



**June 27, 2013**

**TO:** Members of the Board of Regents  
**FROM:** Joan Goldblatt, Secretary of the Board of Regents  
**RE:** Schedule of Special Meetings

**MONDAY, JULY 1, 2013**

**11:00 a.m.                      Gerberding Hall                      SPECIAL MEETINGS OF THE BOARD  
   Room 142                                      OF REGENTS**

**AGENDAS**

**BOARD OF REGENTS SPECIAL MEETINGS  
MONDAY, JULY 1, 2013  
11:00 a.m.  
Gerberding Hall, Room 142**

**Academic and Student Affairs Committee  
*In Joint Session with*  
Finance, Audit and Facilities Committee**

**Fiscal Year 2014 Operating and Capital Budget Approval and                      ACTION                      F-1  
2014 and 2015 Tuition Rates Approval**

**OR**

**Revised Fiscal Year 2014 Operating Budget Approval  
*(Regents will consider one of the two items.)*  
Paul Jenny, Vice Provost, Planning and Budgeting**

**SPECIAL MEETING OF THE BOARD OF REGENTS**

- I. CALL TO ORDER**
- II. ROLL CALL: Assistant Secretary Shelley Tennant**
- III. CONSENT AGENDA**

**Fiscal Year 2014 Operating and Capital Budget Approval and 2014 and 2015                      F-1  
Tuition Rates Approval**

**OR**

**Revised Fiscal Year 2014 Operating Budget Approval  
*(Regents will consider one of the two items.)***

- IV. DATE FOR NEXT REGULAR MEETING: Thursday, July 11, 2013**
- V. ADJOURN**

**MINUTES**

**BOARD OF REGENTS  
University of Washington**

**Special Meetings  
Thursday, July 1, 2013  
11:00 a.m.  
142 Gerberding Hall**

The Board of Regents held Special Meetings on July 1, 2013, in 142 Gerberding Hall. The notice of the meetings was provided appropriately to the public and the media.

**CALL TO ORDER**

Following a Special Meeting of the Academic and Student Affairs Committee in joint session with the Finance, Audit and Facilities Committee, beginning at 11:00 a.m., the Special Meeting of the Board was called to order at 11:40 a.m. by Regent Joanne Harrell, Chair of the Board.

**ROLL CALL**

Assistant Secretary Tennant called the roll.

Present were Regents Smith and Jaech. Present by telephone were Regent Harrell (chairing), and Regents Ayer, Blake, Cole, Jordan, Shanahan and Simon. There was one vacant position on the Board.

Present were Secretary of the Board, Ms. Goldblatt; ex officio members of the Board, Dr. Gregory, Faculty Senate Chair; Mr. Kutz, ASUW President; and Mr. Lizotte, GPSS President. Present by telephone were President Young, Provost Cauce, and the Treasurer of the Board, Ms. Warren.

**CONSENT AGENDA**

**MOTION:** Upon the recommendation of the Finance, Audit and Facilities Committee; the Academic and Student Affairs Committee; the Chair of the Board; and the motion made by Regent Smith, the Board voted to approve the following item:

**Fiscal Year 2014 Operating and Capital Budget Approval and 2014 and 2015 Tuition Rates Approval** (Agenda item F-1)

It was the recommendation of the administration that the Board of Regents, pursuant to its authority under RCW 28B.20.130, the Bylaws of the Board of Regents, and the Board of Regents Standing Order No. 1, approve the Fiscal Year 2014 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 2014 Operating Budget;
2. Establishes tuition rates for all tuition categories for the 2013-14 academic year and the 2014-15 academic year;
3. Changes selected fees for Fiscal Year 2014;
4. Specifies that academic fee increases that are implemented under authority that the Board of Regents has delegated to the President and Provost that are consistent with the limitations the Board has specified are reasonable and necessary; and,
5. Adopts the Fiscal Year 2014 Capital Budget.

See Attachment F-1.

Regent Jordan commented this would be his last vote as a Regent and he was excited to approve this "best case scenario" budget with no tuition increase for undergraduate resident students. He thanked everyone who worked so hard on the budget and legislative process this past year.

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

Regent Harrell announced the next Regular Meeting would be held on Thursday, July 11, 2013.

#### **ADJOURNMENT**

Regent Harrell adjourned the Special Meeting at 11:45 a.m.



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Joan Goldblatt  
Secretary of the Board of Regents

*Approved at the meeting of the Board on July 11, 2013.*



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

AGENDAS

SPECIAL MEETINGS  
MONDAY, JULY 1, 2013  
11:00 a.m.  
Gerberding Hall, Room 142

Academic and Student Affairs Committee  
Regents Ayer (Chair), Cole, Jaech, Jordan  
*In Joint Session with*  
Finance, Audit and Facilities Committee  
Regents Smith (Chair), Blake, Shanahan, Simon

Fiscal Year 2014 Operating and Capital Budget Approval and  
2014 and 2015 Tuition Rates Approval

ACTION

F-1

Paul Jenny, Vice Provost, Planning and Budgeting

SPECIAL MEETING OF THE BOARD OF REGENTS

I. CALL TO ORDER

II. ROLL CALL: Assistant Secretary Shelley Tennant

III. CONSENT AGENDA

Fiscal Year 2014 Operating and Capital Budget Approval and 2014 and 2015  
Tuition Rates Approval

F-1

IV. DATE FOR NEXT REGULAR MEETING: Thursday, July 11, 2013

V. ADJOURN

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

*in Joint Session with*

**B. Finance, Audit and Facilities Committee****Fiscal Year 2014 Operating and Capital Budget Approval and 2014 and 2015 Tuition Rates Approval****RECOMMENDED ACTION:**

It is the recommendation of the administration that the Board of Regents, pursuant to its authority under RCW 28B.20.130, the Bylaws of the Board of Regents, and the Board of Regents Standing Order No. 1, approve the Fiscal Year 2014 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 2014 Operating Budget;
2. Establishes tuition rates for all tuition categories for the 2013-14 academic year and the 2014-15 academic year;
3. Changes selected fees for Fiscal Year 2014;
4. Specifies that academic fee increases that are implemented under authority that the Board of Regents has delegated to the President and Provost that are consistent with the limitations the Board has specified are reasonable and necessary; and,
5. Adopts the Fiscal Year 2014 Capital Budget.

**BACKGROUND:**

Operating and capital budgets are presented in this action item to the UW Board of Regents. The FY14 operating budget, tuition item, and capital budget are being presented in one comprehensive draft, rather than several items.

- The first section of this draft contains the FY14 operating budget. The maintenance level in the Compromise Budget was used as the baseline. Expenses and revenues for all UW units, auxiliary, academic and central, are presented in this section.
- The second section is a compilation of tuition rates, financial aid policy, and other related information. This section was written to inform stakeholders about multiple

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

*in Joint Session with*

### B. Finance, Audit and Facilities Committee

#### Fiscal Year 2014 Operating and Capital Budget Approval and 2014 and 2015 Tuition Rates Approval (continued p. 2)

tuition and financial aid options. Tuition rates for FY2014 and FY2015 are being submitted for approval.

- The final section of this item highlights capital budget recommendations for FY14 and a revised rendition of the “UW Capital Plan.”

#### *Attachment*

#### Fiscal Year 2014 (FY14) Operating Budget, Tuition Item, and Capital Budget

- Appendix 1: Proposed Budget, University Operating Resources for Fiscal Year 2014
- Appendix 2: Required Cost increases/Adjustments for Fiscal Year 2014
- Appendix 3: UW 10 Year Capital Plan, updated

# **SECTION 1: OPERATING BUDGET**

**W** UNIVERSITY *of* WASHINGTON | OFFICE OF PLANNING & BUDGETING

ATTACHMENT

## Operating Budget - Revenues and Expenditures by Fund and Category

Budgeted revenues and expenditures for the coming fiscal year are \$6 billion, a 2 percent increase over the prior fiscal year. **As specified in the 2013-15 biennial state operating budget, tuition operating fee revenue presented below includes no increase in resident undergraduate tuition.**

<b>TABLE 1: Revenues and Expenditures by Area</b>	<b>FY 2014 Proposed</b>	<b>FY 2013 Adopted*</b>	<b>Change FY13 to FY14 (\$)</b>	<b>Change FY13 to FY14 (%)</b>
<b>University Operating Resources</b>				
State General Fund	253,896,000	209,465,000	44,431,000	21%
Tuition Operating Fee Revenue	556,890,000	517,394,000	39,496,000	8%
Designated Operating Fund	80,674,000	73,526,000	7,148,000	10%
Indirect Cost Recovery	226,771,000	233,000,000	(6,229,000)	-3%
Institutional Overhead	20,000,000	20,000,000	0	0%
<b>TOTAL REVENUES</b>	<b>1,138,231,000</b>	<b>1,053,385,000</b>	<b>84,846,000</b>	<b>8%</b>
<b>TOTAL EXPENDITURES</b>	<b>1,138,231,000</b>	<b>1,053,385,000</b>		
<b>Research Enterprise</b>				
Grants and Contracts Direct Costs	1,089,898,000	1,164,898,000	(75,000,000)	-6%
<b>TOTAL REVENUES</b>	<b>1,089,898,000</b>	<b>1,164,898,000</b>	<b>(75,000,000)</b>	<b>-6%</b>
<b>TOTAL EXPENDITURES</b>	<b>1,089,898,000</b>	<b>1,164,898,000</b>		
<b>Restricted Funds</b>				
Gift Income & Endowment Distributions	224,715,000	214,255,000	10,460,000	5%
State Restricted Funds	8,494,000	8,274,000	220,000	3%
<b>TOTAL REVENUES</b>	<b>233,209,000</b>	<b>222,529,000</b>	<b>10,680,000</b>	<b>5%</b>
<b>TOTAL EXPENDITURES</b>	<b>233,209,000</b>	<b>222,529,000</b>		
<b>UW Medicine health system (Preliminary)</b>				
UW Medical Center	944,000,000	908,936,000	35,064,000	4%
Harborview Medical Center**	785,000,000	782,163,000	2,837,000	0%
Valley Medical Center	450,000,000	441,486,000	8,514,000	2%
NW Hospital	320,000,000	315,821,000	4,179,000	1%
UW Physicians	253,000,000	242,200,000	10,800,000	4%
Airlift NW	50,230,000	42,500,000	7,730,000	18%
UW Neighborhood Clinics	33,100,000	29,530,000	3,570,000	12%
<b>TOTAL REVENUES</b>	<b>2,835,330,000</b>	<b>2,762,636,000</b>	<b>72,694,000</b>	<b>3%</b>
<b>TOTAL EXPENDITURES</b>	<b>2,835,330,000</b>	<b>2,762,636,000</b>		
<b>Auxiliary Activities</b>				
Housing and Dining	91,736,000	81,421,000	10,315,000	13%
Intercollegiate Athletics	95,621,000	81,809,000	13,812,000	17%
Educational Outreach	106,417,000	93,406,000	13,011,000	14%
Parking	36,598,000	34,651,000	1,947,000	6%
Additional Auxiliary Activities	418,443,000	410,238,000	8,205,000	2%
<b>TOTAL REVENUES</b>	<b>748,815,000</b>	<b>701,525,000</b>	<b>47,290,000</b>	<b>7%</b>
<b>TOTAL EXPENDITURES</b>	<b>748,815,000</b>	<b>701,525,000</b>		
<b>Total Revenues</b>	<b>6,045,483,000</b>	<b>5,904,973,000</b>	<b>140,510,000</b>	<b>2%</b>
<b>Total Expenditures</b>	<b>6,045,483,000</b>	<b>5,904,973,000</b>	<b>140,510,000</b>	<b>2%</b>

\* With the exception of the health system, FY13 "adopted" reflects Regents FY13 adopted budget.

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



## Significant Considerations for FY14

### The UW's FY14 budget, combining all sources of revenue, is anticipated to be \$6 billion.

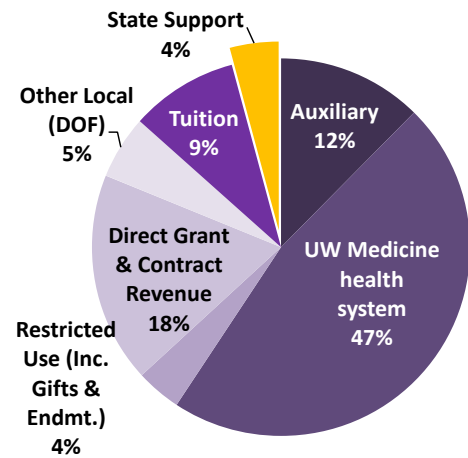
Primary revenue sources in FY14 include those from the UW Medicine health system, federal grants and contracts, and net tuition operating fees.

**Net tuition operating fees:** As specified in the 2013-15 biennial state operating budget, tuition operating fee revenue presented below includes no increase in resident undergraduate tuition.

Although slow economic recovery continues to stunt the state's general fund growth, the Legislature, with the 2013-15 biennial state operating budget, has begun to restore state support for higher education. State funding per student FTE had dropped significantly over the past five years, from \$11,270 (FY08) to \$4,820 (FY13); with the appropriation for FY14, state funding per FTE will increase to \$5,670. This represents a 17.6 percent increase in state funding per FTE over FY13.

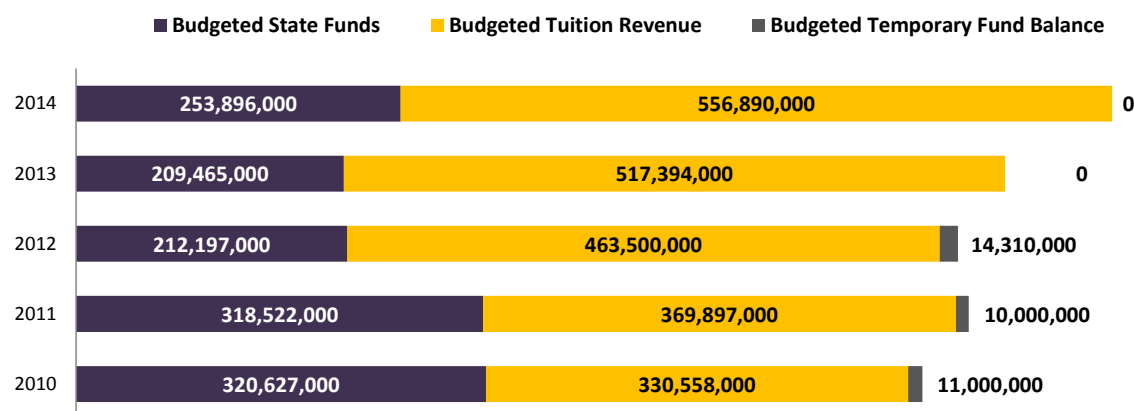
### Important Policies Implicit in the FY14 Draft Budget:

1. Budget recommendations are the result of the priorities and principles developed during broad cross-campus consultation. During April and 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 operating fee revenue flows back to where it is produced. Accordingly, on the Seattle campus, 70 percent of the net incremental operating fee revenue from tuition increases will be allocated back to the **academic units** that generate operating fee revenue, while 30 percent will be allocated by the Provost for investment in critical academic and support services. The principle investment focus in the operating budget will be compensation. In addition to compensation, compliance issues will be addressed, along with initiatives to enhance and better the student experience at the University of Washington.
3. Given that additional state appropriations were provided for this biennium in order to enable the University to avoid increasing tuition for undergraduate residents, a portion of the additional state appropriations will be distributed to units. More specifically, an amount equal to that which would have been distributed under ABB if undergraduate resident tuition had increased by 3 percent will be provided to units and will become part of each unit's supplement.
4. 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. Full implementation of ABB in FY2013 entailed a 35 percent return of ICR directly to units managing the grants, with 65 percent 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. The substantial increase in state funding in FY 2014 is a combined result of a restoration of certain cuts from the prior year and additional state resources to enable the University to avoid tuition increases for undergraduate residents. Tuition rates are provided in Table 10, beginning on page 13.

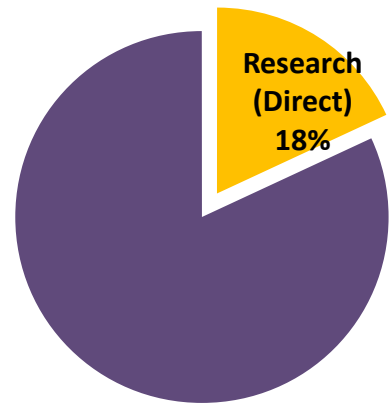


The proposed FY14 University Operating Resources budget is presented in Table 2 below. Note the indirect cost recovery is estimated to decrease by \$6.2M due to sequestration. The University began to see the effect of sequestration on grant activity in FY13 – a result of conservative awards in anticipation of the implementation of sequestration - and that effect is expected continue to worsen over time. Institutional overhead is projected to remain even with last fiscal year.

**TABLE 2: University Operating Resources**

University Operating Resources	FY 2014 Proposed	FY 2013 Adopted
<b>General Operating Fund</b>		
State General Fund		209,465,000
State General Fund - Maintenance Level	228,003,000	
Additional State Appropriation	20,000,000	
Adjustments to State Appropriation	(1,566,000)	
Computer Science and Engineering Enrollments	4,459,000	
Clean Energy Institute	3,000,000	
<b>Subtotal - State General Fund</b>	<b>253,896,000</b>	<b>209,465,000</b>
<b>Tuition Operating Fees</b>	<b>556,890,000</b>	<b>517,394,000</b>
<b>TOTAL REVENUES</b>	<b>810,786,000</b>	<b>726,859,000</b>
<b>Designated Operating Fund</b>		
Indirect Cost Recovery	226,771,000	233,000,000
Institutional Overhead	20,000,000	20,000,000
Summer Quarter Tuition	51,631,000	46,600,000
Investment Income	16,176,000	16,176,000
Miscellaneous Fees	6,595,000	5,795,000
UWB & UWT Admin Overhead	6,072,000	4,755,000
Administrative Allowances	200,000	200,000
<b>TOTAL REVENUES</b>	<b>327,445,000</b>	<b>326,526,000</b>
<b>TOTAL - UNIVERSITY OPERATING RESOURCES</b>	<b>1,138,231,000</b>	<b>1,053,385,000</b>

## Research Enterprise



Direct expenditures on grants and contracts are projected to decrease slightly in FY14. ARRA-related expenditures are expected to end this fiscal year, as the final deadline on ARRA grants is reached. This loss reduced estimated expenditures by about \$25 million. Again, the effect of sequestration can already be seen in the numbers for FY13. Sponsors such as NIH started awarding continuing renewals at 90% of the originally approved amount. Overall, the UW will likely see revisions to existing awards, fewer new awards, delays in funding and receipt of award notices and contracts, less frequent requests for funding applications and proposals, and possible reductions in approvals of carry-forward requests. The UW community is encouraged to remain cautious and conservative in spending federal awards and in planning for future federal funding. A reduction of an additional \$50 million in non-ARRA grants is projected, with a total reduction of \$75 million for ARRA and non-ARRA grants combined.

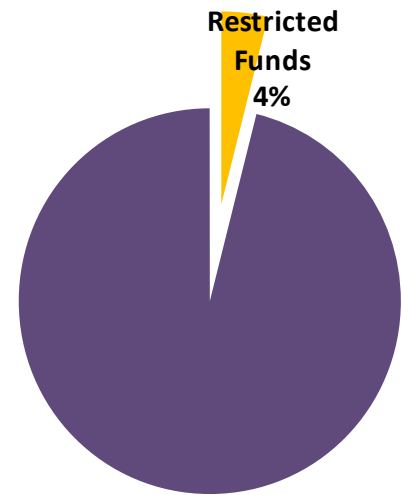
**TABLE 3: Research Enterprise**

Revenues	FY 2014 Proposed	FY 2013 Adopted
<b>Research Enterprise</b>		
Grants and Contracts Direct Costs	1,089,898,000	1,164,898,000
<b>TOTAL REVENUES</b>	<b>1,089,898,000</b>	<b>1,164,898,000</b>
<b>TOTAL EXPENDITURES</b>	<b>1,089,898,000</b>	<b>1,164,898,000</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 future years of endowment support. FY14 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 \$113 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. This year, we project \$112 million in gift income.



The majority of the "state restricted funds" line item is comprised of the 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 FY14. This category also includes a \$1.5 million appropriation from the Economic Development Strategic Reserve Account to support the new Aerospace Center (jointly run by the University of Washington, Washington State University, a \$0.9 million appropriation from a combination of accounts to fund ocean acidification research, a small appropriation from the Biotoxin Account, and other institutions), and a small amount from the Geoduck Aquaculture Account to fund research on shellfish aquaculture techniques.

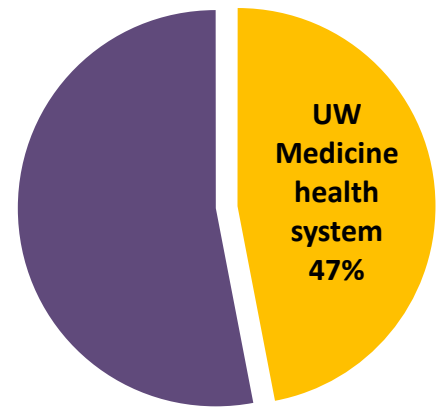
**TABLE 4: Restricted Funds**

Revenues	FY 2014 Proposed	FY 2013 Adopted
<b>Restricted Funds</b>		
Gift Income & Endowment Distributions	224,715,000	214,255,000
State Restricted Funds	8,494,000	8,274,000
<b>TOTAL REVENUES</b>	<b>233,209,000</b>	<b>222,529,000</b>
<b>TOTAL EXPENDITURES</b>	<b>233,209,000</b>	<b>222,529,000</b>

## UW Medicine Health System

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The listing of the components of the UW Medicine health system is now a regular section of the budget. **Please note that FY14 revenues and expenditures from the UW Medicine health system are preliminary.**

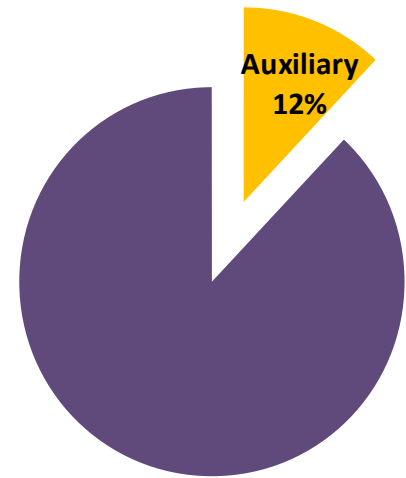


**TABLE 5: UW Medicine health system**

Revenues	FY 2014 Proposed	FY 2013 Adopted
<b>UW Medicine health system</b>		
UW Medical Center	944,000,000	908,936,000
Harborview Medical Center	785,000,000	782,163,000
Valley Medical Center	450,000,000	441,486,000
NW Hospital	320,000,000	315,821,000
UW Physicians	253,000,000	242,200,000
Airlift NW	50,230,000	42,500,000
UW Neighborhood Clinics	33,100,000	29,530,000
<b>TOTAL REVENUES</b>	<b>2,835,330,000</b>	<b>2,762,636,000</b>
<b>TOTAL EXPENDITURES</b>	<b>2,835,330,000</b>	<b>2,762,636,000</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 FY14. 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. The "Additional Auxiliary Activities" are presented in greater detail in Table 8 below. The projected revenue for Intercollegiate Athletics includes revenue from the opening of the new Husky Stadium in the Fall of 2013.



**TABLE 6: Auxiliary Units**

Revenues	FY 2014 Proposed	FY 2013 Adopted
<b>Auxiliary Activities</b>		
Housing and Dining	91,736,000	81,421,000
Intercollegiate Athletics	95,621,000	81,809,000
Educational Outreach	106,417,000	93,406,000
Parking	36,598,000	34,651,000
Additional Auxiliary Activities*	418,443,000	410,238,000
<b>TOTAL REVENUES</b>	<b>748,815,000</b>	<b>701,525,000</b>
<b>TOTAL EXPENDITURES</b>	<b>748,815,000</b>	<b>701,525,000</b>

**\*TABLE 7: "Additional Auxiliary Activities" (Threshold of \$11.5 million+ in Estimated Revenue)**

<b>"Additional Auxiliary Activities"</b>	<b>Estimated Revenue</b>
School of Medicine (includes Lab Medicine, medical residents, comparative med, genome sciences, WWAMI)	158,000,000
Misc. Auxiliary Activities*	149,653,000
UW Information Technology (UWIT)	39,700,000
School of Business (fee based programs and other activities)	15,700,000
International Programs and Exchanges	11,900,000
UW Bothell and UW Tacoma	15,950,000
Dentistry Clinics and Residents	14,000,000
Hall Health Center	13,540,000
<b>TOTAL</b>	<b>418,443,000</b>

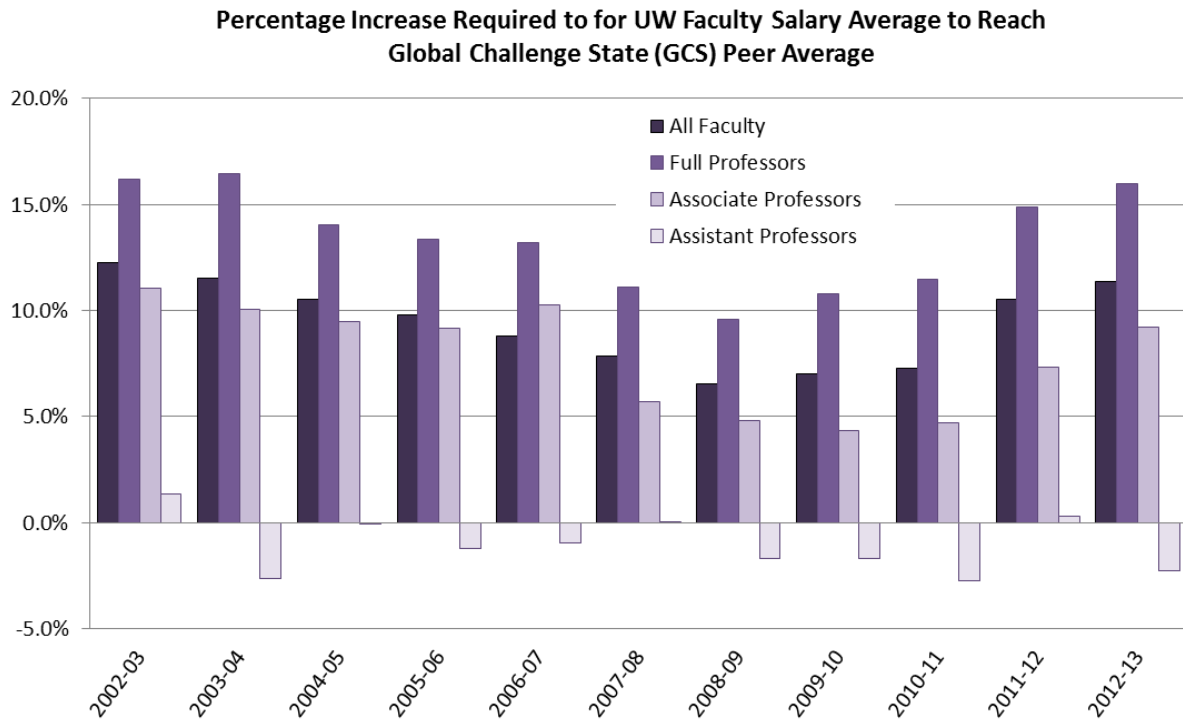
\*Contains revenue from over 400 smaller budgets that, individually, do not meet a \$11.5M threshold.

# SECTION 2: TUITION ITEM

## Tuition Item

This section is intended to provide the campus community information with respect to tuition and financial aid.

The salary freeze imposed by the state over the past four years has severely damaged the University's ability to recruit and maintain the top notch faculty who are the bedrock of the high quality educational experience provided to students. The chart below shows the extent to which the University of Washington has fallen behind peers during the four years of the salary freeze. Previous successes from efforts starting in 2007 to reduce the faculty salary gap have been eliminated. As a result, compensation is the biggest financial need in the coming two years. Additional funds will be required to make salary increases possible.



## Undergraduate Residents

Additional state appropriations were provided by the Legislature in order to enable the University to avoid increasing tuition for undergraduate residents, thus undergraduate resident tuition will not be increased in 2013-14 or 2014-15. Any increases in net tuition revenue from undergraduate residents will be a result of enrollment increases rather than tuition changes. Increases will be required for other tuition categories, as discussed in a later section of this item.



## Financial Aid Policy

There are a number of ways in which tuition policy is intertwined with financial aid policy. Large tuition increases without compensatory increases in financial aid affect the University's ability to support its mission of providing student access. When considering tuition increases, then, it is important to understand the associated financial aid requirements. Currently, 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 to provide additional aid to undergraduate residents. Given these policies, no increase in undergraduate resident tuition, and the increases for all other categories proposed in Table 10, we expect the aid profile for 2013-14 shown in Table 8. The University commitment to tuition-based aid remains strong at 19 percent.

**TABLE 8: 2013-14 Tuition-Based Aid and Waivers Representing Foregone Tuition Revenue**

2013-14 Tuition-Based Aid		Undergraduate		Graduate/Professional		Total
		Resident	Nonresident	Resident	Nonresident	
3% need waivers, 1% merit waivers, 5% set-aside	From Group:	25,093,600	12,885,910	7,638,834	6,126,924	51,745,268
	To Group:	34,281,000	0	17,464,000	0	51,745,000
Additional Aid		18,626,000	0	0	0	18,626,000
Total Aid for Group from Tuition Revenue		52,907,000	0	17,464,000	0	70,371,000
Waivers - Foregone Revenue		2,470,600	3,531,000	8,700,000	65,153,000	79,854,600
Total Tuition-Related Financial Aid		55,377,600	3,531,000	26,164,000	65,153,000	150,225,600
Tuition-Related Financial Aid Received as Percentage of Total Tuition Charged		19%	2%	29%	49%	21%

## 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 9, the resident undergraduate tuition and fee rate is slightly below the peer median. Given no increase in undergraduate resident tuition for two years, it is expected that the UW will be even more competitive.

**TABLE 9: 2012-13 Undergraduate Resident Peer Comparison - Global Challenge State Peers**

University of California Davis	13,877
University of Massachusetts	13,415
University of California San Diego	13,217
University of California Irvine	13,122
Rutgers, State University of New Jersey	13,073
University of California Los Angeles	12,692
<b>University of Washington</b>	<b>12,383</b>
University of Virginia	12,216
University of Connecticut	11,362
University of Colorado Boulder and Denver	9,482
University of Maryland College Park and Baltimore	8,908
<b>Peer Median</b>	<b>12,883</b>

### Nonresident Undergraduate and Graduate/Professional Tuition Categories

In order to provide both students and academic units greater predictability, the Regents are being asked to approve tuition recommendations for both years of the biennium. Table 11 shows the recommendations for all tuition categories. Tuition categories highlighted in blue (Global Master of Public Affairs and Masters of Industrial and Systems Engineering) are for new programs. Those highlighted in yellow represent instances where programs are being shifted into new categories. Those changes are:

- Graduate programs in the School of Public Health (other than the Master of Public Health) are being shifted from Graduate Tier III into a separate category.
- The College of Built Environments is dividing the College of Built Environments Master Degree category into two categories, with Masters in Construction Management, Landscape Architecture, and Urban Design and Planning in one category (with a lower rate) and the Masters in Architecture and Real Estate in the other.
- The School of Law is moving the Law Ph.D. program from Graduate Tier II into a separate category.
- The School of Dentistry is making a number of changes:
  - The Dentistry (DDS) category had different rates for incoming students and for students in the second through fourth year in the program last year. The School of Dentistry is proposing a different tuition rate for students in each year of the program.
  - Dental graduate programs are being moved from Graduate Tier II into four separate tuition categories:
    - Oral Biology,
    - Oral Medicine, Pediatric Dentistry, Periodontics, and Prosthodontics,
    - Endodontics, and
    - Orthodontics.

**TABLE 10: Tuition Recommendations for FY 2014 and FY 2015**

		FY 2013	FY 2014		FY 2015	
			% Change	Tuition	% Change	Tuition
<b>Seattle Campus</b>						
Undergraduate	Resident	\$11,305	0.0%	\$11,305	0.0%	\$11,305
	Non-Resident	\$28,860	7.0%	\$30,879	5.0%	\$32,424
Graduate Tier I	Resident	\$13,280	7.0%	\$14,211	7.0%	\$15,207
	Non-Resident	\$25,690	3.0%	\$26,460	3.0%	\$27,255
Graduate Tier II	Resident	\$13,620	7.0%	\$14,574	7.0%	\$15,594
	Non-Resident	\$26,240	3.0%	\$27,027	3.0%	\$27,837
Graduate Tier III	Resident	\$13,930	7.0%	\$14,904	7.0%	\$15,948
	Non-Resident	\$26,790	3.0%	\$27,594	3.0%	\$28,422
College of the Environment Graduate Programs	Resident	\$13,620	7.0%	\$14,574	7.0%	\$15,594
	Non-Resident	\$26,240	3.0%	\$27,027	3.0%	\$27,837
Master of Education and Master in Teaching	Resident	\$13,620	5.0%	\$14,301	5.0%	\$15,015
	Non-Resident	\$26,240	3.0%	\$27,027	3.0%	\$27,837
Doctor of Education and Education PhD	Resident	\$13,620	5.0%	\$14,301	5.0%	\$15,015
	Non-Resident	\$26,240	3.0%	\$27,027	3.0%	\$27,837
Master of Library and Information Science (MLIS)	Resident	\$13,930	3.0%	\$14,349	3.0%	\$14,778
	Non-Resident	\$26,970	3.0%	\$27,780	3.0%	\$28,614
Master of Social Work	Resident	\$14,600	8.5%	\$15,840	5.0%	\$16,632
	Non-Resident	\$26,930	3.0%	\$27,738	3.0%	\$28,569
Master of Public Health	Resident	\$15,660	3.0%	\$16,131	3.0%	\$16,614
	Non-Resident	\$31,800	3.0%	\$32,754	3.0%	\$33,738
Public Health Graduate Programs (other than MPH)	Resident	\$13,930	7.0%	\$14,904	7.0%	\$15,948
	Non-Resident	\$26,790	3.0%	\$27,594	3.0%	\$28,422
College of Built Environments Masters - Construction Mgmt. Landscape Architecture, Urban Design & Planning	Resident	\$15,770	-5.5%	\$14,910	7.0%	\$15,954
	Non-Resident	\$34,500	-20.0%	\$27,585	3.0%	\$28,413
College of Built Environments Masters - MArch and MSRE (Real Estate)	Resident	\$15,770	0.0%	\$15,771	7.0%	\$16,875
	Non-Resident	\$34,500	0.0%	\$34,500	3.0%	\$35,535
Master of Chemical Engineering	Resident	\$16,500	15.0%	\$18,975	5.0%	\$19,923
	Non-Resident	\$26,010	15.0%	\$29,913	5.0%	\$31,410
Masters of Industrial and Systems Engineering	Resident			\$18,975	5.0%	\$19,923
	Non-Resident		New program	\$29,913	5.0%	\$31,410
Master of Material Science and Engineering	Resident	\$16,500	15.0%	\$18,975	5.0%	\$19,923
	Non-Resident	\$26,010	15.0%	\$29,913	5.0%	\$31,410
Master of Public Affairs (MPA)	Resident	\$17,450	5.0%	\$18,324	5.0%	\$19,239
	Non-Resident	\$31,320	5.0%	\$32,886	5.0%	\$34,530
Global MPA	Resident		For internat'l students from internat'l institutions			
	Non-Resident		New program	\$37,500	2.0%	\$38,250

**TABLE 10 - continued : Tuition Recommendations for FY 2014 and FY 2015**

		FY 2013	FY 2014		FY 2015	
			% Change	Tuition	% Change	Tuition
<b>Seattle Campus</b>						
Nursing Master and Doctor of Nursing Practice	Resident	\$21,430	9.0%	\$23,358	9.0%	\$25,461
	Non-Resident	\$38,550	9.0%	\$42,021	9.0%	\$45,804
Doctor of Pharmacy	Resident	\$22,940	10.0%	\$25,233	5.0%	\$26,496
	Non-Resident	\$42,610	10.0%	\$46,872	5.0%	\$49,215
Master of Business Administration (Incoming)	Resident	\$26,530	5.0%	\$27,858	5.0%	\$29,250
	Non-Resident	\$39,080	5.0%	\$41,034	5.0%	\$43,086
Master of Business Administration (Continuing) <sup>1</sup>	Resident	\$25,510	4.0%	\$26,529	5.0%	\$27,855
	Non-Resident	\$37,580	4.0%	\$39,084	5.0%	\$41,037
Law (JD)	Resident	\$28,870	7.0%	\$30,891	0.0%	\$30,891
	Non-Resident	\$41,840	5.0%	\$43,932	0.0%	\$43,932
Master of Laws (LLM)	Resident	\$16,720	7.0%	\$17,889	0.0%	\$17,889
	Non-Resident	\$33,180	5.0%	\$34,839	0.0%	\$34,839
Law PhD	Resident	\$13,280	34.7%	\$17,889	0.0%	\$17,889
	Non-Resident	\$25,690	35.6%	\$34,839	0.0%	\$34,839
Dental Professional (DDS) Year 1 <sup>2</sup>	Resident	\$31,870	10.0%	\$35,058	10.0%	\$38,565
	Non-Resident	\$51,940	7.0%	\$55,575	7.0%	\$59,466
Dental Professional (DDS) Year 2 <sup>2</sup>	Resident	\$29,460	19.0%	\$35,058	10.0%	\$38,565
	Non-Resident	\$51,940	7.0%	\$55,575	7.0%	\$59,466
Dental Professional (DDS) Year 3 <sup>2</sup>	Resident	\$29,460	10.0%	\$32,406	19.0%	\$38,562
	Non-Resident	\$51,940	7.0%	\$55,575	7.0%	\$59,466
Dental Professional (DDS) Year 4 <sup>2</sup>	Resident	\$29,460	10.0%	\$32,406	10.0%	\$35,646
	Non-Resident	\$51,940	7.0%	\$55,575	7.0%	\$59,466
Graduate Dental - Oral Biology	Resident	\$13,280	1.7%	\$13,503	5.0%	\$14,178
	Non-Resident	\$25,690	1.5%	\$26,076	5.0%	\$27,381
Graduate Dental - Oral Medicine, Pediatric Dentistry, Periodontics, and Prosthodontics	Resident	\$13,620	10.1%	\$14,997	5.0%	\$15,747
	Non-Resident	\$26,240	4.3%	\$27,369	5.0%	\$28,737
Graduate Dental - Endodontics	Resident	\$13,620	21.1%	\$16,494	5.0%	\$17,319
	Non-Resident	\$26,240	4.3%	\$27,369	5.0%	\$28,737
Graduate Dental - Orthodontics	Resident	\$13,620	54.2%	\$21,003	5.0%	\$22,053
	Non-Resident	\$26,240	4.3%	\$27,369	5.0%	\$28,737
Medical Professional (MD)	Resident	\$27,190	7.0%	\$29,094	7.0%	\$31,131
	Non-Resident	\$56,120	3.5%	\$58,083	3.5%	\$60,117

**TABLE 10- continued: Tuition Recommendations for FY 2014 and FY 2015**

		FY 2013	FY 2014		FY 2015	
			% Change	Tuition	% Change	Tuition
<b>Bothell Campus</b>						
Bothell - MBA Incoming	Resident	\$21,720	3.0%	\$22,371	1.0%	\$22,596
	Non-Resident	\$28,330	0.0%	\$28,329	0.0%	\$28,329
Bothell - MBA Continuing <sup>1</sup>	Resident	\$21,720	0.0%	\$21,720	3.0%	\$22,371
	Non-Resident	\$28,330	0.0%	\$28,329	0.0%	\$28,329
<b>Tacoma Campus</b>						
Tacoma - MBA Incoming	Resident	\$18,970	3.0%	\$19,539	3.0%	\$20,124
	Non-Resident	\$31,570	3.0%	\$32,517	3.0%	\$33,492
Tacoma - MBA Continuing <sup>1</sup>	Resident	\$18,150	4.5%	\$18,966	3.0%	\$19,536
	Non-Resident	\$31,570	0.0%	\$31,569	3.0%	\$32,517

<sup>1</sup> The MBA programs have a cohort tuition structure (that is, there are different rates for incoming and continuing students). For these programs, it must be understood that the change in tuition is not applied to students but is applied to the rate for a category. For example, a Seattle MBA resident student who entered in Fall 2012 paid tuition of \$26,530; although the MBA resident continuing rate shows a 4% increase, the increase is applied only to that tuition category; the MBA student entering her/his second year will be charged tuition of \$26,530 for 2013-14.

<sup>2</sup>The DDS program also has a cohort tuition structure. Again, the tuition increase for a given tuition category should not be confused with the tuition increase that will be faced by students in a given cohort. For example, in the rate for second year DDS students increases 19% in FY14. This does not mean, however, that the Class of 2017 faces a 19% tuition increase. Rather, resident students in the Class of 2017 were charged \$31,870 in 2012-13, and they will be charged \$35,060 in 2013-14. This represents a 10% increase for those students - not a 19% increase.

Programs changing tuition categories

New Programs

# SECTION 3: CAPITAL BUDGET

## Capital Budget

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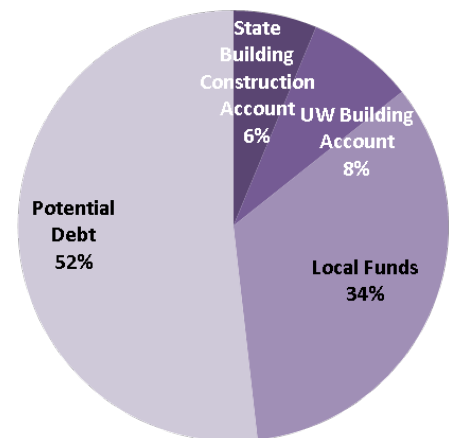
The proposed FY14 UW Capital Budget summarizes new capital projects to be funded by State of Washington Building Construction bonds, UW Building Account funds, proposed UW debt and local funds including capital related grants.

In preparation for the proposed FY14 Capital Budget, the UW 10 Year Capital Plan has been updated by the Office of Planning and Budgeting. A summary of the plan is provided for information in Appendix 3. The UW Capital Plan summarizes major proposed capital needs, aggregate minor capital needs and key planning initiatives in the 2013-15 biennium and the next ten years for all UW enterprises, including UW Seattle, UW Bothell, UW Tacoma, UW Auxiliary Units (Educational Outreach, Housing and Food Services, Intercollegiate Athletics, Parking and Transportation Services), and UW Medical Center. Projects are presented in three categories: Fundamental, Funding Potential and Funding Opportunities. The first two categories align with potential capital funding. The last category represents additional capital needs that extend beyond capital funding expectations within the next ten years.

Major Capital Projects over \$5 million shown in the capital budget will return to the Board of Regents for approval on an individual project basis.

### Fiscal Year 2014 Capital Budget

The UW Capital Budget identifies fund sources for all UW capital projects including State of Washington Building Construction bonds, UW Building Account funds, proposed UW debt and local funds. State appropriated capital funds continue to be critical to the UW Capital Budget. However, as the state's ability to provide capital funding diminishes, the UW increasingly relies on other fund sources, including UW issued debt, to finance capital projects at the UW.



### State Appropriated Funds:

The final Legislative Capital Budget appropriates \$44.410 million in **new** funding from State Building Construction Account; \$40.871 million for major projects including the renovation of Denny Hall, incremental renovation of Lewis Hall, design for the UW Tacoma Urban Solutions Center and Magnuson Health Sciences Center Roof Replacement, and \$3.539 million for minor capital repair and upgrades for the preservation of building systems.

The Legislative Capital Budget also appropriates \$69.775 million from the UW Building Account for minor capital preservation (\$43.215 million), Magnuson Health Sciences Center Roof Replacement (\$.735 million), and Preventative Facility Maintenance and Building System Repairs (\$25.825 million), one half of which will be funded in FY14. The Legislative Capital Budget appropriates an additional \$130,000 from the UW Building Account to the Office of Financial Management for costs associated with updating Higher Education Preservation Information for UW buildings in the state's comparable framework capital study.

**Local Funds:** The proposed FY14 budget identifies \$240.3 million in local funds, from sources including sponsored research indirect cost recovery, UW Medical Center, revenue from Auxiliary Units, donations

and grants from partners. The local funds from Auxiliary Units and the UW Medical Center are invested in their highest capital priorities. Funds from sponsored research indirect cost recovery are used to fund improvements to infrastructure, facilities to support research and academic programs, as well as institution-wide capital planning initiatives.

**Potential Debt:** \$366.5 million of potential debt funding is proposed to implement a major capital investment program in animal care research facilities, major infrastructure improvements, UW Bothell and UW Tacoma Student Activities Centers, property acquisition, and the Human Resources/Payroll System replacement. This includes \$20 million authorized in the 2013-15 State Capital Budget for renovation of Denny Hall, financed from building fee and trust land revenues in the university's bond retirement account.

### **FY14 Capital Budget Project Descriptions**

The UW Capital Budget identifies funding for all UW capital program areas including Athletics, Clinic, Infrastructure, Instruction, Research, and Student Life.

#### **Athletics**

##### ICA Basketball Operations and Practice Center (\$62M)

This project would renovate and add to the existing ICA Basketball Operations and Practice Center.

#### **Clinic**

##### UWMC Capital Improvements – Construction and Equipment (\$34.8M)

Funded by UWMC local funds, UWMC Capital Improvements provide the needed capital improvements to support one of the nation's leading academic medical centers.

##### UWMC Eastside Specialty Clinic Improvements (\$8M)

Funded by UWMC local funds, UWMC Eastside Specialty Clinic Improvements provide the needed renovations and equipment to support the UWMC Eastside Specialty Clinic. The total project cost is approximately \$9.25M.

##### UWMC Front Entrance (\$18M)

The UWMC Front Entrance intends to provide greater access and better visibility to UWMC using local funds.

##### UWMC IT Core Applications and Infrastructure (\$29.5M)

UWMC IT Core Applications and Infrastructure is a series of investments to upgrade and integrate the critical infrastructure needed to support UWMC's mission. This will be funded with local UWMC funds.

#### **Infrastructure**

##### Enterprise Information System – HR/Payroll System Replacement (\$30M)

UW's Human Resources/Payroll system is more than 30 years old. Replacement of the system will enhance business efficiency, streamline department payroll data gathering and processing, enable better reporting and decision making and strengthen regulatory compliance. This project is proposed to be funded by UW debt.



#### Major Infrastructure -Magnuson Health Sciences Roofing Replacement (\$6.529M)

Over the years, the UW has expended significant resources to repair multiple leaks in the Magnuson Health Sciences complex. Replacement of portions of the Magnuson Health Sciences Center roof will remedy the water intrusion and extend its useful life. This project will be funded by State and UW Building Account funds.

#### Major Infrastructure – SW Campus Central Utility Plant (\$30.5M)

Previously identified as the District Energy Resource Center, the Southwest Campus Central Utility Plant will support the future development of the west and south campus areas as well as provide emergency power to critical operations in the Magnuson Health Sciences Center, and expand central process cooling, and emergency power to other critical research facilities. The UW intends to fund this critical infrastructure with UW debt.

#### Minor Preservation & Program Renewal (\$68.903)

Through a combination of state, building account and local funds the UW intends to reinvest in the preservation and renewal of facilities across campus. Examples of projects that are included in this category include infrastructure upgrades to support information technology, building repairs, utilities and site work repair, life safety improvements and upgrades to support the academic and research programs including classroom upgrades. Upgrades to UW-IT Network Routing Centers will also be funded as part of this appropriation.

#### Institutional Planning (\$1.375M)

A number of planning studies are anticipated to be funded by local funds in preparation for the next state capital request, and to identify and prepare for future capital investments. The Landscape Planning Framework will look at wayfinding, signage, historic buildings and landscape improvements campus-wide. The future UW Campus Master Plan will begin its preliminary stages of developing a new physical development vision in preparation for changes to the UW's regulatory development guidelines. The Resilient UW Plan will prepare the UW for effective emergency response and target strategic capital investments. Other emergent planning studies are anticipated to increase space utilization and plan for other future capital opportunities.

#### UW Preventative Facility Maintenance (\$12.913M)

Included in the State Capital Budget is a budget shift from capital to operating resources of \$12,912,500 each fiscal year of the 2013-15 biennium for UW preventative facility maintenance. The biennium total appropriation in the State Capital Budget from the UW Building Account is \$25.825M.

#### UW Strategic Real Estate Acquisition and Metro Tract Recapitalization (\$85M)

UW Strategic Real Estate Acquisition and Metro Tract Recapitalization anticipates the need to purchase real estate within the tract and reinvest in current holdings by using UW debt.

#### Parking, Transportation and Mobility Improvements (\$12.5M)

UW Seattle and UW Bothell intend to provide various transportation, parking and mobility improvements including improvements to the E-12 Parking lot, impacted by the construction of the Husky Stadium and Light Rail Station, design for structural repairs for the S-1 Parking Garage, and improvements on the UW Bothell campus. These improvements anticipate using a combination of UW debt and local funds.

#### UW Burke Gilman Trail Development (\$6M)

The UW Burke Gilman Trail Development creates mode separation for portions of the Burke-Gilman Trail from the Rainier Vista to 15<sup>th</sup> Avenue NE to create a safer route for pedestrians and bicyclists. This project is funded in part from local funds and in part from a grant. The UW is pursuing grant funding for the complete replacement and renovation of the Burke Gilman Trail which is approximately \$26.25M.

#### UW Seattle Parking Management Systems Procurement and Implementation (\$7.1M)

The Parking Management Systems needs replaced and implemented over the biennium. This project proposes to use local funding.

### **Instruction**

#### CAS – Denny Hall Renovation (\$50.590M)\*

A full renovation and preservation of Denny Hall, the oldest building on the UW Seattle Campus will support multiple undergraduate and graduate programs in the College of Arts & Sciences. This renovation will extend the life of the iconic and historic building. The final State Capital Budget appropriates \$30.590M in State funds and UW bonding authority of \$20M to fund the remainder of design and construction of the renovation.

#### CAS – Lewis Hall (\$2.587)

This phased renovation of Lewis Hall targets major infrastructure, life safety, and structural systems in groups over a period of several biennium to extend the useful life of one of the oldest buildings on the UW Seattle Campus. The total project is anticipated to cost approximately \$20M funded over three biennium from the State Building Construction Account. Funding this biennium will be used for roof replacement and upgrades to the building exterior.

#### Classroom Improvements (\$2M)

The UW continues to invest in updating and improving its classrooms across campus. Local funds will be used for classroom improvement projects including items such as updated technology, replacing lighting, new seating and tables, and other improvements.

#### UW Libraries Archival Storage – Sand Point Building 5 (\$1M)

Increasing the remote archival storage capacity for the UW Libraries will allow for the repurposing of existing library shelving space within the Libraries. The repurposed spaces will enable multiple renovations on the UW Seattle campus aimed to support the academic and research missions of the UW. Local funding for predesign/schematic design will position this project for State funding request for design/construction in 15-17 biennium.

#### UW Tacoma – Urban Solutions Center – Classroom Building Renovation (\$1.9M)

This project will provide UW Tacoma the capacity necessary to meet its mandate for higher education opportunity in the South Puget Sound Region by renovating the TPS Company Building. Funding this biennium is for design. This project anticipates a total project cost of approximately \$40M, with the balance to be funded in future biennium.

## Research

### CAS – Life Sciences Building 1 (\$15M)

The College of Arts & Sciences intends to use local funds to begin design on a new Life Sciences Building. This project would support the research and teaching activities associated with Biology, Botany, and other areas of study. The complete project would cost approximately \$150M.

### Core Research Facilities – Animal Care Research Facilities I (\$122.3M)

A priority of the UW Core Research Facilities Master Plan, Phase I 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. The UW intends to use a mix of UW debt and local funds for this project.

### Fluke Hall Renovation (\$27.08M)

In response to state legislation from the 2011-2013 biennial session, the UW is upgrading Fluke Hall to support the UW Center for Commercialization's (C4C) incubator facility, including research laboratory and office areas, and significant improvements to UW centralized core research clean room, Micro Fabrication Facility (MFF). The total project cost, funded from local funds, is anticipated to be \$31.5M.

### South Lake Union 3.2 (\$12M)

A continuation of the multi-phased research growth in South Lake Union, 3.2 would provide the additional programmatic space identified in the multi-phased effort. The FY14 capital budget shows local funds to be used for the design of 3.2. The total project cost is estimated to be \$153M.

## Student Life

### UW Bothell/Cascadia Community College Student Activities Center (\$18M)

The UW Bothell and Cascadia Community College intend to use UW debt to design and build a new student activities center to support the student life at their joint campus.

### UW Tacoma – University Y and Student Activity Center (\$20M)

UW Tacoma intends to design and build a student activity center in partnership with the YMCA of Pierce County. Funded with both local and UW debt, this proposed design-build project will be operated and maintained by the YMCA.

### UW Police Station Replacement (\$22M)

Funded from local funds including mitigation funds, a new police station will enable the UW Police Department to be relocated from its current facility in the Bryants Building. The site of the Bryants Building on the Portage Bay waterfront will be converted to public open space as part of the proposed mitigation to WSDOT's planned SR-520 Lake Washington Bridge project.

**Table 11: FY14 Proposed Capital Budget**

Program Category	Description	State Building Construction Account	UW Building Account	Local Funds	Potential Debt	TOTAL FY14
<b>Athletics</b>						
	ICA Basketball Operations and Practice Center	\$ -	\$ -	\$ 7,000,000	\$ 55,000,000	\$ 62,000,000
<b>Clinic</b>						
	UWMC Capital Improvements - Construction and Equipment	\$ -	\$ -	\$ 34,800,000	\$ -	\$ 34,800,000
	UWMC Eastside Specialty Clinic Improvements	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000
	UWMC Front Entrance	\$ -	\$ -	\$ 18,000,000	\$ -	\$ 18,000,000
	UWMC IT Core Applications and Infrastructure	\$ -	\$ -	\$ 29,500,000	\$ -	\$ 29,500,000
<b>Infrastructure</b>						
	Enterprise Information System - HR/Payroll System Replacement	\$ -	\$ -	\$ -	\$ 30,000,000	\$ 30,000,000
	Major Infrastructure - MHSC Roofing Replacement Project	\$ 5,794,000	\$ 735,000	\$ -	\$ -	\$ 6,529,000
	Major Infrastructure -SW Campus Central Utility Plant	\$ -	\$ -	\$ 2,000,000	\$ 28,500,000	\$ 30,500,000
	Minor Capital Repair - Preservation	\$ 3,539,000	\$ 41,215,000	\$ -	\$ -	\$ 44,754,000
	Minor Capital Repair - Program Renewal	\$ -	\$ -	\$ 22,149,000	\$ -	\$ 22,149,000
	Emergent Planning Studies	\$ -	\$ -	\$ 475,000	\$ -	\$ 475,000
	Landscape Framework Planning	\$ -	\$ -	\$ 375,000	\$ -	\$ 375,000
	UW Seattle Campus Master Plan	\$ -	\$ -	\$ 525,000	\$ -	\$ 525,000
	UW Preventative Facility Maintenance	\$ -	\$ 12,912,500	\$ -	\$ -	\$ 12,912,500
	UW Strategic Real Estate Acquisition	\$ -	\$ -	\$ -	\$ 35,000,000	\$ 35,000,000
	Metropolitan Tract Acquisition & Recapitalization	\$ -	\$ -	\$ -	\$ 50,000,000	\$ 50,000,000
	Parking, Transportation and Mobility Improvements	\$ -	\$ -	\$ 4,500,000	\$ 8,000,000	\$ 12,500,000
	UW Burke Gilman Trail Development	\$ -	\$ -	\$ 6,000,000	\$ -	\$ 6,000,000
	UW Seattle Parking Mgmt Systems Procurement & Implementation	\$ -	\$ -	\$ 7,100,000	\$ -	\$ 7,100,000
	UWIT - Network Routing Center Upgrades	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
<b>Instruction</b>						
	CAS - Denny Hall Renovation	\$ 30,590,000	\$ -	\$ -	\$ 20,000,000	\$ 50,590,000
	CAS - Lewis Hall	\$ 2,587,000	\$ -	\$ -	\$ -	\$ 2,587,000
	Classroom Improvements	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000
	UW Libraries Archival Storage - Sand Point Building 5	\$ -	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
	UW Tacoma - Urban Solutions Center - Classroom Building Renovation	\$ 1,900,000	\$ -	\$ -	\$ -	\$ 1,900,000
<b>Research</b>						
	CAS - Life Sciences Building 1	\$ -	\$ -	\$ 15,000,000	\$ -	\$ 15,000,000
	Core Research Facilities - Animal Care Research Facilities	\$ -	\$ -	\$ 12,300,000	\$ 110,000,000	\$ 122,300,000
	Fluke Hall Renovation - C4C and MFF	\$ -	\$ -	\$ 27,080,000	\$ -	\$ 27,080,000
	South Lake Union 3.2	\$ -	\$ -	\$ 12,000,000	\$ -	\$ 12,000,000
<b>Student Life</b>						
	UW Bothell/Cascadia Community College Student Activities Center	\$ -	\$ -	\$ -	\$ 18,000,000	\$ 18,000,000
	UW Tacoma - University Y and Student Activity Center	\$ -	\$ -	\$ 8,000,000	\$ 12,000,000	\$ 20,000,000
	UW Police Station Replacement	\$ -	\$ -	\$ 22,000,000	\$ -	\$ 22,000,000
<b>Total Proposed Capital Investments</b>		<b>\$ 44,410,000</b>	<b>\$ 56,862,500</b>	<b>\$ 239,804,000</b>	<b>\$ 366,500,000</b>	<b>\$ 707,576,500</b>

**Appendix 1  
Proposed Budget  
University Operating Resources for Fiscal Year 2014**

	<b>FY 2014 Proposed</b>	<b>FY 2013 Adopted</b>	<b>Comment</b>
<b><u>REVENUES</u></b>			
State General Fund	253,896,000	209,465,000	
Net Tuition Operating Fee	556,890,000	517,394,000	
Designated Operating Fund	80,674,000	73,526,000	
Institutional Overhead	20,000,000	20,000,000	
Indirect Cost Recovery	226,771,000	233,000,000	
<b>TOTAL REVENUES</b>	<b>1,138,231,000</b>	<b>1,053,385,000</b>	
<b><u>EXPENDITURES</u></b>			
<b><u>Adjusted Base Budget</u></b>	<b>1,053,327,000</b>		
<b><u>Incremental Tuition Allocation to Academic Units</u></b>			
UW Seattle Academic Units	20,449,176		
UW Bothell	6,720,846		
UW Tacoma	4,863,732		
Subtotal	32,033,754		
<b><u>Incremental Allocations to the Provost</u></b>			
Strategic Investments from Tuition	7,462,374		
Strategic Investments from remaining net revenue	18,040,364		
Subtotal	25,502,738		
<b><u>Other Adjustments</u></b>			
Required Cost Increases/Adjustments	14,276,508		<i>See Appendix 2</i>
Legislative Directives	7,459,000		<i>See Appendix 2</i>
Health Insurance	(1,528,000)		
FY2013 Indirect Cost Recovery True-Up	1,771,000		
UW Seattle Academic Units - State Fund Adjustment	2,786,000		
UW Bothell State Fund Adjustment	1,222,000		
UW Tacoma State Fund Adjustment	1,381,000		
Subtotal	27,367,508		
<b>TOTAL EXPENDITURES</b>	<b>1,138,231,000</b>		

**Appendix 2**  
**Required Cost Increases/Adjustments for Fiscal Year 2014**

Item	FY 2014 Change
<b><u>Institutional Budgets</u></b>	
<b>Utilities:</b>	
Electricity	(1,500,000)
Natural gas	(2,700,000)
Water/sewer	100,000
Power Plant	500,000
Utility infrastructure upgrades	2,000,000
<hr/>	
Subtotal utilities:	(1,600,000)
<b>Other institutional budgets:</b>	
Property rentals-general	1,047,000
Property rentals Sand Point	(1,000,000)
University Risk Financing	(2,400,000)
Judgments & Settlements	100,000
Transportation subsidy	284,000
Institutional memberships	200,000
Energy Conservation	150,000
FY15 Required Cost Increase Reserves	7,000,000
Critical Research Facility Support	3,000,000
Student use of Health Science Shuttle	305,000
Retiree and other special parking	155,000
Mainframe Financing agreement	295,750
Revolving Funds	(106,000)
Pension and DRS Rate Changes	1,559,000
Workers Compensation	(81,000)
UW Supplemental Retirement Program	245,000
GOF Revolving Funds	(38,000)
Libraries - Minimum Wage Increase	100,000
Molecular Engineering O&M	321,000
Balmer Hall O&M	170,000
UW ADVANCE	148,150
Labor Negotiations	500,000
IT Security	1,000,000
Classroom Technology Support	1,500,000
Library Collections	600,000
Disabled Student/Employee Support	300,000
Fred Hutch - IRB studies	240,000
Summer quarter cost increase	281,608
<hr/>	
Subtotal other institutional budgets:	15,876,508
<b>Subtotal Required Cost Increases</b>	<b>14,276,508</b>
<b><u>Legislative Directives</u></b>	
Clean Energy Institute	3,000,000
Computer Science & Engineering	4,459,000
<hr/>	
Subtotal Legislative Actions	7,459,000
<b>TOTAL REQUIRED COST INCREASES/ADJUSTMENTS</b>	<b>21,735,508</b>

### Appendix 3

## UW 10 Year Capital Plan

UW Office of Planning and Budgeting

Proposed Projects by Tier and Program Use	Total Funding Estimate (\$,000)
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### I Fundamental Projects

#### Clinic

UWMC Capital Improvements - Construction and Equipment	244,800
UWMC Eastside Specialty Clinic Improvements	9,250
UWMC IT Core Applications and Infrastructure	169,500

#### Infrastructure

Enterprise Information System - HR/Payroll System Modernization	30,000
Major Infrastructure - MHSC Roofing Replacement Project	6,529
Major Infrastructure - SW Campus Central Utility Plant	30,500
Major Infrastructure - UW Tower Chilled Water System Replacement	7,500
Metropolitan Tract Acquisition & Recapitalization	100,000
Minor Capital Repair - Preservation	553,862
Minor Capital Repair - Program Renewal	271,628
Planning - Emergent Planning Studies	1,400
Planning - Landscape Framework Planning	750
Planning - Resilient UW Plan	225
Planning - UW Seattle Campus Master Plan Initiative	2,700
UW Preventative Facility Maintenance	155,650
UW Seattle Burke Gilman Trail Development	26,250
UW Seattle Parking - E12 Improvements	3,500
UW Seattle Strategic Real Estate Investment	65,000
UWIT - Network Routing Center Upgrades	8,000

#### Instruction

CAS - Denny Hall Renovation	50,590
CAS - Lewis Hall Renovation	22,587
UW Seattle Classroom Improvements	14,000

#### Research

Core Research Facilities - ARCF I	123,500
Fluke Hall Renovation - C4C and MFF	31,500

#### Student Life

UW Bothell/Cascadia Community College Student Activities Center	18,000
UW Tacoma - University Y and Student Activity Center	20,000
UWPD Police Station Replacement	22,486

SubTotal	1,989,707
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### II Proposed Projects - Funding Potential

#### Athletics

ICA Basketball Operations and Practice Center	62,000
ICA Conibear Renovation	3,000
ICA Roadside Enhancement/Landscaping/Wayfinding	2,000
ICA Sand Volleyball Facility	400

Proposed Projects by Tier and Program Use		Total Funding Estimate (\$,000)
ICA Soccer Grandstand and Related Support Facilities		16,000
ICA Softball Press Box Upgrades and Grandstand Roof and Expansion		5,000
ICA Team Operations Building for Track and Field and Soccer		8,000
ICA Track and Field Grandstands		4,000
<b>Clinic</b>		
UWMC Front Entrance		18,000
<b>Housing</b>		
UW Seattle Student Housing - North Campus - Haggett Hall Replacement		103,740
UW Seattle Student Housing - North Campus - McCarty Hall Replacement		130,660
UW Seattle Student Housing - North Campus - McMahon Hall Renovation		143,300
<b>Infrastructure</b>		
Enterprise Information System - Student/Financial System Replacement		80,000
Major Infrastructure - C-wing Courtyard Membrane Replacement		4,500
Major Infrastructure - Multiple Projects		65,000
Major Infrastructure - Pend Oreille Improvements		28,000
Major Infrastructure - UWIT 4545 Data Center Upgrades		2,000
Portage Bay Research Building I - Structured Parking Modifications		20,000
Rainier Vista "Corridor" Open Space Improvements		26,000
UW Bothell Major Infrastructure Projects		10,500
UW Bothell Parking & Transportation Improvements		8,000
UW Bothell Strategic Real Estate Investment		38,000
UW Seattle Landscape Improvements		40,000
UW Seattle Major Infrastructure Projects		69,850
UW Seattle Parking - E1 Improvements		5,000
UW Seattle Parking - S-1 Garage structural maintenance and repairs		7,300
UW Seattle Parking Mgmt Systems Procurement & Implementation		7,100
UW Tacoma Development and Soil Remediation		35,000
UW Tacoma Major Infrastructure Projects		15,500
UW Tacoma Strategic Real Estate Investment		15,000
<b>Instruction</b>		
Burke Museum		74,700
CAS - Padelford Hall Renovation		26,500
COE - Quantitative & Computational Center		100,000
CoEnv - Anderson Hall Renovation		22,850
Engineering Library Learning Research Center		22,600
Foster School of Business - McKenzie Hall Replacement		60,000
Health Sciences Education Phase I - T Wing Renovation/Addition		94,350
Health Sciences Education Phase II - T Wing Renovation		148,460
School of Dentistry - Dental School and CE Center		150,700
UW Botanical Gardens - Aboretum Education Building / Café		5,000
UW Botanical Gardens - Outdoor Improvements		2,850
UW Educational Outreach - Community Gateway Building		48,000
UW Libraries Archival Storage - Sand Point Building 5		8,000



Proposed Projects by Tier and Program Use		Total Funding Estimate (\$,000)
UW Tacoma - McDonald Smith Renovation		3,000
UW Tacoma - Swiss / Wild Renovation		4,000
UW Tacoma - Tioga Renovation		4,000
UW Tacoma - Urban Solutions Center - Classroom Building Renovation		40,000
<b>Research</b>		
CAS - Guthrie Hall Addition		78,000
CAS - Kincaid Hall Renovation		48,300
CAS - Life Sciences Building I		150,000
CAS - Life Sciences Building I - Research and Instructional Greenhouse		10,050
CoE - Center for Advanced Materials and Clean Energy Technologies		220,000
CoE - Center for Interdisciplinary Research and Education - Phase I		141,000
CoE - Classroom & Research Renovation		13,400
CoE - Molecular Engineering Phase II		65,000
CoEduc - Haring Center for Education Research and Teaching		30,000
CoEnv Research Vessel - Barnes		13,500
Fluke Hall Renovation - C4C 2nd floor phase 2		2,000
Health and Life Sciences - Hitchcock West		173,160
Innovation Collaboration Center		126,450
Portage Bay Research Building I		202,100
SOM - South Lake Union Phase 3.2		153,000
SOM - South Lake Union Phase 3.3		197,700
UW Tacoma - Innovation Partnership Zone - Phase 2		28,000
UW Tacoma - Innovation Partnership Zone - Phase 3		30,000
	SubTotal	3,469,520

### III Proposed Projects - Future Funding Opportunities

#### Athletics

ICA Dempsey Indoor Facility Parking Garage	4,300
ICA Graves Hall Renovation	10,000
ICA Gymnastics Facility Training Center	4,200

#### Housing

UW Bothell Student Housing Phase 2	25,000
UW Bothell Student Housing Phase 3	25,000

#### Infrastructure

UW Seattle Parking - North Campus Garage	15,000
UW Seattle Parking - UW Tower Garage Replacement	24,000

#### Instruction

CAS - Communications Building Renovation I	17,575
CAS - Eagleson Hall Renovation	13,525
CAS - Fine Arts District	100,250
CAS - Gowen and Raitt Halls Renovation I	18,200
CAS - Hutchinson Hall Renovation	30,000
CAS - Smith Hall Renovation	23,950

Proposed Projects by Tier and Program Use		Total Funding Estimate (\$,000)
CAS - Thompson Hall Renovation		5,000
CAS Academic Building - Repurpose Renovation		48,000
CAS Renewal Program V		10,000
CAS Renewal Program VI		6,000
CoE - Academic Building Renovation		29,700
CoEduc - Miller Hall Renovation		46,750
CoEnv - Renovation		35,050
Computer Science & Engineering - Multiple Building Renovation		62,000
Health Sciences Education Phase III - T Wing Renovation		87,658
Health Sciences Education Phase IV - T Wing Renovation		44,000
Health Sciences Renovation - AA Wing		5,745
Health Sciences Renovation - B Wing - Dental School Improvements		20,150
Health Sciences Renovation - D Wing - Dental School Improvements		18,575
Health Sciences Renovation - D&C Core - Office Repurpose		49,000
Information School Renovation		16,000
Interdisciplinary Classroom Building - Central Campus		60,000
Robinson Center for Young Scholars		5,000
UW Bothell Phase 4		68,000
UW Tacoma Phase 4		79,500
<b>Research</b>		
CAS - Life Sciences Building II		165,250
CoE - Center for Interdisciplinary Research & Education - Phase II - West of 15th		150,000
CoE - Center for Interdisciplinary Research & Education - Phase III		150,000
Core Research Facilities - ARCF II		92,500
Foegen West		120,000
Health Sciences Renovation - E Wing - Partial Demolition		750
Health Sciences Renovation - H Wing - Research Repurpose		55,000
Health Sciences Renovation - H&F Core - Office Repurpose		47,500
Health Sciences Renovation - I Wing - Office & Education Repurpose		32,000
Portage Bay Research Building II		250,250
Portage Bench Research Center - UW/NOAA/Partners		250
<b>Student Life</b>		
Daycare Center Expansion		4,500
House of Knowledge Longhouse - Phase II		7,000
OMAD - Instructional Center Renovation & Addition		18,000
UW Bothell Student Activity Center Phase 2		15,000
	SubTotal	2,115,128
Total Tiers I, II, and III		7,574,355

# UW 10 Year Capital Plan - Proposed Projects by Tier and Program Use

Tier / Program Use Project Name	Total Funding (\$,000)	Prior Biennium	Proposed 2013-2015 Capital by Fund Source						Potential 2015-25 Capital by Fund Source							
			State	BldgAcct	Local	Donor	Grant	DebtC	DebtNC	State	BldgAcct	Local	Grant	Donor	DebtC	DebtNC
<b>I Fundamental Projects</b>																
<b>Clinic</b>																
UWMC Capital Improvements - Construction and Equipment	244,800	-	-	-	34,800	-	-	-	-	-	-	-	210,000	-	-	-
UWMC Eastside Specialty Clinic Improvements	9,250	1,250	-	-	8,000	-	-	-	-	-	-	-	-	-	-	
UWMC IT Core Applications and Infrastructure	169,500	-	-	-	29,500	-	-	-	-	-	-	-	140,000	-	-	
<b>Infrastructure</b>																
Enterprise Information System - HR/Payroll System Modernization	30,000	-	-	-	-	-	-	30,000	-	-	-	-	-	-	-	
Major Infrastructure - MHSC Roofing Replacement Project	6,529	-	5,794	735	-	-	-	-	-	-	-	-	-	-	-	
Major Infrastructure - SW Campus Central Utility Plant	30,500	-	-	-	2,000	-	-	28,500	-	-	-	-	-	-	-	
Major Infrastructure - UW Tower Chilled Water System Replacement	7,500	-	-	-	-	-	-	-	-	7,500	-	-	-	-	-	
Metropolitan Tract Acquisition & Recapitalization	100,000	-	-	-	-	-	-	-	50,000	-	-	-	-	-	50,000	
Minor Capital Repair - Preservation	553,862	46,608	3,539	41,215	-	-	-	-	-	262,500	200,000	-	-	-	-	
Minor Capital Repair - Program Renewal	271,628	19,479	-	-	22,149	-	-	-	-	-	120,000	110,000	-	-	-	
Planning - Emergent Planning Studies	1,400	50	-	-	350	-	-	-	-	-	-	1,000	-	-	-	
Planning - Landscape Framework Planning	750	375	-	-	375	-	-	-	-	-	-	-	-	-	-	
Planning - Resilient UW Plan	225	100	-	-	125	-	-	-	-	-	-	-	-	-	-	
Planning - UW Seattle Campus Master Plan Initiative	2,700	175	-	-	525	-	-	-	-	-	-	2,000	-	-	-	
UW Preventative Facility Maintenance	155,650	25,825	-	25,825	-	-	-	-	-	-	104,000	-	-	-	-	
UW Seattle Burke Gilman Trail Development	26,250	-	-	-	1,400	-	4,600	-	-	5,000	-	2,250	13,000	-	-	
UW Seattle Parking - E12 Improvements	3,500	-	-	-	3,500	-	-	-	-	-	-	-	-	-	-	
UW Seattle Strategic Real Estate Investment	65,000	-	-	-	-	-	-	35,000	-	-	-	-	-	30,000	-	
UWIT - Network Routing Center Upgrades	8,000	2,000	-	2,000	-	-	-	-	-	-	-	4,000	-	-	-	
<b>Instruction</b>																
CAS - Denny Hall Renovation	50,590	-	30,590	-	-	-	-	20,000	-	-	-	-	-	-	-	
CAS - Lewis Hall Renovation	22,587	-	2,587	-	-	-	-	-	-	20,000	-	-	-	-	-	
UW Seattle Classroom Improvements	14,000	2,000	-	-	2,000	-	-	-	-	-	-	10,000	-	-	-	
<b>Research</b>																
Core Research Facilities - ARCF I	123,500	1,200	-	-	12,300	-	-	110,000	-	-	-	-	-	-	-	
Fluke Hall Renovation - C4C and MFF	31,500	4,420	-	-	27,080	-	-	-	-	-	-	-	-	-	-	
<b>Student Life</b>																
UW Bothell/Cascadia Community College Student Activities Center	18,000	-	-	-	-	-	-	-	-	18,000	-	-	-	-	-	
UW Tacoma - University Y and Student Activity Center	20,000	-	-	-	8,000	-	-	-	-	12,000	-	-	-	-	-	
UWPD Police Station Replacement	22,486	486	-	-	22,000	-	-	-	-	-	-	-	-	-	-	
<b>SubTotal:</b>	<b>1,989,707</b>	<b>103,968</b>	<b>42,510</b>	<b>69,775</b>	<b>174,104</b>	<b>-</b>	<b>4,600</b>	<b>223,500</b>	<b>80,000</b>	<b>295,000</b>	<b>424,000</b>	<b>479,250</b>	<b>13,000</b>	<b>-</b>	<b>30,000</b>	<b>50,000</b>
<b>II Proposed Projects - Funding Potential</b>																
<b>Athletics</b>																
ICA Basketball Operations and Practice Center	62,000	-	-	-	-	7,000	-	-	55,000	-	-	-	-	-	-	
ICA Conibear Renovation	3,000	-	-	-	-	-	-	-	-	-	-	-	3,000	-	-	
ICA Roadside Enhancement/Landscaping/Wayfinding	2,000	-	-	-	-	-	-	-	-	-	-	-	2,000	-	-	
ICA Sand Volleyball Facility	400	-	-	-	-	-	-	-	-	-	-	-	400	-	-	
ICA Soccer Grandstand and Related Support Facilities	16,000	-	-	-	-	-	-	-	-	-	-	-	16,000	-	-	

Tier / Program Use Project Name	Total Funding (\$,000)	Prior Biennium	Proposed 2013-2015 Capital by Fund Source							Potential 2015-25 Capital by Fund Source						
			State	BldgAcct	Local	Donor	Grant	DebtC	DebtNC	State	BldgAcct	Local	Grant	Donor	DebtC	DebtNC
ICA Softball Press Box Upgrades and Grandstand Roof and Expansion	5,000	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-
ICA Team Operations Building for Track and Field and Soccer	8,000	-	-	-	-	-	-	-	-	-	-	-	-	8,000	-	-
ICA Track and Field Grandstands	4,000	-	-	-	-	-	-	-	-	-	-	-	-	4,000	-	-
<b>Clinic</b>																
UWMC Front Entrance	18,000	-	-	-	18,000	-	-	-	-	-	-	-	-	-	-	-
<b>Housing</b>																
UW Seattle Student Housing - North Campus - Haggett Hall Replacement	103,740	-	-	-	-	-	-	-	-	-	-	-	8,000	-	-	95,740
UW Seattle Student Housing - North Campus - McCarty Hall Replacement	130,660	-	-	-	-	-	-	-	-	-	-	-	10,000	-	-	120,660
UW Seattle Student Housing - North Campus - McMahon Hall Renovation	143,300	-	-	-	-	-	-	-	-	-	-	-	14,500	-	-	128,800
<b>Infrastructure</b>																
Enterprise Information System - Student/Financial System Replacement	80,000	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000	-
Major Infrastructure - C-wing Courtyard Membrane Replacement	4,500	-	-	-	-	-	-	-	-	-	-	-	4,500	-	-	-
Major Infrastructure - Multiple Projects	65,000	-	-	-	-	-	-	-	-	-	32,000	-	-	-	33,000	-
Major Infrastructure - Pend Oreille Improvements	28,000	-	-	-	-	-	-	-	-	-	-	-	28,000	-	-	-
Major Infrastructure - UWIT 4545 Data Center Upgrades	2,000	-	-	-	-	-	-	-	-	-	-	-	2,000	-	-	-
Portage Bay Research Building I - Structured Parking Modifications	20,000	-	-	-	-	-	-	-	-	-	-	-	-	10,000	10,000	-
Rainier Vista "Corridor" Open Space Improvements	26,000	8,000	-	-	-	-	-	-	-	-	-	-	7,000	11,000	-	-
UW Bothell Major Infrastructure Projects	10,500	-	-	-	-	-	-	-	-	-	10,500	-	-	-	-	-
UW Bothell Parking & Transportation Improvements	8,000	-	-	-	-	-	-	-	-	8,000	-	-	-	-	-	-
UW Bothell Strategic Real Estate Investment	38,000	5,000	-	-	-	-	-	-	-	-	10,000	-	-	-	23,000	-
UW Seattle Landscape Improvements	40,000	-	-	-	-	-	-	-	-	-	-	-	40,000	-	-	-
UW Seattle Major Infrastructure Projects	69,850	4,850	-	-	-	-	-	-	-	-	45,000	-	-	20,000	-	-
UW Seattle Parking - E1 Improvements	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000
UW Seattle Parking - S-1 Garage structural maintenance and repairs	7,300	-	-	-	1,000	-	-	-	-	-	-	-	-	-	-	6,300
UW Seattle Parking Mgmt Systems Procurement & Implementation	7,100	-	-	-	7,100	-	-	-	-	-	-	-	-	-	-	-
UW Tacoma Development and Soil Remediation	35,000	5,000	-	-	-	-	-	-	-	-	30,000	-	-	-	-	-
UW Tacoma Major Infrastructure Projects	15,500	-	-	-	-	-	-	-	-	-	15,500	-	-	-	-	-
UW Tacoma Strategic Real Estate Investment	15,000	-	-	-	-	-	-	-	-	-	15,000	-	-	-	-	-
<b>Instruction</b>																
Burke Museum	74,700	3,500	-	-	-	-	-	-	-	-	31,200	-	-	-	40,000	-
CAS - Padelford Hall Renovation	26,500	-	-	-	-	-	-	-	-	-	26,500	-	-	-	-	-
COE - Quantitative & Computational Center	100,000	-	-	-	-	-	-	-	-	-	-	-	-	50,000	50,000	-
CoEnv - Anderson Hall Renovation	22,850	-	-	-	-	-	-	-	-	-	22,850	-	-	-	-	-
Engineering Library Learning Research Center	22,600	-	-	-	-	-	-	-	-	-	22,600	-	-	-	-	-
Foster School of Business - McKenzie Hall Replacement	60,000	-	-	-	-	-	-	-	-	-	-	-	-	60,000	-	-
Health Sciences Education Phase I - T Wing Renovation/Addition	94,350	-	-	-	-	-	-	-	-	-	94,350	-	-	-	-	-
Health Sciences Education Phase II - T Wing Renovation	148,460	-	-	-	-	-	-	-	-	-	89,460	-	-	5,000	5,000	49,000
School of Dentistry - Dental School and CE Center	150,700	-	-	-	-	-	-	-	-	-	30,000	-	200	60,000	60,500	-
UW Botanical Gardens - Aboretum Education Building / Café	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	-
UW Botanical Gardens - Outdoor Improvements	2,850	-	-	-	-	-	-	-	-	-	-	-	2,850	-	-	-
UW Educational Outreach - Community Gateway Building	48,000	-	-	-	-	-	-	-	-	-	-	-	8,000	-	-	40,000
UW Libraries Archival Storage - Sand Point Building 5	8,000	-	-	-	1,000	-	-	-	-	-	7,000	-	-	-	-	-
UW Tacoma - McDonald Smith Renovation	3,000	-	-	-	-	-	-	-	-	-	-	1,500	-	-	1,500	-
UW Tacoma - Swiss / Wild Renovation	4,000	-	-	-	-	-	-	-	-	-	-	2,000	-	-	2,000	-
UW Tacoma - Tioga Renovation	4,000	-	-	-	-	-	-	-	-	-	-	2,000	-	-	2,000	-

Tier / Program Use Project Name	Total Funding (\$,000)	Prior Biennium	Proposed 2013-2015 Capital by Fund Source							Potential 2015-25 Capital by Fund Source						
			State	BldgAcct	Local	Donor	Grant	DebtC	DebtNC	State	BldgAcct	Local	Grant	Donor	DebtC	DebtNC
UW Tacoma - Urban Solutions Center - Classroom Building Renovation	40,000	-	1,900	-	-	-	-	-	-	18,100	-	-	-	10,000	-	10,000
<b>Research</b>																
CAS - Guthrie Hall Addition	78,000	-	-	-	-	-	-	-	-	78,000	-	-	-	-	-	-
CAS - Kincaid Hall Renovation	48,300	-	-	-	-	-	-	-	-	-	-	5,000	2,500	2,500	38,300	-
CAS - Life Sciences Building I	150,000	-	-	-	15,000	-	-	-	-	-	-	-	-	25,000	110,000	-
CAS - Life Sciences Building I - Research and Instructional Greenhouse	10,050	-	-	-	-	-	-	-	-	2,500	-	50	2,500	2,500	2,500	-
CoE - Center for Advanced Materials and Clean Energy Technologies	220,000	-	-	-	-	-	-	-	-	3,250	-	-	-	110,000	106,750	-
CoE - Center for Interdisciplinary Research and Education - Phase I	141,000	-	-	-	-	-	-	-	-	7,650	-	-	50,000	54,350	29,000	-
CoE - Classroom & Research Renovation	13,400	-	-	-	-	-	-	-	-	13,400	-	-	-	-	-	-
CoE - Molecular Engineering Phase II	65,000	-	-	-	-	-	-	-	-	-	-	-	30,000	35,000	-	-
CoEduc - Haring Center for Education Research and Teaching	30,000	-	-	-	-	-	-	-	-	-	-	-	-	15,000	-	15,000
CoEnv Research Vessel - Barnes	13,500	-	-	-	-	-	-	-	-	-	-	1,500	1,000	11,000	-	-
Fluke Hall Renovation - C4C 2nd floor phase 2	2,000	-	-	-	-	-	-	-	-	-	-	2,000	-	-	-	-
Health and Life Sciences - Hitchcock West	173,160	-	-	-	-	-	-	-	-	10,000	-	5,000	-	80,000	78,160	-
Innovation Collaboration Center	126,450	-	-	-	-	-	-	-	-	7,000	-	-	90,850	-	28,600	-
Portage Bay Research Building I	202,100	-	-	-	-	-	-	-	-	-	-	250	-	100,000	101,850	-
SOM - South Lake Union Phase 3.2	153,000	-	-	-	12,000	-	-	-	-	-	-	-	-	-	-	141,000
SOM - South Lake Union Phase 3.3	197,700	-	-	-	-	-	-	-	-	-	-	15,400	-	-	-	182,300
UW Tacoma - Innovation Partnership Zone - Phase 2	28,000	-	-	-	-	-	-	-	-	3,000	-	-	25,000	-	-	-
UW Tacoma - Innovation Partnership Zone - Phase 3	30,000	-	-	-	-	-	-	-	-	-	-	3,000	-	5,000	22,000	-
<b>SubTotal:</b>	<b>3,469,520</b>	<b>26,350</b>	<b>1,900</b>	<b>-</b>	<b>54,100</b>	<b>7,000</b>	<b>-</b>	<b>-</b>	<b>63,000</b>	<b>624,860</b>	<b>5,500</b>	<b>162,250</b>	<b>226,850</b>	<b>724,750</b>	<b>868,160</b>	<b>704,800</b>
<b>Total Tier I and II:</b>	<b>5,459,227</b>	<b>130,318</b>	<b>44,410</b>	<b>69,775</b>	<b>228,204</b>	<b>7,000</b>	<b>4,600</b>	<b>223,500</b>	<b>143,000</b>	<b>919,860</b>	<b>429,500</b>	<b>641,500</b>	<b>239,850</b>	<b>724,750</b>	<b>898,160</b>	<b>754,800</b>

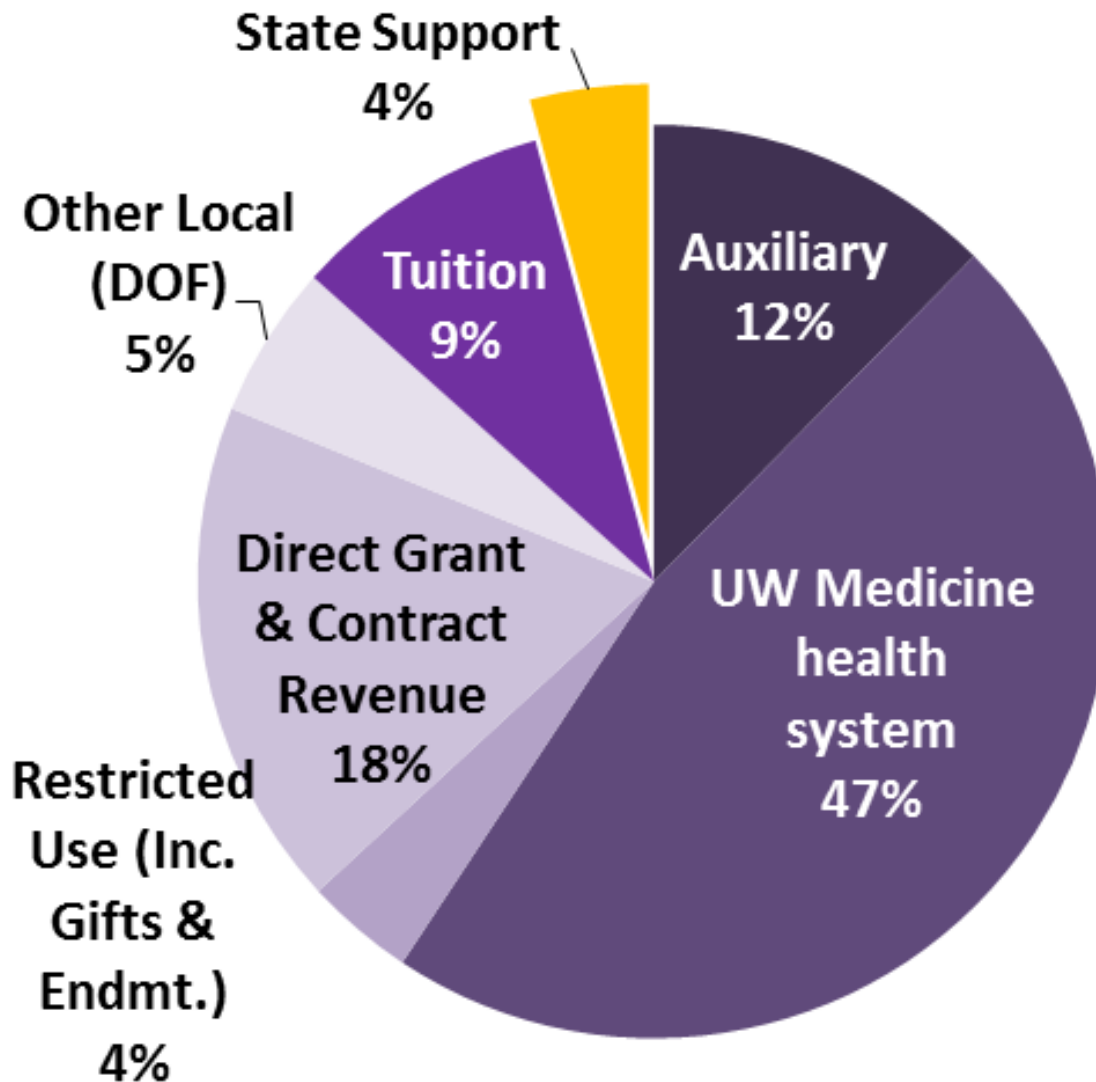
# Proposed FY 2014 Operating Budget, Capital Budget, and Tuition Rates

Paul Jenny  
Vice Provost, Planning & Budgeting

July 1, 2013

# OPERATING BUDGET

# FY14 REVENUES AND EXPENDITURES = \$6.05 BILLION



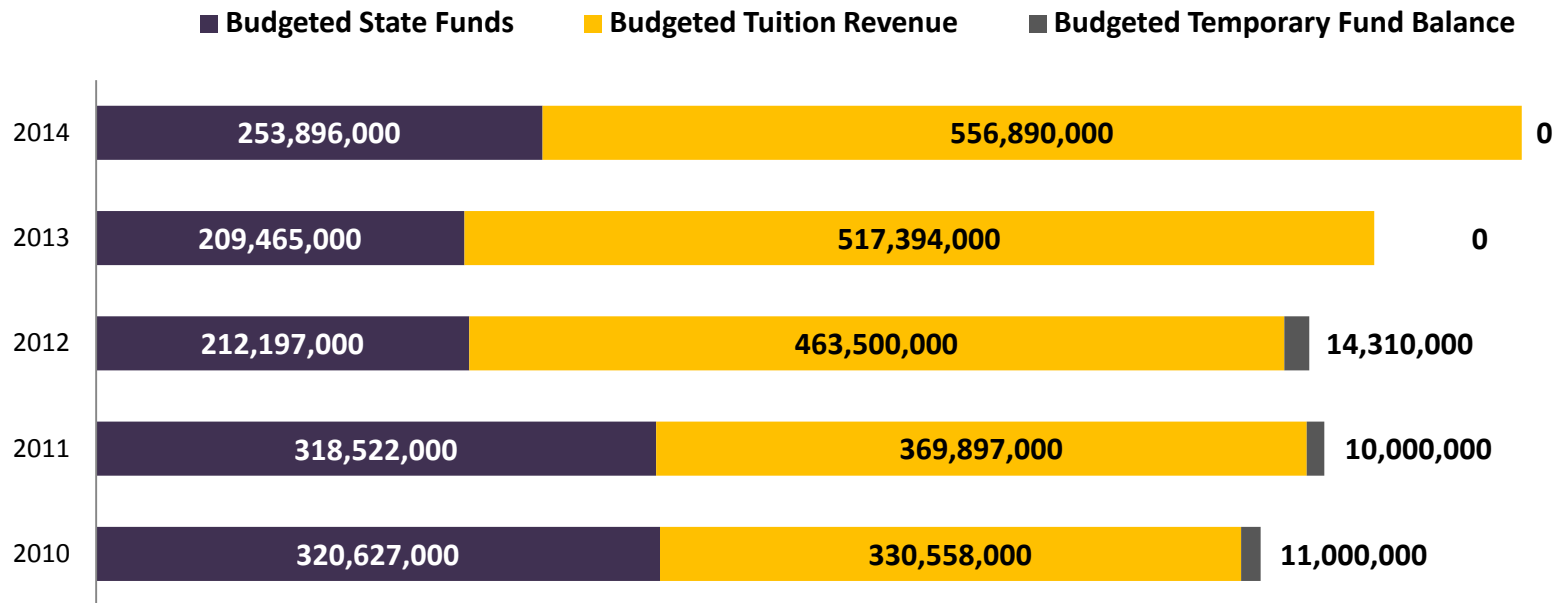


# UNIVERSITY OPERATING RESOURCES

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- Central budget for core education support includes state funds, tuition revenue, and “designated operating funds” (indirect cost recovery, summer quarter revenue, institutional overhead, etc.)
- The state **increased** its support for the UW in 2013-15
- The tuition operating fee revenue presented includes **no** increase in resident undergraduate tuition, per the 2013-15 biennial state operating budget
- Included in each unit’s supplement will be a portion of new state funding equal to what each unit would have received under ABB if undergraduate resident tuition had increased by 3 percent

# UNIVERSITY OPERATING RESOURCES



- State funding per student FTE had dropped significantly over the past five years, from \$11,270 (FY08) to \$4,820 (FY13)
- With the appropriation for FY14, state funding per FTE will **increase by 17 percent** to \$5,670

# UNIVERSITY OPERATING RESOURCES

University Operating Resources	FY 2014 Proposed	FY 2013 Adopted
<b>General Operating Fund</b>		
State General Fund		209,465,000
State General Fund - Maintenance Level	228,003,000	
Additional State Appropriation	20,000,000	
Adjustments to State Appropriation	(1,566,000)	
Computer Science and Engineering Enrollments	4,459,000	
Clean Energy Institute	3,000,000	
<hr/> Subtotal - State General Fund	<hr/> 253,896,000	<hr/> 209,465,000
<hr/> Tuition Operating Fees	<hr/> 556,890,000	<hr/> 517,394,000
<b>TOTAL REVENUES</b>	<b>810,786,000</b>	<b>726,859,000</b>
<b>Designated Operating Fund</b>		
Indirect Cost Recovery	226,771,000	233,000,000
Institutional Overhead	20,000,000	20,000,000
Summer Quarter Tuition	51,631,000	46,600,000
Investment Income	16,176,000	16,176,000
Miscellaneous Fees	6,595,000	5,795,000
UWB & UWT Admin Overhead	6,072,000	4,755,000
Administrative Allowances	200,000	200,000
<hr/> <b>TOTAL REVENUES</b>	<hr/> <b>327,445,000</b>	<hr/> <b>326,526,000</b>
<b>TOTAL - UNIVERSITY OPERATING RESOURCES</b>	<b>1,138,231,000</b>	<b>1,053,385,000</b>

# RESEARCH FUNDS

Revenues and Expenditures	FY 2014 Proposed	FY 2013 Adopted
<b>Research Enterprise</b>		
Grants and Contracts Direct Costs	1,089,898,000	1,164,898,000
<b>TOTAL REVENUES</b>	<b>1,089,898,000</b>	<b>1,164,898,000</b>
<b>TOTAL EXPENDITURES</b>	<b>1,089,898,000</b>	<b>1,164,898,000</b>

- Direct research expenditures are expected to decrease in FY14 due to sequestration
- ARRA-related expenditures are expected to end this fiscal year—reducing estimated expenditures by \$25 million
- A reduction of an additional \$50 million in non-ARRA grants is projected

# RESTRICTED FUNDS

Revenues and Expenditures	FY 2014 Proposed	FY 2013 Adopted
<b>Restricted Funds</b>		
Gift Income & Endowment Distributions	224,715,000	214,255,000
State Restricted Funds	8,494,000	8,274,000
<b>TOTAL REVENUES</b>	<b>233,209,000</b>	<b>222,529,000</b>
<b>TOTAL EXPENDITURES</b>	<b>233,209,000</b>	<b>222,529,000</b>

- Endowment distributions reflect 1% used to fund Treasury and Advancement expenses
- We project \$112 million in gift income
- The majority of State Restricted is comprised of the Accident and Medical Aid account revenue
- State Restricted also includes money for the joint Aerospace Center and ocean acidification research

# UW MEDICINE HEALTH SYSTEM - PRELIMINARY

Revenues and Expenditures by Area	FY 2014 Proposed	FY 2013 Adopted
<b>UW Medicine health system (Preliminary)</b>		
UW Medical Center	944,000,000	908,936,000
Harborview Medical Center**	785,000,000	782,163,000
Valley Medical Center	450,000,000	441,486,000
NW Hospital	320,000,000	315,821,000
UW Physicians	253,000,000	242,200,000
Airlift NW	50,230,000	42,500,000
UW Neighborhood Clinics	33,100,000	29,530,000
<b>TOTAL REVENUES</b>	<b>2,835,330,000</b>	<b>2,762,636,000</b>
<b>TOTAL EXPENDITURES</b>	<b>2,835,330,000</b>	<b>2,762,636,000</b>

- Preliminary revenues and expenditures from the UW Medicine health system represent 47% of the UW's FY14 budget
- Moderate growth is expected in all areas of the health system

# AUXILIARY UNITS

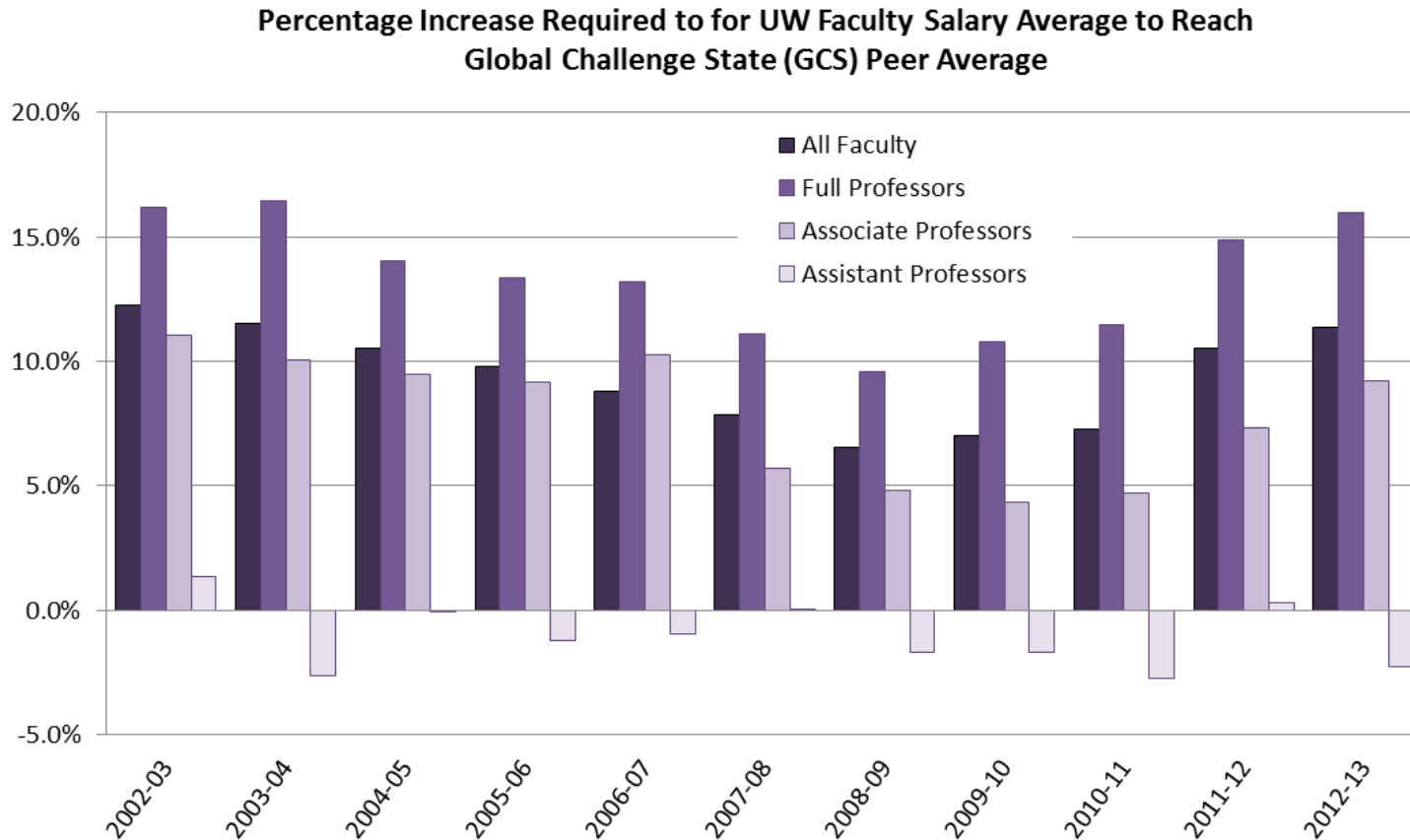
Revenues and Expenditures by Area	FY 2014 Proposed	FY 2013 Adopted
<b>Auxiliary Activities</b>		
Housing and Dining	91,736,000	81,421,000
Intercollegiate Athletics	95,621,000	81,809,000
Educational Outreach	106,417,000	93,406,000
Parking	36,598,000	34,651,000
Additional Auxiliary Activities	418,443,000	410,238,000
<b>TOTAL REVENUES</b>	<b>748,815,000</b>	<b>701,525,000</b>
<b>TOTAL EXPENDITURES</b>	<b>748,815,000</b>	<b>701,525,000</b>

- “Additional auxiliary activities” include internal service units (stores, motor pool, publication services, etc.), some School of Medicine activities, international programs and exchanges, Hall Health Center, and course fee revenue

# TUITION ITEM



# EDUCATIONAL QUALITY AND STUDENT EXPERIENCE



- Although the salary gap was reduced earlier this decade, that progress has disappeared in recent years
- Compensation is the UW's biggest financial need in the coming two years

# UNDERGRADUATE RESIDENT TUITION

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- New state operating revenue was provided so that the UW can avoid increasing tuition for undergraduate residents
- Thus, undergraduate resident tuition will **not** be increased in 2013-14 or 2014-15
- Any increases in net tuition revenue from undergraduate residents will be a result of enrollment increases rather than tuition changes

# TUITION PROPOSAL – PEER COMPARISONS

- The UW's resident undergraduate **tuition & fee** rate from last academic year is slightly below that of our Global Challenge State peers

<b>Undergraduate Resident</b>	<b>2012-13</b>
University of Washington	12,383
Global Challenge State Peer Median	12,883

- Given no increase in undergraduate resident tuition for two years, it is expected that the UW rate will remain competitive

*See page 14 of the budget item, table 9, for more specific peer tuition rate information*

# TUITION PROPOSAL – GRAD/PROF, NONRES UG

		FY 2013	FY 2014		FY 2015	
			% Change	Tuition	% Change	Tuition
<b>Undergraduate</b>	Resident	\$11,305	0.0%	\$11,305	0.0%	\$11,305
	Non-Resident	\$28,860	7.0%	\$30,879	5.0%	\$32,424
<b>Graduate Tier I</b>	Resident	\$13,280	7.0%	\$14,211	7.0%	\$15,207
	Non-Resident	\$25,690	3.0%	\$26,460	3.0%	\$27,255
<b>Graduate Tier II</b>	Resident	\$13,620	7.0%	\$14,574	7.0%	\$15,594
	Non-Resident	\$26,240	3.0%	\$27,027	3.0%	\$27,837
<b>Graduate Tier III</b>	Resident	\$13,930	7.0%	\$14,904	7.0%	\$15,948
	Non-Resident	\$26,790	3.0%	\$27,594	3.0%	\$28,422

- Other graduate/professional categories are generally increasing from 0% to 10%

*Please review pages 15-17 of the budget item, table 10, for a comprehensive list of all tuition changes.*

# 2013-14 PROJECTIONS OF REVENUE VS. AID

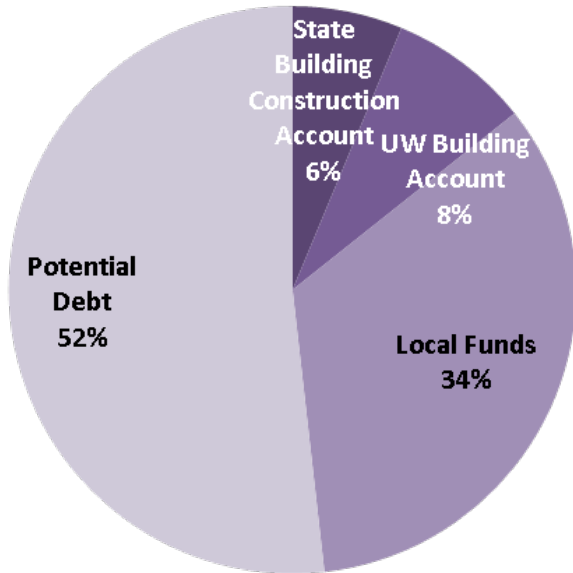
2013-14 Tuition-Based Aid		Undergraduate		Graduate/Professional		Total
		Resident	Non-Resident	Resident	Non-Resident	
3% need waivers, 1% merit waivers, 5% set-aside	From Group:	25,093,600	12,885,910	7,638,834	6,126,924	51,745,268
	To Group:	34,281,000	0	17,464,000	0	51,745,000
Additional Aid		18,626,000	0	0	0	18,626,000
Total Aid for Group from Tuition Revenue		52,907,000	0	17,464,000	0	70,371,000
Waivers - Foregone Revenue		2,470,600	3,531,000	8,700,000	65,153,000	79,854,600
Total Tuition-Related Financial Aid		55,377,600	3,531,000	26,164,000	65,153,000	150,225,600
Tuition-Related Financial Aid Received as Percentage of Total Tuition Charged		19%	2%	29%	49%	21%

- Total return to aid for **resident undergraduates** will remain strong at 19 percent
- Total return to aid for **all students** (including graduate and professional students) is still 21 percent

# CAPITAL BUDGET

# FY14 UW CAPITAL BUDGET OVERVIEW

*Begins on page 18 of budget item, summary table on Page 24*



- \$44.4 million in state funds
- \$56.8 million UW building account appropriations
- \$239.8 million in local fund expenditures
- \$366.5 million potential new debt

Total FY14 Capital Budget = \$707.6 million

# SELECTED FY14 CAPITAL BUDGET PROJECTS

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- State funded projects
  - Denny Hall Renovation
  - Lewis Hall
  - MHSC Roofing Replacement Project
  - Minor Capital Repair – Preservation
  - UW Preventative Facility Maintenance
  - UW Tacoma – Urban Solutions Center
  
- Locally funded projects
  - Fluke Hall Renovation - C4C and MFF
  - UW Police Station Replacement
  - Minor Capital Repair – Program Renewal



# SELECTED FY14 CAPITAL BUDGET PROJECTS

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- Potential debt-funded projects
  - Denny Hall Renovation
  - HR/Payroll System Replacement
  - Animal Research Care Facility
  - SW Campus Central Utility Plant
  - UW Strategic Real Estate Acquisition
  - Metropolitan Tract Acquisition
  - Parking and Transportation Improvements
  - ICA Basketball Operations and Practice Center
  - UW Bothell/Cascadia Student Activities Center
  - UW Tacoma - University Y and Student Activity Center

# UW ONE CAPITAL PLAN OVERVIEW

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- Proposed capital uses in 2013-15 and the next 10 years:
  - I. Fundamental Projects
  - II. Proposed Projects – Funding Potential
  - III. Proposed Projects – Future Funding Opportunities
  
- Includes all UW enterprises
  - Central (Infrastructure, Instruction, Research)
  - UW Bothell, UW Tacoma
  - UW Auxiliary Units (Athletics, Housing, Parking, UW Medical Center)

*See Appendix 3, pages 27-33 of budget item for a comprehensive list of proposed projects by tier and program use.*

# QUESTIONS