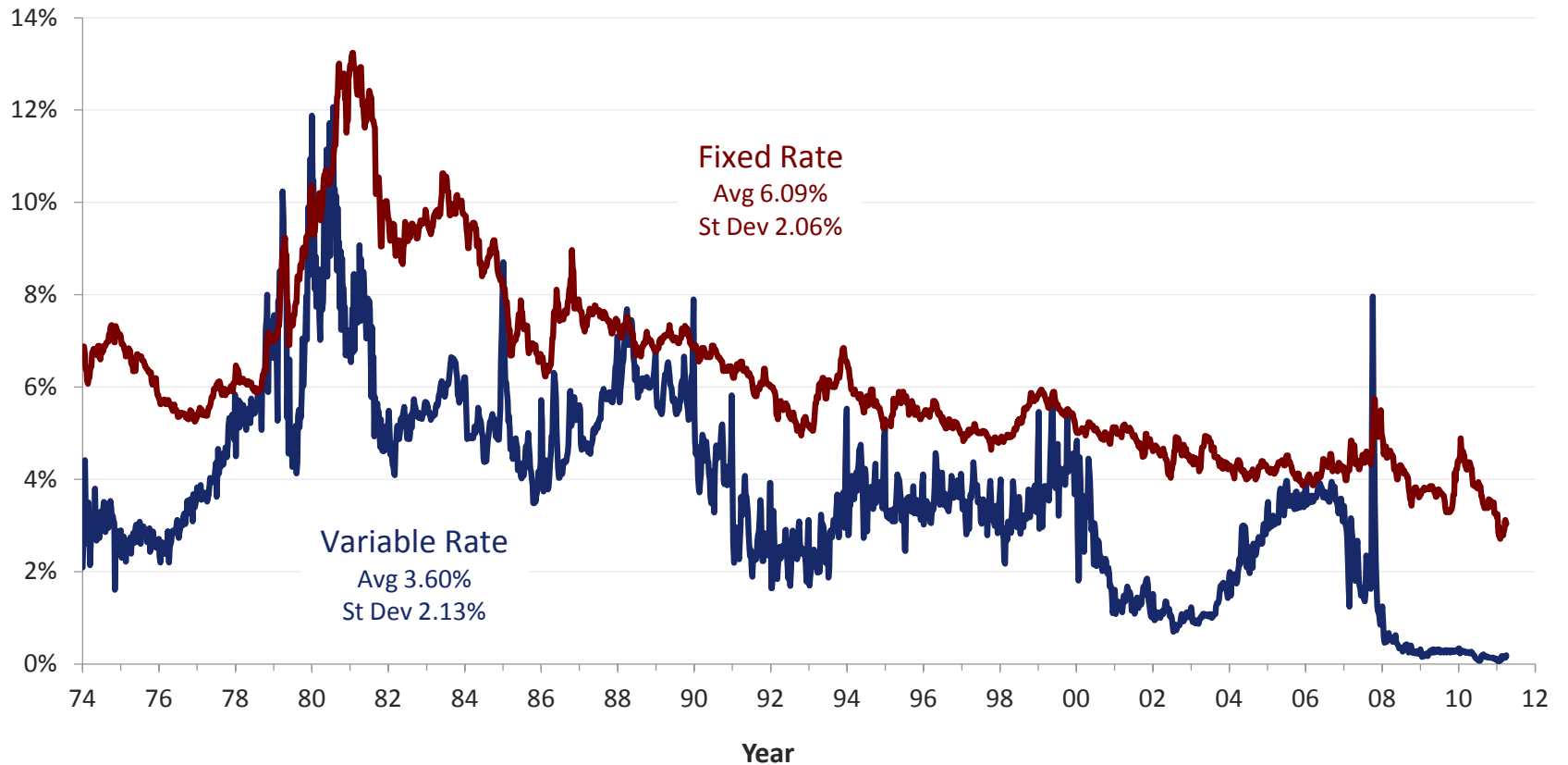


# Policy Limits on Variable Rate Debt Exposure

- **There are no current plans to issue variable rate debt**
  - Policy amendment in July 2012 to limit the amount of variable rate exposure to 20% of the portfolio; there is currently no policy maximum
  - Variable rate debt could make sense in an environment of increasing long term rates
  - In a historically low fixed rate environment, locking in low long term rates is most important
  
- **Approach to adding variable rate debt to the portfolio**
  - Conversation with Regents before adding variable rate debt to the portfolio
  - Existing commercial paper program is an easy way to get variable rate exposure, currently used only to manage cash flows
  - Regular reporting to senior management and Board of Regents on status of variable rate debt portfolio
  
- **Benefits of variable rate debt**
  - Achieve lower cost
  - Easy to refinance
  
- **Risks of variable rate debt**
  - Rate risk continues over the life of the debt
  - Liquidity risk impacts cash that UW holds in operating funds

# Historical Interest Rates: 1974 - 2012

Since 1974, fixed rates have been higher than variable rates with an average spread of 2.50%.



# Internal Debt Portfolio

# Internal Rate Assessment

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The ILP rate will remain at 5.5% for the next 12 months

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- External rates and the portfolio average are lower than the ILP rate
- Recent \$268 million issuance locked in an all-in net rate of 3.67%
- Weighted average cost of funds of the ILP portfolio as of June 2012 is 4.3%
- Between July 2011 – June 2012 the ILP added \$7 million to the rate stabilization account (RSA) bringing the balance to \$16.2 million
- Unfunded authorizations of \$519 million through 2017 create some risk to the ILP rate
- Paying external debt service for projects not yet making internal loan payments will create a draw on the RSA in 2013

# Internal Loan Portfolio – June 2012

	University Mission			Total
	Education	Research	Service	
<b>Beginning Balance Jul-11</b>	<b>\$113</b>	<b>\$111</b>	<b>\$609</b>	<b>\$833</b>
Additions	10	26	316	352
Reductions	(16)	(11)	(20)	(47)
<b>Annual Activity thru Jun-12</b>	<b>(6)</b>	<b>15</b>	<b>296</b>	<b>305</b>
<b>Total Internal Loans</b>	<b>\$107</b>	<b>\$126</b>	<b>\$905</b>	<b>\$1,138</b>

*(Dollars in Millions)*

# Estimated Construction Draws and Issuance

<b>Approved Project</b>	<b>Remaining Draws</b>
Husky Stadium Renovation	\$175
Housing, Phase 2	154
Housing, Phase 3	133
Student Life Projects	30
Bothell, Phase 3	30
UWMC Expansion, Phase 1	23
Housing, Phase 1	10
Molecular Engineering – ILP only	8
Tacoma Phase 3 – ILP only	6
<b>Total</b>	<b>\$569</b>
Debt Proceeds on Hand	\$50
Estimated size of FY2013 Bond Resolution	\$281
Estimated size of FY2014-FY2017 Bond Resolutions (total)	\$238

*(Dollars in Millions)*

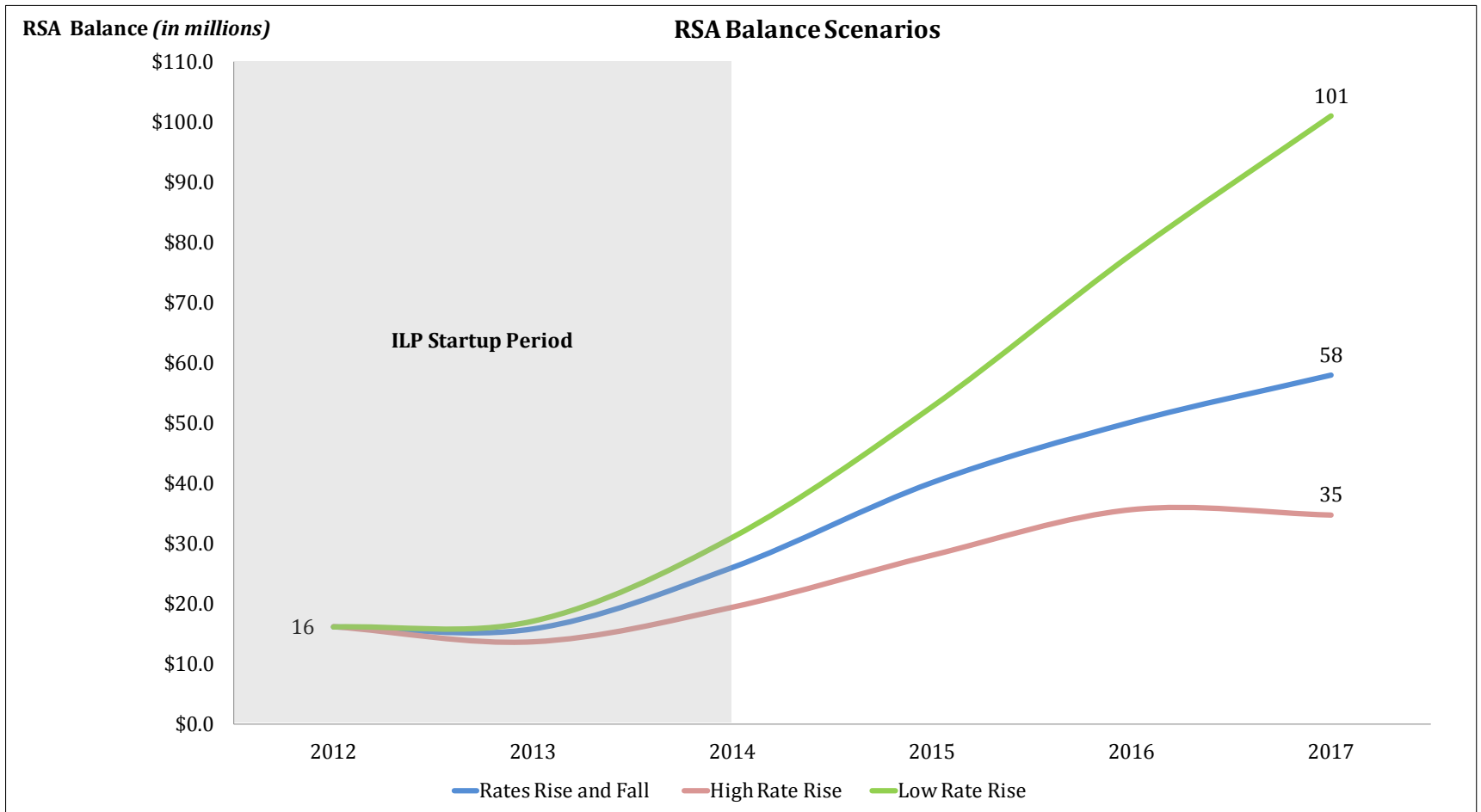
# Future Projects from One Capital Plan (not yet approved)

<b>Project Name</b>	<b>Estimated Borrowing Amount through 2023</b>
Research Buildings	\$548
South Lake Union 3, Phases 2-3	308
Student Housing, Phase 4-5	274
Metropolitan Tract Recapitalization	200
Education Buildings	144
Enterprise Information System	110
UWMC Building Expansion, Phase 2	71
Major Infrastructure Upgrade Projects	70
Strategic Real Estate Investment	65
UW Bothell Student Activity Center	28
UW Tacoma Projects	8
Other Projects	27
<b>Total</b>	<b>\$1,853</b>

*(Dollars in Millions)*

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# Projected Rate Stabilization Account Balances



RSA RATE SCENARIOS	2012	2013	2014	2015	2016	2017
<i>Low Rate Rise</i>	3.68%	3.50%	4.10%	4.60%	4.85%	5.10%
<i>Rates Rise and Fall</i>	3.68%	3.95%	5.00%	6.10%	7.20%	6.10%
<i>High Rate Rise</i>	3.68%	4.60%	5.85%	6.70%	6.70%	7.20%



# RSA Solvency

## Sensitivity to Increasing External Rates

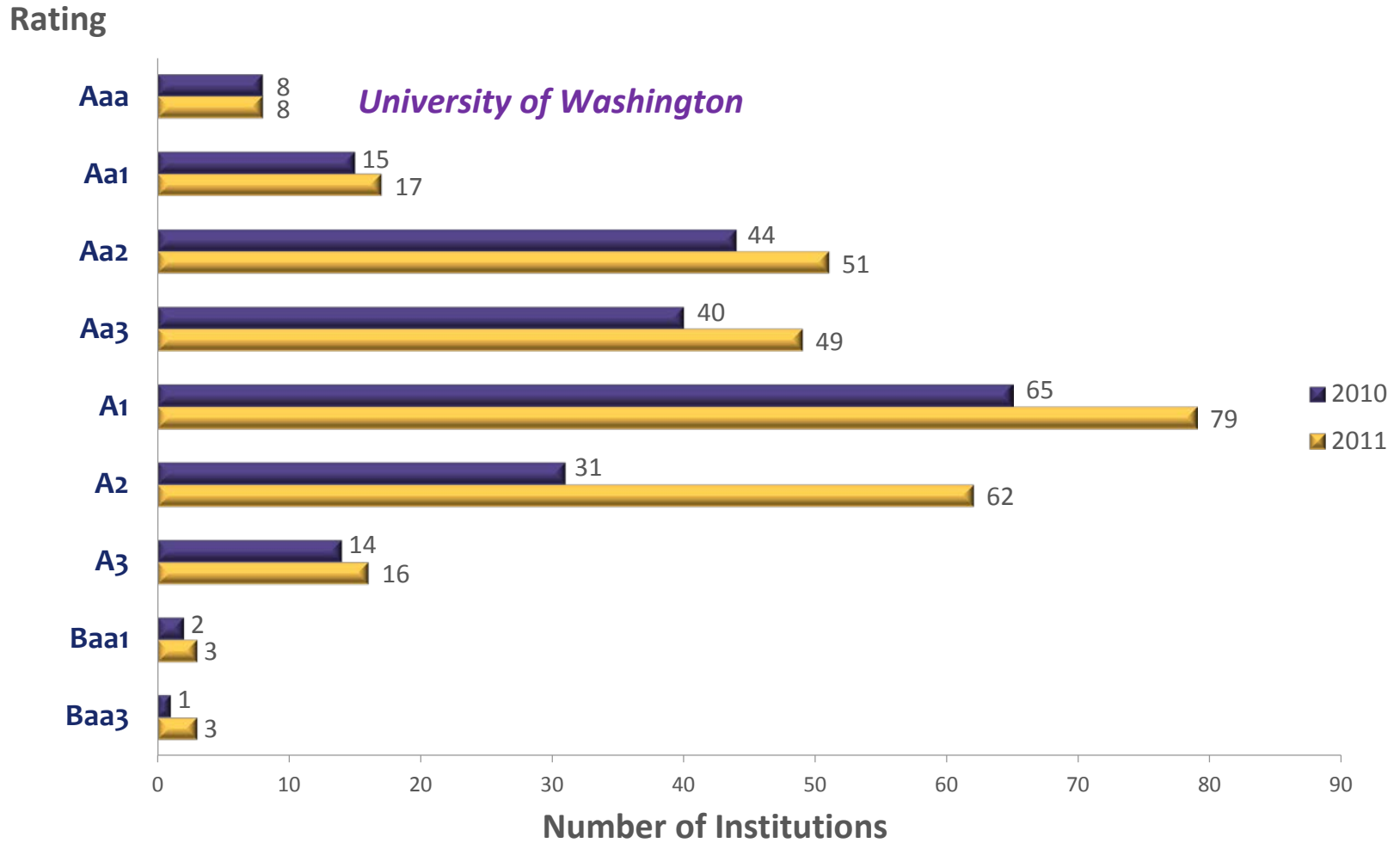
### RSA Ending Balances (Authorized + One Capital Plan)

<b>Fixed Rate</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
5.50%	16.2	10.8	15.1	25.7	38.2	47.2	56.5	65.9	74.9	84.0	92.5	100.9
5.75%	16.2	10.1	13.0	21.7	31.6	37.4	42.9	47.9	51.5	54.5	56.3	57.4
6.00%	16.2	9.4	10.9	17.7	25.1	27.6	29.2	29.6	27.9	24.7	19.5	13.1
6.25%	16.2	8.7	8.8	13.8	18.5	17.7	15.4	11.2	4.1	<i>RSA Insolvent</i>		
6.50%	16.2	8.3	7.6	10.6	12.7	8.6	2.2					
6.75%	16.2	8.4	7.7	8.8	8.3	0.8						
7.00%	16.2	8.5	7.9	7.4	4.2							
7.25%	16.2	8.7	8.1	5.9	0.1							
7.50%	16.2	8.8	8.1	3.9								

- Ending balances reflect impacts of a sustained increase in external borrowing rates
- All issuances are 30 year amortizing fixed rate debt
- Interest earnings assumed to be borrowing rate less 50 basis points
- Beginning in 2013, rates would have to increase 275 basis points above today's rates for the RSA to become insolvent in 2021

# Institutional Metrics and Debt Capacity

# Public Higher Education Credit Ratings



Source: Moody's rating distribution for fiscal year 2011

Note: Baa3 Ratings as of Fiscal Year 2010

Institutions in Aaa rating category: Indiana University; Purdue University; Texas A&M University System; University of Michigan; University of North Carolina-Chapel Hill; University of Texas System; University of Virginia; University of Washington

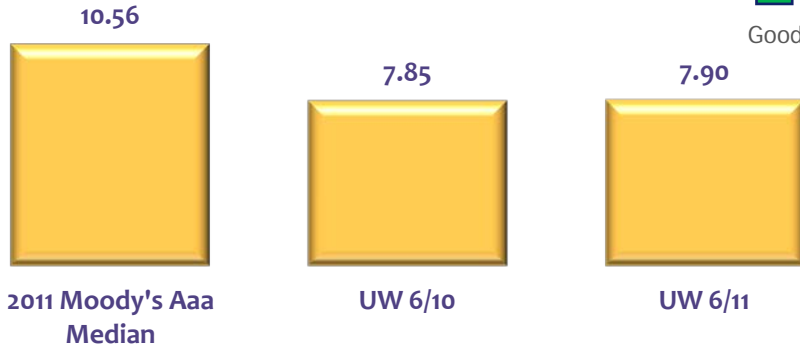
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# Financial Ratios Comparison

**Expendable Financial Resources to Operations (x)**



Good

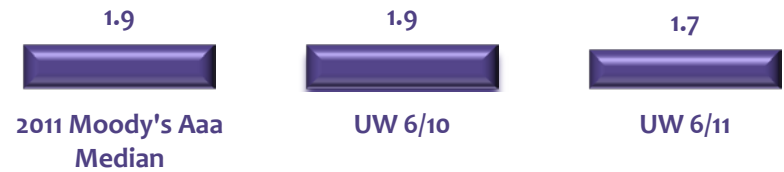


UW has nearly 8 months of expendable resources on hand to fund operations.

**Expendable Resources to Direct Debt (x)**



Good



Ratio has declined slightly as outstanding debt has grown faster than reserve levels.

**Debt Service Coverage (x)**



Good

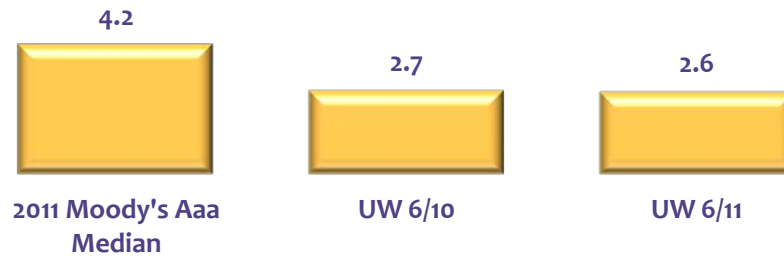


Debt service coverage has declined as external debt service payments come on line before new revenues from financed projects.

**Debt Service to Operations (%)**



Good

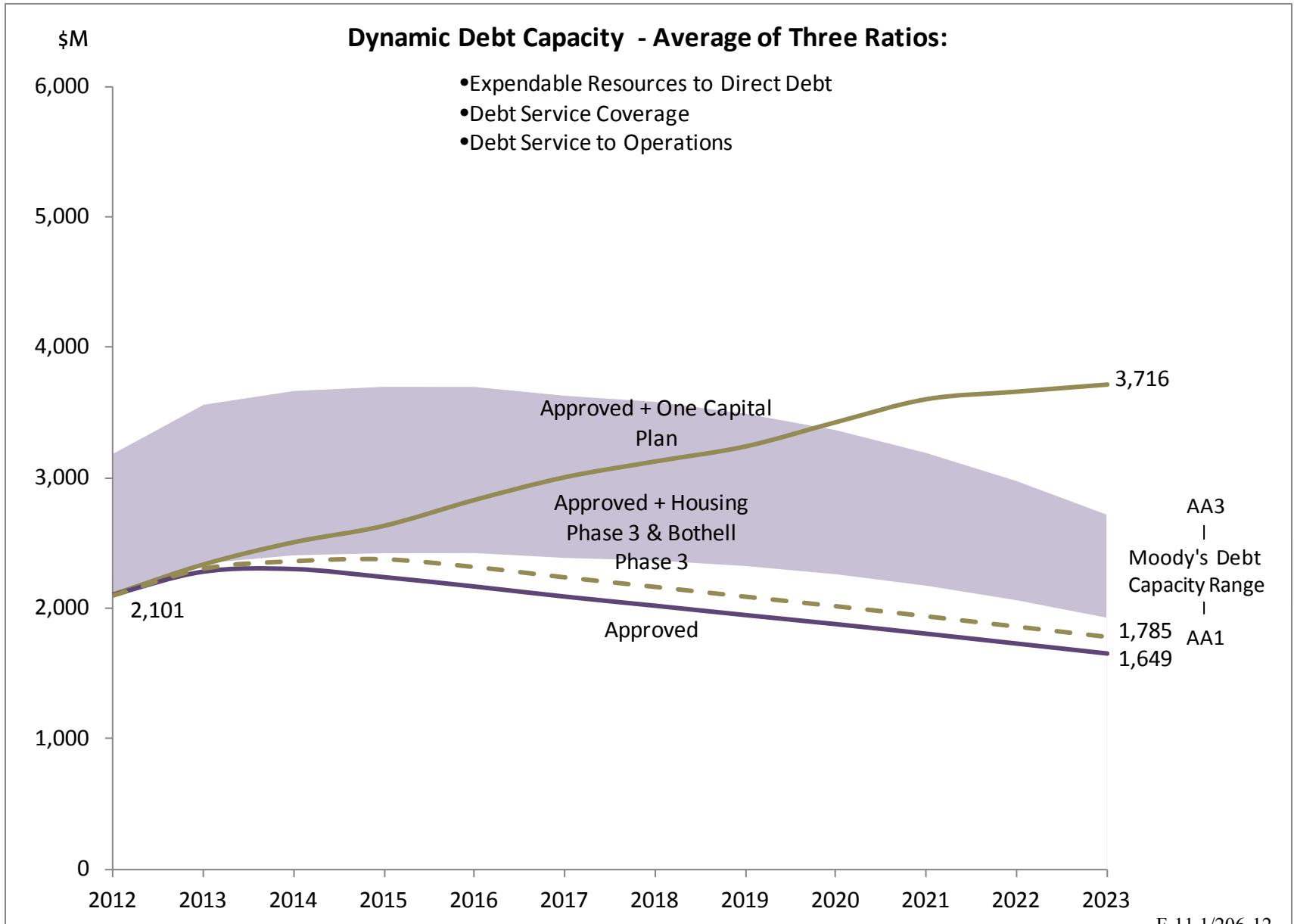


Ratio has remained stable and below the median for the last two years.

# Approach to Debt Capacity

- **The University does not have a defined debt capacity**
  - Capacity is the ability to service the debt
  - Capacity is the ability to access the capital markets at reasonable rates
  - Credit ratings play a major role in the cost of capital for the UW
  
- **Ratio analysis to project future debt capacity**
  - Identify three most important financial ratios:
    - Expendable resources to debt
    - Debt service coverage
    - Debt service as a percentage of total operating expenses
  - Project financial statements and future debt
  - Compare projected financial ratios to Moody's medians

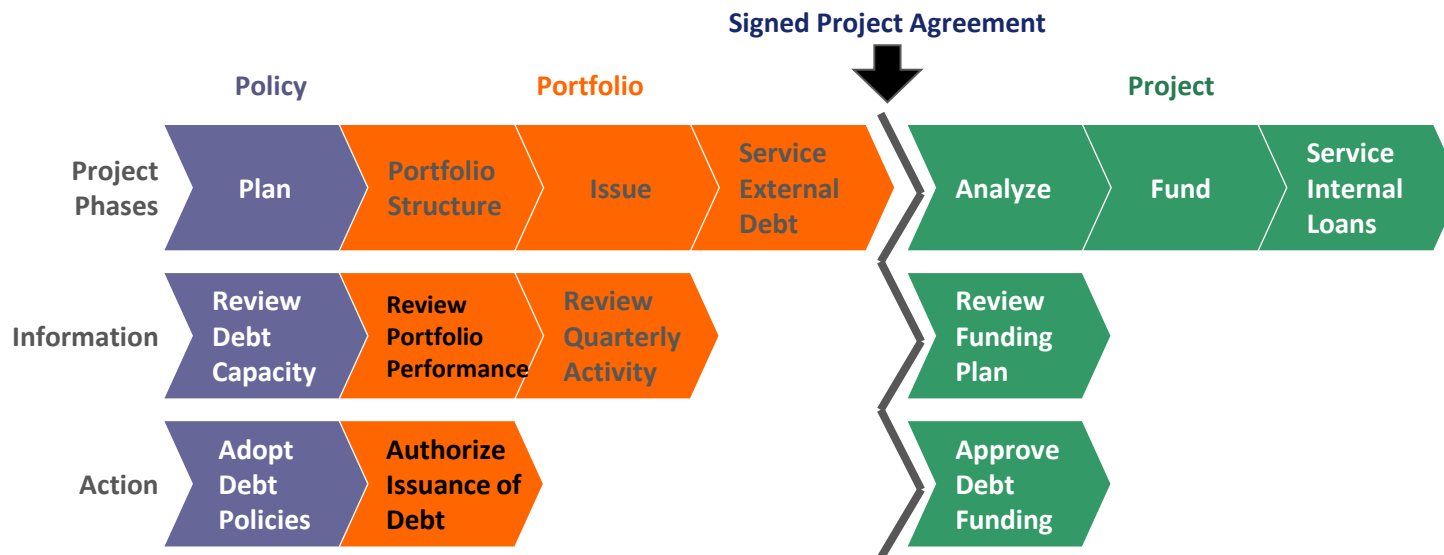
# Projected Debt Capacity 2012-2023



# Additional Materials

# Regent Roles

- Adopt debt management policy
- Establish University credit standards (“A” category rating or better)
- Oversee debt outstanding, credit ratings, and compliance with bond covenants and IRS regulations
- Adopt bond resolutions to allow for issuance of external debt
- Approve use of Internal Lending Program to fund capital projects





# ILP Audited Financial Statements – June 30, 2011

<b><i>Income Statement</i></b> <b><i>(Dollars in Millions)</i></b>	
Operating revenues	\$37.3
Operating expenses	34.1
Operating income (loss)	3.2
Non-operating revenue	3.6
<b>Change in net assets</b>	<b>\$6.8</b>
<b>Net assets at beginning of year</b>	<b>\$3.7</b>
<b>Net assets at end of year</b>	<b>\$10.5</b>

<b><i>Balance Sheet</i></b> <b><i>(Dollars in Millions)</i></b>	
<b>Assets</b>	
Cash & short-term investments	\$59.7
Current receivables	34.9
Current assets	94.6
Noncurrent receivables	773.6
Long-term investments	2.5
<b>Total assets</b>	<b>\$870.7</b>
<b>Liabilities &amp; Net Assets (equity)</b>	
Current liabilities	\$96.6
Noncurrent liabilities	763.6
Total liabilities	860.2
Net assets	10.5
<b>Total liabilities &amp; net assets</b>	<b>\$870.7</b>

# Overview of Variable Rate Alternatives

There are a variety of variable rate products available to issuers in the current market

Variable Rate Instruments	Forms of Liquidity/Credit Support		
	Self-Support	External Support (e.g. Bank LC)	No Support
Variable Rate Demand Bonds	X	X	
Commercial Paper	X	X	
Floating Rate Notes			X
Interest Rate Swaps			X
Bank Loans			X

# Rate Stabilization Account Scenario Analysis

## Low Rate Rise Scenario

<b>ILP Rate Stabilization Account Projections</b>						
<i>(Auth, One Cap Plan, &amp; \$25M Additional Borrowing Per Year)</i>						
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Fixed Rate	3.68%	4.00%	4.50%	5.00%	5.25%	5.50%
Variable Rate	0.00%	1.50%	2.50%	3.00%	3.25%	3.50%
<i>(in millions)</i>						
Total Debt Issued (New Money)	254.1	332.4	283.7	189.2	266.5	266.5
Interest Received	26.4	37.5	65.0	81.6	95.6	108.5
Interest Paid	(21.1)	(43.4)	(57.5)	(66.3)	(78.8)	(91.8)
Net Interest Margin	5.3	(5.9)	7.5	15.3	16.8	16.7
RSA Beginning Balance	9.8	16.2	17.1	31.0	52.7	77.9
+Adjusted Net Interest Margin	5.3	0.0	7.5	15.3	16.8	16.7
-RSA Balance Used	0.0	(5.9)	0.0	0.0	0.0	0.0
+Interest Earned Less Expenses**	0.3	1.0	1.6	2.4	3.5	5.0
+Savings from Refundings	0.8	5.8	4.8	4.0	4.9	1.2
<b>RSA Balance</b>	<b>16.2</b>	<b>17.1</b>	<b>31.0</b>	<b>52.7</b>	<b>77.9</b>	<b>100.8</b>
Weighted Average Cost of Debt (%)	3.66%	3.61%	3.75%	3.96%	4.22%	4.46%
<i>** Earnings rate assumed to be current external borrowing rate minus 50 basis points</i>						

# Rate Stabilization Account Scenario Analysis

## Rates Rise and Fall Scenario

<b>ILP Rate Stabilization Account Projections</b>						
<i>(Auth, One Cap Plan, &amp; \$25M Additional Borrowing Per Year)</i>						
	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>
Fixed Rate	3.68%	4.50%	5.50%	6.50%	7.50%	6.50%
Variable Rate	0.00%	1.75%	3.00%	4.50%	6.00%	4.50%
<i>(in millions)</i>						
Total Debt Issued (New Money)	254.1	332.4	283.7	189.2	266.5	266.5
Interest Received	26.4	37.5	65.0	81.6	95.6	108.5
Interest Paid	(21.1)	(44.9)	(61.8)	(74.9)	(95.8)	(107.4)
Net Interest Margin	5.3	(7.5)	3.2	6.7	(0.2)	1.1
RSA Beginning Balance	9.8	16.2	15.8	26.0	40.1	50.1
+Adjusted Net Interest Margin	5.3	0.0	3.2	6.7	0.0	1.1
-RSA Balance Used	0.0	(7.5)	0.0	0.0	(0.2)	0.0
+Interest Earned Less Expenses**	0.3	1.3	2.2	3.4	5.3	5.4
+Savings from Refundings	0.8	5.8	4.8	4.0	4.9	1.2
<b>RSA Balance</b>	<b>16.2</b>	<b>15.8</b>	<b>26.0</b>	<b>40.1</b>	<b>50.1</b>	<b>57.8</b>
Weighted Average Cost of Debt (%)	3.66%	3.75%	4.14%	4.69%	5.44%	5.65%
<b>** Earnings rate assumed to be current external borrowing rate minus 50 basis points</b>						

# Rate Stabilization Account Scenario Analysis

## High Rate Rise Scenario

<b>ILP Rate Stabilization Account Projections</b>						
<i>(Auth, One Cap Plan, &amp; \$25M Additional Borrowing Per Year)</i>						
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Fixed Rate	3.68%	5.00%	6.25%	7.00%	7.00%	7.50%
Variable Rate	0.00%	3.00%	4.25%	5.50%	5.50%	6.00%
<i>(in millions)</i>						
Total Debt Issued (New Money)	254.1	332.4	283.7	189.2	266.5	266.5
Interest Received	26.4	37.5	65.0	81.6	95.6	108.5
Interest Paid	(21.1)	(47.4)	(66.7)	(80.5)	(97.4)	(116.4)
Net Interest Margin	5.3	(9.9)	(1.7)	1.1	(1.8)	(7.9)
RSA Beginning Balance	9.8	16.2	13.7	19.4	28.1	35.6
+Adjusted Net Interest Margin	5.3	0.0	0.0	1.1	0.0	0.0
-RSA Balance Used	0.0	(9.9)	(1.7)	0.0	(1.8)	(7.9)
+Interest Earned Less Expenses**	0.3	1.6	2.6	3.6	4.4	5.8
+Savings from Refundings	0.8	5.8	4.8	4.0	4.9	1.2
<b>RSA Balance</b>	<b>16.2</b>	<b>13.7</b>	<b>19.4</b>	<b>28.1</b>	<b>35.6</b>	<b>34.7</b>
Weighted Average Cost of Debt (%)	3.66%	3.95%	4.59%	5.26%	5.76%	6.19%
<i>** Earnings rate assumed to be current external borrowing rate minus 50 basis points</i>						

# Key Statistics and Ratios

	UW (Aaa)		Moody's 2011 Medians	
	2010	2011	Aaa	Aa1
<b>Key Financial Statistics</b>				
Total Direct Debt (\$, in millions)	1,174	1,581	1,441	
Comprehensive Debt (\$, in millions)	1,337	1,750	1,600	
Unrestricted Financial Resources (\$, in millions)	1,163	1,405	1,285	
Expendable Financial Resources (\$, in millions)	2,252	2,633	2,619	
Total Financial Resources (\$, in millions)	3,212	3,710	3,443	
Total Cash & Investments (\$, in millions)	3,266	4,028	3,868	
Total Revenues (\$, in millions)	3,599	4,153	3,280	
Total Expenses (\$, in millions)	3,442	4,002	3,079	
<b>Student Enrollment and Ratios</b>				
Total Enrollment FTE (#)	49,294	50,527	57,026	
Freshman Matriculation (%)	42%	40%	44%	
Freshman Selectivity (%)	57%	58%	63%	
Net tuition per student (\$)	9,869	10,905		10,325
State appropriation per student (\$)	6,344	6,020	6,750	
Educational expenses per student (\$)	37,631	43,956	39,353	
<b>Capital Ratios</b>				
<i>Expendable financial resources-to-direct debt (x)</i>	1.9	1.7	1.9	
<i>Debt Service to Operations (%)</i>	2.7%	2.6%		3.1%
Direct debt to total revenues (x)	0.3	0.4		0.4
<b>Balance Sheet Ratios</b>				
<i>Expendable financial resources-to-operations (x)</i>	0.65	0.66		0.67
<b>Operating Ratios</b>				
<i>Actual debt service coverage (x)</i>	5.1	4.4		4.5
Average actual debt service coverage (x)	4.3	4.0	3.8	

Source: Moody's median data for fiscal year 2011 for Aaa and Aa1 rated public institutions of higher education. (MFRA database as of March 2012) Ratios for fiscal year 2010 exclude NW Hospital information

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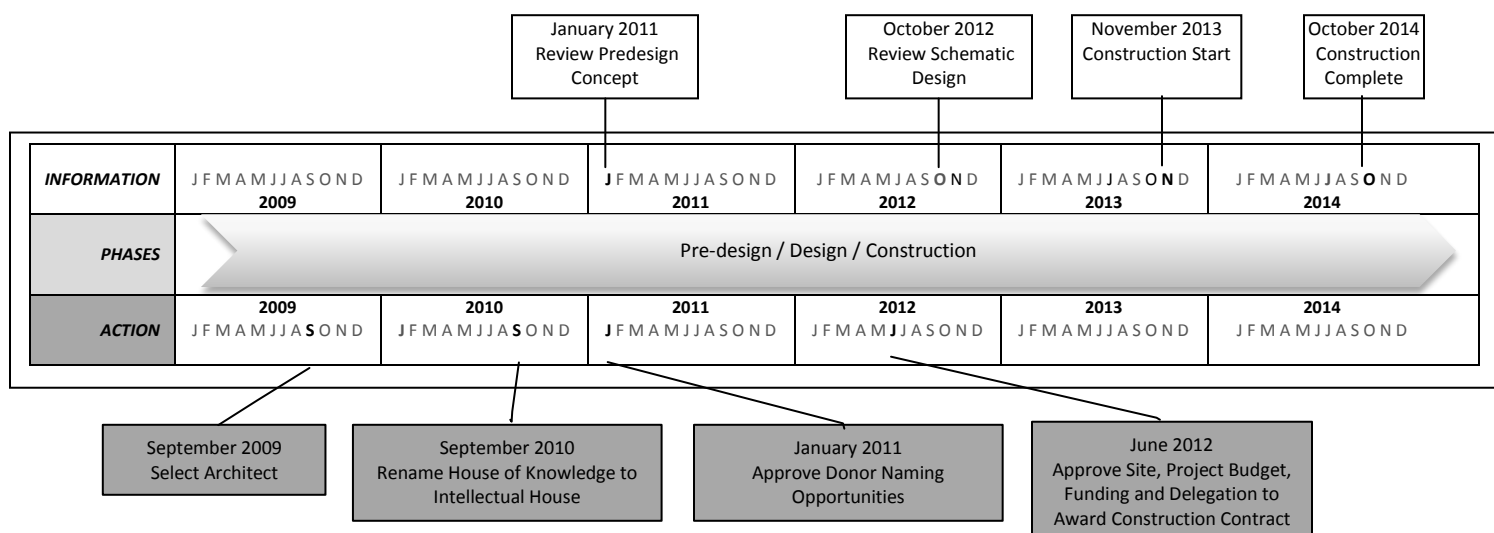
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VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

wəʔəbʔaltx<sup>w</sup> (Intellectual House) Project - Approve Site Selection and Approve Project Budget, Approve Funding, and Delegate Authority to Award Construction Contract for Phase I

Regents Action and Information Review Timeline



*Note for duration of project:  
Written semi-annual reports in December & May  
Oral semi-annual updates in March & September*

RECOMMENDED ACTION

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

1. Approve the selection of the southern portion of site 7C as the project site;
2. Approve the establishment of the Phase I project budget and funding at \$5,853,000;
3. Delegate authority to the President to award a construction contract for Phase I, subject to the scope, budget, and funding remaining within 10% of the established budget.

BACKGROUND

The wəʔəbʔaltx<sup>w</sup> (phonetic pronunciation walthub-alt) is a project 36 years in the making that grows out of a long and increasingly active partnership between the

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### wəʔəbʔaltx<sup>w</sup> (Intellectual House) Project - Approve Site Selection and Approve Project Budget, Approve Funding, and Delegate Authority to Award Construction Contract for Phase I (continued, p. 2)

University and the region's tribal nations. For decades, community members have sought to create a home away from home for Native American students, a place that will enable students to maintain strong ties to family and culture while helping them to successfully accomplish their educational goals at the University.

In September 2007, the House of Knowledge Planning Advisory Committee was formed to create a clear vision of the project that will serve as the basis of community awareness, fundraising, design and construction and be the founding idea from which all aspects of the project will be developed. The planned facility can be described as a multi-service learning and gathering space in an educational environment.

In September 2010, after a lengthy process of consultation with elders, the House of Knowledge was given the Lushooted name wəʔəbʔaltx<sup>w</sup> (which translates to Intellectual House).

The Intellectual House will be designed to be reminiscent of longhouse-style traditions and constructed in a manner consistent with the environmental awareness and sensitivity of the indigenous peoples of the Northwest. The Intellectual House will provide a culturally responsive learning environment for students, faculty, and staff, and it will service programs that promote and support academic success of all Native American students, faculty, and staff. It will service the entire community through the dissemination of knowledge of the indigenous peoples of the Pacific Northwest and programs promoting the value of cultural diversity and respect for all cultures.

#### SITE SELECTION

The Capital Projects Office identified sites 2C, 54E, and 7C as potential locations for the Intellectual House. The planning committee visited the sites and evaluated the sites with the following criteria:

- Proximity to relevant UW programs;
- Accessibility for students
- Appropriateness of natural characteristics including topography, solar orientation, vegetation, and views;
- Accessibility for pedestrians and vehicles; and
- Ability to accommodate interior and exterior space requirements.



## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### wəʔəbʔaltx<sup>w</sup>(Intellectual House) Project - Approve Site Selection and Approve Project Budget, Approve Funding, and Delegate Authority to Award Construction Contract for Phase I (continued, p. 3)

In July 2008, the House of Knowledge Planning and Advisory Committee (HOKPAC) and the House of Knowledge Working Group (HOKWG) recommended to President Emmert and Provost Wise the southern portion of site 7C, near Lewis Hall, as the preferred location for the longhouse-style facility.

Site 7C, southeast of Lewis Hall, was identified as having the greatest potential and providing the best fit based upon the criteria. The site is very accessible for students and is conveniently located to relevant programs. It has direct access to the UW Arts Quad and would have high visibility on campus. There are nice natural elements to this space: the site has large trees and a native understory that would complement the longhouse concept.

The Intellectual House will occupy only the southeast portion of site 7C, leaving the remainder as a future building site for another project. The Intellectual House site is triangular in shape bounded by East Stevens Way NE to the southwest, Whitman Court to the east, and Lewis Hall to the northwest.

#### PROJECT DESCRIPTION

The Intellectual House project is proposed as two phases: Phase I will provide a multiservice learning and gathering space for Native American students, faculty, and staff as well as provide the opportunity for various cultures and communities to come together in a supporting and welcoming education environment to share their knowledge and their cultures with one another. Phase I includes a one-story Gathering Building of approximately 8,400 square feet and an outdoor gathering space. The site design will include an outdoor gathering area for up to 150 people, a ceremonial space, outdoor cooking area, outdoor teaching area, Native arts exhibit area, traditional use plants and medicine garden, basket plants/bio-swale garden, drop-off and welcome area, elder, service and bike parking.

The future planned Phase II is dependent upon private donor funds. Phase II will construct a one-story Teaching and Learning Building with student programming, multi-purpose meeting spaces, an arts lab and an elders lounge. This building will also be approximately 8,400 gross square feet. Site improvements between the buildings will complete the project.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

wəʔəbʔaltx<sup>w</sup>(Intellectual House) Project - Approve Site Selection and Approve Project Budget, Approve Funding, and Delegate Authority to Award Construction Contract for Phase I (continued, p. 4)

#### SCHEDULE

Phase I is planned to be open for Winter Quarter 2015.

Architect Selection	September 2009
Predesign	October 2009 – May 2012
Design	June 2012 – August 2013
Bidding/Award	September 2013 – October 2013
Construction	November 2013 – October 2014
Occupancy	December 2014

#### PROJECT BUDGET AND FUNDING

Private donor funds combined with University Central matching funds and State funds are sufficient to initiate Phase I of the Intellectual House project. The proposed project budget is \$5.853 million. It is estimated that Phase II will cost a similar amount to Phase I. Donor naming opportunities will comply with the previously submitted Donor Naming Opportunities Plan. No University debt funding is used in the project.

<b>Fund Source</b>	
Departmental Funds	\$ 45,000
State Appropriations (2009-2011)	\$ 300,000
State Appropriations – UW Building Fund (2011-2013)	\$2,700,000
Donor Funding	\$1,404,000
Central University Funding	<u>\$1,404,000</u>
<b>Total</b>	<b>\$5,853,000</b>

#### PREVIOUS ACTIONS

September 2009	House of Knowledge architect appointment approved
September 2010	House of Knowledge renamed wəʔəbʔaltx <sup>w</sup> (Intellectual House)
January 2011	Approve Donor Naming Opportunities Plan and Review the Predesign Concept

#### *Attachment*

Capital Projects Office - Summary Project Budget

**UNIVERSITY OF WASHINGTON  
CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET**

PROJECT: Intellectual House

Project Number: 202070

ESTIMATED DATE OF COMPLETION: October 2014

<u>Project Budget</u>	<u>Total Escalated Cost</u>	<u>% of TPC*</u>
Pre-Schematic Design Services	\$ 314,000	5.4%
A/E Basic Design Services	\$ 388,000	6.6%
Extra Services	\$ 293,000	5.0%
Other Services	\$ 126,000	2.2%
Design Services Contingency	\$ 137,000	2.3%
<b>Consultant Services</b>	<b>\$ 1,258,000</b>	<b>21.5%</b>
Construction Cost	\$ 3,000,000	51.3%
Other Contracts	\$ 21,000	0.4%
Construction Contingencies	\$ 525,000	9.0%
Sales Tax	\$ 337,000	5.8%
<b>Construction</b>	<b>\$ 3,883,000</b>	<b>66.3%</b>
Equipment & Furnishings	\$ 158,000	2.7%
Other Costs	\$ 184,000	3.1%
Project Management	\$ 370,000	6.3%
<b>Other</b>	<b>\$ 712,000</b>	<b>12.2%</b>
<b>Total Project Cost (TPC)*</b>	<b>\$ 5,853,000</b>	<b>100.0%</b>
 <b><u>Included in Above:</u></b>		
Escalation at 3% per year through January 2014	\$ 270,000	4.8%

wəʔəbʔaltx<sup>W</sup>  
(Intellectual House)

Board of Regents Update  
June 7, 2012

## Mission

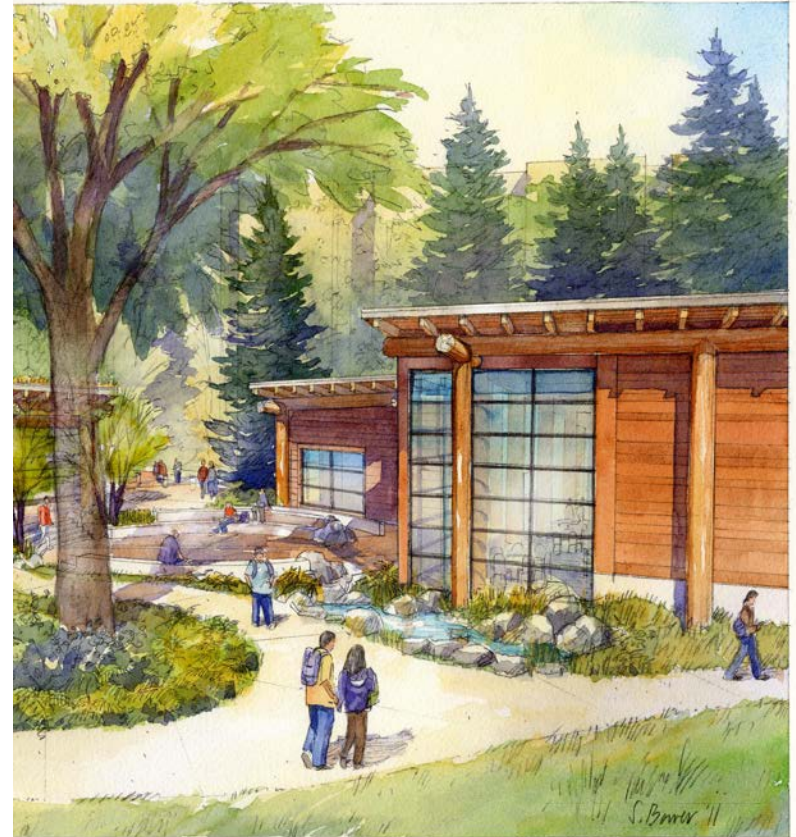
To provide a multi-service learning and gathering space for Native American students, faculty and staff, and others of various cultures and communities to come together in a supporting and welcoming educational environment to share their knowledge and their cultures with one another.

## Goals

- To make Native people “visible” on the UW campus.
- To offer a meeting place for UW Native American students, faculty and staff.
- To visibly manifest and symbolize the importance of Native traditions in the institutional culture.
- To share knowledge of Northwest indigenous people within the UW community and among the Tribes in the area, and the broader community.
- To enhance recruitment and retention of Native students, faculty and staff.
- To serve Tribes with resources and access to the University community.
- To provide appropriate learning spaces for various UW courses and programs.
- To edify the community with respect to cultures and values of indigenous people.
- To enhance the campus experience all students, faculty, staff and visitors.

## Project Timeline

- Project Initiation: 40 Year Vision
- First Tribal Summit: 2007
- Architects Selected: September 2009
- Predesign Completed: June 2010
- Building Renaming: September 2010
- Naming Opportunities/BOR Update: Jan. 2011
- Additional Predesign: February thru May 2012
- Project Agreement (MOA): June 2012
- Design: June 2012 thru May 2013
- Construction: 2013 – 2014
- Occupancy: Winter Quarter 2015



Stephanie Bower, Architectural Illustration

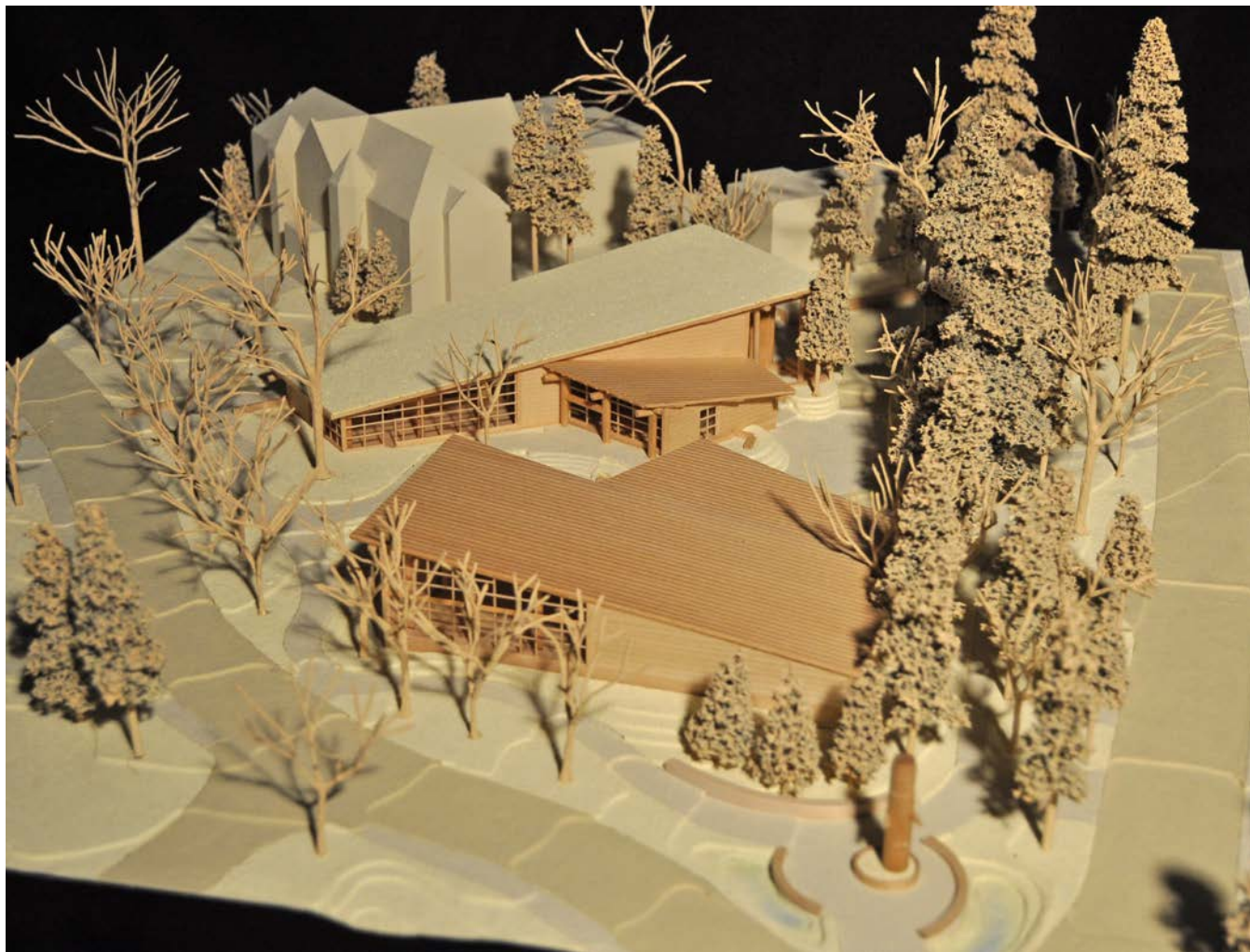
## Key Design Elements

- Coast Salish Architectural Style
- Contemporary expression of “longhouse”
- Village concept with two buildings and a central courtyard
- Outdoor teaching and gathering spaces
- Gathering hall, teaching and learning building
- Water
- Honor the history of native people on the site



Stephanie Bower, Architectural Illustration

## Model View Looking Northwest



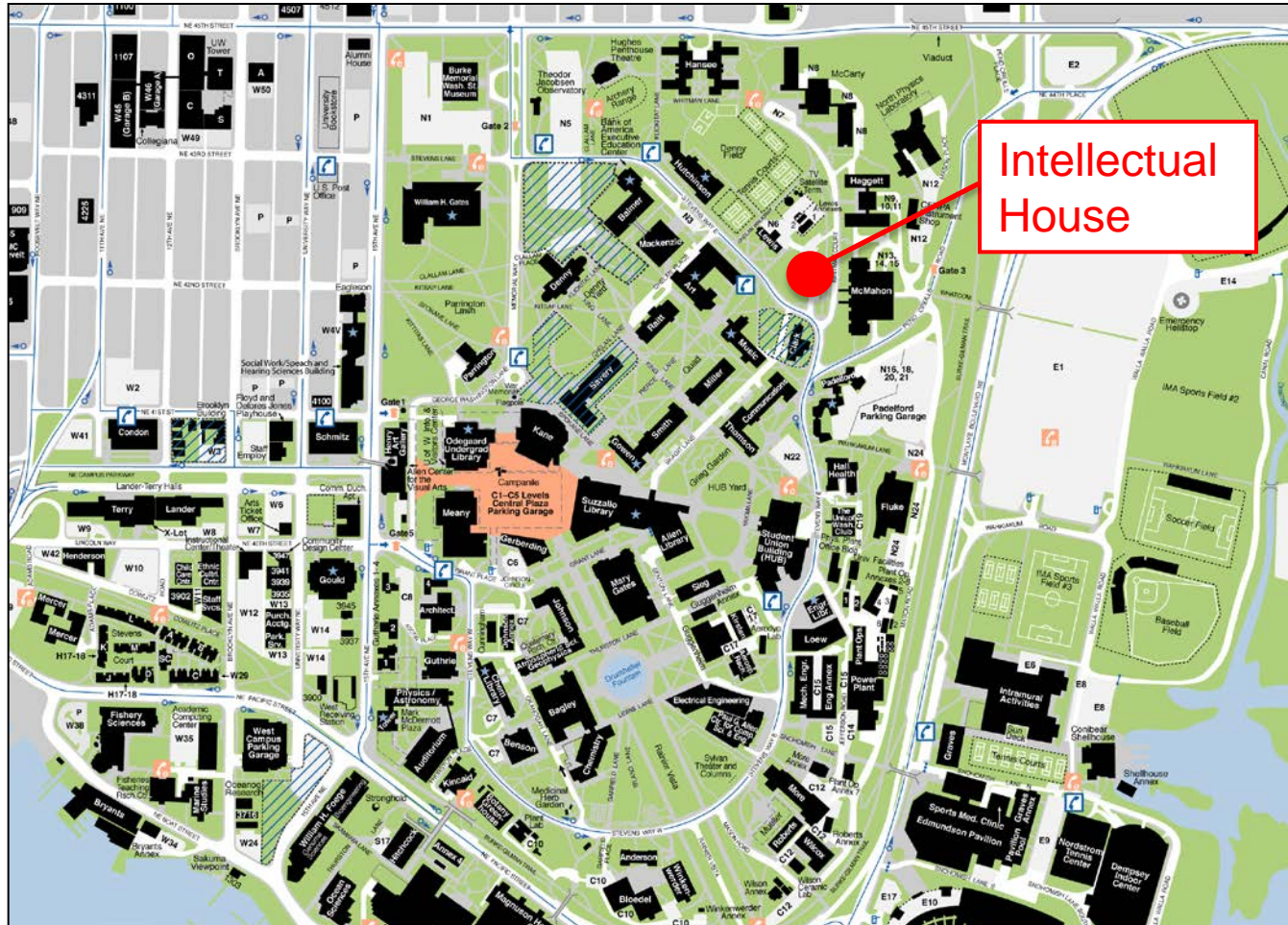


## Rendering of Both Phases

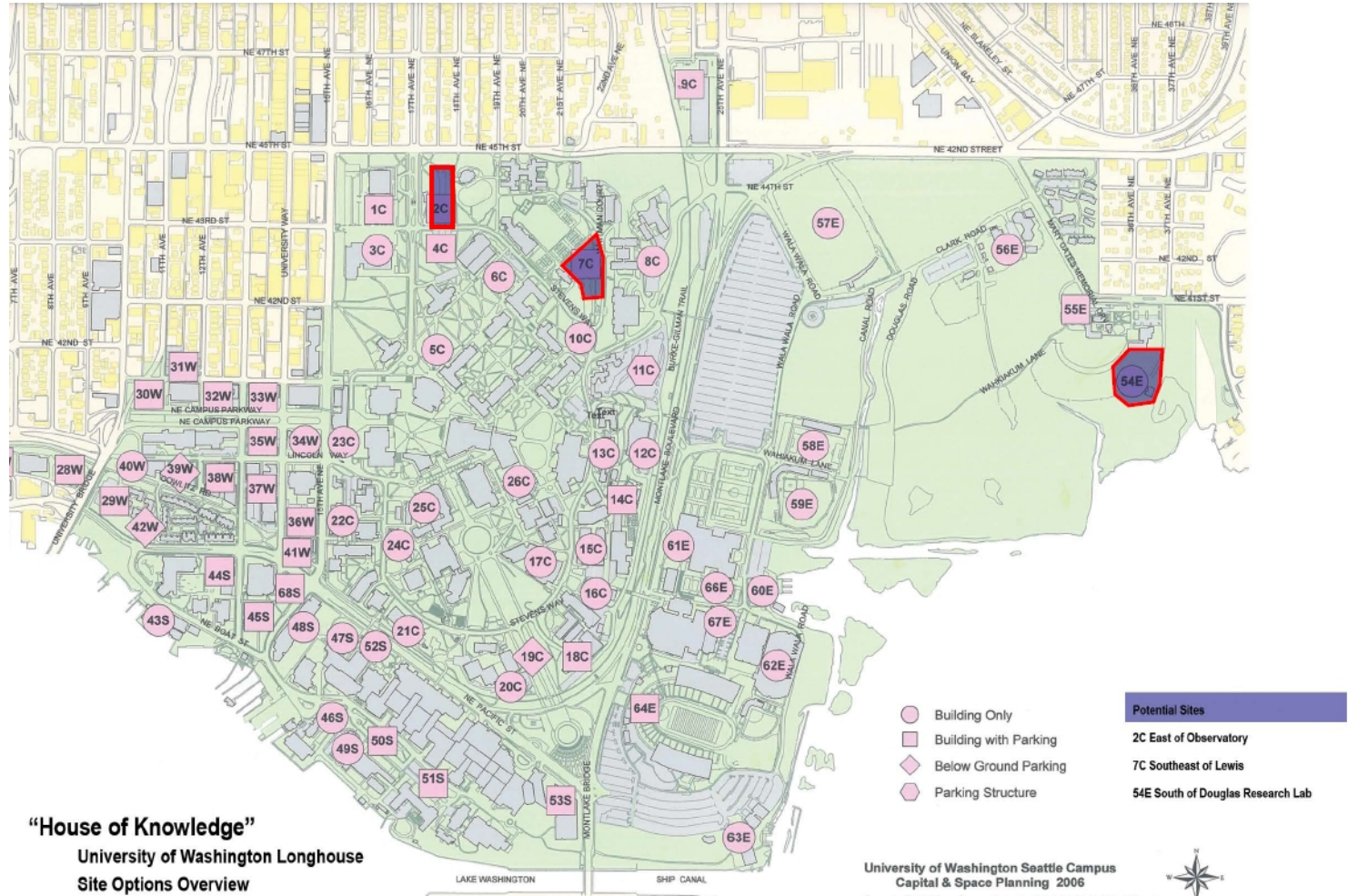


Stephanie Bower, Architectural Illustration

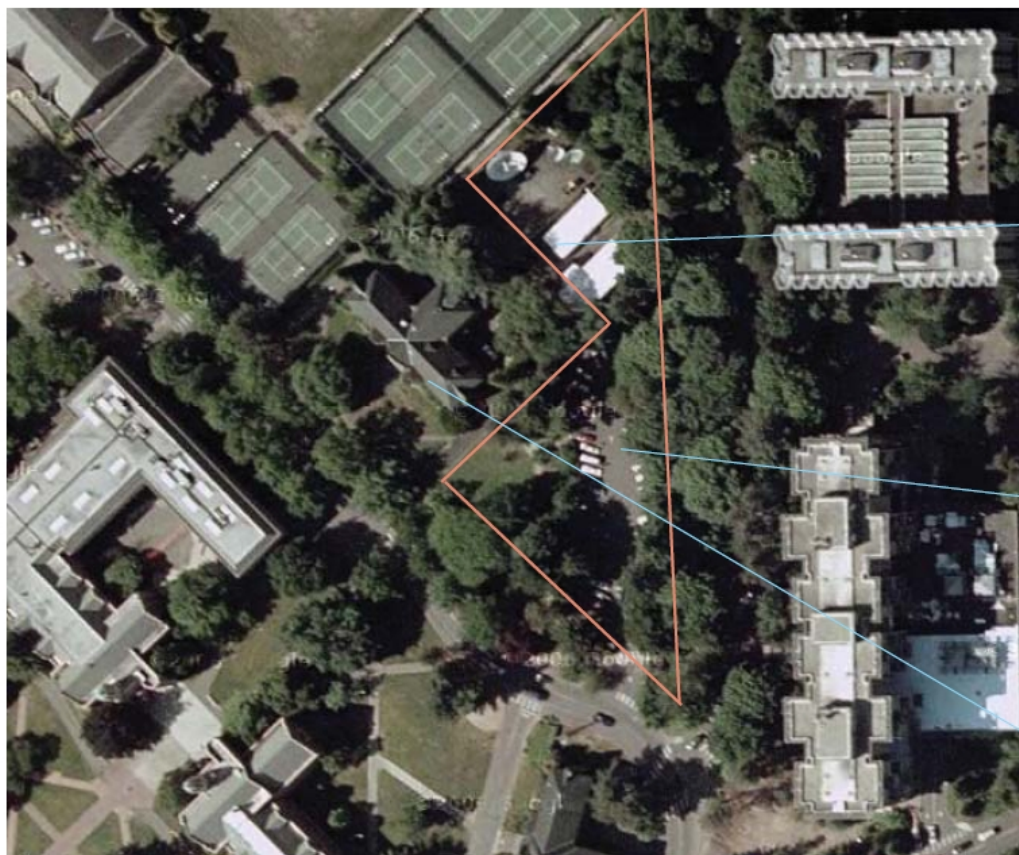
# Campus Location



# Sites Considered



## Site 7C - Lewis



Lewis Annexes 1 & 2



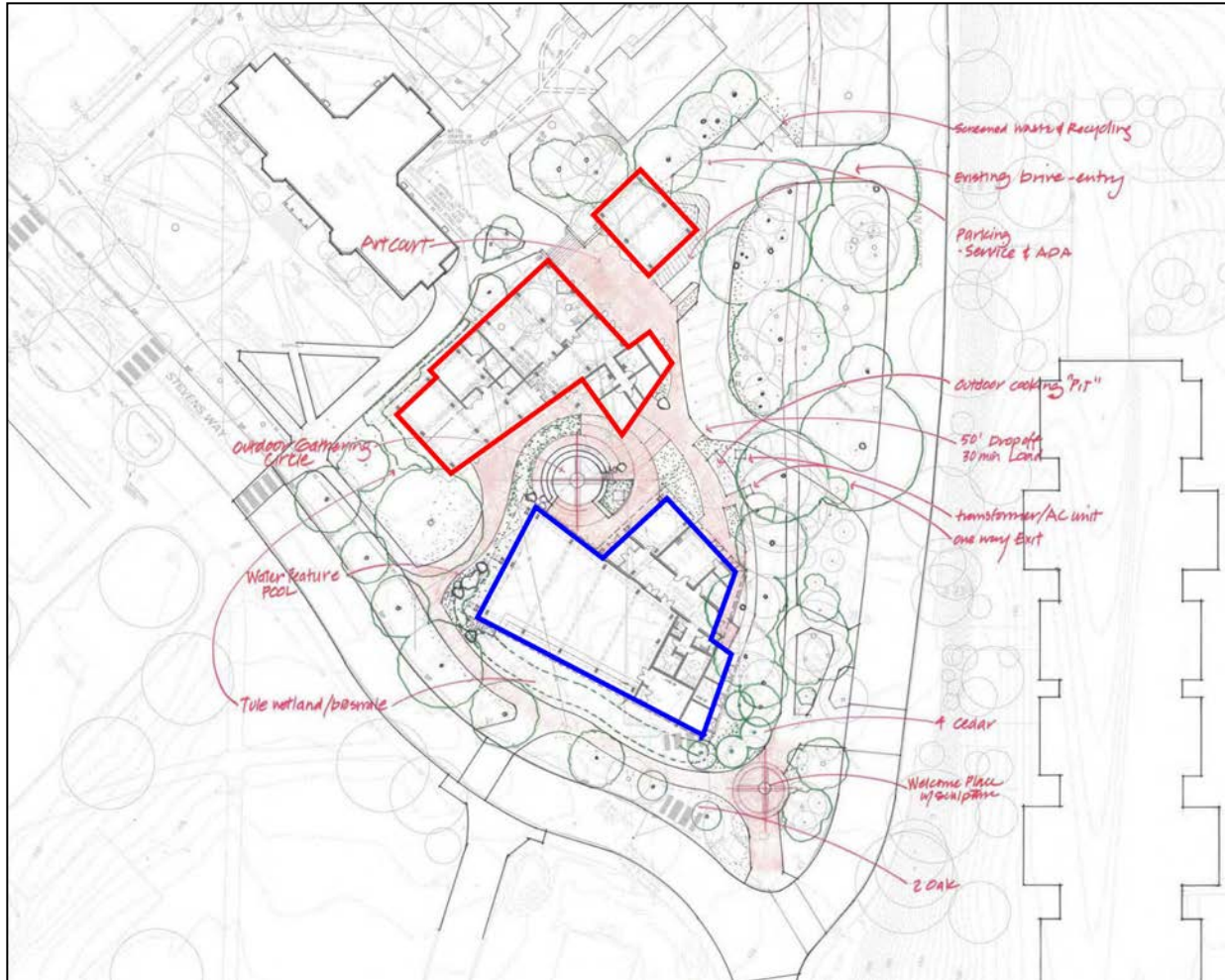
N6 Parking Lot - 56 existing parking spaces



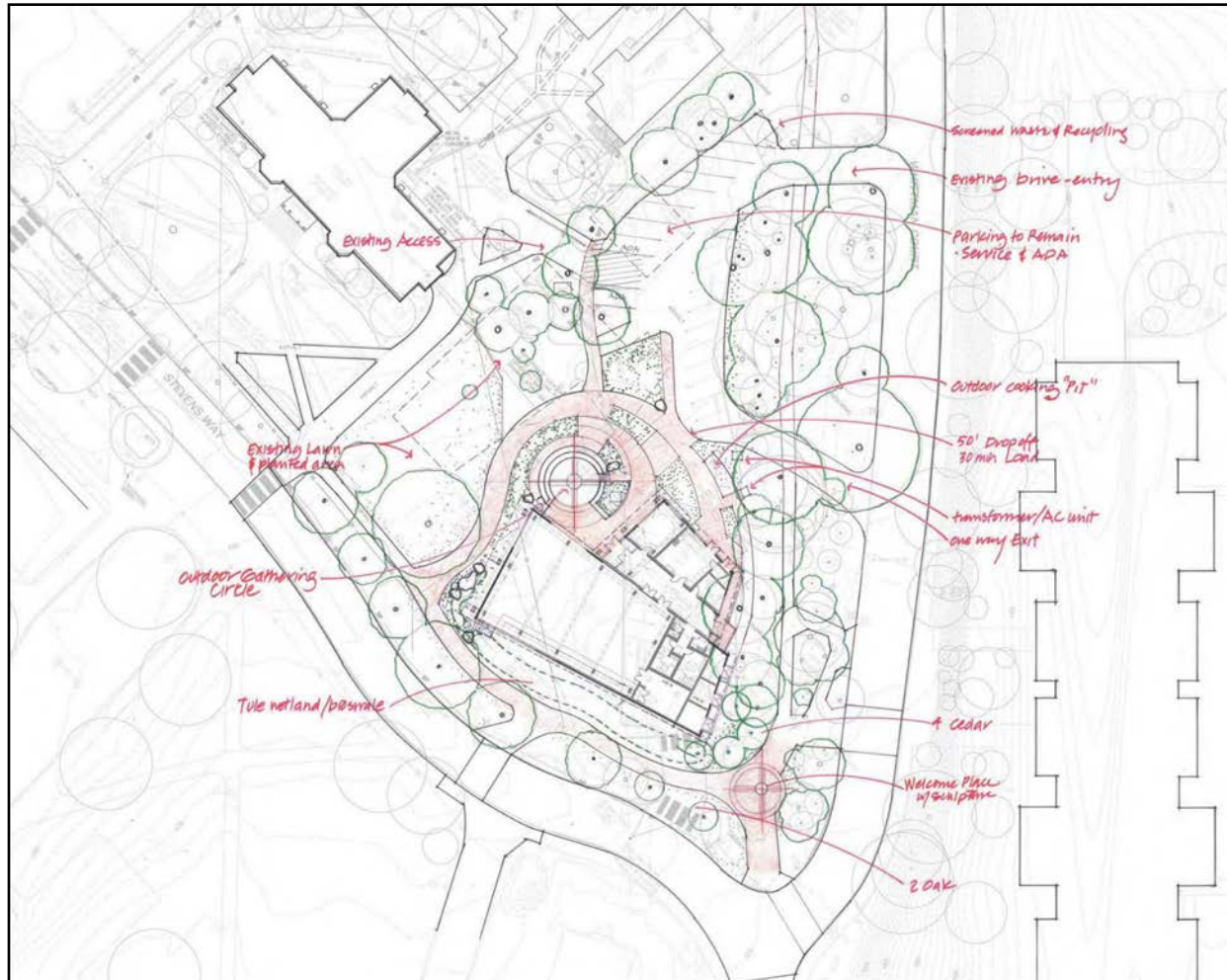
Lewis Hall - neo-classic architecture

## 7C Lewis

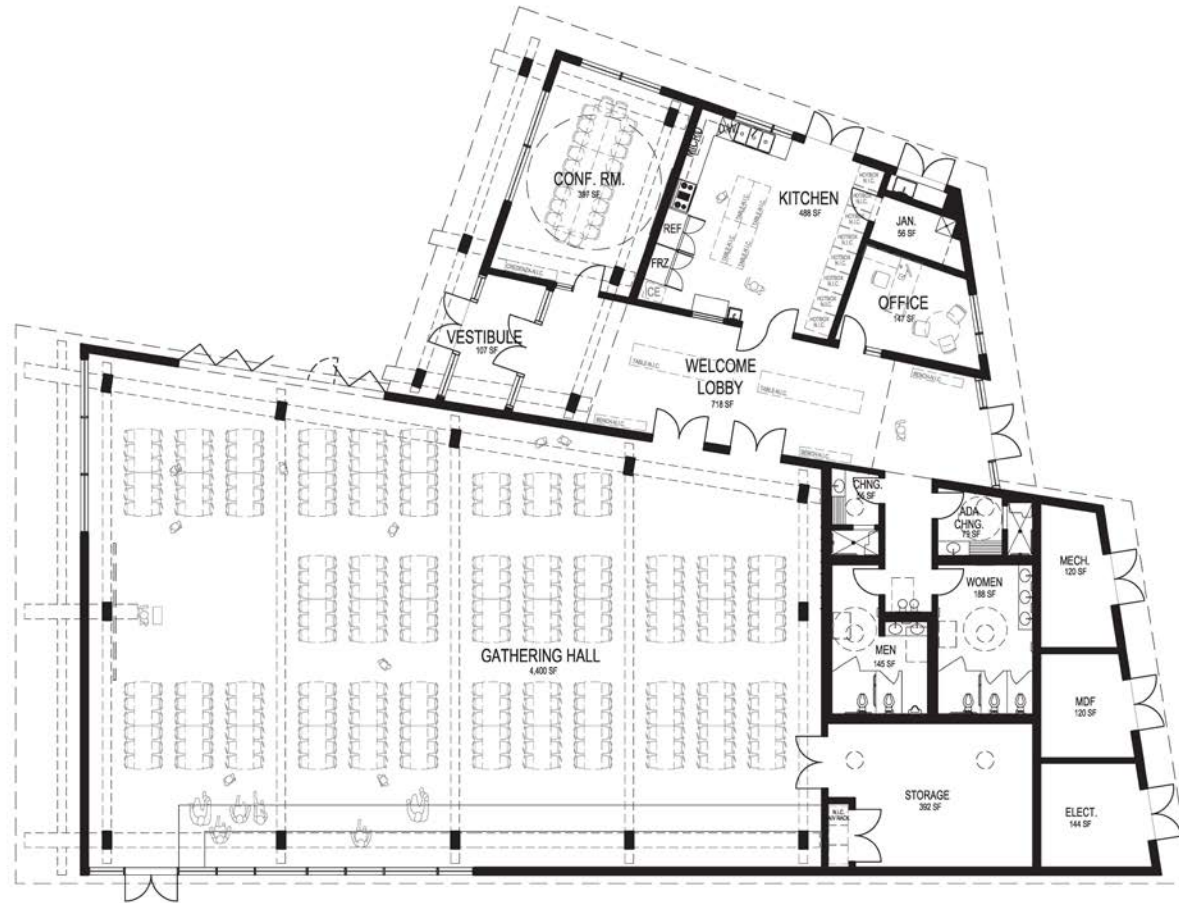
# Proposed Site Plan for Both Phases



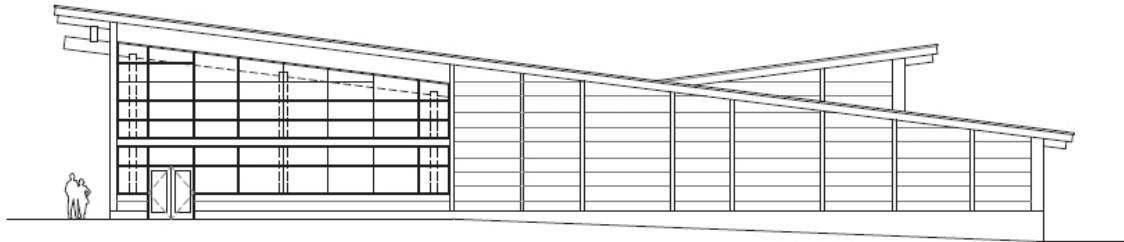
# Proposed Site Plan for Phase 1



# Gathering Building Floor Plan



# Gathering Building Elevations - 1



SOUTH ELEVATION



EAST ELEVATION

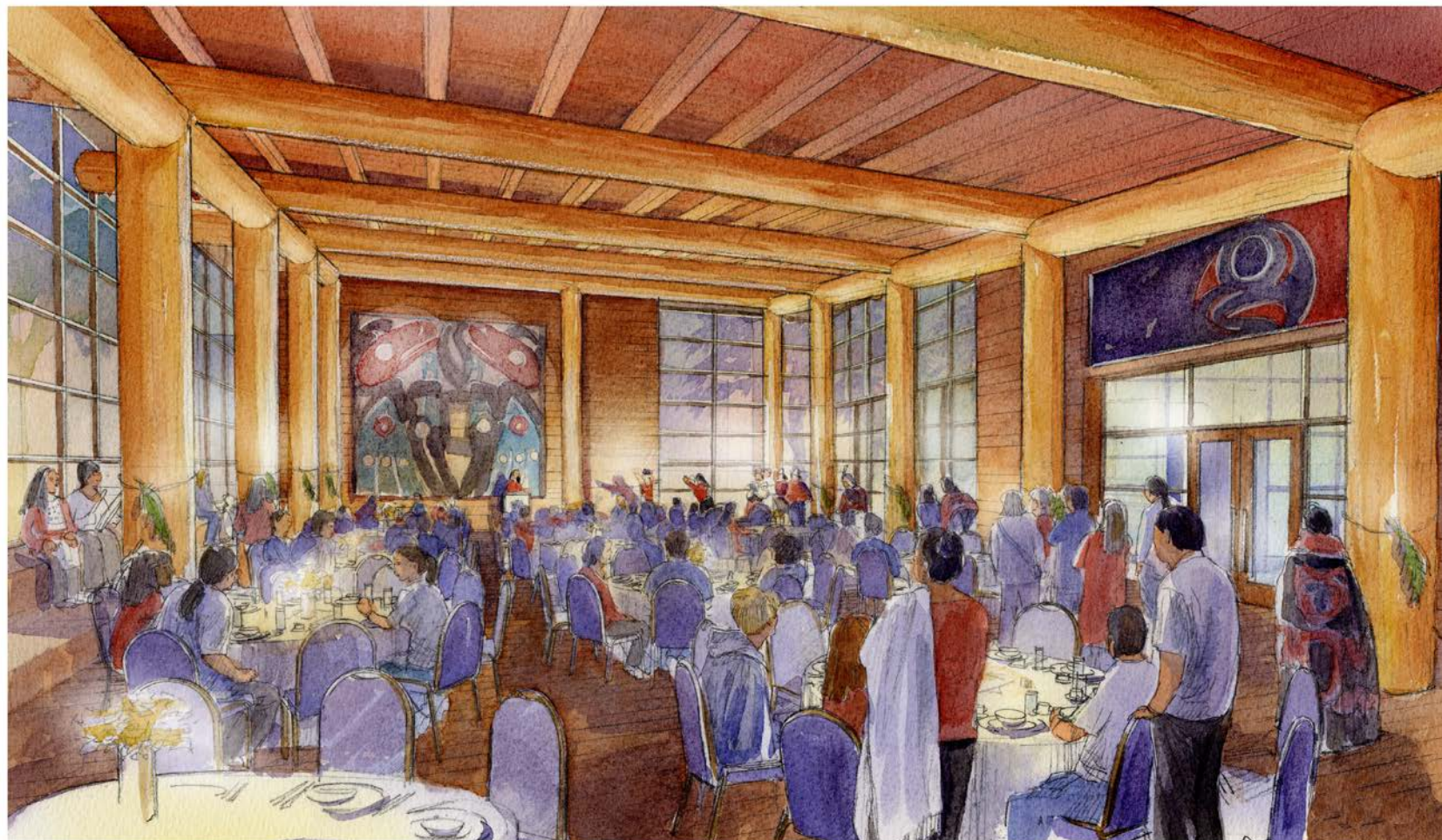




# Gathering Building Materials



# Rendering of Gathering Building Interior



Stephanie Bower, Architectural Illustration

# Rendering of Gathering Building

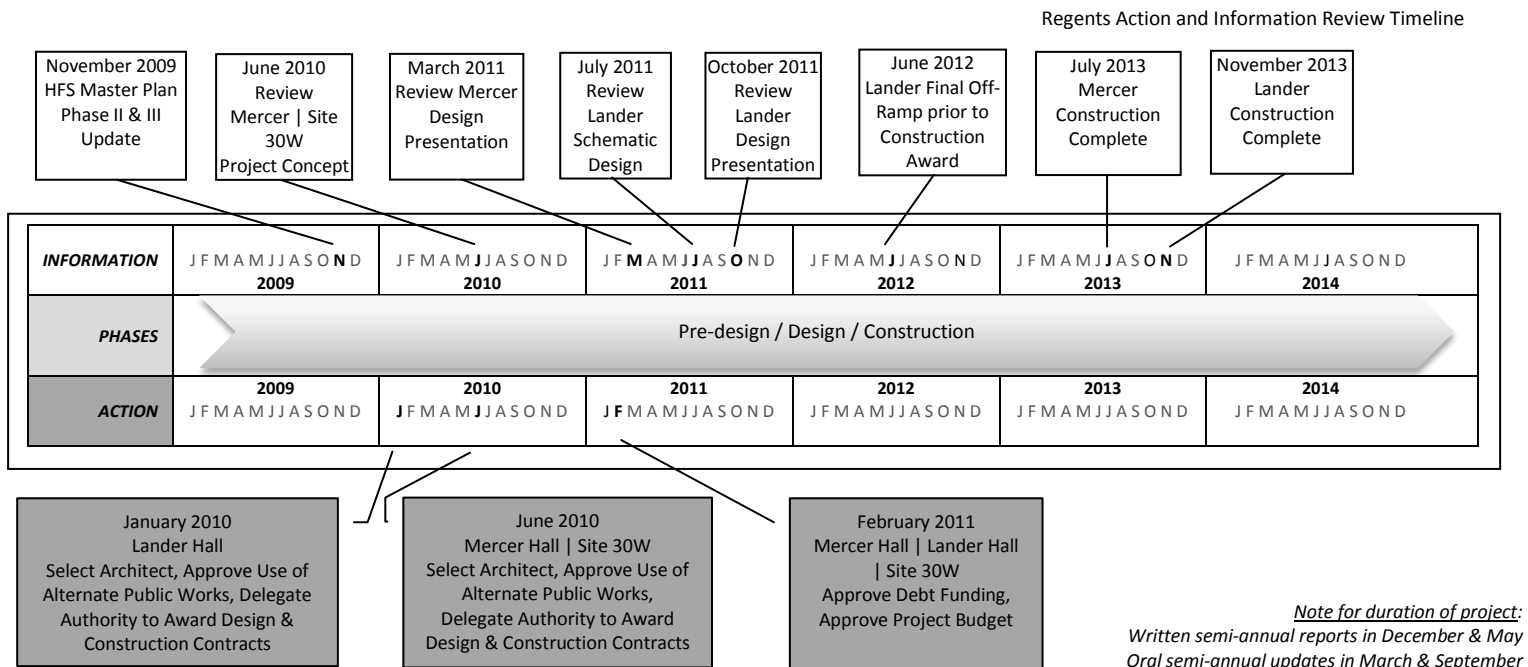


Stephanie Bower, Architectural Illustration

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Lander Hall Off-Ramp and Phase I and II Status Report



INFORMATION

This presentation addresses the off-ramp for the Lander Hall Replacement project and provides a status report on the estimated demand for on-campus housing for Autumn Quarter 2012. The Phase II credit analysis identified this information as crucial to the decision to continue with the construction of Phase II. This presentation also includes an update on the progress of the Student Housing Phase I and Phase II projects.

BACKGROUND

Phase II of the Housing Master Plan includes three projects – Mercer Court Apartments (a redevelopment of the Mercer Hall site), Lander Hall Replacement, and the Madrona Apartments (on an existing parking lot identified as Site 30W). Mercer Court Apartments is in construction and is on schedule for occupancy in Autumn 2013. The Madrona Apartments project is on hold and will be separately proposed for postponement or incorporated into the future redevelopment of student housing on the north campus.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Lander Hall Off-Ramp and Phase I and II Status Report (continued p. 2)

As with earlier Housing Master Plan projects, the Lander Hall off-ramp is based on expected occupancy in on-campus housing for the upcoming Autumn quarter. For Lander Hall, the off-ramp thresholds are an Housing & Food Services (HFS) system-wide occupancy level of 90% and a lease rate of 85% of the designed capacity of Elm and Alder Halls (Phase I projects scheduled for Autumn 2012 opening). If these thresholds are not expected to be met (as of the date of the off-ramp), HFS will postpone construction on Lander Hall or propose mitigation for proceeding.

Off-Ramp Date	Target Indicator	Minimum Threshold	HFS will postpone Lander Hall project or propose mitigation if:
June 2012	Elm Hall / Alder Hall occupancy	85%	Estimated Autumn 2012 occupancy is less than 85%
June 2012	HFS system occupancy	90%	Estimated Autumn 2012 occupancy is less than 90%

Based on the student housing applications received to date, both off-ramp thresholds have been exceeded for Autumn 2012. The projected on-campus housing occupancy rate for Autumn Quarter 2012 is 115% of designed capacity. The current demand rates for Elm and Alder Halls are 133% and 203%, respectively. Having exceeded the off-ramp thresholds, Housing & Food Services will proceed with the Lander Hall Replacement project.

The first two Student Housing Phase I projects, Cedar Apartments and Poplar Hall, were completed on schedule and were ready for occupancy in Autumn Quarter 2011. The two remaining Phase I residences, Elm and Alder Halls, are in construction and on schedule for occupancy in Autumn Quarter 2012. The four student housing facilities will provide a total of 1,650 new beds. These new beds will allow Housing & Food Services to begin meeting additional student housing demand and provide surge capacity to support the renovation of existing residence halls as part of future Housing Master Plan phases.

#### STATUS REPORT: DEMAND FOR ON-CAMPUS HOUSING

The estimated occupancy for on-campus housing in Autumn 2012 exceeds designed capacity. HFS closely manages occupancy through a staggered application process for returning residents, incoming freshmen, incoming transfer students, and other students who are interested in living on campus. The priority

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

Student Housing Phase II: Mercer Court Apartments, Lander Hall Replacement, and Madrona Apartments Projects – Lander Hall Off-Ramp and Phase I and II Status Report (continued p. 3)

application processes for returning residents and incoming freshmen are now complete, although additional applications are being received. HFS continues to receive applications from other groups, including transfer students, graduate/professional, and continuing students.

Students who live in on-campus residence facilities during the Spring Quarter are given the opportunity to apply for on-campus housing for the following academic year. The estimated number of returning students at the start of Autumn Quarter 2012 is 2,116. This is a projected return rate of 34% - a two percent increase over last year. Applications from incoming freshmen continue to be received. The number of incoming freshmen applications at Autumn Quarter 2012 opening is projected to be 3,975 - a nearly five percent increase over last year.

Historical data and close communications with the Office of Admissions are tools used to confidently forecast and manage student demand as compared to housing availability. Applying historical attrition rates for each of the various student population groups results in a forecasted occupancy for the housing system for Autumn Quarter 2012 of 115% of designed capacity with approximately 312 students on a waitlist.

*Attachment*

Housing Master Plan Proposed June 2012, Phases 1-5

## Housing Master Plan Proposed June 2012, Phases I - V

Phase	Project	(\$M) Budget	Regents Approval	Off Ramp	Design Start	Constr. Start	Constr. Complete
	Cavalier Acquisition	\$ 7.0					
I	Cedar Apartments (Site 31W)		May-09	Oct-09	Mar-09	Mar-10	Jul-11
I	Poplar Hall (Site 33W)			Oct-09	Mar-09	Mar-10	Jul-11
I	Elm Hall (Site 32W)			Oct-10	Mar-09	Jan-11	Jul-12
I	Alder Hall (Site 35W)			Oct-10	Mar-09	Jan-11	Jul-12
	Total	\$ 161.9					
II	Mercer Court Apartments (Site 29W )	\$ 118.0	Feb-11	Jul-11	Nov-10	Aug-11	Aug-13
II	Lander Hall Replacement	\$ 77.0		Jun-12	Nov-10	Jun-12	Nov-13
	Total	\$ 195.0					
III	Maple (Center) and Terry Halls Replacement	\$ 133.0	Jun-12	Oct-13	Apr-12	Feb-14	Jul-15
	Total	\$ 133.0					
IV	McMahon Hall Renovation	\$ 94.3	Oct-13	Oct-14	Oct-13	Jun-15	Jul-16
IV	Haggett Hall Renovation	\$ 70.5	Oct-13	Oct-15	Oct-14	Jun-16	Jul-17
IV	McCarty Hall Renovation	\$ 62.3	Oct-15	Oct-16	Oct-15	Jun-17	Jul-18
IV	Hanse Hall Renovation	\$ 47.4	Oct-15	Oct-17	Oct-16	Jun-18	Jul-19
	Estimated Total	\$ 274.5					
V	Madrona Apartments	\$ 71.0	Mar-17	Oct-18	Apr-17	Jan-19	Jul-20
	Estimated Total	\$ 71.0					
<b>Grand Total, Phase I-V</b>		<b>\$ 842.4</b>					

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Investment Program Update

There will be an oral report for information only.

*Attachment*

Investment Program Update, a Report to the Board of Regents, June 7, 2012





# Investment Program Update

*A Report to the Board of Regents  
June 7, 2012*

Treasury Office  
University of Washington

# Investment Program Update

*A Report to the Board of Regents  
June 7, 2012*

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# Executive Summary

- 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 Consolidated Endowment Fund (CEF) reflects the following characteristics:
  - Large allocation to Emerging Markets
  - High quality exposure to Developed Markets
  - Portfolio stability provided by Fixed Income and Absolute Return
- Historical CEF performance has been mixed. Long-term returns remain solid despite disappointing short-term performance. Emerging Market strategy remains the primary driver of annual performance. Due to volatility of the sector, Emerging Markets requires both long-term conviction and staying power. This has been affirmed by University of Washington Investment Committee (UWINCO) and the UW investment team.
- The Invested Funds (IF) performance has been consistently positive. The IF are managed to stabilize campus support. Long term performance of the IF is enhanced through a combination of:
  - High quality fixed income
  - Diversified CEF exposure
- A Constitutional Amendment to permit the public portion of Invested Funds to be invested in corporate securities is scheduled for the November 2012 ballot.

# Executive Summary: 2011–2012 Hits and Misses

## Positives

- Absolute Return manager consistent performance
- Developed public markets positioning and manager performance
- Portfolio more concentrated in high conviction managers

## Negatives

- Private market strategies trailed benchmark
- Emerging markets lagged developed markets
- Cash drag versus policy benchmark

## Implications of Current Positioning

- Absolute Return and Opportunistic strategies will protect CEF in down markets but lag during market rallies
- Emerging Market relative performance will be magnified by differences in developed and emerging equity market returns
- Fixed Income allocation lowered thereby reducing impact of changes in interest rates

# 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 (CEF) and other University funds.

Investment program oversight resides with the Finance, Audit and Facilities Committee (FAF), a committee 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.

*Source: 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

### Reviews Program

- Program oversight/accountability

## Investment Committee (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.

# Capital Markets



# Capital Markets: Historical 10-Year Treasury Yields



August 1971 to May 2012

Source: Federal Reserve - data since Aug. 1971, when U.S. terminated convertibility of US dollar to gold

Historically low interest rates present risk of owning longer maturity US Treasuries.

# Capital Markets: Historical S&P 500 Price Levels

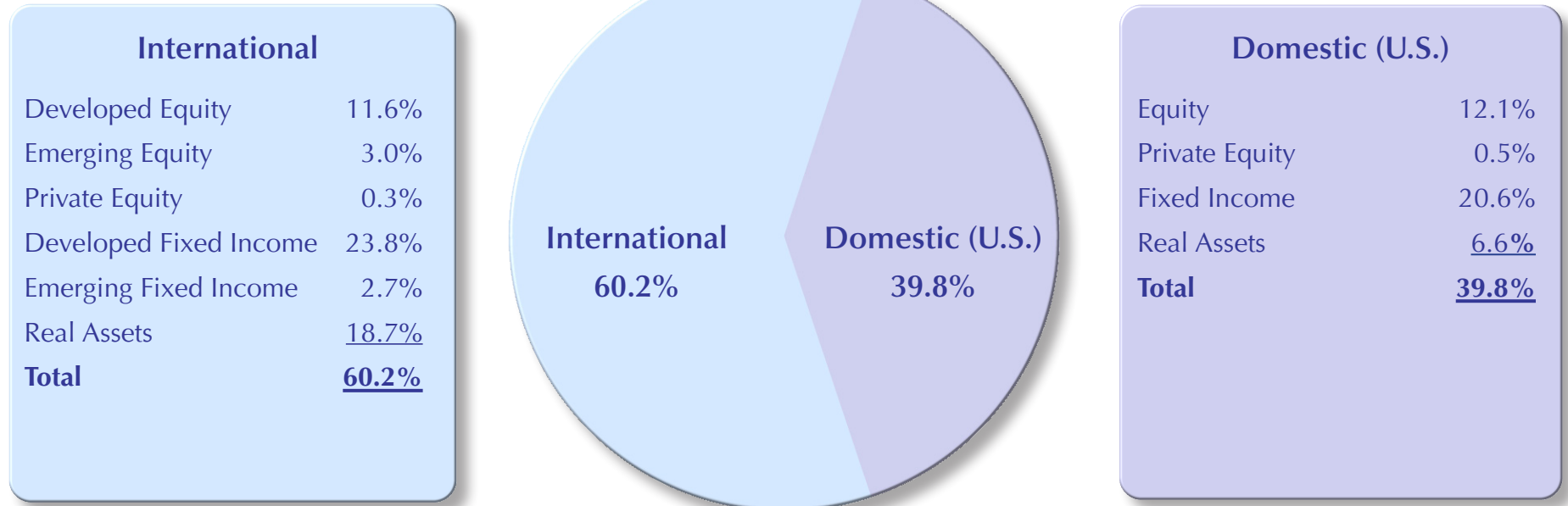
*The S&P 500 and Federal Reserve Intervention*



**Financial markets have been heavily supported by Federal Reserve intervention.**

# Capital Markets: Global Composition

\$115t as of December 31, 2011



Data compiled from multiple sources as of 12/31/11. Balances do not include currency or derivatives.

Over the last 7 years, global capital markets have shifted from 62% domestic/38% international to nearly the reverse. The CEF's exposure to emerging markets has increased from 4% to 18%.

# Capital Markets: Emerging vs. Developed Markets Fundamentals

	Gross Domestic Product/Capita (\$ at PPP <sup>1</sup> )		Current Accounts (\$b)		Foreign Currency Reserves (\$b)		Stock Market Capitalization (\$b)	
	1999	2011	1999	2011	1999	2011	1999	2011
China	\$2,164	\$8,603	\$28	\$201	\$161	\$3,213	\$331	\$581
India	\$1,446	\$3,741	(\$3)	-\$41	\$36	\$298	\$185	\$148
Brazil	\$6,864	\$11,852	(\$25)	\$3	\$36	\$352	\$228	\$226
Russia	\$6,847	\$16,746	\$24	\$101	\$12	\$499	\$72	\$39
<b>Emerging Markets</b>	<b>\$2,941</b>	<b>\$6,597</b>	<b>-\$10</b>	<b>\$592</b>	<b>\$548</b>	<b>\$5,633</b>	<b>\$1,491</b>	<b>\$1,573</b>
% Change		124%		6,023%		927%		6%
United States	\$42,797	\$48,182	-\$302	-\$480	\$136	\$148	\$16,635	\$15,104
<b>Developed Markets</b>	<b>\$26,220</b>	<b>\$39,217</b>	<b>-\$111</b>	<b>-\$131</b>	<b>\$1,485</b>	<b>\$5,017</b>	<b>\$34,147</b>	<b>\$30,238</b>
% Change		50%		18%		238%		-11%

 Improvement  Decline <sup>1</sup> PPP = Purchasing Power Parity

Source: World Bank, IMF, EIU, Economist, City of London

Emerging market fundamentals have substantially improved over the past decade.

# Capital Markets: Emerging vs. Developed Market Valuations

Metric	Emerging Markets	US	Developed Markets ex US
Price to Earnings	10.9x	14.7x	13.2x
Price to Book	1.6x	2.2x	1.3x
Dividend Yield	3.0%	2.1%	3.9%
Earnings Growth	13.2%	9.4%	12.9%

Source: Morgan Stanley Research, May 14, 2012

Many solid emerging market companies in UW portfolio are household names:

- Samsung (Korea)
- Esprit (HK/China)
- Nestle (India)
- Unilever (Indonesia)
- HSBC (HK/China)

Emerging market valuations are attractive. Recent difficult performance is due to capital flows seeking safety in US markets. The fundamental outlook for emerging markets remains positive.

# 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:** \$2.2 billion at March 31, 2012 including \$0.4 billion of operating funds.

**Composition:** Over 3,700 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.

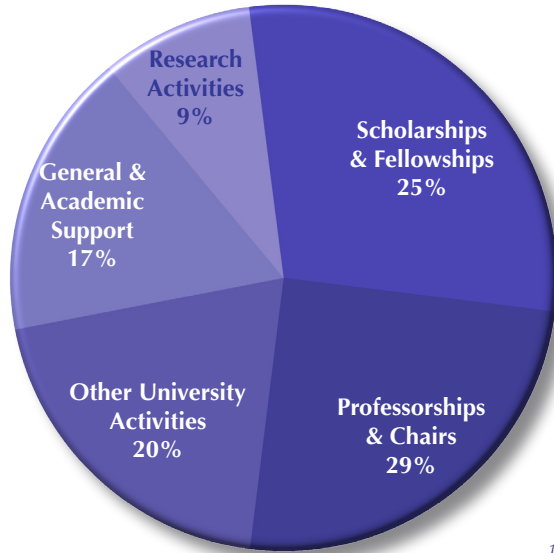
**Secondary Objective:** To provide a steady stream of income to support individual programs. This objective influences the spending formula used in calculating the income distributions.

# Profile: CEF Characteristics

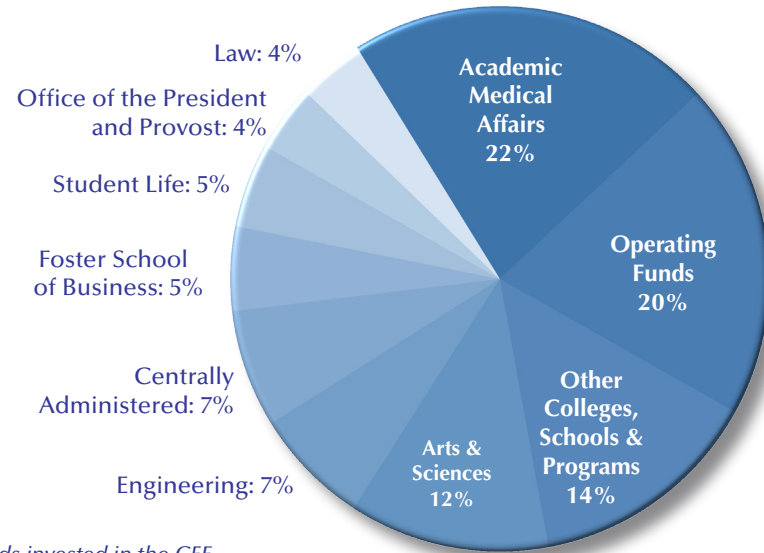
as of March 31, 2012 (\$=m)

## Endowed Program Support<sup>1</sup>

Principal by Purpose



Principal by School and College



<sup>1</sup> Includes operating funds invested in the CEF.

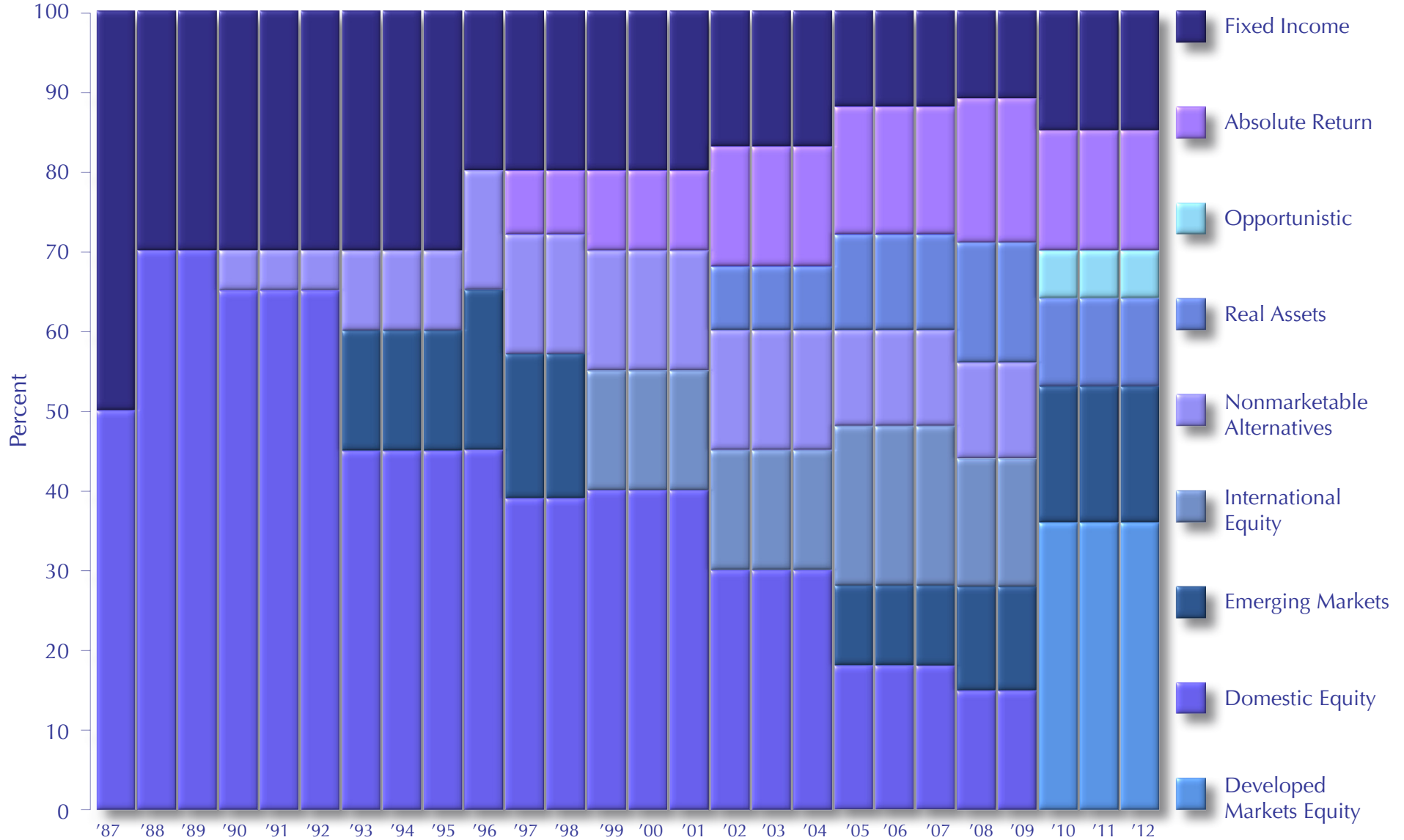
## Endowment Distributions as a % of UW Revenues

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	\$3,099	\$75	2.4%
2010	\$3,966	\$59	1.5%
2011	\$4,360	\$74	1.7%
2012 Est.	\$4,500	\$85	1.9%

While representing nearly 2% of University revenues today, budget constraints elsewhere make the endowment more important for tomorrow.



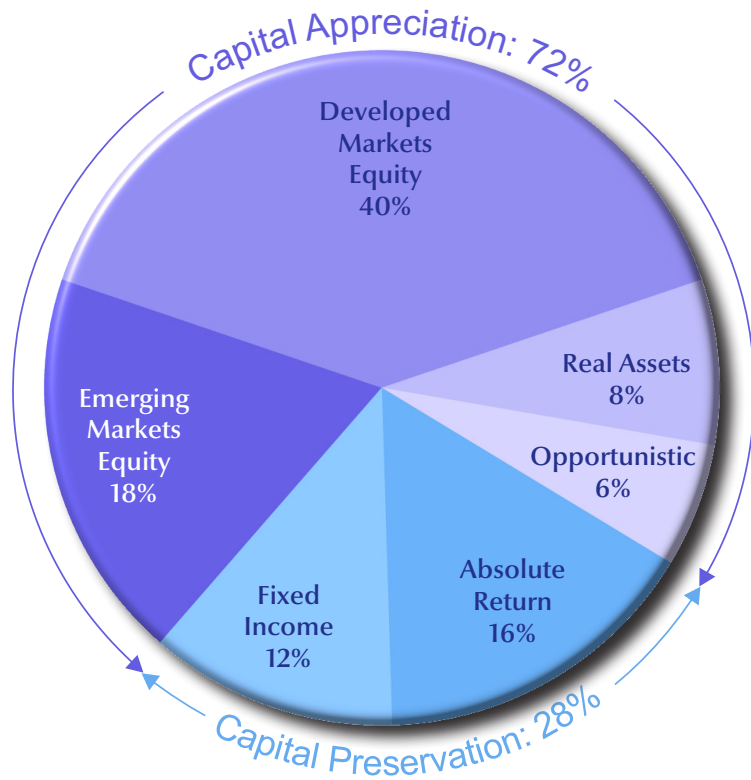
# Profile: CEF Policy Asset Allocation



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 March 31, 2012 (\$=m)



CEF Asset Classes <sup>1</sup>	Current Allocation (\$ = millions)		Policy	
			Target	Range
Emerging Markets Equity	\$398	18%	17%	
Developed Markets Equity <sup>2</sup>	\$860	40%	36%	
Real Assets	\$166	8%	11%	
Opportunistic	\$126	6%	6%	
Capital Appreciation <sup>3</sup>	\$1,550	72%	70%	55%–85%
Absolute Return	\$353	16%	15%	
Fixed Income <sup>4</sup>	\$258	12%	15%	
Capital Preservation	\$611	28%	30%	15%–45%
<b>Total CEF</b>	<b>\$2,161</b>	<b>100%</b>		

<sup>1</sup> Exposures at 3/31/12: International: 36%, Foreign Currency: 33%

<sup>2</sup> Includes US Equity of \$539

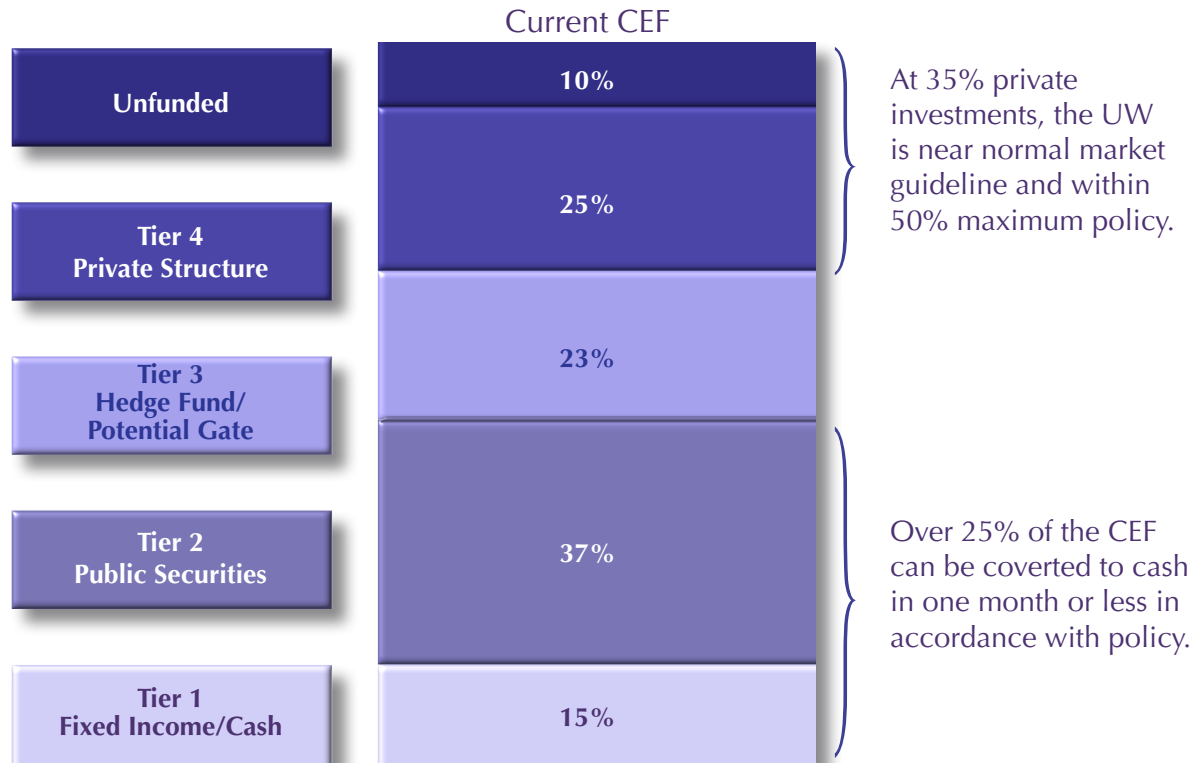
<sup>3</sup> Includes 25% current exposure to private investments

<sup>4</sup> Includes allocation to cash

Current positioning favors Capital Appreciation led by public equities.

# Liquidity: Current CEF vs. Guidelines

Asset Allocation as of March 31, 2012 (\$=m)



Liquidity is managed to provide for endowed program distributions along with sufficient capital to meet contractual commitments to private investment managers.

# 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 Fees
Investment Office	0.2%	
Expected Inflation	3.0%	Consumer Price Index
<b>Total Return Required</b>	<b>8.0%</b>	

\* 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*

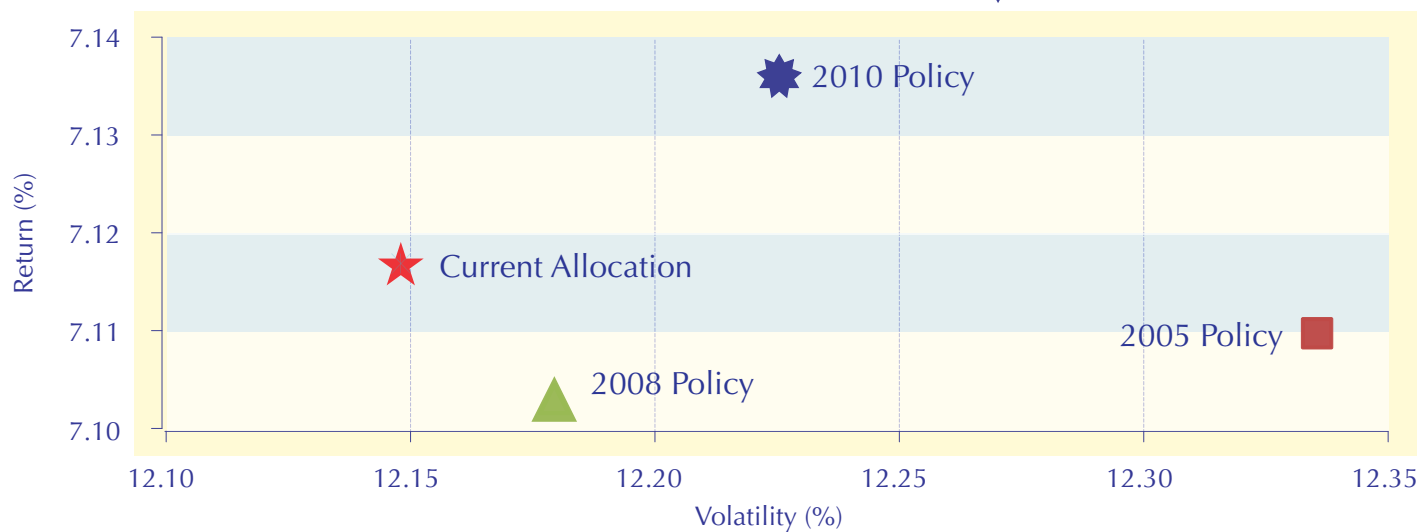
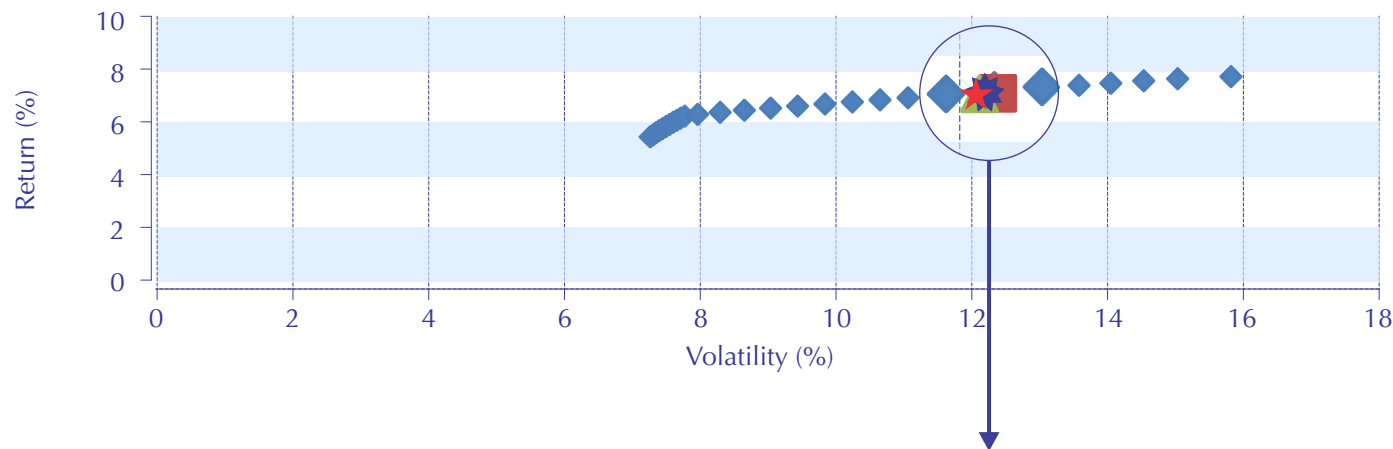
	3.0%	4.0%	5.0%	6.0%	7.0%
1.0%	4.0%	5.0%	6.0%	7.0%	8.0%
2.0%	5.0%	6.0%	7.0%	8.0%	9.0%
3.0%	6.0%	7.0%	8.0%	9.0%	10.0%
4.0%	7.0%	8.0%	9.0%	10.0%	11.0%
5.0%	8.0%	9.0%	10.0%	11.0%	12.0%
6.0%	9.0%	10.0%	11.0%	12.0%	13.0%
7.0%	10.0%	11.0%	12.0%	13.0%	14.0%
8.0%	11.0%	12.0%	13.0%	14.0%	15.0%

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: Projected Returns and Risk



UW asset allocation analysis projects returns of 7% per year over the long term. Increasing prospective returns would require taking significantly more equity risk.

# 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 March 31, 2012

		<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	<u>20 Year</u>
RETURN	<b>Total CEF Return</b>	<b>1.8%</b>	<b>1.8%</b>	<b>6.7%</b>	<b>8.4%</b>	<b>9.4%</b>
	Policy Benchmark <sup>1</sup>	4.0%	3.6%	6.9%	7.9%	9.4%
	70/30 Market Benchmark <sup>2</sup>	2.7%	2.6%	6.2%	6.2%	7.5%
	Peer Quartile Ranking <sup>3</sup>	NA	NA	NA	NA	NA
	<b>Return Contribution (\$m)</b>	<b>\$37</b>	<b>\$181</b>	<b>\$1,003</b>	<b>\$1,410</b>	<b>\$1,692</b>
RISK	<b>CEF Sharpe Ratio<sup>4</sup></b>	<b>0.24</b>	<b>0.07</b>	<b>0.54</b>	<b>0.56</b>	<b>0.68</b>
	Policy Benchmark Sharpe Ratio	0.47	0.23	0.55	0.50	0.64

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

<sup>2</sup> 70% MSCI ACWI plus 30% BC Government Bonds.

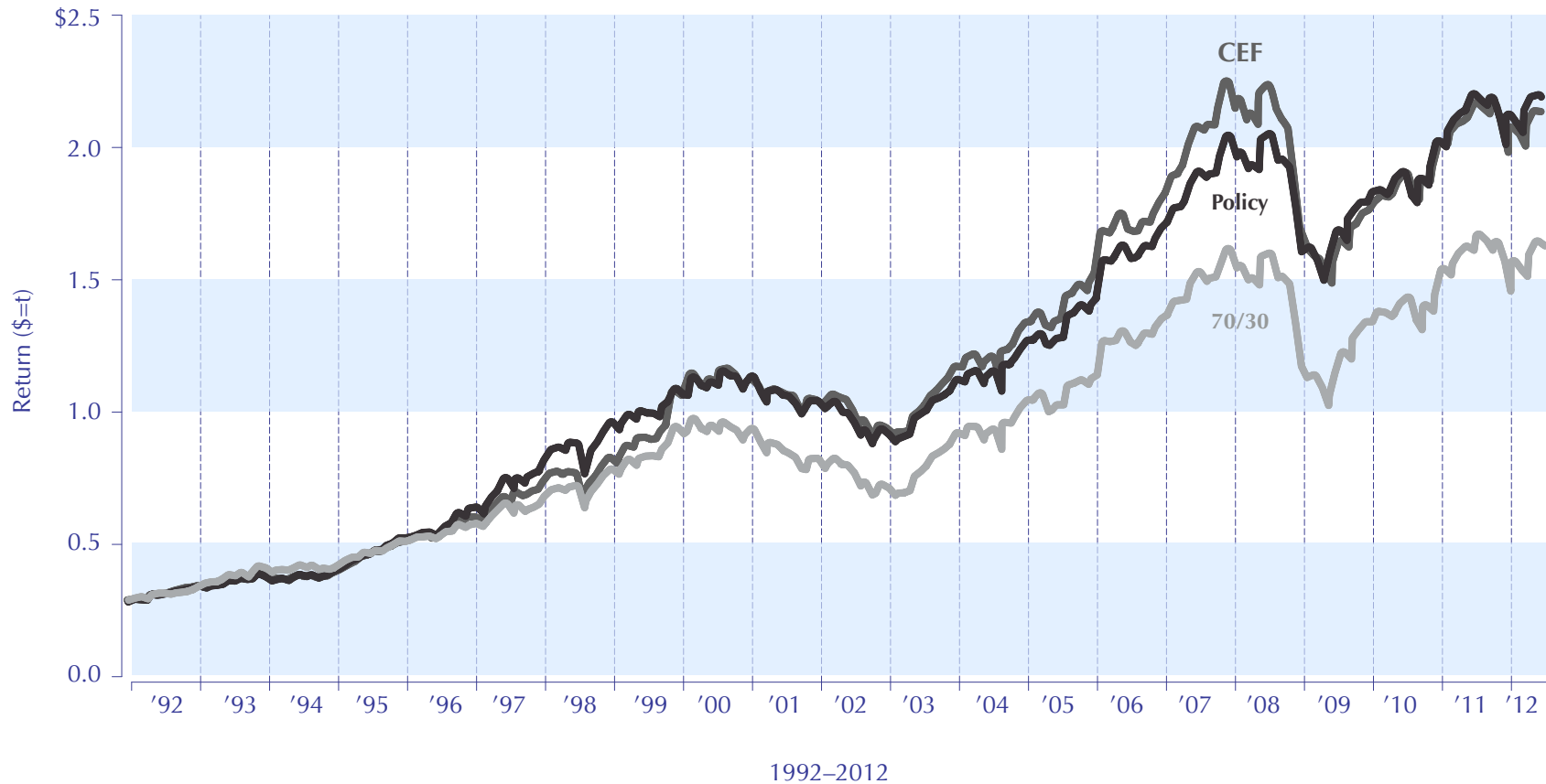
<sup>3</sup> Cambridge Associates Top 50 Colleges & Universities (3/12 report not available at press time.)

<sup>4</sup> 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.

CEF performance has lagged over the short term. Longer term performance remains solid.

# Performance and Risk: CEF Distribution of Returns

20 Year Comparative Growth of Endowment (including cash flows)

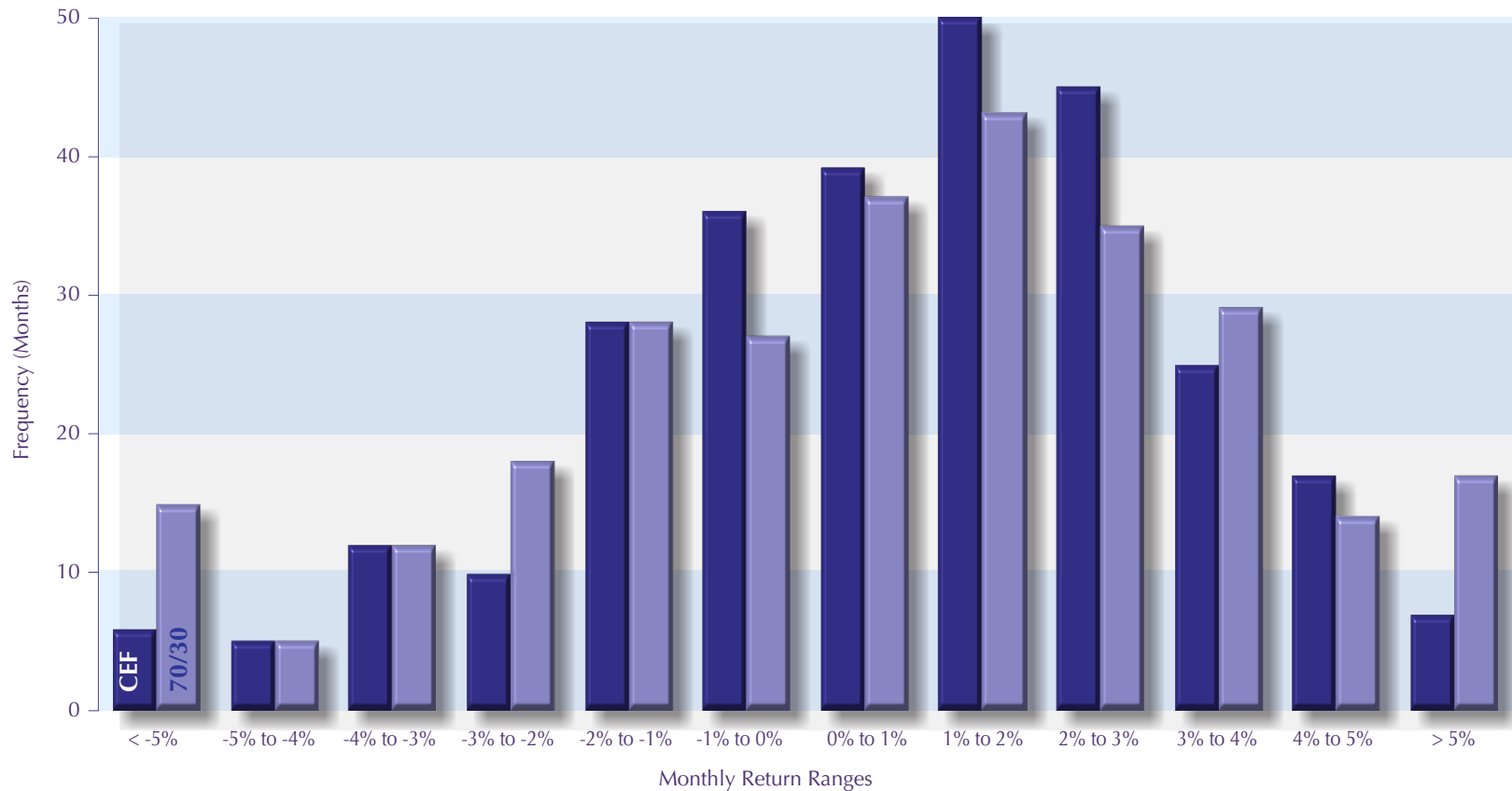


The CEF has added \$520 million of value above a passive portfolio over the last 20 years.



# Performance and Risk: CEF Distribution of Returns

CEF Return Histogram Versus 70% MSCI ACWI and 30% BC Government Bonds Inception through March 31, 2012



## CEF Performance Recap through March 31, 2012

	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	<u>20 Year</u>	<u>Since Inception (11/88)</u>
Total CEF Return	1.8%	1.8%	6.7%	8.4%	9.4%	9.8%
70/30 Benchmark	2.7%	2.6%	6.2%	6.2%	7.5%	7.2%
Over/Under 70/30	-0.8%	-0.8%	0.5%	2.2%	1.9%	2.6%

CEF has also generated more stable returns relative to a passive portfolio.

# Performance: Annual Returns by CEF Asset Class

For Calendar Years Ending December 31

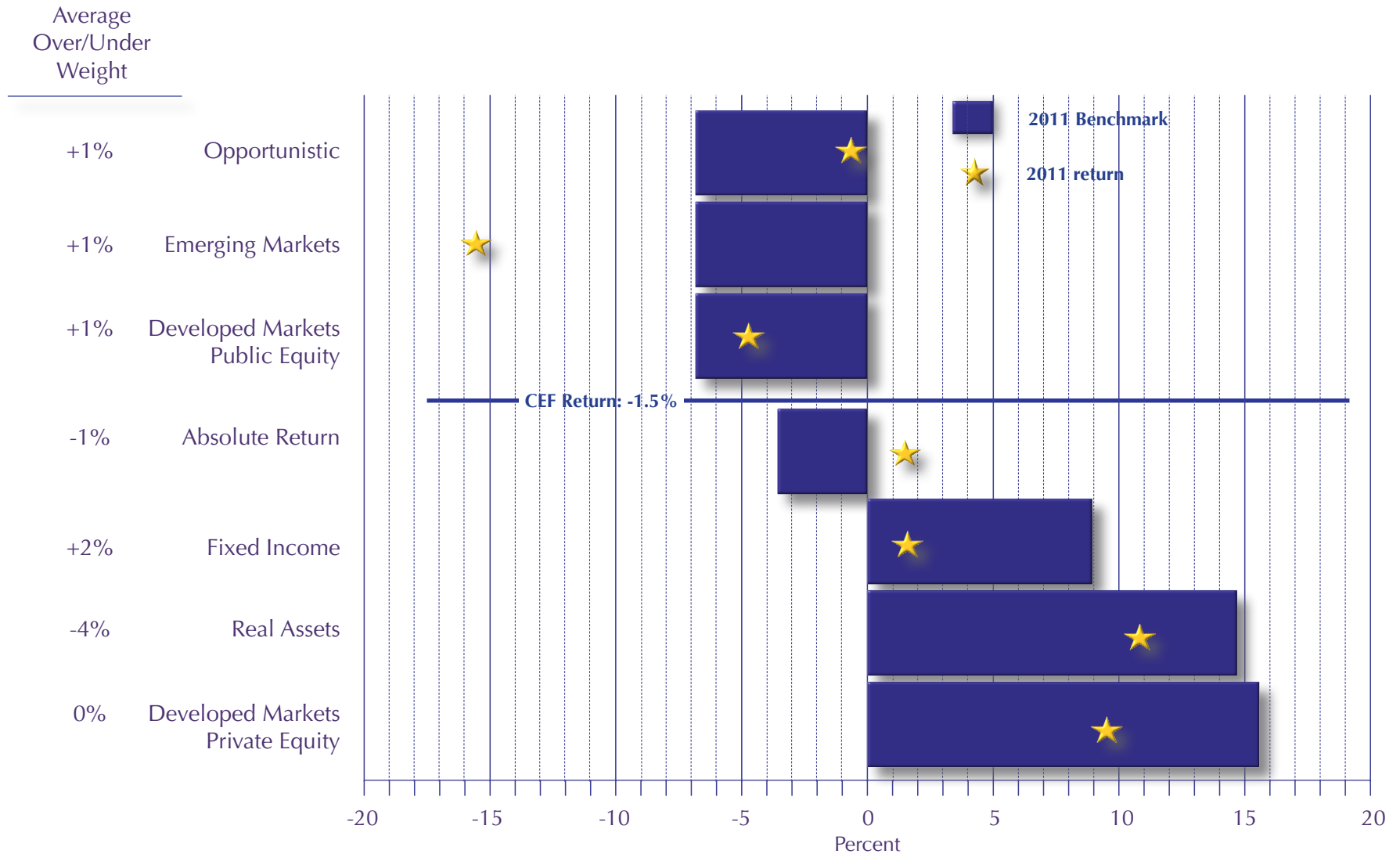
	2005	2006	2007	2008	2009	2010	2011	Seven Years 2005–2011
Best Performing	Emerging Markets 30.7%	Emerging Markets 36.0%	Emerging Markets 57.4%	Fixed Income -2.9%	Emerging Markets 71.4%	Emerging Markets 26.5%	Real Assets 10.7%	Emerging Markets 13.8%
	Developed Markets: Private Equity 26.0%	Developed Markets: Private Equity 17.4%	Developed Markets: Private Equity 28.8%	Developed Markets: Private Equity -4.4%	Developed Markets: Public Equity 25.9%	Developed Markets: Public Equity 12.9%	Developed Markets: Private Equity 9.4%	Developed Markets: Private Equity 10.7%
	Real Assets 21.4%	Developed Markets: Public Equity 16.0%	Real Assets 16.2%	Real Assets -22.9%	Absolute Return <sup>2</sup> 24.2%	Absolute Return <sup>2</sup> 10.7%	Fixed Income 1.6%	Absolute Return <sup>2</sup> 6.7%
	Developed Markets: Public Equity 13.5%	Absolute Return <sup>2</sup> 15.2%	Absolute Return <sup>2</sup> 15.3%	Absolute Return <sup>2</sup> -23.0%	Fixed Income 2.2%	Developed Markets: Private Equity 10.1%	Absolute Return <sup>2</sup> 1.5%	Fixed Income 3.1%
	Absolute Return <sup>2</sup> 10.0%	Real Assets 14.9%	Developed Markets: Public Equity 9.0%	Developed Markets: Public Equity -38.3%	Developed Markets: Private Equity -7.2%	Opportunistic <sup>1</sup> 6.2%	Opportunistic <sup>1</sup> -0.6%	Real Assets 2.7%
	Fixed Income 4.0%	Fixed Income 5.8%	Fixed Income 8.9%	Emerging Markets -52.0%	Real Assets -13.2%	Fixed Income 2.5%	Developed Markets: Public Equity -4.6%	Developed Markets: Public Equity 2.6%
						Real Assets 0.1%	Emerging Markets -15.3%	
Worst Performing								

<sup>1</sup> Opportunistic investment strategy added 7/1/2010

<sup>2</sup> Prior to 2008 absolute return included long / short equity investments

CEF performance has been driven by the Emerging Markets strategy.

# Performance: 2011 by Asset Class



Performance of individual asset classes was mixed in calendar year 2011.

# Invested Funds

# Profile: Invested Funds (IF)

**Description:** The operating funds of the University.

**Size:** \$1.4 billion at March 31, 2012 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, 2011 (\$000's)

Campus Depositors Funds <sup>1</sup>			Institutional Funds		
UW Medicine	\$381,657	24.3%	General Institutional Funds	\$469,972	29.8%
Insurance Funds	81,122	5.2%	Reserves	81,046	5.3%
Office of Research (C4C)	63,328	4.0%			
Auxiliary Services	61,786	3.9%			
Private Grants	52,395	3.3%			
College of Arts & Sciences	44,953	2.9%			
College of Engineering	39,974	2.5%			
Student Facilities & Fees	13,565	0.9%			
Foster School of Business	12,933	0.8%			
Other Schools & Departments <sup>2</sup>	266,949	17.0%			
<b>Total</b>	<b>\$1,018,662</b>	<b>64.9%</b>	<b>Total</b>	<b>\$551,018</b>	<b>35.1%</b>

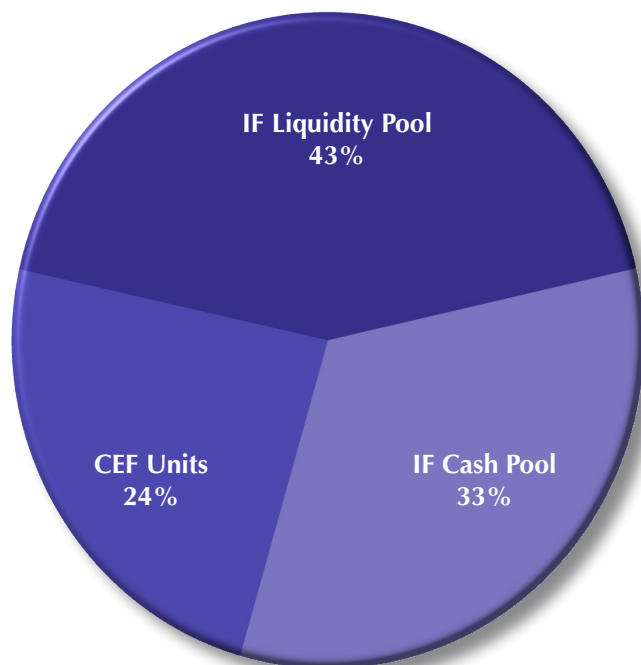
<sup>1</sup> Includes gifts, private grants, royalty funds and auxiliary reserves

<sup>2</sup> Includes other schools, colleges and departments with small operating and reserve balances

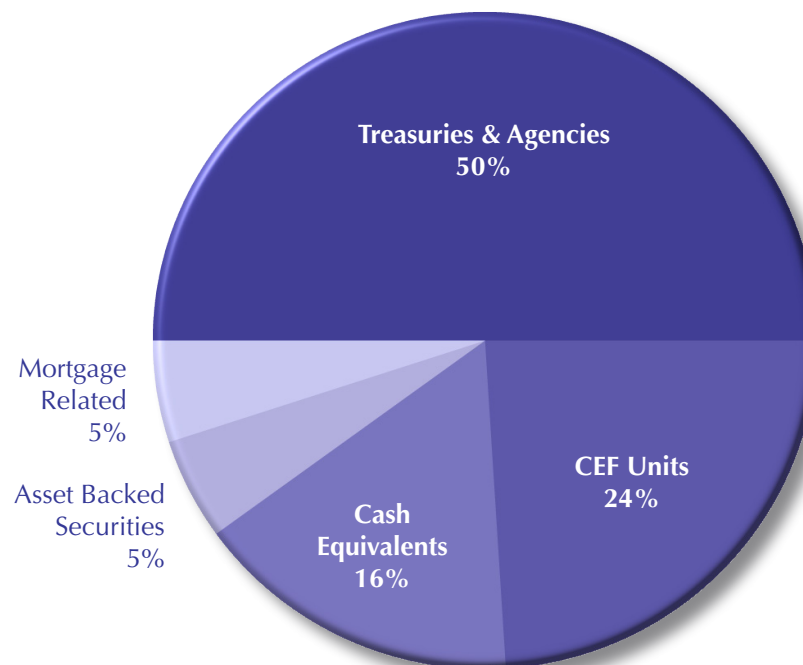
# Positioning: IF Asset Allocation

As of March 31, 2012

By Pool



By Asset Type

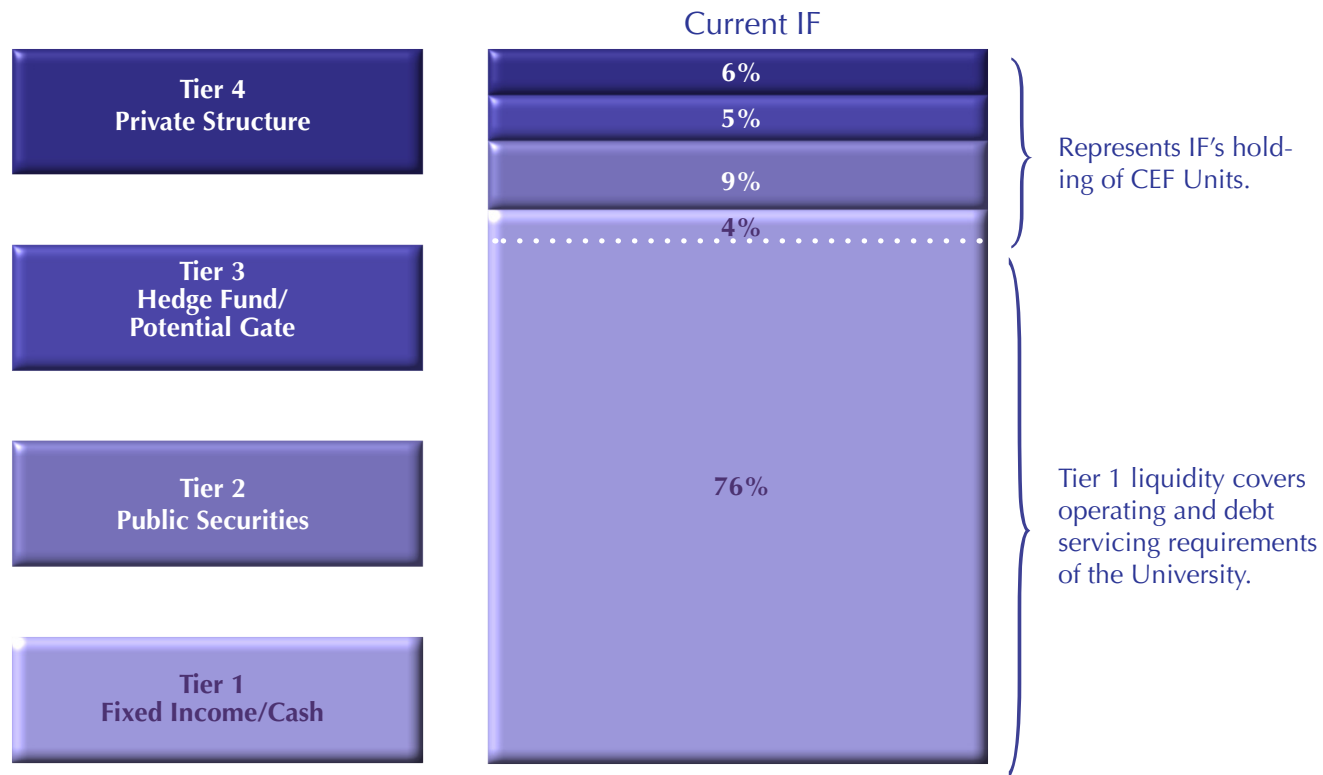


	Fund Allocation (\$m)		Range	Duration in Years		Guidelines
				Actual	Maximum	
Cash Pool	\$600	33%	10%–40%	0.5	3.0	Average quality of "AA"
Liquidity Pool	\$788	43%	30%–60%	3.6	4.5	Average quality of "A" <sup>1</sup>
<b>Total Cash &amp; Liquidity Pool</b>	<b>\$1,388</b>	<b>76%</b>				
CEF Units held by IF	\$435	24%	15%–40%			<sup>1</sup> At least 25% in US Gov't and its agencies
<b>Total Invested Funds</b>	<b>\$1,823</b>	<b>100%</b>				

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

# Positioning: Current IF vs. Guidelines

As of March 31, 2012



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



# Performance and Risk: IF

As of March 31, 2012

		<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>	<u>20 Year</u>
RETURN	<b>Total IF Return including CEF units</b>	<b>2.7%</b>	<b>5.1%</b>	<b>4.8%</b>	<b>6.0%</b>	<b>6.5%</b>
	Policy Benchmark <sup>1</sup>	3.5%	4.1%	5.1%	6.1%	6.5%
	<b>Total IF Return excluding CEF units</b>	<b>3.4%</b>	<b>4.0%</b>	<b>4.1%</b>	<b>5.1%</b>	<b>5.4%</b>
	Policy Benchmark <sup>1</sup>	3.5%	4.4%	4.2%	5.0%	5.2%
	<b>Return Contribution of CEF (\$m)</b>	<b>\$7</b>	<b>\$35</b>	<b>\$222</b>	<b>\$325</b>	<b>\$405</b>
MARKET	Three Month T-Bill	0.0%	1.1%	1.8%	2.8%	3.2%
RISK	<b>IF Sharpe Ratio<sup>2</sup></b>	<b>1.54</b>	<b>0.66</b>	<b>1.09</b>	<b>1.58</b>	<b>1.54</b>
	Policy Benchmark Sharpe Ratio	1.93	1.03	1.25	1.58	1.52

*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.*

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

# Constitutional Amendment

## Status

Constitutional amendment is scheduled for public vote in November 2012 to permit investment of UW and WSU operating funds in corporate securities. A simple majority is required for the amendment to become effective.

## Implementation

- Accompanying legislation passed in March 2012 requires Washington State Investment Board (WSIB) implementation.
- If the proposed amendment is not approved and ratified by the voters, the accompanying legislation is void in its entirety.
- The UW investment team will work with UWINCO and the Board of Regents to determine how and when the authority is used, if approved.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Comparative Asset Allocation, Performance, and Endowment Trends

There will be an oral report for information only.

*Attachment*

Comparative Asset Allocation, Performance and Endowment Trends



CAMBRIDGE ASSOCIATES LLC

# Comparative Asset Allocation, Performance, and Endowment Trends

University of Washington - Board of Regents  
June 7, 2012

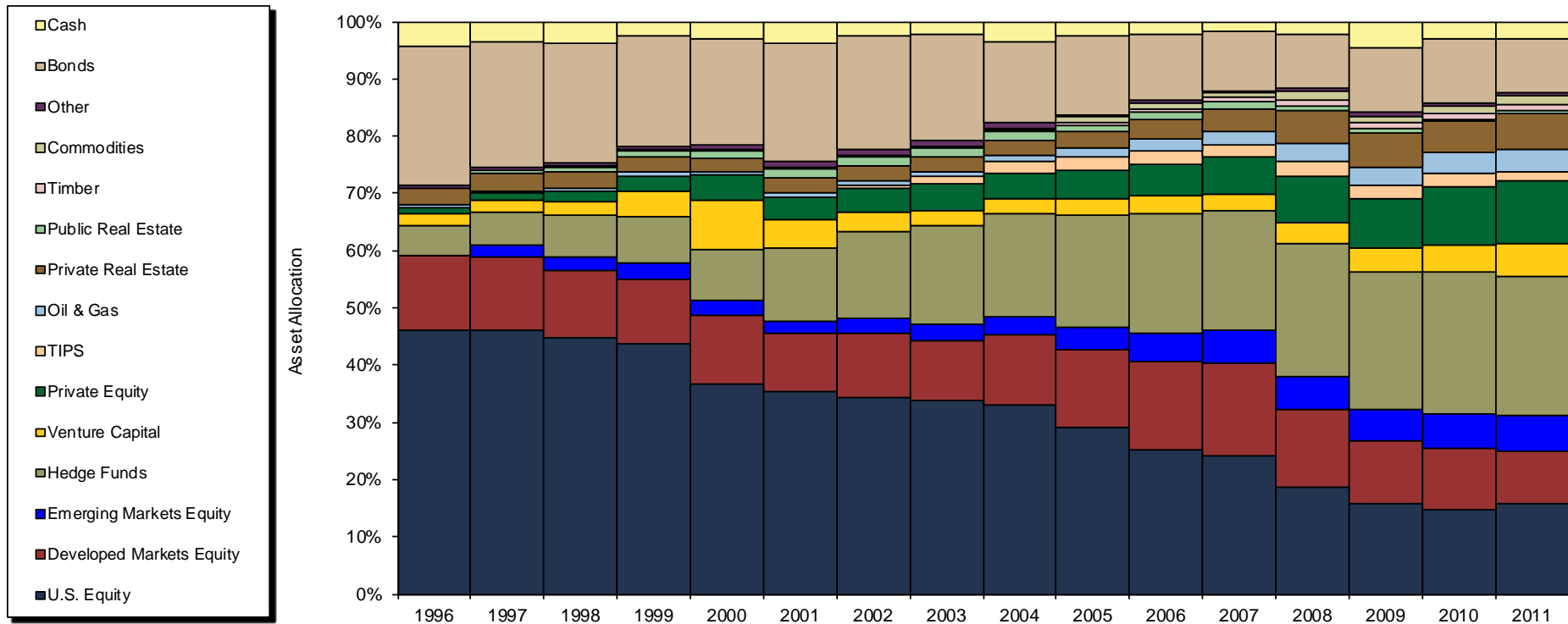
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ATTACHMENT

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# Endowments Greater than \$1 Billion Asset Allocation (%) Trends



- The long-term trend is that equity and bonds carry lighter allocations, while hedge funds and private investing carry higher allocations.
- The allocations to fixed income and public equity (except Emerging Markets) are at all time lows.
- Institutions have significant and diverse exposures to Real Assets, which often generate good performance in periods of unanticipated inflation.

**Note:** Allocations are as of June 30, except for 2011, which is as of December 31. **Bonds** includes U.S. Bonds, Non-U.S. Bonds, and High-Yield Bonds. **Hedge Funds** include Long/Short Hedge Funds, Event Arbitrage, Arbitrage, Distressed Securities, and macro and market-neutral hedge funds. **Other** includes managed futures, macro and market-neutral hedge funds, coal, royalties, cash value life insurance, and synthetic exposure (derivatives).

# Endowments Greater than \$1 Billion Asset Allocation (%) Trends cont.



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	MAX
U.S. Equity	46.2	46.1	44.9	43.8	36.8	35.4	34.3	33.7	33.0	29.2	25.2	24.2	18.7	15.8	14.8	15.7	46.2
Developed Markets Equity	12.9	12.8	11.7	11.2	12.0	10.3	11.3	10.6	12.3	13.4	15.4	16.2	13.4	11.0	10.6	9.2	16.2
Emerging Markets Equity	0.1	2.2	2.2	2.8	2.6	2.1	2.5	2.8	3.2	4.1	4.9	5.8	5.8	5.6	6.2	6.3	6.3
Hedge Funds	5.2	5.8	7.3	8.2	8.9	12.6	15.2	17.2	17.9	19.4	20.9	20.8	23.2	23.9	24.8	24.2	24.8
Venture Capital	2.0	2.0	2.4	4.3	8.5	5.1	3.6	2.7	2.7	3.0	3.1	2.9	3.8	4.3	4.6	5.9	8.5
Private Equity	1.2	1.2	1.8	2.8	4.5	4.0	4.1	4.6	4.6	5.0	5.6	6.4	8.1	8.5	10.3	10.8	10.8
TIPS	0.0	0.0	0.0	0.0	0.0	0.0	0.4	1.2	1.9	2.2	2.3	2.1	2.5	2.3	2.3	1.6	2.5
Oil & Gas	0.5	0.4	0.5	0.6	0.6	0.8	0.9	1.0	1.1	1.5	2.1	2.3	2.3	3.3	3.8	4.1	4.1
Private Real Estate	2.9	3.2	2.9	2.6	2.2	2.5	2.6	2.6	2.7	2.9	3.5	4.1	5.6	6.0	5.3	6.3	6.3
Public Real Estate	0.0	0.3	0.8	1.1	1.3	1.6	1.6	1.5	1.4	1.2	1.2	1.2	1.0	0.6	0.5	0.4	1.6
Timber	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.4	0.5	0.6	0.8	1.1	1.2	1.1	1.0	1.2
Commodities	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.0	0.3	1.0	1.1	0.9	1.5	0.9	1.3	1.8	1.8
Other	0.6	0.4	0.5	0.5	0.7	0.9	0.9	0.9	1.0	0.3	0.3	0.2	0.5	0.9	0.5	0.5	1.0
Bonds	24.2	21.9	21.0	19.2	18.7	20.7	20.0	18.5	14.1	13.7	11.5	10.3	9.5	11.2	11.1	9.4	24.2
Cash	4.3	3.6	3.7	2.6	2.9	3.8	2.4	2.3	3.5	2.5	2.3	1.8	2.1	4.6	3.1	2.9	4.6
<i>n</i> =	49	50	53	54	53	56	57	59	62	63	68	80	93	76	74	82	

- The boxes on the table represent maximums for the investment strategy shown.
- Both U.S. Equity and Fixed Income have been in a steady allocation decline over the observed period.
- Conversely six strategies, including Emerging Markets and Private Equity, are at historic maximum allocations today.

**Note:** Boxed figures represent the highest allocation for each asset class. Allocations are as of June 30, except for 2011, which is as of December 31.

**Bonds** includes U.S. Bonds, Non-U.S. Bonds, and High-Yield Bonds.

**Hedge Funds** include Long/Short Hedge Funds, Event Arbitrage, Arbitrage, Distressed Securities, and macro and market-neutral hedge funds.

**Other** includes managed futures, macro and market-neutral hedge funds, coal, royalties, cash value life insurance, and synthetic exposure (derivatives).

# UW Asset Allocation versus Peer Institutions

	<u>UW*</u>	<u>Endowments Greater than \$1 Billion</u>	<u>CA Top 50</u>
Emerging Equity	16.6	6.3	6.1
Private Equity	19.3	16.7	21.2
Developed Equity	26.1	24.9	23.3
Real Assets	7.7	15.6	17.6
Opportunistic			
Absolute Return	17.2	24.2	21.8
Fixed Income	13.1	12.3	10.0
n		82	50

*\* UW Allocation represents current allocation 2/2012, others as of 12/2011.  
UW Opportunistic investments categorized with Private Eq. following CA convention.*

- UW asset allocation suggests a few key differences in positioning relative to peer institutions (compared to Top 50):
  - 10% more in Emerging Markets
  - 10% less in Real Assets
  - 3% more Fixed Income

# UW Performance versus Peer Institutions



*For Years Ending December 31*

	2005	2006	2007	2008	2009	2010	2011
CEF Total Return	15.1%	16.8%	18.8%	-27.5%	14.0%	11.7%	-1.5%
Policy Benchmark	13.3%	16.6%	13.9%	-20.9%	14.1%	10.9%	1.2%
Over / Under Policy Benchmark	1.8%	0.2%	4.9%	-6.6%	-0.1%	0.8%	-2.7%



Outperform



Underperform



Neutral

CA Top 50 Median	12.2%	15.5%	13.5%	-24.0%	14.5%	12.8%	1.7%
UW Quartile Ranking	1st	2nd	1st	4th	3rd	3rd	4th

- UW over- and under-performance versus peers over the last 7 years reflects differences in aforementioned asset allocation.



**CA TOP 50 COLLEGES & UNIVERSITIES UNIVERSE  
COMPARATIVE PERFORMANCE (%)  
As of December 31, 2011**

	<b>7-Yr AACR 1/1/2005 12/31/2011</b>
High	9.06
25th Percentile	6.31
50th Percentile	5.56
75th Percentile	4.80
Low	2.52
n	41
<b>UW</b>	<b>5.50</b>
<b>UW Rank</b>	<b>52%</b>

- As a result, longer periods provide a better measure of relative performance versus peers. UW has exhibited near median performance over the past 7 years.

- Spending
  - Modest change in spending rules among peers
- Private versus Public Investments
  - Several peers found themselves over-committed to Private Investing during the Financial Crisis
  - Some were forced to find liquidity through borrowing or secondary sales
  - In aggregate, however, the % allocation to private investments continues to rise!
- Positioning around European Crisis
  - Shifts at the portfolio level have not been significant in aggregate
  - Some are investing in targeted European Credit funds
  - Portfolios are modestly underweight Europe largely through the actions of managers

## VII. STANDING COMMITTEES

## B. Finance, Audit and Facilities Committee

Washington State Nurses Association Collective Bargaining Agreement – UW RatificationRECOMMENDED ACTION

It is the recommendation of the administration that the Board of Regents approve the Collective Bargaining Agreement between the University of Washington and the Washington State Nurses Association that covers approximately 1,360 Registered Nurses at University of Washington Medical Center (UWMC). The duration of the Agreement is from July 1, 2012 through June 30, 2013.

BACKGROUND

This is a successor Agreement for this bargaining unit negotiated under the Personnel System Reform Act of 2002 and pursuant to RCW 41.80.

Following is a summary of the critical elements of the Agreement:

Wages:

- **BSN Premium Pay** — UWMC will award a \$1 per hour pay-premium for nurses holding a BSN or higher nursing degree, effective October 1, 2012.
- **Harborview "Me-Too"** — UWMC agrees to match for its nurses any newly negotiated pay increases received by SEIU 1199NW-represented nurses at Harborview Medical Center, affecting the pay range, pay steps, or across-the-board raises that take effect during the contract term.

Efficiencies:

- **Sick Leave Notification** — UWMC nurses must notify management at least two (2) hours before the beginning of their shift if they are unable to report for duty as scheduled. Failure to do so could result in the loss of paid sick leave for that day.

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**Teamsters Local 117 Collective Bargaining Agreement – UW RatificationRECOMMENDED ACTION

It is the recommendation of the administration that the Board of Regents approve the Collective Bargaining Agreement between the University of Washington and the Teamsters Local 117 that covers approximately 35 Campus Police Officers at the University of Washington. The duration of the Agreement is from July 1, 2011 through June 30, 2013.

BACKGROUND

This is a new Agreement for this bargaining unit negotiated under the Personnel System Reform Act of 2002 and pursuant to RCW 41.80.

Following is a summary of the critical elements of the Agreement:

- Notice for change of union representation from Police Officers Association to Teamsters Local 117 filed with Public Employment Relations Commission (PERC) on September 2, 2011.
- Ratification of previously bargained Collective Bargaining Agreement occurred on March 14, 2012.

## VII. STANDING COMMITTEES

## B. Finance, Audit and Facilities Committee

UAW Local 4121 Academic Student Employees Collective Bargaining Agreement – UW RatificationRECOMMENDED ACTION

It is the recommendation of the administration that the Board of Regents approve the Collective Bargaining Agreement between the University of Washington and UAW that covers approximately 4,200 Academic Student Employees (ASEs). The duration of the Agreement is from May 1, 2012 through April 30, 2015.

BACKGROUND

This is a successor Agreement for this bargaining unit negotiated pursuant to RCW 41.56.

Following is a summary of the critical elements of the Agreement:

Wages

**Competitive Wages:** The University will align ASE base salaries with the median base salary of UW's Global Challenge States peer group. ASEs will receive annual wage increases, beginning July 1, 2013, for the duration of the three-year contract as follows:

- **Salaried, Non-variable:** ASEs on a non-variable wage scale will receive an annual percentage wage increase toward matching the Global Challenge States median by July 1, 2015, or a four percent (4%) raise, whichever is greater each year.
- **Salaried, Variable:** ASEs on a variable wage scale that are already paid above the Global Challenge States median will receive an annual wage increase of at least two percent (2%), or any departmental raise, whichever is greater.
- **Hourly:** All ASEs on an hourly wage scale will receive a two percent (2%) raise each year.
- **One-time Pay Supplement:** All salaried ASEs holding an eligible appointment during the 2012/2013 academic year will receive a \$50 lump sum payment.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### UAW Local 4121 Academic Student Employees Collective Bargaining Agreement – UW Ratification (continued, p. 2)

##### Insurance Programs

UW agreed to preserve the current GAIP plan for the coming year, absorbing the rising premium costs, and will do so each subsequent year for the duration of the contract, accounting for up to a six percent (6%) annual inflation increase.

##### Childcare

UW agreed to increase its commitment to ASE childcare expenses by \$10,000 for fiscal year 2013, and will increase this by \$2,500 each subsequent year for the duration of the contract.

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

*in Joint Session with*

**B. Finance, Audit and Facilities Committee****Fiscal Year 2013 Operating Budget, Tuition Item, and Capital Budget****RECOMMENDED ACTION**

It is the recommendation of the administration that the Board of Regents, pursuant to its authority under RCW 28B.20.130, the By-laws of the Board of Regents, and the Board of Regents Standing Order No. 1, approve the Fiscal Year 2013 operating budget, tuition rates and capital budget for the University of Washington that are presented in the following text and tables. In this action item, the Board of Regents, in its sole and independent discretion:

1. Adopts the Fiscal Year 2013 Operating Budget;
2. Establishes tuition rates for all tuition categories for the 2012-13 academic year;
3. Changes selected fees for Fiscal Year 2013;
4. Specifies that academic fee increases that are implemented under authority that the Board of Regents has delegated to the President and Provost that is consistent with the limitations the Board has specified are reasonable and necessary; and,
5. Adopts the Fiscal Year 2013 Capital Budget.

***Attachments***

1. Executive Summary – Fiscal Year 2013 (FY13) Operating Budget, Tuition Item, and Capital Budget
2. UW One Capital Plan Update

## Executive Summary – Fiscal Year 2013 (FY13) Operating Budget, Tuition Item, and Capital Budget

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Operating and capital budgets presented in this action item mark the beginning of UW Board of Regents discussions related to the FY13 budget. This year, the FY13 operating budget, tuition item, and capital budget are presented in one comprehensive draft, rather than several items.

- The first section of this draft contains the proposed FY13 operating budget. While the FY13 budget **does not contain a significant new state funding reduction**, our state general fund appropriation for FY13 remains nearly half of its FY09 value. Expenses and revenues for all UW units, auxiliary, academic and central, are presented in the first section.
- The second section is a compilation of tuition rates, financial aid policy, and other related information. As was described in the draft version of this item, this second section was written to inform stakeholders about multiple tuition and financial aid options. **Since the May 3, 2012 Regents' meeting, faculty, administrative, and student groups have convened to discuss tuition and financial aid policy. In addition, a Student Budget Roundtable was held on May 23 and time for public testimony will be allotted at the June 7 Board meeting.**
- The final section of this item highlights capital budget recommendations for FY13, the state capital budget proposal, and a revised articulation of the "One Capital Plan." UW Administration presented all future capital needs in one comprehensive list for the first time last year. Note that the plan contains the UW Administration's recommendations for 2013-15 State Capital Biennial Budget requests as a separate appendix item.

### Timeline:

**Thursday, May 3, 2012:**                    **Information Item:** *Draft* Operating Budget, Tuition Item, and Capital Budget

**Thursday, June 7, 2012:**                **Action Item:** Operating Budget, Tuition Item, and Capital Budget



# **SECTION 1: OPERATING BUDGET**

## Operating Budget - Revenues and Expenditures by Fund and Category

Budgeted revenues and expenditures for the coming fiscal year are \$5.9 billion, a 4.4 percent increase over the prior fiscal year. **Per statutory authorization in the 2011-13 biennial state operating budget, tuition operating fee revenue presented below includes a 16 percent resident undergraduate tuition increase.**

<b>TABLE 1: Revenues and Expenditures by Area</b>	<b>FY 2013 Proposed</b>	<b>FY 2012 Adopted*</b>	<b>Change FY12 to FY13 (\$)</b>	<b>Change FY12 to FY13 (%)</b>
<b>University Operating Resources</b>				
State General Fund	209,465,000	212,197,000	(2,732,000)	-1%
Tuition Operating Fee Revenue	517,394,000	463,500,000	53,894,000	12%
Use of Fund Balance for Temporary Expenditures	0	14,310,000	(14,310,000)	-
Designated Operating Fund	73,526,000	66,442,000	7,084,000	11%
Indirect Cost Recovery	233,000,000	230,000,000	3,000,000	1%
Institutional Overhead	20,000,000	17,288,000	2,712,000	16%
<b>TOTAL REVENUES</b>	<b>1,053,385,000</b>	<b>1,003,737,000</b>	<b>49,648,000</b>	<b>5%</b>
<b>TOTAL EXPENDITURES</b>	<b>1,053,385,000</b>	<b>1,003,737,000</b>		
<b>Research Enterprise</b>				
Grants and Contracts Direct Costs	1,164,898,000	1,150,898,000	14,000,000	1%
<b>TOTAL REVENUES</b>	<b>1,164,898,000</b>	<b>1,150,898,000</b>	<b>14,000,000</b>	<b>1%</b>
<b>TOTAL EXPENDITURES</b>	<b>1,164,898,000</b>	<b>1,150,898,000</b>		
<b>Restricted Funds</b>				
Gift Income & Endowment Distributions	214,255,000	192,630,000	21,625,000	11%
State Restricted Funds	8,274,000	6,949,000	1,325,000	19%
<b>TOTAL REVENUES</b>	<b>222,529,000</b>	<b>199,579,000</b>	<b>22,950,000</b>	<b>11%</b>
<b>TOTAL EXPENDITURES</b>	<b>222,529,000</b>	<b>199,579,000</b>		
<b>UW Medicine health system (Preliminary)</b>				
UW Medical Center	908,936,000	867,015,000	41,921,000	5%
Harborview Medical Center**	782,163,000	759,683,000	22,480,000	3%
Valley Medical Center	441,486,000	404,129,000	37,357,000	9%
NW Hospital	315,821,000	305,554,000	10,267,000	3%
UW Physicians	242,200,000	235,500,000	6,700,000	3%
Airlift NW	42,500,000	37,551,000	4,949,000	13%
UW Neighborhood Clinics	29,530,000	27,676,000	1,854,000	7%
<b>TOTAL REVENUES</b>	<b>2,762,636,000</b>	<b>2,637,108,000</b>	<b>125,528,000</b>	<b>5%</b>
<b>TOTAL EXPENDITURES</b>	<b>2,762,636,000</b>	<b>2,637,108,000</b>		
<b>Auxiliary Activities</b>				
Housing and Dining	81,421,000	68,680,000	12,741,000	19%
Intercollegiate Athletics	81,809,000	71,872,000	9,937,000	14%
Educational Outreach	93,406,000	85,225,000	8,181,000	10%
Parking	34,651,000	35,152,000	(501,000)	-1%
Other Auxiliary Activities	410,238,000	402,194,000	8,044,000	2%
<b>TOTAL REVENUES</b>	<b>701,525,000</b>	<b>663,123,000</b>	<b>38,402,000</b>	<b>6%</b>
<b>TOTAL EXPENDITURES</b>	<b>701,525,000</b>	<b>663,123,000</b>		
<b>Total Revenues</b>	<b>5,904,973,000</b>	<b>5,654,445,000</b>	<b>250,528,000</b>	<b>4.43%</b>
<b>Total Expenditures</b>	<b>5,904,973,000</b>	<b>5,654,445,000</b>	<b>250,528,000</b>	<b>4.43%</b>

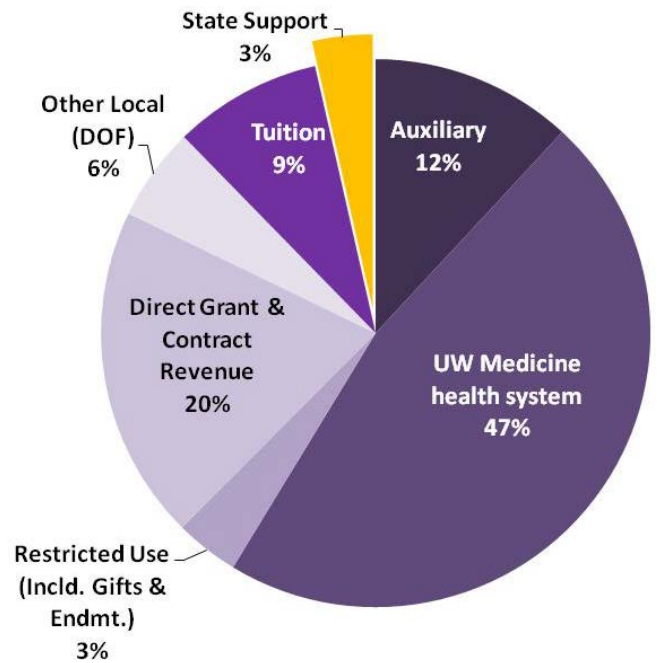
\* With the exception of the health system, FY12 "adopted" reflects Regents FY12 adopted budget.

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

## Significant Considerations for FY13

**The UW's FY13 budget, combining all sources of revenue, is anticipated to be \$5.9 billion.** Primary revenue sources in FY13 include those from the UW Medicine health system, federal grants and contracts, and net tuition operating fees.

**Net tuition operating fees:** Per statutory authorization in the 2011-13 biennial state operating budget, **UW Administration recommends a 16 percent resident undergraduate tuition increase.** Should that increase be approved along with increases outlined in Table 12, tuition revenue would comprise 71 percent of the University's general operating fund resources on a budgeted basis (state funds plus net operating fee tuition revenue). Slow economic recovery continues to stunt the state's general fund growth, resulting in another year of depressed state support for all state agencies. While the 2012 supplemental state operating budget did not result in a significant **new** reduction of UW's state funding, the UW has nearly \$200 million less state funds than it did in FY09. In fact, state funding per student FTE has dropped significantly in five years, from \$11,540 (FY08) to \$4,855 (FY13). See Section 2, page 12, for per student funding levels.

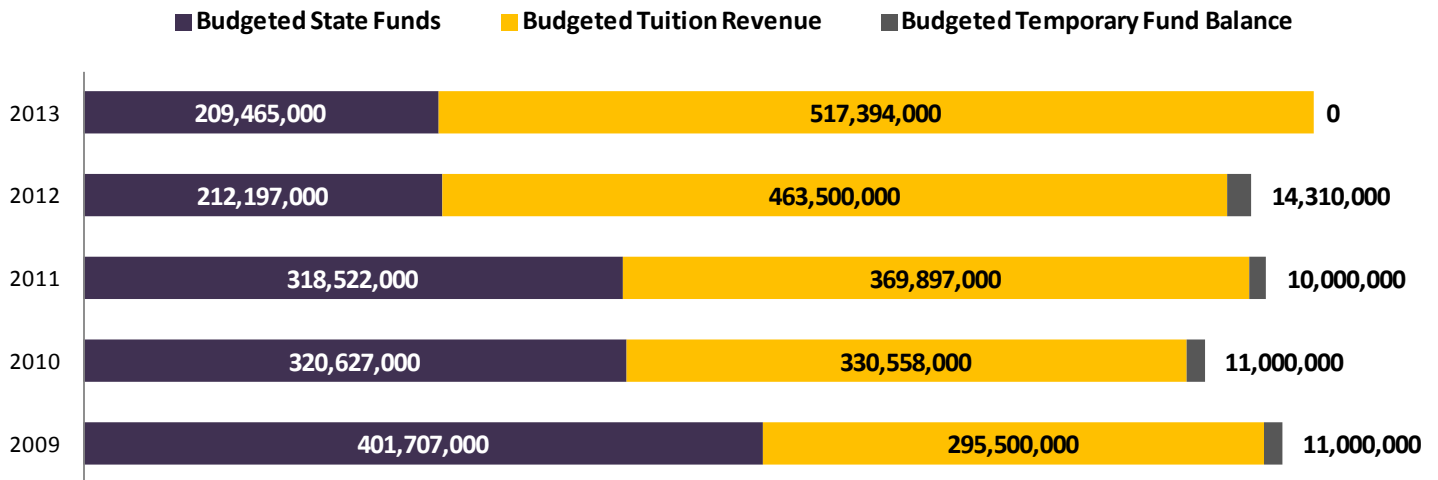


### Important Policies Implicit in the FY13 Draft Budget:

1. Budget recommendations have been developed according to the priorities and principles developed during broad cross-campus consultation. **During May, the Provost and Vice Provost for Planning & Budgeting met with many student, faculty, and administrative groups.**
2. Under the guidelines of Activity Based Budgeting (ABB), net tuition operating fee revenue flows back to where it is produced. Additionally, on the Seattle campus, 70 percent of the net incremental revenue from tuition increases will be allocated back to the **academic units** that generate tuition operating fee revenue, while 30 percent will be allocated by the Provost for investment in critical academic and support services.
3. Research funding consists of direct research expenditures from contracts and grants and indirect cost recovery (ICR), which is also referred to as Facilities and Administrative Cost (F&A). ICR is a mechanism by which external funding agencies reimburse the UW for infrastructure costs associated with the conduct of sponsored research. In FY11, units generating ICR received roughly 34 percent of it back as research cost recovery (RCR). **Under ABB, 35 percent of ICR will be directly allocated to units managing the grants and 65 percent will be retained centrally to cover administrative and facilities costs.**

## University Operating Resources

As the chart below demonstrates, state funds and net tuition operating fee revenue are used to fund university operations. Over time, activity (academic) units have experienced growth in operating fee revenue and designated funds, while state funds have declined. In general, new state funding reductions are minimal (see Table 3, page 6). Tuition rates are provided in Table 12, page 15. **The total revenue for FY13 in the figure below includes incremental net operating fee increases and still represents a shortfall of \$3,000 per student funding when compared to FY08.**



The proposed FY13 University Operating Resources budget is presented in Table 2 below. Note that increased institutional overhead is due to a conservative FY12 revenue estimate and program expansions in Educational Outreach. Tuition operating fees are, again, covered in Section 2.

**TABLE 2: University Operating Resources**

University Operating Resources	FY 2013 Proposed	FY 2012 Adopted
<b>General Operating Fund</b>		
State General Fund	209,465,000	212,197,000
Tuition Operating Fees	517,394,000	463,500,000
Use of Fund Balance for Temporary Expenditures	0	14,310,000
<b>TOTAL REVENUES</b>	<b>726,859,000</b>	<b>690,007,000</b>
<b>Designated Operating Fund</b>		
Indirect Cost Recovery	233,000,000	230,000,000
Institutional Overhead	20,000,000	17,288,000
Summer Quarter Tuition	46,600,000	40,692,000
Investment Income	16,176,000	15,000,000
Miscellaneous Fees	5,795,000	5,795,000
UWB & UWT Admin Overhead	4,755,000	4,755,000
Administrative Allowances	200,000	200,000
<b>TOTAL REVENUES</b>	<b>326,526,000</b>	<b>313,730,000</b>
<b>TOTAL - UNIVERSITY OPERATING RESOURCES</b>	<b>1,053,385,000</b>	<b>1,003,737,000</b> <sup>6</sup>

## Campus Budget Reductions and Tuition Allocations

FY13 budget reduction is summarized below. The minor state funding reduction and cost of transferring existing state support to the College of Engineering and Schools of Medicine and Dentistry are distributed to each campus according to current policy.

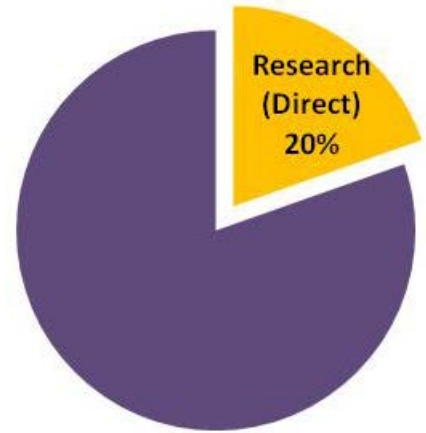
**TABLE 3: DRAFT SEATTLE Budget Reductions and New Allocations for FY13**

<b>Tri-Campus Budget Changes</b>	
FY2013 State Funding Reduction	(2,732,000)
FY2013 Permanent Fund Shift to Engineering	(3,800,000)
FY2013 Permanent Fund Shift to WWAMI	(610,000)
FY2013 Permanent Fund Shift to RIDE	(190,000)
<b>Total FY2013 UW State Required Adjustments</b>	<b>(7,332,000)</b>
Less UWB Share of \$7.3 million Cut	364,000
Less UWT Share of \$7.3 million Cut	466,000
<b>Subtotal FY2013 UW Seattle State Req'd. Adjustments</b>	<b>(6,502,000)</b>
Fixed/required Cost Increases Seattle (Appendix 2, Last Line)	(18,375,000)
Offsetting ICR Revenue Increase	3,000,000
Offsetting Institutional Overhead Increase	2,712,000
Offsetting Summer Quarter Revenue Tuition Increase	4,270,000
Offset to UW Seattle Cut (Ruckelshaus Transfer to WSU)	90,000
Offsetting Administrative Benefit Rate Covered by Provost	2,711,000
<b>UWS TOTAL ADJUSTED REDUCTION</b>	<b>(12,094,000)</b>

The total FY13 **budget reduction for the UW Seattle** campus is **\$12,094,000**, which includes required cost increases accounted for in Appendix 2. New, net tuition operating revenue (based on the assumptions previously described) has an overall positive effect for all campuses and Seattle academic units.

## Research Enterprise

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Direct expenditures on grants and contracts are projected to increase slightly in FY13.

ARRA-related expenditures are expected to slow this fiscal year, leading up to the final deadline that ARRA expenses can be posted. In addition, it is possible that there may be new, significant reductions in National Institutes of Health and National Science Foundation research budgets as a result of the federal budget process for this fiscal year, should federal sequestration (across-the-board agency reductions) occur in January 2013.

**TABLE 4: Research Enterprise**

Revenues	FY 2013 Proposed	FY 2012 Adopted
<b>Research Enterprise</b>		
Grants and Contracts Direct Costs	1,164,898,000	1,150,898,000
<b>TOTAL REVENUES</b>	<b>1,164,898,000</b>	<b>1,150,898,000</b>
<b>TOTAL EXPENDITURES</b>	<b>1,164,898,000</b>	<b>1,150,898,000</b>

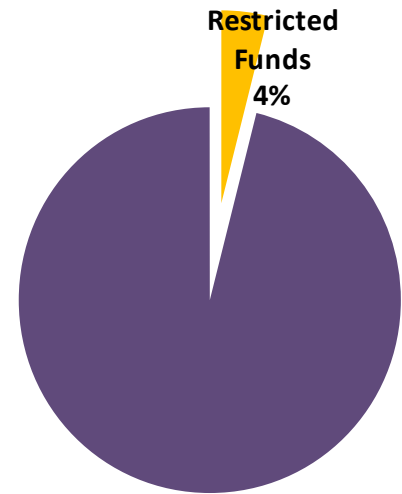
## Restricted Funds

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

Gift income and endowment distribution revenue presented below does not provide a comprehensive view of the outgoing years of endowment support. FY13 revenue is only representative of one year of distribution. Based on the Board of Regents' approved endowment distribution policy of 5 percent of average quarter market value, we are projecting an endowment distribution of \$105 million (which includes the 1 percent set-aside to offset endowment-related expenses in Treasury and Advancement). Gift income represents anticipated expenditures against "current use" gifts and this year, we project \$108 million in gift income.

It is interesting to note that in FY13 the combined funding in the operating budget of \$214 million from philanthropic investments surpasses funding from the State of Washington for the first time.

In the past, the "state restricted funds" line item was comprised only of Accident and Medical Aid account revenue, which will continue to benefit the School of Public Health for specific activities performed by the Department of Environmental Health in FY13. However, this year, there is a small appropriation from the Biotoxin Account included in this category, as well as a \$1.5 million appropriation from the Economic Development Strategic Reserve Account funds to support the new Aerospace Center (jointly run by the University of Washington, Washington State University, and other institutions).

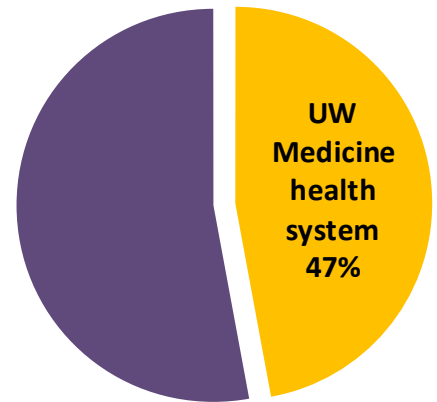


**TABLE 5: Restricted Funds**

	<b>FY 2013 Proposed</b>	<b>FY 2012 Adopted</b>
<b>Revenues</b>		
<b>Restricted Funds</b>		
Gift Income & Endowment Distributions	214,255,000	192,630,000
State Restricted Funds	8,274,000	6,949,000
<b>TOTAL REVENUES</b>	<b>222,529,000</b>	<b>199,579,000</b>
<b>TOTAL EXPENDITURES</b>	<b>222,529,000</b>	<b>199,579,000</b>

## UW Medicine Health System

Last year, UW Administration for the first time included all seven components of the UW Medicine health system in the budget item (Table 1 on page 3 and in Table 6 below). **Please note that FY13 revenues and expenditures from the UW Medicine health system are preliminary.**



Note that FY12 adopted revenues and expenditures for the UW Medicine health system have been revised since the Regents adopted the FY12 budget in June 2011.

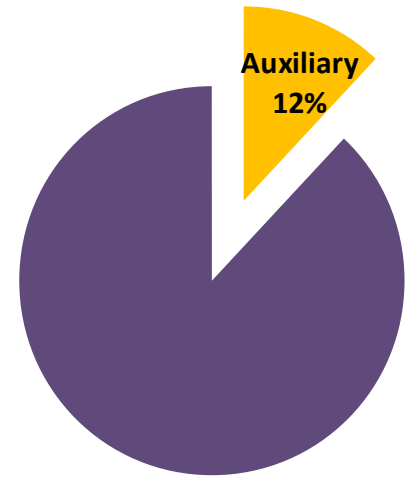
**TABLE 6: UW Medicine health system**

Revenues	FY 2013 Proposed	FY 2012 Adopted
<b>UW Medicine health system</b>		
UW Medical Center	908,936,000	867,015,000
Harborview Medical Center	782,163,000	759,683,000
Valley Medical Center	441,486,000	404,129,000
NW Hospital	315,821,000	305,554,000
UW Physicians	242,200,000	235,500,000
Airlift NW	42,500,000	37,551,000
UW Neighborhood Clinics	29,530,000	27,676,000
<b>TOTAL REVENUES</b>	<b>2,762,636,000</b>	<b>2,637,108,000</b>
<b>TOTAL EXPENDITURES</b>	<b>2,762,636,000</b>	<b>2,637,108,000</b>



## 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 growth is expected in FY13. The University charges institutional overhead to these units to recover the cost of central services. Increases assumed in revenue projections below are separately reviewed and approved by the Board in standalone items. As requested, "Other Auxiliary Activities" are presented in greater detail in Table 8 below.



**TABLE 7: Auxiliary Units**

<b>Auxiliary Activities</b>		
Housing and Dining	81,421,000	68,680,000
Intercollegiate Athletics	81,809,000	71,872,000
Educational Outreach	93,406,000	85,225,000
Parking	34,651,000	35,152,000
Other Auxiliary Activities*	410,238,000	402,194,000
<b>TOTAL REVENUES</b>	<b>701,525,000</b>	<b>663,123,000</b>
<b>TOTAL EXPENDITURES</b>	<b>701,525,000</b>	<b>663,123,000</b>

**\*TABLE 8: "Other Auxiliary Activities" (Threshold of \$6 million+ in Estimated Revenue)**

<b>"Other Auxiliary Activities"</b>	<b>Estimated Revenue</b>
School of Medicine (includes Lab Medicine, medical residents, comparative med, genome sciences, WWAMI)	147,500,000
Misc. Auxiliary Activities	110,104,000
UW Information Technology (UWIT)	43,250,000
Real Estate Office	25,875,000
School of Business (fee based programs and other activities)	21,787,000
International Programs and Exchanges	13,875,000
College of the Environment (Research vessels and other activities)	13,109,000
UW Bothell and UW Tacoma	10,000,000
Dentistry Clinics and Residents	9,000,000
Creative Communications	8,875,000
Campus Maintenance	6,625,000
<b>TOTAL</b>	<b>410,000,000</b>

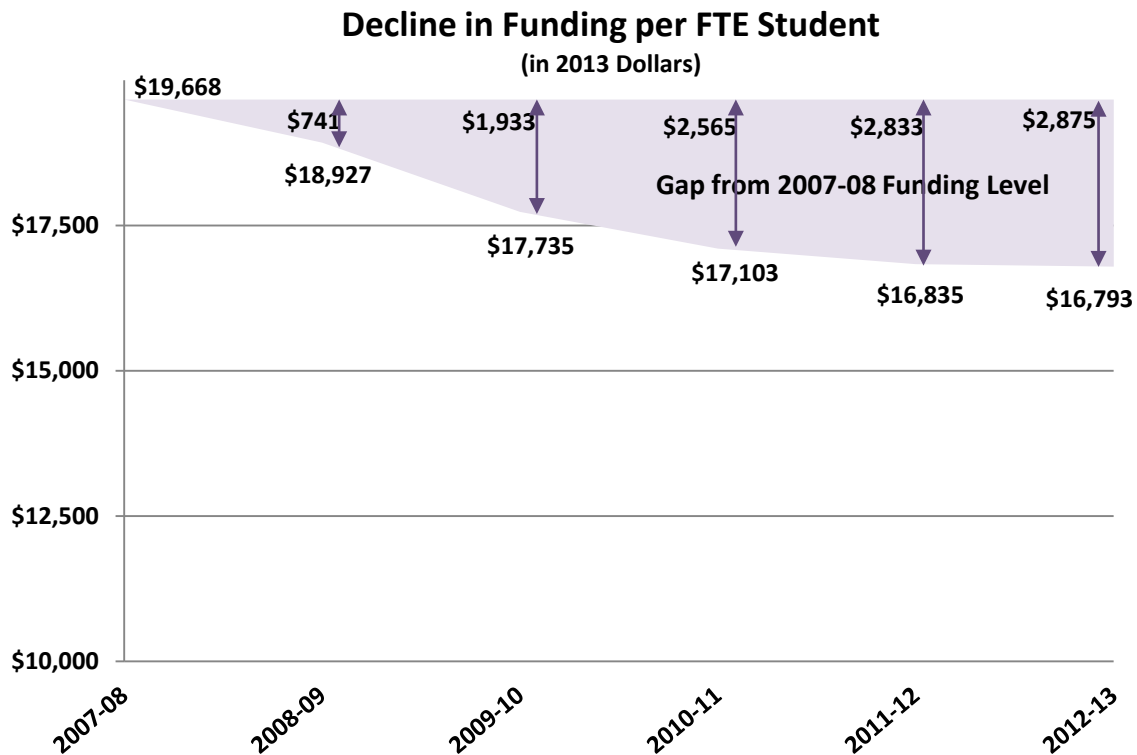
Within Table 8, the row marked "Miscellaneous Auxiliary Activities" contains revenue from over 400 smaller budgets that, individually, do not meet a \$6 million threshold.

# SECTION 2: TUITION ITEM

## Tuition Item

This section is intended to provide the campus community information with respect to tuition and financial aid.

First, an examination of funding per student FTE reveals that our students are supported nearly \$3,000 less than they were in FY08, due to declining state funding and increasing enrollments. Interestingly, over the last ten years, UW degree production in Science, Technology, Engineering and Mathematics has increased 60 percent and these programs are comparatively more expensive to deliver.



The gap in funding raises the question: Has the quality of a UW education suffered in tandem and if so, how might we reverse these effects?

- Since 2008, the number of faculty FTE funded from Central Operating Budgets declined 7 percent. During that same period, student FTE increased 8 percent.
- At the same time that the number of faculty decreased, the proportion of faculty who are tenured or tenure-track has also decreased – from 50.2 percent to 47.6 percent. In 2008, tenured and tenure-track faculty taught 60 percent of undergraduate course sections and last year, they taught 54 percent.
- Since 2006, the average class size in 100 level courses grew from 48 to 61 and the average class size in 300 level courses grew from 37 to 42. The dramatic change in the average class size of

100 level courses reflects a reduction in the number of course sections of 14 percent and an increase in the number of students enrolled of 10 percent.

- In 2009, the UW employed 1,546 TAs per quarter on average. This academic year, the UW employs an average of 1,474 TAs per quarter.

**Permanent** new resources must be provided to hire both more faculty and more teaching assistants, growing class sizes must be considered, additional course sections must be offered to students wishing to graduate in a timely manner, and erosion of tenured and tenure track faculty lines must be stopped. **To that end, the following resident undergraduate rates were considered in the May information item. Those increases are shown below.**

**TABLE 9: Resident Undergraduate Tuition Rate Ranges**

	Undergraduate Resident Tuition Increase for 2012-13		
	14%	16%	18%
<b>Tuition Rate*</b>	\$11,110	\$11,305	\$11,500
<b>Net Revenue Increase</b>	\$30.3 m	\$34.6 m	\$39.0 m
<b>Incremental Aid Required</b>	\$8.7 m	\$10.0 m	\$11.5 m
<b>Net Revenue After Aid</b>	\$21.6 m	\$24.6 m	\$27.5 m

\* Does not include mandatory fees

After discussions with multiple groups on campus, **UW Administration recommends a 16 percent resident undergraduate tuition rate increase.** Incremental net tuition operating fee revenue should be used to stabilize the academic mission of the UW. Quality is of paramount concern, and new revenue can be used to hire more teaching assistants and replace faculty who have not been replaced during this budget crisis. This will make it possible both to open more course sections and to provide improved course experiences.

A number of other services have also been cut drastically over the past two years, and increased net tuition operating fee revenue will also be used to restore some of those services. The libraries can begin to address cuts in collections, Student Life can increase the availability of mental health counseling to students, writing centers can be further restored, and career advising can be strengthened so that students can optimize the career returns on their educational investment.

### **Financial Aid Policy**

There are a number of ways in which tuition policy is intertwined with financial aid policy. UW policy requires that an amount equal to four percent of the total resident portion of tuition charged to all students be used for tuition waivers – three-fourths of these waivers are awarded on the basis of need and one-fourth on the basis of merit. In addition, the State requires that the UW use an amount equal to five percent of total tuition revenue collected for financial aid. Both the waivers and the legislated financial aid set-aside are collected from the tuition paid by both resident and non-resident students but are awarded only to residents.

In addition, waivers that represent foregone revenue help many students pay for tuition. The largest group of these waivers is automatically awarded to students with graduate service appointments.

Finally, given recent repeated double-digit tuition increases, the UW has used a portion of incremental revenue from undergraduate residents for aid to undergraduate residents. It is recommended that 30 percent of incremental revenue from the tuition increase for 2012-13 be used for financial aid. This is consistent with the practice of many other institutions, including the University of California schools. If this recommendation is followed, assuming a 16 percent tuition increase, we expect the following aid profile for 2012-13.

**Table 10: 2012-13 Tuition-Based Aid and Waivers Representing Foregone Tuition Revenue**

2012-13 Institutional Aid		Undergraduate		Graduate/Professional		Total
		Resident	Non-Resident	Resident	Non-Resident	
3% need waivers, 1% merit waivers, 5% set-aside	From Group:	\$25,070,000	\$10,474,000	\$7,263,000	\$5,830,000	\$48,637,000
	To Group:	\$32,537,000	\$0	\$16,100,000	\$0	\$48,637,000
Additional Aid		\$22,260,000	\$0	\$0	\$0	\$22,260,000
Total Aid from Tuition Revenue		\$54,797,000	\$0	\$16,100,000	\$0	\$70,897,000
Waivers - Foregone Revenue		\$2,673,300	\$2,746,500	\$8,319,300	\$55,846,500	\$69,585,600
Total Tuition-Related Financial Aid		\$57,470,300	\$2,746,500	\$24,419,300	\$55,846,500	\$140,482,600
Tuition-Related Financial Aid as Percentage of Total Tuition Charged		20.1%	1.7%	28.0%	45.5%	21.3%

### Peer Comparisons

As a point of reference, undergraduate resident tuition and required fees are often compared to those of our peers. As shown in Table 11, the resident undergraduate tuition and fee rate would remain in line with the average tuition and fee projections of Global Challenge State (GCS) peers and *US News and World Report* (USNWR) top ten public universities.

**TABLE 11: Undergraduate Resident Tuition Peer Comparisons**

Undergraduate Resident	2011-12	2012-13*
University of Washington (Seattle)	10,574	12,401
University of Washington (Bothell)	10,241	11,901
University of Washington (Tacoma)	10,343	11,902
Global Challenge State Peer Average	11,858	12,450
US News Top Ten Public Average	11,645	12,227

\* Peer projections are based on a 5% increase; the UW's projection is based on a 16 percent increase and includes required student fees.

**TABLE 12: 2012-13 Proposed Tuition Rates**

2012-13 Proposed Tuition Rates						
Tuition Category	Resident			Nonresident		
	Percent Increase	Dollar Increase	Tuition	Percent Increase	Dollar Increase	Tuition
Undergraduate	16.0%	1,559	11,305	6.0%	1,630	28,860
Graduate Tier I <sup>1</sup>	10.0%	1,210	13,280	3.0%	750	25,690
Graduate Tier II <sup>2</sup>	8.0%	1,010	13,620	3.0%	760	26,240
Graduate Tier III <sup>3</sup>	6.0%	790	13,930	3.0%	780	26,790
Master of Library and Information Science <sup>4</sup>	5.4%	710	13,930	5.4%	1,560	30,490
Master of Social Work	10.0%	1,330	14,600	3.0%	780	26,930
Master of Public Health	10.0%	1,420	15,660	10.0%	2,890	31,800
College of Built Environments	0.0%	0	15,770	0.0%	0	34,500
Master of Public Affairs <sup>5</sup>	10.0%	1,590	17,450	0.0%	0	31,320
Nursing Master and Doctor of Nursing Practice	10.0%	1,950	21,430	0.0%	0	38,550
Doctor of Pharmacy	15.0%	2,990	22,940	15.0%	5,560	42,610
Master of Business Administration ( <i>incoming</i> )	4.0%	1,020	26,530	4.0%	1,500	39,080
Master of Business Administration ( <i>continuing</i> )	4.0%	990	25,510	2.0%	740	37,580
Law (JD)	12.0%	3,090	28,870	5.0%	1,990	41,840
Master of Laws (LLM)	12.0%	1,790	16,720	5.0%	1,580	33,180
Dental Professional (year 1)	20.0%	5,310	31,870	5.0%	2,470	51,940
Dental Professional (years 2,3,4)	15.0%	3,840	29,460	5.0%	2,470	51,940
Medical Professional (MD)	10.0%	2,470	27,190	4.5%	2,420	56,120
Post Bacc/Non-Matric - ug courses only	16.0%	1,559	11,305	6.0%	1,630	28,860
Post Bacc/Non-Matric with any grad course	6.0%	790	13,930	3.0%	780	26,790
UW Bothell and UW Tacoma						
Bothell Master of Nursing ( <i>Tier II</i> )	8.0%	1,010	13,620	3.0%	760	26,240
Bothell Master of Business Administration ( <i>incoming</i> )	0.0%	0	21,720	0.0%	0	28,330
Bothell Master of Business Administration ( <i>continuing</i> )	4.0%	840	21,720	2.0%	560	28,330
Tacoma Master of Nursing ( <i>Tier II</i> )	8.0%	1,010	13,620	3.0%	760	26,240
Tacoma Master of Business Administration ( <i>incoming</i> )	4.5%	820	18,970	0.0%	0	31,570
Tacoma Master of Business Administration ( <i>continuing</i> )	4.6%	790	18,150	0.0%	0	31,570
2012-13 Proposed New Tuition Categories						
College of the Environment graduate programs <sup>6</sup>	12.9%	1,550	13,620	5.2%	1,300	26,240
College of Education Doctor of Education & PhD ( <i>was Tier I</i> )	12.9%	1,550	13,620	5.2%	1,300	26,240
College of Education Master of Education & Master in Teaching ( <i>was Tier II</i> )	8.0%	1,010	13,620	3.0%	760	26,240
Master of Chemical Engineering ( <i>was Tier III</i> )	25.6%	3,360	16,500	0.0%	0	26,010
Master of Material Science and Engineering ( <i>was Tier III</i> )	25.6%	3,360	16,500	0.0%	0	26,010

**Footnotes are provided on the following page.**

<sup>1</sup>Tier I includes all masters and PhD programs that are not found in separate tuition categories or Tiers II or III.

<sup>2</sup>Tier II includes the PhD in Social Work, nonprofessional masters in Medicine, Master of Science and PhD in Dentistry, and the Master of Arts in Policy Studies (Bothell).

<sup>3</sup>Tier III includes all masters and PhD students in Engineering (except the Master in Chemical Engineering and in Material Science and Engineering), the Master of Science and PhD in both Nursing (Seattle only) and Public Health, the Master of Science in Computing and Software Systems (Tacoma), and the EdD (Tacoma, Education - new in Summer 2013)

<sup>4</sup>MLIS program has been moved to EO and is closed to new enrollments.

<sup>5</sup>The Master of Public Affairs previously had different rates for incoming and continuing students; that tuition structure has been discontinued.

<sup>6</sup>Includes programs in: Aquatic and Fishery Science, Atmospheric Studies, Climate Science, Earth & Space Sciences, Forest Resources, Forest Resources/Economics, Geological Sciences, Geophysics, Oceanography, Marine Affairs. The Masters programs in Earth & Space Sciences, Forest Resources, and Marine Affairs were in Tier II; all others were in Tier I.

## 2012-13 Proposed Fee Increases Requiring Legislative Authorization

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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 **enacted biennial 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.

Fee increases associated with housing, dining, and other required fees were separately reviewed and approved by the Board and are included in the projection for Auxiliary Units.

# **SECTION 3: CAPITAL BUDGET**



## Capital Budget

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The proposed FY13 UW capital budget summarizes new capital works funded by local funds, UW debt, state bonds, UW Building Account funds, and other, external sources. In addition, UW Administration prepared a revised edition of the UW's One Capital Plan, which summarizes major short, mid, and long term space and capital needs for the 2013-15 biennium as well as the next ten years; this document is appended to the item as Appendix 3.

### Fiscal Year 2013 Capital Budget

Final legislative action on two capital budget bills - a bond authority bill and a "Washington Works" bill - are reflected in the state funding information and UW Building account information in this section. The final state budgets devote \$26.8 million in **new** State Building Construction Account funds for construction of UW Bothell Phase 3 and design of the Burke Museum. Additionally, \$4.3 million of State Toxics Control Account funds and \$700,000 of Building Construction Account funds were appropriated for soil remediation at UW Tacoma.

Overall, it is important to continue to view state capital resources as a critical component of the UW's capital resource planning, but 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.

### Acquisition

#### UW Bothell Strategic Real Estate Investments

Placeholder for potential future real property acquisitions supports UW Bothell's rigorous identification of operating and capital resources required to support their framework for growth towards 6,000 student FTE.

### Infrastructure

#### Emergent Planning Studies

Support for key planning resources in response to external regulatory and review of impacts to UW physical development priorities.

#### Landscape Planning Framework

Planning associated with identification and preliminary prioritization of major UW Seattle campus landscape improvement projects, ranging from analysis of open spaces supporting academic and research use, entrance and edges design, wayfinding and signage, historic buildings and landscape survey, and other topics, contributing to West of 15th and Campus Master Plan efforts as well as to ongoing stewardship of the campus landscape.

#### Resilient UW Plan

Effective Emergency Response Planning has advanced continuously at the UW and now includes a business continuity component and new state-of-the-art emergency operations center in the UW Tower. To continue the ongoing high level of emergency response planning, new steps can be taken to significantly improve the UW's ability to absorb a major disaster event and quickly recover.

### UW Preventative Facility Maintenance

Included as a budget shift from capital to operating resources in the 2009-11 state capital appropriation, the 2011-13 appropriation continued the 2009-11 precedent by providing \$12,912,500 for the UW's preventative facility maintenance operating budget in FY13 funded from the UW Building Account.

### UW Seattle Campus Master Plan Initiative

A critical initiative as UW Seattle begins the process of developing a new physical development vision, internally and with neighbors and local/regional regulatory officials.

### UW Tacoma Groundwater and Soil Remediation

The ability of University of Washington Tacoma (UWT) to provide the capacity necessary to meet their mandates for higher education opportunity in the South Puget Sound Region is tied to future capital investments including renovation, new building, real estate acquisition, but, of equal importance, ongoing remediation of soil and groundwater contamination within Tacoma's historic rail corridor and manufacturing district in the lower Pacific Avenue neighborhood.

## **Instruction**

### Burke Museum Renovation

The Burke Museum has continued to receive support from the State Legislature, first for the Predesign phase, and during the recently completed 2012 legislative session, for the Design phase of the planned comprehensive renovation of the 1962, approximately 70,000 gross square foot, natural history laboratory and museum building on the UW Seattle campus.

### CoEnv – Anderson Hall Renovation

UW requested that the Governor's Office of Financial Management adjust the 2011-2013 Anderson Hall Renovation appropriation and allow us to use those funds to meet UW's most pressing minor capital repair needs – roof repair and fire and life safety improvements. The Governor and the State Legislature did not support this Supplemental Capital Budget request.

### UW Bothell Phase 3

In response to the Governor's questions prior to the start of the recent state legislation session regarding the highest-priority "shovel-ready" UW capital projects, the UW Bothell Phase 3 project site work design is complete, entitled, and shovel ready. Approximately six months after the start of the Site Work phase, UW would be able to bid, award, and procure the building construction shortly thereafter. Construction phase funding for the UW Bothell Phase 3 classroom building project has been one of the UW's highest state capital budget request priorities.

## **Research**

### Core Research Facilities – MHSC 6<sup>th</sup> Floor Renovation

A priority of the UW Core Research Facilities Master Plan, this project will support increased core research capacity by consolidation of decentralized facilities and will enhance operational efficiencies and improve the quality of research.

### Core Research Facilities – MHSC I Wing

A priority of the UW Core Research Facilities Master Plan, this project will relocate and consolidate the key core research facilities administrative activities on the UW Seattle campus resulting in

significant operational efficiencies serving core research and adding additional core research capacity.

#### Core Research Facilities – Vista I

A priority of the UW Core Research Facilities Master Plan, Phase I of a 20-year capital plan will meet the projected core research facilities 10-year census projections in a state-of-the-art, efficient, centralized facility to cost-effectively serve the needs and improve the quality of health and life science research on the UW Seattle campus.

#### Core Research Facilities – Western Building

A priority of the UW Core Research Facilities Master Plan, this project will add additional core research census holding and operational support area to the UW National Primate Research Center at the Western Building. The core research facilities at the Western Building provide critical support to UW research activities including research at UW School of Medicine's South Lake Union facilities.

#### Fluke Hall CoE Research Relocation

In response to state legislation from the 2011-13 biennial session, the development and consolidation of the UW Center for Commercialization's Incubator research activities and associated improvements to UW's Micro Fabrication Facility in the former Washington Technology Center's Fluke Hall on the UW Seattle Campus is expected to require the relocation of College of Engineering research activities to new locations on the UW Seattle campus.

#### Fluke Hall Renovation – C4C and MFF

In response to state legislation from the 2011-2013 biennial session, we are developing the UW Center for Commercialization's Incubator research laboratory and office areas, and associated improvements to UW's central Micro Fabrication Facility, serving UW Seattle's clean room research needs, in the former Washington Technology Center's 1990, 73,000 gross square foot Fluke Hall.

### **Student Life**

#### House of Knowledge Longhouse

The Intellectual House will provide a multi-service learning and gathering space for Native American students, faculty and staff, and others of various cultures and communities to come together in a supporting and welcoming educational environment. Fundraising efforts have been impacted by the Great Recession. The project proposes using the available funding and move forward with the first phase in FY13, with a building and its surrounding landscape serving as a community gathering place.

#### UW Police Station Relocation

The UW Police Department will be relocated from its current facility in the Bryants Building on Portage Bay as a consequence of the UW's anticipated agreement to make available this property for use as a public open space, in mitigation of WSDOT's planned SR-520 Lake Washington Bridge project. The project remains in active early planning stages of development.

## 2013-15 (FY14 & FY15) State Capital Budget Request

UW Administration also seeks approval to begin work on the UW's 2013-15 state capital budget submission. In this budget submission, the UW will ask for state approval, and in some cases, state funds, to support projects in major infrastructure system renewal, building infrastructure and minor capital repairs, Denny Hall renovation, Lewis Hall renovation, Tacoma Groundwater and Soil Remediation, Health Sciences T-Wing health sciences education building design, Health and Life Sciences research building design, and Engineering Research renovation. Please review Table 14: State Capital Budget Request.

## 2013-25 One Capital Plan

The revised One Capital Plan shows total planned expenditures trending upward, primarily in response to completion of additional academic and infrastructure precinct program and capital plans, while the capital investment portfolio targets remain approximately consistent: 25 percent infrastructure, 25 percent instruction, and 40 percent research.

With the exception of UW-Bothell and UW-Tacoma, instructional program capital investments are increasingly focused on repurposing existing and older facilities, while improving operating efficiencies, which include improvements in energy, water resources, human resources/IT technologies, and increasingly centralized operating models. Research program capital investments are increasingly focused on developing new, flexible, and extreme operationally efficient buildings. Infrastructure program capital investments are promoting energy cost-reduction, reliability; enhanced resilient for business continuity, and are anticipating the shift, in many cases, to more virtual learning environments.

### Changes to the May articulation of the One Capital Plan include:

1. **Fluke Hall (College of Engineering) Research Relocation:** Local fund allocation in FY12 has been reduced to \$1.95 million and the remaining cost related to the Fluke Relocation is included in the \$13.3 million state budget request for College of Engineering's classroom and research renovation (which accommodates research activity from Fluke Hall).
2. **UW Building Account:** The current \$62 million building account projection assumes a \$54 million prior biennial base and new tuition adjustments. However, this projection is preliminary and will be fine tuned as the next biennium progresses. These funds are devoted to minor capital repairs currently.

**Table 13: FY13 Capital Budget**

Program Category	Description	Project Cost	UW Building Account	State Building Constn. Account	Local Funds	Potential Debt	TOTAL
<b>Acquisition</b>							
	UW Bothell Strategic Real Estate Investments	\$15,000,000	-	-	-	5,000,000	5,000,000
<b>Infrastructure</b>							
	UW Seattle Campus Master Planning Initiative	\$2,700,000			175,000		175,000
	Emergent Planning Studies	\$200,000	-	-	50,000	-	50,000
	Landscape Framework Planning	\$750,000	-	-	375,000	-	375,000
	Resilient UW Plan	\$225,000	-	-	100,000	-	100,000
	UW Preventative Facility Maintenance	N/A	12,912,500	-	-	-	12,912,500
	UW Tacoma Campus Development and Soil Remed.	\$72,500,000	-	5,000,000	-	-	5,000,000
<b>Instruction</b>							
	Burke Museum Renovation	\$52,500,000	-	3,500,000	-	-	3,500,000
	CoEnv - Anderson Hall Renovation	\$24,200,000	-	-1,553,000	-	-	-1,553,000
	UW Bothell Phase 3	\$69,000,000	12,963,000	19,887,000	-	30,000,000	62,850,000
<b>Research</b>							
	Core Research Facilities - MHSC 6th Floor Renovation	\$900,000	-	-	900,000	-	900,000
	Core Research Facilities - MHSC I Wing	\$3,200,000	-	-	3,200,000	-	3,200,000
	Core Research Facilities - Vista I	\$83,500,000	-	-	13,500,000	-	13,500,000
	Core Research Facilities - Western Building	\$5,600,000	-	-	5,600,000	-	5,600,000
	Fluke Hall CoE Research Relocation	\$1,950,000	-	-	1,950,000	-	1,950,000
	Fluke Hall Renovation - C4C and MFF	\$28,500,000	-	-	6,000,000	-	6,000,000
<b>Student Life</b>							
	House of Knowledge Long House	\$5,800,000	-	-	1,400,000	-	1,400,000
	UW Police Department Relocation	\$25,000,000	-	-	25,000,000	-	25,000,000
<b>Total Proposed Capital Investments</b>			<b>25,875,500</b>	<b>26,834,000</b>	<b>58,250,000</b>	<b>35,000,000</b>	<b>145,959,500</b>

**Table 14: Biennial (FY14 & FY15) Capital Budget Request**

Program Category	Description	Project Cost	UW Building Account	State Building Consn. Account	Local Funds	Potential Debt	TOTAL
<b>Acquisition</b>							
	UW Seattle Strategic Real Estate Investment		-	-	-	35,000,000	35,000,000
<b>Clinic</b>							
	UWMC Expansion - Phase 2	\$97,000,000	-	-	26,000,000	71,000,000	97,000,000
<b>Housing</b>							
	UW Seattle Student Housing - West Campus - New Center	\$78,000,000	-	-	-	78,000,000	78,000,000
	UW Seattle Student Housing - West Campus - New Terry	\$55,000,000	-	-	-	55,000,000	55,000,000
<b>Infrastructure</b>							
	CoEnv Precinct Plan	\$100,000	-	-	100,000	-	100,000
	Emergent Planning Studies	\$200,000	-	-	75,000	-	75,000
	Enterprise Information System	\$110,000,000	-	-	-	5,000,000	5,000,000
	Landscape Framework Planning	\$750,000	-	-	375,000	-	375,000
	Major Infrastructure - System Renewal Projects	\$79,500,000	-	14,500,000	-	-	14,500,000
	Major Infrastructure - UW District Energy Resource Center	\$20,500,000	-	2,200,000	-	-	2,200,000
	Minor Capital Repair - Building Infrastructure Improvements	\$554,500,000	62,000,000	64,700,000	-	-	126,700,000
	Minor Capital Repair - Program Improvements	\$141,000,000	-	-	17,500,000	-	17,500,000
	Resilient UW Plan	\$225,000	-	-	125,000	-	125,000
	UW Burke Gilman Trail Development	\$30,000,000	-	-	7,000,000	-	7,000,000
	UW Seattle Campus Master Plan Initiative	\$2,700,000	-	-	525,000	-	525,000
	UW Tacoma Station - Prairie Line Trail	\$4,400,000	-	-	2,400,000	-	2,400,000
<b>Instruction</b>							
	CAS - Denny Hall Renovation	\$56,000,000	-	56,000,000	-	-	56,000,000
	CAS - Lewis Hall Renovation	\$20,000,000	-	2,500,000	-	-	2,500,000
	CAS - Padelford Renovation	\$25,050,000	-	-	50,000	-	50,000
	Classroom Improvements - Undergrad/UW IT/Health Sciences Admin	\$12,000,000	-	-	2,000,000	-	2,000,000
	CoEnv - Renovation	\$35,050,000	-	-	50,000	-	50,000
	Health Sciences Education I - T-Wing Addition	\$99,400,000	-	12,500,000	-	-	12,500,000
	Libraries - Sand Point Building 5 - Archival Storage	\$7,600,000	-	250,000	-	-	250,000
	MHSC Renovation - D&C Core - Office Repurpose	\$49,025,000	-	-	25,000	-	25,000
	UW Tacoma Classroom Building Renovation	\$20,000,000	-	2,400,000	-	-	2,400,000
	UW Tacoma Urban Activity Center	\$36,375,000	-	375,000	-	-	375,000
<b>Research</b>							
	CAS - Guthrie Addition	\$117,075,000	-	-	75,000	-	75,000
	CAS - Kincaid Hall Renovation	\$48,500,000	-	-	200,000	-	200,000
	CAS - Life Sciences Building I	\$238,050,000	-	-	50,000	-	50,000
	CoE - Interdisciplinary Education Research Center I - West of 15th	\$310,350,000	-	350,000	-	-	350,000
	CoE - UW Engineering Classroom & Research Renovation	\$13,300,000	-	13,300,000	-	-	13,300,000
	CoEnv Research Vessel	\$10,000,000	-	-	1,500,000	-	1,500,000
	Core Research Facilities - Vista I	\$83,500,000	-	-	-	70,000,000	70,000,000
	Fluke Hall Renovation - C4C and MFF	\$28,500,000	-	-	22,500,000	-	22,500,000
	Health and Life Sciences - Hitchcock West	\$220,000,000	-	17,600,000	-	-	17,600,000
	Innovation Collaboration Center - West of 15th Ave	\$55,000,000	-	350,000	-	-	350,000
	MHSC Renovation - D Wing - Dental School Improvements	\$18,575,000	-	-	75,000	-	75,000
<b>Total Proposed Capital Investments</b>			<b>62,000,000</b>	<b>187,025,000</b>	<b>80,625,000</b>	<b>314,000,000</b>	<b>643,650,000</b>

**Appendix 1**  
**Proposed Budget**  
**University Operating Resources for Fiscal Year 2013**

	FY 2013 Proposed	FY 2012 Adopted	Comment
<b>REVENUES</b>			
State General Fund	209,465,000	212,197,000	
Net Tuition Operating Fee *	517,394,000	463,500,000	
Designated Operating Fund	73,526,000	66,442,000	
Institutional Overhead	20,000,000	17,288,000	
Indirect Cost Recovery	233,000,000	230,000,000	
Subtotal: Ongoing University Operating Revenues	1,053,385,000	989,427,000	
Use of Fund Balance for Temporary Expenditures	0	14,310,000	
<b>TOTAL REVENUES</b>	<b>1,053,385,000</b>	<b>1,003,737,000</b>	
<b>EXPENDITURES</b>			
<b>Adjusted Base Budget</b>	989,632,000	976,869,000	
<b>UW Seattle Budget Reductions:</b>			
FY 2013 Total Reductions	(12,094,000)		All Seattle Units
Cut to Evans School - Transfer to WSU (Ruckelshaus)	(90,000)		Evans School Addtl. Rdctn.
Subtotal for UW Seattle Unit Budget Reductions	(12,184,000)		
<b>UW Bothell Budget Reductions</b>			
FY 2013 Reductions	(364,000)		
Subtotal for UW Bothell Budget Reductions	(364,000)		
<b>UW Tacoma Budget Reductions</b>			
FY 2013 Reductions	(466,000)		
Subtotal for UW Tacoma Budget Reductions	(466,000)		
<b>TOTAL BUDGET REDUCTIONS</b>	<b>(13,014,000)</b>		
<b>Incremental Tuition Allocation to Academic Units</b>			
UW Seattle Academic Units	29,061,000		
UW Bothell	6,722,000		
UW Tacoma	5,554,000		
Subtotal	41,337,000		
<b>Incremental Tuition Allocations to the Provost</b>			
Strategic Investments	9,744,000		
Benefit Cost increases to Administrative Units	2,711,000		
Subtotal	12,455,000		
<b>Other Adjustments</b>			
Required Cost Increases/Adjustments	12,175,000		See Appendix 2
ABB Indirect Cost Recovery Allocation Change	6,200,000		
Legislative Directives	4,600,000		See Appendix 2
Subtotal	22,975,000		
<b>SUBTOTAL: CORE EDUCATION EXPENDITURES</b>	<b>1,053,385,000</b>		
Use of Fund Balance	0		
<b>TOTAL EXPENDITURES</b>	<b>1,053,385,000</b>		

**Appendix 2**  
**Required Cost Increases/Adjustments for Fiscal Year 2013**

Item	FY 2013 Change
<b><u>Institutional Budgets</u></b>	
<b>Utilities:</b>	
Electricity	1,200,000
Natural gas	(250,000)
Water/sewer	285,000
Solid waste disposal	(142,000)
Power Plant	20,000
UW Tower Data Center Electricity	280,000
Conservation Loan Payments (ESCO Projects)	100,000
Conservation Measures	350,000
<hr/>	
Subtotal utilities:	1,843,000
 <b>Other institutional budgets:</b>	
Property rentals-general	253,000
University Risk Financing	1,004,000
Transportation subsidy	200,000
Mainframe Financing agreement	(540,000)
Previous Commitments to Deans/VPs	3,000,000
Molecular Engineering Building O&M	650,000
Administrative Unit Benefit Rate Change	2,711,000
UW Bothell increase to ICR	(160,000)
Summer quarter cost increase	474,000
UW Bothell - FY13 Net Summer Qtr Tuition	562,000
UW Tacoma - FY13 Net Summer Qtr Tuition	602,000
UW Educational Outreach offset for TA's	200,000
<hr/>	
Subtotal other institutional budgets:	8,956,000
 <b><u>Debt Service</u></b>	
HUB Renovation Commitment	1,376,000
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Subtotal Debt Service	1,376,000
 <b>Subtotal Required Cost Increases</b>	
	<b>12,175,000</b>



**Appendix 2, continued**  
**Required Cost Increases/Adjustments for Fiscal Year 2013**

Item	FY 2013 Change
<b><u>ABB Indirect Cost Recovery Policy Allocation</u></b>	
FY 2013 Projected ICR change to units	6,200,000
<hr/>	
Subtotal Policy Application	6,200,000
<b><u>Dedicated Indirect Cost Recovery Dollars</u></b>	
Medicine - South Lake Union & Harborview Locations	0
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Subtotal Dedicated Indirect Cost Recovery	0
<b>Subtotal Indirect Cost Recovery</b>	<b>6,200,000</b>
<b><u>Legislative Directives</u></b>	
WWAMI Spokane Ramp Up	610,000
RIDE Spokane Ramp Up	190,000
College of Engineering Enrollment Support	3,800,000
<hr/>	
Subtotal Legislative Actions	4,600,000
<b>TOTAL REQUIRED COST INCREASES/ADJUSTMENTS</b>	<b>22,975,000</b>
<b>REQUIRED COST INCREASES FOR SEATTLE*</b>	<b>18,375,000</b>
* Total less "Legislative Directives" of \$4.6 million	

# UW 10 Year Capital Plan - Proposed Funding by Wave and Program Use

- DRAFT FOR DISCUSSION -

UW Office of Planning and Budgeting

Wave / Program Use Project Name	Total Funding (\$,000)	Proposed FY 2013 Capital Budget				Proposed 2013-2015 Capital by Fund Source					Potential 2015-25 Capital by Fund Source				
		State	BldgAcct	Local	Debt	State	BldgAcct	Local	Partners	Debt	State	BldgAcct	Local	Partners	Debt
<b>I</b>															
<b>Acquisition</b>															
UW Bothell Strategic Real Estate Investment	15,000	-	-	-	5,000	-	-	-	-	-	10,000	-	-	-	-
<b>Infrastructure</b>															
CoEnv Precinct Plan	100	-	-	-	-	-	-	100	-	-	-	-	-	-	-
Emergent Planning Studies	200	-	-	50	-	-	-	75	-	-	-	-	75	-	-
Landscape Framework Planning	750	-	-	375	-	-	-	375	-	-	-	-	-	-	-
Major Infrastructure - System Renewal Projects	79,500	-	-	-	-	14,500	-	-	-	-	45,000	-	-	20,000	-
Major Infrastructure - UW District Energy Resource Center	20,500	-	-	-	-	2,200	-	-	-	-	18,300	-	-	-	-
Minor Capital Repair - Building Infrastructure Improvements	554,500	-	-	-	-	64,700	62,000	-	-	-	267,800	160,000	-	-	-
Minor Capital Repair - Program Improvements	141,000	-	-	-	-	-	-	17,500	-	-	-	-	123,500	-	-
Resilient UW Plan	225	-	-	100	-	-	-	125	-	-	-	-	-	-	-
UW Preventative Facility Maintenance	116,913	-	12,913	-	-	-	-	-	-	-	-	104,000	-	-	-
UW Seattle Campus Master Plan Initiative	2,700	-	-	175	-	-	-	525	-	-	-	-	2,000	-	-
UW Tacoma Groundwater and Soil Remediation	72,500	5,000	-	-	-	-	-	-	-	-	67,500	-	-	-	-
<b>Instruction</b>															
Burke Museum Renovation	52,200	3,500	-	-	-	-	-	-	-	-	14,000	-	-	34,700	-
Classroom Improvements - Undergrad/UW IT/Health Sciences Admin	12,000	-	-	-	-	-	-	2,000	-	-	-	-	10,000	-	-
UW Bothell Phase 3	62,850	19,887	12,963	-	30,000	-	-	-	-	-	-	-	-	-	-
<b>Research</b>															
Core Research Facilities - MHSC 6th Floor Renovation	900	-	-	900	-	-	-	-	-	-	-	-	-	-	-
Core Research Facilities - MHSC I Wing	3,200	-	-	3,200	-	-	-	-	-	-	-	-	-	-	-
Core Research Facilities - Vista I	83,500	-	-	13,500	-	-	-	-	-	70,000	-	-	-	-	-
Core Research Facilities - Western Building	5,600	-	-	5,600	-	-	-	-	-	-	-	-	-	-	-
Fluke Hall CoE Research Relocation	1,950	-	-	1,950	-	-	-	-	-	-	-	-	-	-	-
Fluke Hall Renovation - C4C and MFF	28,500	-	-	6,000	-	-	-	22,500	-	-	-	-	-	-	-
<b>Student Life</b>															
House of Knowledge Longhouse	1,400	-	-	1,400	-	-	-	-	-	-	-	-	-	-	-
UW Police Department Relocation	25,000	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-
	1,280,988	28,387	25,876	58,250	35,000	81,400	62,000	43,200	-	70,000	422,600	264,000	135,575	54,700	-
<b>II</b>															
<b>Acquisition</b>															
UW Seattle Strategic Real Estate Investment	65,000	-	-	-	-	-	-	-	-	35,000	-	-	-	-	30,000
UW Tacoma Strategic Real Estate Investment	15,000	-	-	-	-	-	-	-	-	-	15,000	-	-	-	-
<b>Athletics</b>															
ICA Basketball Operations and Practice Center	30,000	-	-	-	-	-	-	-	30,000	-	-	-	-	-	-
ICA Soccer Grandstand and Related Support Facilities	16,000	-	-	-	-	-	-	-	-	-	-	-	16,000	-	
ICA Team Operations Building for Track and Field and Soccer	8,000	-	-	-	-	-	-	-	-	-	-	-	8,000	-	
<b>Clinic</b>															
UWMC Expansion - Phase 2	97,000	-	-	-	-	-	-	26,000	-	71,000	-	-	-	-	-

Wave / Program Use Project Name	Total Funding (\$,000)	Proposed FY 2013 Capital Budget				Proposed 2013-2015 Capital by Fund Source				Potential 2015-25 Capital by Fund Source					
		State	BldgAcct	Local	Debt	State	BldgAcct	Local	Partners	Debt	State	BldgAcct	Local	Partners	Debt
<b>Housing</b>															
UW Seattle Student Housing - North Campus - Haggett Hall Renovation	70,500	-	-	-	-	-	-	-	-	-	-	-	-	-	70,500
UW Seattle Student Housing - North Campus - Hansee Hall Renovation	47,400	-	-	-	-	-	-	-	-	-	-	-	-	-	47,400
UW Seattle Student Housing - North Campus - McCarty Hall Renovation	62,300	-	-	-	-	-	-	-	-	-	-	-	-	-	62,300
UW Seattle Student Housing - North Campus - McMahon Hall Renovation	94,000	-	-	-	-	-	-	-	-	-	-	-	-	-	94,000
UW Seattle Student Housing - West Campus - New Center	78,000	-	-	-	-	-	-	-	-	78,000	-	-	-	-	-
UW Seattle Student Housing - West Campus - New Terry	55,000	-	-	-	-	-	-	-	-	55,000	-	-	-	-	-
<b>Infrastructure</b>															
Enterprise Information System	110,000	-	-	-	-	-	-	-	-	5,000	-	-	-	-	105,000
Metropolitan Tract Recapitalization Plan	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000
UW Burke Gilman Trail Development	30,000	-	-	-	-	-	-	7,000	-	-	-	-	16,000	7,000	-
UW Seattle Parking - E12 Improvements	3,010	-	-	-	-	-	-	3,010	-	-	-	-	-	-	-
UW Tacoma Station - Prairie Line Trail	4,400	-	-	-	-	-	-	2,400	-	-	-	2,000	-	-	-
Vista "Corridor" Open Space Improvements	2,500	-	-	-	-	-	-	-	2,500	-	-	-	-	-	-
<b>Instruction</b>															
CAS - Denny Hall Renovation	56,000	-	-	-	-	56,000	-	-	-	-	-	-	-	-	-
CAS - Lewis Hall Renovation	20,000	-	-	-	-	2,500	-	-	-	-	17,500	-	-	-	-
CAS - Padelford Renovation	25,050	-	-	-	-	-	-	50	-	-	25,000	-	-	-	-
CAS and CoE - Anthropology/ERC Building Renovation	27,750	-	-	-	-	-	-	-	-	-	27,750	-	-	-	-
CAS Renewal Program I - Communications Building	8,900	-	-	-	-	-	-	-	-	-	8,800	-	100	-	-
CoE - Mechanical Engineering Building - Repurpose Renovation	25,000	-	-	-	-	-	-	-	-	-	25,000	-	-	-	-
CoEnv - Anderson Hall Renovation	24,000	-	-	-	-	-	-	-	-	-	24,000	-	-	-	-
CoEnv - Renovation	35,050	-	-	-	-	-	-	50	-	-	3,000	-	-	10,000	22,000
Health Sciences Education I - T-Wing Addition	99,400	-	-	-	-	12,500	-	-	-	-	25,000	-	-	25,000	36,900
Health Sciences Education II - T Wing Renovation	89,000	-	-	-	-	-	-	-	-	-	30,000	-	-	10,000	49,000
Libraries - Sand Point Building 5 - Archival Storage	7,600	-	-	-	-	250	-	-	-	-	7,350	-	-	-	-
Life Sciences Building I - Research and Instructional Greenhouse	24,050	-	-	-	-	-	-	-	-	-	2,500	-	50	5,000	16,500
MHSC Renovation - D&C Core - Office Repurpose	49,025	-	-	-	-	-	-	25	-	-	-	-	25,000	7,000	17,000
UW Tacoma Classroom Building Renovation	20,000	-	-	-	-	2,400	-	-	-	-	17,600	-	-	-	-
UW Tacoma Urban Activity Center	36,375	-	-	-	-	375	-	-	-	-	-	-	-	-	-
<b>Research</b>															
CAS - Guthrie Addition	117,075	-	-	-	-	-	-	75	-	-	15,000	-	-	50,000	52,000
CAS - Kincaid Hall Renovation	48,500	-	-	-	-	-	-	200	-	-	-	-	5,000	5,000	38,300
CAS - Life Sciences Building I	238,050	-	-	-	-	-	-	50	-	-	-	-	-	213,000	25,000
CoE - Interdisciplinary Education Research Center I - West of 15th	310,350	-	-	-	-	350	-	-	-	-	25,000	-	-	260,000	25,000
CoE - UW Engineering Classroom & Research Renovation	13,300	-	-	-	-	13,300	-	-	-	-	-	-	-	-	-
CoEnv Research Vessel	10,000	-	-	-	-	-	-	1,500	3,000	-	-	-	-	5,500	-
Health and Life Sciences - Hitchcock West	220,000	-	-	-	-	17,600	-	-	-	-	-	-	5,000	80,400	117,000
Innovation Collaboration Center - West of 15th Ave	55,000	-	-	-	-	350	-	-	-	-	6,000	-	-	30,000	18,650
MHSC Renovation - D Wing - Dental School Improvements	18,575	-	-	-	-	-	-	75	-	-	-	-	-	14,000	4,500
Portage Bay Research Building No. 1	270,250	-	-	-	-	-	-	-	250	-	20,000	-	-	160,000	90,000
<b>Student Life</b>															
UW Bothell Student Activities Center	27,800	-	-	-	-	-	-	-	-	-	-	-	-	-	27,800
	2,864,210	-	-	-	-	105,625	-	40,435	35,750	244,000	294,500	-	37,150	914,900	1,155,850

Wave / Program Use Project Name	Total Funding (\$,000)	Proposed FY 2013 Capital Budget				Proposed 2013-2015 Capital by Fund Source					Potential 2015-25 Capital by Fund Source				
		State	BldgAcct	Local	Debt	State	BldgAcct	Local	Partners	Debt	State	BldgAcct	Local	Partners	Debt
<b>III</b>															
<b>Athletics</b>															
ICA Dempsey Indoor Facility Parking Garage	4,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICA Graves Hall Renovation	8,500	-	-	-	-	-	-	-	-	-	-	-	-	8,500	-
ICA Gymnastics Training Facility	4,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICA Sand Volleyball Facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICA Softball Press Box Upgrades and Grandstand Roof and Expansion	3,500	-	-	-	-	-	-	-	-	-	-	-	-	3,500	-
ICA Track and Field Grandstands	4,000	-	-	-	-	-	-	-	-	-	-	-	-	4,000	-
<b>Clinic</b>															
MHSC Renovation - AA Wing	5,745	-	-	-	-	-	-	-	-	-	-	-	-	-	5,745
<b>Infrastructure</b>															
Portage Bay Research Building No. 1 - Structured Parking Modifications	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UW Bothell Major Infrastructure Projects	10,500	-	-	-	-	-	-	-	-	-	10,500	-	-	-	-
UW Tacoma Major Infrastructure Projects	26,000	-	-	-	-	-	-	-	-	-	26,000	-	-	-	-
<b>Instruction</b>															
CAS - Eagleson Hall Renovation	12,000	-	-	-	-	-	-	-	-	-	12,000	-	-	-	-
CAS - Fine Arts District	100,250	-	-	-	-	-	-	-	-	-	50,000	-	250	50,000	-
CAS - Hutchinson Hall Renovation	30,000	-	-	-	-	-	-	-	-	-	30,000	-	-	-	-
CAS Academic Building - Repurpose Renovation	48,000	-	-	-	-	-	-	-	-	-	48,000	-	-	-	-
CAS Renewal Program II - Gowen and Raitt Halls	10,000	-	-	-	-	-	-	-	-	-	9,750	-	250	-	-
CAS Renewal Program III - Smith Hall	6,550	-	-	-	-	-	-	-	-	-	6,350	-	200	-	-
CAS Renewal Program IV - Thompson Hall	5,000	-	-	-	-	-	-	-	-	-	5,000	-	-	-	-
CAS Renewal Program V	10,000	-	-	-	-	-	-	-	-	-	10,000	-	-	-	-
CAS Renewal Program VI	6,000	-	-	-	-	-	-	-	-	-	6,000	-	-	-	-
CoBE - Gould Hall Court Addition	5,000	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-
CoE - Computer Science & Engineering Building II	190,000	-	-	-	-	-	-	-	-	-	-	-	-	170,000	20,000
CoEduc - Miller Hall Renovation	44,000	-	-	-	-	-	-	-	-	-	44,000	-	-	-	-
Computer Science & Engineering - Multiple Building Renovation	62,000	-	-	-	-	-	-	-	-	-	20,000	-	-	42,000	-
Health Sciences Education III - T Wing Renovation	77,000	-	-	-	-	-	-	-	-	-	38,500	-	-	10,000	28,500
Health Sciences Education IV - T Wing Renovation	44,000	-	-	-	-	-	-	-	-	-	25,000	-	-	-	19,000
MHSC Renovation - B Wing	20,150	-	-	-	-	-	-	-	-	-	-	-	150	20,000	-
Robinson Center	5,000	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-
UW Bothell Phase 4	68,000	-	-	-	-	-	-	-	-	-	68,000	-	-	-	-
UW Tacoma Phase 4	79,500	-	-	-	-	-	-	-	-	-	79,500	-	-	-	-
<b>Research</b>															
CAS - Life Sciences Building II	165,250	-	-	-	-	-	-	-	-	-	15,000	-	250	-	-
CoE - Interdisciplinary Education Research Center II - West of 15th	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150,000	-
CoE - Molecular Engineering Phase II	65,000	-	-	-	-	-	-	-	-	-	-	-	-	65,000	-
Core Research Facilities - Vista II	92,500	-	-	-	-	-	-	-	-	-	-	-	-	2,500	90,000
Foegen West	120,000	-	-	-	-	-	-	-	-	-	-	-	10,000	-	110,000
Health and Life Sciences - Hitchcock East	10,000	-	-	-	-	-	-	-	-	-	10,000	-	-	-	-
MHSC Renovation - H Wing - Research Repurpose	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MHSC Renovation - H&G Core - Office Repurpose	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MHSC Renovation - I Wing - Office & Education Repurpose	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Wave / Program Use Project Name	Total Funding (\$,000)	Proposed FY 2013 Capital Budget				Proposed 2013-2015 Capital by Fund Source					Potential 2015-25 Capital by Fund Source				
		State	BldgAcct	Local	Debt	State	BldgAcct	Local	Partners	Debt	State	BldgAcct	Local	Partners	Debt
Portage Bay Research Building No. 2	250	-	-	-	-	-	-	-	-	-	-	-	250	-	-
Portage Bench Research Center - UW/NOAA/Partners	250	-	-	-	-	-	-	-	-	-	-	-	-	250	-
SOM - South Lake Union Phase 3.2	147,000	-	-	-	-	-	-	-	-	-	-	-	12,800	-	134,200
SOM - South Lake Union Phase 3.3	190,000	-	-	-	-	-	-	-	-	-	-	-	16,500	-	173,500
<b>Student Life</b>															
Daycare Center Expansion	4,500	-	-	-	-	-	-	-	-	-	-	-	-	-	4,500
UW Tacoma Student Union - Phase 1	7,500	-	-	-	-	-	-	-	-	-	-	-	-	-	7,500
	1,861,445	-	-	-	-	-	-	-	-	-	-	513,600	-	40,650	535,750
	6,006,643	28,387	25,876	58,250	35,000	187,025	62,000	83,635	35,750	314,000	1,230,700	264,000	213,375	1,505,350	1,748,795

# FY 2013 Capital Budget, Operating Budget, and Tuition Item

Paul Jenny  
Vice Provost, Planning & Budgeting

June 7, 2012

F-19/206-12

6/7/12

# FINAL BUDGET ITEM - OVERVIEW

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- I. The structure of this presentation is as follows:
  - i. Operating Budget
  - ii. Tuition Item
  - iii. Capital Budget
  - iv. Questions

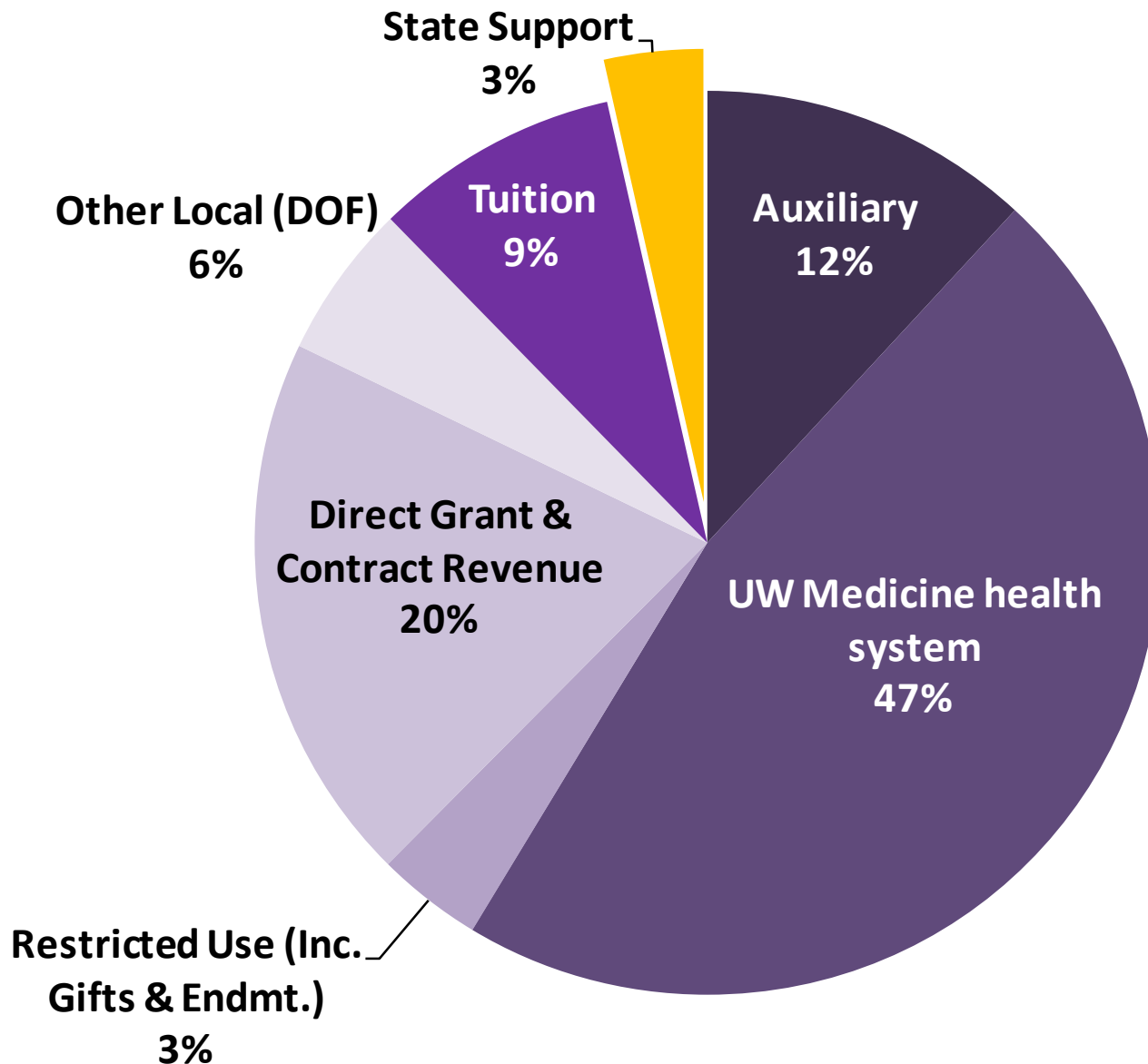
# OPERATING BUDGET

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# FY13 REVENUES AND EXPENDITURES = \$5.9 BILLION



# BREAKDOWN OF THE OPERATING BUDGET

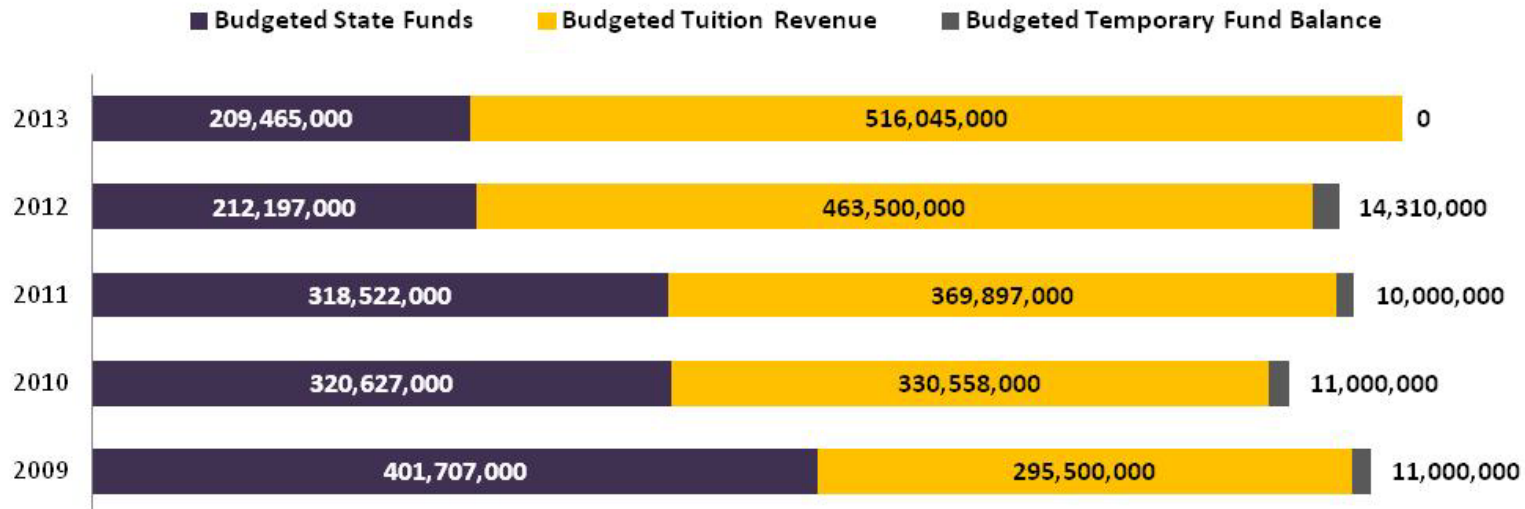
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- University Operating Resources budgets for core education support summarize state funds, tuition revenue, and “designated operating funds” (indirect cost recovery, summer quarter revenue, institutional overhead, etc.)
  - New state funds reduction was minimal
  - State funding provisos to specific activities within current appropriation levels was more impactful
  - Operating resources assumes legislatively authorized 16% resident undergraduate tuition rate increase, 6% nonresident undergraduate increase, and 0 to 25% graduate/professional increases (net of financial aid)

# UNIVERSITY OPERATING RESOURCES OVER TIME

University Operating Resources	FY 2013 Proposed	FY 2012 Adopted
<b>General Operating Fund</b>		
State General Fund	209,465,000	212,197,000
Tuition Operating Fees	517,394,000	463,500,000
Use of Fund Balance for Temporary Expenditures	0	14,310,000
<b>TOTAL REVENUES</b>	<b>726,859,000</b>	<b>690,007,000</b>
<b>Designated Operating Fund</b>		
Indirect Cost Recovery	233,000,000	230,000,000
Institutional Overhead	20,000,000	17,288,000
Summer Quarter Tuition	46,600,000	40,692,000
Investment Income	16,176,000	15,000,000
Miscellaneous Fees	5,795,000	5,795,000
UWB & UWT Admin Overhead	4,755,000	4,755,000
Administrative Allowances	200,000	200,000
<b>TOTAL REVENUES</b>	<b>326,526,000</b>	<b>313,730,000</b>
<b>TOTAL - UNIVERSITY OPERATING RESOURCES</b>	<b>1,053,385,000</b>	<b>1,003,737,000</b>

# STATE APPROPRIATIONS AND NET TUITION



- Total general operating fund (GOF) revenue will be higher than FY09; however
- Total GOF revenue for FY13 still represents a shortfall in *per student FTE* funding of \$3,000 when compared to FY08, because we educate far more students per year

# UNIVERSITY OPERATING RESOURCES

<b>Tri-Campus Budget Changes</b>	
FY2013 State Funding Reduction	(2,732,000)
FY2013 Permanent Fund Shift to Engineering	(3,800,000)
FY2013 Permanent Fund Shift to WWAMI	(610,000)
FY2013 Permanent Fund Shift to RIDE	(190,000)
<b>Total FY2013 UW State Required Adjustments</b>	<b>(7,332,000)</b>
Less UWB Share of \$7.3 million Cut	364,000
Less UWT Share of \$7.3 million Cut	466,000
<b>Subtotal FY2013 UW Seattle State Req'd. Adjustments</b>	<b>(6,502,000)</b>
Fixed/required Cost Increases Seattle (Appendix 2, Last Line)	(18,375,000)
Offsetting ICR Revenue Increase	3,000,000
Offsetting Institutional Overhead Increase	2,712,000
Offsetting Summer Quarter Revenue Tuition Increase	4,270,000
Offset to UW Seattle Cut (Ruckelshaus Transfer to WSU)	90,000
Offsetting Administrative Benefit Rate Covered by Provost	2,711,000
<b>UWS TOTAL ADJUSTED REDUCTION</b>	<b>(12,094,000)</b>

# FIXED/REQUIRED COST INCREASES

---

*Seattle fixed/required cost increases are detailed in Appendix 2, page 25 of F-9b*

- Major required cost increases include:
  - Utility Increases (\$1.8 million)
  - Risk Financing Pool (\$1 million)
  - Previous Commitments to Deans/VPs (\$3 million)
  - Benefit Expenses for Administrative Units (\$2.7 m)
  - HUB Renovation Commitment (\$1.4 million)

# DIRECT RESEARCH ENTERPRISE & RESTRICTED FUNDS

Revenues	FY 2013 Proposed	FY 2012 Adopted
<b>Research Enterprise</b>		
Grants and Contracts Direct Costs	1,164,898,000	1,150,898,000
<b>TOTAL REVENUES</b>	<b>1,164,898,000</b>	<b>1,150,898,000</b>
<b>TOTAL EXPENDITURES</b>	<b>1,164,898,000</b>	<b>1,150,898,000</b>
<b>Restricted Funds</b>		
Gift Income & Endowment Distributions	214,255,000	192,630,000
State Restricted Funds	8,274,000	6,949,000
<b>TOTAL REVENUES</b>	<b>222,529,000</b>	<b>199,579,000</b>
<b>TOTAL EXPENDITURES</b>	<b>222,529,000</b>	<b>199,579,000</b>

- Direct research expenditures (non-ARRA) are expected to grow in FY13, barring sequestration
- Endowment distributions now reflect 1% used to fund Treasury and Advancement expenses
- State Restricted includes \$1.5M for new, joint Aerospace Center

# UW MEDICINE HEALTH SYSTEM

Revenues	FY 2013 Proposed	FY 2012 Adopted
<b>UW Medicine health system</b>		
UW Medical Center	908,936,000	867,015,000
Harborview Medical Center	782,163,000	759,683,000
Valley Medical Center	441,486,000	404,129,000
NW Hospital	315,821,000	305,554,000
UW Physicians	242,200,000	235,500,000
Airlift NW	42,500,000	37,551,000
UW Neighborhood Clinics	29,530,000	27,676,000
<b>TOTAL REVENUES</b>	<b>2,762,636,000</b>	<b>2,637,108,000</b>
<b>TOTAL EXPENDITURES</b>	<b>2,762,636,000</b>	<b>2,637,108,000</b>

- Preliminary revenues and expenditures from the UW Medicine health system represent 47% of the UW's FY13 budget
- Moderate growth expected in all areas of the health system



# AUXILIARY UNITS

Revenues	FY 2013 Proposed	FY 2012 Adopted
<b>Auxiliary Activities</b>		
Housing and Dining	81,421,000	68,680,000
Intercollegiate Athletics	81,809,000	71,872,000
Educational Outreach	93,406,000	85,225,000
Parking	34,651,000	35,152,000
Other Auxiliary Activities	410,238,000	402,194,000
<b>TOTAL REVENUES</b>	<b>701,525,000</b>	<b>663,123,000</b>
<b>TOTAL EXPENDITURES</b>	<b>701,525,000</b>	<b>663,123,000</b>

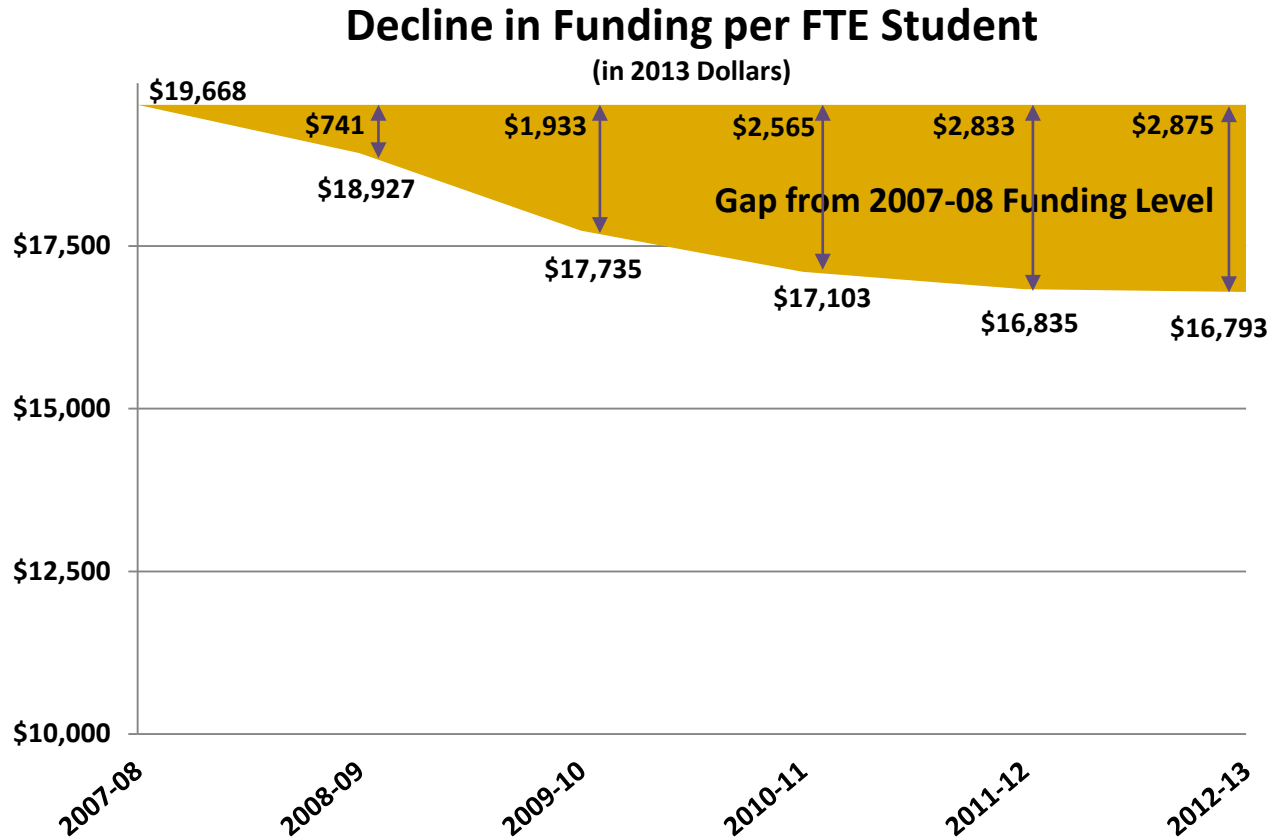
- “Other auxiliary activities” include internal service units (stores, motor pool, publication services, etc.), student government, recreational sports, and course fee revenue

# TUITION ITEM

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# FUNDING TRENDS



- Funding per FTE is \$3,000 less than it was in FY08, due to declining state funding and increasing enrollments
- Over the last ten years, comparatively more expensive STEM degree production increased 60%

# LARGER CLASS SIZES, FEWER TEACHERS

---

- Since 2008:
  - Faculty FTE funded from University Op Resources declined 7% while student FTE increased 8%
  - Proportion of tenure-track faculty decreased from 50.2% to 47.6%
  - In 2008, tenure-track faculty taught 60% of undergrad courses while last year, they taught 54%
- Since 2006, the average 100-level class size grew from 48 to 61; the average 300-level class size from 37 to 42
- In 2009, the UW employed about 1,550 TAs per quarter; this year, the UW employs an average of 1,475 TAs per quarter

# IMPROVING QUALITY & THE STUDENT EXPERIENCE

---

- Ensure access to top, tenure-track faculty
- Reduce class sizes and increase the number of TAs available for courses
- Open up additional enrollment slots in Computer Science & Engineering
- Significant new investments in Biology, Chemistry, Math, and English, with smaller investments in Physics
- Expand Writing Center programming/support
- Expand career and mental health counseling
- Continue to invest in Financial Aid, funding all SNG *eligible* students (State funding leaves many without a grant) and move toward peer institutions' return-to-aid levels (approximately 30%)

# TUITION PROPOSAL – RESIDENT UNDERGRADS

- Last May, Regents considered a two-year tuition proposal of 20% and 16% for resident undergraduates, citing significant biennial reductions applied to both fiscal years
- Revenue assumptions in the UW Operating Budget include new revenue from a 16% increase; Administration recommend 16% increase

	Undergraduate Resident Tuition Increase for 2012-13		
	14%	16%	18%
<b>Tuition Rate*</b>	\$11,110	\$11,305	\$11,500
<b>Net Revenue Increase</b>	\$30.3 m	\$34.6 m	\$39.0 m
<b>Incremental Aid Required</b>	\$8.7 m	\$10.0 m	\$11.5 m
<b>Net Revenue After Aid</b>	\$21.6 m	\$24.6 m	\$27.5 m

\* Does not include mandatory fees

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# TUITION PROPOSAL – PEER COMPARISONS

- When comparing the UW resident undergraduate **tuition & fee** rate to peers (current and inflated for 2012-13) the UW rate remains average

Undergraduate Resident	2011-12	2012-13*
University of Washington (Seattle)	10,574	12,401
University of Washington (Bothell)	10,241	11,901
University of Washington (Tacoma)	10,343	11,902
Global Challenge State Peer Average	11,858	12,450
US News Top Ten Public Average	11,645	12,227

\* 2012-13 Peer projections are based on a 5% increase; the UW's projection is based on a 16% increase and contains an estimate of fees (\$1,080).

- Peer tuition rates for 2012-13 are estimates and we intend to update these projections as additional information is available

*See page 15 of F-9b, table 12 for more specific peer tuition rate information*

# TUITION PROPOSAL – GRAD/PROF, NONRES UG

<b>2012-13 Proposed Tuition ONLY</b>	<b>Resident</b>	<b>Nonresident</b>
Undergraduate	11,305	28,864
Graduate Tier I	13,280	25,690
Graduate Tier II	13,620	26,240
Graduate Tier II	13,930	26,790

- Nonresident undergrad tuition would increase 6%
- Other graduate/professional categories would increase from 0% to 15%
- Proposed tuition rates that have been adjusted since the May item was released are highlighted in yellow

*Please review page 15 of F-9b, table 12 for a comprehensive list of all tuition changes*



# TUITION PROPOSAL – NEW INVESTMENTS

---

- Last June, Regents redirected half of new incremental revenue from resident undergraduates to financial aid and half to undergraduate schools and colleges to increase course access
- This year, we propose tuition increases support restoring the quality of education, furthering academic support systems, and ensuring access to courses at UW, while maintaining a strong commitment to financial aid

# PROVOST'S INVESTMENT PRIORITIES

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- **Compliance Issues:** chemical waste disposal, better staffing for grant processing
- **Academic Access & Quality:** increasing access to classes, hiring more tenure-track faculty, employing more TAs
- **Academic Support Programs:** expanding access to Writing Centers, e-books, upgrading classroom technology, more mental health and career counselors
- **Other Support Programs:** hiring enough Human Resources personnel, processing leaves, administrative assistance

# FINANCIAL AID

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- 30 percent of incremental tuition revenue from the tuition increase for 2012-2013 be diverted to financial aid, consistent with the policies of many other schools (University of California supports a 30 percent return to aid)
- A major priority of financial aid distribution is funding all SNG *eligible* students (State funding leaves many without a grant)
- Continuing our commitment to Husky Promise is vital to preserve diversity and access of the student body

# 2012-13 PROJECTIONS OF REVENUE VS. AID

- Under this proposal, undergraduates will continue to contribute disproportionately to total tuition revenue, but also consume more institution-based aid

2012-13 Institutional Aid		Undergraduate		Graduate/Professional		Total
		Resident	Non-Resident	Resident	Non-Resident	
3% need waivers, 1% merit waivers, 5% set-aside	From Group:	\$25,070,000	\$10,474,000	\$7,263,000	\$5,830,000	\$48,637,000
	To Group:	<b>\$32,537,000</b>	\$0	\$16,100,000	\$0	\$48,637,000
Additional Aid		\$22,260,000	\$0	\$0	\$0	\$22,260,000
Total Aid from Tuition Revenue		\$54,797,000	\$0	\$16,100,000	\$0	\$70,897,000
Waivers - Foregone Revenue		\$2,673,300	\$2,746,500	\$8,319,300	\$55,846,500	\$69,585,600
Total Tuition-Related Financial Aid		\$57,470,300	\$2,746,500	\$24,419,300	\$55,846,500	\$140,482,600
Tuition-Related Financial Aid as Percentage of Total Tuition Charged		20.1%	1.7%	28.0%	45.5%	21.3%

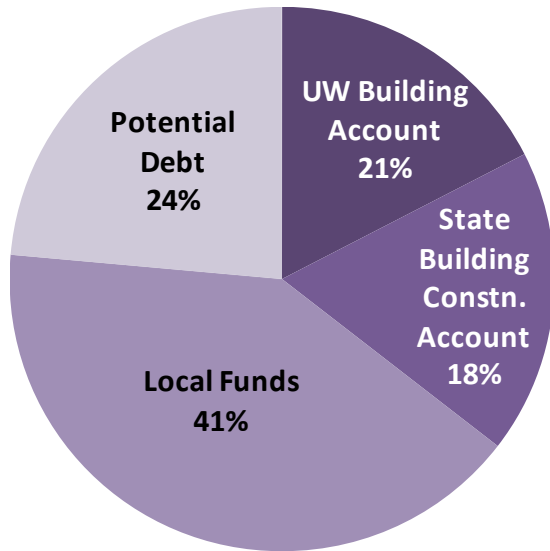
- **Total return to aid for resident undergraduates will likely increase from 17.8% to 20.1%**
- Graduate assistants consume a disproportionate amount of tuition waivers (**foregone revenue**)

# CAPITAL BUDGET

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# “FY13” UW CAPITAL BUDGET OVERVIEW



*Begins on page 18 of F-9b, summary table on page 23*

- \$26.8 million in NEW state bonds
- \$25.8 million building account appropriations
- \$60.8 million in local fund expenditures
- \$35 million potential new debt

# “2013-15” UW STATE CAPITAL BUDGET OVERVIEW

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*See new table 14, page 23*

*13-15 (FY14 & FY15) Request Includes:*

- \$62 million in UW building account
- \$187 million state building account support
- \$80.6 million in local fund expenditures
- \$314 million potential new debt

# Questions

F-19/206-12

6/7/12





## ASUWT Report

June 7, 2012

- **Open Public Forum (OPF)**
  - Theme: *Barbeque*
  - Discussion Items
    - Transition to new ASUWT officials
    - Service to the students
- **Student Technology Fee Committee (STFC) Annual Allocation Process**
  - Allocated student technology fees to for various technology needs for students
    - e.g. print stations and maintenance, computers, student technology employee wages.
- **Congressman Adam Smith on Higher Education**
  - Legislative Liaison Eric Lint Conducted
    - Talked about issues in Higher Education
      - Dialogue between students and Smith
      - Big faculty turnout
- **ASUWT Constitutional and By-Law Changes**
  - ASUWT Committee went over changes to Constitution
  - Passed through the ASUWT Senate
  - Sent out to student body for voting
  - Voted on by students-passed
  - Discrepancies found by judicial board
  - Next year's team to review
- **Student Union building**
  - Various meetings held with students on input
  - Discussion of RFP
  - Decision on whether a parking garage or a student union building is more conducive for students
- **ASUWT Elections**
  - Large voter turnout
  - New team is being transitioned
  - Hiring for executive board positions
- **Exam Cram**
  - Library was open for 2 additional hours (until midnight) for students
  - was held the week before finals week
  - ASUWT metal water bottles were provided for students to promote sustainability

By: Ally Molloy (2012 ASUWT President)

## Report of the Faculty Senate Chair

Professor Astley's Report to the Board of Regents, June 2012

Thank you for this opportunity to present today. As the academic year comes to a close, I can look back on a very productive year. A number of important issues came before the Senate (welcoming a new President and Provost; the impact of 4 years of salary freezes on faculty retention, recruitment, and salary policy; substantial changes to the UW Retirement Plan; diversity and faculty promotion; the implications of online education; faculty intellectual property rights; and faculty effort certification). I would like to thank President Young and Provost Cauce for their extraordinary level of commitment and follow through on all of these issues. The latest issue to be brought to my attention is gender equity in faculty promotion and salary compensation at the University of Washington. This is a timely subject what with Congress failing to pass the Paycheck Fairness Act this week; an Act requiring equal pay for comparable work. Overall, women in the U.S. make 77 cents to a man's dollar. I could not help but notice some compelling statistics presented in the University of Washington [2011 Facts for Academic Personnel](#) included in your meeting notes today. While 53% of students (undergraduate through professional) are female, only 38% of the faculty is female. This statistic becomes more troubling as you compare the proportion of female faculty across the ranks (Lecturer 58%, Assistant Professor 45%, Associate Professor 43%, Full Professor 27%). Among the Tenure/Tenure Track faculty, the proportion of women has increased by only 5 percentage points over the past ten years (2001 29% women, 2011 34% women). The New Hire statistics for 2011 may help explain, in part, why so little progress has been made in the past ten years. Only 44% of Professional Faculty new hires were female. The percentage of female hires drops precipitously as one advances up the ranks (47% of Assistant Professors hired were female; 36% of Associate Professors hired were female; and only 18% of Full Professors hired were female). Of the 3,899 professional faculty in 2011, 52% are tenure/tenure track, 38% WOT, and 10% Research. Of the tenure/tenure track positions across the schools in 2011, many schools had less than 25% of their tenure positions held by women (Public Health 23%, Pharmacy 25%, Medicine 21%, Environment 25%, Foster 19%, Engineering 20%). These statistics do not bode well for gender equity in faculty rank and underscore the importance of a thorough review of gender equity in salary compensation. It will be important to identify and minimize factors that may be impeding women from advancing to or being hired into full professor positions.