



July 3, 2013

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

**WEDNESDAY, JULY 10, 2013**

**5:30 p.m. President's Residence DINNER FOR REGENTS,  
AND OTHER GUESTS**

**THURSDAY, JULY 11, 2013**

**8:45 to 9:40 a.m. Bill & Melinda Gates Commons, CSE Room 691, Paul G. Allen Center for Computer Science & Engineering ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regents Ayer (Chair), Cole, Jaech, Scott**

**9:50\* to 11:45 a.m. Bill & Melinda Gates Commons, CSE Room 691 FINANCE, AUDIT AND FACILITIES COMMITTEE: Regents Smith (Chair), Blake, Shanahan, Simon**

**11:55\* a.m. to 12:40 p.m. Bill & Melinda Gates Commons, CSE Room 691 ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regents Ayer (Chair), Cole, Jaech, Scott  
*in Joint Session with*  
FINANCE, AUDIT AND FACILITIES COMMITTEE: Regents Smith (Chair), Blake, Shanahan, Simon**

**1:00 p.m. Bill & Melinda Gates Commons, CSE Room 691 REGULAR MEETING OF BOARD OF REGENTS  
*During the Regular Board Meeting, following Other Business, Regents, and others, will participate in a Washington State Ethics Act Training session.***

***\*or upon conclusion of the previous session.***

Unless otherwise indicated, committee meetings of the Board of Regents will run consecutively; starting times following the first committee are estimates only. If a session ends earlier than expected, the next scheduled session may convene immediately. Committee meetings may be attended by all members of the Board of Regents and all members may participate.

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.



**UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS**

**Academic and Student Affairs Committee**  
Regents Ayer (Chair), Cole, Jaech, Scott

**July 11, 2013**

**8:45 to 9:40 a.m.**

**Bill & Melinda Gates Commons, CSE Room 691  
Paul G. Allen Center for Computer Science & Engineering**

1. **Housekeeping Revision to the Board of Regents Governance,  
Regent Policy No. 5, "Role and Mission of the University"**  
Rebecca Deardorff, Director of Rules Coordination **ACTION** A-1
2. **Academic and Administrative Appointments**  
Ana Mari Cauce, Provost and Executive Vice President **ACTION** A-2
3. **Service and Activities Fee – University of Washington, Seattle  
2013-2014 Innovation Fund Allocations**  
Lincoln Johnson Interim Vice President for Student Life  
Kiehl Sundt, Chair, SAF **ACTION** A-3
4. **Establishment of a Quarterly Service Fee for International  
Students Seattle Campus**  
Ana Mari Cauce, Provost and Executive Vice President **ACTION** A-4
5. **UW Bothell: International Student Services and Program Fee  
Proposal**  
Kenyon Chan, Chancellor, UW Bothell  
Susan Jeffords, Vice Chancellor for Academic Affairs, UW  
Bothell **ACTION** A-5
6. **College of Arts and Sciences – Reorganization of the BFA and  
MFA degree programs in Fibers, Metals, and Printmaking**  
Bob Stacey, Dean, College of Arts and Sciences  
Christopher Ozubko, Director, School of Art **ACTION** A-6
7. **College of Arts and Sciences – Reorganization of the BA in  
Design Studies in the School of Art**  
Bob Stacey, Dean, College of Arts and Sciences  
Christopher Ozubko, Director, School of Art **ACTION** A-7
8. **Intercollegiate Athletics Report on NCAA Compliance** **INFORMATION** A-8  
Scott Woodward, Director, Intercollegiate Athletics  
Kyle Pifer, Assistant Athletic Director for Compliance
9. **Other Business**



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

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

July 11, 2013  
9:50 to 11:45 a.m.

Bill & Melinda Gates Commons, CSE Room 691  
Paul G. Allen Center for Computer Science & Engineering

1. **Report of Contributions – May 2013** **INFORMATION** F-1  
    **Connie Kravas**, Vice President, University Advancement
2. **Grant and Contract Awards Summary – April 2013** **ACTION** F-2  
    **Ana Mari Cauce**, Provost and Executive Vice President
3. **Actions Taken Under Delegated Authority** **INFORMATION** F-3  
    **Richard Chapman**, Associate Vice President, Capital  
    Projects Office
4. **Red Flag Rules – Identity Theft Compliance Program Annual  
    Report** **INFORMATION** F-4  
    **Susan Camber**, Associate Vice President, Research and  
    Student Fiscal Administration  
    **Sue Clausen**, Associate Vice President, Medical  
    Affairs/Chief Compliance Officer, UW Medicine
5. **Adopting Proposed Amendments to WAC 478-136-041,  
    “Alcoholic Beverage Policy”** **ACTION** F-5  
    **Stephanie Rempe**, Sr. Associate Athletic Director,  
    Intercollegiate Athletics  
    **Scott Woodward**, Director of Athletics, Intercollegiate  
    Athletics
6. **Architectural Commission Student Membership Appointment** **ACTION** F-6  
    **John Schaufelberger**, Interim Dean, College of Built  
    Environments  
    **Rebecca G. Barnes**, University Architect, Office of Planning  
    and Budgeting
7. **UW Seattle – Approve Proposed 2013-14 East Campus Special  
    Event Parking Rate Revisions** **ACTION** F-7  
    **Charles Kennedy**, Associate Vice President, Facilities  
    Services  
    **Josh Kavanagh**, Director, Transportation Services, Facilities  
    Services

8. **Cobb Building – Approve Exercise of Purchase Option and Financing Plan** **ACTION** F-8  
**Todd Timberlake**, Chief Real Estate Officer  
**Tom Schappacher**, Assistant Director-Finance, Real Estate Office  
**Chris Malins**, Senior Associate Treasurer, Treasury
9. **UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease** **ACTION** F-9  
**Harlan Patterson**, Vice Chancellor for Finance & Administration, Administrative Services, UW Tacoma  
**Eric Smith**, Director, Major Projects Group, Capital Projects Office  
**Bill Starkey**, Associate Treasurer, Treasury
10. **UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract** **ACTION** F-10  
**Marilyn Cox**, Vice Chancellor for Administration and Planning, UW Bothell  
**Steve Tatge**, Assistant Director, Major Projects Group, Capital Projects Office  
**Chris Malins**, Senior Associate Treasurer, Treasury
11. **Approve Resolution to Issue and Refund General Revenue Bonds** **ACTION** F-11  
**Bill Starkey**, Associate Treasurer, Treasury  
**Chris Malins**, Senior Associate Treasurer, Treasury
12. **Enterprise Risk Management Annual Report** **INFORMATION** F-12  
**V’Ella Warren**, Senior Vice President  
**Ana Mari Cauce**, Provost and Executive Vice President
13. **UW Medicine Epic Clinic Deployment Project Update** **INFORMATION** F-13  
**Johnese Spisso**, Chief Health Center Officer, UW Medicine  
**Wendy Giles**, Clinical Applications Director, UW Medicine IT Services  
**James Fine**, MD, Chair of Laboratory Medicine and Chief Information Officer, UW Medicine IT Services
14. **Other Business**





**UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS**

**Academic and Student Affairs Committee**  
Regents Ayer (Chair), Cole, Jaech, Scott

*In Joint Session with*

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

**July 11, 2013**

**11:55 a.m. to 12:40 p.m.**

**Bill & Melinda Gates Commons, CSE Room 691  
Paul G. Allen Center for Computer Science & Engineering**

1. **UW Medicine Board Annual Patient Safety and Quality Committee Report** **INFORMATION F-14**  
**Kimberly McNally**, Chair, UW Medicine Board Patient Safety and Quality Committee  
**Paul Ramsey**, CEO UW Medicine, Executive Vice President for Medical Affairs, and Dean of the School of Medicine  
**Johnese Spisso**, Chief Health Center Officer, UW Medicine
2. **Executive Session**  
(to discuss with legal counsel representing the University, litigation or potential litigation to which the University is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the University)
3. **Executive Session**  
(to review the performance of public employees)
4. **Other Business**



## AGENDA

### BOARD OF REGENTS University of Washington

July 11, 2013

1:00 p.m.

Bill & Melinda Gates Commons

CSE Room 691, Paul G. Allen Center for Computer Science & Engineering

(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 Harrell**

**PUBLIC COMMENT PERIOD**

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

**VI. CONSENT AGENDA**

Approval of Minutes of Meeting of June 13, 2013

Approval of Minutes of Special Meeting of July 1, 2013

Housekeeping Revision to the Board of Regents Governance, Regent Policy No. 5, "Role and Mission of the University" A-1

Service and Activities Fee – University of Washington, Seattle 2013-2014 Innovation Fund Allocations A-3

Establishment of a Quarterly Service Fee for International Students Seattle Campus A-4

UW Bothell: International Student Services and Program Fee Proposal A-5

College of Arts and Sciences – Reorganization of the BFA and MFA degree programs in Fibers, Metals, and Printmaking A-6

College of Arts and Sciences – Reorganization of the BA in Design Studies in the School of Art A-7

Grant and Contract Awards Summary – April 2013	F-2
Adopting Proposed Amendments to WAC 478-136-041, “Alcoholic Beverage Policy”	F-5
Architectural Commission Student Membership Appointment	F-6
UW Seattle – Approve Proposed 2013-14 East Campus Special Event Parking Rate Revisions	F-7
Cobb Building – Approve Exercise of Purchase Option and Financing Plan	F-8
UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease	F-9
UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract	F-10
Approve Resolution to Issue and Refund General Revenue Bonds	F-11

## VII. STANDING COMMITTEES

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

Academic and Administrative Appointments (Action)	A-2
Intercollegiate Athletics Report on NCAA Compliance (Information only)	A-8

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

Report of Contributions – May 2013 (Information only)	F-1
Actions Taken Under Delegated Authority (Information only)	F-3
Red Flag Rules – Identity Theft Compliance Program Annual Report (Information only)	F-4
Enterprise Risk Management Annual Report (Information only)	F-12
UW Medicine Epic Clinic Deployment Project Update (Information only)	F-13

#### *Joint Session*

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

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

UW Medicine Board Annual Patient Safety and Quality Committee Report (Information only)	F-14
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**VIII. OTHER BUSINESS**

**Reports to the Board:**

**Faculty Senate Chair – Professor Jim Gregory**

**Student Leaders:**

**ASUW President – Mr. Michael Kutz**

**GPSS President – Mr. Christopher Lizotte**

**ASUW Tacoma President – Mr. Peter Pentescu**

**ASUW Bothell President – Mr. Talwinder Singh**

**Alumni Association President – Mr. Patrick Crumb**

**IX. WA STATE ETHICS ACT TRAINING**

**Richard Cordova, Executive Director of Audits, and Gary Ikeda, Assistant Attorney General and Division Chief, will lead a training session on the Washington State Ethics Act for Regents and others.**

**X. DATE FOR NEXT REGULAR MEETING: Thursday, August 8, 2013**

**XI. ADJOURNMENT**

## OFFICIAL MINUTES

### MINUTES

#### **BOARD OF REGENTS University of Washington**

**July 11, 2013**

The Board of Regents held its regular meeting on Thursday, July 11, 2013, beginning at 1:00 p.m. in the Bill & Melinda Gates Commons, in the Paul G. Allen Center for Computer Science & Engineering. The notice of the meeting was appropriately provided to the public and the media.

#### **CALL TO ORDER**

Regent Harrell called the meeting to order at 1:00 p.m.

#### **ROLL CALL**

Assistant Secretary Tennant called the roll: Present were Regents Harrell (chairing), Ayer, Blake, Cole, Jaech, Shanahan, Simon, and Smith; President Young, Provost Cauce, Ms. Warren, Ms. Goldblatt; ex officio representatives: Professor Gregory, Mr. Lizotte, Mr. Kutz, and Mr. Crumb.

Absent: Regent Scott

#### **CONFIRM AGENDA**

The agenda was confirmed as presented.

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

Regent Harrell invited Hank Levy, Professor and Chair of Computer Science & Engineering, to address the group. On behalf of the Regents, Regent Harrell thanked Professor Levy for hosting the meeting in the Bill & Melinda Gates Commons.

Professor Levy described the importance of increasing the enrollment capacity of Computer Science & Engineering (CSE). Computer Science knowledge is recognized as an important part of a general education for almost everyone on campus. In the last year over 3,500 undergraduates took CSE courses. It is a high demand program. Over 500 incoming freshmen indicated they would like to major in Computer Science. Current capacity limitations allow for only 200 students per year, resulting in the Department turning away many qualified students. There is an enormous employment demand in the region for CSE graduates. UW is among the top suppliers to local companies including Microsoft, Amazon, and Google.

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Professor Levy closed his remarks by noting CSE has been in its current building for a decade and is out of space to accommodate increased enrollment. The Department is committed to growing the program and educating more students. They plan a preliminary study into additional space to offer computer science education to more of Washington's students.

## **PUBLIC COMMENT PERIOD**

Regent Harrell announced the Board would receive comments from the public. She said this segment of the meeting is meant to give Board members a chance to hear directly from the public on any subject pertaining to the University. She noted that while the Board was pleased to have the opportunity to listen to any comments offered and consider them in its decision-making, the Board was not in a position to directly act on the comments or provide a response. Any Board member who would like additional information or follow up would make that request through staff following the meeting.

Five students signed up in advance and commented in favor of divestment in fossil fuel by the University. One student commented on the proposed international student fee.

Regent Harrell thanked the speakers for attending the meeting and presenting their comments to the Board. She reiterated if members of the Board would like additional information about the issues presented in public comment, they would make the request of staff and it would be provided at a later time. Regent Harrell strongly encouraged those commenting to begin the dialogue about issues with the University's administrative team.

Regent Harrell said Regents would hear later from newly-elected student leaders GPSS President Christopher Lizotte and ASUW President Michael Kutz. On behalf of the Board, she welcomed them and said she looks forward to working with them. ASUW Tacoma President Peter Pentescu will provide a report from his campus.

Regents look forward to welcoming Kiana Scott to the Board as the newly-appointed student member. Governor Inslee appointed Kiana effective on July second. She is traveling, but looks forward to meeting and working with everyone during the next year.

Regents bid farewell to two other ex officio representatives – UW Alumni Association President Patrick Crumb, in office through August, and Faculty Senate Chair Jim Gregory, in office through July. Regent Harrell said it has been a pleasure to work with both of them and Regents value their contributions to the Board and the University during a challenging year.

Regent Harrell commented on the recently-completed state legislative session. She recognized the diligent efforts which resulted in the state's education-friendly budget. She lauded the engagement, excitement, and commitment of the many people involved in the outcome.

First and foremost, she recognized and applauded Herb Simon for his acumen and strategy, and for burning up the phone lines! Regent Simon guided a savvy and

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committed Legislative Affairs Committee, including Regents Craig Cole and Pat Shanahan, with Chris Jordan providing student input. She thanked them all for their service. Appropriately, she noted Herb stepped out of the meeting to participate on a panel discussing, “The Role Regents, Trustees and General Constituents Play in Legislative Advocacy” at the Public Higher Education Legislative Advocacy Professionals Conference being held in Seattle this week.

She also thanked and recognized Margaret Shepherd and Randy Hodgins, from UW’s State Relations Office, for their hard work during the session, keeping Regents updated and continuing to deliver the message of the importance of funding for higher education.

The process was truly led by President Young. Regents thanked him for his engagement and vision and the many miles he put on his car during numerous trips to Olympia. He has built invaluable relationships with legislators and worked with faculty, staff, students, and alumni to engage them and include them in the process. It truly does “take a village.” The state budget was impacted by the work of student and faculty leaders, University administrators, and members of the community called to action by UW Impact.

Finally, Regent Harrell thanked her fellow Regents who contacted legislators in Olympia, made phone calls and supported the process. This budget, she said, was a turning point for the University. A round of enthusiastic applause followed Regent Harrell’s remarks about the legislative session.

Regent Harrell noted later in the meeting Gary Ikeda and Richard Cordova would lead a Washington State Ethics Act training session for Regents. Regents believe this is an important “best practice.” Others are invited, but not required, to attend.

Regent Harrell invited President Young to deliver his report.

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

President Young echoed Regent Harrell’s thanks to everyone involved in the legislative effort. The outcome is a tremendous tribute to a large group of people who made significant contributions. The President cited the UW Faculty representative, present in Olympia during the session, exemplifying UW’s “superb” faculty.

President Young welcomed everyone to the Computer Science & Engineering building, terming it a “beautiful facility.”

President Young added his welcome to Kiana Scott, student member of the Board of Regents and said she has a steep learning curve regarding the work of the Board, but she has already demonstrated that she is a quick study. He also welcomed new student leaders Michael Kutz, President of the ASUW, and Chris Lizotte, GPSS President, as well as the ASUW Bothell and Tacoma Presidents.

President Young expressed his appreciation for Jim Gregory’s service to the faculty and the institution this past year, saying it was wonderful to have an historian to help

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everyone understand issues in a historical context. He thanked him for his dedication, commitment, and valued insight. He welcomed incoming Faculty Senate Chair, Professor Jack Lee, who is a member of the Mathematics faculty.

The President thanked Patrick Crumb for his service to the Alumni Association and Board over the past year, saying there has rarely been such an enthusiastic, engaged, accomplished, and visionary leader.

He asked the Board to take a moment to acknowledge the passing of Brewster Denny, the founder of the UW's School of Public Affairs and perhaps the last living link between current times and the settlers who established the University. Professor Denny was an iconic figure on this campus and he will be missed by many.

The Information Technology group, under Kelli Trosvig's direction, earned the Campus Technology Innovators award for the second year in a row recognizing an application the group developed to help UW students locate study space, featuring the attributes and availability of that space.

Administratively, the President highlighted work across campus to achieve greater efficiencies. Over twelve universities visited campus to learn more about UW's efforts in this area. Forty entities, including state government, city, county, and private entities visited campus to learn more about UW's efforts. The President congratulated V'ella Warren and the Finance & Facilities team for their accomplishments.

UW's men's varsity crew made a spectacular showing in the Grand Challenge Cup at the recent Henley Royal Regatta against some hand-picked Olympic rowers. The Huskies beat the powerful Polish team and finished second overall. They were second only to a British squad of Olympic medalists (rowing as "club team."). In the process both the Brits and the Huskies broke the course record.

The President and Vice President Kravas gave a copy of the book, "The Boys in the Boat" to each Regent. This book tells the story of the 1936 Husky crew team that competed in the Olympics, and won.

The UW's Formula Motorsports team took first place at the Formula Society of Automotive Engineers competition a couple of weeks ago in Lincoln, Nebraska. This is a large national competition that challenges engineering students to design and build a small race car fit for an amateur driver. This was the twenty-fourth year in which the UW has competed. Up against a field of nearly eighty national and international teams, the Husky entry earned the overall win. The team heads for Europe later this month to compete at Formula Student Germany. The UW team placed second overall out of twenty registered teams in the electric-powered division.

The UW has revived the tradition of taking new faculty on a state-wide tour immediately after commencement, and President Young joined thirty-five first- and second-year faculty for a thousand-mile, five-day road trip designed to introduce them to the state of Washington. It gave everyone a first-hand look at the state's diverse geography, communities, and industries. The tour stopped at many locations throughout the state.



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The President presented an update on UW's commercialization and entrepreneurship, and stated commercialization provides a means to promote inventions and ideas to be distributed for the benefit of the world, offers a way to encourage future inventions, and provides an opportunity for teaching and learning.

UW's Center for Commercialization (C4C) is guided by four principles:

1. Create a culture where entrepreneurship nurtures innovative research;
2. Have technology transfer operations that are faculty-centered and easy to use and built on sound business practices;
3. Provide solid support for operations, patents, translational research and entrepreneurial activities; and
4. Encourage private investment and business leadership in start-up companies that come out of our technology.

The President presented slides, which are attached to these minutes.

Inventions – UW is seeing an increased flow of UW inventions, in general.

Start-ups – There were seventeen new companies launched this past year, a record for the UW. This places UW in the top five in the nation for generation of university start-ups. This success comes in part from the Entrepreneur-in-Residence (EIR) program at the Center for Commercialization (C4C). The EIR is made up of successful leaders from the local business community.

Licensing – Based the most recent data, the UW is now number one in the country in the number of license and option agreements executed annually (194) and still active (1213). Much of this is due to the highly successful non-exclusive licensing programs pioneered for software and databases. In FY13, C4C executed 215 license and option agreements, and the Express Licensing system supported 1115 transactions.

Revenue – The UW received a little over \$45 million in licensing revenues in FY2013. Three-fourths of that comes through the Washington Research Foundation and the patents on the Ben Hall Hepatitis vaccine, which expire in 2015. In anticipation of that, C4C is ramping up the revenues on the patents it manages directly. In the past year, those revenues increased by more than 20% to over \$10.8 million.

Early-Stage funding to start-ups – C4C has tripled the amount of gap funding available to develop product prototypes around UW technologies. This involves:

- Helping researchers apply for commercialization grants. UW has won \$15.9M in federal small business awards for 24 UW start-ups over the past four years.
- Using the Bridge Funding Program to create external forums like the Technology Alliance Innovation Showcase, the WINGS medical technology angel group, and the W Fund; and
- Applying inside and outside resources to help UW start-ups prepare to pitch to professional investors.

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UW has several other projects in the works that should yield valuable long-term results. The New Ventures Facility (NVF) on the second and third floors of Fluke Hall will provide start-up incubation space for twenty lab-based companies and five software companies. Beyond space, New Ventures creates an on-campus community of technology entrepreneurs and makes connections to the business community. CEO roundtables bring the executives of the incubating companies together for informal conversations, and the NVF hosts lecture series on practical topics of immediate interest to UW's entrepreneurial faculty and students.

With the Regents' approval, renovation of Fluke Hall is expected to start in January 2014 and to be completed by summer 2015. New Ventures shows the many benefits of hosting UW start-ups next door to researchers. The Office of Planning & Budgeting is working with C4C to look for additional incubator space in the University District.

Each year a select group of experienced faculty members are selected to be Presidential Entrepreneurial Faculty Fellows (EFF). The EFFs provide peer mentoring to less experienced faculty entrepreneurs, advice on C4C program details, and help with seminars and outreach.

UW is working on its intellectual property policies and practices. In 2009, C4C formed an internal IP Management group to provide in-house expertise for directing outside patent prosecution. Last year President Young resurrected the Intellectual Property Management Advisory Committee (IPMAC), to bring together informed, involved faculty members and C4C to explore ways to improve the UW's IP policy and the associated processes to help UW achieve its overall goals, support the faculty, and be in a strong position to recruit researchers from other institutions.

The President closed the presentation by describing next steps. He said an important way to connect education goals with commercialization is to foster the development of entrepreneurship skills in students across campus. This can stimulate ideas with commercial potential but it is also a powerful learning opportunity. As an example the Buerk Center, in the Foster School of Business, is a leader in promoting student entrepreneurship. Future initiatives would coordinate entrepreneurial education programs across the Buerk Center, C4C, the School of Law, the Bothell and Tacoma campuses, and individual departments. In the past fifteen years, the Business Plan Competition has given out \$1,397,000 in prize money to 112 student companies and provided opportunities for students to connect with local venture capitalists, entrepreneurs, and investors. The Buerk Center is also reviewing and assembling materials to help students turn ideas into successful businesses.

The President described other educational opportunities:

- MBA interns assess market opportunities for UW technologies;
- Law School externs evaluate patent opportunities and assist in the patent and copyright processes;
- Bridge Funding Fellows – MBA, JD, and PhD candidates – performing due diligence on UW start-ups to help them prepare to pitch to the W Fund and other investors;

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- Postdoctoral Fellows supported by C4C to remain at the UW to advance the commercialization opportunity of innovations generated by their research.

President Young encouraged work to enhance the entrepreneurial culture more broadly around campus. Overall, the President believes the UW is experiencing a vigorous and healthy approach to commercialization and one that is tied to its core research, service, and education missions.

Regent Harrell thanked the President for his report. She added her thanks to Regent Jaech for his engagement and to Vice Provost Linden Rhoads for her leadership.

## CONSENT AGENDA

Regent Harrell 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, the Board voted to approve the sixteen items on the consent agenda as shown below:

### **Minutes for the Meeting of June 13, 2013**

### **Minutes for the Special Meeting of July 1, 2013**

### **Housekeeping Revision to the Board of Regents Governance, Regent Policy No. 5, "Role and Mission of the University"** (Agenda no. A-1)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents adopt the housekeeping revisions to the *Board of Regents Governance*, Regent Policy No. 5, "Role and Mission of the University."

See Attachment A-1.

### **Service and Activities Fee – University of Washington, Seattle 2013-2014 Innovation Fund Allocations** (Agenda no. A-3)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve for the Seattle Campus allocating \$102,051 of the Research and Development Fund (also known as the "Innovation Fund") that allows for a portion of the interest accrued annually by the fund balances of the Services and Activities Fee to be distributed to units in the form of one-time, non-renewable, non-recurring grants.

See Attachment A-3.

**Establishment of a Quarterly Service Fee for International Students Seattle Campus**  
(Agenda no. A-4)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve a \$45 quarterly fee, to be paid by all University of Washington Seattle international students, effective Autumn 2013.

See Attachment A-4.

**UW Bothell: International Student Services and Program Fee Proposal** (Agenda no. A-5)

It was the recommendation of the administration and the Academic and Student Affairs committee that the Board of Regents approve a \$45 quarterly fee, to be paid by all University of Washington Bothell international students starting Autumn 2013.

See Attachment A-5.

**College of Arts and Sciences – Reorganization of the BFA and MFA degree programs in Fibers, Metals, and Printmaking** (Agenda no. A-6)

The Administration and the Academic and Student Affairs Committee recommend that the BFA and MFA degree programs in Fibers, Metals, and Printmaking be eliminated.

See Attachment A-6.

**College of Arts and Sciences – Reorganization of the BA in Design Studies in the School of Art** (Agenda no. A-7)

The Administration and the Academic and Student Affairs Committee recommend that the BA in Design Studies in the School of Art be eliminated.

See Attachment A-7.

**Grant and Contract Awards Summary – April 2013** (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 April 2013 in the total amount of \$70,645,860.

See Attachment F-2.

**Adopting Proposed Amendments to WAC 478-136-041, “Alcoholic Beverage Policy”**  
(Agenda no. F-5)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents adopt the amendments to WAC 478-136-041, “Alcoholic Beverage Policy.”

See Attachment F-5.

**Architectural Commission Student Membership Appointment** (Agenda no. F-6)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents appoint Laura Marie Hall to the University of Washington Architectural Commission as the student representative, with a term commencing in September 2013 and ending in June 2014. Ms. Hall fills a vacancy created by the departure of Chris Tritt, who recently graduated.

See Attachment F-6.

**UW Seattle – Approve Proposed 2013-14 East Campus Special Event Parking Rate Revisions** (Agenda no. F-7)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents adopt the attached East Campus Event Parking Rates, effective August 1, 2013.

See Attachment F-7.

**Cobb Building – Approve Exercise of Purchase Option and Financing Plan** (Agenda no. F-8)

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

1. Delegate to the president or his designee the authority to exercise the purchase option for the leasehold interest in the downtown Cobb Building. Final settlement price will be determined by May 1, 2014 and the closing date will be November 1, 2014; and
2. Approve the financing plan for the purchase at a borrowing amount not to exceed \$36 million to include closing and financing costs.

See Attachment F-8.

**UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease** (Agenda no. F-9)

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

1. adopt a project budget of \$20 million for the UW Tacoma “University YMCA” Student Center;
2. approve the use of the Internal Lending Program (ILP) to fund up to \$13 million for design, construction and financing costs; and
3. delegate authority to the President or his designee to:

- a. award a Design/Build contract, subject to the contract sum being within the approved project budget; and
- b. execute a lease and related documents for the facility with the YMCA of Pierce & Kitsap Counties.

See Attachment F-9.

**UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract** (Agenda no. F-10)

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

1. adopt a project budget of \$18,850,000 for the UW Bothell Student Activities Center;
2. approve the use of the Internal Lending Program to fund up to \$19 million for design, construction, and financing costs;
3. authorize the use of the General Contractor/Construction Manager (GC/CM) Alternative Public Works contracting method; and
4. delegate authority to the President or his designee to award a GC/CM contract, subject to the contract sum being within the available approved project budget and funding.

See Attachment F-10.

**Approve Resolution to Issue and Refund General Revenue Bonds** (Agenda no. F-11)

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

1. The attached resolution to allow for the issuance of General Revenue Bonds in fiscal year 2014 for the following purposes:
  - a. Capital project funding based on 18 months of expected cash flows and the redemption of outstanding commercial paper in a total amount not to exceed \$155 million;
  - b. To refund any existing debt that provides an economic benefit.
2. Delegating to the President or his designee the authority to proceed with the issuance of the bonds, to establish all other terms of the bonds, and to execute other documents and approvals as required to complete the transactions.

See Attachment F-11.

## STANDING COMMITTEES

### **ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Ayer Chair**

Regent Harrell invited Regent Ayer to provide a report from the Academic and Student Affairs Committee.

At Regent Ayer's request, Provost Cauce highlighted selected appointments. She noted the revised appointment date of UW Bothell Chancellor Bjong Yeigh to September 1, 2013, and thanked Kenyon Chan for continuing as UW Bothell Chancellor until that date.

### **Academic and Administrative Appointments** (Agenda no. A-2)

**MOTION:** Upon the recommendation of the administration, and the motion made by Regent Ayer, the Board voted to approve the personnel appointments.

See Attachment A-2.

### **Intercollegiate Athletics Report on NCAA Compliance** (Agenda no. A-8) (Information only)

Athletic Director Scott Woodward and his team presented a report on NCAA compliance. This is one of three annual reports from Athletics to the Board (Financial and Student Athlete Academic Performance are the others). Mr. Woodward stated the long-term goal of ICA is to have a strong culture of compliance and they are making good progress toward that goal. No major infractions were reported. Minor infractions were inadvertent in a challenging environment of violations. There was lots of auditing and self-reporting of these minor infractions, also known as secondary violations. The intent of the compliance staff is to educate rather than be punitive, and be guided by lessons learned and continuous improvement. ICA has added staff to further improve compliance. They offered the example of monthly coaches meetings as a compliance effort. The compliance staff meets twice a year with athletes. Every new employee receives training in compliance. Outside audits were conducted in February, 2011, and resulted in forty-one recommendations, with all but one implemented. UW Internal Audit also provides oversight. Regent Ayer said Regents feel good about building this important compliance culture.

See Attachment A-8.

### **FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Smith, Chair**

Regent Harrell invited Regent Smith to provide a report from the Finance, Audit and Facilities Committee.

Regent Smith reported on items approved on the Consent Agenda. The committee approved appointment of Laura Marie Hall as the student representative to the Architectural Commission, a proposal allowing UW to exercise its right to exercise a

purchase option for leasehold interest in the Cobb building, reviewed and recommended approval for the UW Tacoma YMCA project, and the Bothell student activity center; and authorized UW to issue \$155 million in general revenue bonds for capital projects.

**Report of Contributions – May 2013** (Agenda no. F-1) (Information only)

The total gifts received in May was \$57,895,049, the total for the year to date is \$326,647,146.

See Attachment F-1.

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

See Attachment F-3.

**Red Flag Rules – Identity Theft Compliance Program Annual Report** (Agenda no. F-4) (Information only)

See Attachment F-4.

**Enterprise Risk Management Annual Report** (Agenda no. F-12) (Information only)

Regents received an important and impressive annual report about Enterprise Risk Management. The presentation highlighted the recent focus on the integration of risk assessment into the University's broader decision-making process, termed by Regent Smith as a "terrific improvement" in the way UW views those decisions. He especially lauded the work being done in explicitly setting priorities associated with the level of risk faced by the University, in developing a data-driven evaluation of the risks and strategic implications, and further development of the dashboard. He observed great progress, and reasons to be satisfied, with the direction of the University's work in the area of Enterprise Risk Management.

See Attachment F-12.

**UW Medicine Epic Clinic Deployment Project Update** (Agenda no. F-13) (Information only)

Regents received an update from UW Medicine staff on the Epic Clinic deployment, the last phase of the electronic health system. UW Medicine is compelled to implement the system because of the incentives and sanctions imposed by federal regulations and law. Johnese Spisso described many benefits to UW Medicine in the areas of patient safety and efficiency of operations. The project is expected to be completed by July, 2014.

See Attachment F-13.

***Joint Session***

**ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Ayer, Chair**  
**FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Smith, Chair**



**UW Medicine Board Annual Patient Safety and Quality Committee Report** (Agenda no. F-14) (Information only)

UW Medicine Board presented its annual report from the Patient Safety and Quality Committee. Regent Smith said Regents were pleased with direction of the committee's activities. Harborview and UWMC rank in the top 30% of their peer group of 101 similar university medical centers, an improvement over prior years. UW Medicine strives to reach the top ten percent next year with a plan to focus on specific factors upon which UW Medicine is evaluated and progress made in those areas.

See Attachment F-14.

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

In conjunction with the conversations on risk management and campus safety, and recognizing "things that go right" on campus, Regent Cole invited UW Police Department Deputy Chief Randall L. West, Detective William P. Bergin, and Detective Warren Bresko to come forward and be recognized for the notable police work resulting in the apprehension of a man in a stolen truck containing weapons and other suspicious devices. An enthusiastic standing ovation in gratitude of the work of the officers followed.

Regent Harrell invited the student leaders from UW Tacoma and Bothell to join the Regents at the table.

She invited Professor Gregory to provide his last report from the Faculty Senate, and thanked him for his service as Chair over the past year.

**Faculty Senate Chair:** Professor Jim Gregory

Professor Gregory shared that his key impression of the Regents is that they do a lot of very important work and the citizens of the state may not realize the service Regents provide to this institution and state. He thanked them for their service.

He believes this has been an important and pivotal year, citing the headline from the UW Daily, "The Beginning of Reinvestment." This reflects not the recovery, but hopefully the beginning of it, after five years. This was an important year for the Faculty Senate and the shared governance system, one where the faculty has a healthy and collaborative relationship with President Young and Provost Cauce. He thanked them for their willingness to engage, to speak candidly, and to listen despite resolvable differences of opinion. The University is coming through challenging times in better shape than most would have predicted.

Professor Gregory, an historian whose research focuses on the Great Depression, compared the current five years of economic recession, with those times, and offered lessons learned. He is saddened by the comparison between how the Great Depression generation responded and what resulted and how the current generation is responding.

July 11, 2013

The response to the challenges faced during the Great Depression resulted in a new framework for the economy, politics, and democracy, as well as investments by policymakers. This demonstrated that bad times can produce good and useful outcomes. Policy makers of the mid-1930s had priorities not shared by current policymakers. They built things, making huge investments into infrastructure, especially energy (dams) and transportation (roads, bridges, airports) resulting in the framework to win World War II and build the post-war economy. Another great priority was investing in young people including jobs creation, investments in education, and building schools. Higher education was re-formed. UW expanded with buildings funded by federal and state dollars. There was investment in students through federally funded scholarships. This resulted in expanded enrollment, more facilities, more faculty, and curriculum revisions including the development of the college system. The Faculty Senate was created. For the first time, the student body included students of “non-privileged” households in significant numbers. There was a movement in the STEM direction with engineering becoming the most popular major on campus.

Professor Gregory said he is less excited about how policy makers have used the current economic challenge, but he hopes UW will be ready for the coming recovery. He encouraged administrators to stop thinking about austerity and stop assuming the bad times will continue forever and to invest and reinvest. He encouraged reimagining the University. Optimistically, Professor Gregory said he hopes UW comes out of this recession with something new and better, not only a recovery, but a rebirth and a renaissance.

**ASUW President:** Mr. Michael Kutz

Mr. Kutz is a senior studying Computer Science and Economics. He has student government experience as a member of ASUW Student Senate and as Director of University Affairs for ASUW. He started the working group on Teaching Assistant support to expand resources for TAs on campus and developed the soon-to-be-released student best practices guide for teaching. He worked on the successful diversity requirement proposal, and served as Chair of the Provost’s Advisory Committee for Students. He was a part of a university-wide collaboration to convince the legislature of the importance of investment in the University.

Mr. Kutz stated his priorities for next year. He plans to continue to develop the ASUW organization, which has recently gained credibility with the University and the state legislature. He hopes to expand existing partnerships with other organizations and to work with local non-profits to connect more students with service opportunities in the U-District communities. ASUW plans to work with local companies to get “deals” for students.

His highest priority is addressing tuition affordability for middle class students, who are not eligible for financial aid but face increasing tuition rates. ASUW will seek creative solutions to this problem which affects many students and their access to education.

**GPSS President:** Mr. Christopher Lizotte

Mr. Lizotte is a geographer and lifetime New Englander who is now very happy to call the Pacific Northwest his home. He praised the UW for taking student leadership seriously in a way that it is not at other institutions. He has observed administrators and Regents care deeply about the institution and the student experience, despite differences on policy matters.

GPSS, he said, is delighted to have no budget cuts in the upcoming fiscal year. He believes the University is still operating in an environment of “artificial scarcity.” With excellent advocacy by Regents and others there has been significant headway made to increase state funding to the University.

GPSS is in the process of planning for the next year. The SAF Innovation Fund provided resources for new positions and funding at GPSS, allowing them to create a Director of Development position, an Information Management Specialist, and funding for a travel grants program. This funding enabled GPSS to direct funds from its budget toward an endowment, with proceeds to fund GPSS programs. GPSS is establishing an alumni network comprised of former GPSS leaders who will be potential supporters as donors and through networking and mentorship.

Mr. Lizotte looks forward to collaboration with ASUW on a variety of issues, which will make both groups more effective internally and externally.

GPSS has not examined the initiative encouraging the University to divest from fossil fuel, but will consider its position in the future.

Mr. Lizotte said while it was significant the University passed a budget with no increase in the rate of undergraduate resident tuition for two years, graduate and professional tuition has increased, and GPSS will continue the work of college councils, focusing on strengthening existing councils and establishing new ones, to encourage councils to examine proposed tuition increases for graduate and professional schools and programs. They also plan to monitor fee-based programs to assure they are conducted intelligently and strategically with a clear vision of how access and quality will be maintained.

**ASUW Tacoma President:** Mr.  
Peter Pentescu

Mr. Pentescu is a transfer student to UW Tacoma. While serving on ASUW Tacoma’s Legislative Affairs Committee he became involved in Olympia, where he observed the benefits of students working together with faculty, administrators, and other campuses. He wants to continue that work.

ASUW Tacoma is preparing for the upcoming academic year and welcoming new students to campus. They are excited about the University Y student center being built. They plan to work over the coming year to mentor student leaders and to build on past legislative success. They also strive to establish stronger connections between UW’s

three campuses to connect all students with the university-wide resources available to them.

**ASUW Bothell President:** Mr. Talwinder Singh did not attend the meeting.

**Alumni Association President:** Mr. Patrick Crumb

Ending his year of service as Alumni Association President, Mr. Crumb said although he is not an historian, he will shortly “be history.”

On behalf of the UWAA trustees, volunteers, and staff, Mr. Crumb said he is very proud of the accomplishments of the past year in support of the University of Washington. He provided some year-end accomplishments:

- UWAA volunteers and staff produced over 350 events in Seattle and other locations nationally and internationally.
- Membership continues to grow, “bucking” the national trend. Currently there are 55,000 dues-paying members.
- 15,000 alumni and friends participated in UWAA-sponsored lifelong learning opportunities, mainly on campus, highlighting UW’s excellent faculty.
- 750 alumni traveled on over 40 international alumni tours, frequently accompanied by UW faculty members.
- 225,000 households received the award-winning Columns magazine.

One highlight of the past year was the number of alumni and friends advocating in support of UW through UW Impact. Mr. Crumb said he is proud of the role of UW Impact. In the past 75 days, over 3,000 communications have been delivered to legislators from alumni and friends through UW Impact tools.

UW Impact is the host of an annual national legislative advocacy conference in Seattle, attended by counterparts from over thirty large public universities, to explore best practices and share ideas. President Young, Regent Simon, and Vice President Hodgins spoke or were featured in panel discussions at the conference.

Mr. Crumb concluded by thanking Regents and administrators on behalf of the Association for their support. He thanked President Young for his support of UWAA’s work, events, and organization. He gratefully acknowledged Paul Rucker, Executive Director, and his team, for their amazing work. He thanked Connie Kravas for her support of the UWAA.

Regent Harrell told Mr. Crumb it has been a pleasure to get to know him over the past year. She applauded his service and commitment to the University.

## **WASHINGTON STATE ETHICS ACT TRAINING**

Richard Cordova, Executive Director of Audits, and Gary Ikeda, Senior Assistant Attorney General and Division Chief, led a training session for Regents and others on the Washington State Ethics Act. The presentation is attached to these minutes.

**DATE FOR NEXT MEETING**

Regent Harrell announced the next regular meeting of the Board of Regents scheduled on Thursday, August 8, 2013, is canceled. The next regular meeting of the Board of Regents will be held on Thursday, September 12, 2013, on campus.

**ADJOURNMENT**

The regular meeting was adjourned at 3:40 p.m.



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Joan Goldblatt  
Secretary of the Board of Regents

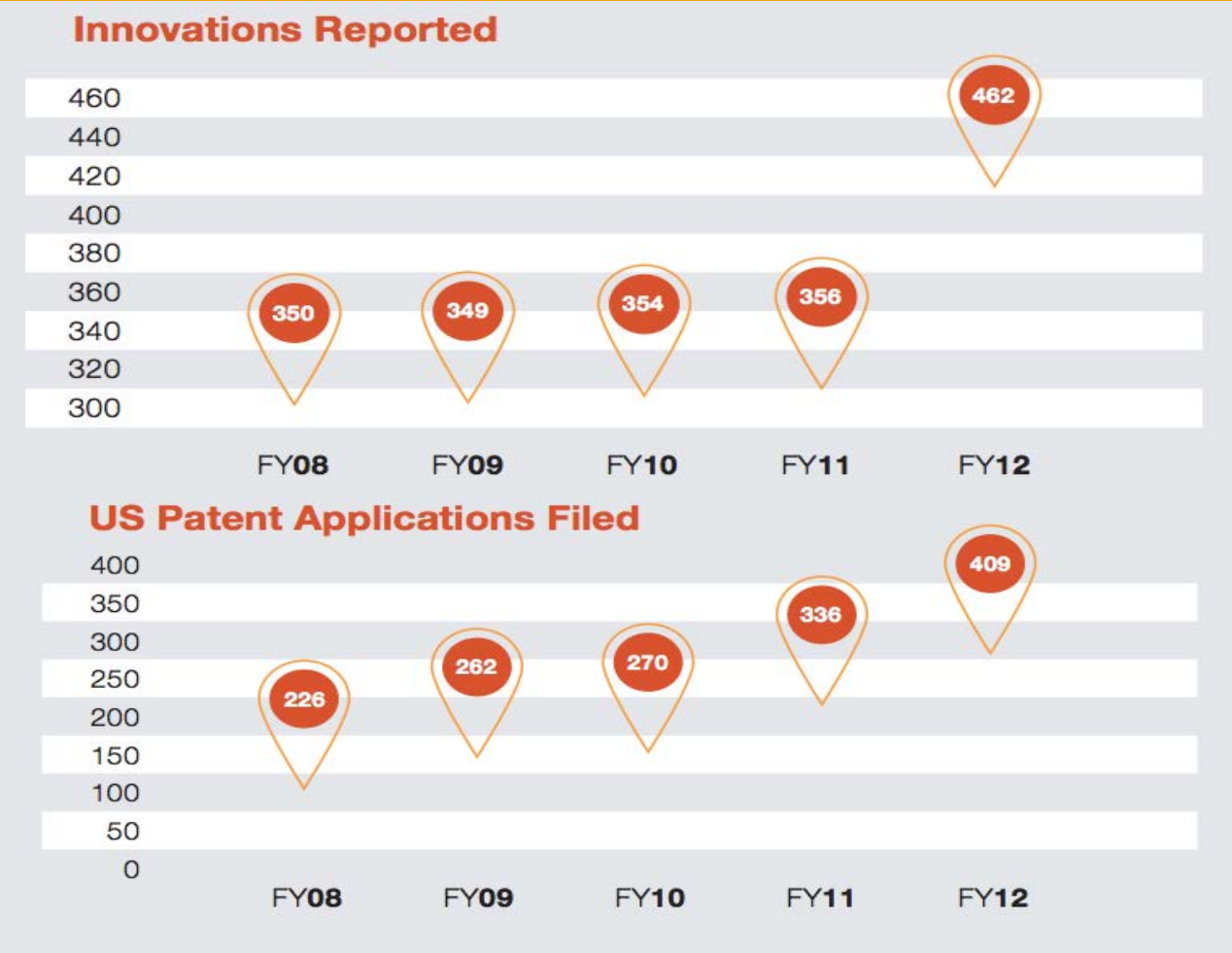
*Approved at the meeting of the Board on September 12, 2013.*

# Update on UW Commercialization and Entrepreneurship

# UW INVENTION ACTIVITY IS INCREASING

DISCLOSURES ARE UP

APPLICATIONS ARE UP



# LAUNCHING 17 START-UPS THIS YEAR

(Five-year average  $\approx$  9/yr.)



Products to rapidly and painlessly close lacerations and incisions as an alternative to sutures and staples.

## Second Wind

Commercial energy recovery



Innovation in nanoengineering for low cost healthcare



Enhancing clinical wisdom

## LumiSands

Making LED lighting more attractive and affordable



Nurturing healthier connections between patients and clinicians.

## Stella Therapeutics

Small molecules that can potentially eradicate brain tumors



Automating communication among care providers



Lowering the noise and cost of marine pile driving

## Portage Bay Photonics

Silicon photonic devices

## iDGenomics



Molecular modeling in the cloud



Contrast agents for medical imaging



Drug discovery for the anti-aging market



Remote monitoring is coming to orthopedics



Maker of card game that teaches computer security

## SNUPI

Small wireless, battery-powered sensing devices that can detect a variety of home hazards



# ENTREPRENEURS IN RESIDENCE

MORE THAN HALF OF UW SPIN-OUTS ARE HEADED BY AN E.I.R.



**David Bluhm**  
**Software**  
30 years exp.  
Over 20 start-ups  
2 IPOs  
7 acquisitions  
\$32B market value



**Rob Arnold**  
**Healthcare IT**  
25 years exp.  
President & CEO:  
Geospiza  
Crossport Systems  
ST Labs.



**Tom Dawson**  
**Medical Device**  
30 years exp.  
CEO/COO:  
Periowave Dental  
Kistler-Morse Corp.  
Ondine Medical  
VP:  
Dux Area



**Craig Phillips**  
**Therapeutics**  
25 years exp.  
President:  
Cell Therapeutics  
VP:  
Bayer  
Berlex  
Schering-Plough



**Rhonda Rhyne**  
**Medical Device**  
25 Years exp.  
CEO/Founder:  
•CardioDynamics,  
CSO:  
•Sonosite



**Robert Barry**  
**Medical Device**  
25 years exp.  
CEO/Founder:  
•Stasys  
•Uptake Medical  
•CoAptus



**Steve Dimmer**  
**Medical Device**  
25 years exp.  
CEO/Foounder:  
•Holaira  
•Innovative  
Pulmonary  
Solutions

**EIRs with relevant industry and technical expertise are introduced to entrepreneurial research teams**

## They're here to help:

- Assess the business case
- Create a business plan & verbal pitch / PPT
- Identify early investment
- Initiate market research & development
- Establish a go-to-market (GTM) plan

# PRESIDENTIAL ENTREPRENEURIAL FACULTY FELLOWS



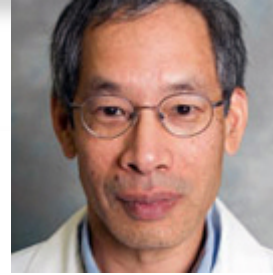
**David Baker**



**Carl Bergstrom**



**Guozhong Cao**



**Felix Chew**



**Daniel Chiu**



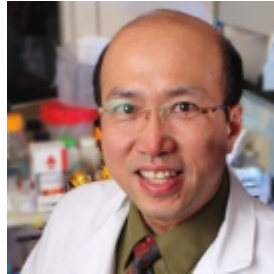
**Joel Durand**



**Oren Etzioni**



**Carla Grandori**



**Rodney Ho**



**Vikram Jandhyala**



**Shaoyi Jiang**



**Vipin Kumar**



**Marsha Linehan**



**David Linker**



**Bonnie Ramsey**



**Buddy Ratner**



**Patrick Stayton**



**Dan Weld**

# Comprehensive curriculum in entrepreneurship open to graduate students across campus

- Foundations of entrepreneurship
- Entrepreneurial marketing
- Entrepreneurial finance
- Biomedical entrepreneurship
- Entrepreneurial strategy
- Software entrepreneurship
- Innovation strategy
- Etc.

# Business plan competition

The UW Business Plan Competition is the marquee event for the Buerk Center for Entrepreneurship at the University of Washington Michael G. Foster School of Business. In the past fifteen years, the Business Plan Competition has successfully:

**Awarded \$1,397,000 in prize money to 112 student companies**

Involved over 400 judges, mentors, sponsors, supporters each year from the alumni and business community

Promoted student ideas and **new venture creation**

Provided an opportunity for business and science students to present new business plans to Seattle area venture capitalists, entrepreneurs, and investors



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# UNIVERSITY OF WASHINGTON BOARD OF REGENTS

## **“WASHINGTON STATE ETHICS ACT TRAINING”**

Richard Cordova   Internal Audit

Gary Ikeda   Attorney General's Office

# AGENDA

- ❖ Ethics In Public Service Act
- ❖ Regent Ethics Policies

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# **Ethics In Public Service Act**

## **RCW Chapter 42.52**

# **ETHICS IN PUBLIC SERVICE ACT**

- ❖ **Why This Deserves Your Attention**
- ❖ **“Challenges” for UW Employees**
- ❖ **Review of Specific Areas of the Act**



# WHY THIS DESERVES YOUR ATTENTION

- ❖ **Violations played out in Media**
- ❖ **Fines – Up to \$5,000 per violation**
- ❖ **Enforcement directed at the employee**

# **“CHALLENGES” FOR UW EMPLOYEES**

- ❖ **The Act doesn't neatly fit the UW's education-research mission and culture**
- ❖ **Many activities “like a business”**
  - ❖ **UW Medicine**
  - ❖ **Intercollegiate sports**
  - ❖ **Treasury / Investments**
  - ❖ **International operations**
- ❖ **Does not apply to students**

# ETHICS IN PUBLIC SERVICE ACT

The areas which pose the most frequent challenge for UW employees are:

- ❖ Conflicts of interest
- ❖ Gifts
- ❖ Use of State resources

# CONFLICT OF INTEREST

- ❖ **Incompatible Activities**
- ❖ **Special privileges or exemptions**
- ❖ **Financial interest in transactions**
- ❖ **Extra compensation for official duties**

# **GIFTS**

## **Broad Definition of Gift:**

**Anything with an economic value for which you have given nothing in return.**

## **The General Rule:**

**Never accept a gift, gratuity or any thing of value if it could be reasonably expected to influence your judgment or action.**



# **GIFTS**

**State employees may not receive, accept, take, seek or solicit anything of economic value as a Gift.**

**The value of gifts given to an employee's family shall be attributed to the employee**

# USE OF RESOURCES

- ❖ UW resources are for UW purposes
- ❖ De minimus personal use
- ❖ Zero Tolerance for:
  - ❖ **campaigning or**
  - ❖ **to support non-University business**
  - ❖ **Except .....**

# **USE OF RESOURCES**

## **Research Employees Exemption**

**Limited personal use of assigned University resources to conduct outside work activities related to research and technology transfer activities.**



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# **Board of Regents' Ethics Policies Procedures**

# KEY INFORMATION – REGENT ETHICS POLICIES

- ❖ **Customs and Protocols**
- ❖ **Statement of Ethical Principles**
- ❖ **Regent Conflict of Interest Policy**
- ❖ **Approval of Investments Policy**

# **REGENT CUSTOMS AND PROTOCOLS**

**Regents are fiduciaries to the University and hold it in trust for the long-term benefit of the public.**

# **STATEMENT OF ETHICAL PRINCIPLES**

**As trustees it is our responsibility to hold ourselves and one another to the highest ethical standards in the conduct of the University's affairs with a deep respect for the rules and societal standards that define the right way to conduct our work.**



# REGENT CONFLICT OF INTEREST

- ❖ **Best interests of the University**
- ❖ **Disclosure**
- ❖ **Refrain from participation**

# APPROVAL OF PERSONAL INVESTMENTS

- ❖ **Permissible investments**
- ❖ **Presumptive approval**
- ❖ **Summary approval**
- ❖ **Prior approval necessary**

# ETHICS IN PUBLIC SERVICE ACT TRAINING

Questions?

## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

Housekeeping Revision to the *Board of Regents Governance*, Regent Policy No. 5, “Role and Mission of the University”RECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents adopt these housekeeping revisions to the *Board of Regents Governance*, Regent Policy No. 5, “Role and Mission of the University.”

BACKGROUND

The University of Washington’s role and mission statement, codified as Regent Policy No. 5, “Role and Mission of the University,” is used to identify the University’s unique role and mission within the state of Washington’s higher education institutions. The statement is frequently included as part of the University’s academic profile during accreditation.

Except for a minor correction in the number of colleges and schools provided in December 2001, the statement has remained the same since February 1998. This housekeeping revision updates the facts as they relate to the three University of Washington campuses and the current names of various schools and colleges.

These proposed revisions have been reviewed and approved by the Office of the Provost and Executive Vice President as well as the Office of the President.

*Attachment*

Proposed revisions to Regent Policy No. 5, “Role and Mission of the University”



## Role and Mission of the University

Founded 4 November 1861, the University of Washington is one of the oldest state-supported institutions of higher education on the Pacific coast. The University is comprised of three campuses: the Seattle campus is made up of ~~seventeen~~ ~~sixteen~~ schools and colleges whose faculty offer educational opportunities to students ranging from first-year undergraduates through doctoral-level candidates; the Bothell and Tacoma campuses, each developing a distinctive identity and undergoing rapid growth, offer diverse programs to ~~upper division~~ undergraduates and to graduate students.

The primary mission of the University of Washington is the preservation, advancement, and dissemination of knowledge. The University preserves knowledge through its libraries and collections, its courses, and the scholarship of its faculty. It advances new knowledge through many forms of research, inquiry and discussion; and disseminates it through the classroom and the laboratory, scholarly exchanges, creative practice, international education, and public service. As one of the nation's outstanding teaching and research institutions, the University is committed to maintaining an environment for objectivity and imaginative inquiry and for the original scholarship and research that ensure the production of new knowledge in the free exchange of facts, theories, and ideas.

To promote their capacity to make humane and informed decisions, the University fosters an environment in which its students can develop mature and independent judgment and an appreciation of the range and diversity of human achievement. The University cultivates in its students both critical thinking and the effective articulation of that thinking.

As an integral part of a large and diverse community, the University seeks broad representation of and encourages sustained participation in that community by its students, its faculty, and its staff. It serves both non-traditional and traditional students. Through its three-campus system and through educational outreach, evening degree, and distance learning, it extends educational opportunities to many who would not otherwise have access to them.

The academic core of the University of Washington ~~Seattle campus~~ is its College of Arts and Sciences; the teaching and research of the University's many professional schools provide essential complements to these programs in the arts, humanities, social sciences, and natural and mathematical sciences. Programs in law, medicine, forest resources, oceanography and fisheries, library science, and aeronautics are offered exclusively (in accord with state law) by the University of Washington. In addition, the University of Washington has assumed primary responsibility for the health science fields of dentistry and public health, and offers education and training in medicine for a multi-state region of the Pacific Northwest and Alaska. The schools and colleges of ~~architecture and urban planning built environments~~, business ~~administration~~, education, engineering, ~~environment, information~~, nursing, pharmacy, public affairs, and social work have a long tradition of educating students for service to the region and the nation. These schools and colleges make indispensable contributions to the state and, with the rest of the University, share a long tradition of educating undergraduate and graduate students toward achieving an excellence that well serves the state, the region, and the nation.

*BR, February 1981; February 1998; AI, December 2001.*

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**

#### **American Indian Studies Program**

**Harmon, Alexandra J.**

**Acting Chair, American Indian Studies, effective 5/1/2013**

Continuing Appointments:

- Professor, American Indian Studies
- Adjunct Professor, History

Degrees:

- PhD, 1995, University of Washington
- MA, 1990, University of Washington
- JD, 1972, Yale University
- BA, 1966, Stanford University

### **Department of Mathematics**

**Irving, Ronald Scott**

**Chair, Mathematics, effective 7/1/2013**

Continuing Appointment:

- Professor, Mathematics

Degrees:

- PhD, 1977, Massachusetts Institute of Technology
- AB, 1973, Harvard University

### **Department of Political Science**

**Lovell, George Ivan**

**Chair, Political Science, effective 7/1/2014**

Continuing Appointment:

- Professor, Political Science

Degrees:

- PhD, 1997, University of Michigan
- MA, 1990, University of North Carolina
- BA, 1987, Tufts University

**University of Washington, Bothell**

**University of Washington, Bothell**

**Yeigh, Bjong Wolf**

**Chancellor, Bothell , effective 9/1/2013 (supersedes 7/1/2013 start date)**

Degrees:

- PhD, 1995, Princeton University
- MA, 1994, Princeton University
- MS, 1987, Stanford University
- BA, 1986, Dartmouth College

**Division of Biological Sciences, School of STEM, UW Bothell**

**Servetnick, Marc David**

**Acting Chair, Biological Sciences, School of STEM, Bothell, effective 3/16/2013**

Continuing Appointments:

- Associate Professor, School of Science, Technology, Engineering, and Mathematics, Bothell
- Adjunct Associate Professor, School of Interdisciplinary Arts and Sciences, Bothell

Degrees:

- PhD, 1985, University of California (Berkeley)
- BA, 1977, Johns Hopkins University

**Division of Computing and Software Systems, School of STEM, UW Bothell**

**Siber, Michael David**

**Acting Chair, Computing and Software Systems, School of STEM, Bothell, effective 3/16/2013**

Continuing Appointments:

- Professor, School of Science, Technology, Engineering, and Mathematics, Bothell
- Associate Dean, School of Science, Technology, Engineering, and Mathematics, Bothell

Degrees:

- PhD, 1992, University of California (Los Angeles)
- MS, 1990, University of California (Los Angeles)
- Bachelor of Electrical Engineering, 1983, Washington University
- BS, 1983, Washington University

**Division of Physical Sciences, School of STEM, UW Bothell**

**Jaffe, Daniel Averill**

**Acting Chair, Physical Sciences, School of STEM, Bothell, effective 3/16/2013**

Continuing Appointments:

- Professor, School of Science, Technology, Engineering, and Mathematics, Bothell
- Professor, Atmospheric Sciences

Degrees:

- PhD, 1987, University of Washington
- MS, 1983, University of Washington
- BS, 1979, Massachusetts Institute of Technology

**UW Bothell School of Science, Technology, Engineering, and Mathematics**

**Stiber, Michael David**

**Associate Dean, School of Science, Technology, Engineering, and Mathematics, Bothell, effective 3/16/2013**

Continuing Appointments:

- Professor, School of Science, Technology, Engineering, and Mathematics, Bothell
- Acting Chair, Computing and Software Systems, School of STEM, Bothell

Degrees:

- PhD, 1992, University of California (Los Angeles)
- MS, 1990, University of California (Los Angeles)
- Bachelor of Electrical Engineering, 1983, Washington University
- BS, 1983, Washington University

**University of Washington, Tacoma**

**Interdisciplinary Arts and Sciences Program, Tacoma**

**Kunz, William Michael**

**Acting Director, Interdisciplinary Arts and Sciences, Tacoma, effective 6/16/2013**

Continuing Appointments:

- Associate Professor, Interdisciplinary Arts and Sciences, Tacoma
- Assistant Director, Interdisciplinary Arts and Sciences, Tacoma

Degrees:

- PhD, 1999, University of Oregon
- MS, 1994, University of Oregon
- BA, 1984, University of California (Berkeley)

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## ENDOWED APPOINTMENTS

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### College of Arts and Sciences

#### Department of Anthropology

##### Hoffman, Daniel J.

###### **Robert Bolles and Yasuko Endo Endowed Professorship, effective 7/1/2013**

Continuing Appointment:

- Associate Professor, Anthropology

Degrees:

- MD, 2004, Duke University
- MA, 2001, Duke University
- BA, 1994, Princeton University

#### Department of Economics

##### Fan, Yanqin

###### **Castor Endowed Chair in Economics, effective 9/1/2013**

Continuing Appointment:

- Professor, Economics

Degrees:

- PhD, 1990, University of Western Ontario (Canada)
- MA, 1987, University of Western Ontario (Canada)
- BSC, 1985, Jilin University (China)

##### Ghironi, Fabio Pietro

###### **Castor Endowed Professorship in Economics, effective 8/1/2013**

Continuing Appointment:

- Professor, Economics

Degrees:

- PhD, 1999, University of California (Berkeley)
- MA, 1994, Bocconi University (Italy)

##### Wen, Quan

###### **Castor Endowed Professorship in Economics, effective 8/1/2013**

Continuing Appointment:

- Professor, Economics

Degrees:

- PhD, 1991, University of Western Ontario (Canada)
- MA, 1988, University of Western Ontario (Canada)
- BSC, 1985, Jilin University (China)

## **Department of Linguistics**

**Kaisse, Ellen Maud**

**Howard and Frances Nostrand Endowed Professorship, effective 7/1/2013**

Continuing Appointment:

- Professor, Linguistics

Degrees:

- PhD, 1977, Harvard University
- AB, 1971, University of Chicago

## **Department of Psychology**

**Kanter, Jonathan William**

**Functional Analytic Psychotherapy (FAP) Term Professorship, effective 7/1/2013**

Degrees:

- PhD, 2002, University of Washington
- MA, 1996, Humboldt State University
- BA, 1989, University of California (Berkeley)

## **School of Dentistry**

### **Department of Pediatric Dentistry**

**Slayton, Rebecca Lynn**

**Law/Lewis Endowed Professorship in Pediatric Dentistry, effective 7/1/2013**

Continuing Appointments:

- Professor, Pediatric Dentistry
- Associate Dean, Dentistry
- Chair, Pediatric Dentistry

Degrees:

- PhD, 1998, University of Iowa
- DDS, 1992, University of Iowa
- MS, 1983, University of Iowa
- BA, 1980, Earlham College

## **College of Engineering**

### **Department of Mechanical Engineering**

**Posner, Jonathan D**

**Bryan T. McMinn Endowed Research Professorship in Mechanical Engineering, effective 3/16/2013**

Continuing Appointment:

- Associate Professor, Mechanical Engineering

Degrees:

- PhD, 2001, University of California (Irvine)
- MS, 1998, University of California (Irvine)
- MS, 1997, von Karman Institute for Fluid Dynamics
- BS, 1995, University of California (Irvine)

**College of the Environment**

**School of Oceanography**

**Quay, Paul Douglas**

**Richard H. Fleming Endowed Professorship, effective 6/1/2013**

Continuing Appointment:

- Professor, Oceanography

Degrees:

- PhD, 1977, Columbia University
- MPHIL, 1975, Columbia University
- BA, 1971, Queens College

**School of Medicine**

**Department of Bioengineering**

**Regnier, Michael**

**Washington Research Foundation Endowed Professorship In Bioengineering, effective 7/1/2013**

Continuing Appointments:

- Professor, Bioengineering
- Adjunct Professor, Physiology and Biophysics

Degrees:

- PhD, 1991, University of Southern California
- MS, 1983, Portland State University
- BA, 1980, Portland State University

**Department of Pediatrics**

**Jackson, Shaun William**

**Arnold Lee Smith Endowed Professorship for Research Faculty Development in the Department of Pediatrics, effective 7/1/2013**

Continuing Appointment:

- Acting Assistant Professor, temporary, Pediatrics

Degrees:

- MD, 2006, University of Capetown (South Africa)
- MB ChB, 2001, University of Capetown (South Africa)

**Department of Surgery**

**Chen, Jonathan Michael**

**Samuel and Althea Stroum Endowed Chair in Pediatric Cardiovascular Surgery, effective 7/1/2013**

Degrees:

- MD, 1994, Columbia University
- BS, 1990, Yale University



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## NEW APPOINTMENTS

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**College of Arts and Sciences**  
**Department of Anthropology**

**Gonzalez, Sara Lynae**

**Assistant Professor, Anthropology, effective 9/16/2013**

- Prior Non-UW Appointment: Consortium for Faculty Diversity Scholar-in-Residence Fellow in Anthropology, Department of Sociology and Anthropology, Carleton College, Minnesota

Degrees:

- PhD, 2011, University of California (Berkeley)
- MA, 2006, University of California (Berkeley)
- BA, 2002, University of California (San Diego)

**Taylor, Matthew Strickland**

**Lecturer, Full-time, Anthropology, effective 9/16/2013**

Degrees:

- PhD, 2006, University of Albany
- MA, 2001, Texas Technological University
- BA, 1998, Angelo State University

**Department of Communication**

**Cook, Caley Kirstin**

**Lecturer, Full-time, Communication, effective 9/16/2013**

Degrees:

- MA, 2007, University of Southern California
- BA, 2002, University of California (San Diego)

**Otanez, Andrea Kaye**

**Lecturer, Full-time, Communication, effective 9/16/2013**

Degrees:

- MA, 1990, University of Utah
- BA, 1986, University of Utah

**Robles, Jessica Sarah**

**Lecturer, Full-time, Communication, effective 9/16/2013**

Degrees:

- PhD, 2011, University of Colorado (Boulder)
- MA, 2005, University of Essex (UK)
- BA, 2004, University of San Francisco

**Souders, Michael Christian**

**Lecturer, Full-time, Communication, effective 9/16/2013**

Degrees:

- PhD, 2011, University of Kansas
- MA, 2005, Eastern New Mexico University
- BA, 2004, Eastern New Mexico University

**Department of History**

**Bet-Shlimon, Arabella Herutha**

**Assistant Professor, History, effective 9/16/2013**

Degrees:

- PhD, 2012, Harvard University
- AM, 2008, Harvard University
- MA, 2006, University of Michigan
- BA, 2003, University of Washington

**Department of Mathematics**

**Rothvoss, Thomas**

**Assistant Professor, Mathematics, effective 1/1/2014**

Degrees:

- PhD, 2009, École Polytechnique Federale de Lausanne
- Diploma, 2006, University of Dortmund

**Department of Psychology**

**Kanter, Jonathan William**

**Research Associate Professor, Psychology, effective 7/1/2013**

Prior Non-UW Appointment:

- Associate Professor, Department of Psychology, University of Wisconsin-Milwaukee, Milwaukee

Degrees:

- PhD, 2002, University of Washington
- MA, 1996, Humboldt State University
- BA, 1989, University of California (Berkeley)

**Department of Speech and Hearing Sciences**

**Silkes, JoAnn P.**

**Research Assistant Professor, Speech and Hearing Sciences, effective 5/16/2013**

Prior UW Appointment:

- Research Associate, Speech and Hearing Sciences

Degrees:

- PhD, 2009, University of Washington
- MS, 1990, University of Wisconsin
- BA, 1988, Indiana University

## **Business School**

### **Department of Accounting**

**Sawers, Kimberly**

**Visiting Associate Professor, Accounting, effective 6/16/2013**

Prior Non-UW Appointment:

- Associate Professor, Accounting, Seattle Pacific University

Degrees:

- PhD, 2002, University of Washington
- MBA, 1994, Seattle Pacific University
- BS, 1985, Southern Oregon State College

### **Department of Management and Organization**

**Tan, David**

**Assistant Professor, Management and Organization, effective 7/1/2013**

Prior Non-UW Appointment:

- Assistant Professor, McDonough School of Business, Georgetown University

Degrees:

- PhD, 2009, Emory University
- BA, 2004, Creighton University
- BS, 2004, Creighton University

## **College of the Environment**

### **Department of Atmospheric Sciences**

**Kim, Daehyun**

**Assistant Professor, Atmospheric Sciences, effective 2/3/2014**

Prior Non-UW Appointment:

- Assistant Research Professor, Lamont-Doherty Earth Observatory, Columbia University

Degrees:

- PhD, 2010, Seoul National University (Korea)
- BS, 2003, Seoul National University (Korea)

### **Department of Earth and Space Sciences**

**Koutnik, Michelle**

**Research Assistant Professor, Earth and Space Sciences, effective 7/1/2013**

Prior UW Appointment:

- Research Associate, Earth and Space Sciences

Degrees:

- PhD, 2009, University of Washington
- BS, 2001, University of California (Los Angeles)

## **School of Medicine**

### **Department of Anesthesiology and Pain Medicine**

#### **Kim, Jerry Hyun**

**Assistant Professor without Tenure, Anesthesiology and Pain Medicine, effective 7/1/2013**

Prior UW Appointment:

Acting Assistant Professor, temporary, Anesthesiology and Pain Medicine

Degrees:

- MD, 2002, Thomas Jefferson University
- BS, 1999, Pennsylvania State University

#### **Verma, Shilpa Thakkar**

**Assistant Professor without Tenure, Anesthesiology and Pain Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Anesthesiology and Pain Medicine

Degrees:

- Bachelor of Medicine, Bachelor of Surgery (MB BS), 2002, University of Mumbai (India)
- BS, 1994, University of California (Davis)

### **Department of Family Medicine**

#### **Marquardt, Ashley Frederick**

**Lecturer, Full-time, Family Medicine, effective 7/1/2013**

Prior UW Appointment:

- Lecturer Part-Time, Family Medicine

Degree:

- BS, 1999, Excelsior College

### **Department of Laboratory Medicine**

#### **Grisson, Ricky Darnell II**

**Assistant Professor without Tenure, Laboratory Medicine, effective 6/1/2013**

Prior Non-UW Appointment:

- Clinical Pathologist, VA SD Healthcare System

Degrees:

- MPH, 2012, Dartmouth College
- MD, 2007, Harvard College
- MBA, 2004, Emory University
- BA, 2000, Johns Hopkins University

## **Department of Medicine**

### **Adair, Jennifer Eileen**

**Research Assistant Professor, Medicine, effective 7/1/2013**

Prior Non-UW Appointment:

- Associate in Clinical Research, Fred Hutchinson Cancer Research Center

Degrees:

- PhD, 2005, Washington State University
- BS, 2000, Youngstown University

### **Bansal, Nisha**

**Assistant Professor without Tenure, Medicine, effective 7/1/2013**

Prior Non-UW Appointment:

- Assistant Professor, University of California, San Francisco

Degrees:

- Master Of Applied Science, 2010, University of California (San Francisco)
- MD, 2003, University of Connecticut
- BA, 1999, Brown University

### **Cheng, Richard Kar-Hang**

**Assistant Professor without Tenure, Medicine, effective 7/1/2013**

Degrees:

- MS, 2011, University of California (Los Angeles)
- MD, 2005, Columbia University
- BS, 2000, University of California (Los Angeles)

### **den Hartigh, Laura J.**

**Research Assistant Professor, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Instructor, Medicine

Degrees:

- PhD, 2008, University of California (Davis)
- BS, 2000, University of California (San Diego)

### **Garcia, David Allen**

**Professor without Tenure, Medicine, effective 7/1/2013**

Prior Non-UW Appointment:

- Professor, Division of Hematology/Oncology, University of New Mexico

Prior UW Appointment:

- Fellow, Medicine

Degrees:

- MD, 1993, University of Alabama
- BA, 1989, Duke University

**Goldberger, Zachary David**

**Assistant Professor without Tenure, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Medicine

Degrees:

- MS, 2011, University of Michigan (Ann Arbor)
- MD, 2004, Yale University
- BA, 1998, Brown University

**Johnston, Christine Michelle**

**Assistant Professor without Tenure, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Medicine

Degrees:

- MPH, 2007, University of Washington
- MD, 2001, University of Minnesota
- BS, 1995, Brown University

**Kaz, Andrew M.**

**Assistant Professor without Tenure, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Medicine

Degrees:

- MD, 1999, Duke University
- BS, 1991, Duke University

**Marchani, Elizabeth E.**

**Assistant Professor without Tenure, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Medicine

Degrees:

- PhD, 2008, University of Utah
- MS, 2005, University of Utah
- BS, 2003, Indiana University

**Marcondes, Antonio Mario Querido**

**Research Assistant Professor, Medicine, effective 6/1/2013**

Prior Non-UW Appointment:

- Associate in Clinical Research, Fred Hutchinson Cancer Research Center

Degrees:

- Doctor of Optometry, 2010, University of Washington
- MD, 2000, University of Sao Paulo

**Ojo, Kayode Kolawole**

**Research Assistant Professor, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Medicine

Degrees:

- PhD, 2002, University of Ibadan (Nigeria)
- MS, 1998, University of Ibadan (Nigeria)
- BS, 1995, Usmanu Danfodiyo University (Nigeria)

**Payne, Thomas Howard**

**Associate Professor without Tenure, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Clinical Associate Professor, Salaried, Medicine

Degrees:

- MD, 1980, University of Washington
- BS, 1976, Stanford University

**Rubinow, Katya Bronwyn**

**Assistant Professor without Tenure, Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Instructor, Medicine

Degrees:

- MD, 2006, Yale University
- BA, 1998, Harvard University

**Department of Pathology**

**Risques, Rosa Ana**

**Assistant Professor without Tenure, Pathology, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Pathology

Degrees:

- PhD, 2001, Autonomous University of Barcelona
- BS, 1996, Autonomous University of Barcelona

**Department of Pediatrics**

**Brei, Timothy John**

**Professor without Tenure, Pediatrics, effective 8/1/2013**

Prior Non-UW Appointment:

- Associate Professor of Clinical Pediatrics, Indiana University School of Medicine

Degrees:

- MD, 1984, University of Nebraska (Omaha)
- BA, 1978, Midland College

**Burns, Rebekah Anne**

**Assistant Professor without Tenure, Pediatrics, effective 8/5/2013**

Degrees:

- MD, 2007, University of California (San Francisco)
- BA, 2003, Reed College

**Crowell, Claudia Syueping**

**Assistant Professor without Tenure, Pediatrics, effective 8/1/2013**

Prior UW Appointment:

- Acting Instructor, Medicine

Degrees:

- MD, 2006, University of Washington
- BS, 2000, University of Virginia

**Giefer, Matthew Joseph**

**Assistant Professor without Tenure, Pediatrics, effective 7/29/2013**

Prior UW Appointment:

- Acting Instructor, Pediatrics

Degrees:

- MD, 2006, Loyola University (Chicago)
- BS, 2001, University of Notre Dame

**Kim, Grace Jiyoung**

**Assistant Professor without Tenure, Pediatrics, effective 8/1/2013**

Degrees:

- MD, 2006, Tufts University
- MS, 2002, Tufts University
- BA, 2000, Smith College

**Lockhart, Carey Terra**

**Assistant Professor without Tenure, Pediatrics, effective 8/19/2013**

Degrees:

- MD, 2007, Rush Medical College
- BS, 2003, University of Washington

**Maga, Ali Murat**

**Assistant Professor without Tenure, Pediatrics, effective 8/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Pediatrics

Degrees:

- PhD, 2008, University of Texas (Austin)
- MA, 2001, University of Texas (Austin)
- BA, 1999, Ankara University (Turkey)



**Munshi, Raj Prakash**

**Assistant Professor without Tenure, Pediatrics, effective 8/1/2013**

Prior UW Appointment:

- Senior Fellow, Medicine

Degrees:

- MD, 2005, New Jersey Medical School
- BA, 1999, Rutgers University

**Salehi, Parisa**

**Assistant Professor without Tenure, Pediatrics, effective 8/1/2013**

Degrees:

- MD, 2007, University of Nevada
- BS, 2003, University of California (Riverside)

**Department of Psychiatry and Behavioral Sciences**

**Brenner, Carolyn Jill**

**Assistant Professor without Tenure, Psychiatry and Behavioral Sciences, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- MD, 2005, University of Vermont
- BA, 1996, Brown University

**Bundy, Christopher Charles**

**Assistant Professor without Tenure, Psychiatry and Behavioral Sciences, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- MPH, 1999, Harvard University
- MD, 1998, University of Washington
- BA, 1994, Western Washington University

**Crawford, Daniel Joseph**

**Assistant Professor without Tenure, Psychiatry and Behavioral Sciences, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- MD, 2004, University of Washington
- MM, 1983, Northwestern University
- BA, 1977, University of Wisconsin

**Gudmundsen, Gretchen**

**Assistant Professor without Tenure, Psychiatry and Behavioral Sciences,  
effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- PhD, 2007, University of Denver
- MA, 2003, University of Denver
- AB, 1998, Dartmouth College

**Howe, Catherine Qing**

**Assistant Professor without Tenure, Psychiatry and Behavioral Sciences,  
effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- PhD, 2003, Duke University
- MD, 1997, Peking University (China)
- BS, 1992, Peking University (China)

**Kodish, Ian Michael**

**Assistant Professor without Tenure, Psychiatry and Behavioral Sciences,  
effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- MD, 2004, University of Illinois
- PhD, 2004, University of Illinois
- BA, 1995, Brown University

**Lyon, Aaron Robert**

**Assistant Professor without Tenure, Psychiatry and Behavioral Sciences,  
effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- PhD, 2009, De Paul University
- MA, 2005, De Paul University
- BA, 2001, University of Michigan

## **Department of Radiology**

### **Ingraham, Christopher R.**

**Assistant Professor without Tenure, Radiology, effective 7/31/2013**

Prior UW Appointment:

- Fellow, Radiology

Degrees:

- MD, 2006, New York University
- BS, 2001, State University of New York (Binghamton)

### **Johnson, Guy Edward**

**Assistant Professor without Tenure, Radiology, effective 7/1/2013**

Prior UW Appointment:

- Fellow, Radiology

Degrees:

- MD, 2007, New York Medical College
- PharmD, 2002, University of Washington
- BS, 1997, University of Washington

## **Department of Rehabilitation Medicine**

### **Baylor, Carolyn Rae**

**Assistant Professor without Tenure, Rehabilitation Medicine, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Rehabilitation Medicine

Degrees:

- PhD, 2007, University of Washington
- MS, 1993, University of Washington
- BS, 1991, University of Washington

### **Martinez, Vicente**

**Assistant Professor without Tenure, Rehabilitation Medicine, effective 7/1/2013**

Prior UW Appointment:

- Senior Fellow, Psychiatry and Behavioral Sciences

Degrees:

- PhD, 2008, University of Michigan
- BS, 2000, Michigan State University

## **Department of Surgery**

### **Chen, Jonathan Michael**

**Professor without Tenure, Surgery, effective 7/1/2013**

Prior Non-UW Appointment:

- Professor of Cardiothoracic Surgery, Weill Medical College of Cornell University

Degrees:

- MD, 1994, Columbia University
- BS, 1990, Yale University

**Gougoutas, Alexander Jacob**

**Assistant Professor without Tenure, Surgery, effective 7/1/2013**

Prior UW Appointment:

- Acting Instructor, Surgery

Degrees:

- MD, 2006, University of Pennsylvania
- BA, 2000, University of Pennsylvania

**Hinojosa, Marcelo W.**

**Assistant Professor without Tenure, Surgery, effective 7/1/2013**

Prior UW Appointment:

- Acting Assistant Professor, temporary, Surgery

Degrees:

- MD, 2004, University of California (Irvine)
- BS, 1998, University of Redlands

**Shalhub, Sherene**

**Assistant Professor without Tenure, Surgery, effective 6/30/2013**

Prior Non-UW Appointment:

- Assistant Professor of Surgery, University of Texas Medical School at Houston

Degrees:

- MD, 2003, University of South Florida
- MPH, 1999, University of South Florida
- BA, 1998, University of South Florida

**Sibulesky, Lena**

**Assistant Professor without Tenure, Surgery, effective 7/1/2013**

Prior Non-UW Appointment:

- Assistant Professor of Surgery, College of Medicine, Mayo Clinic

Degrees:

- MD, 2001, Tufts University
- BS, 1997, Brandeis University

**School of Public Health**

**Department of Biostatistics**

**Simon, Noah**

**Assistant Professor, Biostatistics, effective 9/16/2013**

Degrees:

- PhD, 2013, Stanford University
- BA, 2008, Pomona College

**University of Washington, Bothell**

**Division of Engineering and Mathematics, School of STEM, UW Bothell**

**Yeigh, Bjong Wolf**

**Professor, Engineering and Mathematics, School of STEM, Bothell, effective 9/1/2013 (supersedes 7/1/2013 start date)**

Prior Non-UW Appointment:

- President and Professor, Institute of Technology at Utica/Rome, State University of New York

Degrees:

- PhD, 1995, Princeton University
- MA, 1994, Princeton University
- MS, 1987, Stanford University
- BA, 1986, Dartmouth College

**Division of Physical Sciences, School of STEM, UW Bothell**

**Anderson, Peter Christian**

**Assistant Professor, Physical Sciences, School of STEM, Bothell, effective 9/16/2013**

Degrees:

- PhD, 2007, University of Wisconsin (Madison)
- BA, 2001, Pacific Lutheran University
- BS, 2001, Pacific Lutheran University

**Robins, Lori Ilene**

**Assistant Professor, Physical Sciences, School of STEM, Bothell, effective 9/16/2013**

Prior Non-UW Appointment:

- Assistant Professor, Department of Chemistry and Biochemistry, Cal Poly San Luis Obispo, California

Degrees:

- PhD, 2007, University of California (Davis)
- BS, 2002, Brandeis University

**Nursing and Health Studies Program, Bothell**

**Kenworthy, Nora Jane**

**Acting Assistant Professor, pending Ph.D., Nursing and Health Studies, Bothell, effective 9/16/2013**

Prior UW Appointment:

- Lecturer Part-Time, Nursing and Health Studies, Bothell

Degrees:

- PhD - Expected, 2013, Columbia University
- MA, 2010, Columbia University
- MPHIL, 2010, Columbia University
- BA, 2004, Williams College

**Stone, Andrea Leigh**

**Assistant Professor, Nursing and Health Studies, Bothell, effective 9/16/2013**

Prior UW Appointment:

- Lecturer Full-Time, School of Interdisciplinary Arts and Sciences, Bothell

Degrees:

- PhD, 2005, Johns Hopkins University
- BS, 1998, University of Minnesota
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**UW Bothell School of Interdisciplinary Arts and Sciences**

**Aanerud, Rebecca Jean**

**Senior Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2013**

Prior UW Appointment:

- Senior Lecturer, Full-time, Gender, Women, and Sexuality Studies

Degrees:

- PhD, 1998, University of Washington
- MA, 1993, University of Washington
- BA, 1990, University of Washington

**Borsuk, Amaranth Claire**

**Assistant Professor, School of Interdisciplinary Arts and Sciences, Bothell, effective 9/16/2013**

Prior UW Appointment:

- Senior Lecturer, Full-time, School of Interdisciplinary Arts and Sciences, Bothell

Degrees:

- PhD, 2010, University of Southern California
- MA, 2006, University of Southern California
- BA, 2003, University of California (Los Angeles)

**University of Washington, Tacoma**

**Institute of Technology, Tacoma**

**Sobolewska, Monika**

**Lecturer, Full-time, Institute of Technology, Tacoma, effective 9/16/2013**

Degrees:

- MA, 2008, Wayne State University
- MA, 2001, Wayne State University
- BA, 1999, Wayne State University

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Services and Activities Fee – University of Washington, Seattle 2013 - 2014 Innovation Fund Allocations

#### RECOMMENDED 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. Allocating \$102,051 of the Research and Development Fund (also known as the “Innovation Fund”) that allows for a portion of the interest accrued annually by the fund balances of the Services and Activities Fee to be distributed to units in the form of one-time, non-renewable, non-recurring grants.

#### BACKGROUND

The Services and Activities Fee Committee (SAFC) inaugurated the Innovation Fund to provide units that receive operational funding from SAFC a trial period to develop possible areas for growth and/or the opportunity to research potential alternatives to their current operations.

The Innovation Fund is a funding source for one-time, non-renewable grants to allow SAF units to bridge the gap between opportunity and program implementation outside the regular SAF budget process. The intention is to allow units to innovate and explore new opportunities without negatively impacting their current operations. The Innovation Fund allows the SAFC to focus more narrowly on a single project and leverage existing SAFC funds to add enormous value to the student experience. The SAFC submitted its written recommendations to the Vice President and Vice Provost for Student Life on June 10, 2013 (Attachment 1). The Interim Vice President for Student Life concurred with the recommendation of the allocation of the unearned income on June 18, 2013 (Attachment 2).

The proposed 2013 – 2014 distributions of the SAFC Innovation Fund are detailed below:

#### Associated Students of the University of Washington (On-campus Experimental College Outreach) - \$5,895

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Services and Activities Fee – University of Washington, Seattle 2013 - 2014 Innovation Fund Allocations (continued p. 2)

This allocation would allow ASUW Experimental College to enhance on-campus marketing to increase UW student participation in this student-managed program.

#### Ethnic Cultural Center (Leadership Lab) - \$2,500

The Leadership Lab provides culturally competent and inclusive resources for the students and organizations that utilize the ECC. The recommended allocation supports additional supplies and equipment for the Lab.

#### Graduate and Professional Student Senate (Advancement & Development Initiative) \$12,486 – (Travel Grant Fund) \$20,000 – (Information Management Initiative) \$3,840 – (Endowment Maximization) \$13,674

These allocations will: support GPSS' endeavors to develop and implement a fundraising and alumni engagement plan; reestablish the fund to support student travel to professional and research conferences; enhance and maintain record retention; and increase the value of the newly initiated GPSS Endowment.

#### Husky Union Building (RSO Network) - \$28,470

As the number of Registered Student Organizations (RSO) continues to increase, this allocation will allow the Student Activities Office to provide a stronger and more efficient online network for RSO registration, communication and records maintenance.

#### Student Publications - \$3,936 (Daily Double Shot) - \$11,250 (Digital Dailies)

The recommended allocations are aimed at purchasing new video equipment for digital publications and to develop a handheld device version of its publication.

#### *Attachments*

1. Letter to Mr. Eric S. Godfrey, Vice President and Vice Provost for Student Life, from Mr. Joseph Salama, 2012–2013 Chair, Services & Activities Fee Committee, June 10, 2013
2. Letter to Mr. Joseph Salama, 2012-13 Chair, and Mr. Kiehl Sundt, 2013-14 Chair, from Mr. L. Lincoln Johnson, Interim Vice President for Student Life, June 18, 2013





University of Washington  
4001 NE Stevens Way  
Suite 305  
Seattle, WA 98195

*June 10, 2013*

*Dear Eric Godfrey;*

The Research & Development Fund, more popularly referred to as the “Innovation Fund”, is a funding source for one-time, non-renewable grants to allow units to bridge the gap between opportunity and program implementation outside the regular SAF budget process. The intention is to allow our unit leads to innovate without consequence and enable them to explore new opportunities without compromising their current programs. Instead of focusing on the overarching unit, this financial opportunity allows us to focus narrowly on a single project and how one of our units could leverage additional monies to add enormous value to the student experience.

This financial support does not come without strings attached however; each unit was required to submit desired outcomes, proposed metrics, and targets & tolerances. By allowing program leaders to define success, we in turn can better partner with our units to develop stronger financial plans based on execution and performance. It is our hope that the activities born through this small, one-time allocations can go on to support student development generations to come.

Therefore the Services & Activities Fee Committee, in accordance with state statute RCW 28B.15.045, recommends to the University of Washington Board of Regents that **\$102,051** be set aside from our unearned income for the purpose of exploring and developing new programs and activities. We encourage you to read the following project descriptions and the introduction letter to better understand the philosophy and intent of the fund.

As always, we welcome dialogue and hope to hear from you at your earliest convenience.

*Respectfully,*

*Joseph Salama*

2012 – 2013 Chair  
Services & Activities Fee Committee



University of Washington  
4001 NE Stevens Way  
Suite 305  
Seattle, WA 98195

## Services & Activities Fee Committee

### *Recommended Budget Distribution*

Fiscal Year 2013 - 2014

## INNOVATION

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### *Student Publications*

*Daily Double Shot* | \$3,936

*Digital Dailies* | \$11,250

The *Daily Double Shot* allocation is aimed at purchasing new video equipment that will allow the paper's online news journal to expand its online audience through exclusive and engaging coverage.

Along those same lines, the *Digital Dailies* allocation will allow The Daily to develop handheld device version of their publications.

These two proposals together will allow the Daily to take crucial steps towards digital publications and capturing a relevant audience in an era of handheld technology.

### *Husky Union Building*

RSO Network | \$28,470

As the number of active registered student organizations pass 815, older methods of engaging student leaders have become antiquated and cumbersome. This allocation will allow the Student Activities Office to outsource an online network to better communicate, educate, and guide students over the internet.

### *Ethnic Cultural Center*

Leadership Lab | \$2,500

Individual development can be a vulnerable and painstaking process for at-risk communities. The Leadership Lab allocation is to support the community space to facilitate growth as students leaders take theoretical knowledge and put those theories into practice.

### *Associated Students of the University of Washington*

On-Campus Experimental College Outreach | \$5,895

There was a time when taking an Experimental College class was a natural part of attending the University of Washington. Although the technology age has taken its toll on the Experimental College, additional outreach targeted at on-campus students intentionally aimed at bringing that culture back to the University of Washington student community.

*Graduate & Professional Student Senate*

Advancement & Development Initiatives | \$12,486

Travel Grant Fund | \$20,000

Information Management Initiative | \$3,840

Endowment Maximization | \$13,674

The Advancement & Development Initiatives will support the Senate's endeavors to partner with the Graduate School and UW Advancement to implement a comprehensive fundraising and alumni engagement plan.

A reimagined and streamlined Travel Grant Fund would support student travel to professional and research conferences to better develop professional networks.

The Information Management Initiative recognizes the issues relating to digital archiving and is aimed at helping management improve their institutional memory and maintain compliance with state laws concerning records retention.

Finally, the Endowment Maximization allocation would allow GPSS to fully utilize the one-time fund swap offered by the administration and increase the value of the newly created GPSS endowment.

In all, these requests outline a GPSS that creates better investments into the student community while creating connections to those same individuals as they join the workforce.



OFFICE OF THE ASSOCIATE VICE PRESIDENT FOR STUDENT LIFE

UNIVERSITY of WASHINGTON

Division of Student Life

June 18, 2013

Mr. Joseph Salama, 2012-13 Chair  
Mr. Kiehl Sundt, 2013-14 Chair  
Services and Activities Fee Committee

Dear Joseph & Kiehl,

Thank you for the letter of June 10, 2013, providing the details of the newly established "Innovation Fund" and the subsequent allocations recommended by the Services and Activities Fee (SAFC) Committee for 2013 – 14. The Committee recommends allocating a total of **\$102,051** to 5 SAFC-supported departments/units. As it currently stands, the inaugural SAFC Innovation Fund allows for a portion of the interest accrued annually by the SAFC Fund Balance to be allocated to units in the form of one-time, non-renewable grants; therefore, the funding for these recommendations does not necessitate any changes in the quarterly SAFC fee for Seattle students. The ultimate goal of this new fund is to explore and enhance the programs, services and strategic operations of these units beyond what is currently funded for annual operations.

Student Life commends SAFC's vision for and concurs with your recommendations for the 2013-14 Innovation Fund. As such, they will be presented to the Board of Regents for its consideration and action at its meeting on July 11, 2013, information on which will be communicated to SAFC leadership in the coming weeks. As is our custom, I hope that a SAFC leader can be present for the discussion with the Board of Regents.

It has been a distinct pleasure working with you and the members of the SAFC this year. What an amazing and committed group of student leaders. Bravo!

Respectfully yours,

L. Lincoln Johnson  
Interim Vice President

cc: Provost Ana Mari Cauce w/ enclosure  
Members of the Services and Activities Fee Committee

## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

Establishment of a Quarterly Service Fee for International Students Seattle CampusRECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve a \$45 quarterly fee, to be paid by all University of Washington, Seattle international students, effective Autumn 2013.

BACKGROUND

The rapid increase in international students at the UW (up 113.9% since autumn 2007) has taxed current services for these students and necessitated expansion or creation of other programs that provide a necessary foundation for students' success.

In late spring 2012, an ad hoc task force proposed a \$150 per quarter fee, but there was insufficient time for substantive discussion. Student groups questioned the fee's size and argued that spending proposals seemed vague. In autumn 2012, we began our consultation process, and met with a variety of student leaders, faculty, and staff who provide services to international students at UW-Seattle.

This proposal has been endorsed by:

- FIUTS (Foundation for International Understanding Through Students) Student Board, 9-1
- ASUW Student Senate, 80-3

GPSS voted 31-15 against the proposal, with 10 abstentions, although the resolution noted that “GPSS recognizes and applauds the tremendous work the University Administration has done to identify the needs of our international student population and to develop a plan to address those needs through strategic increases in resources...”

A sampling of universities indicates that we would not be alone in assessing a fee to international students in order to cover costs for services they receive. Below are just a few examples:

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Establishment of a Quarterly Service Fee for International Students Seattle Campus (continued p. 2)

- Purdue: \$2,000/year beginning with 2012 cohort; provides support for international student office; some money also goes into the university's general fund.
- Pennsylvania State University: \$300/semester.
- Mississippi State University: \$100/semester; used to fund salaries in International Student Office, orientations, advising.
- University of Texas-Austin: \$100/semester; supports staffing in International Student and Scholar Services (orientation, advising).
- Indiana University-Purdue University Indianapolis (IUPUI): \$82/semester to support staff in Office of International Affairs.
- University of Georgia: \$50/semester; supports staffing with required federal reporting and advising regarding immigration.
- University of Iowa: \$140/semester plus one time \$120 orientation fee.
- Indiana University: \$82/semester.
- SUNY Buffalo: \$100/semester.
- Texas A&M: \$45/semester plus one-time \$35 fee; supports International Student Services Office (e.g., document processing, advising).

#### JUSTIFICATION FOR PROPOSED ACTION

##### What are the problems this fee would address?

###### 1. International Student Services

- Staffing (4 FTE) remains constant despite 113.9% increase in international students since autumn 2007.
- 1 FTE counselor (of the 4 FTE) is on temporary funds.
- Staff faces great challenges in meeting federal reporting rules, resulting in reduced service hours for students and delays in processing requests (e.g., Curricular Practical Training; SSN Verification; Address Verification needed for Washington state driver's license).
- Rising federal reporting costs (only one software vendor; 10% increase annually).
- Sharp reduction in outreach to UW campus units.
- Delays will increase if no additional funding is provided.

The fee will provide \$190,000, which will support 2 FTE counselors (a net gain of one, given temporary funding) and increase Homeland Security reporting.

###### 2. Career Center

- 65% increase in contacts by international students during 2008-2012.
- 20% decline in Career Center FTE (from 15 to 12 in same period).

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Establishment of a Quarterly Service Fee for International Students Seattle Campus (continued p. 3)

- Autumn 2012: 21% of Career Center contacts were international students.
- Need for new programs tailored to international students (including international professional development, career development).

The fee will provide \$38,000 for a .5 FTE career counselor with experience working with international students.

#### 3. Student Life (Community Standards and Student Conduct; Disability Resource Services)

- Increase in student misconduct cases involving international students.
- Conduct: Of 200 cases July 2011-December 2012, 91 involved international students.
- Need for specialized educational programs (values, norms) to help our international students understand U.S. norms/academic culture.
- Disability Resource Services: Increase in requests for accommodations; need for translation services (foreign language medical documentation).

The fee will provide \$28,000 for a .25 staff person (with international student experience); translation services.

#### 4. FIUTS (Foundation for International Understanding Through Students)

- Rising orientation costs (and need for more expensive venues, transportation).
- Early Fall Start Orientation funded from temporary funds.
- Ongoing counseling, professional development for international students.
- ~50% increase in students dropping in at FIUTS office since 2011.
- Need for programming/staff to respond to student requests for leadership, mentorship, cultural support.

The fee will provide \$250,000. The funds will support FIUTS orientation, ongoing community support, and add vitally needed staff (1 FTE) to the office. (FIUTS currently receives approximately \$160,000 per year through the one-time orientation fee that would end if this new proposal is adopted.)

#### 5. Graduate School

- The Graduate School plays a critical role in processing I-20 visas for all international graduate students.
- Other services include advising for students via email/Skype, file storage costs.

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Establishment of a Quarterly Service Fee for International Students Seattle Campus (continued p. 4)

- I-20 services are currently paid for from temporary funds, which will be depleted at the end of June 2013.

The fee would provide \$75,000 for the 1 FTE staff currently on temporary funds, thus guaranteeing continued quality service.

#### 6. Center for Teaching and Learning

- Students report that international TAs can be very good, but they need additional training and support.
- 13% increase in international TAs since 2008, from 327 to 370.
- Need to support U.S. faculty and TAs to bridge cultural differences, engage international students.

The fee would provide \$78,000 for a 1 FTE professional staff member to create and coordinate international TA support/mentorship programs and to work with faculty in creating support for faculty and TAs in teaching international students.



## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

UW Bothell: International Student Services and Program Fee ProposalRECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs committee that the Board of Regents approve a \$45 quarterly fee, to be paid by all University of Washington Bothell international students starting Autumn 2013.

BACKGROUND

Since Autumn 2010, UW Bothell has seen a 224.4% increase in the number of international students served. This rapid increase has put a great deal of stress on current services for these students and necessitated expansion or creation of other programs that provide a necessary foundation for students' academic and personal success.

During 2012-13 academic year, UW Bothell engaged in broad consultation regarding the fee, including discussions with student leaders, faculty and staff who provide services to international students. Twenty-two focused individual interviews were also held with current international students and the Associated Students of University of Washington Bothell (ASUWB). Findings from these consultations indicated most international students did not feel that a quarterly fee of \$45 would be a major burden and most students consulted agreed that the fee should be used to directly serve and support international students. Feedback also indicated that communication would be needed to ensure that students understand that the fee would be charged to and used for international students, not the general student population.

UW Seattle recently reviewed a sampling of universities, finding that the UW Seattle and Bothell would not be alone in assessing a fee to international students in order to cover costs for services they receive. Below are just a few examples from UW Seattle's research:

- Purdue: \$2,000/year beginning with 2012 cohort; provides support for international student office; some money also goes into the university's general fund.
- Pennsylvania State University: \$300/semester.
- Mississippi State University: \$100/semester; used to fund salaries in International Student Office, orientations, advising.

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

UW Bothell: International Student Services and Program Fee Proposal (continued p. 2)

- University of Texas-Austin: \$100/semester; supports staffing in International Student and Scholar Services (orientation, advising).
- Indiana University-Purdue University Indianapolis (IUPUI): \$82/semester to support staff in Office of International Affairs.
- University of Georgia: \$50/semester; supports staffing with required federal reporting and advising regarding immigration.
- University of Iowa: \$140/semester plus one time \$120 orientation fee.
- Indiana University: \$82/semester.
- SUNY Buffalo: \$100/semester.
- Texas A&M: \$45/semester plus one-time \$35 fee; supports International Student Services Office (e.g., document processing, advising).

Overall, we anticipate the fee will provide \$40,500 in the 2013-14 academic year, which will be used for international student services. Examples of the ways funds can be expended are included below.

### JUSTIFICATION FOR PROPOSED ACTION

What are the problems this fee would address?

#### **1. International Student Services (ISS)**

- Staffing (2 FTE) will remain constant, despite the 224.4% increase in the number of international students.
- Staff face great challenges in meeting federal reporting rules, resulting in reduced service hours for students, and delays in processing requests (e.g., Curricular Practical Training; SSN Verification; Health Insurance Verification, and Address Verification needed for Washington state driver's license).
- Federal reporting costs have risen as well.
- Delays will increase if no additional funding is provided.

The fee is anticipated to provide \$12,000, which can be used to fund two student employees to assist with ISS and International Admissions. Funding will also enhance program and activity offerings, such as the workshops and activities listed below.

#### **2. Student Affairs** (Counseling and CARE Team; Academic Conduct and Community Standards)

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

UW Bothell: International Student Services and Program Fee Proposal (continued p. 3)

- International students demonstrate a higher need for support and guidance related to culture shock, adjustment, depression and anxiety, requiring increased services through Counseling Services and the CARE Team.
- There is an increased need for specialized educational programs to help our international students understand U.S. norms and academic culture. There is also an increased need for students to understand the expectations and academic rigor expected at the University of Washington.

The fee is anticipated to provide \$3,000 to support preventative counseling services, outreach, and educational sessions.

### 3. Career Services

- With increased complexities around international students work eligibility, there is a need for increased awareness and education about OPT and CPT.
- International students are only eligible to work on campus; we need more on-campus positions where these students are eligible.
- International students demonstrate a higher need for support and guidance related to US workplace etiquette, job search techniques, and resume writing.

The fee is anticipated to provide \$6,000, which can be used for one or more part-time positions for international students to assist with the above tasks.

### 4. Teaching & Learning Center (TLC) [Writing and Communication Center (WaCC); the Quantitative Skills Center (QSC), and Faculty Development]

- Demand has increased among international students for face-to-face and online tutoring in writing and quantitative skills, provided by the WaCC and the QSC.
- International students present a greater need for support with reading and writing strategies and report that they need additional tutoring time.
- International students report reluctance to seek out academic support, due to concerns about their spoken English; additional outreach to these students is needed.
- Additional support is needed for faculty and academic support staff in bridging cultural differences, engaging international students, and tailoring teaching for international students.

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

UW Bothell: International Student Services and Program Fee Proposal (continued p. 4)

- Peer consultants (tutors) require additional support in working with international students in areas including written and spoken English, as well as cultural competence.

The fee is anticipated to provide \$11,000, which can fund two tutors focused on international students' needs, as well as \$6,000 for an international student to assist in expanding TLC support and outreach activities.

#### **5. International Student Facilitators (ISF)**

- This student-initiated group is creating a community for international students and provides connections to resources on and off campus; ISF currently has 50 members, only four of the student positions are paid.
- ISF is creating a one-stop shop for students to connect with others through activities, learn about resources, access tutoring, and find resources related to food and transportation. Funding is needed to support this effort.

The fee is anticipated to provide \$500 in support for international student events and activities.

#### **6. Residential Life**

- International students demonstrate a higher need for support and guidance related to U.S. living accommodations, norms and standards, including food preparation, appliance instruction, and safety and evacuation protocols.
- International students need greater access to health services and assistance in translating the student health insurance plan

The fee is anticipated to provide \$2,000, which can be used to support peer mentors in these areas.

## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

College of Arts and Sciences – Reorganization of the BFA and MFA degree programs in Fibers, Metals and PrintmakingRECOMMENDED ACTION

The Administration and the Academic and Student Affairs Committee recommend that the BFA and MFA degree programs in Fibers, Metals, and Printmaking be eliminated.

BACKGROUND

Over the past fifteen years, practice in the studio arts has evolved toward cross- and multi-media work, and away from the “single media” focus of the BFA and MFA degree programs in Fibers, Metals, and Printmaking. Reflecting this trend in artistic practice and training, the BA Program in Interdisciplinary Visual Arts is now the largest undergraduate major in the Division of Art; and 3D4M, a highly successful collaboration between Sculpture, Ceramics, Metal, and Glass, has taken the place of the formerly separate programs in these media. No students have been admitted to either the BFA or the MFA degree programs in Fibers, Metals, or Printmaking since 2006; and all students admitted to these programs prior to 2006 have now graduated. In May 2010, the Ten Year Review Committee report for the School of Art noted: “The Division of Art has made some difficult choices and has positioned itself to continually advance the quality of programs in accordance with its mission. Some questions remain that need attention, mainly the future status and placement of printmaking and consideration of the future of fibers and metals.” The Review Committee did not, however, recommend the reinstatement of any of these three programs.

Therefore, after thoughtful review and reflection, the faculty of the School of Art proposed the elimination of both the BFA and MFA degree programs in Fibers, Metals, and Printmaking. Courses in all three areas will continue to be offered, with coursework contributing, as appropriate, toward existing degrees in Interdisciplinary Visual Arts, 3D4M, and Painting and Drawing. The College of Arts and Sciences College Council recommended approval of the faculty’s proposed elimination of both the BFA and MFA degree programs in Fibers, Metals, and Printmaking. Pursuant to this endorsement, the Dean of the College of Arts and Sciences recommended to the Provost that, with the relocation of the instruction in fibers, metals, and printmaking into the Interdisciplinary Visual Arts BA program and into the 3D4M, elimination of the BFA and MFA degree programs in Fibers, Metals, and Printmaking was warranted. Pursuant to the

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs

#### College of Arts and Sciences – Reorganization of the BFA and MFA degree programs in Fibers, Metals and Printmaking (continued p. 2)

University's procedures for the Reorganization, Consolidation, and Elimination of Programs (RCEP), the proposal was reviewed by the Senate Committee on Planning and Budgeting and a determination was made to proceed under the Procedures for Limited Reorganization and Consolidation of Programs, Section 26-41.C. of the Faculty Code. Having completed this process, the Provost concurred with the proposed elimination of the BFA and MFA degree programs in Fibers, Metals, and Printmaking.

#### *Attachments*

1. Request from Dean Robert C. Stacey to Provost Ana Mari Cauce for RCEP of the BFA and MFA degree programs in Fibers, Metals, and Printmaking, April 22, 2013
2. Memorandum from Marcia Killien, Secretary of the Faculty, to the voting faculty of the School of Art, Division of Art, May 31, 2013

April 22, 2013

Provost Ana Mari Cauce  
301 Gerberding Hall  
Box 351237

Dear Ana Mari,

In keeping with the requirements of Section 26-41 of the University of Washington Faculty Code, I am writing to request that you forward to the Faculty Senate Committee on Planning and Budgeting the enclosed recommendation from the School of Art, Division of Art, to eliminate the BFA and MFA degree programs in Fibers, Metals, and Printmaking.

This request follows after several years during which no students have been admitted to any of these six degree programs, for reasons set out in the enclosed recommendation from the School of Art. This recommendation has been reviewed and unanimously endorsed by the Arts and Sciences College Council, and has my strong support. Elimination of these degree programs, if approved, will not affect the employment of any existing faculty members in these areas. Nor will it affect students, as the last students enrolled in any of these degree programs completed their degrees in 2009. Instruction in all three areas continues, but has now been relocated into the Interdisciplinary Visual Arts BA program (now the School's largest single degree program) and also into 3D4M, an innovative and highly successful collaboration between artists working in a variety of three-dimensional forms and media.

We believe that consideration of this recommendation will require a "full" RCEP procedure under Section 26-41 of the Faculty Code.

Thank you for considering this request.

Sincerely,



Robert C. Stacey  
Dean, College of Arts and Sciences

RCS:mhr  
Enclosure

A-6.1/207-13  
7/11/13

**ATTACHMENT 1**

**Arts**  
Art  
Dance  
Drama  
DXARTS  
Music

**Humanities**  
Asian Languages & Literature  
Classics  
Comparative History of Ideas  
Comparative Literature  
English  
French & Italian Studies  
Germanics  
Linguistics  
Near Eastern Languages & Civilization  
Scandinavian Studies  
Slavic Languages & Literatures  
Spanish & Portuguese Studies

**Natural Sciences**  
Applied Mathematics  
Astronomy  
Atmospheric Sciences  
Biology  
Chemistry  
Earth & Space Sciences  
Mathematics  
Physics  
Psychology  
Speech & Hearing Sciences  
Statistics

**Social Sciences**  
American Ethnic Studies  
American Indian Studies  
Anthropology  
Communication  
Economics  
Geography  
History  
Jackson School of International Studies  
Law, Societies & Justice  
Philosophy  
Political Science  
Sociology  
Women Studies

**Burke Museum of Natural History & Culture**

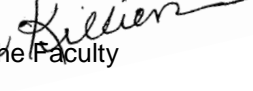
**Henry Art Gallery**

**Simpson Center for the Humanities**



Date: May 31, 2013

To: Voting faculty of the School of Art, Division of Art

From: Marcia Killien   
Secretary of the Faculty

RE: BFA and MFA degree programs in Fiber, Metals, and Printmaking

The Senate Committee on Planning and Budgeting reviewed on April 29, 2013, a proposal from Dean Robert Stacey, to reorganize the BFA and MFA degree programs in Fibers, Metals, and Printmaking into the Interdisciplinary Visual Arts BA program and 3D4M, under the Procedures for Limited Reorganization and Consolidation of Programs, Section 26-41.C. of the *Faculty Code*. Faculty were invited to petition the Provost, no later than May 30, 2013, for a full review under the procedures outlined under Section 26-41.B of the *Faculty Code* if they believed that a full review was warranted.

No petition was received by the Provost by the above deadline, and no formal objections about the reorganization of these programs have been received by the Secretary of the Faculty. Therefore, the reorganization process proposed under Section 26-41.D. of the *Faculty Code* will proceed.

/nlb

cc: Ana Mari Cauce, Provost and Executive Vice President  
Robert Stacey, Dean, College of Arts and Sciences  
Susan Astley, Chair, Senate Committee on Planning and Budgeting

## ATTACHMENT 2



## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

College of Arts and Sciences – Reorganization of the BA in Design Studies in the School of ArtRECOMMENDED ACTION

The Administration and the Academic and Student Affairs Committee recommend that the BA in Design Studies in the School of Art be eliminated.

BACKGROUND

Design Studies (DS) is a relatively new program in the School of Art, Division of Design, with the first class of students graduating in Spring 2008. Unfortunately, due to a number of functional and pedagogical issues, the DS curriculum has not fulfilled the Division's vision and goals. As a result, the Division proposed closing the DS undergraduate major and replacing it with a new undergraduate program in Interaction Design (IxD). This change has been under discussion for several years, has taken into consideration the successes and deficiencies in the DS program, and was endorsed by the Ten Year Review Committee for the School of Art in 2010. The IxD program has received the required institutional approval and the elimination of the BA in Design Studies is the final step in the reorganization.

The Dean of the College of Arts and Sciences recommended to the Provost that the BA in Design Studies be eliminated. Pursuant to the University's procedures for the Reorganization, Consolidation, and Elimination of Programs (RCEP), the proposal was reviewed by the Senate Committee on Planning and Budgeting and a determination was made to proceed under the Procedures for Limited Reorganization and Consolidation of Programs, Section 26-41.C. of the Faculty Code. Having completed this process, the Provost concurred with the proposed elimination of the BA in Design Studies.

*Attachments*

1. Request from Dean Robert C. Stacey to Provost Ana Mari Cauce for RCEP of the BA in Design Studies, April 2, 2012
2. Memorandum from Marcia Killien, Secretary of the Faculty, to the voting faculty of the School of Art, Division of Design, May 31, 2013.

April 2, 2012

Provost Ana Mari Cauce  
Office of the Provost  
Box 351237

Dear Ana Mari,

After consulting with the Arts and Sciences College Council, and after receiving the advice of the faculty of the Division of Design and the Director of the School of Art, I write to ask that you initiate discussions with the Faculty Senate Committee on Planning and Budgeting as the next step toward a Limited Reorganization and Consolidation of the BA in Design Studies in the School of Art under Section 26.41 C of the Faculty Code.

A more detailed case for the elimination of this major is offered in the attached document prepared by Professor Christopher Ozubko, Director of the School of Art and a member of the Design Division faculty. Briefly, however, the proposal is that the BA in Design Studies be replaced by a new undergraduate degree program in Interaction Design. This change has been under discussion for several years, and was endorsed by the Ten Year Review Committee for the School of Art when that committee submitted its report in 2010 (<https://www.washington.edu/about/accreditation/reviews/SoA2.pdf>). The immediate catalyst for proposing this change now is the recent appointment of an additional faculty member in Interaction Design. This new appointment, which began in September 2011, gives the Division the needed faculty numbers to sustain an Interaction Design program for the long term. It is my understanding from Director Ozubko that this proposal to eliminate the BA in Design Studies and to replace it with a bachelor's degree in Interaction Design received the unanimous support of the Design faculty during winter quarter 2012. The degree program in Interaction Design has already been approved. All that remains is to formally close the BA in Design Studies.

Please let me know if I can assist you by providing any further information.

Sincerely,



Robert C. Stacey  
Interim Dean  
College of Arts and Sciences

RCS/mhr

A-7.1/207-13  
7/11/13

ATTACHMENT 1

50 Communications Building Box 353765 Seattle, WA 98195-3765

**Arts**  
Art  
Dance  
Drama  
DXARTS  
Music

**Humanities**  
Asian Languages & Literature  
Classics  
Comparative History of Ideas  
Comparative Literature  
English  
French & Italian Studies  
Germanics  
Linguistics  
Near Eastern Languages & Civilization  
Scandinavian Studies  
Slavic Languages & Literatures  
Spanish & Portuguese Studies

**Natural Sciences**  
Applied Mathematics  
Astronomy  
Atmospheric Sciences  
Biology  
Chemistry  
Earth & Space Sciences  
Mathematics  
Physics  
Psychology  
Speech & Hearing Sciences  
Statistics

**Social Sciences**  
American Ethnic Studies  
American Indian Studies  
Anthropology  
Communication  
Economics  
Geography  
History  
Jackson School of International Studies  
Law, Societies & Justice  
Philosophy  
Political Science  
Sociology  
Women Studies

**Burke Museum of Natural History & Culture**

**Henry Art Gallery**

**Simpson Center for the Humanities**

*Justification for the Elimination of the Design Studies BA in the Division of Design, School of Art. The issues leading to the decision to propose the elimination of this major were recently outlined, commented on, and supported by the College of Arts and Sciences in the School of Art Ten Year Review, 2010.*

### **Design Studies Undergraduate Students**

Design Studies (DS) is a relatively new program for the Division, with the first class of students graduating in Spring 2008. Unfortunately, there have been a number of functional and pedagogical issues with the DS curriculum and the overall focus of the DS major.

### **Class Size**

DS juniors and seniors desire greater access to VCD, IxD and ID studio classes. However, when four DS students and four graduate students are added to an existing 20-24 seat junior or senior studio, the resulting faculty/student ratio (28-32 students to one faculty member) greatly reduces the quality of the overall educational experience. In these expanded junior/senior studios, students have complained about the limited time they have with the instructor, and the minimal input/critique they receive on their work. Faculty have therefore limited the number of DS majors that can be enrolled in a studio course, but this policy is perceived as arbitrary and unfair, especially to DS students who are denied access to popular studios.

### **Interdisciplinary Scheduling**

The Design Division originally planned for Design Studies majors to supplement their design studios with electives in a wide variety of complementary areas (for example, Business, Public Policy, Computer Science, Information Design and Communications.) However, in practice, it has proved very difficult to arrange the Division teaching schedules so that students can enroll in these courses. Additionally, DS students often lack prerequisites for the more advanced 300- and 400-level classes in other disciplines. Therefore, it has been challenging to achieve the original goal of "connecting design with other academic fields."

### **Morale/Cohort Building**

DS students have perceived a lack of collegial spirit within their major. One factor is that Design Studies is a less understood and less popular major than either VCD or ID. Therefore, DS majors are often sophomores who have failed to be selected for their first choice of major (DS students often have GPAs at the bottom of the candidate pool). Another contributing factor has been the structure of the DS program, which has less required DS courses than either VCD or ID (to enable enrollment in other academic fields). The looser DS structure means that DS students do not experience the same intense "bonding" that occurs in the VCD and ID majors, due to their participation in a fixed set of classes (and the subsequent quarters of late-night/collaborative work sessions).

### **Pedagogical Fit**

The Design Division originally planned for Design Studies majors to research complex design topics such as design ethics, design business/management, design strategy, etc. However, upon execution, faculty have found that DS students do not have enough of a core understanding of design practice in a specific field (ID, VCD or IxD) to be able to reflect in great depth on advanced level design topics. *This type of inquiry has proved to be more appropriate and successful at the graduate level.*

### **Future Employment**

Student feedback and alumni surveys indicate that the DS major has a more limited employment profile than either ID, IxD or VCD. The Division originally envisioned DS graduates working in corporations, studios or non-profit organizations in support roles (managing design research, design processes and design strategy rather than active professional practice). However, at the entry level, employers tend to be more interested in hiring junior designers to create and design communications/products rather than strategize or research. Strategic and research roles are more often recruited at the graduate (MDes) level.

Based on these difficulties with the existing Design Studies program, the Division has proposed closing the DS undergraduate major and replacing it with a new undergraduate program in Interaction Design [IxD]. The proposed IxD program would have the structure of the current ID curriculum (shared sophomore courses, six junior studios, and three senior studios).

Because the Design Division already offers several classes in IxD (there is an existing three course concentration at the junior/senior level), expansion to a full undergraduate program is simplified. Note that the three existing IxD courses are extremely popular, especially among undergraduates and graduate students in HCDE, the I-school and CSE. Therefore, the Division will be able to remove smaller DS classes (with 10-12 majors), and instead offer larger (20-24 seat) IxD courses enrolled with a mix of 10-12 IxD majors and 10-12 non-design students.

Furthermore, IxD offers a better pedagogical "fit" in the Division. Interaction Design is a discipline that is compatible (even considered "in-between") the older disciplines of ID and VCD. The IxD discipline is growing and has a robust employment profile, particularly in the NW region of the United States. In fact, many local design professionals on our advisory board have noted the need for a robust IxD program in the Pacific Northwest, and have indicated their potential support for a UW-IxD faculty endowment.

The Division expects strong student demand for the IxD program. There is a clear group of potential design majors that are drawn to IxD as a discipline, but find the computational or technical focus of CSE, the I-school and HCDE less attractive. In fact, the most successful DS alumni have been students who selected the DS major as a flexible way to focus on and learn about IxD.

03/2012



Date: May 31, 2013

To: Voting faculty of the School of Art, Division of Design

From: Marcia Killien  
Secretary of the Faculty

RE: Replace the Design Studies BA with a Bachelor of Design in Interaction Design

The Senate Committee on Planning and Budgeting reviewed on April 29, 2013, a proposal from Dean Robert Stacey, to replace the Design Studies BA with a new Bachelor of Design degree in Interaction Design, under the Procedures for Limited Reorganization and Consolidation of Programs, Section 26-41.C. of the *Faculty Code*. Faculty were invited to petition the Provost, no later than May 30, 2013, for a full review under the procedures outlined under Section 26-41.B of the *Faculty Code* if they believed that a full review was warranted.

No petition was received by the Provost by the above deadline, and no formal objections about the reorganization of these programs into a Bachelor of Design have been received by the Secretary of the Faculty. Therefore, the reorganization process proposed under Section 26-41.D. of the *Faculty Code* will proceed.

/nlb

cc: Ana Mari Cauce, Provost and Executive Vice President  
Robert Stacey, Dean, College of Arts and Sciences  
Susan Astley, Chair, Senate Committee on Planning and Budgeting

**VII. STANDING COMMITTEES****A. Academic and Student Affairs Committee****Intercollegiate Athletics Report on NCAA Compliance**

For information only

**BACKGROUND**

This is an informational presentation to the Board of Regents providing an overview of ICA actions and efforts regarding NCAA Compliance. The Board was last updated on this topic in July, 2011.

The presentation will provide a general review of NCAA rule infractions that have occurred during the past two years and information on efforts being made to provide rules education to ICA coaches and staff. The presentation will also review follow up from the 2011 committee presentation, specifically the external audit review of the ICA compliance unit which was conducted in February, 2011. NCAA standards, and potential NCAA rule changes will also be reviewed.

***Attachment***

PowerPoint Presentation "ICA NCAA Compliance"



UW Board of Regents  
Academic & Student Affairs Committee

JULY 11, 2013

# Two Year Violation Report

Major infractions: None

Secondary infractions:

39 cases reported 2011-12; 23 in 2012-13

- Recruiting 44
- Eligibility 7
- Amateurism 4
- Extra Benefits 3
- Playing Seasons 2
- Personnel 1
- Financial Aid 1



# Rules Education

- Monthly coaches compliance meetings.
- Focused sessions for various departments within ICA (e.g., tutors, athletic trainers, strength & conditioning, equipment room, business office, development, etc.).

# Rules Education

- Several new educational documents for various situations. Most notably, new coach/employee orientation documents that are covered at the time of hire.



# 2011 Committee Meeting Item

## A follow up from the 2011 Academic and Student Affairs Committee

- ICA Compliance hired an external organization, The Compliance Group, to conduct a comprehensive audit of the compliance systems in February 2011 resulting in 41 recommendations.
- 40 of the recommendations have been addressed and/or implemented into various processes. The 41<sup>st</sup> will be implemented for the 2013-14 academic year.

# 2011 Committee Meeting Item

## A follow up from the 2011 Academic and Student Affairs Committee

- Significant recommendations were:
  - Increase compliance staff by one FTE
  - Purchase comprehensive compliance software to improve monitoring and efficiency
  - Continue educational efforts with non-coaching staff members.
  - Remaining recommendation: require student-athletes to include their relationship to those who receive their complimentary tickets. The delay in implementation was due to a contract with previous software provider.

# National Assoc. of Athletic Compliance (NAAC)

- 11 Reasonable Standards.
- Intended to protect an institution from a “lack of institutional control” violation in the event of a major infraction.
- Faculty Athletic Representative, Dr. Dukes, has agreed to audit the ICA Compliance office regarding the standards in the fall of 2013.

# NCAA Changes

1. Rules Working Group
2. Head Coach Responsibility
3. Enforcement Structure

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Report of Contributions – May 2013

For information only.

*Attachment*

UW Foundation Report of Contributions – May 2013



UNIVERSITY of WASHINGTON  
*Foundation*



# Report of Contributions

All Areas | May 2013



## 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	\$17,544,201	\$27,383,548	\$44,927,748	2,457	\$42,956,869	\$99,132,901	\$142,089,770	14,416
Arts and Sciences	\$3,329,620	\$221,989	\$3,551,609	2,023	\$19,248,964	\$5,212,733	\$24,461,697	11,719
Broadcast Services	\$50,299	\$0	\$50,299	572	\$7,057,133	\$0	\$7,057,133	15,577
Built Environments	\$83,253	\$0	\$83,253	160	\$1,751,123	\$1,081,500	\$2,832,623	1,114
Business School	\$494,806	\$0	\$494,806	523	\$14,419,917	\$20,000	\$14,439,917	3,749
Dentistry	\$194,854	\$0	\$194,854	92	\$2,286,758	\$122,450	\$2,409,208	1,239
Education	\$66,585	\$0	\$66,585	298	\$862,056	\$4,093,206	\$4,955,262	1,093
Engineering	\$656,542	\$210,632	\$867,174	459	\$12,762,032	\$6,768,977	\$19,531,008	4,406
Environment	\$200,031	\$372,730	\$572,761	244	\$4,974,640	\$3,797,389	\$8,772,029	2,313
Evans School of Public Affairs	\$15,808	\$0	\$15,808	86	\$335,731	\$145,746	\$481,477	724
Graduate School	\$41,037	\$28,190	\$69,227	38	\$1,242,012	\$731,545	\$1,973,557	305
Information School	\$147,614	\$0	\$147,614	134	\$1,075,648	\$1,744,943	\$2,820,591	726
Intercollegiate Athletics	\$1,391,642	\$0	\$1,391,642	2,889	\$26,974,329	\$0	\$26,974,329	12,945
Law	\$685,328	\$0	\$685,328	242	\$2,646,479	\$84,119	\$2,730,599	1,939
Libraries	\$52,517	\$0	\$52,517	334	\$6,061,268	\$0	\$6,061,268	3,576
Minority Affairs	\$78,871	\$0	\$78,871	252	\$1,049,097	\$13,800	\$1,062,897	774
Nursing	\$47,099	\$0	\$47,099	109	\$1,050,107	\$793,341	\$1,843,448	1,370
Pharmacy	\$181,292	\$0	\$181,292	96	\$2,118,370	\$2,417,387	\$4,535,757	1,063
President's Funds	\$16,325	\$0	\$16,325	204	\$2,099,205	\$0	\$2,099,205	1,241
Public Health	\$12,785	\$3,236,866	\$3,249,651	81	\$557,956	\$19,037,220	\$19,595,176	649
Social Work	\$173,422	\$0	\$173,422	107	\$1,076,831	\$4,641,224	\$5,718,055	812
Student Life	\$246,266	\$0	\$246,266	581	\$5,344,458	\$0	\$5,344,458	3,194
Undergraduate Academic Affairs	\$8,557	\$250,000	\$258,557	89	\$510,215	\$565,502	\$1,075,717	767
University Press	\$2,215	\$0	\$2,215	8	\$179,780	\$0	\$179,780	145
UW Alumni Association	\$180,089	\$0	\$180,089	3,420	\$934,094	\$0	\$934,094	16,692
UW Bothell	\$14,916	\$0	\$14,916	168	\$4,680,242	\$5,870,114	\$10,550,356	710
UW Tacoma	\$68,231	\$9,000	\$77,231	189	\$1,070,741	\$296,461	\$1,367,202	890
Other University Support	\$53,450	\$144,441	\$197,891	158	\$2,939,832	\$1,810,701	\$4,750,533	1,245
<b>Total</b>	<b>\$26,037,653</b>	<b>\$31,857,396</b>	<b>\$57,895,049</b>	<b>15,015</b>	<b>\$168,265,886</b>	<b>\$158,381,259</b>	<b>\$326,647,146</b>	<b>90,638</b>

<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.

## MONTHLY HIGHLIGHTS

The UW received \$57.90M in total private voluntary support (\$26.04M in gifts and \$31.86M in grants) in the current month.

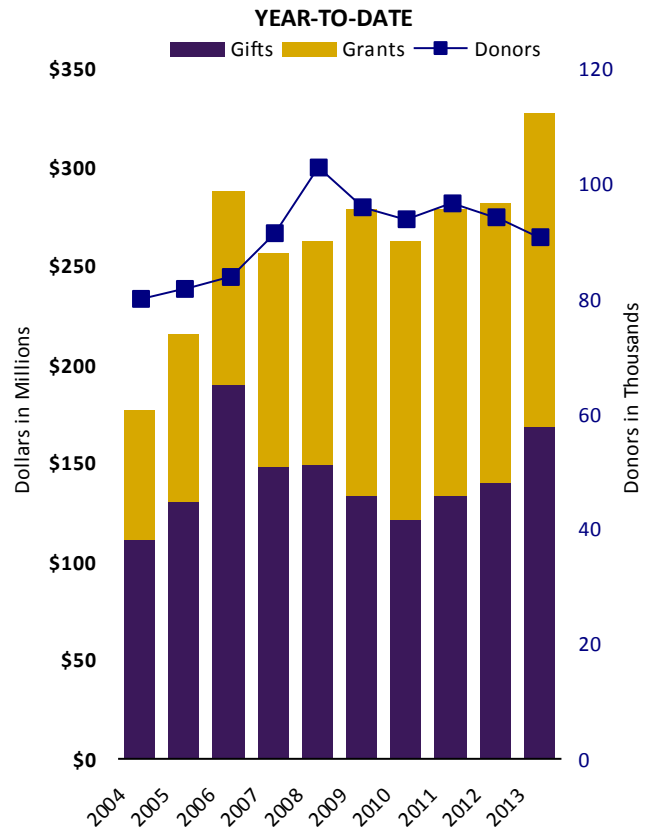
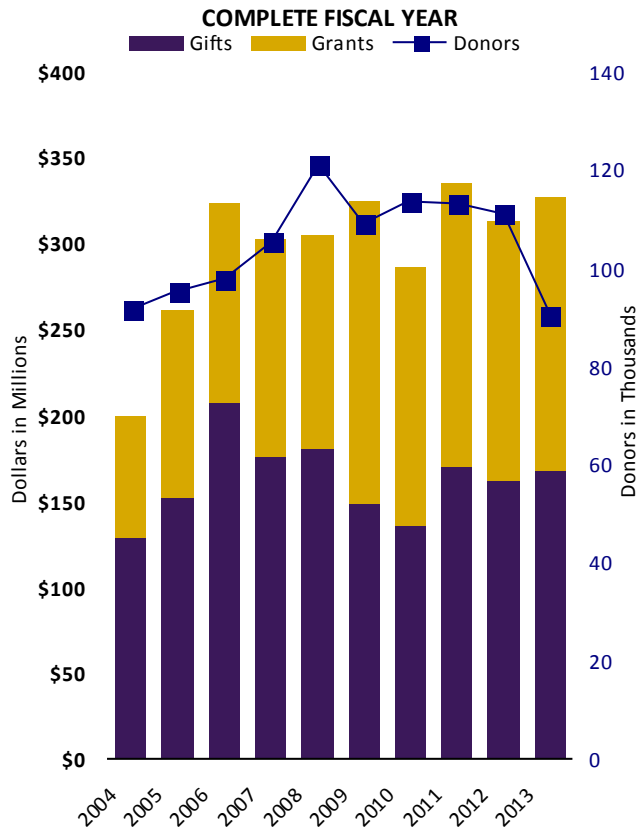
Areas including UW Medicine, Arts and Sciences, Broadcast Services, Built Environments, Dentistry, Engineering, Graduate School, Information School, Law, Libraries, Minority Affairs, Public Health, Social Work and UW Bothell are ahead of last year's year-to-date totals.

**DEVELOPMENT SUMMARY BY CONSTITUENCY**

School/Unit	Current Month		Year to Date		Prior Year to Date		Prior Year Total	
	Total	Donors	Total	Donors	Total	Donors	Total	Donors
UW Medicine	\$44,927,748	2,457	\$142,089,770	14,416	\$107,706,509	14,812	\$117,105,011	15,915
Arts and Sciences	\$3,551,609	2,023	\$24,461,697	11,719	\$22,495,045	12,427	\$28,630,072	13,354
Broadcast Services	\$50,299	572	\$7,057,133	15,577	\$6,860,641	16,606	\$6,997,556	19,572
College of Built Environments	\$83,253	160	\$2,832,623	1,114	\$1,195,326	969	\$1,319,922	1,056
Foster School of Business	\$494,806	523	\$14,439,917	3,749	\$18,983,956	4,182	\$20,100,354	4,568
Dentistry	\$194,854	92	\$2,409,208	1,239	\$1,530,317	1,254	\$1,636,141	1,375
Education	\$66,585	298	\$4,955,262	1,093	\$6,938,799	1,442	\$7,463,438	1,678
Engineering	\$867,174	459	\$19,531,008	4,406	\$18,931,611	3,998	\$22,525,824	4,219
College of the Environment	\$572,761	244	\$8,772,029	2,313	\$9,706,315	2,370	\$10,129,819	2,490
Evans School of Public Affairs	\$15,808	86	\$481,477	724	\$1,379,485	501	\$1,593,243	553
Graduate School	\$69,227	38	\$1,973,557	305	\$1,886,226	259	\$1,919,499	334
Information School	\$147,614	134	\$2,820,591	726	\$683,896	828	\$1,007,884	869
Intercollegiate Athletics	\$1,391,642	2,889	\$26,974,329	12,945	\$28,328,983	11,628	\$33,580,010	22,875
Law	\$685,328	242	\$2,730,599	1,939	\$1,751,589	1,653	\$2,033,388	1,895
Libraries	\$52,517	334	\$6,061,268	3,576	\$1,784,841	4,752	\$1,989,175	5,077
Minority Affairs	\$78,871	252	\$1,062,897	774	\$1,041,934	770	\$1,099,134	813
Nursing	\$47,099	109	\$1,843,448	1,370	\$2,753,331	1,433	\$2,947,291	1,500
Pharmacy	\$181,292	96	\$4,535,757	1,063	\$10,775,351	1,303	\$10,883,740	1,373
President's Funds	\$16,325	204	\$2,099,205	1,241	\$576,649	1,245	\$591,920	1,297
Public Health	\$3,249,651	81	\$19,595,176	649	\$10,420,100	714	\$11,566,876	749
Social Work	\$173,422	107	\$5,718,055	812	\$3,409,236	891	\$3,619,549	953
Student Life	\$246,266	581	\$5,344,458	3,194	\$6,276,569	3,653	\$6,353,413	3,854
Undergraduate Academic Affairs	\$258,557	89	\$1,075,717	767	\$1,660,833	802	\$2,037,112	850
University Press	\$2,215	8	\$179,780	145	\$194,595	206	\$203,245	210
UW Alumni Association	\$180,089	3,420	\$934,094	16,692	\$1,003,795	17,329	\$1,136,496	19,208
UW Bothell	\$14,916	168	\$10,550,356	710	\$3,948,172	620	\$3,967,991	736
UW Tacoma	\$77,231	189	\$1,367,202	890	\$3,811,985	923	\$4,872,642	981
Other University Support	\$197,891	158	\$4,750,533	1,245	\$5,646,471	1,976	\$5,791,037	2,161
<b>Total<sup>1</sup></b>	<b>\$57,895,049</b>	<b>15,015</b>	<b>\$326,647,146</b>	<b>90,638</b>	<b>\$281,682,561</b>	<b>94,163</b>	<b>\$313,101,782</b>	<b>111,145</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
2012-2013	\$168,265,886	\$158,381,259	\$326,647,146	90,638	\$168,265,886	\$158,381,259	\$326,647,146	90,638
2011-2012	\$161,989,170	\$151,112,612	\$313,101,782	111,145	\$140,251,475	\$141,431,086	\$281,682,561	94,163
2010-2011	\$170,201,978	\$164,435,696	\$334,637,675	113,114	\$133,115,346	\$145,254,869	\$278,370,216	96,650
2009-2010	\$135,813,022	\$150,815,796	\$286,628,819	113,746	\$120,807,986	\$141,616,127	\$262,424,112	93,698
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$133,003,668	\$145,718,463	\$278,722,132	95,658
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$149,374,507	\$113,154,591	\$262,529,098	102,555
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$148,440,970	\$107,907,490	\$256,348,460	91,213
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$190,107,545	\$96,947,162	\$287,054,707	83,616
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$130,236,981	\$85,036,054	\$215,273,035	81,488
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$110,607,045	\$65,698,478	\$176,305,523	79,741



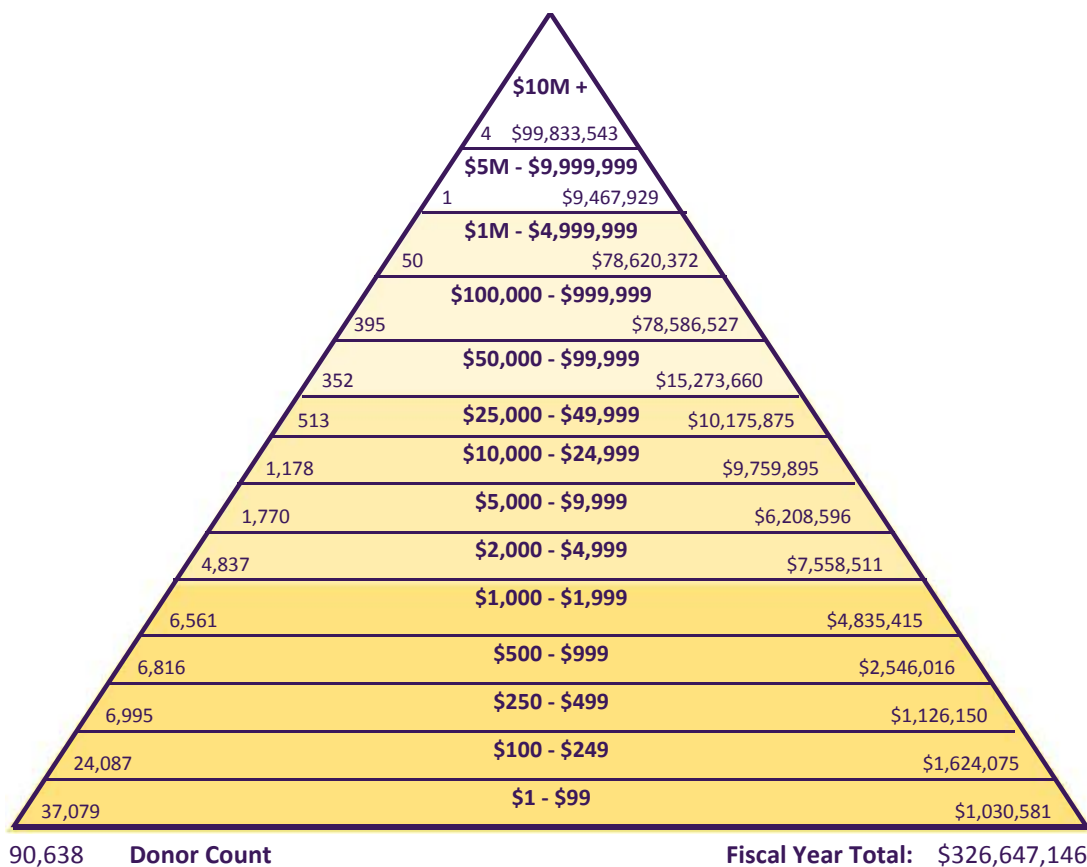
### ANNUAL FUNDING THEME PROGRESS

Theme	Year to Date		
	Current Use	Endowment	Total
Student Support	\$8,722,407	\$19,937,670	\$28,660,077
Faculty Support	\$14,779,514	\$15,052,930	\$29,832,444
Program Support for Faculty and Students	\$201,157,074	\$15,664,510	\$216,821,583
Capital	\$19,517,458	\$430	\$19,517,888
Excellence Funds	\$29,894,531	\$1,920,623	\$31,815,154
<b>Total</b>	<b>\$274,070,983</b>	<b>\$52,576,163</b>	<b>\$326,647,146</b>

### DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors	Total	Donors	Total
Alumni	40,651	\$42,125,379	43,732	\$41,329,305	50,041	\$46,193,706
Corporations	2,332	\$40,528,708	2,441	\$45,511,835	2,784	\$49,922,648
Family Foundations	157	\$16,759,586	157	\$12,773,327	170	\$15,990,521
Foundations	382	\$122,227,277	378	\$85,376,035	407	\$90,656,428
Non-Alumni	46,579	\$36,907,296	46,921	\$31,690,723	57,161	\$39,634,685
Organizations	537	\$68,098,900	534	\$65,001,336	582	\$70,703,795
<b>Total</b>	<b>90,638</b>	<b>\$326,647,146</b>	<b>94,163</b>	<b>\$281,682,561</b>	<b>111,145</b>	<b>\$313,101,782</b>

### DEVELOPMENT ACTIVITY PYRAMID



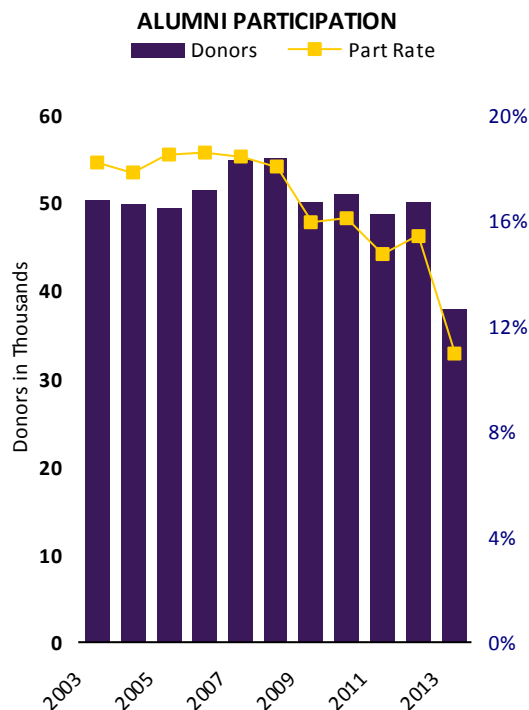
**ANNUAL PROGRESS BY GIVING LEVEL**

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +		\$0			\$77,280,436	\$22,553,107	\$99,833,543
\$5M - \$9,999,999						\$9,467,929	\$9,467,929
\$1M - \$4,999,999	\$9,175,091	\$11,758,365	\$9,760,000	\$12,319,360	\$19,734,107	\$15,873,449	\$78,620,372
\$100,000 - \$999,999	\$11,599,575	\$9,630,694	\$4,925,081	\$15,630,299	\$21,255,297	\$15,545,582	\$78,586,527
\$50,000 - \$99,999	\$2,790,281	\$2,942,945	\$750,707	\$4,729,356	\$1,804,244	\$2,256,127	\$15,273,660
\$25,000 - \$49,999	\$2,561,683	\$1,884,516	\$704,260	\$2,758,198	\$1,148,780	\$1,118,440	\$10,175,875
\$10,000 - \$24,999	\$3,285,456	\$2,276,527	\$439,540	\$2,451,363	\$568,627	\$738,383	\$9,759,895
\$5,000 - \$9,999	\$2,687,670	\$1,662,202	\$120,812	\$1,244,451	\$218,689	\$274,772	\$6,208,596
\$2,000 - \$4,999	\$3,985,617	\$2,416,417	\$32,590	\$800,132	\$147,695	\$176,061	\$7,558,511
\$1,000 - \$1,999	\$2,473,984	\$1,912,231	\$21,075	\$334,500	\$46,616	\$47,009	\$4,835,415
\$500 - \$999	\$1,342,514	\$1,012,460	\$4,751	\$144,886	\$14,242	\$27,161	\$2,546,016
\$250 - \$499	\$636,491	\$419,071	\$720	\$55,293	\$4,862	\$9,713	\$1,126,150
\$100 - \$249	\$952,584	\$609,306		\$50,061	\$3,132	\$8,992	\$1,624,075
\$1 - \$99	\$634,432	\$382,563	\$50	\$10,808	\$551	\$2,177	\$1,030,581
<b>Total</b>	<b>\$42,125,379</b>	<b>\$36,907,296</b>	<b>\$16,759,586</b>	<b>\$40,528,708</b>	<b>\$122,227,277</b>	<b>\$68,098,900</b>	<b>\$326,647,146</b>

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +		1			2	1	4
\$5M - \$9,999,999						1	1
\$1M - \$4,999,999	12	11	3	6	9	9	50
\$100,000 - \$999,999	80	102	19	76	67	51	395
\$50,000 - \$99,999	83	114	12	77	29	37	352
\$25,000 - \$49,999	166	175	22	83	34	33	513
\$10,000 - \$24,999	457	421	32	177	41	50	1,178
\$5,000 - \$9,999	775	673	22	218	36	46	1,770
\$2,000 - \$4,999	2,384	2,019	16	303	49	66	4,837
\$1,000 - \$1,999	3,046	3,121	19	292	39	44	6,561
\$500 - \$999	3,060	3,414	9	264	22	47	6,816
\$250 - \$499	2,964	3,788	2	194	15	32	6,995
\$100 - \$249	9,898	13,707		390	26	66	24,087
\$1 - \$99	17,726	19,033	1	252	13	54	37,079
<b>Total</b>	<b>40,651</b>	<b>46,579</b>	<b>157</b>	<b>2,332</b>	<b>382</b>	<b>537</b>	<b>90,638</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	20,206	3,187	15.77%	2,200	10.89%
Arts and Sciences	158,093	16,540	10.46%	4,466	2.82%
Business School	40,686	5,898	14.50%	2,076	5.10%
Built Environments	8,782	1,167	13.29%	500	5.69%
Dentistry	4,729	1,042	22.03%	649	13.72%
Education	18,344	2,641	14.40%	442	2.41%
Engineering	34,946	4,153	11.88%	2,146	6.14%
Environment	12,029	1,393	11.58%	678	5.64%
Evans School of Public Affairs	3,068	550	17.93%	254	8.28%
Interdisc. Grad. Programs	2,457	290	11.80%		
Interdisc. Undergrad. Programs					
Interschool Programs	2,564	428	16.69%		
Information School	5,322	901	16.93%	446	8.38%
Law	8,572	1,501	17.51%	947	11.05%
School of Nursing	9,128	1,475	16.16%	772	8.46%
Pharmacy	3,851	774	20.10%	572	14.85%
Public Health	5,138	688	13.39%	206	4.01%
Social Work	6,969	846	12.14%	376	5.40%
UW Bothell	9,945	765	7.69%	275	2.77%
UW Tacoma	11,337	680	6.00%	315	2.78%
Unspecified	8,909	1,147	12.87%		
<b>ALL UW TOTAL</b>	<b>345,483</b>	<b>40,651</b>	<b>11.77%</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	Part Rate	Donors	Part Rate	Donors	Part Rate	Donors	PFY Final
UW Medicine	19,296	3,283	17.01%	3,580	18.55%	2,172	11.26%	2,285	11.84%
Arts and Sciences	148,325	17,400	11.73%	20,873	14.07%	5,012	3.38%	5,289	3.57%
Business School	38,811	6,204	15.99%	7,631	19.66%	2,214	5.70%	2,436	6.28%
Built Environments	8,372	1,140	13.62%	1,343	16.04%	461	5.51%	483	5.77%
Dentistry	4,598	978	21.27%	1,091	23.73%	579	12.59%	598	13.01%
Education	17,578	2,730	15.53%	3,173	18.05%	474	2.70%	493	2.80%
Engineering	33,380	4,262	12.77%	4,957	14.85%	2,119	6.35%	2,240	6.71%
Environment	11,457	1,479	12.91%	1,717	14.99%	662	5.78%	700	6.11%
Evans School of Public Affairs	2,773	557	20.09%	655	23.62%	197	7.10%	214	7.72%
Interdisc. Grad. Programs	2,239	295	13.18%	328	14.65%				
Interdisc. Undergrad. Programs									
Interschool Programs	2,406	440	18.29%	497	20.66%				
Information School	4,882	970	19.87%	1,075	22.02%	497	10.18%	523	10.71%
Law	8,074	1,479	18.32%	1,766	21.87%	799	9.90%	916	11.35%
School of Nursing	8,737	1,539	17.61%	1,715	19.63%	823	9.42%	855	9.79%
Pharmacy	3,705	883	23.83%	958	25.86%	675	18.22%	692	18.68%
Public Health	4,728	709	15.00%	787	16.65%	220	4.65%	233	4.93%
Social Work	6,543	894	13.66%	999	15.27%	431	6.59%	445	6.80%
UW Bothell	8,323	724	8.70%	999	12.00%	210	2.52%	228	2.74%
UW Tacoma	9,481	682	7.19%	971	10.24%	249	2.63%	288	3.04%
Unspecified	9,066	1,245	13.73%	1,442	15.91%				
<b>ALL UW TOTAL</b>	<b>324,647</b>	<b>42,263</b>	<b>13.02%</b>	<b>50,041</b>	<b>15.41%</b>				



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	Members <sup>1</sup>	Member Donors	Alumni Giving	
				Members	Non Members
UW Medicine	20,206	1,961	958	48.85%	9.57%
Arts and Sciences	158,093	19,581	5,875	30.00%	4.39%
Business School	40,686	7,414	2,745	37.02%	5.36%
Built Environments	8,782	1,135	380	33.48%	6.70%
Dentistry	4,729	1,053	524	49.76%	9.44%
Education	18,344	2,866	988	34.47%	6.56%
Engineering	34,946	4,568	1,500	32.84%	5.76%
Environment	12,029	1,440	431	29.93%	5.89%
Evans School of Public Affairs	3,068	349	137	39.26%	11.00%
Interdisc. Grad. Programs	2,457	212	70	33.02%	6.64%
Interschool Programs	2,564	553	194	35.08%	7.01%
Information School	5,322	799	285	35.67%	9.20%
Law	8,572	1,122	512	45.63%	10.38%
School of Nursing	9,128	1,360	504	37.06%	9.14%
Pharmacy	3,851	642	303	47.20%	11.59%
Public Health	5,138	439	150	34.17%	8.30%
Social Work	6,969	611	210	34.37%	7.28%
UW Bothell	9,945	900	190	21.11%	2.90%
UW Tacoma	11,337	837	154	18.40%	2.10%
Unspecified	8,909	1,795	572	31.87%	3.82%
Non-Alumni		10,810	5,706	52.78%	
<b>Total</b>	<b>345,483</b>	<b>57,370</b>	<b>20,365</b>	<b>35.50%</b>	

### Alumni Activity

**1 in 3.5 registrants at 2010 UW events were UWAA members**

**1 in 25 registrants at 2010 UW events were UW donors**

**3 in 4 registrants at 2010 UW events were Solicitable Alumni**

**1 in 25 UWAA members attended a 2010 UW event**

**1 in 3 2009-2010 Football/Basketball season ticket holders were UWAA members**

**1 in 7 UWAA members were 2009-2010 Football/Basketball season ticket holders**

### Top 10 Membership by Class Year

Class Year	Part. Rate	Class Year	Population
1955	22.93%	2012	1,903
1953	21.58%	1971	1,124
1954	21.56%	1973	1,122
1959	20.69%	1974	1,076
1946	20.55%	1972	1,067
1957	20.50%	1970	1,062
1956	20.40%	1976	1,037
1958	20.24%	1975	1,013
1960	19.99%	1977	987
1950	19.67%	1968	935

### Activity Participation - Rolling 3 Year Total<sup>2</sup>

School <sup>3</sup>	Participants	Part. Donors	% Donors	Alum Non-Part.	Alum Non-Par Donor	% Non-Part Donor
UW Medicine	5,440	3,714	68.27%	20,656	3,029	14.66%
Arts and Sciences	21,239	4,005	18.86%	138,428	6,971	5.04%
Built Environments	2,170	841	38.76%	7,252	608	8.38%
Business School	8,743	2,342	26.79%	33,434	2,977	8.90%
Dentistry	2,156	832	38.59%	2,840	403	14.19%
Education	2,390	283	11.84%	16,248	759	4.67%
Engineering	4,224	1,240	29.36%	31,591	2,972	9.41%
Environment	1,834	758	41.33%	10,910	934	8.56%
Evans School of Public Affairs	1,203	458	38.07%	2,185	277	12.68%
Graduate School	490	187	38.16%	2,243	6	0.27%
Information School	991	356	35.92%	4,579	686	14.98%
Law	2,786	1,101	39.52%	6,210	946	15.23%
Libraries	845	824	97.51%			
Nursing	1,313	468	35.64%	8,100	1,195	14.75%
Pharmacy	571	332	58.14%	3,547	866	24.41%
Public Health	854	267	31.26%	4,194	365	8.70%
Social Work	1,218	495	40.64%	6,103	576	9.44%
UW Bothell	1,173	301	25.66%	9,420	745	7.91%
UW Tacoma	986	347	35.19%	10,903	905	8.30%

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

<sup>2</sup> 3-Years consists of any activity since 7/1/2009

<sup>3</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.

Source: University of Washington Alumni Association



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Grant and Contract Awards Summary – April 2013

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 – April 2013



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# **Grant and Contract Awards Summary**

**to**

**The Board of Regents**

**of the**

**University of Washington**

**for**

**April 2013**

**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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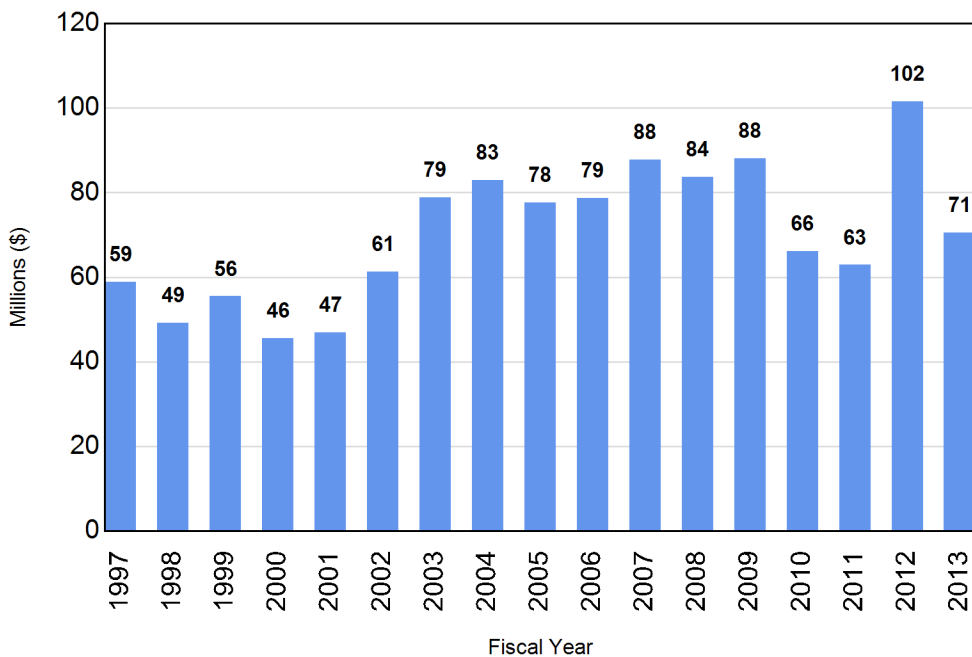
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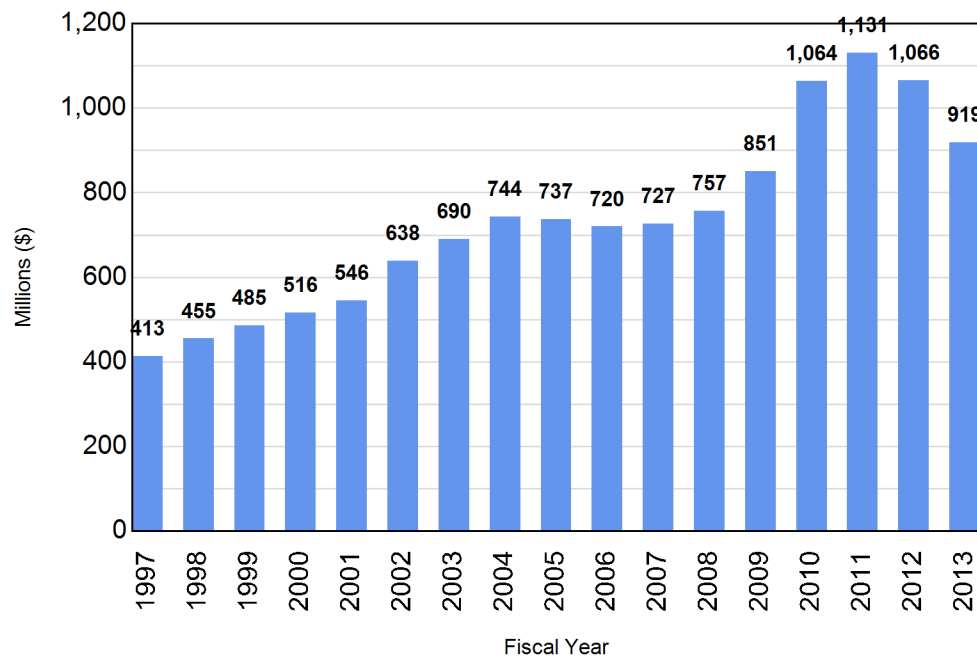
## Table of Contents

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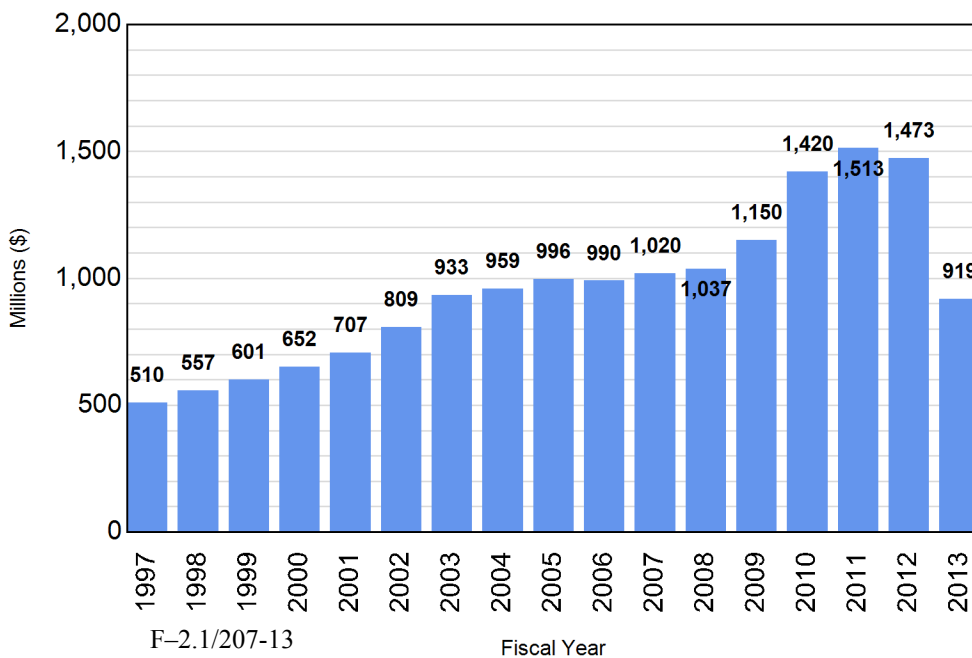
**April Only**  
**Comparison of Grant & Contract Awards**



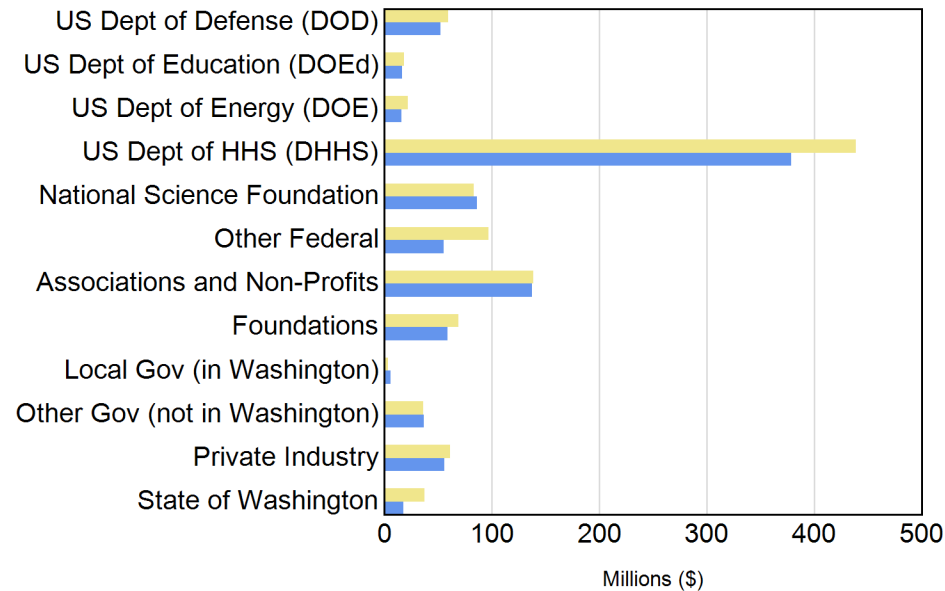
**Fiscal Year to Date**  
**Comparison of Grant & Contract Awards**



**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 2012-2013

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Month	RESEARCH AND OTHER		TRAINING		Total Grants and Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 63,287,280	\$ 18,323,480	\$ 6,096,881	\$ 1,019,024	\$ 88,726,660
August	\$ 95,530,390	\$ 28,648,070	\$ 6,407,729	\$ 722,138	\$ 131,308,300
September	\$ 101,677,700	\$ 31,174,910	\$ 5,665,848	\$ 162,660	\$ 138,681,200
October	\$ 58,093,380	\$ 26,190,450	\$ 9,919,787	\$ 2,959,865	\$ 97,163,480
November	\$ 32,093,950	\$ 46,783,980	\$ 1,362,555	\$ 6,452,774	\$ 86,693,260
December	\$ 30,726,470	\$ 31,182,190	\$ 482,764	\$ 1,130,673	\$ 63,522,100
January	\$ 42,785,840	\$ 41,640,220	\$ 181,999	\$ 273,891	\$ 84,881,950
February	\$ 37,279,300	\$ 23,888,090	\$ 1,152,100	\$ 643,152	\$ 62,962,640
March	\$ 67,349,100	\$ 25,812,990	\$ 346,675	\$ 348,501	\$ 93,857,270
April	\$ 44,422,300	\$ 25,329,180	\$ 749,012	\$ 145,363	\$ 70,645,860
<b>FY13 to Date</b>	<b>\$573,245,759</b>	<b>\$298,973,561</b>	<b>\$32,365,350</b>	<b>\$13,858,041</b>	<b>\$918,442,710</b>
<b>FY12 to Date</b>	<b>\$679,285,557</b>	<b>\$331,381,427</b>	<b>\$40,250,950</b>	<b>\$14,562,626</b>	<b>\$1,065,480,560</b>
<b>Over (Under) Previous Year</b>	<b>(\$106,039,798)</b>	<b>(\$32,407,866)</b>	<b>(\$7,885,600)</b>	<b>(\$704,586)</b>	<b>(\$147,037,850)</b>

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

**Fiscal Years 2011-2012 and 2012-2013**

<b>Agency</b>	<b>Jul-Apr FY12</b>	<b>Jul-Apr FY13</b>
US Department of Defense (DOD)	\$ 59,384,936	\$ 52,609,294
US Department of Education (DOEd)	\$ 18,559,049	\$ 16,524,178
US Department of Energy (DOE)	\$ 22,096,030	\$ 16,275,238
US Department of Health and Human Services (DHHS)	\$ 439,011,968	\$ 378,588,930
National Science Foundation (NSF)	\$ 83,527,477	\$ 86,394,580
Other Federal	\$ 96,957,047	\$ 55,218,889
<b>Subtotal for Federal :</b>	<b>\$ 719,536,507</b>	<b>\$ 605,611,109</b>
Associations and Non-Profits	\$ 138,794,235	\$ 137,419,267
Foundations	\$ 68,749,099	\$ 58,967,068
Local Government (in Washington)	\$ 3,318,686	\$ 5,613,546
Other Government (not in Washington)	\$ 36,247,370	\$ 36,929,719
Private Industry	\$ 61,368,492	\$ 55,859,947
State of Washington	\$ 37,466,172	\$ 18,042,055
<b>Subtotal for Non-Federal :</b>	<b>\$ 345,944,053</b>	<b>\$ 312,831,601</b>
<b>Grand Total :</b>	<b>\$ 1,065,480,560</b>	<b>\$ 918,442,710</b>
<b>Amount of Increase (Decrease) :</b>		<b>(\$ 147,037,850)</b>
<b>Percent of Increase (Decrease) :</b>		<b>(13.8 %)</b>

**Comparison of Grant and Contract Awards by School/College**

Fiscal Years 2011-2012 and 2012-2013

School/College	Jul-Apr FY12	Jul-Apr FY13
<b>Upper Campus</b>		
Architecture and Urban Planning	\$ 875,504	\$ 1,566,910
Arts and Sciences	\$ 70,160,249	\$ 67,303,031
College of the Environment	\$ 126,762,581	\$ 93,078,829
Computing & Communications	\$ 15,260	\$ 300,000
Director of Libraries	\$ 5,571,497	\$ 96,806
Education	\$ 17,053,824	\$ 21,574,817
Educational Outreach	\$ 80,000	\$ 976,184
Engineering	\$ 86,859,442	\$ 77,992,547
Evans School of Public Affairs	\$ 1,902,865	\$ 4,484,434
Executive Vice President		\$ 10,000
Foster School of Business	\$ 282,543	\$ 752,985
Graduate School	\$ 6,810,927	\$ 3,742,236
Information School	\$ 3,968,729	\$ 5,828,931
Law	\$ 16,602,575	\$ 420,478
Office of Research	\$ 44,911,185	\$ 51,598,967
Provost	\$ 29,468	\$ 100,000
Social Work	\$ 15,461,103	\$ 19,511,838
Undergraduate Education	\$ 944,534	\$ 252,563
VP Minority Affairs	\$ 9,150,947	\$ 6,475,342
VP Student Life	\$ 46,000	\$ 23,498
<b>Subtotal :</b>	<b>\$ 407,489,232</b>	<b>\$ 356,090,396</b>
<b>Health Sciences</b>		
Dentistry	\$ 3,366,356	\$ 3,212,682
Health Sciences Admin	\$ 1,690	
Medicine	\$ 496,013,095	\$ 453,145,484
Nursing	\$ 11,346,551	\$ 6,900,197
Pharmacy	\$ 19,330,130	\$ 12,896,557
Public Health	\$ 93,852,894	\$ 63,336,334
<b>Subtotal :</b>	<b>\$ 623,910,715</b>	<b>\$ 539,491,254</b>
<b>Special Programs</b>		
Alcohol and Drug Abuse Institute	\$ 3,066,160	\$ 2,312,892
CHDD Administration	\$ 6,416,067	\$ 3,758,199
Regional Primate Center	\$ 18,809,022	\$ 6,590,726
<b>Subtotal :</b>	<b>\$ 28,291,249</b>	<b>\$ 12,661,817</b>
<b>Other UW Campuses</b>		
Bothell	\$ 4,409,808	\$ 7,779,584
Tacoma	\$ 1,379,556	\$ 2,419,659

School/College	Jul-Apr FY12	Jul-Apr FY13
Other UW Campuses	<b>Subtotal :</b>	\$ 5,789,364
		\$ 10,199,243
	<b>Grand Total :</b>	\$ 1,065,480,560
		\$ 918,442,710

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**Summary of Grant Awards****Fiscal Year 2012-2013***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	\$ 62,351,620	\$ 2,403,687	\$ 6,096,881	\$ 0	\$ 70,852,180
August	\$ 91,723,700	\$ 3,193,595	\$ 6,378,898	\$ 137,830	\$ 101,434,000
September	\$ 92,075,580	\$ 3,356,014	\$ 5,475,443	\$ 76,694	\$ 100,983,700
October	\$ 54,136,740	\$ 5,507,575	\$ 9,919,787	\$ 1,588,030	\$ 71,152,130
November	\$ 24,632,230	\$ 2,542,720	\$ 1,362,555	\$ 5,783,143	\$ 34,320,650
December	\$ 23,716,690	\$ 7,567,248	\$ 482,764	\$ 0	\$ 31,766,710
January	\$ 40,779,520	\$ 4,114,550	\$ 160,000	\$ 169,946	\$ 45,224,010
February	\$ 36,869,970	\$ 5,103,571	\$ 1,152,100	\$ 519,143	\$ 43,644,790
March	\$ 61,463,840	\$ 3,457,327	\$ 346,675	\$ 55,411	\$ 65,323,260
April	\$ 43,354,880	\$ 2,574,282	\$ 749,012	\$ 0	\$ 46,678,170
<b>Year to Date</b>	<b>\$ 531,104,800</b>	<b>\$ 39,820,570</b>	<b>\$ 32,124,120</b>	<b>\$ 8,330,197</b>	<b>\$ 611,379,600</b>

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**Summary of Grant Awards****Fiscal Year 2012-2013***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	\$ 8,614,872	\$ 360,854	\$ 8,975,726
August	\$ 21,031,440	\$ 87,229	\$ 21,118,670
September	\$ 23,906,580	\$ 80,966	\$ 23,987,550
October	\$ 13,564,360	\$ 1,330,680	\$ 14,895,040
November	\$ 35,445,130	\$ 604,631	\$ 36,049,760
December	\$ 17,221,720	\$ 1,050,346	\$ 18,272,070
January	\$ 31,773,310	\$ 85,001	\$ 31,858,310
February	\$ 8,390,184	\$ 124,009	\$ 8,514,193
March	\$ 16,286,080	\$ 280,000	\$ 16,566,080
April	\$ 14,576,800	\$ 2,500	\$ 14,579,300
<b>Year to Date</b>	<b>\$ 190,810,500</b>	<b>\$ 4,006,216</b>	<b>\$ 194,816,700</b>

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**Summary of Contract Awards****Fiscal Year 2012-2013**

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<b>Month</b>	<b>RESEARCH AND OTHER</b>		<b>TRAINING</b>		<b>Total Contracts</b>
	<b>Federal</b>	<b>Non-Federal</b>	<b>Federal</b>	<b>Non-Federal</b>	
July	\$ 935,659	\$ 7,304,925	\$ 0	\$ 658,170	\$ 8,898,754
August	\$ 3,806,685	\$ 4,423,034	\$ 28,831	\$ 497,079	\$ 8,755,629
September	\$ 9,602,160	\$ 3,912,312	\$ 190,405	\$ 5,000	\$ 13,709,880
October	\$ 3,956,642	\$ 7,118,512	\$ 0	\$ 41,155	\$ 11,116,310
November	\$ 7,461,719	\$ 8,796,134	\$ 0	\$ 65,000	\$ 16,322,850
December	\$ 7,009,779	\$ 6,393,217	\$ 0	\$ 80,327	\$ 13,483,320
January	\$ 2,006,323	\$ 5,752,365	\$ 21,999	\$ 18,944	\$ 7,799,630
February	\$ 409,332	\$ 10,394,330	\$ 0	\$ 0	\$ 10,803,670
March	\$ 5,885,261	\$ 6,069,590	\$ 0	\$ 13,090	\$ 11,967,940
April	\$ 1,067,426	\$ 8,178,099	\$ 0	\$ 142,863	\$ 9,388,387
<b>Year to Date</b>	<b>\$ 42,140,980</b>	<b>\$ 68,342,520</b>	<b>\$ 241,235</b>	<b>\$ 1,521,628</b>	<b>\$ 112,246,400</b>

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

**April 2013**

**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 Health and Human Services (DHHS)**

**National Institutes of Health (NIH)**

To:	Steven Kahn, Professor Department Of Medicine	\$ 1,426,597
For:	Diabetes Research Center	
Eff:	3/13/2013	Classified: No
To:	Peter Rabinovitch, Professor Pathology	\$ 1,681,304
For:	Mitochondrial Antioxidants, Aging and Healthspan	
Eff:	4/1/2013	Classified: No
To:	David L Eaton, Professor Enviro & Occup Health	\$ 1,544,402
For:	Center for Ecogenetics and Environmental Health	
Eff:	4/1/2013	Classified: No
To:	G Stamatoyannopoulos, Professor Department Of Medicine	\$ 2,145,460
For:	Stem Cell Gene Therapy for Hemoglobinopathies	
Eff:	4/1/2013	Classified: No
To:	Michael Gale, Professor Immunology	\$ 1,112,593
For:	Innate Immune Antivirals for Biodefense	
Eff:	4/1/2012	Classified: No

**Total for National Institutes of Health (NIH):** **\$ 7,910,356**

**Total for US Department of Health and Human Services (DHHS):** **\$ 7,910,356**

**National Science Foundation (NSF)**

**National Science Foundation (NSF)**

To:	Patricia K Kuhl, Professor Speech & Hear Sci	\$ 3,500,000
For:	LIFE Center: Learning in Forma & Informal Environments	
Eff:	10/1/2009	Classified: No

**Total for National Science Foundation (NSF):** **\$ 3,500,000**

**Total for National Science Foundation (NSF):** **\$ 3,500,000**

**Total for Federal:** **\$ 11,410,356**

**Total Public Grants:** **\$ 11,410,356**

Detail of Private Grant Awards

Associations and Non-Profits

**Public Health Research Institute (PHRI) - UMDNJ**

To: Shiu-lok Hu, Professor \$ 1,042,005  
Pharmaceutics  
For: Strategies for Eliciting bNAbs Specific for HIV-1 Quaternary  
Epitopes  
Eff: 3/1/2010 Classified: No

**Total for Public Health Research Institute (PHRI) - UMDNJ: \$ 1,042,005**

**Seattle Children's Hospital Research Institute**

To: F. Bruder Stapleton, Chair \$ 1,078,029  
Pediatrics  
For: CHMC PEDIATRIC SALARY  
Eff: 7/1/2010 Classified: No

**Total for Seattle Children's Hospital Research Institute: \$ 1,078,029**

**Total for Associations and Non-Profits: \$ 2,120,034**

Foundations

**The Annie E. Casey Foundation**

To: Richard Catalano, Professor \$ 1,160,000  
School Of Social Work  
For: AECF 2013 DC & Evaluation  
Eff: 1/1/2013 Classified: No

**Total for The Annie E. Casey Foundation: \$ 1,160,000**

**Total for Foundations: \$ 1,160,000**

**Total Private Grants: \$ 3,280,034**

Detail of Contract Awards

Private Industry

**Audentes Therapeutics, Inc.**

To: Martin K Childers, Professor \$ 1,214,667  
Rehabilitation Medicin  
For: Systemic gene therapy in canine myotubular myopathy: a preclinical  
dose-finding study  
Eff: 4/1/2013 Classified: No

**Total for Audentes Therapeutics, Inc.: \$ 1,214,667**

**Esperance Pharmaceuticals Inc**

To: Renata Urban, Asst Professor \$ 1,465,312  
Obgyn/Admin  
For: EP-100, a Novel LHRH Receptor-Targeted, Membrane-Disrupting  
Peptide, plus Paclitaxel versus Paclitaxel alone for Refractory or  
Recurrent Ovarian Cancer: a Phase II, Randomized, Multi-center  
Trial  
Eff: 9/12/2012 Classified: No

**Total for Esperance Pharmaceuticals Inc: \$ 1,465,312**

**Total for Private Industry: \$ 2,679,979**

**Total Contracts: \$ 2,679,979**



**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 BUDGETS

1. Purchasing and Accounting Building Grant & Contract Accounting Space Project No. 204155  
Action Reported: Select Architect/Adopt Budget

On April 17, 2013, an architectural agreement was awarded to Hoshide Wanzer Williams Architects for the Grant and Contract Accounting Space project. Three firms were interviewed on January 30, 2013, Atelier Jones, Hoshide Wanzer Williams Architects, and Schemata Workshop. The agreement is for engineering services in the amount of \$95,763, which is included in the budget value of \$160,509 for design consultants. The balance of the design budget is intended for hazardous materials and acoustical consultants, commissioning, balancing, and move coordination. On April 29, 2013, the project budget was established at \$1,370,000.

Hoshide Wanzer Williams of Seattle is an organization of planners and architects providing consultant services in historic preservation, planning, and architecture. With over 30 years of experience, the firm has worked on multiple projects for the University of Washington, Seattle Public Libraries, Bellevue Botanical Center, and Seattle Fire Department.

This project will develop and construct interior tenant improvements in the Grant and Contract Accounting Department on the first floor of the Purchasing and Accounting Building. The project will include new acoustical ceiling, light fixtures, paint, carpet, and finish improvements to the break room and bathrooms. The project will also include improvements to the existing HVAC system as well as the installation of voice, data, and power floor boxes.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

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

Design is anticipated to complete by September 2013. Construction is scheduled to begin in November with occupancy in June 2014.

This project will be funded by the following sources: \$900,795 was requested as part of the 2013-2015 State biennium request with the remaining balance of \$469,205 from local funding.

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$160,509	\$163,575
Total Construction Cost*	\$993,947	\$953,240
Other Costs	\$106,210	\$143,852
Project Administration	\$109,333	\$109,333
Total Project Budget	\$1,370,000	\$1,370,000

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

Action Previously Reported: None

#### 2. Magnusson Health Sciences Center BB/RR Patient Care and Safety Renovation Project No. 204190 Action Reported: Select Architect

On March 15, 2013, an architectural agreement was awarded to ARC Architects, for the Magnusson Health Sciences Center BB/RR Patient Care and Safety Renovation project. In December of 2012, the Capital Projects Office selected three firms via the Shared Procurement Portal system. Three firms were interviewed on January 28, 2013, Lawhead Architects, Hoshide Wanzer Williams Architects, and ARC Architects. The agreement is for professional services in the amount \$52,828, which is included in the budget value of \$69,774 for design consultants. The balance of the predesign budget is intended for hazardous materials, voice and data, and acoustical consultants.

ARC Architects is a firm with significant experience with higher education institutions including the UW. In addition to the many projects they have worked on here at the Seattle campus, they have also worked at both medical centers as well as at Sand Point. A component of ARC Architect's portfolio focuses on medical work in existing buildings.



## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

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

This renovation project will provide new administration and faculty space for the Department of Medicine. Design is anticipated to be complete by October 2013. Construction is scheduled to begin in December 2013, with occupancy in May 2014.

The project budget will be estimated as part of the predesign phase. This project will be funded by the School of Medicine.

Action Previously Reported: None

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**Red Flag Rules – Identity Theft Compliance Program Annual ReportBACKGROUND

The Fair and Accurate Credit Transaction Act of 2003, and subsequent amendments in 2005, 2007, and 2010, created the Identity Theft Red Flags and Address Discrepancies program to be administered by the Federal Trade Commission (FTC).

This program requires ‘financial institutions’ and ‘creditors’, which includes the University of Washington due to its role in issuing and collecting loan funds, to create an identity theft reduction program.

This report fulfills the FTC mandated annual reporting requirements to the Board of Regents' Finance, Audit, and Facilities Committee.

PREVIOUS BOARD ACTIONS AND UPDATES

July 2009	Finance, Audit and Facilities Committee – Approval of Program and Policies
July 2010	Finance, Audit and Facilities Committee – Informational Update
July 2011	Finance, Audit and Facilities Committee – Informational Update
July 2012	Finance, Audit and Facilities Committee – Informational Update

GOVERNANCE AND MANAGEMENT

Student Fiscal Services (a department in Finance and Facilities) is responsible for the administration of the Red Flag Rules Program for all non UW Medicine offices.

The UW Medicine Board Compliance Committee and the respective Boards or Committees of UW Physicians, Children’s University Medical Group, Harborview Medical Center, UW Medical Center, Northwest Hospital, and Valley Medical Center have oversight for the UW Identity Theft Prevention Programs which are managed by UW Medicine Compliance, UWP Compliance, and CUMG Compliance.

UW Medicine Patient Identification and Clarification Committees (PICC) receive, investigate, and recommend resolution of complaints of misidentification (including, but not limited to identity theft).

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Red Flag Rules – Identity Theft Compliance Program Annual Report (continued p. 2)

##### PROGRAM ACCOMPLISHMENTS

A comprehensive website has been created that includes information on how to identify and detect Red Flags, how to respond to Red Flags, how the Red Flags Compliance Program is administered, and contact information for the Red Flag Rules compliance coordinators. The website also includes a list of outside resources and a link to Administrative Policy Statement 35.2 – Identity Theft Prevention: Red Flag Rules.

In addition to maintaining the Red Flag Rules website, a training program has been implemented that involves communicating directly and providing program and/or rule updates with all University of Washington offices and units that are required to meet the Red Flag Rules.

Student Fiscal Services has a proactive identity theft prevention and identification program that looks for suspicious documents, suspicious personal identifying information, and/or suspicious account activity in place. This program is reviewed and updated annually.

##### COMPLIANCE UPDATES

Neither Student Fiscal Services nor any other non UW Medicine office reported observing or identifying the presence of suspected identity theft during FY2013 to date.

In FY13 to date, UW Medicine Compliance and the UW Medicine PICCs investigated 51 incidents of potential identity theft. Of those incidents, 32 were determined to constitute identity theft, 7 were registration errors and 12 were unsubstantiated claims. For the 32 identity theft incidents, the patients notified law enforcement, and UW Medicine reconciled the billing and medical records.

##### FY2014 GOALS

Continue to identify, and then communicate directly with all University of Washington offices required to meet the Red Flag Rules. These discussions are designed to provide program updates and information on identifying and responding to potential identity theft.

Ongoing goal: Continue to identify and report to the appropriate parties all suspected instances of identity theft.

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**Adopting Proposed Amendments to WAC 478-136-041, “Alcoholic Beverage Policy”RECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents adopt the amendments to WAC 478-136-041, “Alcoholic Beverage Policy.”

BACKGROUND

In order to sell, serve, and consume alcohol in Husky Stadium, the University of Washington must obtain an annual Washington State Liquor Control Board Sports and Entertainment License. The current UW alcoholic beverage policy does not allow for sale, service, and consumption of alcohol in the stadium pursuant to a sports and entertainment license.

The operating plan required to obtain the annual sports entertainment facility license will limit alcohol sale, service, and consumption to suite and club areas—approximately five percent of the available seating in the renovated Husky Stadium. This proposed amendment allows UW to obtain the appropriate Sports and Entertainment License in order to implement the operating plan that was approved by the Office of the President and the Board of Regents.

REVIEW AND APPROVAL

These proposed revisions have been reviewed by the Attorney General’s Office, and endorsed by the Office of the President and the Director of Intercollegiate Athletics.

*Attachments*

1. Hearing Officer’s Report of June 7, 2013 Public Hearing
2. Proposed Amendments to WAC 478-136-041, “Alcoholic Beverage Policy”

Rules Coordination Office

June 12, 2013

President Michael K. Young  
Office of the President  
University of Washington  
Box 351230

Dear President Young,

Pursuant to your delegation, I served as the Hearing Officer to receive public comment on the University of Washington's proposed amendments to WAC 478-136-041, "Alcoholic Beverage Policy," at the June 7, 2013 public hearing held in Room 142 of Gerberding Hall at the University of Washington, Seattle campus. I am pleased to provide this report on the hearing and all written comments received.

As required by the Administrative Procedure Act, the University filed the following notices with the Washington State Office of the Code Reviser: a Preproposal Statement of Inquiry (published as WSR 13-06-045); and a Proposed Rule Making (published as WSR 13-10-067). Notices that a hearing would be held were published in *The Daily* and in *UW Today* on May 29, 2013. Notice of this public hearing was also included in the UW Seattle online events calendar prior to the event. The written comment period began March 20, 2013 and ended June 7, 2013.

**Public Comment**

One individual offered a brief written comment in support of the proposed rule, and no individuals testified at the hearing.

**Analysis and Recommendation**

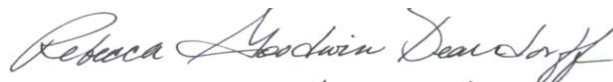
Currently, the University's alcoholic beverage policy does not provide for licensing under a sports entertainment facility license. The proposed WAC rule amendment will make it clear that alcohol sales, service, and consumption in Husky Stadium will be governed by and must be in compliance with such a license issued by the Washington State Liquor Control Board.

The proposed revisions have been reviewed by the Attorney General's Office and endorsed by the Director of Athletics.

As there were no comments to the contrary, it is my recommendation that the Board of Regents adopt the amendments to WAC as proposed.

An audio recording of the hearing has been deposited with the Secretary of the Board of Regents.

Sincerely,



Rebecca Goodwin Deardorff  
Director of Rules Coordination

cc: Ms. Joan Goldblatt  
Mr. Jack Johnson  
Ms. Karin Nyrop  
Ms. Stephanie Rempe  
Mr. Scott Woodward

AMENDATORY SECTION (Amending WSR 10-13-098, filed 6/17/10, effective 7/18/10)

**WAC 478-136-041 Alcoholic beverage policy.** Alcoholic beverages may be possessed, sold, served, and consumed at university facilities only if the procedures set forth in this section are followed.

(1) The appropriate permits/licenses for possession, sale, service, and consumption of alcohol must be obtained from the Washington state liquor control board.

(2) Permits/licenses must be displayed during the event and all other guidelines and restrictions established by the Washington state liquor control board must be followed.

(3) Alcoholic beverages may be possessed, sold, served, and consumed at the University of Washington club, as so designated by the university board of regents to the Washington state liquor control board, pursuant to a spirits, beer, and wine private club license issued by the Washington state liquor control board.

(4) Alcoholic beverages may be possessed, sold, served, and consumed at university facilities leased to a commercial tenant under a lease that includes authorization for the tenant to apply and hold a license issued by the Washington state liquor control board.

(5) Except as provided in subsections (3) and (4) of this section, alcoholic beverages may be possessed, sold, served, and consumed at university facilities only under permits/licenses issued by the Washington state liquor control board and only as follows:

(a) Events at which alcohol is to be sold must be approved by the appropriate committee chair for the committee on the use of university facilities and an application to the chair must be accompanied by a request for written authorization under subsection (6) of this section or proof that the seller holds an appropriate license; and

(b) Events at athletic venues at which alcohol is to be possessed, sold, served, or consumed must:

(i) Not be within the spectator viewing areas and must have restricted attendance; or

(ii) Operate under a sport entertainment facility license issued by the Washington state liquor control board; and

(c) A university unit, or an individual or organization applying for a permit/license must have obtained approval under subsection (6) of this section; and

(d) Sale, service, and consumption of alcohol is to be confined to specified room(s) or area(s) identified on the license or permit. Unopened containers may not be sold or served. No alcohol is permitted to be taken off-premises.

(6) Written authorization to apply for a special occasion

license to sell alcoholic beverages or a banquet permit to serve and consume alcoholic beverages at university facilities must be obtained from the appropriate committee chair for the committee on the use of university facilities prior to applying for a special occasion license or banquet permit from the Washington state liquor control board. Authorization should be requested sufficiently in advance of the program to allow timely consideration. (Note: Some license applications must be filed with the Washington state liquor control board at least thirty days or more before the event.) Written authorization to apply for such a permit/license shall accompany the application filed with the Washington state liquor control board.

(7) Consumption, possession, dispensation, or sale of alcohol is prohibited except for persons of legal age.

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**Architectural Commission Student Membership AppointmentRECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents appoint Laura Marie Hall to the University of Washington Architectural Commission as the student representative, with a term commencing in September 2013 and ending in June 2014. Laura fills a vacancy created by the departure of Chris Tritt due to his recent graduation.

BACKGROUND

The Board of Regents established the Architectural Commission in December 1957 to advise the Board and University President on matters concerning the design, function, performance, and environmental integrity of the University's buildings, landscapes, infrastructure, and urban amenities. In its advisory capacity, the commission reviews and evaluates plans and projects that affect the aesthetic character and composition of the University's three campuses. It reviews the selection of building sites, the design of new buildings and public spaces, major additions and modifications to these elements, and campus plans; and it issues general and specific recommendations related to these elements, and to design and planning policies that ensure the aesthetic and historic integrity of the public settings of university life.

The Commission assists the Board and University President in the selection of architects and consultants for all projects that influence the physical and aesthetic character of its campuses, and periodically reviews the design of these projects through all phases of their development. In addition, the Commission periodically reviews and evaluates the University's campus master and subsidiary plans, and advises the University President on related architectural and environmental issues as they may arise, including historic preservation.

MEMBERSHIP

Laura Hall is a dual degree student pursuing degrees in architecture and construction management (resume attached). She is the recipient of the 2013 Master Builders Career Connection Scholarship and the NAWIC Founders Scholarship, and the 2012 AGC of America Scholarship,; Laura is also is the 2013 CMAA Pacific Northwest Chapter Scholar. She is an excellent student, achieving Dean's List status several quarters.



## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Architectural Commission Student Membership Appointment (continued p. 2)

Laura studied with the Rome program in 2011 and the Chandgarh Urban Lab in 2012. She is a UW Farm Volunteer and she is working this summer at Hensel Phelps in San Francisco as a project engineer intern.

Other current members of the Commission are:

Linda Jewell	Freeman & Jewell (Term expires 10/14)
Cathy Simon	Perkins+Will (Term expires 10/14)
John Syvertsen	Cannon Design (Term expires 10/14)
John Schaufelberger	Faculty Member, Commission Chair and Interim Dean, College of Built Environments*

*\*A search is underway for a new Dean of the College of Built Environments, who would become the next Chair of the Architectural Commission.*

#### *Ex officio members:*

V'Ella Warren	Senior Vice President
Rebecca Barnes	University Architect & Assistant Vice Provost, Campus & Capital Planning
Richard Chapman	Associate Vice President, Capital Projects Office
Charles Kennedy	Associate Vice President, Facilities Services
Kristine Kenney	University Landscape Architect
John Seidelmann	Director of Capital and Space Planning

#### REVIEW AND APPROVALS

This recommendation has been reviewed and approved by the Chair of the Architectural Commission.

#### *Attachments*

1. BRG, Standing Orders, Chapter 4, Section 1.A, The University of Washington Architectural Commission
2. Resume for Laura Marie Hall

# **Board of Regents Governance**

Standing Orders

Chapter 4

Advisory Committees, Commissions, and Boards

## **1. Advisory Committees and Commissions**

### **A. The University of Washington Architectural Commission**

#### **1) Establishment of the Commission**

The Board of Regents established the Architectural Commission (commission) in December 1957 to advise the Board and University President on matters concerning the design, function, performance, and environmental integrity of the University's buildings, landscapes, infrastructure, and urban amenities.

In its advisory capacity, the commission reviews and evaluates plans and projects that affect the aesthetic character and composition of the University's three campuses. It reviews the selection of building sites, the design of new buildings and public spaces, major additions and modifications to these elements, and campus plans; and it issues general and specific recommendations related to these elements, and to design and planning policies that ensure the aesthetic and historic integrity of the public settings of University life. The commission assists the Board and University President in the selection of architects and consultants for all projects that influence the physical and aesthetic character of its campuses, and periodically reviews the design of these projects through all phases of their development. In addition, the commission periodically reviews and evaluates the University's campus master and subsidiary plans, and advises the University President on related architectural and environmental issues as they may arise, including historic conservation.

#### **2) Statement of Organization and Function**

##### **a) Number of Members and Representation**

Nine voting members and four non-voting ex-officio members constitute the University of Washington Architectural Commission. The Board of Regents appoints all nine voting academic and professional members: the Dean of the College of Built Environments, or his or her designee; four design professionals, including at least two registered architects and one registered landscape architect; a representative of the University of

Washington Faculty Senate recommended by the Senate Chair, who shall serve as Vice Chair of the commission; a representative of student government jointly recommended by the President of the Associated Students of the University of Washington and the President of the Graduate and Professional Student Senate; and two voting members-at-large from within or outside the University community, nominated by the University President. The four non-voting ex-officio members of the commission include the Senior Vice President, the Associate Vice President for Capital Projects, the University Architect, and the University Landscape Architect.

The Chair of the commission may designate additional ex-officio members as appropriate.

**b) Terms of Membership**

The Board of Regents will appoint each professional member for a term of four years; when the Board fills a vacancy among the professional members, the appointee will serve for the remainder of the unexpired term. The faculty and representatives and members-at-large will serve a term of two years. Members of the commission may succeed themselves and may serve beyond the appointed term, until the Board of Regents appoints a successor.

Wherever possible, the terms of professional and at-large members will be staggered, such that no two appointments expire in the same year.

**c) Officers of the Commission, Quorum, Meetings, and Procedures**

The Dean of the College of Built Environments (or his or her recommended designee as approved and appointed by the Board of Regents) will chair the commission and preside at its meetings. In the event the Chair is absent from a regularly scheduled meeting of the commission, the Vice Chair will preside. When and where appropriate, the Chair will represent the commission at meetings of the Board of Regents Finance, Audit, and Facilities Committee (FAF), and at any other meeting where university groups, departments, or academic units seek the perspective of the commission.

Any five voting members will constitute a quorum for the transaction of commission business. Actions constituting commission recommendations must secure the approval of a majority of those present.

The Vice Provost for Planning and Budgeting shall authorize appropriate compensation for the professional members.

The University of Washington Office of the Vice Provost for Planning and Budgeting, through the agency of the University Architect, will assist the commission in the coordination of its meetings and minutes, and in the preparation and dissemination of official correspondence.

The Chair of the commission, working in cooperation with the University Architect, may from time to time appoint and convene sub-committees to act on behalf of the commission to expedite the timely review of major projects; review smaller projects that would not otherwise fall under the commission's purview; and undertake special reviews or assignments of projects or the review of other issues related to the urban, architectural, and aesthetic integrity of the University.

**d) Advisory Responsibilities and Referral Function**

The Architectural Commission advises the Board of Regents and University President on the planning and development of the University's primary campuses, urban properties, remote facilities, and other significant environmental assets. Its role includes recommending architectural and planning principles and policies appropriate and advantageous in guiding the physical growth, development, and conservation of the University's buildings and grounds and their various physical settings and contexts. Except for minor interior remodeling and renovations, the University refers all campus architectural and planning matters to the commission for its review and recommendations.

**e) Comprehensive Planning**

The commission will make recommendations concerning the preparation of a comprehensive general plan for the physical and aesthetic development of the University' campuses, including and especially design principles to guide future growth. The commission will periodically review existing, proposed, and revised campus plans. In its ongoing review the progress of the campus design and planning efforts, the commission may recommend the selection of firms and consultants for specific projects, and periodically issue related recommendations for approval by the Board of Regents. These recommendations shall be documented and may be revised from time to time for the purpose of providing a current guide for the design and performance of campus grounds and buildings. In making recommendations involving campus open space, landscape design, and

plantings, the commission will seek the consultation of the University Landscape Advisory Committee.

**f) Special Projects, Design Requirements, and Referral Functions**

The commission will review the urban and architectural design, performance, and environmental consequences of all projects that influence the character and integrity of the University's campuses including new construction; additions to existing buildings when such additions affect the exterior appearance of buildings; major interior renovations of existing significant buildings; and projects involving the development of the campus grounds, including landscaping, sculpture, monuments, memorials, and public art.

The commission will advise and assist the project designer and the University in the development of all major projects. It will review such projects during and upon completion of feasibility study, prior to the commencement of detailed planning work, and following the commencement of the design process; it will guide the project designers, review the progress of designs, and suggest modifications and adjustments as necessary and appropriate up to the approval of a fully developed design for construction. The commission's recommendations will embody or set forth principles and criteria as they relate to campus plans and to the principles of campus design and such other recommendations deemed proper and important in the design of the project. The commission may recommend approval of the design of projects, or recommend changes in the design. Recommended changes that significantly affect the scope of work must secure the concurrence and approval of the Senior Vice President prior to their implementation.

**g) Recommendations for Awarding of Design Contracts**

The voting members of the commission shall make recommendations to the University President and the Board of Regents for the awarding of major design contracts for new construction and additions to existing buildings when such additions affect the exterior appearance of buildings and major planning and site studies. Major design contracts include any contract that requires the approval of the Board of Regents.

**h) Procedure**

In its meetings and deliberations the formal procedures of the commission will be governed by Robert's Rules of Order, latest revised edition.

**i) Conflict of Interest**

Commission members or their firms are not eligible to accept design or major consulting contracts with the University of Washington on any projects during the time of their tenure on the commission.

*BR, January 21, 1977; October 1989; June 9, 1995; September 17, 1999; January 21, 2000; July 12, 2012.*

**Objective:** To serve as the student member on the University Architectural Commission for the 2013-2014 school year.

**Education:**

**University of Washington, College of Built Environments**  
*BA in Architectural Studies, BS in Construction Management*  
Cumulative GPA 3.53

09/2008 – Present

**Experience:**

**Hensel Phelps, San Francisco, CA**  
*Project Engineer Intern (40 – 50 hours/week)*

Start Date: 06/24/2013

**College of Built Environments Computing, UW, Seattle**  
*Student Help Desk Assistant (19 hours/week)*

09/2012 – 06/2013

- Work with computer technicians to manage the CBE computing services.
- Provide technical support to students and staff if problems arise.

**General Dynamics, Bellevue, WA**  
*Construction Manager Assistant (40 hours/week)*

07/2012 – 09/2012

- Reviewed and redlined construction drawings from preliminary design to final construction documents.
- Tracked and monitored drawings for over six hundred cell sites in Washington.
- Communicated with AE vendors to ensure drawings were completed on time and within scope.

**Johnson Architecture & Planning, Seattle, WA**  
*As-built Technician (10 hours/week)*

05/2012 – 07/2012

- Traveled to New York City to produce a three-dimensional model of an existing apartment.
- Documented as-built conditions through plans, sections and photographs.

**Rupard Architecture and Urban Design, Seattle, WA**  
*Design Intern (15 hours/week)*

01/2011 – 07/2011

- Developed drawings from schematic design to construction documents for contractor pricing.
- Gained understanding of office responsibilities and objectives in project development.

*Site Photographer (5 hours/week)*

04/2008 – 09/2008

- On the job experience monitoring the construction process on behalf of the architect.

**Computer Skills:** Sketchup, V-Ray, Revit, Rhino, Grasshopper, Illustrator, Photoshop, InDesign, AutoCAD

**Community Involvement**

UW Farm Volunteer 2008-2010  
UW Students Expressing Environmental Dedication (SEED) 2008-2009  
Bainbridge Parks Department Coach 2007-2009

**Activities and Awards:**

Master Builders Career Connection Scholarship June 2013  
CMAA Pacific Northwest Chapter Scholar May 2013  
NAWIC Founders Scholarship Recipient February 2013  
AGC of America Scholarship Recipient December 2012  
ASC Reno Design/Build Competition Participant, Captain 2013-2014  
UW Dean's List A 08', W & A 09', W & A 12', W 13' 2012-2014  
Association of Students in Construction 2012-2014  
Architecture Class Representative 09/2010-06/2012  
Arch. Study Abroad: Rome Center, Chandigarh Urban Lab 09/2011-03/2012

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**UW Seattle - Approve Proposed 2013-14 East Campus Special Event Parking Rate RevisionsRECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents adopt the attached East Campus Event Parking Rates, effective August 1, 2013.

RATIONALE

The attached schedule of East Campus Event Parking Rates was developed in close coordination with Intercollegiate Athletics (ICA) with two goals:

1. Increase Husky Football parking rates to more effectively manage parking demand and counterbalance the transition to paid park-and-ride service; and
2. Simplify the rate structure for other east campus events (predominantly athletic events) to improve consistency and customer service on a revenue neutral basis.

BACKGROUND

Prior to the expansion of Husky Stadium in 1987, Transportation Services operated the Game Day Parking Program (GDPP). All net proceeds from game day parking were used for the maintenance and improvement of parking facilities, as well as stabilizing parking rates for faculty, staff, and students.

As part of the permitting approval for the 1987 stadium expansion, the Husky Stadium Transportation Management Plan (Husky Stadium TMP) was developed to manage an anticipated increase in parking demand. Under the new plan, a number of transportation mitigations were put into place including a park-and-ride service operated by King County Metro and funded with net proceeds from the GDPP.

As the cost of public transportation increased, the cost of the park-and-ride service increased and began to exceed the net proceeds of the GDPP. In order to avoid game day parking and transportation being directly subsidized by faculty, staff, and student parking fees, Transportation Services asked ICA to independently fund the Husky Stadium TMP. Transportation Services agreed to turn over GDPP proceeds (net of direct costs for game day parking operations) to partially fund the park-and-ride service.



## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### UW Seattle - Approve Proposed 2013-14 East Campus Special Event Parking Rate Revisions (continued p. 2)

ICA also received approval of a variance from Husky Stadium Transportation Management Plan Technical Committee allowing ICA to charge fare for the park-and-ride service, which had previously been free to event attendees. The fare-based service will begin in 2013 and continue through 2016 when a new transportation management plan will be implemented for Husky Stadium.

In 2010, ICA and Transportation Services collaborated on an initial rate simplification package designed to ensure the availability of affordable parking for special events. The non-football event rates in the attached proposal reflect the next iteration of that collaborative effort.

#### REVIEWS AND APPROVALS

ICA submitted the proposed increases to Transportation Services. Transportation Services is supportive of these changes. The proposed parking rates were also reviewed with the Husky Stadium Transportation Management Plan Technical Committee as a part of their variance approval.

Transportation Services followed the prescribed public process for rate setting including approval by the University Transportation Committee, a committee comprised of faculty, student, organized labor, professional staff, and other stakeholder representatives.

A public hearing was held on June 25, 2013, and public testimony on the proposed fees was invited. No testimony was offered. A recording of the hearing and a summary report thereof has been filed with the Secretary of the Board of Regents.

#### *Attachments*

1. Hearing Examiner's Report of June 25, 2013 Public Hearing
2. 2013-14 East Campus Special Event Parking Rates



FACILITIES SERVICES  
UNIVERSITY of WASHINGTON

Charles Kennedy  
Associate Vice President for Facilities Service  
UW Finance and Facilities

June 25, 2013

Dear AVP Kennedy:

In accordance with your delegation, I served as the University Hearing Officer on the proposed revision to the East Campus Event Parking Rates. This hearing was held pursuant to WAC 478-116-163 which provides in pertinent part:

*Fees for parking and the effective date thereof shall be submitted to the Board of Regents for approval by motion. Prior to the approval by the Board of Regents the University shall, after notice, hold a hearing on the proposed schedule. The hearing shall be open to the public and shall be presided over by a presiding officer who shall prepare a memorandum for consideration by the University, summarizing the contents of the presentations made at the hearing.*

The hearing was held on June 25, 2013 in room 10 of Anderson Hall on the Seattle campus of the University of Washington. Official notice of the hearing was previously published in *UW Today*, *Faculty Staff Insider*, and the University of Washington online events calendar.

**Hearing Summary**

No members of the public attended the hearing or submitted written comment. This is consistent with the minor nature and reasonableness of the changes as previously illustrated by the University Transportation Committee's unanimous recommendation of the changes without debate.

**Recommendation**

The proposed changes are responsible and should be adopted. The changes to football parking rates appropriately mitigate the impact of Intercollegiate Athletics intention to begin charging fans for park and ride bus service. The changes to other event rates were developed collaboratively by ICA and Transportation Services and create greater consistency and simplicity for east campus event patrons on a revenue neutral basis. I recommend that the Board of Regents adopt the fee updates as proposed.

The audio recording of the scheduled hearing has been submitted to the Secretary of the Board of Regents. These materials are available for your inspection and the inspection of the members of the Board of Regents.

Respectfully submitted,

Josh Kavanagh  
Director of Transportation Services

Attachment: Hearing Transcript

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[www.washington.edu/facilities](http://www.washington.edu/facilities)

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**HEARING OFFICER'S COMMENTS ON**  
**Proposed Changes in East Campus Event Parking Rates**

Let the record show that this hearing commenced at 9:12 am on June 25, 2013, in Room 10 of Anderson Hall on the campus of the University of Washington, Seattle, WA. This hearing is being held in accordance with Washington Administrative Code 478-116-163 in order to consider revisions to the University of Washington's Proposed Changes in East Campus Event Parking Rates. This entire process is being recorded.

My name is Josh Kavanagh. I have been designated by Charles Kennedy, Associate Vice President for Facilities Services as the University's presiding officer for the purposes of conducting this hearing.

The purpose of this hearing is to receive from all interested persons data, views, testimony, or arguments, whether orally or in writing, regarding the proposed Changes in East Campus Event Parking Rates.

Advance copies of the proposed Changes in East Campus Event Parking Rates have previously been made available to campus constituencies through their University Transportation Committee representatives and are available here at the front table. Notice that this hearing would be held, convening at 9:00am, was duly published in the UW Today

and Faculty Staff Insider on June 10<sup>th</sup> and on the University of Washington's online events calendar, beginning June 10<sup>th</sup>.

Those persons wishing to make an oral presentation on the proposed Changes in East Campus Event Parking Rates may, at the conclusion of the opening statement, come forward and provide their names and University affiliation – that is, faculty, staff, student, or member of the public on the sheet at this table, or that table as the case may be. If you represent an organization, please identify that organization on whose behalf you are speaking. Any written statements which anyone desires to submit may be delivered to me at that time, or at the conclusion of the oral presentation, if that is more convenient. I will also accept submission of written testimony via electronic mail until 4:00 pm on June 25, 2013. E-mail comment may be sent to [joshkav@uw.edu](mailto:joshkav@uw.edu) and should include the subject line “2013 East Campus Event Parking Rates Testimony”.

After this hearing is concluded, I will review and analyze all statements, written and oral, which have been presented. I will prepare and forward to the Board of Regents for its consideration a summary of the comments presented at this hearing, as well as an analysis of the matter. The full recording of these proceedings will also be made available to the Board. Final action on the Changes in East Campus Event Parking Rates is scheduled to be taken by the Board of Regents of the University of Washington at its meeting on Thursday,

July 11, 2013. A detailed agenda including meeting times and locations will be available on the Regents website on Friday, July 5, 2013.

This hearing will now recess for sufficient time to permit those persons who desire to testify an opportunity to sign the role sheet.

(RECESS)

And the hearing is back in session at 9:56 a.m. No members of the public elected to provide oral testimony.

Therefore, I would like to thank all of you for your courtesy and cooperation during this hearing. I will review any written comments received, and prepare a summary and analysis of these comments for consideration by the Board of Regents of the University of Washington. The full recording of this hearing will also be made available to the Board of Regents. Final action on the Changes in East Campus Event Parking Rates is scheduled to be taken by the Board of Regents of the University of Washington at its meeting on Thursday, July 11, 2013. A detailed agenda including meeting times and locations will be available on the Regents website on Friday, July 5, 2013.

This hearing stands adjourned.

## 2013-14 UW Seattle East Campus Special Event Parking Rates

Subject to Regental approval and effective for sale of products valid after August 1, 2013, the following will be integrated into the University of Washington Seattle Campus Parking and U-PASS Rates

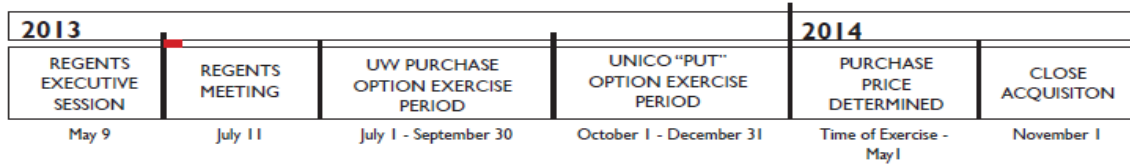
<u>Event</u>	<u>Term</u>	<u>2012-13</u> <u>Rate*</u>	<u>2013-14</u> <u>Rate*</u>	<u>Change</u>	<u>Reason</u>
<b>Football and events in excess of 24,000 in attendance</b>					
Autos - Carpool: Occupancy requirements determined on event by event basis	Per Day	\$ 25.00	\$ 30.00	\$ 5.00	ICA Request - demand management/revenue
Autos - Non-Carpool: Occupancy requirements determined on event by event basis	Per Day	\$ 30.00	\$ 40.00	\$ 10.00	ICA Request - demand management/revenue
Motorhomes	Per Day	\$ 100.00	\$ 120.00	\$ 20.00	ICA Request - demand management/revenue
Additional fee for trailer	Per Day	\$ 25.00	\$ 30.00	\$ 5.00	ICA Request - demand management/revenue
Private Buses	Per Day	\$ 100.00	Same		
<b>Men's Basketball, Windemere, Weekday Daytime Events</b>					
E lots South of Wahkiakum	Per Day	\$ 15.00	Same		
E lots North of Wahkiakum	Per Day	\$ 10.00	Same		
<b>Weekday Daytime - General Arena Sports Events (Women's Basketball, Volleyball, Gymnastics...)</b>					
E lots South of Wahkiakum	Per Day	\$ 15.00	\$ 8.00	\$ (7.00)	ICA/TS agreement - rate simplification
E lots North of Wahkiakum	Per Day	\$ 10.00	\$ 8.00	\$ (2.00)	ICA/TS agreement - rate simplification
<b>Weekend and Weekday after 5:00pm - General Arena Sports Events</b>					
E lots South of Wahkiakum	Per Day	\$ 7.00	\$ 8.00	\$ 1.00	ICA/TS agreement - rate simplification
E lots North of Wahkiakum	Per Day	\$ 7.00	\$ 8.00	\$ 1.00	ICA/TS agreement - rate simplification
<b>Weekday Daytime - Outdoor Sports Events (Baseball, Softball, Soccer, Track...)</b>					
E lots South of Wahkiakum	Per Day	\$ 15.00	\$ 8.00	\$ (7.00)	ICA/TS agreement - rate simplification
E lots North of Wahkiakum	Per Day	\$ 10.00	\$ 8.00	\$ (2.00)	ICA/TS agreement - rate simplification
<b>Saturday and Weekday after 5:00pm - Outdoor Sports Events - (No Charge on Sundays)</b>					
E lots South of Wahkiakum	Per Day	\$ 7.00	\$ 8.00	\$ 1.00	ICA/TS agreement - rate simplification
E lots North of Wahkiakum	Per Day	\$ 7.00	\$ 8.00	\$ 1.00	ICA/TS agreement - rate simplification
<b>Graduations and East Campus Events Requiring Significant Planning or Staff</b>					
E lots South of Wahkiakum	Per Day	\$ 15.00	Same		
E lots North of Wahkiakum	Per Day	\$ 15.00	Same		
<b>High School Graduations</b>					
E lots General Parking South of Wahkiakum	Per Day	\$ 15.00	Same		
E lots General Parking North of Wahkiakum	Per Day	\$ 15.00	\$ 8.00	\$ (7.00)	ICA/TS agreement - rate simplification
E Lots ADA Designated Parking	Per Day	None	\$ 8.00		
<b>Other Events</b>					
E lots South of Wahkiakum	Per Day	\$ 15.00	Same		
E lots North of Wahkiakum	Per Day	\$ 7.00	\$ 8.00	\$ 1.00	ICA/TS agreement - rate simplification

\*Stated rates are inclusive of all taxes and fees, including the University's Transportation Demand Management Fee, the Sales and Use Tax, and the City's Commercial Parking Tax.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Cobb Building – Approve Exercise of Purchase Option and Financing Plan



RECOMMENDED ACTION

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

1. Delegate to the president or his designee the authority to exercise the purchase option for the leasehold interest in the downtown Cobb Building. Final settlement price will be determined by May 1, 2014 and the closing date will be November 1, 2014; and
2. Approve the financing plan for the purchase at a borrowing amount not to exceed \$36 million to include closing and financing costs.

RATIONALE

1. Regain property control with the rest of the Metropolitan Tract
2. Re-capture underlying land value
3. Capture discount on purchase price driven by current market conditions

BACKGROUND

The Cobb Building is an 11 story 90,000 square foot building located on the corner of University and Fourth Avenue in downtown Seattle within the University’s Metropolitan Tract. It was built in 1910 and was one of the first medical office buildings on the west coast. In 1955, the Cobb Building was included in the master lease that the University signed with Unico Properties (“Unico Master Lease”). It was operated and managed by Unico as a medical office building until 2004.

In July of 2004, the University amended the Unico Master Lease to remove the Cobb Building. At the same time, the University entered into a new 45-year lease with Unico to implement a significant re-development and conversion of obsolete medical office space to 91 high-end rental apartment units. In accordance with the lease agreement, the University contributed approximately \$7.9 million to the \$38.5 million development. The University receives \$154,000 per year in rent but has no additional obligation or liability for development costs or on-going operating expenses.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Cobb Building – Approve Exercise of Purchase Option and Financing Plan (continued p. 2)

The lease provides the University with three purchase opportunities in October 2014, October 2024 and October 2034. The University has a window in which it can exercise the 2014 purchase option: July 1<sup>st</sup> through September 30<sup>th</sup> 2013. If the option has not been exercised by that date, Unico has 90 days to “put” the property back to UW. If no action is taken by December 31, 2013, there will not be another purchase opportunity until 2024.

The University’s most recent analysis of the market value of the property indicates the following estimated purchase price for the leasehold:

Appraised Value of Property:	\$50 million
<Less: Land Value>	<\$2.2 million>
<Less: Excess Return to UW>	<\$13 million>
Equals: Purchase Price	\$34.8 million

The final appraised value will be determined by a process set forth in the lease that requires the appointment of MAI appraisers by both the University and Unico. A final value must be decided on by May 1, 2014.

The land value is fixed at \$2.2 million per the lease agreement.

The Excess Return is determined by a formula set forth in the lease and is based primarily on the property’s market appreciation from 2004 to 2014. Unico is guaranteed an annual internal rate of return and any excess return is shared with the University in the form of a purchase discount. If the final appraised value exceeds \$50 million, the University’s discount will increase by \$0.75 for every \$1 of higher value.

#### PURPOSE AND BENEFIT

The University plans to exercise its purchase option to gain control of the property and to realize the current discount (excess return).

Buying the remaining leasehold interest in the Cobb Building will consolidate the University’s ownership of all of the properties leased to Unico since 1955. With control, the University will have the flexibility to either manage the building for its annual operating income of \$2.3 million or ground lease the property to earn higher rent based on the increased underlying land value.

The University’s analysis and recommendation related to the purchase of the leasehold interest in the property have been reviewed with the Advisory Committee on Real Estate (ACRE).



## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Cobb Building – Approve Exercise of Purchase Option and Financing Plan (continued p. 3)

#### PROPERTY PROFILE

- Agreement: Long term ground lease to Unico Properties
- Lease Expiration: 3/23/50 (40 years remaining on 45 year term)
- Size: 90,000 Square feet ; 11 stories; 91 Units
- Occupancy: 98%
- 2012 Operating Income: \$2.3 million
- Ground Rent: \$154,000/year
- Capital Expenditures: Unico funds all tenant improvement and capital costs

#### PURCHASE TERMS

The Purchase and Sale Agreement for the leasehold interest will be finalized before November 1, 2014 and is planned to contain the following general terms:

- Seller: Cobb Building LLC (owned by Unico Properties)
- Purchase Price: Estimated to be no higher than \$40 million (final price subject to appraisal conducted by May 1, 2014)
- Closing Date: November 1, 2014
- Due Diligence Prior to Exercise of Option: University inspection of title, property conditions, leases and contracts
- Contingencies: None

#### FINANCING PLAN

Sources and Uses of Funds (\$000):

##### **Sources of Funds**

Taxable General Revenue Bonds	35,600
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##### **Uses of Funds**

Estimated Lease Buyout	35,000
------------------------	--------

Estimated Closing Costs	250
-------------------------	-----

Estimated Financing Costs	350
---------------------------	-----

<b>Total Uses of Funds</b>	<b>35,600</b>
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##### **Estimated Annual Debt Service (30 years, 5%)**

<b>Metropolitan Tract Revenues</b>	<b>2,319</b>
------------------------------------	--------------

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Cobb Building – Approve Exercise of Purchase Option and Financing Plan (continued p. 4)

Metropolitan Tract revenues are considered appropriated local funds; therefore this loan is excluded from the Internal Lending Program. Additionally, due to the commercial use of the property, tax exempt funds are not available. The interest rate on the loan will be a pass-through of the actual taxable interest rate that the University is able to obtain when bonds are issued.

Treasury Office, in conjunction with UW Real Estate, has performed due diligence on this purchase and is comfortable that the projected net operating income is sufficient to service \$36 million in debt at 1.0 times coverage for the first full year of operations in calendar 2015, increasing to 1.1 times coverage by the 4<sup>th</sup> year of University ownership. As a conservative measure, the assumed interest rate is 5%, roughly 50 basis points higher than today. This is a newly renovated asset in a prime downtown location that commands premium rents and will continue to do so in the coming years. The ten year proforma in Attachment A shows the revenues and expenses from this project.

There are some risks to this transaction. By exercising the option, the University is locked into buying out the lease and is subject to market risk and interest rate risk until the closing date of November 1, 2014. If real estate values climb substantially in the next sixteen months, UWRE will fund any difference between the maximum loan amount and the purchase price with Metropolitan Tract reserves. Unrestricted reserves as of June 1, 2013 were \$15.5 million. A 50 basis point interest rate cushion has been built into the proforma and the project is affordable at that level. If rates increase more than 50 basis points, UWRE will fund the shortfall from other Tract revenues or reserves.

A sensitivity analysis was performed on the impact of interest rate changes on the amount that is required from UWRE reserves and revenues. With each 25 basis point increase in rates, UWRE will be required to fund about \$1 million from reserves or pay an additional \$70k in annual debt service.

#### OPERATING PLAN

The University will retain the current third party residential management firm to conduct the day-to-day activities of the property. Operating and maintenance costs will be paid from Cobb revenues before debt service. Future capital maintenance and improvements will be paid from net cash flows.

The property will be managed along with the other Metropolitan Tract properties in the University's downtown portfolio.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Cobb Building – Approve Exercise of Purchase Option and Financing Plan  
(continued p. 5)

REVIEW AND APPROVAL

The purchase of the Cobb Building leasehold interest and the financing plan have been reviewed and recommended for approval by the Senior Vice President and the Chief Real Estate Officer.

*Attachment*  
Financial Proforma

<u>Cobb Building</u> (\$000)	<u>CY 2013</u> Projected Unico	<u>CY 2014</u> Projected Unico (10 mos)	<u>CY 2014</u> Projected UW (2 mos)	<u>CY 2015</u> Projected UW	<u>CY 2016</u> Projected UW	<u>CY 2017</u> Projected UW	<u>CY 2018</u> Projected UW	<u>CY 2019</u> Projected UW	<u>CY 2020</u> Projected UW	<u>CY 2021</u> Projected UW	<u>CY 2022</u> Projected UW
Total Operating Revenue	3,180	2,729	546	3,373	3,474	3,579	3,686	3,797	3,911	4,028	4,138
Total Operating Expenses	970	832	166	1,029	1,060	1,092	1,124	1,158	1,193	1,228	1,265
Net Operating Income	2,210	1,897	379	2,344	2,415	2,487	2,562	2,639	2,718	2,799	2,873
Debt Service (DS) <sup>1</sup>	1,277	1,064	387	2,319	2,319	2,319	2,319	2,319	2,319	2,319	2,319
Debt Service Coverage	1.7	1.8	1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.2	1.2
Non-Operating Income	-	-	-	-	-	-	-	-	-	-	-
Ground Rent Payment to UW	174	145	-	-	-	-	-	-	-	-	-
Net Income (After DS & Grd Rent)	759	688	(7)	25	96	168	243	320	399	480	554
Beginning Balance			-	(7)	18	114	282	525	844	1,243	1,723
Ending Balance			(7)	18	114	282	525	844	1,243	1,723	2,277

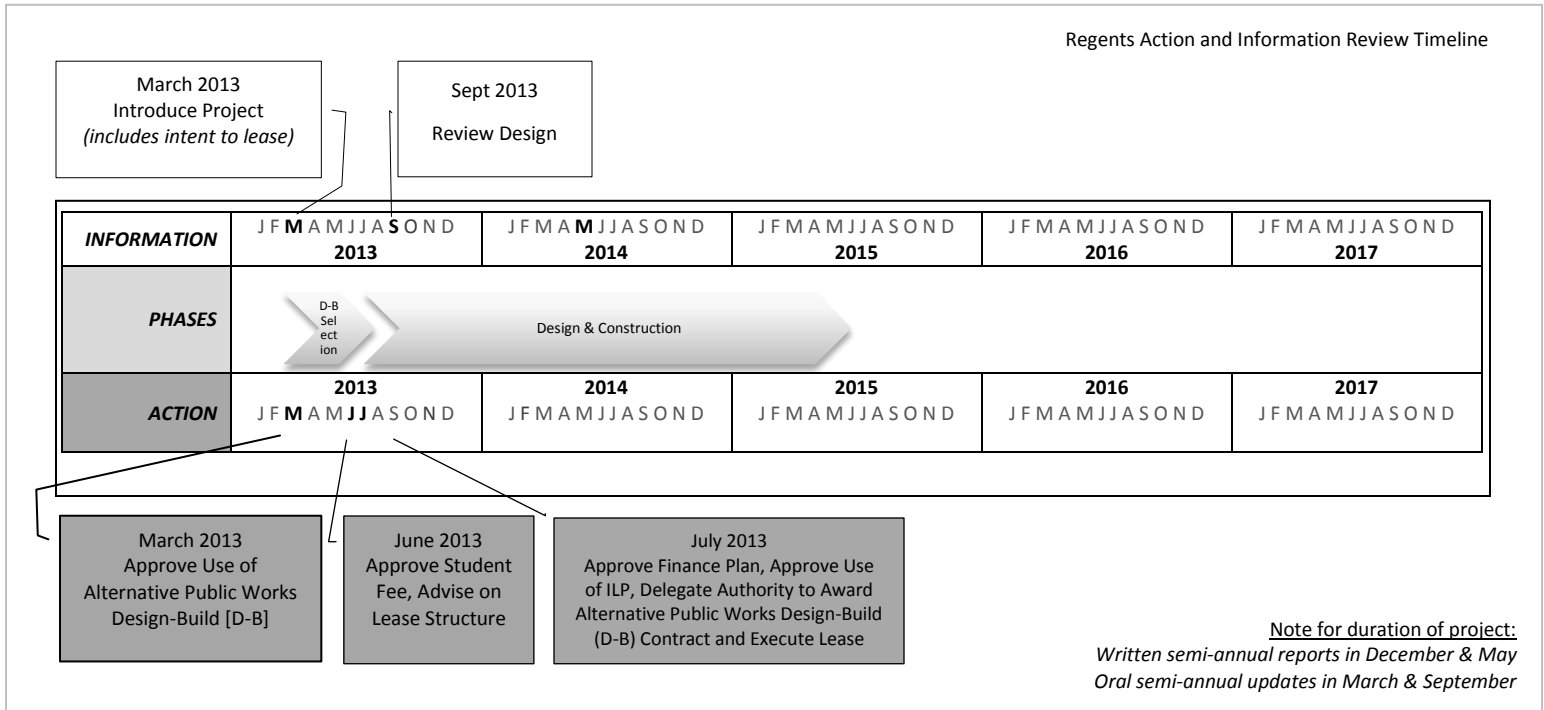
Notes:

<sup>1</sup>UW debt service includes principal and interest and is calculated on borrowing amount of \$36M @5.0% over 30 years

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease



RECOMMENDED ACTION

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

1. adopt a project budget of \$20 million for the UW Tacoma “University YMCA” Student Center;
2. approve the use of the Internal Lending Program (ILP) to fund up to \$13 million for design, construction and financing costs; and
3. delegate authority to the President or his designee to:
  - a. award a Design/Build contract, subject to the contract sum being within the approved project budget; and
  - b. execute a lease and related documents for the facility with the YMCA of Pierce & Kitsap Counties.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease  
(continued p. 2)

#### PROJECT DESCRIPTION

The “University YMCA” Student Center will be modeled after successful YMCA facilities in Gig Harbor and Silverdale while accommodating a variety of student-oriented program elements. The intent is to construct a facility of similar construction quality that is adapted to the urban environment, topographic features, and scale of the UW Tacoma campus.

The building site is at S. 17<sup>th</sup> St. and Market St. on the UW Tacoma campus and includes the footprint of the existing Longshoremen’s Hall, which will be demolished. The new building will be 65,000-77,000 gross square feet, depending upon the responses provided by the Design-Builders to the Request for Proposal. Program elements will include a gymnasium, cardiovascular and weight training facilities, indoor walking/jogging track, multipurpose rooms, meeting rooms, locker rooms, student government and club space, student assembly and gathering spaces, site development, utilities, and landscaping. The primary goals for the project are:

1. to maximize the building and program square footage within the available budget;
2. to produce a project which, at minimum, meets the level of quality of recent YMCA facilities constructed in Gig Harbor and Silverdale;
3. to complete the facility in time for occupancy in late spring of 2015; and
4. appropriately adapt the University YMCA Project design within the context of the UW Tacoma campus and Tacoma community.

#### BACKGROUND

During the 2008-09 academic year, UW Tacoma student government and the UW Tacoma Services and Activities Fee (SAF) Committee commissioned a comprehensive Campus Life Facilities Master Plan study. The study identified a student union as the primary facility need of students. In June 2010, the Board of Regents approved setting aside \$2 million of the SAF long term fund for a student union project. In June 2011 and June 2012, the Regents approved additional SAF long term fund set-asides for future planning of a student union facility (\$10,000 in 2011 and \$424,016 in 2012). In June 2013, the Regents approved a new Student Center SAF of \$180 per quarter to fund the project budget and use of \$4 million of SAF long term funds for the project.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease  
(continued p. 3)

Capitalizing on Chancellor Debra Friedman’s experience with YMCA collaborations in Phoenix, UW Tacoma and the YMCA of Pierce and Kitsap Counties are collaborating to build a full-service facility located on the UW Tacoma campus. It would serve UW Tacoma students, faculty and staff, as well as other YMCA members. This innovative collaboration is built on the common commitment of both institutions to serve the community. UW Tacoma is an urban serving university campus, with more than 4,000 students, that seeks to build academic offerings, expand its physical campus and provide student services through mutually beneficial partnerships with its community. The YMCA’s vision is to provide access to balanced health for all by working through collaborations and partnerships.

The “University YMCA” Student Center would contribute to the missions of both UW Tacoma and the YMCA. UW Tacoma would gain a campus facility that combines the functions of a student recreation center and a student union. The YMCA would expand service to the 130,000 people it currently serves through healthy living facilities and outreach programs.

The proposed transaction structure provides that the building will be constructed and owned by the UW, leased to the YMCA, and operated and maintained by the YMCA. All UW Tacoma students will become members of the YMCA. Debt service and operations and maintenance costs for the facility will be paid through the recently approved new SAF. One of the special features of this arrangement, especially important to UW Tacoma students, the majority of whom live throughout the South Sound, is that they will have access to any of the nine YMCA facilities throughout Pierce and Kitsap Counties like all members of the YMCA.

### CONTRACTING STRATEGY

The project is using the Design/Build (D/B) alternative public works contracting procedure, as authorized by RCW 39.10, for design and construction of this project.

The D/B method is well suited to meet the objectives and circumstances of this project. The objective of occupancy in spring 2015 and the need to engage student representatives in the D/B selection process so they could see design options as they deliberated the new SAF made it important that design commence as quickly as possible. D/B also offers the possibility of a compressed design and construction schedule once the selection of the design builder is made. Design review by the Architectural Commission, the University Architect, and the University Landscape Architect is integrated to ensure design goals are met. D/B provides a guaranteed

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease  
(continued p. 4)

price prior to commencing the design, which will give the UW a high degree of confidence that the final cost will be within the project budget. The D/B competition has already fostered creativity and innovation in developing multiple design solutions as the three shortlisted teams develop their responses to the Request for Proposals.

Finalists’ proposals will be evaluated and a final selection recommendation will be made on July 16th. The UW Architectural Commission has interviewed the finalists and has provided comments to the selection committee for their consideration in the evaluation and selection process.

#### SCHEDULE

D/B Selection	March 2013 – July 2013
Design and Construction	July 2013 – June 2015
Occupancy	June 2015

#### BUDGET AND FINANCING PLAN

The proposed project budget is \$20 million (See Attachment 1).

Sources and uses for the project are as follows:

##### **Sources of Funds**

Internal Lending Program Loan	12,641,000
UW Tacoma SAF Long-Term Funds	4,000,000
UW Tacoma Reserves	4,000,000
<b>Total, Sources of Funds</b>	<b>20,641,000</b>

##### **Uses of Funds**

Project Design and Construction	20,000,000
Capitalized Interest	516,000
Financing Costs	125,000
<b>Total, Uses of Funds</b>	<b>20,641,000</b>

##### **Annual Debt Service for ILP Loan (30 years, 5.5%)**

<b>Student Fees</b>	<b>861,000</b>
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## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease  
(continued p. 5)

On June 13, 2013, the Board of Regents approved a new UW Tacoma “University YMCA” Student Center Fee of \$180 per quarter to be implemented upon occupancy of the new building. This new fee will first be used to repay debt service on the ILP loan, and second, for the payment to the YMCA for operations of the facility. Any shortfall in revenues of the \$180 fee is first the responsibility of the UW Tacoma SAF Fund and next the responsibility of UW Tacoma administration. Because all SAF fees are pledged for repayment, the credit analysis discussed below examines the financial viability of the project using both the new fee and existing SAF fees to meet the project’s financial obligations.

#### CREDIT ANALYSIS

The Treasury Office performed a credit analysis of the project as part of the due diligence for the ILP loan and is comfortable that the combination of the new fee and existing SAF fees will be sufficient to meet all financial obligations of the project (See Attachment 2).

The main financial risk is that student fee collections will be insufficient to repay both debt service and operational payments to the YMCA. This risk is mitigated because SAF revenues are projected to be well in excess of the minimum 1.1 times debt service coverage required by Treasury for most student fee projects. In the event that SAF revenues are insufficient to meet the obligations, the SAF program budget would be reduced before payments to the YMCA or debt service are not made.

Treasury performed three financial stress tests on the base case financial proforma: 1) lowering expected student growth from 8% to 4% after 2016 on the UW Tacoma campus, 2) increasing operational payments to the YMCA by 20% in FY2022, and 3) a combined stress test where both (1) and (2) occur.

In all of the scenarios, revenues from SAF were found to be sufficient to meet all ongoing project obligations. In all of the cases under consideration, reserves were positive and increasing throughout the planning period.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Tacoma “University YMCA” Student Center Project – Adopt Project Budget, Approve Use of Internal Lending Program, Delegate Authority to Award Alternative Public Works Design/Build Contracting Method, and Approve Execution of Lease  
(continued p. 6)

#### LEASE

The University will lease the facility to the YMCA for 20 years with three 10-year options. The first 10-year option allows the YMCA to extend at its discretion, while the second and third options are mutual, allowing either party to determine whether to continue. Rent is offset by a discounted membership fee. Additional rent will apply if student use of the facility falls below seventy percent. UW is responsible for maintaining the building envelope and grounds while the YMCA is responsible for all internal operations including maintenance and programming. The lease creates an advisory committee comprised of representatives of UW Tacoma and the YMCA, in order to support and monitor operations. Student satisfaction surveys will be conducted annually so that the YMCA may modify program offerings as needed to ensure students are well served. After year 10 of the lease and in five year intervals thereafter, student dissatisfaction triggers a termination option at UW’s discretion in addition to standard termination provisions.

The YMCA’s Board approved this lease structure at its meeting on December 18, 2012.

#### REVIEW AND APPROVAL

The project budget of \$20 million, the financing plan, the D/B contracting strategy, and the lease terms have been reviewed and recommended for approval by the Chancellor of UW Tacoma, the Senior Vice President, the Vice Provost for Planning and Budgeting, and the Chief Real Estate Officer.

#### *Attachments*

1. Summary Project Budget
2. SAF Proforma Financial Results

**UNIVERSITY OF WASHINGTON  
CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET  
ALTERNATE PROCUREMENT - DB**

PROJECT: UWT- University Y Student Center

Project Number: 204286

ESTIMATED DATE OF COMPLETION: June 2015

	<u>Total Escalated Cost</u>	<u>% of TPC</u>
<b>BUDGET SUMMARY:</b>		
PREDESIGN	\$ 15,000	0%
BASIC DESIGN SERVICES*	\$ -	0%
EXTRA SERVICES/REIMBURSABLES	\$ 66,000	0%
OTHER SERVICES	\$ 142,000	1%
DESIGN SERVICES CONTINGENCY	\$ 2,000	0%
<b>CONSULTANT SERVICES</b>	<b>\$ 225,000</b>	<b>1%</b>
	\$ -	
CONSTRUCTION CONTRACT*	\$ 17,206,000	83%
OTHER CONTRACTS	\$ -	
CONSTRUCTION CONTINGENCY	\$ 467,000	2%
SALES TAX	\$ 1,679,000	8%
<b>CONSTRUCTION COST</b>	<b>\$ 19,352,000</b>	<b>94%</b>
	\$ -	
EQUIPMENT	\$ -	0%
ARTWORK	\$ -	0%
OTHER COSTS	\$ 107,000	1%
PROJECT ADMINISTRATION	\$ 315,000	2%
INTEREST AND COST OF ISSUANCE	\$ 641,000	3%
<b>OTHER COSTS</b>	<b>\$ 1,063,000</b>	<b>16%</b>
<b>TOTAL PROJECT COST (TPC)</b>	<b>\$ 20,641,000</b>	<b>100%</b>
 <u>Included in Above:</u>		
Escalation to Mid-point of Construction	\$ 1,022,000	5%

**SOURCE OF FUNDS:**

Internal Lending Program	\$ 12,641,000
UWT SAF Long-Term Funds	\$ 4,000,000
UWT Reserves	\$ 4,000,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 20,641,000</b>

*Note: all numbers are rounded*

\*Design-Build contract includes design and construction costs within the construction contract amount.

**University of Washington Tacoma**  
**SAF Proforma Financial Results**  
*(dollars in thousands)*

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Beginning Balance	296	739	1,290	2,097	3,220	4,699	6,575	8,903	11,023	13,255	15,547
Current SAF Fees	2,372	2,612	2,849	3,141	3,459	3,810	4,196	4,622	4,771	4,866	4,963
New Fee	2,652	2,869	3,104	3,358	3,633	3,931	4,253	4,602	4,733	4,786	4,844
Interest and Other Revenue	5	13	22	36	55	80	112	151	187	225	264
<b>Total Revenue</b>	<b>5,029</b>	<b>5,493</b>	<b>5,975</b>	<b>6,534</b>	<b>7,147</b>	<b>7,820</b>	<b>8,561</b>	<b>9,376</b>	<b>9,691</b>	<b>9,877</b>	<b>10,072</b>
Less: Debt Service	718	861	861	861	861	861	861	861	861	861	861
Debt Service Coverage	7.01	6.38	6.94	7.59	8.30	9.08	9.94	10.89	11.26	11.47	11.70
Revenue Available for Programs and Operations and Maintenance	4,311	4,632	5,114	5,673	6,286	6,959	7,700	8,515	8,830	9,016	9,211
Less: Payment to YMCA for Operations and Maintenance and Student Membership*	1,932	2,087	2,253	2,434	2,628	2,839	3,066	3,973	4,055	4,055	4,055
Revenue available for Programs	2,379	2,546	2,860	3,239	3,658	4,121	4,634	4,541	4,775	4,961	5,156
Less: Program Expenses	1,936	1,994	2,054	2,116	2,179	2,245	2,306	2,421	2,542	2,670	2,803
Net Revenue	443	552	806	1,124	1,478	1,876	2,328	2,120	2,232	2,292	2,353
Ending Balance	739	1,290	2,097	3,220	4,699	6,575	8,903	11,023	13,255	15,547	17,900
Autumn Quarter FTE Projections (2013 = 3,531)	4,574	4,940	5,335	5,762	6,223	6,720	7,258	7,839	8,000	8,000	8,000

\*Based upon Fall Headcount x \$400 per year.

# UWT University Y Student Center

Board of Regents

July 11, 2013



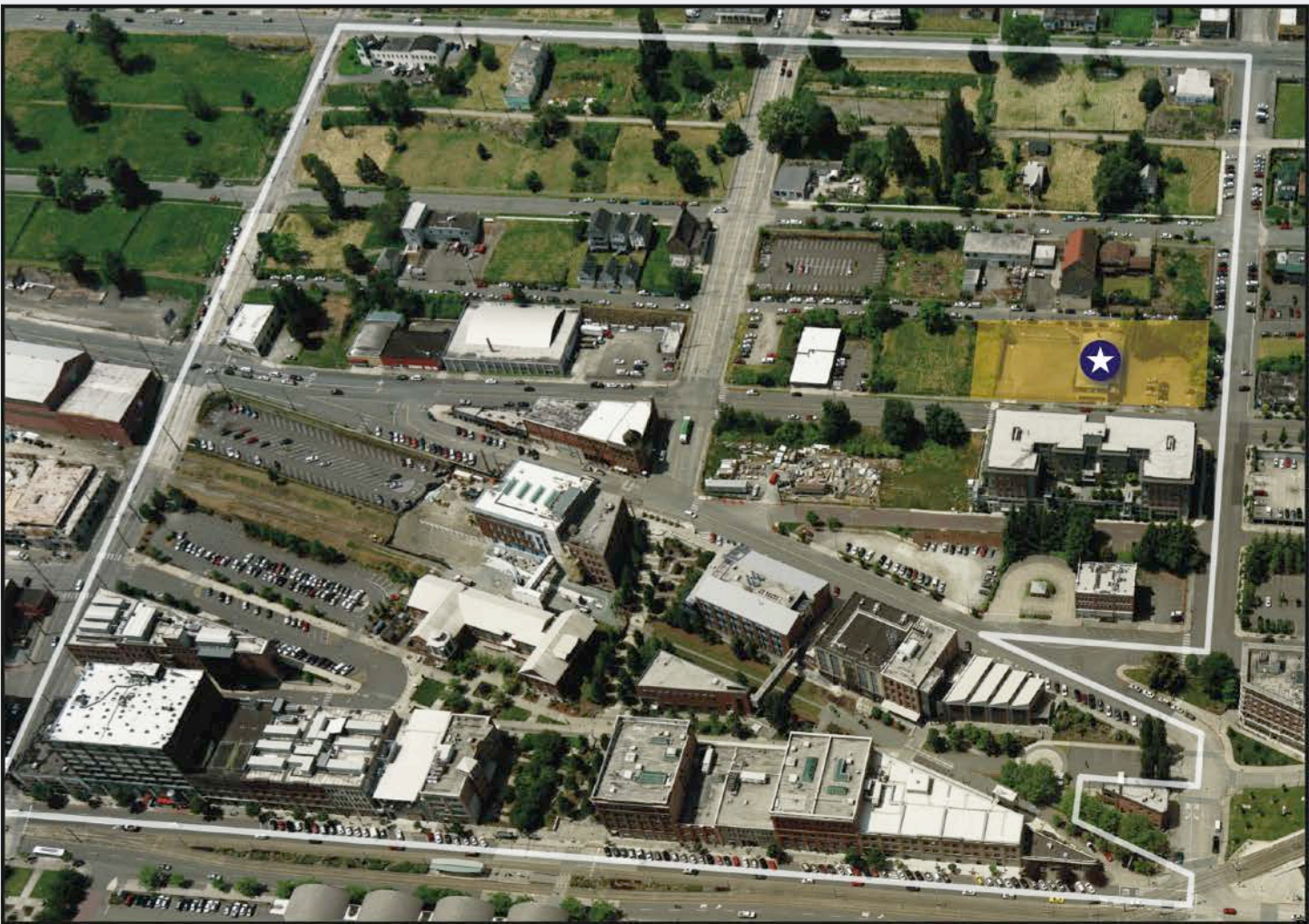
## REGENT ACTION AND INFORMATION TIMELINE

- March 2013
  - Introduce Project
  - Approve Use of Design-Build
- June 2013
  - Introduce Lease Structure
  - Approve Student Fee
- July 2013
  - Adopt Project Budget
  - Approve Finance Plan and Use of ILP
  - Delegate Authority to Award Design-Build Contract and Execute a Lease





# UNIVERSITY Y / STUDENT CENTER



## University Y Project Description

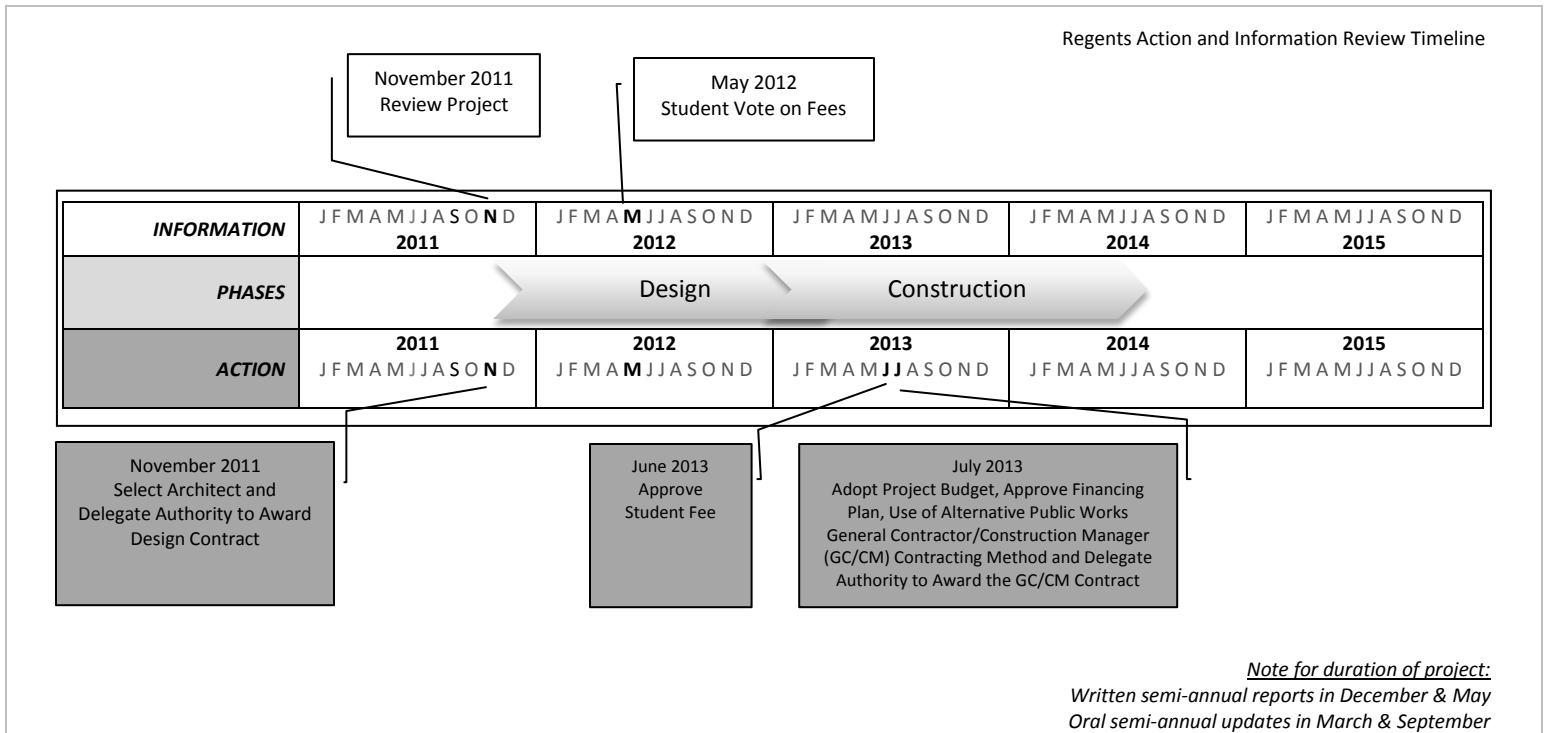
- Student demand for rec center and student union (2009 student life facilities study)
- \$20M project budget, funded by student fees
- 69,000-73,000 SF
- Gymnasium, cardio/weight training, exercise/yoga studios
- Intramural sports
- Student government and club space
- Student gathering space
- Open, flexible space
- Open to faculty/staff with Y membership
- Design/Build process underway and working well



**VII. STANDING COMMITTEES**

**B. Finance, Audit and Facilities Committee**

UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract



**RECOMMENDED ACTION**

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

1. adopt a project budget of \$18,850,000 for the UW Bothell Student Activities Center;
2. approve the use of the Internal Lending Program to fund up to \$19 million for design, construction, and financing costs;
3. authorize the use of the General Contractor/Construction Manager (GC/CM) Alternative Public Works contracting method; and
4. delegate authority to the President or his designee to award a GC/CM contract, subject to the contract sum being within the available approved project budget and funding.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract

(continued p. 2)

#### PROJECT DESCRIPTION

UW Bothell and Cascadia Community College have growing student bodies that have been underserved by existing campus amenities. The proposed UW Bothell Student Activities Center will provide 36,000 gross square feet of space for student leadership and clubs, fitness and recreation, casual study, and an events center. The Student Activities Center project will support the recently completed sports and recreation complex (adjacent to the project site) with restroom and fitness facilities. In addition, the North Creek Events Center (NCEC) will be re-purposed and connected to the new structure, and is envisioned to serve as casual study and eating space.

The three-story Student Activities Center will connect to the NCEC at its top floor, Campus Way at its mid-level, and the sports and recreation complex at its ground floor—providing access to the North Creek wetlands and the North Creek Regional Trail. The upper floor will feature a multi-purpose space that will be able to accommodate larger events than currently possible in other campus facilities. The middle floor will house Student Life staff offices, student club and organization space, and student government—all aimed at increasing the visibility of those functions to the student body. The lower level will include cardio and fitness spaces as well as multi-purpose exercise rooms and a central station for checking out sports equipment.

#### BACKGROUND

For several years, the UW Bothell Student Services and Activities Fee (SAF) Committee and the Associated Students of the University of Washington Bothell (ASUWB) have supported the development of a Student Activities Center. In the 2010-11 academic year, SAF funding was provided for the preparation of a concept and massing study for the Student Activities Center. The concept study was completed in March 2011 and, based on the findings of this study, the SAF Committee and ASUWB decided to move forward with developing the project.

In the 2012-13 academic year, SAF funding was provided to complete the confirmation of program, initial concept development, and cost estimating for the Student Activities Center.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract  
(continued p. 3)

The project team has recently reviewed options for building systems and materials to identify savings that could be applied to additional program area, including a decision to naturally ventilate rather than air-condition the facility. A decision was also made to more fully incorporate the NCEC into the project.

#### CONTRACTING STRATEGY

The Capital Projects Office (CPO) recommends the use of the GC/CM alternative public works contracting method, as authorized by RCW 39.10, for construction of this project. The use of a GC/CM has been absolutely critical to the success of the University's large and complex projects. While more modest in size than many GC/CM projects, this building will be built in close proximity and connected to an existing event space (the NCEC) that will be kept in operation as much as possible during construction. Further, the site is bordered by the primary campus vehicular route (Campus Way), the recently completed sports and recreation complex, the North Creek wetlands, and heavily used regional trail. Planning of site logistics will be critical to minimize disruption to campus operations.

Other typical aspects of the GC/CM process will be especially important in the Student Activities Center project, given its budget objectives. During design, the GC/CM will be able to provide detailed construction scheduling, input into procedures and specifications, input into design constructability issues, coordination of construction documents, and provide detailed cost estimates and investigation of existing conditions. To help meet the overall project schedule, the GC/CM is able to bid out and start construction on early work packages before all of the project construction documents are 100 percent complete, if there are compelling reasons to do so.

CPO will commence the GC/CM selection process in July 2013, with the expectation of entering into a preconstruction services agreement with the highest scoring firm by the first week of September. The Board of Regents will be informed of the selected GC/CM at the September 2013 meeting in a report of actions taken under delegated authority.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract

(continued p. 4)

#### SCHEDULE

Forecasted completion dates:

Predesign	Complete June 2013
Design	March 2014
Construction	July 2015
Occupancy	September 2015

#### BUDGET AND FUNDING

On June 13, 2013, the Board of Regents approved a new UW Bothell Student Activities Center Fee of \$147 per quarter and a new UW Bothell Student Activities Center Programming Fee of \$22 per quarter to be implemented upon scheduled occupancy of the new UW Bothell Student Activities Center in autumn 2015.

The proposed total project budget is \$18,850,000 (See Attachment 1). A total of \$18 million will be funded as an ILP loan to be repaid with the new UW Bothell Student Activities Center Fee. The remaining \$850,000 will be an equity contribution for furniture, fixtures, and equipment from student long-term funds from both UW Bothell (\$560,000) and Cascadia Community College (\$290,000).

Access to the UW Bothell Student Activities Center will be shared with students from Cascadia Community College, which is co-located with UW Bothell on the Bothell campus. Cascadia will contribute a minimum of \$570,000 per year to UW Bothell for use of the facility. This amount is based on a \$100 per quarter fee approved by Cascadia students for the project.

The \$570,000 annual Cascadia payment will reduce the UW Bothell SAF by \$47. In the unlikely event that Cascadia defaults on its \$570,000 annual payment, UW Bothell students have the option of reinstating the \$47 per quarter student fee, drawing on SAF reserves to make up all or part of the shortfall, or reducing the SAF program budget as necessary.

Although the new fee was sized to fund the debt service for the project, the loan is supported by all SAF and reserves, and payment of the debt service is made before transfers for other uses.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract  
(continued p. 5)

If the revenues and reserves of the UW Bothell SAF funds are unable to meet debt service obligations, UW Bothell administration will make up any shortfall.

The new facility will incur operations and maintenance cost of approximately \$362,000 in the first full year of operation. These additional costs will be funded by the new Student Activity Center Fees levied against both UW Bothell and Cascadia Community College students.

The funds sources and uses for the project are as follows:

**Sources of Funds**

Internal Lending Program	18,850,000
UW Bothell SAF Long-Term Funds (Furnishings & Equip)	560,000
Cascadia Funding Contribution (Furnishings & Equip)	290,000
<b>Total, Sources of Funds</b>	<b>19,700,000</b>

**Uses of Funds**

Project Construction	18,000,000
Furnishings, Equipment and Other	850,000
ILP Interest and Cost of Issuance	850,000
<b>Total, Uses of Funds</b>	<b>19,700,000</b>

**Annual Debt Service for ILP Loan (30 Years, 5.5%)**

<b>Student Fees</b>	<b>1,283,000</b>
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CREDIT ANALYSIS

The Treasury Office performed a credit analysis of the project as part of the due diligence for this ILP loan. The main financial risk is from insufficient student fee revenue to repay the ILP loan for this project. Insufficient fee revenue could result from non-payment of student fees, a higher number of fee waivers, and/or lower student FTE levels than assumed in the financial analysis. This risk has been mitigated by sizing the new fee to achieve a minimum of 110 percent of debt service.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

UW Bothell Student Activities Center – Adopt Project Budget, Approve Use of Internal Lending Program, Approve Use of Alternative Public Works GC/CM Contracting Method, and Delegate Authority to Award GC/CM Contract  
(continued p. 6)

Treasury performed three financial stress tests on the base case financial proforma (See Attachment 2) for this project, which did not include the annual \$570,000 payment from Cascadia Community College: (1) lower student FTE growth (100 additional FTE per year versus 200-300 per year in base case), (2) higher project construction cost inflation (6 percent per year versus 3 percent in base case), and (3) combined stress.

In the combined stress scenario, debt service coverage dipped slightly below 110 percent of debt service in the first four years and progressively increased to 124 percent by FY 2027. Reserves were slightly negative in the first three years and grew to approximately \$1.7 million by FY 2027.

Overall SAF reserves, which are the primary reserve funding source for this ILP loan, are adequate to cover shortfalls identified in the combined stress test.

#### REVIEW AND APPROVAL

The project budget, the contracting strategy, and the financing plan have been reviewed and approved by the Chancellor of UW Bothell, the Senior Vice President, and the Vice Provost for Planning and Budgeting.

#### *Attachments*

1. Summary Project Budget
2. SAF Proforma Financial Results

**UNIVERSITY OF WASHINGTON  
CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET  
ALTERNATE PROCUREMENT - GCCM**

PROJECT: UWB Student Activities Center

Project Number: 203835

ESTIMATED DATE OF COMPLETION: September 2015

	<u>Total Escalated Cost</u>	<u>% of TPC</u>
<b>BUDGET SUMMARY:</b>		
PREDESIGN	\$ 300,000	2%
BASIC DESIGN SERVICES	\$ 936,000	5%
EXTRA SERVICES/REIMBURSABLES	\$ 485,000	2%
OTHER SERVICES	\$ 353,000	2%
DESIGN SERVICES CONTINGENCY	\$ 218,000	1%
<b>CONSULTANT SERVICES</b>	<b>\$ 2,293,000</b>	<b>12%</b>
	\$ -	
CONSTRUCTION CONTRACT	\$ 11,856,000	60%
OTHER CONTRACTS	\$ 84,000	
CONSTRUCTION CONTINGENCY	\$ 1,208,000	6%
SALES TAX	\$ 1,249,000	6%
<b>CONSTRUCTION COST</b>	<b>\$ 14,397,000</b>	<b>73%</b>
	\$ -	
EQUIPMENT	\$ 850,000	4%
ARTWORK	\$ -	0%
OTHER COSTS	\$ 526,000	3%
PROJECT ADMINISTRATION	\$ 785,000	4%
INTEREST AND COST OF ISSUANCE	\$ 850,000	4%
<b>OTHER COSTS</b>	<b>\$ 3,011,000</b>	<b>16%</b>
<b>TOTAL PROJECT COST (TPC)</b>	<b>\$ 19,700,000</b>	<b>100%</b>
<u>Included in Above:</u>		
Escalation to Mid-point of Construction	\$ 809,000	4%
<b>SOURCE OF FUNDS:</b>		
Internal Lending Program	\$ 18,850,000	
UWB SAF Long-Term Funds	\$ 560,000	
Cascadia Funding Contribution	\$ 290,000	
<b>TOTAL SOURCE OF FUNDS*</b>	<b>\$ 19,700,000</b>	

*Note: all numbers are rounded*

\*Amount is exclusive of cost of financing.

**University of Washington Bothell**  
SAF Proforma Financial Results  
(dollars in thousands)

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Beginning Balance	1,536	2,070	2,469	3,054	3,739	4,520	5,398	6,201	6,982	7,742	8,479
Current SAF Fees	2,024	2,155	2,286	2,373	2,461	2,548	2,548	2,548	2,548	2,548	2,548
New Fee	1,726	1,846	1,966	2,047	2,127	2,207	2,207	2,207	2,207	2,207	2,207
Interest and Other Revenue	41	41	41	41	41	41	41	41	41	41	41
Total Revenue <sup>1</sup>	3,790	4,042	4,293	4,461	4,629	4,796	4,796	4,796	4,796	4,796	4,796
Debt Service - Sports Field	152	152	152	152	152	152	152	152	152	152	152
Debt Service - Student Center	962	1,283	1,283	1,283	1,283	1,283	1,283	1,283	1,283	1,283	1,283
Total Debt Service	1,114	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435
Debt Service Coverage	3.40	2.82	2.99	3.11	3.22	3.34	3.34	3.34	3.34	3.34	3.34
Revenue Available for Programs and Operations and Maintenance	2,676	2,607	2,858	3,026	3,193	3,361	3,361	3,361	3,361	3,361	3,361
Less: Operations and Maintenance <sup>2</sup>	591	609	627	646	666	686	706	727	749	772	795
Revenue Available for Programs	2,085	1,998	2,231	2,380	2,528	2,675	2,655	2,634	2,612	2,589	2,566
Less: Program Expenses	1,551	1,598	1,646	1,695	1,746	1,798	1,852	1,852	1,852	1,852	1,852
Net Revenue	534	400	585	685	782	877	803	782	760	737	714
Ending Fund Balance	2,070	2,469	3,054	3,739	4,520	5,398	6,201	6,982	7,742	8,479	9,194
Autumn Quarter student FTE projections (FY2013 = 3,788)	4,300	4,600	4,900	5,100	5,300	5,500	5,500	5,500	5,500	5,500	5,500

<sup>1</sup>Does not include annual \$570,000 payment from Cascadia CC

<sup>2</sup>Includes sports field and new student activities center



# Student Activities Center

Board of Regents  
July 11, 2013



F-10/207-13  
7/11/13

Page 1 of 5



UNIVERSITY *of* WASHINGTON | BOTHELL

## **REGENT ACTION AND INFORMATION TIMELINE**

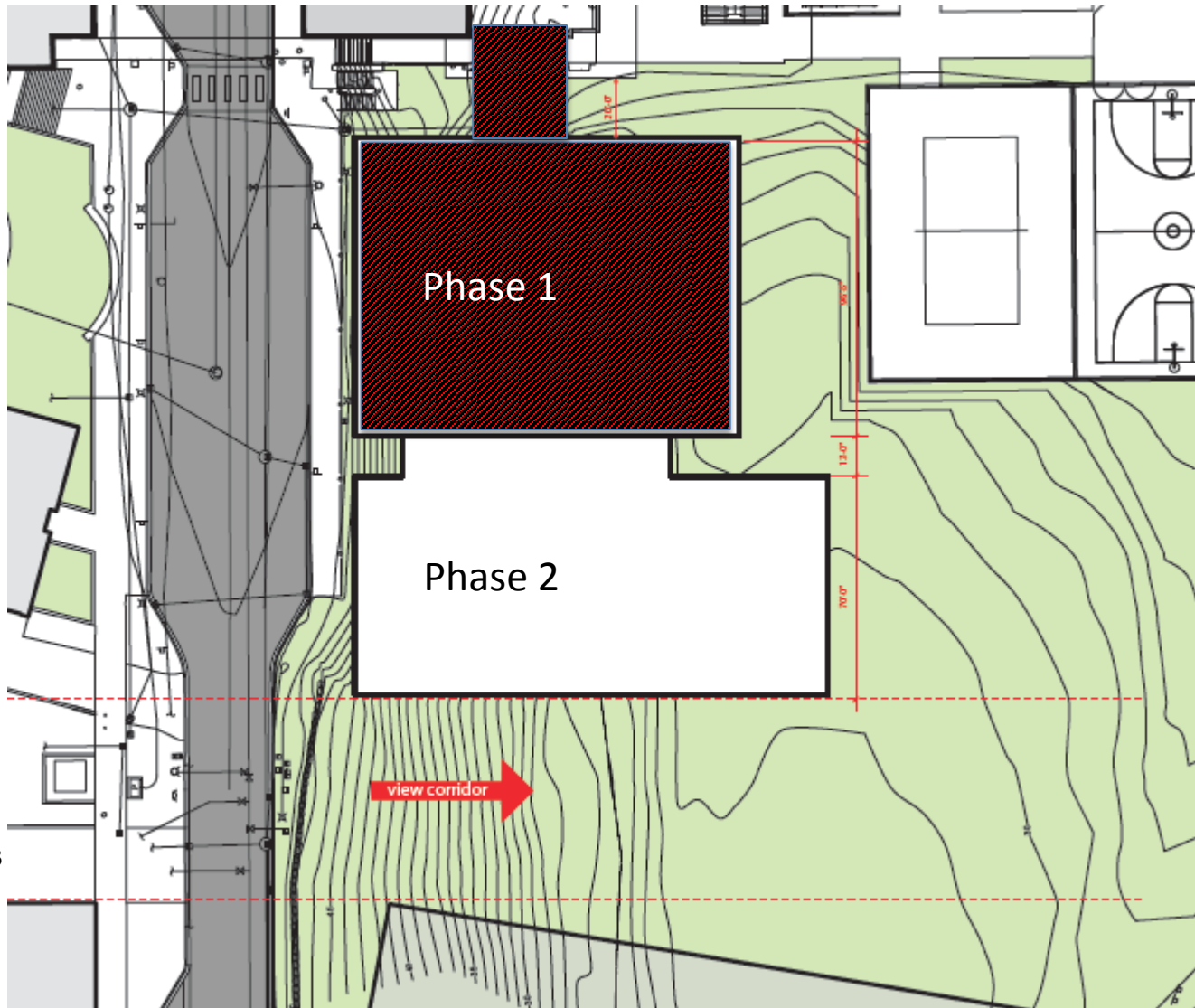
- November 2011
  - Select Architect
  - Delegate Authority to Award Design Contract
- June 2013
  - Approve Student Fee
- July 2013
  - Adopt Project Budget
  - Approve Finance Plan and Use of ILP
  - Authorize Use of GC/CM
  - Delegate Authority to Award GC/CM Contract



# STUDENT ACTIVITIES CENTER- SITE



# STUDENT ACTIVITIES CENTER- SITE



## **STUDENT ACTIVITIES CENTER- DESCRIPTION**

- \$18.85M project budget, funded by student fees
- Approximately 36,000 SF
- Fitness Center
- Shower and locker facilities- also support sports and recreation complex
- Student government, student life, and student club offices, work space and meeting rooms
- Student multi-purpose and gathering spaces
- Connects to and engages North Creek Events Center and new sports and recreation complex
- Emphasis on open, flexible space
- Allows for future expansion

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**Approve Resolution to Issue and Refund General Revenue BondsRECOMMENDED ACTION

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

1. The attached resolution to allow for the issuance of General Revenue Bonds in fiscal year 2014 for the following purposes:
  - a. Capital project funding based on 18 months of expected cash flows and the redemption of outstanding commercial paper in a total amount not to exceed \$155 million;
  - b. To refund any existing debt that provides an economic benefit.
2. Delegating to the President or his designee the authority to proceed with the issuance of the bonds, to establish all other terms of the bonds, and to execute other documents and approvals as required to complete the transactions.

BACKGROUND

In May 2008, the Board of Regents adopted a revised debt policy that authorized the creation of the Internal Lending Program. As part of this policy, bonds paid from General Revenues are issued to fund internal loans for approved campus projects and to refund outstanding obligations of the university. Issuing bonds at an institutional level minimizes the cost of issuance and assures that the lowest interest rate is achieved.

Refunding bonds will be issued to capture economic benefit and/or to restructure the debt portfolio to achieve longer-term strategic objectives. Bonds refunded for economic benefit are authorized under this resolution; any refunding for non-economic reasons will require specific regental approval.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Approve Resolution to Issue and Refund General Revenue Bonds (continued p. 2)

The following is a summary of the capital projects currently expected to be funded with long term General Revenue Bonds issued in fiscal year 2014:

<b>Project</b>	<b>Date of Regents' Approval</b>	<b>Debt Authorized</b>	<b>Previously Borrowed</b>	<b>Estimated Borrowing*</b>
Husky Stadium Renovation	Nov-12	246,500	193,400	39,000
Husky Ballpark	Nov-12	15,000	0	13,000
Housing Phase 2	Feb-11	214,600	140,400	47,400
Housing Phase 3	Jun-12	133,000	4,200	73,400
Subtotal		609,100	338,000	172,800
Less: Debt Proceeds on hand				(21,700)
Total Estimated 2014 Borrowing				<u>151,100</u>

\*Estimated borrowing represents expenditures from July 2013 to December 2014.

The maximum borrowing amount in the resolution allows for 18 months of expenditures. The 18 month recommendation provides flexibility to issue ahead if interest rates start to increase.

This approach is consistent with the previous year's resolution that had a maximum borrowing of \$390 million. Actual borrowing in 2013 was \$330 million which represented 13 months of expenditures. The 2013 issuance was the largest issuance for the university.

A description of refunding candidates is provided in Schedule A of the attached resolution.

#### FINANCING STRUCTURE

Under the resolution, the bonds can be issued as fixed rate, variable rate (up to 20% of external debt portfolio), non-amortizing or some combination of modes.

The Treasury Office has no current plans to issue variable-rate debt (aside from commercial paper) and would inform the Board of any plans to do so.



## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Approve Resolution to Issue and Refund General Revenue Bonds (continued p. 3)

In addition, more than one series of bonds can be issued during the fiscal year. The final structure of the bonds will depend on market conditions at the time of issuance. The structure of any bonds issued will be reported to the Board of Regents at the annual Debt Management Review in March, 2014. The source of repayment for these bonds will be General Revenues, including all auxiliary revenues.

The total new money borrowing for fiscal year 2014 will not exceed \$155 million and may be less than \$155 million if cash needs are less than projected. The authority granted in the resolution will terminate on July 31, 2014.

#### REVIEW AND APPROVALS

The resolution and terms have been reviewed and approved by the Senior Vice President and the Associate Vice President for Treasury. Additionally, this recommendation has been reviewed by the University's financial advisor and bond counsel.

#### *Attachment*

2013-14 General Revenue Bond Resolution



BOARD OF REGENTS  
UNIVERSITY OF WASHINGTON  
RESOLUTION  
DATED JULY 11, 2013

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Authorizing the issuance and sale of  
UNIVERSITY OF WASHINGTON  
GENERAL REVENUE BONDS, SERIES [2013-2014] and  
GENERAL REVENUE REFUNDING BONDS, SERIES [2013-2014]

**UNIVERSITY OF WASHINGTON**

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BOARD OF REGENTS  
UNIVERSITY OF WASHINGTON  
RESOLUTION

A RESOLUTION of the Board of Regents of the University of Washington providing for the authorization, sale, issuance and delivery of University of Washington General Revenue Bonds in the aggregate principal amount not to exceed \$155,000,000, as such amount may be adjusted as provided herein, for the purpose of financing or refinancing the acquisition of and improvements to University capital facilities and University of Washington General Revenue Refunding Bonds for the purpose of refunding certain outstanding obligations; providing for the date, form, terms, maturities and redemption of the bonds; providing for the payment of and establishing the security for such bonds; providing for the redemption of the outstanding bonds to be refunded; delegating authority to an authorized representative of the University to make certain determinations and appointments with respect to the bonds of this issue from time to time; and authorizing the execution of documents in connection with the issuance and sale of such bonds.

WHEREAS, the Legislature, pursuant to the Bond Act (as hereinafter defined) has authorized the Board of Regents to sell and issue revenue bonds to finance or refinance the acquisition, construction, and equipping of University facilities; and

WHEREAS, the bonds described on Exhibit A attached hereto, issued by or on behalf of the University, are subject to optional redemption prior to their respective maturities; and

WHEREAS, the University has been advised that debt service savings or more beneficial terms may be obtained by refunding some or all of the Refunding Candidates through the issuance of one or more series of general revenue refunding bonds (the "2013/2014 Refunding Bonds"); and

WHEREAS, the University also has determined to issue one or more series of general revenue bonds in the aggregate principal amount not to exceed \$155,000,000, as such amount may be adjusted as provided herein (the "2013/2014 New Money Bonds") for the purpose of financing or refinancing certain University capital facilities as described herein;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF WASHINGTON, as follows:

Section 1.     Definitions.

The terms defined in this Section 1 shall, for all purposes of this resolution (including the recitals) and of any resolution supplemental hereto, have the following meanings:

***Acquired Obligations*** means the Government Obligations acquired by the University under the terms of this resolution and an Escrow Agreement to effect the defeasance and refunding of one or more of the Refunding Candidates.

***Additional Bonds*** means one or more series or subseries of additional obligations of the University payable from General Revenues.

***Authorized Denominations*** means:

(a) with respect to 2013/2014 Bonds in the Fixed Mode or Term Mode, \$5,000 and any integral multiple thereof within a series or subseries and maturity, and

(b) with respect to 2013/2014 Bonds in the Daily Mode, the Weekly Mode, or the Commercial Paper Mode, \$100,000 and any integral multiple of \$5,000 in excess thereof within a series or subseries and maturity.

***Authorized Representative of the University*** means the President of the University or the designee(s) of the President or his or her designee for the purposes of one or more duties of the Authorized Representative under this resolution.

***Bank Bonds*** has the meaning set forth in the applicable Reimbursement Agreement.

***Beneficial Owner*** means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any 2013/2014 Bonds (including persons holding 2013/2014 Bonds through nominees, depositories or other intermediary).

***Board*** means the Board of Regents of the University, which exists and functions pursuant to chapter 28B.20 RCW, as amended from time to time.

***Bond Act*** means, together, chapter 28B.140 RCW and chapter 28B.142 RCW, in each case as amended from time to time.

***Bond Counsel*** means an attorney or firm of attorneys whose opinion is accepted in the national tax-exempt capital markets as to the issuance and validity of municipal securities and as to the interest paid thereon being exempt from federal income taxation, which attorney or firm of attorneys has been approved by, selected by or retained by the University from time to time.

***Bond Fund*** means the special fund designated as the General Revenue Bond Redemption Fund, 2013/2014.

**Bond Purchase Contract** means the Bond Purchase Contract(s) between the University and the underwriter(s) for 2013/2014 Bonds pertaining to the initial sale and purchase of 2013/2014 Bonds.

**Bond Register** means the registration books maintained by the Registrar containing the names and addresses of the Registered Owners of the Bonds.

**Bond Year** means each one-year period that ends on the date selected by the University. The first and last Bond Years may be short periods. If no day is selected by the University before the earlier of the final maturity date of the 2013/2014 Bonds or the date that is five years after the date of issuance of the 2013/2014 Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the 2013/2014 Bonds.

**Bonds** mean the University of Washington General Revenue Bonds, 2007, General Revenue Refunding Bonds, 2008, General Revenue Bonds, 2009 Taxable (Build America Bonds – Direct Payment), General Revenue Bonds, 2009B Taxable (Build America Bonds – Direct Payment), General Revenue and Refunding Bonds, 2010A, General Revenue Bonds, 2010B Taxable (Build America Bonds – Direct Payment), General Revenue and Refunding Bonds, 2011A, General Revenue and Refunding Bonds, 2012A, General Revenue and Refunding Bonds, 2012B (Taxable), General Revenue Bonds, 2012C, the 2013/2014 Bonds, and any Additional Bonds.

**Building Fee Revenue Bond Act** means RCW 28B.20.700-.740, as amended by Chapter 499 Wash. Laws 2009, and as further amended from time to time.

**Building Fees** means building fees defined in RCW 28B.15.025, as amended from time to time, and imposed for the purposes set forth in RCW 28B.15.210, as amended from time to time.

**Business Day** means a day (a) on which banks in Seattle, Washington or New York, New York, the Securities Depository, the Credit Facility Issuer, the Liquidity Facility, or the Remarketing Agent are not authorized to remain open or required to remain closed and (b) on which the New York Stock Exchange is not closed.

**Call Date** means the earliest date(s) on which the Refunding Candidates may be called for redemption under the terms of the proceedings pursuant to which they were issued.

**Closing Date** means each date on which a series of 2013/2014 Bonds are issued and delivered in return for payment of the full purchase price therefor.

**Code** means the Internal Revenue Code of 1986, as heretofore or hereafter amended, together with all corresponding and applicable final, temporary or proposed regulations and revenue rulings as issued or amended with respect thereto by the United States Treasury Department or the Internal Revenue Service to the extent applicable to the 2013/2014 Bonds.

**Commercial Paper Mode** means the Mode during which the 2013/2014 Bonds bear interest at a Commercial Paper Rate or Rates.

**Commercial Paper Rate** means the interest rate (per annum) on any 2013/2014 Bond in the Commercial Paper Mode determined pursuant to the applicable Remarketing Agreement or Trust Agreement for such 2013/2014 Bonds.

**Commission** means the Securities and Exchange Commission.

**Continuing Disclosure Certificate** means the certificate of the University, if required under the Rule, undertaking to provide ongoing disclosure to assist the underwriter(s) for 2013/2014 Bonds in complying with the Rule.

**Credit Facility** means a policy of municipal bond insurance, a letter of credit, line of credit, guarantee or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of financial obligations, if any, of the University with respect to any 2013/2014 Bonds, including but not limited to payment of the scheduled principal of and interest on 2013/2014 Bonds. There may be more than one Credit Facility for a series or subseries of 2013/2014 Bonds.

**Credit Facility Issuer** means the issuer of any Credit Facility.

**Current Mode** means, with respect to any series or subseries of the 2013/2014 Bonds, the Mode then in effect.

**Daily Mode** means the Mode during which a series or subseries of the 2013/2014 Bonds bear interest at the Daily Rate.

**Daily Rate** means the per annum interest rate for a series or subseries of the 2013/2014 Bonds in the Daily Mode determined pursuant to the Remarketing Agreement or Trust Agreement for such 2013/2014 Bonds.

**Derivative Payment Date** means any date specified in a Payment Agreement on which a University Payment is due and payable under the Payment Agreement.

**DTC** means The Depository Trust Company, New York, New York as depository for the 2013/2014 Bonds, or any successor or substitute depository for the 2013/2014 Bonds.

**Escrow Agent** means any escrow agent selected by the Authorized Representative of the University in accordance with this resolution.

**Escrow Agreement** means one or more Escrow Deposit Agreements to be dated as of the applicable Closing Date.

**Federal Tax Certificate** means certificate of that name executed by the Authorized Representative of the University at the time of issuance and delivery of 2013/2014 Tax-Exempt Bonds.

**Fiscal Year** means the University's duly adopted fiscal year, currently ending June 30.

**Fitch** means Fitch Ratings, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, **Fitch** shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Moody's) designated by the Authorized Representative of the University.

**Fixed Mode** means the Mode in which a series or subseries of the 2013/2014 Bonds bear interest at a Fixed Rate or Fixed Rates to the Maturity Date or Maturity Dates.

**Fixed Rate** means a per annum interest rate or rates borne by a series or subseries of the 2013/2014 Bonds to the maturity thereof determined pursuant to Section 23 and the Bond Purchase Contract, Remarketing Agreement or Trust Agreement for such 2013/2014 Bonds.

**General Revenues** means all nonappropriated income, revenues, and receipts of the University if and to the extent such funds are not restricted in their use by law, regulation, or contract. For example, the following items are restricted and, therefore, excluded:

- (a) Appropriations to the University by the State from the State's General Fund;
- (b) Each fund the purpose of which has been restricted in writing by the terms of the gift or grant under which such fund has been donated, or by the donor thereof;
- (c) Fees imposed upon students as a condition of enrollment at the University, including but not limited to services and activities fees, building fees, and technology fees; and
- (d) Revenues and receipts attributable to the Metro Tract Revenue.

Unrestricted fund balances, to the extent that they were accumulated from money that was received as **General Revenues**, also would be includable and available to pay obligations secured by **General Revenues**. Upon the removal of any income, revenues, or receipts from General Revenues pursuant to Section 15(d), this definition of General Revenues shall be deemed to be amended accordingly without further action by the University.

**Government Obligations** means government obligations as are authorized to be used for refunding purposes by chapter 39.53 RCW, as amended or restated from time to time.

**Interest Payment Date** means the dates selected by the Authorized Representative of the University and set forth in the Bond Purchase Contract, Trust Agreement or Remarketing Agreement, as applicable.



**Interest Rate** means a Fixed Rate, Daily Rate, Weekly Rate, Commercial Paper Rate, or Term Rate, as the context requires.

**Irrevocable Deposit** means the irrevocable deposit of money or Government Obligations in order to provide for the payment of all or a portion of the principal of, premium, if any, and interest on any 2013/2014 Bonds in accordance with, and meeting all the requirements of, Section 21.

**Issuance Costs** means, without intending thereby to limit or restrict any proper definition of such costs under any applicable laws and GAAP, the following:

(a) costs reasonably incurred incident to preparing, offering, selling, issuing and delivering the 2013/2014 Bonds, including, without limitation, the fees and expenses of Bond Counsel, special counsel (if any) and financial advisor to the University, bond printing, CUSIP bureau fees, rating agency fees, underwriter fees or discount, escrow agent fees and recording and filing fees;

(b) the fees and expenses payable to the Registrar incident to the Registrar's acceptance of its duties under this resolution; and

(c) fees or premiums due to any Credit Facility Issuer.

**Legislature** means the Legislature of the State.

**Letter of Representations** means the blanket issuer letter of representation, signed by the Authorized Representative of the University and accepted by DTC pertaining to the payment of Bonds and the "book-entry" system for evidencing the beneficial ownership of Bonds.

**Liquidity Facility** means a line of credit, standby purchase agreement or other financial instrument or any combination of the foregoing, if any, which obligates a third party to make payment or to provide funds for the payment of the Purchase Price of 2013/2014 Bonds (or portion thereof). There may be more than one Liquidity Facility for a series or subseries of 2013/2014 Bonds, and the University may provide self-liquidity for a series or subseries of 2013/2014 Bonds, all as set forth in the applicable Remarketing Agreement or Trust Agreement.

**Liquidity Facility Issuer** means the issuer of any Liquidity Facility.

**Maturity Date** means the maturity date or dates for Bonds set forth in the Bond Purchase Contract, Trust Agreement, or Remarketing Agreement, as applicable.

**Maximum Rate** means the maximum rate for 2013/2014 Bonds set forth in the applicable Bond Purchase Contract, Trust Agreement or Remarketing Agreement.

**Mode** means the Daily Mode, Weekly Mode, Commercial Paper Mode, Term Mode, or the Fixed Mode, as the context may require.

***Metro Tract*** means the “university tract” as defined in RCW 28B.20.381 to include the tract of land in the city of Seattle, consisting of approximately ten acres, originally known as the “old university grounds,” as amended to the date of this resolution, and more recently referred to as the “metropolitan tract,” together with all buildings, improvements, facilities, and appurtenances thereon.

***Metro Tract Revenue*** means all revenues of the University derived from operating, managing, and leasing the Metro Tract.

***Moody’s*** means Moody’s Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term ***Moody’s*** shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P) selected by the Authorized Representative of the University.

***MSRB*** means the Municipal Securities Rulemaking Board or any successor to its functions. Until otherwise designated by the MSRB or the Commission, any information or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB’s Electronic Municipal Market Access system (“EMMA”), currently located at [www.emma.msrb.org](http://www.emma.msrb.org).

***Net Revenue*** means, with respect to any item or auxiliary revenues proposed to be added to General Revenues, revenues of such item or auxiliary less operating expenses. If the item or auxiliary revenues have previously been pledged to pay debt service on outstanding obligations of the University, the terms revenues and operating expenses shall be determined in accordance with the resolution(s) authorizing the outstanding indebtedness.

***Notice Parties*** means, with respect to each series of the 2013/2014 Bonds, the University, the University’s financial advisor, the Registrar, any Remarketing Agent, and any Liquidity Facility Issuer or Credit Facility Issuer.

***Opinion of Bond Counsel*** means an opinion in writing of Bond Counsel.

***Outstanding*** means, as of any particular time, all Bonds issued theretofore except:

- (a) Bonds theretofore canceled by the Registrar after purchase by the University;
- (b) Bonds for which an Irrevocable Deposit has been made, but only to the extent that the principal of and interest on such Bonds are payable from such Irrevocable Deposit; provided, that the Bonds to be paid or redeemed with such Irrevocable Deposit shall be deemed to be Outstanding for the purpose of transfers and exchanges or replacement of mutilated, lost, stolen or destroyed Bonds under the proceedings authorizing their issuance;
- (c) temporary, mutilated, lost, stolen or destroyed Bonds for which new Bonds have been issued pursuant to the resolution authorizing their issuance; and

(d) Bonds exchanged for new Bonds pursuant to the resolution authorizing their issuance.

Notwithstanding the foregoing, 2013/2014 Bonds that are Bank Bonds shall remain Outstanding until the applicable Credit Facility Issuer or Liquidity Facility Issuer is paid all amounts due on such 2013/2014 Bonds.

**Participant** means (a) any person for which, from time to time, DTC effects book-entry transfers and pledges of securities pursuant to the book-entry system or (b) any securities broker or dealer, bank, trust company or other person that clears through or maintains a custodial relationship with a person referred to in (a).

**Payment Agreement** means a written contract or agreement between or on behalf of the University and a Reciprocal Payor, which provides that the University's obligations thereunder will be conditioned on the absence of: (a) a failure by the Reciprocal Payor to make any payment required thereunder when due and payable, and (b) a default thereunder with respect to the financial status of the Reciprocal Payor; and

(a) under which the University is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the University Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the University, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments; *i.e.*, the contract must provide for net payments;

(b) for which the University's obligations to make all or any portion of University Payments are payable from General Revenues;

(c) under which Reciprocal Payments are to be made directly into the Bond Fund;

(d) for which the University Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Payment Agreement; and

(e) for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Payment Agreement.

**Person** means an individual, a corporation, a partnership, limited liability company, an association, a joint stock company, a trust, an unincorporated organization, a governmental body or a political subdivision, a municipal corporation, a public corporation or any other group or organization of individuals.

**Private Person** means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

**Private Person Use** means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes

ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at University meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a *de minimis* fee to cover custodial expenses.

**Projects** mean the acquisition of, improvements to and equipping of University facilities.

**Purchase Date** means the dates selected by the Authorized Representative of the University and set forth in the Trust Agreement or Remarketing Agreement, as applicable.

**Purchase Price** has the meaning set forth in the Trust Agreement or Remarketing Agreement, as applicable.

**Rating Agency** means Fitch, Moody's or S&P.

**Rating Category** means the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

**RCW** means the Revised Code of Washington, as now in existence or hereafter amended, or any successor codification of the laws of the State.

**Reciprocal Payment** means any payment to be made to, or for the benefit of, the University under the Payment Agreement by the Reciprocal Payor.

**Reciprocal Payor** means any bank or corporation, partnership or other entity that is a party to the Payment Agreement and that is obligated to make one or more Reciprocal Payments thereunder.

**Record Date** means:

(a) with respect to 2013/2014 Bonds in the Fixed Mode or Term Mode, the 15th day (whether or not a Business Day) of the month next preceding each Interest Payment Date; and

(b) with respect to all other Modes, the Business Day immediately prior to the applicable Interest Payment Date.

**Redemption Date** means the date fixed for redemption of 2013/2014 Bonds subject to redemption in any notice of redemption given in accordance with the terms hereof or the terms of an applicable Trust Agreement, Remarketing Agreement or Bond Purchase Contract.

**Redemption Price** means amounts to be paid to redeem the 2013/2014 Bonds on the Redemption Date as set forth in the applicable Bond Purchase Contract, Trust Agreement, Remarketing Agreement, or Section 12(a) as applicable.

**Refunded Bonds** means the Refunding Candidates designated by the Authorized Representative of the University pursuant to Section 23 of this resolution.

**Refunding Candidates** means the bonds issued by or on behalf of the University and currently outstanding as shown on Exhibit A.

**Registered Owner** means the person named as the registered owner of a 2013/2014 Bond on the Bond Register. For so long as the 2013/2014 Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

**Registrar** means the Fiscal Agency, whose duties include registering and authenticating the 2013/2014 Bonds, maintaining the Bond Register, registering the transfer of the 2013/2014 Bonds, paying interest on and principal of the 2013/2014 Bonds, and drawing on any Credit Facility securing 2013/2014 Bonds for such purpose, and drawing any amounts under any Credit Facility or Liquidity Facility for the purpose of paying the Purchase Price of any 2013/2014 Bonds payable pursuant to such Credit Facility or Liquidity Facility.

**Reimbursement Agreement** means a Reimbursement Agreement relating to the 2013/2014 Bonds between the University and any Credit Facility Issuer or Liquidity Facility Issuer, and any and all modifications, alterations, and amendments and supplements thereto.

**Remarketing Agent** means one or more remarketing agents selected from time to time by the Authorized Representative of the University to serve as remarketing agent for 2013/2014 Bonds pursuant to a Remarketing Agreement.

**Remarketing Agreement** means a Remarketing Agreement relating to 2013/2014 Bonds between the University and any Remarketing Agent, or any similar agreement, as it may be amended or supplemented from time to time in accordance with its terms.

**Rule** means the Commission's Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended from time to time.

**Securities Depository** means any clearing agency registered under Section 17A of the Securities Exchange Act of 1934, as amended.

**Serial Bonds** means those 2013/2014 Bonds designated as serial bonds in the Bond Purchase Contract.

**State** means the state of Washington.

**S&P** means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch) selected by the Authorized Representative of the University.

**Term Bonds** means 2013/2014 Bonds, if any, designated as term bonds in the applicable Bond Purchase Contract.

**Term Rate** means the per annum interest rate for a series or subseries of 2013/2014 Bonds in the Term Rate Mode determined pursuant to the Remarketing Agreement or Trust Agreement for such 2013/2014 Bonds.

**Term Rate Mode** means the Mode during which a series or subseries of 2013/2014 Bonds bear interest at the Term Rate.

**Trust Agreement** means a Trust Agreement entered into between the University and a Trustee with respect to 2013/2014 Bonds, setting forth the terms of such 2013/2014 Bonds.

**Trustee** means a bond trustee selected by the Authorized Representative of the University to act on behalf of owners of 2013/2014 Bonds pursuant to a Trust Agreement.

**2013/2014 Bonds** means the 2013/2014 New Money Bonds and the 2013/2014 Refunding Bonds.

**2013/2014 New Money Bonds** means the University of Washington General Revenue Bonds, Series [2013/2014][ ] [Taxable] issued in one or more series or subseries in the aggregate principal amount not to exceed \$155,000,000 to finance or refinance costs of the Projects pursuant to this resolution.

**2013/2014 Refunding Bonds** means the University of Washington General Revenue Refunding Bonds, Series [2013/2014][ ] [Taxable] issued in one or more series or subseries to redeem and/or defease one or more of the Refunding Candidates on their Call Dates pursuant to this resolution.

**2013/2014 Taxable Bonds** means any 2013/2014 Bonds determined to be issued on a taxable basis pursuant to Section 23.

**2013/2014 Tax-Exempt Bonds** means any 2013/2014 Bonds determined to be issued on a tax-exempt basis pursuant to Section 23.

**University** means the University of Washington, a higher educational institution of the State, the main campus of which is located at Seattle, Washington.

***University of Washington building account*** means the fund of that name into which certain Building Fees are to be deposited pursuant to RCW 28B.15.210, as amended from time to time.

***University of Washington bond retirement fund*** means the special fund of that name created by chapter 254, Laws of 1957.

***University Payment*** means any payment required to be made by or on behalf of the University under a Payment Agreement and which is determined according to a formula set forth in the Payment Agreement.

***Weekly Mode*** means the Mode during which a series or subseries of the 2013/2014 Bonds bear interest at the Weekly Rate.

***Weekly Rate*** means the per annum interest rate for a series or subseries of the 2013/2014 Bonds in the Weekly Mode determined pursuant to the Remarketing Agreement or Trust Agreement for such 2013/2014 Bonds.

**Interpretation.** In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect;

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and

(f) Whenever any consent or direction is required to be given by the University, such consent or direction shall be deemed given when given by the Authorized Representative of the University or his or her designee, respectively, and all references herein to the Authorized Representative of the University shall be deemed to include references to his or her designee, as the case may be.

Section 2. Findings.

The Board hereby finds as follows:

(a) It is in the best interests of the University to finance or refinance all or a portion of the costs of the Projects, through the issuance of 2013/2014 New Money Bonds in one or more series or subseries, upon the terms and conditions set forth for the 2013/2014 New Money Bonds in this resolution.

(b) It is in the best interests of the University to redeem and/or defease one or more of the Refunding Candidates, or any portion thereof, to achieve debt service savings through the issuance of 2013/2014 Refunding Bonds in one or more series or subseries, upon the terms and conditions set forth for the 2013/2014 Refunding Bonds in this resolution.

(c) It is necessary and in the best interest of the University to issue the 2013/2014 Bonds payable from General Revenues.

Section 3. Authorization and Purpose of 2013/2014 Bonds.

(a) *2013/2014 New Money Bonds.* The 2013/2014 New Money Bonds shall be in an aggregate principal amount not to exceed \$155,000,000, as such maximum aggregate principal amount may be adjusted as provided in Section 23, and shall be issued in one or more series or subseries to pay (or pay commercial paper notes issued to pay) costs of the Projects and to pay Issuance Costs for the 2013/2014 New Money Bonds. The 2013/2014 New Money Bonds shall be issued under terms determined pursuant to Section 23, as further set forth in the Bond Purchase Contract, Remarketing Agreement and/or Trust Agreement for such 2013/2014 New Money Bonds; shall be numbered in the manner determined by the Registrar; and shall be issued in fully registered form in Authorized Denominations.

(b) *2013/2014 Refunding Bonds.* The 2013/2014 Refunding Bonds shall be issued in one or more series or subseries to redeem and/or defease one or more of the Refunding Candidates designated pursuant to Section 23 and to pay Issuance Costs for the 2013/2014 Refunding Bonds. The 2013/2014 Refunding Bonds shall be issued under terms determined pursuant to Section 23, as further set forth in the Bond Purchase Contract, Remarketing Agreement and/or Trust Agreement for such 2013/2014 Refunding Bonds; shall be numbered in the manner determined by the Registrar; and shall be issued in fully registered form in Authorized Denominations.

Section 4. Description of 2013/2014 Bonds.

(a) *General Terms.* The 2013/2014 Bonds shall be dated as of their date of original issuance and shall mature on the Maturity Dates, as determined pursuant to Section 23, as further set forth in the applicable Bond Purchase Contract, Remarketing Agreement or Trust Agreement for such series of 2013/2014 Bonds. The 2013/2014 Bonds shall bear interest determined within Modes selected by the Authorized Representative of the University from time to time. All



2013/2014 Bonds shall be issued in the form of fully registered 2013/2014 Bonds in Authorized Denominations and, unless the Registrar shall otherwise direct, shall be numbered R-1 and upwards.

The University may designate one or more series or subseries of the 2013/2014 Bonds from time to time. 2013/2014 New Money Bonds shall be named University of Washington General Revenue Bonds, Series [2013/2014], with an additional designation of “Taxable” for any series of 2013/2014 Taxable Bonds. 2013/2014 Refunding Bonds shall be named University of Washington General Revenue Refunding Bonds, Series [2013/2014], with an additional designation of “Taxable” for any series of 2013/2014 Taxable Bonds. 2013/2014 Bonds issued in one series composed of both New Money Bonds and Refunding Bonds shall be named University of Washington General Revenue and Refunding Bonds, Series [2013/2014], with an additional designation of “Taxable” for any series of 2013/2014 Taxable Bonds. At the written direction of the Authorized Representative of the University, the Registrar shall designate a particular principal amount of 2013/2014 Bonds (in Authorized Denominations) as a series or subseries. A series of 2013/2014 Bonds shall be identified by the year of issue (either 2013 or 2014) and sequential letters (e.g. Series 2013A, Series 2013B, Series 2014A, Series 2014B). A subseries of 2013/2014 Bonds shall be further identified by sequential numbers (e.g., Series 2013A-1, Series 2013A-2, Series 2014B-1, Series 2014B-2). Upon such designation, such 2013/2014 Bonds shall be a series or subseries, as applicable, for this purposes of this resolution, unless and until consolidated or changed to another series or subseries designation by written direction of the Authorized Representative of the University. All 2013/2014 Bonds of a series shall be in the same Mode, but any two series need not be in the same Mode.

(b) *Terms.* Principal of and interest and any premium on the 2013/2014 Bonds shall be payable in lawful money of the United States of America.

(c) *Modes.* The terms applicable to 2013/2014 Bonds in the Daily Mode, the Weekly Mode, the Term Mode, the Commercial Paper Mode or the Fixed Mode, and provisions for conversions among such Modes, shall be as provided in the applicable Bond Purchase Contract, Remarketing Agreement or Trust Agreement, as applicable.

(d) *Determinations Conclusive.* If the 2013/2014 Bonds of a series or subseries are in the Daily Mode, the Weekly Mode, the Term Mode, the Commercial Paper Mode or the Fixed Mode, the Interest Rates determined as provided in the Remarketing Agreement, Trust Agreement or Bond Purchase Contract, as applicable, shall be conclusive.

(e) *Maximum Rate.* No 2013/2014 Bond, other than a Bank Bond, shall bear interest at an Interest Rate higher than the Maximum Rate.

#### Section 5. Execution.

The 2013/2014 Bonds shall be executed on behalf of the University by the manual or facsimile signatures of the President and the Secretary or Treasurer of the Board, and the official seal of the University shall be reproduced thereon. The validity of any 2013/2014 Bond so executed shall not be affected by the fact that one or more of the officers whose signatures

appear on such 2013/2014 Bond have ceased to hold office at the time of issuance or authentication or at any time thereafter.

Section 6. Authentication.

No 2013/2014 Bonds shall be valid for any purpose hereunder until the certificate of authentication printed thereon is duly executed by the manual signature of an authorized signatory of the Registrar. Such authentication shall be proof that the Registered Owner is entitled to the benefit of the trusts hereby created.

Section 7. Registration, Transfer and Exchange.

(a) *Registrar.* The 2013/2014 Bonds shall be issued only in registered form as to both principal and interest. The University hereby appoints the fiscal agency of the State as the Registrar for the 2013/2014 Bonds. So long as any 2013/2014 Bonds remain Outstanding, the Registrar shall make all necessary provisions to permit the exchange or registration of transfer of 2013/2014 Bonds at its principal corporate trust office. The Registrar may be removed at any time at the option of the Authorized Representative of the University and a successor Registrar appointed by the Authorized Representative of the University. Any successor Registrar must be a commercial bank with trust powers or a trust company. No resignation or removal of the Registrar shall be effective until a successor shall have been appointed and until the successor Registrar shall have accepted the duties of the Registrar hereunder. The Registrar is authorized, on behalf of the University, to authenticate and deliver 2013/2014 Bonds transferred or exchanged in accordance with the provisions of such 2013/2014 Bonds and this resolution and to carry out all of the Registrar's powers and duties under this resolution. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the 2013/2014 Bonds.

The Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the 2013/2014 Bonds which shall at all times be open to inspection by the University (the "Bond Register").

(b) *Letter of Representations/Book-Entry System.* To induce DTC to accept the 2013/2014 Bonds as eligible for deposit at DTC, the University has executed and delivered the Letter of Representations. The 2013/2014 Bonds initially issued shall be held in fully immobilized form by DTC acting as depository pursuant to the terms and conditions set forth in the Letter of Representations.

(c) *University and Registrar Not Responsible for DTC.* Neither the University nor the Registrar will have any responsibility or obligation to DTC Participants or the persons for whom they act as nominees with respect to the 2013/2014 Bonds in respect of the accuracy of any records maintained by DTC or any DTC Participant, the payment by DTC or any DTC Participant of any amount in respect of the principal or redemption price of or interest on the 2013/2014 Bonds, any notice which is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the University to the Registrar or to DTC), the selection by DTC or any DTC Participant of any person to receive

payment in the event of a partial redemption of the 2013/2014 Bonds or any consent given or other action taken by DTC as the Registered Owner.

(d) *DTC as Registered Owner.* Payment of any such 2013/2014 Bond shall be made only as described in this section, but the transfer of such ownership may be registered as herein provided. All such payments made as described in this section shall be valid and shall satisfy and discharge the liability of the University upon such 2013/2014 Bond to the extent of the amount or amounts so paid. Except as provided in Section 27, the University and the Registrar shall be entitled to treat the Securities Depository (as Registered Owner) as the absolute owner of all 2013/2014 Bonds for all purposes of this resolution and any applicable laws, notwithstanding any notice to the contrary received by the Registrar or the University. Neither the University nor the Registrar will have any responsibility or obligation under this resolution or the 2013/2014 Bonds, legal or otherwise, to any other party including DTC or its successor (or substitute Securities Depository or its successor), except to the Registered Owners.

(e) *Use of DTC/Book-Entry System.*

(1) *2013/2014 Bonds Registered in the Name Designated by DTC.* The 2013/2014 Bonds shall be registered initially in the name of “CEDE & Co.,” as nominee of DTC, (or such other name as may be requested by an authorized representative of DTC) with one 2013/2014 Bond maturing on each maturity date of a series or subseries bearing interest at a particular rate in a denomination corresponding to the total principal therein designated to mature on such date and bearing interest as such rate. Registered ownership of such immobilized 2013/2014 Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, *provided that* any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute Securities Depository appointed by the Authorized Representative of the University pursuant to subsection (2) below or such substitute Securities Depository’s successor; or (C) to any person as provided in paragraph (4) below.

(2) *Substitute Depository.* Upon the resignation of DTC or its successor (or any substitute Securities Depository or its successor) from its functions as Securities Depository or a determination by the Authorized Representative of the University that it is no longer in the best interest of Beneficial Owners to continue the system of book entry transfers through DTC or its successor (or any substitute Securities Depository or its successor), the Authorized Representative of the University may hereafter appoint a substitute Securities Depository. Any such substitute Securities Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) *Issuance of New 2013/2014 Bonds to Successor/Substitute Depository.* In the case of any transfer pursuant to clause (A) or (B) of paragraph (e)(1) above, the Registrar shall, upon receipt of all outstanding 2013/2014 Bonds of a series or subseries, together with a written request on behalf of the Authorized Representative of the University, issue a single new 2013/2014 Bond for each maturity of such series or subseries of 2013/2014 Bonds then Outstanding and bearing interest at a particular rate, registered in the name of such successor or

such substitute Securities Depository, or their nominees, as the case may be, all as specified in such written request of the Authorized Representative of the University.

(4) *Termination of Book-Entry System.* In the event that (A) DTC or its successor (or substitute Securities Depository or its successor) resigns from its functions as Securities Depository, and no substitute Securities Depository can be obtained, or (B) the Authorized Representative of the University determines that it is in the best interest of the Beneficial Owners of the 2013/2014 Bonds that they be able to obtain 2013/2014 Bond certificates, the ownership of 2013/2014 Bonds may then be transferred to any person or entity as herein provided, and the 2013/2014 Bonds shall no longer be held in fully immobilized form. The Authorized Representative of the University shall deliver a written request to the Registrar, together with a supply of definitive 2013/2014 Bonds, to issue 2013/2014 Bonds as herein provided in any Authorized Denomination. Upon receipt of all then Outstanding 2013/2014 Bonds by the Registrar together with a written request on behalf of the Authorized Representative of the University to the Registrar, new 2013/2014 Bonds shall be issued in such Authorized Denominations and registered in the names of such persons as are requested in such written request.

(f) *Transfer or Exchange of Registered Ownership; Change in Denominations.* If the 2013/2014 Bonds are no longer held in immobilized, book-entry form, the transfer of ownership of any 2013/2014 Bond may be registered and such 2013/2014 Bonds may be exchanged, but no transfer of any 2013/2014 Bond shall be valid unless it is surrendered to the Registrar with the assignment form appearing on such 2013/2014 Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered 2013/2014 Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new 2013/2014 Bond (or 2013/2014 Bonds at the option of the new Registered Owner) of the same series, date, designation, if any, maturity date and interest rate and for the same aggregate principal amount in any Authorized Denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered 2013/2014 Bond, in exchange for such surrendered and canceled 2013/2014 Bond. Any 2013/2014 Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of 2013/2014 Bonds of the same series or subseries, date, maturity date and interest rate, in any Authorized Denomination. The Registrar shall not be obligated to transfer or exchange any 2013/2014 Bond during the five-day period prior to the selection of 2013/2014 Bonds for redemption or the maturity date or following any mailing of notice of redemption. No charge shall be imposed upon Registered Owners in connection with any transfer or exchange, except for taxes or governmental charges related thereto.

(g) *Registration Covenant.* The University covenants that, until all 2013/2014 Tax-Exempt Bonds of a series or subseries have been surrendered and canceled, it will maintain a system for recording the ownership of each 2013/2014 Bond of that series or subseries that complies with the provisions of Section 149 of the Code.

Section 8. Mutilated, Destroyed, Lost or Stolen 2013/2014 Bonds.

If any 2013/2014 Bond is lost, stolen or destroyed, the University may execute and the Registrar may authenticate and deliver a new 2013/2014 Bond or 2013/2014 Bonds of like series or subseries, date and tenor to the Registered Owner thereof, all in accordance with law. However, no substitution or payment shall be made unless and until the applicant shall furnish (a) evidence satisfactory to said Registrar and Authorized Representative of the University of the destruction or loss of the original 2013/2014 Bond and of the ownership thereof, and (b) such additional security, indemnity or evidence as may be required by the Authorized Representative of the University. No substitute 2013/2014 Bond shall be furnished unless the applicant shall reimburse the University and the Registrar for their respective expenses in the furnishing thereof. Any such substitute 2013/2014 Bond so furnished shall be equally and proportionately entitled to the security of this resolution with all other 2013/2014 Bonds issued hereunder.

Section 9. Payments of Principal, Redemption Price and Interest; Persons Entitled Thereto.

(a) *Payments of Principal, Interest, Purchase and Redemption Prices.* The principal or Redemption Price of each 2013/2014 Bond shall be payable upon surrender or delivery of such 2013/2014 Bond to the Registrar. For so long as DTC is the Registered Owner, interest and principal shall be paid and delivery shall be made as described in the operational arrangements referred to in the Letter of Representations and pursuant to DTC's standard procedures.

(b) *Accrual of Interest.* Subject to the further provisions of this section, each 2013/2014 Bond shall accrue interest and be payable as to interest as follows:

(1) On each Interest Payment Date, the Registered Owner of each 2013/2014 Bond as of the Record Date shall be paid the amount of unpaid interest that accrues to the Interest Payment Date.

(2) The interest due on any 2013/2014 Bond on any Interest Payment Date shall be paid to the Registered Owner of such 2013/2014 Bond as shown on the Bond Register as of the Record Date. Except as otherwise provided in the applicable Bond Purchase Contract, Trust Agreement or Remarketing Agreement, the amount of interest so payable on any Interest Payment Date shall be computed (A) on the basis of a 365- or 366-day year for the number of days actually elapsed based on the calendar year for 2013/2014 Bonds in the Daily Mode, Commercial Paper Mode or Weekly Mode, and (B) on the basis of a 360-day year of twelve 30-day months during a Term Mode or a Fixed Mode.

(3) If 2013/2014 Bonds of a series or subseries are no longer held by a Securities Depository, during the Term Mode or Fixed Mode, the interest, principal or Redemption Price of the 2013/2014 Bonds shall be payable by check, provided that any Registered Owner of \$1,000,000 or more in aggregate principal amount of the 2013/2014 Bonds, upon written request given to the Registrar at least five Business Days prior to the Interest Payment Date, Maturity Date or Redemption Date designating an account in a domestic bank, may be paid by wire transfer of immediately available funds. If the 2013/2014 Bonds of a series or subseries are no longer held by a Securities Depository, all payments of interest, principal or

the Redemption Price on the 2013/2014 Bonds during the Commercial Paper Mode, Daily Mode, or Weekly Mode shall be paid to the Registered Owners entitled thereto on the Interest Payment Date in immediately available funds by wire transfer to a bank within the United States or deposited to a designated account if such account is maintained with the Registrar as directed by the Registered Owner in writing or as otherwise directed in writing by the Registered Owner on or prior to the applicable Record Date.

Any account specified pursuant to paragraph (3) hereof shall remain in effect until revoked or revised by the Registered Owner, the Credit Facility Issuer or Liquidity Facility Issuer by an instrument in writing delivered to the Registrar.

Section 10. Acts of Registered Owners; Evidence of Ownership.

Any action to be taken by Registered Owners may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Registered Owners in person or by an agent appointed in writing. Any action by the Registered Owner of any 2013/2014 Bond shall bind all future Registered Owners of the same 2013/2014 Bond or of any 2013/2014 Bond issued upon the exchange or registration of transfer thereof in respect of anything done or suffered by the University or the Registrar in pursuance thereof.

Except as provided in any Reimbursement Agreement or Credit Facility, the Registrar and the University may treat the Registered Owner of a 2013/2014 Bond as the absolute owner thereof for all purposes, whether or not such 2013/2014 Bond shall be overdue, and the Registrar and the University shall not be affected by any knowledge or notice to the contrary; and payment of the principal of and premium, if any, and interest on such 2013/2014 Bond shall be made only to such Registered Owner, which payments shall satisfy and discharge the liability of the University with respect to such 2013/2014 Bond to the extent of the sum or sums so paid.

Section 11. Form of 2013/2014 Bonds.

The 2013/2014 Bonds shall each be in substantially the following form, with appropriate or necessary insertions, depending upon the omissions and variations as permitted or required hereby. If the 2013/2014 Bonds are no longer held in fully-immobilized form, the form of 2013/2014 Bonds will be changed to reflect the changes required in connection with the preparation of certificated 2013/2014 Bonds. The form of the 2013/2014 Bonds shall further be changed as necessary to reflect whether the 2013/2014 Bonds are 2013/2014 New Money Bonds or 2013/2014 Refunding Bonds, whether the 2013/2014 Bonds are 2013/2014 Tax-Exempt Bonds or 2013/2014 Taxable Bonds, any series or subseries designation for the 2013/2014 Bonds and the Current Mode of the 2013/2014 Bonds.

No. R-\_\_\_\_\_

\$\_\_\_\_\_

UNITED STATES OF AMERICA

[STATEMENT OF INSURANCE, IF ANY]

UNIVERSITY OF WASHINGTON  
GENERAL REVENUE [REFUNDING] BOND, 2013/2014[\_\_\_\_\_] [Taxable]

[INTEREST RATE]      MATURITY DATE:      ISSUE DATE      CUSIP  
REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:

The University of Washington (the "University") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from \_\_\_\_\_, \_\_\_\_\_, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate [set forth above][described below], payable on the first days of each \_\_\_\_\_ and \_\_\_\_\_, commencing on \_\_\_\_\_ 1, 20\_\_\_. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the University to DTC. The fiscal agency of the state of Washington is acting as the registrar, authenticating agent and paying agent for the bonds of this issue (the "Bond Registrar").

This bond is issued pursuant to a resolution of the Board of Regents of the University (the "Bond Resolution") to [finance or refinance costs of the Projects][refund certain outstanding bonds], and to pay costs of issuance.

This bond is payable solely from General Revenues of the University, and the University does hereby pledge and bind itself to set aside from such General Revenues, and to pay into the General Revenue Bond Redemption Fund, 2013/2014 (the "Bond Fund") the various amounts required by the Bond Resolution to be paid into and maintained in such Fund, all within the times provided by the Bond Resolution. Interest on this bond shall accrue at [the Fixed Rate set forth above] [Daily Rates, Weekly Rates, Commercial Paper Rates, Term Rates or Fixed Rates], payable on Interest Payment Dates, all as provided in the Bond Resolution.

The bonds of this issue are subject to redemption prior to their scheduled maturity under the terms of the bond purchase contract for such bonds.

[The bonds of this issue are not private activity bonds and are not “qualified tax exempt obligations” eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.]

Except as otherwise provided in the Bond Resolution, this bond shall not be entitled to any right or benefit under the Bond Resolution, or be valid or become obligatory for any purpose, until this bond shall have been authenticated by execution by the Registrar of the certificate of authentication inscribed hereon.

It is hereby certified, recited and represented that the issuance of this bond and the 2013/2014 Bonds of this issue is duly authorized by law; that all acts, conditions and things required to exist and necessary to be done or performed precedent to and in the issuance of this bond and the 2013/2014 Bonds of this issue to render the same lawful, valid and binding have been properly done and performed and have happened in regular and due time, form and manner as required by law; that all acts, conditions and things necessary to be done or performed by the University or to have happened precedent to and in the execution and delivery of the Bond Resolution have been done and performed and have happened in regular and due form as required by law; that due provision has been made for the payment of the principal of and premium, if any, and interest on this bond and the 2013/2014 Bonds of this issue and that the issuance of this bond and the 2013/2014 Bonds of this issue does not contravene or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the University of Washington has caused this bond to be executed with the manual or facsimile signatures of the President and [Secretary of the Board of Regents][Treasurer of the University] and caused a facsimile of the official seal of the University to be reproduced hereon.

UNIVERSITY OF WASHINGTON

(SEAL)

By \_\_\_\_\_  
President, Board of Regents

By \_\_\_\_\_  
[Secretary, Board of Regents]  
[Treasurer of the University]

The Certificate of Authentication for the 2013/2014 Bonds shall be in substantially the following form and shall appear on each 2013/2014 Bond:



AUTHENTICATION CERTIFICATE

This bond is one of the University of Washington General Revenue [Refunding] [and Refunding] Bonds, Series [2013/2014][\_\_] described in the within-mentioned Bond Resolution.

WASHINGTON STATE FISCAL  
AGENCY, as Registrar

By \_\_\_\_\_  
Authorized Signatory

Date of Authentication: \_\_\_\_\_

Section 12. Redemption.

(a) *Optional Redemption.* 2013/2014 Bonds in a Term Mode or Fixed Mode shall be subject to redemption at the option of the University, in whole or in part, in Authorized Denominations on such dates and at such prices as determined by the University for such 2013/2014 Bonds as set forth in the respective Bond Purchase Contract, Trust Agreement and/or Remarketing Agreement, as applicable. 2013/2014 Bonds in the Commercial Paper Mode are not subject to optional redemption prior to their respective Purchase Dates. Commercial Paper Bonds shall be subject to redemption at the option of the University, in whole or in part in principal amounts that permit all remaining Outstanding Bonds of the same series or subseries to continue in Authorized Denominations, on their respective Purchase Dates at a redemption price equal to the principal amount thereof. 2013/2014 Bonds in the Daily Mode or the Weekly Mode shall be subject to redemption at the option of the University, in whole or in part, in principal amounts which permit all remaining Outstanding Bonds of the same series or subseries to continue in Authorized Denominations, on any date at a redemption price equal to the principal amount thereof. Bank Bonds shall be subject to redemption as set forth in the applicable Reimbursement Agreement.

(b) *Mandatory Redemption.* If the 2013/2014 Bonds of a series or subseries are issued in the Fixed Mode, any Term Bonds of such series or subseries shall be subject to mandatory redemption prior to their maturity by the Registrar in part, in the years and in the amounts set forth in the applicable Bond Purchase Contract (subject to reductions arising from the University's acquisition and surrender or the optional redemption of 2013/2014 Bonds, all as described in the next paragraph) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the Redemption Date. If the 2013/2014 Bonds of a series or subseries are issued in a Daily Mode, Weekly Mode or Commercial Paper Mode and converted to the Fixed Mode or Term Mode, the 2013/2014 Bonds of that series or subseries (other than Bank Bonds) may be converted in whole or in part to Serial Bonds and/or Term Bonds upon delivery of a Favorable Opinion of Bond Counsel prior to the commencement of the Term Mode or Fixed Mode for such 2013/2014 Bonds and if so converted to Term Bonds shall be subject to mandatory sinking fund redemption as determined by the University pursuant to the Remarketing Agreement or Trust Agreement, as applicable.

(c) *Selection of 2013/2014 Bonds for Redemption.* Whenever the University elects to redeem fewer than all of the 2013/2014 Bonds of a series or subseries, the University shall select the maturity or maturities within such series or subseries to be redeemed. Whenever fewer than all the Outstanding 2013/2014 Bonds of a series or subseries and maturity are to be redeemed, the 2013/2014 Bonds to be redeemed shall be selected in accordance with the operational arrangements of DTC referred to in the Letter of Representations (or, in the event the 2013/2014 Bonds of a series or subseries are no longer in book-entry only form, randomly by the Registrar). In no event shall any Bond be Outstanding in a principal amount that is not an Authorized Denomination.

(d) *Notice of Redemption.* For so long as the book entry-system is in effect with respect to a series or subseries of 2013/2014 Bonds, notice of redemption shall be provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations, and no additional published or other notice shall be provided by the University; *provided, however,* that the Credit Facility Issuer, if any, or Liquidity Facility Issuer, if any, shall be given prior written notice of any proposed redemption of 2013/2014 Bonds. In any event, notice of redemption shall be given by the University to the Registrar who shall give notice to DTC at least 20 days prior to the proposed date of redemption during the Term Mode or Fixed Mode and at least 15 days prior to the proposed date of redemption during any other Mode. If the book-entry system is no longer in effect with respect to a series or subseries of 2013/2014 Bonds, notice of redemption shall be given in the manner hereinafter provided. Unless waived by any owner of 2013/2014 Bonds to be redeemed, official notice of any such redemption shall be given by the Registrar on behalf of the University by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption during the Term Mode or Fixed Mode, and at least 15 days and not more than 60 days prior to the date fixed for redemption during any other Mode, to the Registered Owner of the 2013/2014 Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar.

(e) *Effect of Redemption.* Any notice for redemption may be conditional, in which case the conditions shall be set forth therein. If an unconditional notice of redemption has been given or if a conditional notice of redemption has been given and the conditions set forth in a conditional notice of redemption have been satisfied, , then on the Redemption Date the 2013/2014 Bonds or portions thereof so called for redemption shall become payable at the Redemption Price specified in such notice; and from and after the Redemption Date, interest thereon or on portions thereof so called for redemption shall cease to accrue, such 2013/2014 Bonds or portions thereof shall cease to be Outstanding and to be entitled to any benefit, protection or security hereunder or under an applicable Trust Agreement, and the Owners of such 2013/2014 Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the Redemption Price upon delivery of such 2013/2014 Bonds to the Registrar. Notwithstanding the foregoing, any Bank Bonds shall remain Outstanding until the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, is paid all amounts due in connection with such 2013/2014 Bonds or portions thereof to be redeemed on the Redemption Date. After payment to the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, of all amounts due on Bank Bonds such Credit Facility Issuer or Liquidity Facility Issuer shall surrender such 2013/2014 Bonds to the Registrar for cancellation.

Section 13. Bond Fund.

The Controller of the University is hereby authorized and directed to establish the Bond Fund as a special fund of the University to be designated as the General Revenue Bond Redemption Fund, 2013/2014 (the "Bond Fund"). The University covenants to deposit into the Bond Fund from General Revenues on or prior to each interest payment date, redemption date and maturity date an amount sufficient to pay the interest on the 2013/2014 Bonds then coming due and the principal of the 2013/2014 Bonds maturing or subject to redemption and redemption premium, if any. Such payments shall be made in sufficient time to enable the Registrar to pay interest on and/or principal of and redemption price of the 2013/2014 Bonds to the Registered Owners, when due. Net income earned on investments in the Bond Fund, if any, shall be deposited in the Bond Fund.

Section 14. Application of 2013/2014 Bond Proceeds.

(a) *2013/2014 New Money Bonds.* The Authorized Representative of the University is hereby authorized and directed to create a special fund or account of the University (the "Capital Fund"). The proceeds of the 2013/2014 New Money Bonds shall be paid into the Capital Fund. The money on deposit in the Capital Fund shall be utilized to pay or reimburse the University for costs of the Projects and costs incidental thereto, and Issuance Costs, to the extent designated by the Authorized Representative of the University.

All or part of the proceeds of the 2013/2014 New Money Bonds may be temporarily invested in or with such institutions or in such obligations as may now or hereafter be permitted to the University by law that will mature prior to the date on which such money shall be needed.

In the event that it shall not be possible or practicable to accomplish all of the Projects, the University may apply the proceeds of the 2013/2014 New Money Bonds to pay the costs of such portion thereof or such other projects as the Authorized Representative of the University shall determine to be in the best interests of the University.

Any part of the proceeds of the 2013/2014 New Money Bonds remaining in the Capital Fund after all costs referred to in this section have been paid may be used to acquire, construct, equip and make other improvements to the facilities of the University subject to the limitations of this resolution or may be transferred to the Bond Fund for the uses and purposes therein provided, and any applicable limitations set forth in the Federal Tax Certificate.

(b) *2013/2014 Refunding Bonds.* The proceeds of each series of 2013/2014 Refunding Bonds shall be disbursed as provided in the related Escrow Agreement and/or Trust Agreement to redeem the Refunded Bonds on their Call Dates and/or defease the Refunded Bonds to their Call Dates through the application of proceeds of the 2013/2014 Refunding Bonds to acquire Acquired Obligations for deposit, together with cash, as provided in such Escrow Agreement and/or Trust Agreement.

Section 15. Source of Repayment and Security for 2013/2014 Bonds.

(a) *Special Fund Obligations.* The 2013/2014 Bonds shall be special fund obligations of the University, payable solely from General Revenues and the money and investments deposited into the Bond Fund. In addition, any Building Fee Revenue Bonds are payable first from money and investments in the University of Washington bond retirement account. The 2013/2014 Bonds shall not constitute an obligation, either general, special or moral, of the State, nor a general or moral obligation of the University. The Registered Owners of the 2013/2014 Bonds shall have no right to require the State, nor has the State any obligation or legal authorization, to levy any taxes or appropriate or expend any of its funds for the payment of the principal thereof or the interest or any premium thereon. The University has no taxing power.

(b) *All Bonds Have Equal Claim on General Revenues.* The Bonds shall be equally and ratably payable, without preference, priority or distinction because of date of issue or otherwise from General Revenues.

(c) *Additions to General Revenues.* (1) The University reserves the right to include in General Revenues, at its sole option, in the future, other sources of revenue or income, specifically including, but not limited to, all or any portion of the items or any auxiliary systems added pursuant to subsection (2) of this Section 15(c), then excluded as part of General Revenues. (2) Such additions shall occur on the date and as provided in a certificate executed by the Controller of the University (or the successor to the functions of the Controller). The Controller shall, in the case of additions of items or auxiliaries to General Revenues, certify that for the preceding two Fiscal Years for which audited financial statements are available, the item or auxiliary maintained a "coverage ratio" of at least 125%, where the "coverage ratio" equals: (A) Net Revenue (for those items or auxiliaries whose debt has a lien on Net Revenues) or gross revenues (for those items or auxiliaries whose debt has a lien on gross revenues), divided by (B) debt service with respect to the then-outstanding revenue debt of the auxiliary or item and state-reimbursed bonds allocable to such auxiliary or item. In the event an auxiliary or item is added to General Revenues, the obligations of that auxiliary or item may remain outstanding and have a prior claim on auxiliary Net Revenue.

(d) *Deletions from General Revenues.* The University reserves the right to remove, at its sole option, in the future, any revenues from General Revenues. The removal of General Revenues shall be evidenced by a certificate executed by the Controller of the University (or the successor to the functions of the Controller) identifying the items to be deleted.

(e) *Building Fee Revenue Bonds.* If any of the 2013/2014 Bonds are designated as Building Fee Revenue Bonds pursuant to Section 18, such Building Fee Revenue Bonds shall be payable from and secured by a pledge of any or all of the revenues and receipts of the University of Washington bond retirement fund. In addition, Building Fee Revenue Bonds shall be payable from General Revenue and money and investments in the Bond Fund.

The Board hereby covenants to establish, maintain and collect Building Fees in such amounts that will provide money sufficient to pay the principal of and interest on all bonds,

including any Building Fee Revenue Bonds, payable out of the University of Washington bond retirement fund, to set aside and maintain reserves, if any, required to secure the payment of such principal and interest, and to maintain coverage, if any, which may be required over such principal and interest. Notwithstanding the foregoing, the Board hereby orders that in the event there is ever an insufficient amount of money in the University of Washington bond retirement fund to pay principal of or interest on any Building Fee Revenue Bond when due, moneys shall be transferred from the University of Washington building account to the University of Washington bond retirement fund.

Amounts on deposit in the University of Washington bond retirement fund shall be invested as permitted by law. Any money on deposit in the University of Washington bond retirement fund may be transferred to the University of Washington building account to the extent and as permitted by the Building Fee Revenue Bond Act.

Building Fee Revenue Bonds shall not be general or special obligations of the state of Washington, but shall be limited obligation bonds of the University payable only from Building Fees, money and investments in the University of Washington bond retirement fund, General Revenues and money and investments in the Bond Fund.

Section 16. Investment of Funds.

The University covenants to invest and reinvest money deposited in Bond Fund only in those investments in which agencies of the State are authorized to invest pursuant to State law.

Section 17. Establishment of Additional Accounts and Subaccounts.

The University reserves the right, to be exercised in its sole discretion, to establish such additional accounts within the funds established pursuant to this resolution, and subaccounts within such accounts, as it deems necessary or useful for the purpose of identifying more precisely the sources of payments herein and disbursements therefrom; provided that the establishment of any such account or subaccount does not alter or modify any of the requirements of this resolution with respect to a deposit or use of money or result in commingling of funds not permitted hereunder.

Section 18. Additional Bonds.

The University shall have the right to issue one or more series of Additional Bonds for University purposes as permitted under the Bond Act, the Building Fee Revenue Bond Act or otherwise under State law, and the costs of issuing Additional Bonds, or to refund or advance refund any Bonds or other obligations. The University shall have the right to designate one or more series of Additional Bonds as Building Fee Revenue Bonds payable from and secured by the Building Fee and money and investments in the University of Washington bond retirement fund on a parity with the lien thereon of outstanding Building Fee Revenue Bonds to the extent permitted by the Building Fee Revenue Bond Act. The University shall have the further right to pledge Building Fees and moneys and investments in the University of Washington bond retirement fund to pay additional bonds payable from and secured solely by such Building Fees

and moneys and investments on a parity with the lien thereon of outstanding Building Fee Revenue Bonds.

Section 19. Covenants Regarding Tax Exemption.

The University covenants and agrees that in accordance with the Federal Tax Certificate for each series of 2013/2014 Tax-Exempt Bonds:

(a) it will not make any use of the proceeds from the sale of the applicable series of 2013/2014 Tax-Exempt Bonds or any other funds of the University which may be deemed to be proceeds of such 2013/2014 Tax-Exempt Bonds pursuant to Section 148 of the Code and the applicable regulations thereunder which will cause that series of the 2013/2014 Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of said Section and said regulations. The University will comply with the applicable requirements of Section 148 of the Code (or any successor provision thereof applicable to the applicable series of 2013/2014 Tax-Exempt Bonds) and the applicable regulations thereunder throughout the term of the 2013/2014 Tax-Exempt Bonds; and

(b) it will not take any action or permit any action to be taken that would cause the 2013/2014 Tax-Exempt Bonds of a series to constitute “private activity bonds” under Section 141 of the Code.

(c) it will not permit:

(1) More than 10% of the net proceeds of the 2013/2014 Tax-Exempt Bonds of a series to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the 2013/2014 Tax-Exempt Bonds of a series in a Bond Year to be directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the University) in respect of property, or borrowed money, used or to be used for any Private Person Use.

(d) The University further covenants that, if:

(1) More than five percent of the net proceeds of the 2013/2014 Tax-Exempt Bonds of a series are to be used for any Private Person Use; and

(2) More than five percent of the principal or interest payments on that series of 2013/2014 Tax-Exempt Bonds in a Bond Year are (under the terms of this resolution or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the University) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private Person Use of the projects described in subsection (3) hereof or Private

Person Use payments described in subsection (2) hereof that is in excess of the five percent limitations described in such subsections (1) or (2) will be for a Private Person Use that is related to the state or local governmental use of the project refinanced with the applicable series of 2013/2014 Tax-Exempt Bond proceeds, and (ii) any Private Person Use will not exceed the amount of net proceeds of the applicable series of 2013/2014 Tax-Exempt Bonds used for the state or local governmental use portion of the projects to which the Private Person Use of such portion of such project relates. The University further covenants that it will comply with any limitations on the use of the projects being refinanced by a series of the 2013/2014 Tax-Exempt Bonds by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the applicable series of 2013/2014 Tax-Exempt Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the 2013/2014 Tax-Exempt Bonds of each applicable series.

Section 20. No Recourse Against Individuals.

No owner of a 2013/2014 Bond (registered or beneficial) shall have any recourse for the payment of any part of the principal or redemption price, if any, of or interest on the 2013/2014 Bonds, or for the satisfaction of any liability arising from, founded upon, or existing by reason of, the issuance or ownership of such 2013/2014 Bonds against the officers of the University or officers or members of the Board in their individual capacities.

Section 21. Defeasance.

Any 2013/2014 Bonds shall be deemed to have been paid and not Outstanding under this resolution and shall cease to be entitled to any lien, benefit or security of this resolution and any money and investments held hereunder, except the right to receive the money and the proceeds and income from Government Obligations set aside and pledged in the manner hereafter described, if:

(a) in the event that any or all of 2013/2014 Bonds are to be optionally redeemed, the University shall have given to the Registrar irrevocable instructions to give such notice of redemption of such 2013/2014 Bonds as may be required by the provisions of this resolution; and

(b) there shall have been made an Irrevocable Deposit, in trust, with the Registrar or another corporate fiduciary of money in an amount which shall be sufficient and/or noncallable Government Obligations maturing at such time or times and bearing such interest to be earned thereon, without considering any earnings on the reinvestment thereof, as will provide a series of payments which shall be sufficient, together with any money initially deposited, to provide for the payment of the principal of and the interest on the defeased 2013/2014 Bonds, when due in accordance with their terms, or upon the earlier prepayment thereof in accordance with a refunding plan; and such money and the principal of and interest on such Government Obligations are set aside irrevocably and pledged in trust for the purpose of effecting such payment, redemption or prepayment.

Nothing contained in this Section 21 shall be construed to prohibit the partial defeasance of the lien of this resolution providing for the payment of one or more, but not all of the Outstanding 2013/2014 Bonds. In the event of such partial defeasance, this resolution shall be discharged only as to the 2013/2014 Bonds so defeased.

Section 22. Approval of Official Statement.

The University hereby authorizes and directs the Authorized Representative of the University to approve the information contained in each Preliminary Official Statement, if any, pertaining to 2013/2014 Bonds, to “deem final” each Preliminary Official Statement, if any, as of its date, except for the omission of information on offering prices, interest rates, selling compensation, delivery dates and any other terms or provisions of the 2013/2014 Bonds dependent on such matters, for the sole purpose of the applicable underwriter’s compliance with the Rule and to authorize the distribution thereof to prospective purchasers of the series of 2013/2014 Bonds and others. The University further authorizes and directs any of such officers to approve the preparation, distribution and use of a final Official Statement and to approve the information contained therein, in connection with the public offering and sale of the applicable 2013/2014 Bonds to the actual purchasers of the 2013/2014 Bonds and others. The University hereby authorizes any of such officers to execute each final Official Statement described above to indicate such approval.

Section 23. Determination of Certain Matters Affecting 2013/2014 Bonds.

The Authorized Representative of the University is hereby authorized and directed to make the following determinations and/or take the following actions, prior to the sale of 2013/2014 Bonds, subject to the limitations described below:

- (a) determine whether the 2013/2014 Bonds shall be issued and sold in one or more series or subseries;
- (b) determine the Mode in which 2013/2014 Bonds of a series or subseries shall be issued initially;
- (c) determine the times and manner of conversion, if any, between Modes, and negotiate and execute documents to effect the conversion, including without limitation any Bond Purchase Contract, Reimbursement Agreement, Remarketing Agreement or Trust Agreement, or amendments thereto;
- (d) negotiate and execute at his or her discretion, one or more Escrow Agreements, Bond Purchase Contracts, Remarketing Agreements, Reimbursement Agreements, or Trust Agreements, amendments to lease and other documents as necessary to effect the refunding of a Refunding Candidates, and amendments thereto from time to time;
- (e) negotiate and execute a Payment Agreement, if any, in connection with the issuance of any series or subseries of 2013/2014 Bonds;



- (f) select one or more Escrow Agents, underwriters and/or Remarketing Agents;
- (g) select some or all of the Refunding Candidates and designate those Refunding Candidates as the “Refunded Bonds” in the applicable Bond Purchase Contract;
- (h) determine if it is in the best interest of the University for any or all of the 2013/2014 Bonds to be secured by a Liquidity Facility or Credit Facility and, if so, select the Liquidity Facility Issuer or Credit Facility Issuer, as applicable, pay the premium or fees therefor, issue one or more reimbursement bonds, and enter into Reimbursement Agreements, each as applicable;
- (i) subject to the limitations set forth herein, approve the Interest Rates if the 2013/2014 Bonds bear interest in Fixed Mode or Term Mode, Maturity Dates, aggregate principal amounts, principal amounts of each maturity, redemption rights, tender option rights, and other terms and conditions of the 2013/2014 Bonds;
- (j) select a Trustee for the owners of any or all of the 2013/2014 Bonds and fix its or their rights, duties, powers, and obligations under the applicable Trust Agreement; and
- (k) determine whether any or all of the 2013/2014 Bonds shall be issued as 2013/2014 Tax-Exempt Bonds or as 2013/2014 Taxable Bonds.

The Authorized Representative of the University is hereby authorized to approve the foregoing subject to following conditions:

- (a) the aggregate principal amount of the 2013/2014 New Money Bonds shall not exceed \$155,000,000, subject to the following permitted adjustments. The New Money Bonds may be sold with original issue premium, provided that the amount of net original issue premium plus the aggregate principal amount of the New Money Bonds shall not, in the aggregate, exceed \$155,000,000. The New Money Bonds may also be sold with original issue discount, and, in such event, the aggregate principal amount of the New Money Bonds may exceed \$155,000,000 by an additional principal amount, in order to generate all or a portion of the net New Money Bond proceeds that could have been generated if the New Money Bonds had been sold without original issue discount, as determined by the Authorized Representative of the University.
- (b) the aggregate debt service to be paid on any 2013/2014 Refunding Bonds shall be less than the aggregate debt service on the Refunding Candidate to be refunded with the proceeds of such 2013/2014 Refunding Bonds;
- (c) the final maturity date of any 2013/2014 Refunding Bonds shall not be later than the end of the fiscal year that includes the final maturity date of the Refunding Candidate to be refunded with the proceeds of the 2013/2014 Refunding Bonds;
- (d) the true interest cost to the University, taking into account any interest subsidy, for the 2013/2014 Bonds issued initially in the Fixed Mode does not exceed 7.0%;

(e) the aggregate principal amount of 2013/2014 Bonds issued in the Daily Mode, Weekly Mode and Commercial Paper Mode does not exceed 20% of the aggregate principal amount of all then Outstanding Bonds; and

(f) the date and time for any Closing Date is not later than July 31, 2014.

In determining the items described in this section, the Authorized Representative of the University, in consultation with University staff and the University's financial advisor, shall take into account those factors that, in his or her judgment, will result in the lowest true interest cost on the 2013/2014 Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the 2013/2014 Bonds.

Upon determination by the Authorized Representative of the University that all conditions to Closing set forth in a Bond Purchase Contract have been satisfied, or upon waiver of such conditions by the appropriate parties, the Authorized Representative of the University is hereby authorized and directed (a) to cause such 2013/2014 Bonds, executed as provided in this resolution, to be authenticated and delivered to the underwriters; and (b) to execute, for and on behalf of the University, and to deliver to the persons entitled to executed copies of the same, the Official Statement and all other documents required to be delivered, at or before the Closing Date pursuant to the Bond Purchase Contract. The proper University officials are hereby authorized and directed to do everything necessary and proper for the prompt printing, execution, authentication, issuance and delivery of the 2013/2014 Bonds in exchange for the purchase price thereof.

Section 24. Undertaking to Provide Continuing Disclosure.

An Authorized Representative of the University is authorized to, in his or her discretion, execute and deliver a certificate regarding continuing disclosure in order to assist the underwriters for 2013/2014 Bonds in complying with Section (b)(5) of the Rule.

Section 25. Payment Agreements.

The University may enter into a Payment Agreement providing for an exchange of Reciprocal Payments for University Payments in connection with one or more series or subseries of 2013/2014 Bonds. The following shall be conditions precedent to the use of any Payment Agreement.

(a) *Opinion of Bond Counsel.* The University shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Payment Agreement opining that the action proposed to be taken by the University is authorized or permitted by this resolution and by Washington law and will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the applicable series or subseries of 2013/2014 Tax-Exempt Bonds.

(b) *Certification of Financial Advisor.* The University shall obtain, on or prior to the date of execution of the Payment Agreement, a written certification from a financial advisor that (1) the terms and conditions of the payment agreement and any ancillary agreements, including without limitation, the interest rate or rates and any other amounts payable thereunder, are commercially reasonable in light of then existing market conditions; and (2) the findings and determinations under subsection (c) and (f)(3) are reasonable.

(c) *Approval of the State Finance Committee.* The Payment Agreement shall have been approved by the State Finance Committee under terms set forth in a resolution thereof, subject to final approval and authorization of the Payment Agreement by the Chair of the State Finance Committee pursuant to such terms. The approval of the State Finance Committee shall not constitute the pledge of the full faith and credit of the State. The University shall have the option to terminate the Payment Agreement in whole or in part, in the discretion of the Authorized Representative of the University.

(d) *Selection of Reciprocal Payor.* Prior to selecting the Reciprocal Payor, the University shall solicit and give due consideration to proposals from at least two entities that meet the criteria set forth in RCW 39.96.040(2). Such solicitation and consideration shall be conducted in such manner as the University (or the State Treasurer if so directed by resolution of the State Finance Committee) shall determine is reasonable.

(e) *Payments.* The Payment Agreement shall set forth the manner in which the University Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates. The University shall provide an annual report or certificate to the State Treasurer setting forth the information regarding the Payment Agreement, in form satisfactory to the State Treasurer.

(f) *Findings.*

(1) The obligations of the University under the Payment Agreement shall be paid solely from General Revenues.

(2) If the University enters into a Payment Agreement, University Payments shall be made from the Bond Fund. Reciprocal Payments shall be paid directly into the Bond Fund or a separate account therein.

(3) If the foregoing conditions are complied with, the Payment Agreement will lower the net cost of borrowing for the related 2013/2014 Bonds or reduce the University's exposure to fluctuations in interest rates on the related 2013/2014 Bonds. This finding shall be confirmed in a report of the Authorized Representative of the University.

#### Section 26. Supplemental Resolutions.

(a) *Without Consent of Owners.* The Board, from time to time and at any time, may adopt a resolution or resolutions supplemental to this resolution which supplemental resolution or resolutions thereafter shall become a part of this resolution, for any one or more or all of the following purposes:

(1) to add to the covenants and agreements of the University in this resolution other covenants and agreements thereafter to be observed, which shall not materially adversely affect the interests of the Registered Owners of any Outstanding 2013/2014 Bonds affected by the supplemental resolution, or to surrender any right or power herein reserved to or conferred upon the University;

(2) to make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this resolution or any resolution authorizing Additional Bonds in regard to matters or questions arising under such resolutions as the Board may deem necessary or desirable and not inconsistent with such resolution and which shall not materially adversely affect the interest of the Registered Owners of Outstanding 2013/2014 Bonds.

Any such supplemental resolution of the Board may be adopted without the consent of the owners of any 2013/2014 Bonds at any time outstanding, notwithstanding any of the provisions of subsection (b) of this section.

(b) *With Consent of Owners.* With the consent of the Registered Owners of not less than 51% in aggregate principal amount of all Outstanding 2013/2014 Bonds of a series affected by a supplemental resolution, the Board may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this resolution or of any supplemental resolution provided, however, that no such supplemental resolution shall:

(1) extend the fixed maturity of any Outstanding 2013/2014 Bonds, or reduce the rate of interest thereon, or extend the time of payment of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the owner of each 2013/2014 Bond so affected; or

(2) reduce the aforesaid percentage of Registered Owners required to approve any such supplemental resolution, without the consent of the Registered Owners of all of the Outstanding 2013/2014 Bonds affected by the reduction.

It shall not be necessary for the consent of Registered Owners under this subsection (b) to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent shall approve the substance thereof. The Reimbursement Agreement may provide rights to the Credit Facility Issuer or Liquidity Facility Issuer to consent to supplemental resolutions on behalf of Registered Owners of Bonds for which it provides credit and liquidity support or in addition to such Registered Owners.

#### Section 27. Concerning the Registered Owners.

(a) *Form of Consent of Registered Owners.* Any request, direction, consent or other written instrument required by this resolution to be signed or executed by the Registered Owners may be in any number of concurrent written instruments of similar tenor and may be signed or

executed by such Registered Owners in person or by an agent or agents duly appointed by a written instrument. Proof of the execution of any such written instrument and of the ownership of the 2013/2014 Bonds shall be sufficient for any purpose of this resolution and shall be conclusive in favor of the University, and/or the Registered Owners with regard to any action taken under such instrument, if made in the following manner:

(1) the fact and date of the execution by any Registered Owner of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments of deeds to be recorded within such jurisdiction, to the effect that the Registered Owner signing such instrument acknowledged to him or her the execution thereof, or by an affidavit of a witness to such execution; and

(2) the ownership of 2013/2014 Bonds shall be proved by the Bond Register maintained by the Registrar.

Nothing contained in this Section 27(a) shall be construed as limiting the University to the proof above specified, it being intended that the University may accept any other evidence of the matters herein stated to which it may seem sufficient.

(b) *Waiver of Form.* Except as otherwise provided herein, any notice or other communication required by this resolution to be given by delivery, publication or otherwise to the Registered Owners or any one or more thereof may be waived, at any time before such notice or communication is so required to be given, by written waivers mailed or delivered to the University by the Registered Owners of all 2013/2014 Bonds of a series or subseries entitled to such notice or communication.

(c) *Revocation; Conclusive Action.* At any time prior to (but not after) the evidencing to the University of the taking of any action by the Registered Owners of the percentage in aggregate principal amount of Outstanding 2013/2014 Bonds of a series or subseries specified in this resolution in connection with such action, any Registered Owner may, by filing written notice with the University, revoke any consent given by such Registered Owner or the predecessor Registered Owner of such 2013/2014 Bond. Except as aforesaid, any such consent given by the Registered Owner of any 2013/2014 Bond shall be conclusive and binding upon such Registered Owner and upon all future Registered Owners of such 2013/2014 Bond and of any 2013/2014 Bond issued in exchange therefor or in lieu thereof, irrespective of whether or not any notation in regard thereto is made upon such 2013/2014 Bond. Any action taken by the Registered Owners of the percentage in aggregate principal amount of a series or subseries of Outstanding 2013/2014 Bonds specified in this resolution in connection with such action shall be conclusively binding upon the University and the Registered Owners of all Outstanding 2013/2014 Bonds.

#### Section 28. Determination of Registered Owners' Concurrence.

In determining whether the Registered Owners of the requisite aggregate principal amount of a series or subseries of Outstanding 2013/2014 Bonds have concurred in any demand, request, direction, consent or waiver under this resolution, 2013/2014 Bonds which are owned by

or held in the name of the University shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. 2013/2014 Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 28 if the pledgee shall establish to the satisfaction of the University the pledgee's right to vote such 2013/2014 Bonds and that the pledgee is not the University.

Section 29. University Acquisition of 2013/2014 Bonds.

The University may acquire 2013/2014 Bonds by (a) purchase of 2013/2014 Bonds offered to the University at any time and from time to time at such purchase price as the University deems appropriate; or (b) gift at any time and from time to time on terms as the University deems appropriate.

Section 30. Contract-Savings Clause.

The covenants contained in this resolution, the 2013/2014 Bonds and the provisions of the Bond Act shall constitute a contract between the University and the Registered Owners of the 2013/2014 Bonds and shall be construed in accordance with and controlled by the laws of the State. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the University shall be declared by any court of competent jurisdiction and final appeal, if any appeal be taken, to be contrary to law, then such covenant or covenants, agreement or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of the 2013/2014 Bonds.

Section 31. No Benefits to Outside Parties.

Nothing in this resolution, express or implied, is intended or shall be construed to confer upon or to give to any person, other than the University, the Registrar, any Credit Facility Issuer, any Liquidity Facility Issuer, or the Registered Owners of Bonds, any right, remedy or claim under or by reason of this resolution; and the covenants, stipulations and agreements in this resolution are and shall be for sole and exclusive benefit of the University, the Registrar, any Credit Facility Issuer, the Liquidity Facility Issuer, and the Registered Owners of Bonds, their successors and assigns.

Section 32. Immediate Effect.

This resolution shall take effect immediately upon its adoption.

ADOPTED at an open public meeting of the Board of Regents of the University, after notice thereof was duly and regularly given as required by law, this 11th day of July, 2013.

BOARD OF REGENTS, UNIVERSITY OF  
WASHINGTON

By \_\_\_\_\_

Attest:

By \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Stacey Crawshaw-Lewis  
Special Assistant  
Attorney General  
State of Washington

**Exhibit A**

**Description of Refunding Candidates**

<b>Issuer</b>	<b>Bond Name</b>	<b>Original Principal Amount</b>	<b>Outstanding Principal Amount (as of June 30, 2013)</b>
State of WA	1992B General Obligation HE-UW	\$11,275,000	\$3,795,000
State of WA	1992B General Obligation UW	16,105,000	5,420,000
State of WA	1993B General Obligation HE-UW	7,965,000	2,920,000
State of WA	1998C General Obligation HE-UW (Harborview R&T)	9,420,000	5,755,000
State of WA	1998C General Obligation HE-UW (Ocean Science Building)	8,935,000	5,455,000
State of WA	2004A General Obligation UW	19,325,000	615,000
State of WA	2004D General Obligation UW	7,745,000	245,000
State of WA	2006A General Obligation HE-UW (R-1994A)	12,400,000	4,805,000
State of WA	2006A General Obligation UW (R-1994A)	13,955,000	5,405,000
State of WA	2006A General Obligation UW (R-2000A)	49,880,000	43,650,000
State of WA	2007 General Obligation HE-UW (R-1997E)	710,000	510,000
State of WA	2007C General Obligation HE-UW (R-1998A (R-1992A))	1,835,000	635,000
State of WA	2007C General Obligation UW (R-1998A (R- 1992A))	1,935,000	670,000
State of WA	2010 Certificates of Participation 77 (R-1999 COP 24)	3,415,000	2,645,000
State of WA	2010 Certificates of Participation 78 (R- 2001A COP 24b)	1,070,000	805,000
State of WA	2010A General Obligation HE-UW (R-1999A (R-1992A))	1,975,000	1,975,000
State of WA	2010A General Obligation HE-UW (R-1999B)	23,385,000	18,715,000
State of WA	2010A General Obligation UW (R-1999A (R- 1992A))	2,070,000	2,070,000
State of WA	2010B General Obligation UW (R-2001C)	3,610,000	3,260,000
State of WA	2011 Certificates of Participation 87 (R- 2001B COP 28)	3,590,000	3,045,000
State of WA	2011 Certificates of Participation 88 (R- 2001D COP 35)	2,100,000	1,780,000
State of WA	2011 Certificates of Participation 89 (R- 2002A COP 36)	2,915,000	2,480,000
State of WA	2011 Certificates of Participation 90 (R- 2002E COP 40)	1,705,000	1,460,000
State of WA	2011A General Obligation UW (R-2002A)	25,925,000	24,460,000
State of WA	2011A General Obligation UW (R-2002B)	3,915,000	3,615,000



State of WA	2011B General Obligation UW (R-2002A)	6,010,000	6,010,000
State of WA	2011B General Obligation UW (R-2002B)	2,995,000	2,995,000
State of WA	2011B General Obligation UW (R-2003D)	3,980,000	3,855,000
State of WA	2011B General Obligation UW (R-2004A)	5,880,000	5,840,000
State of WA	2012A General Obligation UW (R-2003D)	1,540,000	1,490,000
State of WA	2012A General Obligation UW (R-2004A)	2,900,000	2,880,000
State of WA	2012A General Obligation UW (R-2004D)	2,750,000	2,715,000
State of WA	2012C General Obligation UW (R-2003D)	1,870,000	1,870,000
State of WA	2012C General Obligation UW (R-2004A)	4,400,000	4,400,000
State of WA	2012C General Obligation UW (R-2004D)	2,475,000	2,475,000
State of WA	2013C General Obligation HE-UW (R-2006A (R-1994A))	5,380,000	5,380,000
State of WA	2013C General Obligation UW (R-2006A (R-1994A-UW))	6,055,000	6,055,000
TSB			
Properties	2006 Lease Revenue Bonds TSB Properties	17,525,000	15,115,000
	2005 Student Facilities Fee Refunding Rev		
University	Bonds	43,610,000	38,570,000
University	2006 UWT Bank of America Term Loan	3,100,000	2,316,742.46
University	2007 General Revenue Bonds	138,405,000	138,405,000
University	2008 General Revenue Bonds	90,975,000	63,610,000
University	2009 General Revenue Bonds (Taxable Build America Bonds)	75,835,000	75,835,000
University	2009B General Revenue Bonds (Taxable Build America Bonds)	77,710,000	77,710,000
University	2010A General Revenue Bonds (Tax-Exempt)	20,265,000	17,985,000
University	2010B General Revenue Bonds (Taxable Build America Bonds)	144,740,000	144,740,000
University	2011A General Revenue Bonds	211,370,000	204,410,000
University	2012A General Revenue Bonds (Tax-Exempt)	233,390,000	232,795,000
University	2012B General Revenue Bonds (Taxable)	34,185,000	33,180,000
University	2012C General Revenue Bonds	299,425,000	299,425,000
WBRF 3	2010B Lease Revenue Bonds WBRF 3 – Build America Bonds	151,745,000	151,745,000
WBRF 3	2010C Lease Revenue Bonds WBRF 3 - Taxable	13,205,000	13,205,000
WEDFA	2004A Lease Revenue Bonds WBRP I	38,225,000	29,590,000
WEDFA	2005E Lease Revenue Bonds WBRP II	99,510,000	91,315,000
WEDFA	2006J Lease Revenue Bonds WBRP II	59,955,000	32,480,000

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee****Enterprise Risk Management Annual Report**

This presentation will allow for a discussion of the University of Washington's activities related to Enterprise Risk Management (ERM), including broader initiatives incorporating "risk-thinking" into selected initiatives, strengthening the fundamentals of the UW's program, as well as the top institutional risk areas—the primary focus over the next year.

To queue up this presentation, the UW's 2012 ERM Annual Report is attached. Please note Appendix 12 of the report, which is a presentation on UW's program to the Pacific Northwest Enterprise Risk Forum in November, 2012. This annual event includes attendees from both the public sector and industry. This presentation highlights similarities and differences in approaches to ERM between higher education, in particular, and private industry.

*Attachment*

University of Washington Enterprise Risk Management Annual Report 2012



UNIVERSITY *of* WASHINGTON



University of Washington

# ENTERPRISE RISK MANAGEMENT

## 2012 ANNUAL REPORT

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July 11, 2013

**TO: President Michael Young**

**FROM: President's Advisory Committee on Enterprise Risk Management**

**SUBJECT: Enterprise Risk Management 2012 Annual Report**

This has been an incredible year for the growth in the Enterprise Risk Management (ERM) program at the University of Washington (UW). We have seen broader consideration of risk in decision-making and the continued evolution in the use of metrics and data to evaluate operational effectiveness and strategic initiatives.

We look back at 2012 as a year of significant progress in advancing the maturity of our enterprise-wide risk management processes. This year's growth in UW ERM arises from President's Advisory Committee on Enterprise Risk Management (PACERM) meetings, small group discussions, and use of real-time audience response survey instruments and industry best practices to identify the top 15 most important risks facing the institution. In total, we engaged more than 60 UW senior leaders, including the Compliance, Operations and Finance Council (COFi Council), and other subject matter experts to refine over 70 institutional performance measures, identify tolerance, and most critically, to engage stakeholders in developing consensus. This will establish an important baseline to support targeted mitigation going forward.

Additional efforts, with leadership from Finance and Facilities and the Office of Planning and Budgeting, made significant progress to develop a financial forecasting model that will enable data-driven analysis of strategic opportunities and risks.

The growth and accomplishments of ERM in 2012 are a direct reflection of your interest in this work. We appreciate the support and input you have provided as we have developed, for example, more robust institutional metrics and financial modeling, and your continued interest in ensuring safety on campus, and in encouraging continued expansion of a culture of compliance for the University community.

Over the next year, PACERM will continue refinement of the institutional metrics and top risks with dashboards to ease monitoring, with primary effort focused on analysis and mitigation of key areas of concern. We will also help to support efforts towards achieving institutional strategies and objectives using data to measure progress.

## I. EXECUTIVE SUMMARY

---

Events across college campuses, such as natural disasters, major compliance failures, technology breaches, and crime on or near campus, have an increasing number of college and university leaders re-examining their approaches to risk management in an effort to become better informed and more prepared to address emerging threats to their institutions.

The UW is no exception to these efforts. With its inception in 2006, the Enterprise Risk Management (ERM) program at the UW set out to achieve 8 key goals:

1. Integrate key risks into the decision-making deliberations of senior leaders and Regents,
2. Create an integrated, institution-wide approach to compliance,
3. Ensure that good information is available for campus community,
4. Create a safe way for interested parties to report problems,
5. Minimize surprises by identifying emerging compliance and risk issues,
6. Recommend solutions to appropriate decision-makers,
7. Check progress on compliance and risk initiatives, and
8. Maintain strong audit team with ability to proactively identify problems and collaboratively.

The ERM program itself has continued to evolve, developing structural mechanisms to support the 8 initial recommendations. For example, the President's Advisory Committee on Enterprise Risk Management, composed of executive leadership of the University, meet periodically to prioritize the risk areas for in-depth assessment, discuss key emerging risks, and share mitigation strategies. In addition, reporting to the PACERM, the Compliance-Operations-Financial Council, brings together campus compliance experts to identify compliance and risk issues, develop a common awareness of functional and strategic risks, and works to ensure good information is available to the University community with an ultimate goals to enhance and strengthen UW's culture of compliance while protecting the decentralized, collaborative, entrepreneurial nature of our institution. In response to the 8th recommendation, the internal audit unit was augmented with additional staff, including increased focus on the clinical enterprise, to strengthen the audit function.

The program continues to identify and incorporate best practices to assist in strengthening compliance, and most recently, to integrate metrics and data to facilitate the identification of top institutional risks. These efforts and others have led to increased management capability to address specific areas of concern and anticipate emerging risks.

The 2012 annual report highlights progress of the formal ERM program over the past year. In addition, and perhaps more importantly, this report summarizes and provides examples of broader institutional efforts to address both specific and strategic risk areas, demonstrating a growing institutional maturity and appreciation of incorporating best practices in risk assessment and mitigation. The report concludes with a look ahead to greater refinement of institutional success metrics, increased assessments of risks identified and continued expansion across the University to incorporate risk assessment into decision-making and strategic planning.

**Events across college campuses, such as natural disasters, major compliance failures, technology breaches, and crime on or near campus, have an increasing number of college and university leaders re-examining their approaches to risk management ...**

The work plan for 2013 – 2014, is to:

1. Quantify top risks, identify risk owners, and monitor with a dashboard that includes actionable metrics;
2. Charter efforts to address and mitigate selected top risk areas (e.g., lab safety);
3. Collect input from University executives about emerging risks, incorporating into existing dashboards; and
4. Select a limited set of key metrics to monitor the quality of the undergraduate education, financial health, core UW values, and mission-critical activities.

## II. STRENGTHENING MANAGEMENT OF RISK AT THE UW

---

### A. BACKGROUND

ERM at the UW began in 2006 by establishing a collaborative approach and structure to consider broad perspectives in identifying and assessing risk. This strategy has, in many respects, overcome common challenges with implementing ERM at universities, including:

- Addressing concerns about the real effectiveness of risk assessment,
- Moving past personal biases,
- Rationalizing (scarce) resource allocation; multiple bottom lines; multiple constituencies; inflexible funding and budget models,
- Getting agreement on definitions of impact,
- Seeking engagement from campus,
- Identifying risk “owners”,
- Establishing accountability for risk mitigation,
- Moving beyond risk “discussion” and focusing on mitigation, and
- Identifying incentives to spur unit-level action.

The structure established to address these concerns includes the *President’s Advisory Committee on Enterprise Risk Management (PACERM)* – senior leaders of the University whose role is to provide oversight for the ERM program, support improving the UW’s culture of compliance, discuss top risk issues, review institutional metrics, and recommend actions to the President. Reporting to the PACERM is the *Compliance, Operations, and Financial Council (COFi Council)*. COFi Council was created to nurture a more comprehensive institutional perspective on compliance, operations, and financial risk issues.

The first five years in the evolution of enterprise risk management at the UW were formative and included the following key activities:

- Developed a common language around risk,
- Conducted over 30 individual risk assessments, some focused on key opportunities and initiatives, including major research proposals,
- Focused discussion and mitigation of the Great Recession,
- Compared institutional financial strength (as gauged by Moody’s Investor Services) against peers, and
- Drafted an initial compendium of enterprise-wide success metrics.

### B. 2012: MATURING THE “CULTURE OF COMPLIANCE”, IMPROVING SAFETY OF THE COMMUNITY AND TRANSFORMING ADMINISTRATIVE INFRASTRUCTURE

During the last year, the UW has demonstrated a broader utilization and alignment of “risk thinking” into a number of efforts across the institution, many coordinated external to the formal ERM program and structure and utilizing a variety of approaches, including:

- Establishing new, and or improving existing processes;
- Benchmarking emerging risks against peers and best practices<sup>1</sup>; and/or
- Eliminating risks altogether.

These activities underscore the growing ability of senior leaders and managers at the UW to identify risks, take action as needed and to monitor effectiveness of mitigation. In addition, these efforts suggest a maturation of the culture to a more sophisticated approach to managing compliance responsibilities, in ensuring the day-to-day safety of the university community, and in evaluating key institutional projects to transform critical administrative infrastructure.

<sup>1</sup> A Practical Approach to Institutional Risk Management, Educational Advisory Board, University Business Executive Roundtable Risk Register 2012

## Compliance

Although one is never “done” with compliance and a more integrated focus on compliance continues to evolve, the UW considers its role as a steward of the public’s trust and resources as a critical component to successfully achieving its mission. Key areas, such as research, patient care, athletics, instruction and finance all have active and formal mechanisms for monitoring compliance with both internally and externally imposed requirements. The “tone at the top” at the University of Washington supports the commitment to excellence in this regard, to expanding the culture of compliance, and working towards instilling a sense that good stewardship is everyone’s responsibility. Specific efforts over the last year to strengthen compliance in key areas include the following:

- **Title IX:** The Office of Risk Management established a program to coordinate assistance to units to ensure gender equity in academic programs.
- **Animal care:** Planning was initiated to develop a new multi-species Animal Research and Care Facility on campus to further advances in science and medicine and to strengthen compliance. The intent is to create a more centralized, efficient and flexible facility to address current and future research needs.
- **State procurement reform:** UW Financial Management staff played a leadership role in assisting the new Washington State Department of Enterprise Services to develop an innovative, risk-based approach to regulatory oversight over the purchase of goods and services in State government, including higher education. This model moves away from a one-size-fits-all approach to accountability and extends greater consideration of risk mitigation capabilities within agency procurement programs.

## Safety

The UW is both a safe place to work, study and visit, and a place where continuous improvement in ensuring a safe community will always be a critical foundation to support all other activities. For example, the UW Police Department’s (UWPD) statistics demonstrate that overall, incidents of crime have decreased over the last 5 years.<sup>2</sup>

Capital construction experienced its second busiest year on record in 2012, while at the same time, achieving a long standing goal of having a total incident rate of less than 2 (e.g., 1.41). Lost time incident rates also continued to decline, and are currently just 17% of the average for the State of Washington. Additional efforts to improve safety in 2012 and early 2013 included the following:

- **Safety of minors:** An assessment coordinated by the Office of the President evaluated current programs and policies involving minors, and documented additional opportunities to strengthening existing protocols.
- **Student mental health:** Additional staff added in Student Life to manage increased demand for student mental health services.
- **Sexual assault prevention and response:** A committee charged by President Young in early 2013 to assess current protocols and where appropriate, draft an action plan to improve prevention and response to sexual assaults on campus.
- **Violence prevention and response program (VPRP):** Human Resources expanded its training efforts in 2012 by joining with the UWPD to successfully pilot active shooter response training.
- **Laboratory safety risk framework:** A pilot effort will be launched to develop a risk-based approach to manage safety in laboratories, identifying key elements and mechanisms necessary for achieving lower risk profiles within labs.
- **Patient care:**
  - Advancement of an electronic dashboard tool for monitoring and reporting of the UW Medicine Patients Are First. The dashboard incorporates quality & safety data, with drill-down capabilities for physician quality of care and patient satisfaction data.
  - Successful completion of the first series of Patient Safety Innovation Program (PSIP) grants for promising pilot projects that promote collaboration between clinicians and researchers to explore solutions to patient safety and quality of care challenges. An example of a recently completed project is “Highlighting Radiology Critical Results in UW Medicine Electronic Medical Records Systems”.

<sup>2</sup>[www.washington.edu/admin/police/statistics\\_reports/AnnualReport.pdf](http://www.washington.edu/admin/police/statistics_reports/AnnualReport.pdf)



## Infrastructure Management and Administrative Transformation

Over the last several years, numerous efforts have focused on strengthening administrative infrastructure. In particular, as central and departmental budgets have contracted in recent years, in many respects, institutional leaders have stepped up efforts to reduce administrative burden for faculty and students, streamline and even enhance where possible, administrative support. Many of these efforts are the result of new or enhanced technologies, which have also provided new tools to strengthen compliance protocols. Innovative approaches, such as the use of Lean process improvement in Finance and Facilities, have yielded positive results, such as significant reduction in backlogs in post award grants management and in processing traffic citation appeals. Other activities, such as improved IT security and the initial phase to modernize human resource/payroll technology, have explicitly incorporated risk assessments as part of the standard approach to decision-making. Examples of these efforts include the following:

- **Information technology security:**
  - Collaboration between Office of the Chief Information Security Officer and the Office of Risk Management to obtain information security and privacy insurance.
  - Development of a risk assessment tool to help business units assess risks and make informed decisions about information security and privacy.
  - Improved spam detection and mitigation capabilities, deploying new tools to help identify malicious network traffic.
- **Strategic Initiatives:**
  - Human Resource / Payroll Modernization Project: Risk assessment conducted to identify risks of not replacing the current payroll system in addition to identifying project specific risks and corresponding mitigation activities.
  - Procure to Pay Initiative: Utilizing Lean, Procurement Services in Financial Management/Finance and Facilities continued efforts to transform procurement at the UW to a fully integrated and on-line process. These efforts have significantly enhanced internal controls and compliance by eliminating duplicate entry, enhancing automating approvals, increasing data and information to campus, and reducing cost of goods and services.
  - Consolidating Administrative Support Services: Expansion of efforts in College of Arts and Sciences and School of Medicine to streamline support and strengthen compliance for payroll, procurement, pre-award grants management and visa processing.
  - 2012 Legislative Session Administrative Efficiencies: Led by administrative leaders from the UW, and in coordination with other state higher education institutions and the Council of Presidents, efforts successfully achieved legislative relief benefitting procurement, travel reimbursement, and payroll processes.

## C. STRENGTHENING ERM FUNDAMENTALS

In addition to specific efforts that demonstrate a broader adoption of risk-based decision-making, the fundamental structures and systems to support effective management of enterprise risk continue to evolve. Over the last year, capabilities to manage operational and financial health have deepened with the planned launch of *UW Profiles*, an initial release of a robust financial forecasting model, and selected “dashboards for success” built from the Compendium of Enterprise Metrics (See **Figure 1** on page 7).

These tools, developed using best practices, are intended to be dynamic, and were coordinated with broad input and support from individuals and units across the UW and, to the extent possible, come from common data sets and definitions. However, much of the data is sourced to unit-specific databases and other repositories that aren’t widely accessible. Thus, the longer term goal is to consolidate the data in the Enterprise Data Warehouse (EDW) to enable efficient and consistent access to metrics, data, and reports generated using these tools.

**Innovative approaches, such as the use of Lean process improvement, have yielded positive results...**

### Financial Forecasts

Effective and robust forecasting at the institutional level has, up to this point, been somewhat elusive, primarily due to the lack of a usable tool to model the complexities of the UW. Yet, the ability to project how decisions impact “the bottom line” is more critical now than ever. A single, significant financial setback can wreak havoc on the finances and operations of any organization. At the UW, the Great Recession confirmed that a perfect storm of concurrent and devastating economic events can significantly strain resources, impact operations and individuals, and stifle strategic priorities and initiatives.

The events of 2008-2010 impacted every revenue stream supporting the mission, including State appropriations and federal student financial aid, research, and payments for patient care. In addition, activities were further constrained by low investment returns and philanthropy negatively impacted by the economy. While robust scenario planning may not have predicted the actual events that occurred, the ability to effectively model individual as well as simultaneous events, based on real data, may have provided a window into potential impacts and created a broader platform for discussion and action that could have lessened the impact. For that reason, in 2012, Finance and Facilities, in collaboration with Planning and Budgeting and other partners, began implementation of a financial projection tool called Future Perfect.

**Future Perfect is a comprehensive, fully integrated tool that will enable campus-wide planning into a single institutional point of view.**

Future Perfect is a strategic/financial planning platform specifically developed to accommodate the complexities of colleges and universities. It is a comprehensive, fully integrated tool that will enable campus-wide planning into a single institutional point of view. It facilitates modeling varied and/or concurrent scenarios, such as changes in enrollment, research and workforce volumes, auxiliary cash flow adjustments and investment opportunities, and possible financial stresses. The intent is to inform proactive and more targeted decision-making, based on data-driven scenarios that align with the actual finances of the University.

The expected completion of the initial phase of implementation incorporating institution-level financial data is scheduled for early Summer 2013. Follow-on phases will be focused on integrating unit level data to enable more effective decision-making by Deans and other senior leaders.

### UW Profiles

This effort by the Office of Planning and Budgeting, will provide current metrics and data for academic and central units focused on key areas of excellence, strategy and potential concerns. The tool is built on data visualization tools with charts and graphs that will allow senior leaders and others to select reports and measures they care about, as well as provide a platform for conducting ad hoc investigative analysis. The target date for first release is Fall 2013 and initial elements will include:

- Academic Measures: student credit hours, degrees granted, enrolled majors,
- Financial Measures: funding mix, research dollars, overall financial viability, and
- Human Resource Measures: full time employees, and other employee counts.

Future releases may include (many of these rely on new data being added to the EDW):

- Faculty workload,
- “Cost per ...” measures (cost per student, cost per course, etc.),
- Space usage, and
- Turnover statistics.

### Dashboards for Success

In 2011, a collaborative effort involving key PACERM members, Provost Cauce and President Young, resulted in the development of a compendium of institutional metrics, or key performance indicators (KPIs) focused on broad elements of stability and success as identified by Moody’s Investor Services (See **Appendix 4**).

The next phase of this effort draws from the compendium KPIs, and forms the basis for consolidating various “views”, or dashboards of selected measures into a single page-view of operational and financial health, top institutional risks, and key initiatives (See **Appendix 5**). PACERM will take an active oversight

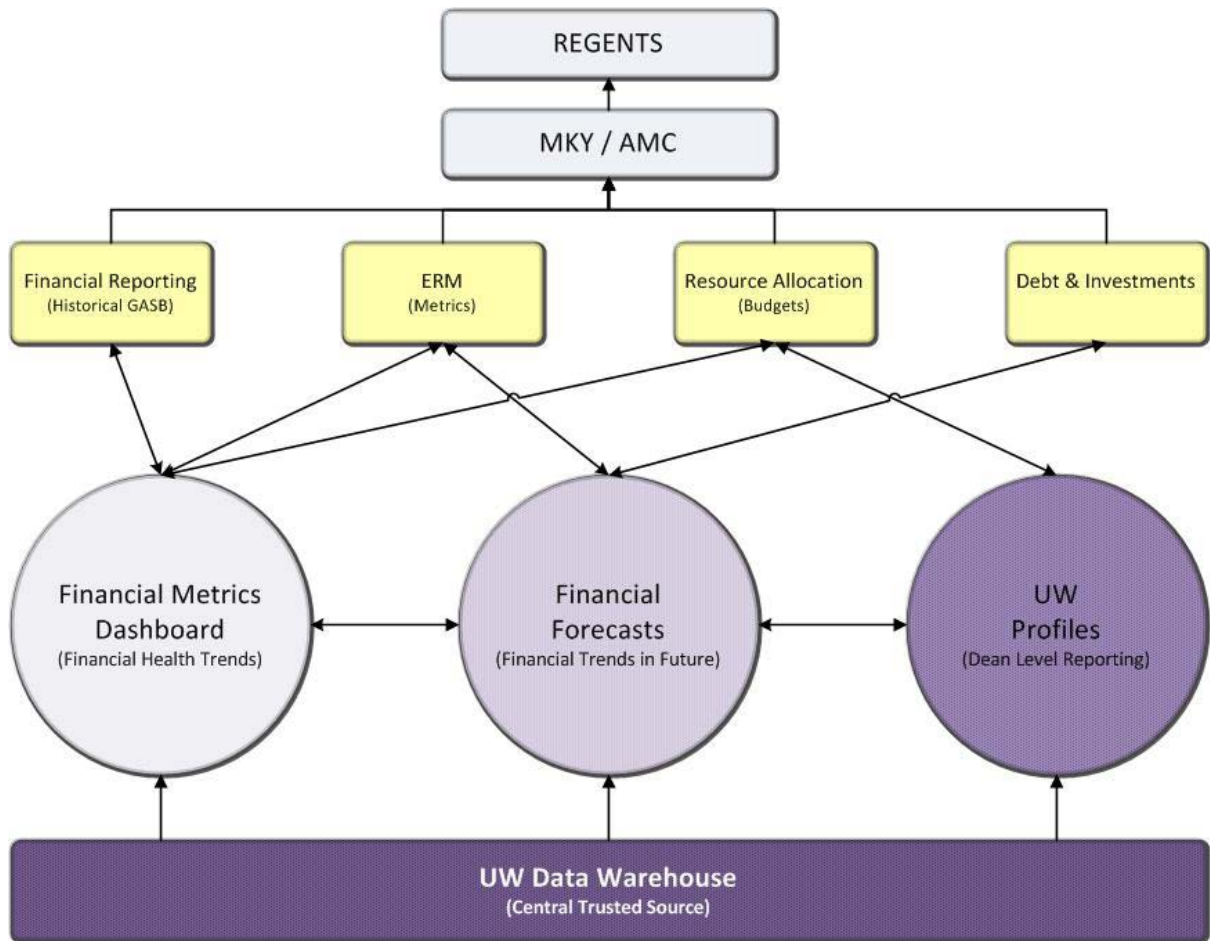
role in using risk-based dashboards to monitor current indicators and trends over time and to charter groups such as the COFi Council to address specific risk areas. The dashboards will also be used for communicating key data supporting institutional health, as well as progress on strategies and risk mitigation activities to the President, Provost and other stakeholders.

As a follow-on to their 2011 effort, in early 2013, Moody's Investors Service revised its outlook for the entire US higher education sector to negative, marking a shift to negative from stable for even leading research universities. And while the credit rating for the UW remains Aaa, the reliance on federal funding sources suggests more scrutiny as a result of expectations that government support will be stagnant or negative for several years<sup>3</sup>.

According to Moody's, five critical factors contribute to the negative outlook:

1. Price sensitivity continues to suppress net tuition revenue growth,
2. All non-tuition revenue sources are strained; diversity no longer offers a safe haven,
3. Rising student loan burden and defaults taint perception of value of a college degree,
4. Increased public scrutiny drives escalated risk of more regulation and accreditation sanctions, and
5. Prospects for long term sustainability depend upon strong leadership through better governance and management.

**Figure 1: Measuring Financial Health**



<sup>3</sup>U.S. Higher Education Outlook Negative in 2013. Moody's Investors Service, January 16, 2013

### III. TOP INSTITUTIONAL RISKS

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Like most large research universities, the UW is a very decentralized institution divided into academic units (e.g., schools and colleges) and administrative units (e.g., core services and support functions). While individual units have generally and, in most cases, effectively managed risks within their functional areas, until recently, a common view of top risks facing the UW did not exist, particularly those risk areas that cross functional silos.

Using best practice methodology and beginning with an analysis of over 400 risks identified by higher education leaders throughout the US<sup>4</sup>, the PACERM and COFi Council, along with feedback from the President and Provost, narrowed the list of 400 to the top 15 risk areas by evaluating each one for likelihood, impact, velocity and vulnerability (See **Table 1** on page 9). While the risks identified in these preliminary rankings are not necessarily unique to the University of Washington, developing consensus amongst senior leadership to establish baseline is critical to inform, prioritize and support next steps towards mitigation.

The preliminary assessment suggests, at this point, there are no risk areas that rank “extreme”. Yet, if “high” or “substantial” ranking risks are left unattended, they could have significant impacts over time. Therefore, a thoughtful, yet expedient and systematic approach to better understanding these top

risks, including internal controls and metrics evaluating current state will help inform appropriate prioritization of mitigation activities. Risk owners will be identified and, depending on the prioritization, may be chartered by PACERM to develop additional efforts to reduce risk. These efforts will be the primary focus of the 2013–14 ERM work plan. By way of one example already in early planning stages, in 2013 – 14, the PACERM will pilot an approach to mitigation utilizing an innovative risk-based model focused on strengthening safety in research laboratories. This approach employs a collaborative structure to foster ownership, understanding, and compliance and most importantly, how laboratory staff can achieve a lower risk environment. This is an extremely critical area supporting the research enterprise with significant compliance requirements. So, if using this approach proves successful, it can be expanded to address other top risk areas.

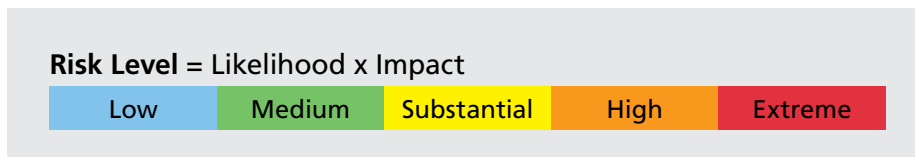
The top risks, particularly those with active mitigation efforts, will be incorporated into a dashboard to facilitate monitoring by PACERM and expanded, as appropriate, to accommodate any emerging risks, and it provides a helpful basis for communicating risk issues to the broader UW community, stakeholders, and the Board of Regents.

**The preliminary assessment suggests, at this point, there are no risk areas that rank “extreme”. Yet, if “high” or “substantial” ranking risks are left unattended, they could have significant impacts over time.**

<sup>4</sup> A Practical Approach to Institutional Risk Management, Educational Advisory Board, University Business Executive Roundtable Risk Register 2012

**Table 1:** Top 15 risks facing the UW for 2013 – 2014

<b>Changing demographics</b>	
Substantial	Ability to recruit and retain top faculty, students and staff
<b>Changing revenue streams</b>	
High	Decline in competitive advantage diminishes research funding
High	Ability to adapt to changing revenue streams
Substantial	Ability to meet enrollment and yield rates
<b>Maintaining safety</b>	
High	Safety (e.g., workplace, student and patient environment, laboratories, and campus community)
Substantial	Earthquake (e.g., the “big one”)
<b>Increasing cost of regulatory compliance</b>	
High	Information systems assurance: loss, corruption or compromise of institutional data and intellectual property
Substantial	Federal grant regulations
Substantial	Environmental and occupational health, lab safety, and hazardous materials regulations
Substantial	Academic, scientific misconduct, research integrity policies and regulations
Substantial	Healthcare regulations
Substantial	Animal research regulations
<b>Aging infrastructure and operational systems</b>	
High	Age of IT systems and facilities
Substantial	Information security and back up
Substantial	Capital construction costs reduce financial flexibility for campus projects



For more information about risk level, see **Appendix 8**.

## IV. CONCLUSION

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This has been a year of evolution for the UW's ERM program, with great strides made in addressing specific areas of risk and in strengthening the foundations of the program with data, metrics and information for more informed decision-making.

The next year will focus on refinement of top risks, continued build-out of metrics and data for financial profiling and projections, strengthening stewardship and compliance, and finally, to continue to encourage the integration of risk based thinking into decision-making at all levels. Institution-wide risks will be prioritized and mitigation efforts advanced in a thoughtful and candid manner. In support of

these objectives, the ERM program itself will focus on coordinating discussion, assisting in the development of facts and data to augment solid judgment and expertise, and to help drive action.

**Institution-wide risks will be prioritized and mitigation efforts advanced in a thoughtful and candid manner.**

Effective management of an ever-increasing institutional risk profile with engagement at all levels will be critical in maintaining an environment that enhances excellence and discovery by faculty, students and staff. These ingredients will be critical in ensuring the UW can continue making important contributions to society and build on its status as a world-class institution for research, learning and service.

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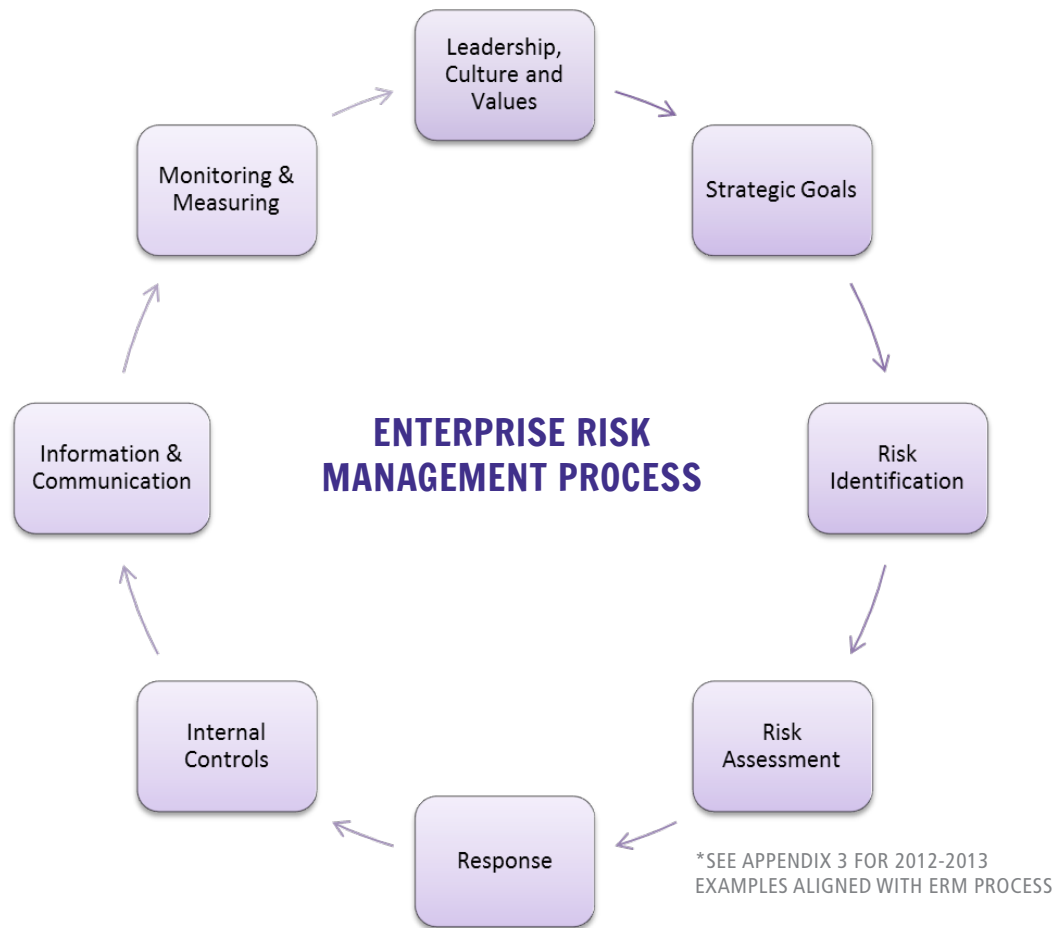
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## APPENDIX 1: ROLES WITHIN THE ERM GOVERNANCE STRUCTURE

UW Units	<b>Take and Manage Risks</b>	<ol style="list-style-type: none"> <li>1. Ownership of activities which give rise to risk</li> <li>2. Risk and/or opportunity identification and unit level assessments</li> <li>3. Develop strategies and take action to mitigate risks</li> <li>4. Encouraged to share assessment results with ERM program</li> </ol>
ERM Program	<b>Monitor and Aggregate</b>	<ol style="list-style-type: none"> <li>1. Establish ERM framework, standards, and templates</li> <li>2. Monitor and participate in risk committees for the purpose of providing the enterprise view</li> <li>3. Provide admin. support, summary information and analysis to COFi and PACERM</li> <li>4. Train the trainer</li> </ol>
COFi Council	<b>Oversee</b>	<ol style="list-style-type: none"> <li>1. Oversight over functional areas of risk</li> <li>2. Identify and prioritize cross-functional issues (e.g., risks, responses, internal controls, measures)</li> <li>3. Identify topics for outreach</li> </ol>
PACERM	<b>Advise</b>	<ol style="list-style-type: none"> <li>1. Advise the University President on management of risks and opportunities which may significantly impact strategic goals or priorities</li> <li>2. Recommend policy changes or actions to reduce risk</li> <li>3. Oversight of entity level assessments</li> <li>4. IT project quarterly review</li> </ol>
Internal Audit	<b>Validate</b>	<ol style="list-style-type: none"> <li>1. Independent verification and testing of internal controls</li> <li>2. Oversight of changes in audited units (e.g., Internal Audit risk map)</li> <li>3. Provide admin. support, summary information and analysis to COFi</li> </ol>
UW President and Provost	<b>Acknowledge</b>	<ol style="list-style-type: none"> <li>1. Verbally acknowledge key documents such as: <ul style="list-style-type: none"> <li>• ERM Framework</li> <li>• PACERM and COFi Council Charters</li> <li>• Entity level assessments</li> <li>• Reports to Regents</li> </ul> </li> <li>2. Integrate PACERM advice into UW strategic priorities</li> <li>3. Establish policies and procedures based on PACERM recommendations</li> </ol>



## APPENDIX 2: ENTERPRISE RISK MANAGEMENT PROCESS OVERVIEW



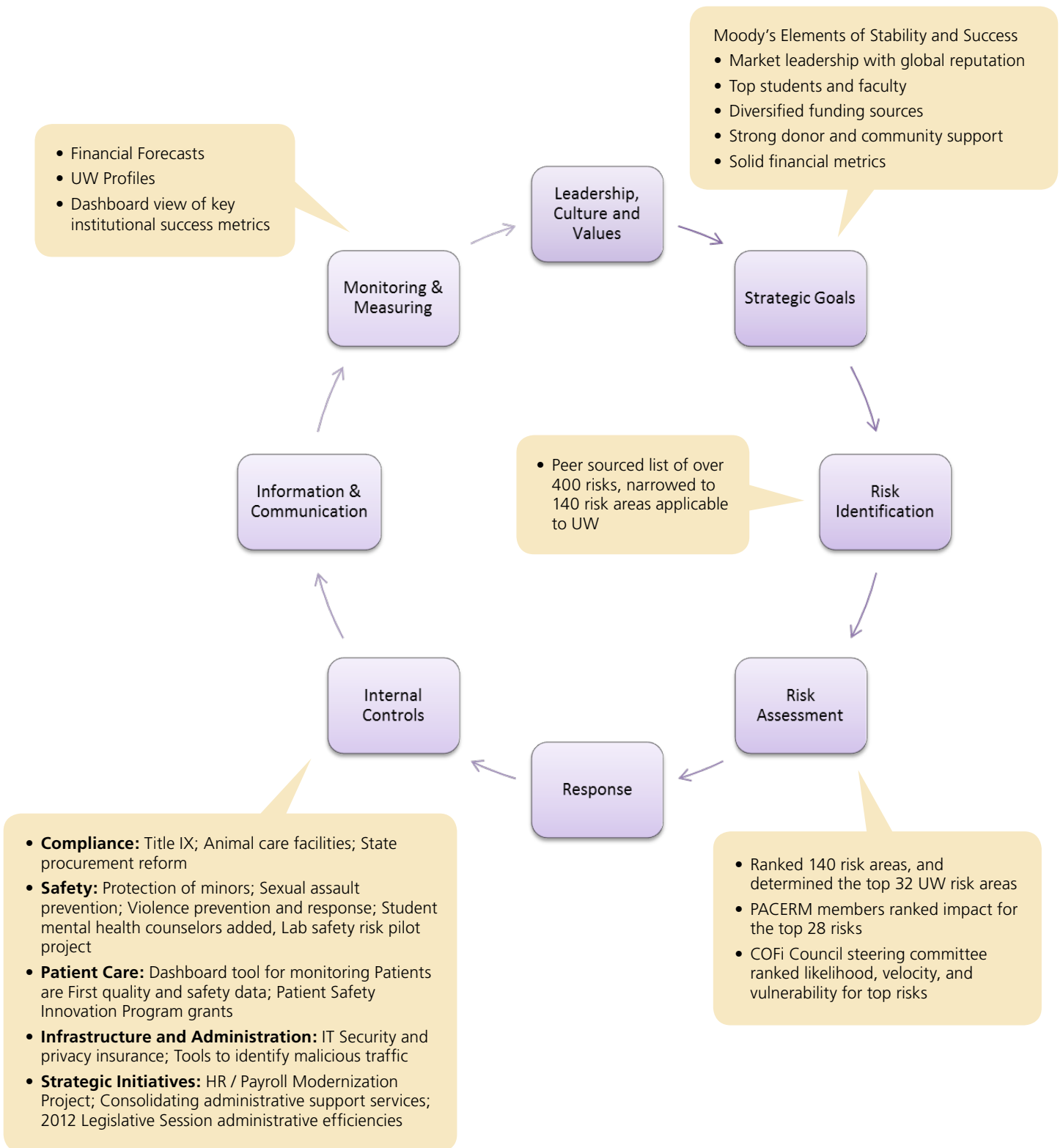
Enterprise Risk Management<sup>5</sup> (ERM) is "...a process, effected by an entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives."

The UW ERM process is illustrated broadly in this chart. It includes eight interrelated process steps that consist of:

- **Setting** the tone at the top with Leadership, Culture and Values,
- **Establishing** context, and the basis for how risk is viewed,
- **Identifying** risks, or the harm we are trying to avoid,
- **Assessing** risks using a central focus and common language,
- **Aligning** response options with the level of risk,
- **Documenting** internal controls for top risks,
- **Communicating** with stakeholders and implementing response plans,
- **Monitoring** and measuring to ensure responses have been carried out as intended.

<sup>5</sup>Committee of Sponsoring Organizations (COSO). Enterprise Risk Management—Integrated Framework: Executive Summary. COSO, New York, 2004.

## APPENDIX 3: 2012-2013 ENTERPRISE RISK MANAGEMENT ACHIEVEMENTS



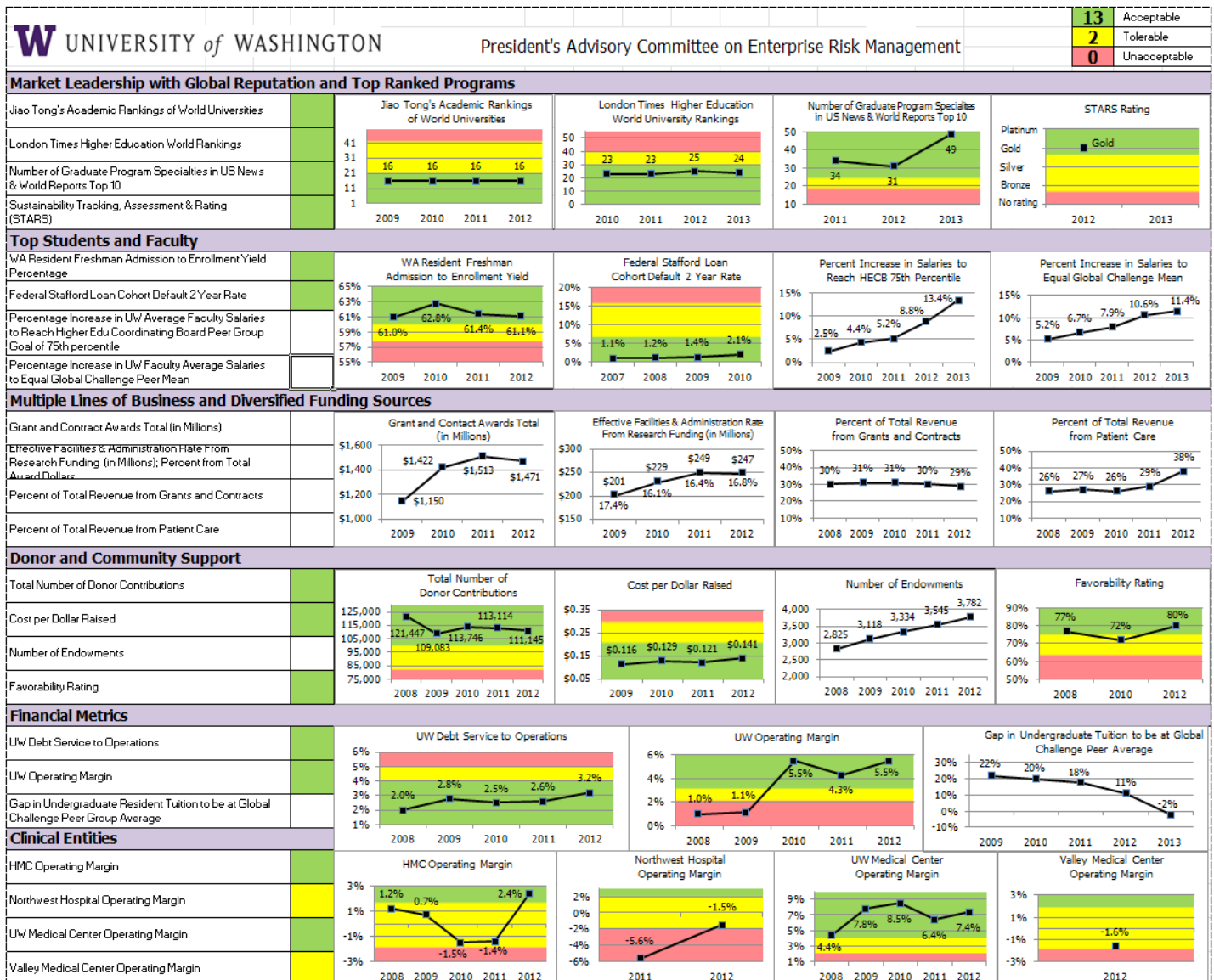
## APPENDIX 4: MOODY'S INVESTORS SERVICES ELEMENTS OF STABILITY AND SUCCESS

The corresponding areas of focus represent **criteria for stability as identified by Moody's Investor Services**<sup>6</sup>. The associated metrics communicate quantitative information to senior leadership about key areas of excellence, strategy and potential concern.

1. Market leadership with global reputation and top-ranked programs
2. Top students and faculty
3. Multiple lines of business and diversified funding sources
4. Strong donor and community support
5. Solid financial metrics

## APPENDIX 5: DASHBOARD VIEW OF KEY ENTERPRISE METRICS FOR INSTITUTIONAL SUCCESS

NOTE: Although this information represents actual UW data, it is for illustrative purposes. It is intended to demonstrate how tolerance is set (e.g., internally or externally) and displayed in dashboard format. The dashboard is "preliminary" and does not reflect the final metrics PACERM has agreed to monitor for institutional success.



<sup>6</sup> Moody's Affirms University of Washington's Aaa Rating; Outlook Revised to Stable from Negative. Moody's Investors Service, January 2, 2012

## **APPENDIX 6: PRESIDENT'S ADVISORY COMMITTEE ON ERM 2011 – 2012 MEMBERSHIP**

Ana Mari Cauce, *Provost and Executive Vice President, PACERM Co-Chair*

V'Ella Warren, *Senior Vice President, Finance & Facilities, PACERM Co-Chair*

David Anderson, *Executive Director, Health Sciences Administration*

Sandra Archibald, *Dean, Evans School of Public Affairs*

Cheryl Cameron, *Vice Provost for Academic Personnel, Office of the Provost*

Kenyon Chan, *Chancellor, UW Bothell*

Gary Farris, *Interim Dean and Vice Provost, The Graduate School*

Eric Godfrey, *Vice President and Vice Provost, Student Life*

James Gregory, *Chair, Faculty Senate*

Randy Hodgins, *Vice President, Office of External Affairs*

Gary Ikeda, *Division Chief, Attorney General's Office*

Paul Jenny, *Vice Provost, Office of Planning and Budgeting*

Mindy Kornberg, *Vice President, Human Resources*

Connie Kravas, *Vice President, University Advancement*

Mary Lidstrom, *Vice Provost for Research, Office of Research*

Gerald Miller, *Chair, Faculty Council on Research*

Harlan Patterson, *Vice Chancellor for Administrative Services, UW Tacoma*

Shondell Reed, *Senior Associate Athletic Director, Intercollegiate Athletics*

Rakesh Saini, *Graduate and Professional Student Senate, University of Washington*

Joseph Salama, *Associate Students of the UW, University of Washington*

Johnese Spisso, *Vice President for Medical Affairs, UW Medicine*

Robert Stacey, *Dean, College of Arts and Sciences*

Tom Stritikus, *Dean, College of Education*

Kellye Testy, *Dean, School of Law*

Kelli Trosvig, *Vice President and Vice Provost, UW Information Technology*

Support provided by Joanne Matson, *Office of the Senior Vice President*

## **APPENDIX 7: COMPLIANCE, OPERATIONS, AND FINANCE COUNCIL 2011 – 2012 MEMBERSHIP**

Richard Cordova, *Internal Audit, Facilitator*

Ann Anderson, *Financial Management*

James Angelosante, *Facilities Services*

Kirk Bailey, *Office of the CISO*

Sue Camber, *Financial Management*

Jeff Cheek, *Office of Research*

Elizabeth Cherry, *Risk Management*

Sue Clausen, *UW Medicine*

Marilyn Cox, *UW Bothell*

Walt Dryfoos, *University Advancement*

Virjean Edwards, *Office of the Registrar*

Darlene Feikema, *College of Environment*

Jessie Garcia, *Human Resources*

Sara Gomez, *UW Information Technology*

David Green, *School of Medicine*

Shelley Kostrinsky, *Academic Personnel*

Jack Lee, *Faculty Senate Representative*

Kay Lewis, *Student Life*

Richard Meeks, *UW Medicine*

Todd Mildon, *Planning and Budgeting*

Karen Moe, *Human Subjects Division*

Kyle Pifer, *Intercollegiate Athletics*

Linda Nelson, *College of Arts and Sciences*

Nona Phillips, *Office of Animal Welfare*

Gary Quarfoth, *Planning and Budgeting*

Carol Rhodes, *Office of Sponsored Programs*

Ben Robinson, *School of Public Health*

Jan Rutledge, *UW Tacoma*

Marcia Rhodes, *Health Sciences Risk Management*

Clark Westmoreland, *Educational Outreach*

Jude Van Buren, *Environmental Health and Safety*

### **Advisors**

Andrew Faris, *Enterprise Risk Management*

Charlene Hansen, *Internal Audit*

Kerry Kahl, *Enterprise Risk Management*

Dina Yunker, *Attorney General's Office*

Support provided by Tamara Young, *Internal Audit*

## APPENDIX 8: TOOLS TO EVALUATE RISKS

Assessing risks consists of assigning values to each risk using defined criteria. To be effective and sustainable, the risk assessment process needs to be simple and easy to understand.

Risk assessment is essential to establish and foster an active dialogue between the Board of Regents and senior leaders about risk and how it informs decision making and better enable the Board to fulfill its oversight role.

To answer questions such as how fast could a risk arise and paint the full picture, ranking scales are provided for **likelihood, impact, velocity, and vulnerability**<sup>7</sup>.

Results will produce a risk summary picture that displays the level of risk associated with each option.

**Likelihood of Occurrence** (e.g., probability or frequency) is estimated by using a scale from 1 – 5. What do you think is the likelihood of risk occurrence?

Rank	Measures of Likelihood
- 1 - Rare	Not expected to occur in the next 5 years
- 2 - Unlikely	Could occur at some time in the next 5 years
- 3 - Possible	Might occur in the next 1 – 5 years
- 4 - Likely	Will probably occur at least once per year
- 5 - Almost Certain	Expected to occur more than once per year

**Impact from Occurrence** (e.g., consequence or severity) is estimated by using a scale from 1–5. When an event has multiple impacts, select the highest number for the measure of impact. What impact would a risk have?

Rank	Generic Meaning	Injuries	Interruption of Services	Financial Loss	Performance Loss	Reputation & Image
- 1 - Insignificant	Little or no impact on the achievement of goals or capability	No injuries	< ½ day	< \$5M or < 1% of GOF/DOF Budget	Up to 5% variation to Key Performance Indicators (KPI)	Unsubstantiated, low impact, low profile or no news items
- 2 - Minor	May degrade the achievement of some goals or capability	First aid treatment	½ – 1 day	\$5 - \$20M or up to 2% of GOF/DOF Budget	5 - 10% variation to KPI	Substantiated, low impact, low news profile
- 3 - Serious	Will degrade the achievement of some goals or capability	Medical treatment	> 1 day – < 1 week	\$20M - \$50M or 6% of GOF/DOF Budget	10 - 25% variation to KPI	Substantiated, public embarrassment, moderate impact, moderate news profile
- 4 - Disastrous	Significantly degrades the achievement of goals or capability	Death or extensive injuries	1 week – 1 month	\$50M - \$150M or < 18% of GOF/DOF Budget	25 - 50% variation to KPI	Substantiated, public embarrassment, high impact, high news profile, third party actions
- 5 - Catastrophic	Significant capability loss and the achievement of goals is unlikely	Multiple deaths or severe permanent disabilities	> 1 month	> \$150M or > 18% of GOF/DOF Budget	> 50% variation to Key Performance Indicators	Substantiated, public embarrassment, very high multiple impacts, high widespread news profile, third party actions

## APPENDIX 8: TOOLS TO EVALUATE RISKS (CONTINUED)

**Velocity of Impact** is estimated by using a scale from 1 – 5, and helps gauge how quickly risks create loss events. The faster a risk event manifests itself, the quicker a response is needed.

At which speed will the risk impact the University?

Rank	Measures of Velocity
- 1 - Very Slow	Onset of risk would be evident over a year or more
- 2 - Slow	Onset occurs within 5 – 12 months
- 3 - Medium	Onset occurs within a matter of 1 – 4 months
- 4 - Rapid	Onset occurs in a matter of days to a few weeks
- 5 - Very Rapid	Instantaneous onset with little or no warning

**Vulnerability<sup>8</sup>** is estimated by using a scale from 1 – 5, and refers to how susceptible an entity is to a risk event, in terms of preparedness, agility, and adaptability.

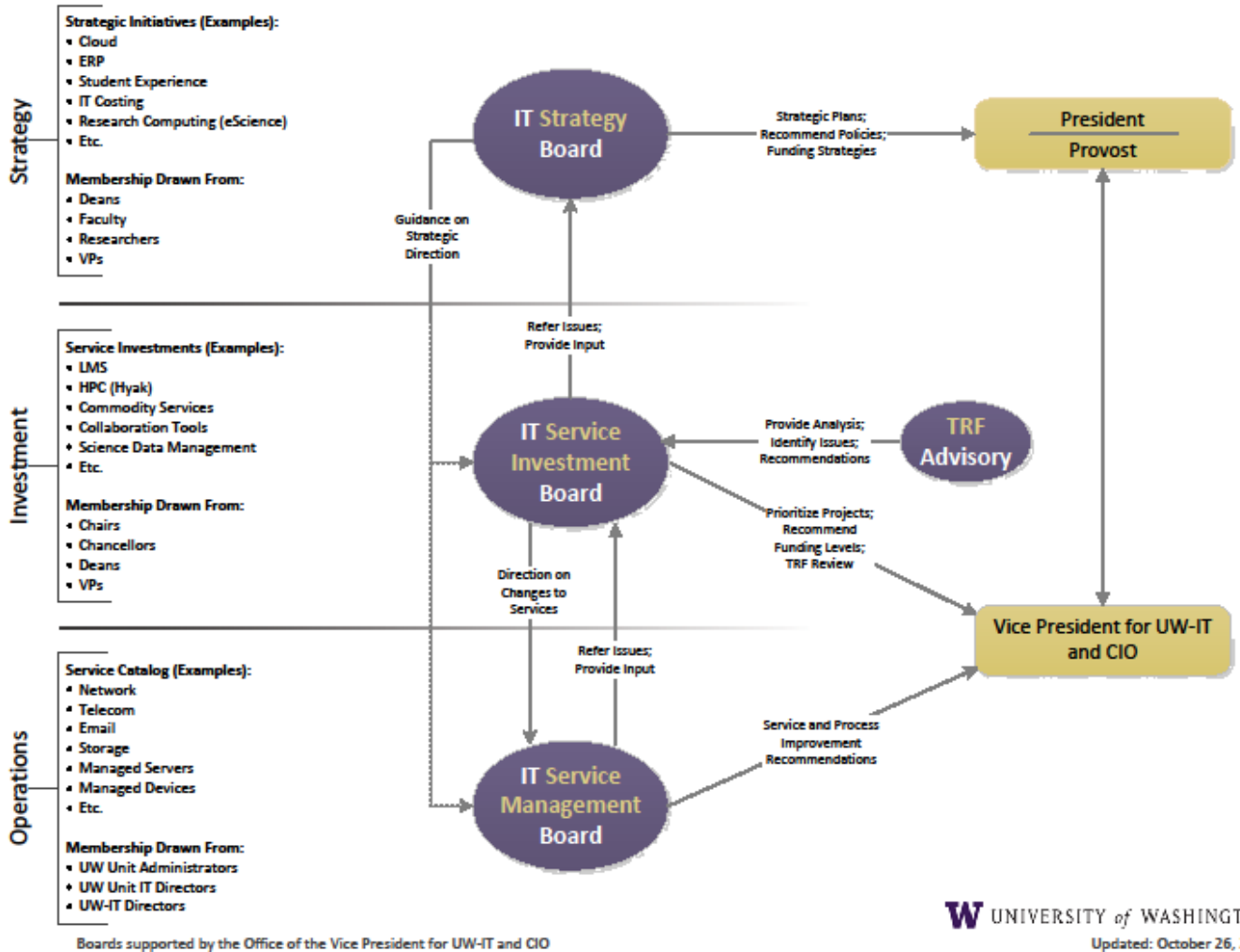
How well is the University managing risk?

Rank	Measures of Vulnerability
- 1 - Very Low	<ul style="list-style-type: none"> <li>• Real options<sup>9</sup> deployed to maximize strategic flexibility</li> <li>• High enterprise level/process level capabilities to address risks</li> <li>• Redundant response mechanisms in place and regularly tested for critical risks</li> <li>• Contingency and crisis management plans in place and rehearsed regularly</li> </ul>
- 2 - Low	<ul style="list-style-type: none"> <li>• Strategic options defined</li> <li>• Medium to high enterprise level/process level capabilities to address risks</li> <li>• Responses implemented and achieving objectives except under extreme conditions</li> <li>• Contingency and crisis management plans in place, some rehearsals</li> </ul>
- 3 - Medium	<ul style="list-style-type: none"> <li>• Stress testing and sensitivity analysis of scenarios performed</li> <li>• Medium enterprise level/process level capabilities to address risks</li> <li>• Responses implemented and achieving objectives most of the time</li> <li>• Most contingency and crisis management plans in place, limited rehearsals</li> </ul>
- 4 - High	<ul style="list-style-type: none"> <li>• Scenario planning for key strategic risks performed</li> <li>• Low enterprise level/process level capabilities to address risks</li> <li>• Responses partially implemented or not achieving control objectives</li> <li>• Some contingency or crisis management plans in place</li> </ul>
- 5 - Very High	<ul style="list-style-type: none"> <li>• Scenario planning for key strategic risks performed</li> <li>• Low enterprise level/process level capabilities to address risks</li> <li>• Responses partially implemented or not achieving control objectives</li> <li>• Some contingency or crisis management plans in place</li> </ul>

<sup>8</sup> Risk Assessment in Practice, Committee of Sponsoring Organizations of the Treadway Commission (COSO), October 2012

<sup>9</sup> A real option is an option involving real, as opposed to financial, assets. Real assets include land, plant, and machinery. Real option analysis uses option pricing theory to value capital investment opportunities. An example of a real option would be the overbuilding of a facility to provide strategic flexibility in the event that demand was to increase faster than production capacity.

## Information Technology (IT) Governance





## APPENDIX 10: UW MEDICINE PATIENT SAFETY

### UW Medicine Continues to Advance Patient Safety & Quality

UW Medicine - Harborview Medical Center (HMC), UW Medical Center (UWMC), Northwest Hospital (NWH), Valley Medical Center (VMC), UW Neighborhood Clinics (UWNC), UW Physicians (UWP), Airlift Northwest (ALNW), and the UW School of Medicine (SOM) continue to focus on Patient Safety and Quality of Care as the top priority through our Patients Are First initiative and our Coordinated Quality Improvement Program (CQIP) plan<sup>10</sup>. Major steps in accelerating the quality and safety agenda over the past year include:

- Ongoing integration of Patient Safety and Quality programs/metrics across UW Medicine system as outlined in the UW Medicine Strategic Plan and the UW Medicine Patients Are First Pillar Goals for FY 13.
- Development of a new UW Medicine Board level Patient Safety and Quality Committee that meets quarterly to review the system-wide efforts. The committee has met over the past year and developed the first annual report to the UW Board of Regents which was presented in November 2012.
- Continued engagement of the UW Medicine Board, each entity level board, and/or committees of the boards in review and oversight of activities regarding patient safety, quality of care, access to care and satisfaction with care and services.
- Strategic Goals and Metrics developed, with focus on: Reductions in Preventable Deaths, Hospital Acquired Infections, and Preventable Adverse Events; and Improvement in Core Measures of Care, in Ambulatory Health Measures and Patient Satisfaction using national and regional benchmarks for comparison.
- Advancement of the UW Medicine electronic dashboard tool for monitoring and reporting of all UW Medicine Patients Are First quality & safety data with ability to drill-down into site-specific and physician specific performance related to quality of care and patient satisfaction data.
- Successful implementation of the major IT project for Cerner Computerized Physician Order Entry (CPOE) at Harborview and UW Medical Center this past year. CPOE provides over 400 standard order sets to assure high quality, safe, and cost effective care for our patients.
- UW Medicine system-wide Infection Control Committee created to coordinate the development, implementation, and resource utilization to support those infection control activities that span across UW Medicine and to develop and promote standardized infection control practices.
- Acceleration of TeamSteps training for physicians and health care team members and supported development of additional ISIS simulation training.
- Participation in an Association of American Medical Colleges (AAMC) and University Health System Consortium (UHC) "Best Practices for Better Care" initiative to improve the quality and safety of healthcare by expanding the culture of safety into medical education at the undergraduate and graduate medical education levels, and enhancing research into quality and patient safety.
- Continued to advance and significant improve in the UHC Annual Report Card on Patient Safety and Quality in academic medical centers. Harborview and UW Medical Center are performing at or above the mean score in UHC which includes over 100 academic medical centers.
- Successful completion of the first series of Patient Safety Innovation Program (PSIP) grants for promising pilot projects that promote collaboration between clinicians and researchers to explore solutions to patient safety and quality of care challenges. An example of a recently completed project is "Highlighting Radiology Critical Results in UW Medicine EMR Systems". Seven new projects were selected and launched on February 1, 2013.

<sup>10</sup> RCW 43.70.510

## APPENDIX 11: UW HUMAN RESOURCES

**UW SafeCampus Update:** Now in its fifth year of operation, the Violence Prevention and Response Program (VPRP) expanded its training efforts in 2012 by joining UW Police in successfully piloting active shooter response training. In addition, the SafeCampus public information campaign, a violence prevention component in the new employee orientation for staff, and an ongoing training effort available to the community-at-large through general sessions, or upon request to specific groups or departments. Online training videos are also available on the SafeCampus website.

Staffed by individuals with experience in violence prevention, victim advocacy, and program management, the VPRP team responds to calls from the three SAFE phone lines. The phone lines operate 24/7 and serve the Seattle, Bothell, and Tacoma campuses. Staff help callers clarify their concerns, identify immediate risk mitigation steps, connect callers with University or community resources, and arrange for follow-up as needed.

Program enhancements and the volume of services provided are outlined in a SafeCampus report in the Appendices.

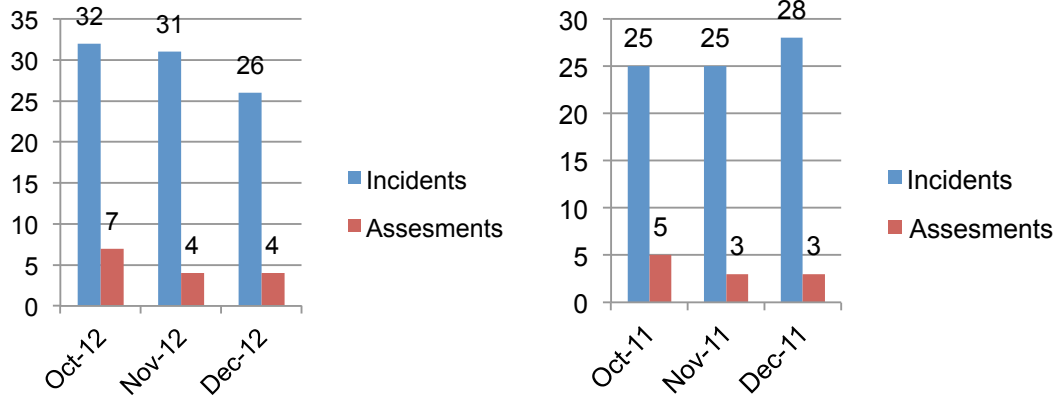
### UW Affiliation of People Involved in Incidents

Person Reporting a Concern	
UW Affiliation	Count
None Listed	2
Other	1
Public	2
Public (Patient)	0
Public (Personal Relationship)	1
Public (Previous UW Affiliation)	1
Unknown Identity	0
UW Faculty	18
UW Graduate Student	3
UW Staff - Non supervisor	24
UW Staff - Supervisor	26
UW Undergraduate Student	10
VPRP Partner	9

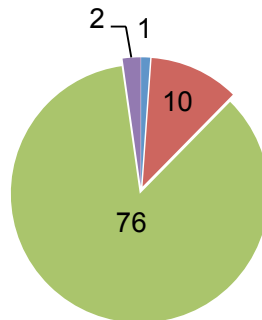
Person Causing a Concern	
UW Affiliation	Count
None Listed	0
Other	0
Public	8
Public (Patient)	4
Public (Personal Relationship)	3
Public (Previous UW Affiliation)	3
Unknown Identity	1
UW Faculty	2
UW Graduate Student	4
UW Staff - Non supervisor	21
UW Staff - Supervisor	2
UW Undergraduate Student	16
VPRP Partner	0

Person Experiencing a Concern	
UW Affiliation	Count
None Listed	0
Other	0
Public	0
Public (Patient)	0
Public (Personal Relationship)	0
Public (Previous UW Affiliation)	1
Unknown Identity	0
UW Faculty	13
UW Graduate Student	6
UW Staff - Non supervisor	25
UW Staff - Supervisor	3
UW Undergraduate Student	10
VPRP Partner	0

**APPENDIX 11: UW HUMAN RESOURCES CONTINUED:  
SAFECAMPUS QUARTERLY REPORT 10/01/2012 – 12/31/2012  
NUMBER OF INCIDENTS AND ASSESSMENTS BY MONTH**  
Compared to Previous Year



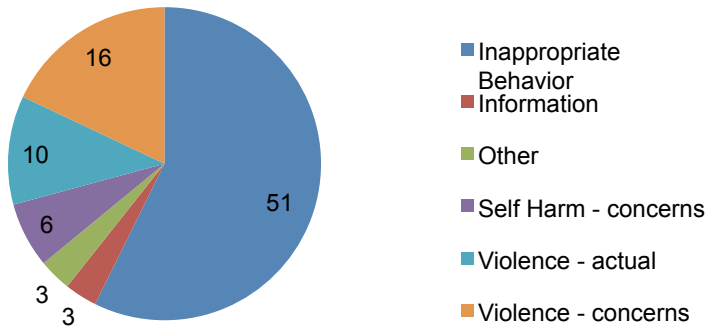
**Number of Incidents by Response Level**  
Total- 89 Incidents



- Level 1- Immediate notification. Violence Prevention Assessment Team (VPAT) is notified and convened as soon as possible.
- Level 2- Standard notification. Issue is discussed at next scheduled VPAT meeting (VPAT held 3x/week) and Risk Mitigation Plan is developed.
- Level 3- Situations assigned Level 3 do not have a VPAT. VPRP is responsible for monitoring and following up on required risk mitigation strategies or they are referred to other UW departments to be the lead and carry out further actions.
- Level 4- Request for information/materials or not UW jurisdiction.

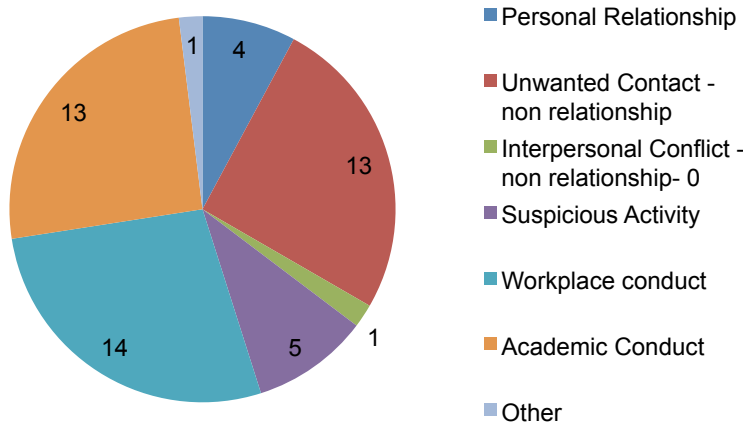
**APPENDIX 11: UW HUMAN RESOURCES CONTINUED:  
SAFECAMPUS QUARTERLY REPORT 10/01/2012 – 12/31/2012**

**Count by Incident Type**  
Total 89 Incidents



Of the 10 incidents of actual violence, seven were related to intimate partner violence, two were employee-on-employee assaults, and one involved a parking lot altercation between a professor and student.

**Inappropriate Behavior Breakout**  
of 51 Issues



Inappropriate behavior is used to categorize a range of behaviors that are disruptive to the workplace or campus community. This graph shows the breakdown of different types of things categorized under the broad heading of inappropriate behavior.

**APPENDIX 11: UW HUMAN RESOURCES CONTINUED:  
SAFECAMPUS QUARTERLY REPORT 10/01/2012 – 12/31/2012  
COMMUNICATIONS, OUTREACH, AND TRAINING**

**Campus Violence Prevention Training**

During this quarter, 357 participants attended the violence prevention training. SafeCampus hosted four general sessions open to anyone on campus.

**Response To Active Shooter Training**

Seventy participants attended a training conducted for the iSchool.

**Specialized Training Outreach**

The Violence Prevention & Response Program continued partnering with Arts & Sciences leaders to increase training for the school's faculty and staff. The Political Science, Sociology, Center for the Studies of Demography and Ecology, and Physics departments all held training sessions during the time period.

**Green Dot**

The Green Dot Team gave 14 overview speeches to campus groups and conducted the six-hour bystander training for 25 students.

**Safecampus Website Communications**

The SafeCampus website was accessed 5,302 times by 2,911 unique visitors during the fourth quarter of 2012, with an average of 2.55 page views per visit.

**UW Carelink**

UW CareLink utilization was at 6.0%, and 446 news cases were opened.

On outcome surveys, 90 to 92% of respondents indicated that they were able to function better at work, could manage their problems better, and had improved relationships.

**UW Police Department**

UWPD officers provided 13 standbys, eight safety presentations, five security assessments, and served or attempted to serve 21 courts orders. Participants registered 67 bikes and 279 pieces of electronic equipment with UWPD.

**UWPD Victim Advocate**

The victim advocate worked with 33 new clients and provided eight accompaniments to court. The victim advocate had a total of 329 client contacts in the fourth quarter.

**UW Alert**

UW Alert had 54,338 subscribers during the time period. There were two alerts to the Bothell Campus and nine alerts to the Seattle Campus.

Report prepared by the Violence Prevention and Response Program (VPRP), University of Washington. VPRP acts as the central point of communication and the coordinating unit for violence mitigation activities across the UW. The Violence Prevention and Response Program is a partnership of key players in campus safety and violence prevention, including Student Life, Human Resources, the Bothell and Tacoma campuses, UW and Harborview Medical Centers, the UW Police Department, Academic Human Resources, and the Graduate School.

**W** UNIVERSITY *of* WASHINGTON

# University of Washington Enterprise Risk Management – *A Journey of Discovery*

Pacific Northwest Enterprise Risk Forum  
November 7, 2012

Ann Anderson, Associate Vice President and Controller  
University of Washington  
Seattle, WA

## The University of Washington – Who Are We?

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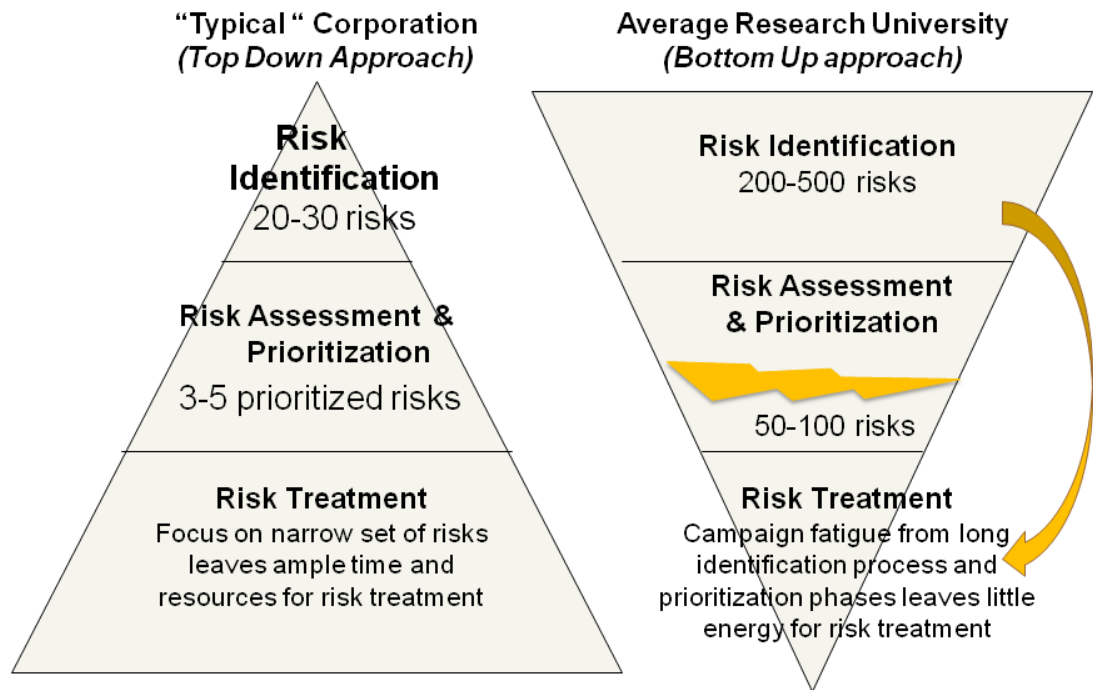
- Founded 1861
- 42,000 Students, 10,000 degrees awarded annually
- 47,000 Extension Students
- 40,000 Faculty/Staff (3<sup>rd</sup> largest employer in WA)
- \$5.3 B Annual Budget
- \$1.3B Externally funded research
- \$2.6B Clinical Medical Enterprise
- \$9.0B Economic Impact to the State of WA
- 3 campuses; 17 major schools/colleges
- 13 registered/legal operations abroad

2

## University and Industry Approaches to ERM – Are They Different?

3

## They are different! But How??



\* Educational Advisory Board

4

## Common University Challenges with ERM

- Serious doubts over the effectiveness of the risk assessment and prioritization process
- Moving past personal biases
- Rationalizing (scarce) resource allocation; multiple bottom lines; multiple constituencies; inflexible funding and budget models
- Getting agreement on definitions of impact
- Seeking engagement from campus; identifying risk “owners”
- Lack of accountability mechanisms in treating risks
- Insufficient incentives to spur unit-level action

\* Educational Advisory Board

5



## University ERM – It’s Different, So What to Do?\*

“*De-average*” ERM process and move to leaner and more manageable risk initiative by first identifying:

- *Systemic and existential risks*: Impact all of higher ed; unable to directly control (>5%)
- *Institutional risks*: Typically relate to inability to meet strategic objectives; best addressed at senior executive level (20%-30%)
- *Unit-level risks*: Generally relate to broken processes; best addressed by divisional head (65%-75%)

\* Educational Advisory Board

6

## UW Enterprise Risk Management

- Institutional Strategic Initiatives
- History
- Structure
- Roles
- Assessments
- UW ERM in Action!
- What’s Next?
- Lessons Learned (or Learning!)

7

# Institutional Initiative: *Tomorrow's University Today*

“At its core, Tomorrow’s University Today is about **leading change**. By **turning the UW inside out**, we intend to apply the ideas, research and innovations from our labs and classrooms to the community — whether that community is across the street or across the globe. In doing so, we aim to **improve the health and well being of our people and our planet**”.

*Michael K. Young, President  
University of Washington*

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## Institutional Initiatives

### 1) Lead change in higher education:

- Provide transformational experiences;
- Use technology to “flip” the classroom;
- Provide students with opportunities for truly transformational experiences;
- Reaffirm commitment to meeting the educational needs of the workforce and creating a diverse community of lifelong learners;
- Ensure that public higher education is both accessible and affordable.

9

## Institutional Initiatives

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**2) Turn the UW “Inside Out”:** Use strong record of interdisciplinary collaboration to:

- Improve K-12 and early learning;
- Create sustainable planet and ensure healthy environment;
- Expand efforts to improve efforts promoting healthy lives, reaching underserved communities.

**3) Drive our economic future:**

- Propel research and ideas out of our labs and into the economy where they will create jobs and improve lives.

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## UW ERM – The Beginning

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**A 2006 committee appointed by the UW President recommended:**

**1. An integrated approach to enterprise risk management (ERM) to:**

- Foster an institution-wide perspective on compliance and risk
- Encourage problem-solving and collaboration across the institution
- Ensure regulatory management is consistent with best practices, and
- Protect the UW's decentralized, collaborative, and entrepreneurial culture

**2. The formation of a President's Advisory Committee to:**

- Oversee and improve the UW's culture of compliance
- Provide a central focus for early identification, education and debate on risks of strategic importance
- Target significant concerns for action and tracking

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## UW ERM – The Beginning (con't)

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### 3. The formation of a Compliance Council to share information across operational “silos” to:

- Identify emerging compliance issues and ensure adequate information available to campus
- Ensure safe, easy, and effective ways for interested parties to report problems, including a help line, web guidance, and an early intervention program

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## UW ERM “Guideposts”

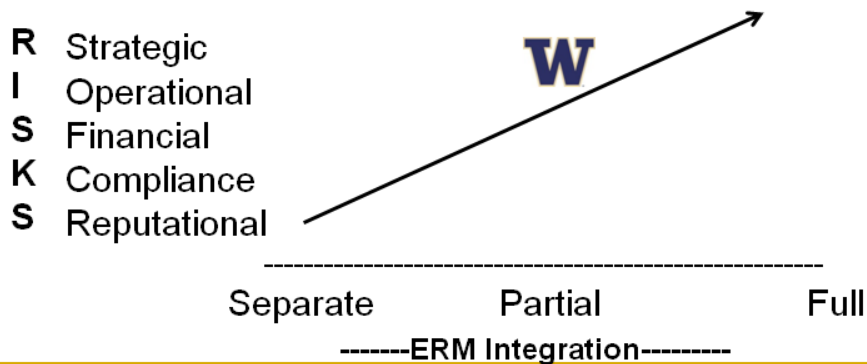
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- Integrate key risks into decision-making deliberations
- Create an integrated, institution-wide approach to compliance
- Ensure that good information is available
- Create a safe way to report problems
- Minimize surprises through identification of emerging risk issues
- Maintain strong audit team
- Check progress on compliance and risk initiatives

13

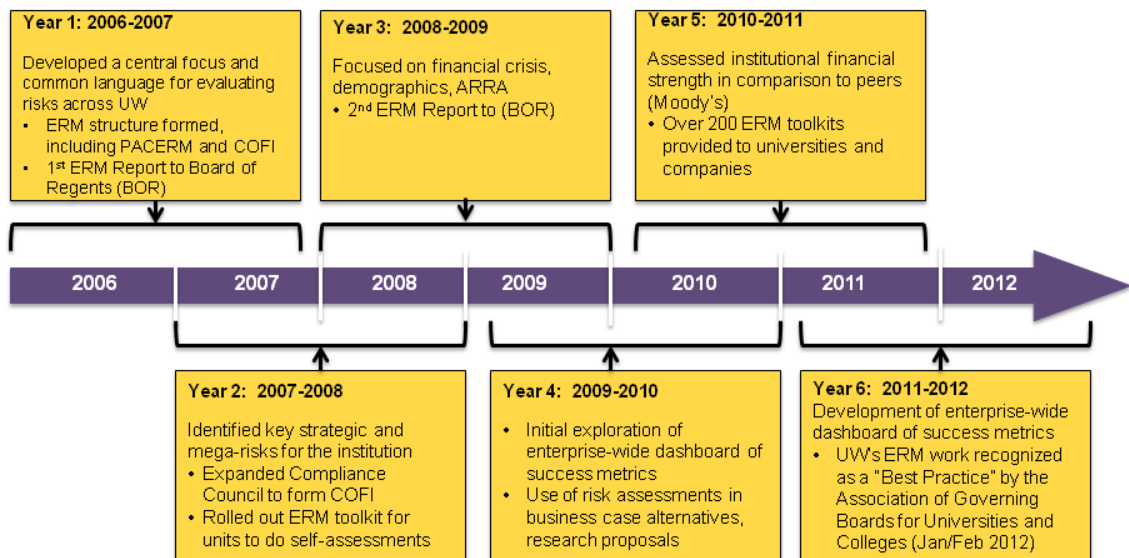
## Evolution of ERM at the UW - Overview

- Faculty are **innovative and entrepreneurial** and **create new knowledge**
- The UW is **highly decentralized** with significant **interdisciplinary research and teaching**
- Operational units have historically focused **risks mitigation within their “silos”**
- **Transformational opportunity** in renewed efforts addressing cross unit, cross organizational risks , balanced with effective consideration of the upside of achieving institutional strategic objectives



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## ERM Timeline



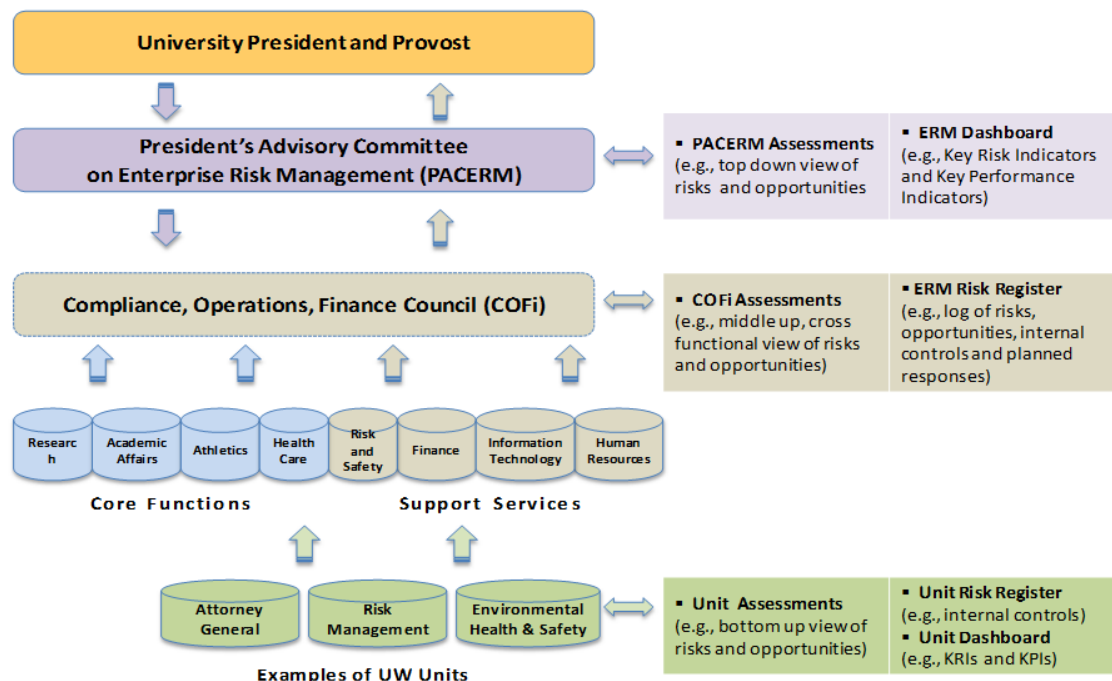
15

## UW ERM Structure

- ERM program staff (1.5 FTE):
  - Reports to AVP/Controller for the University
  - Supports the work of the President’s Advisory Committee on ERM (PACERM); coordinate institution-wide measures of success in addition to targeted assessments and risk identification by units
- Internal Audit maintains an independent approach to identifying and testing internal controls. The Executive Director of Audits leads the COFi Council.
- Senior leadership is advised by PACERM on significant risks as needed. The Provost and Sr. VP for Finance and Facilities co-chair the PACERM.

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### Components and Capabilities of ERM – At All Levels



11/2/2012

1

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UW Units	ERM Program	COFi Council	PACERM	Internal Audit	UW President and Provost
<i>Take and Manage Risks</i>	<i>Monitor and Aggregate</i>	<i>Oversee</i>	<i>Approve</i>	<i>Validate</i>	<i>Acknowledge</i>
<ol style="list-style-type: none"> <li>Ownership of activities which give rise to risk</li> <li>Risk/opportunity identification and self-assessments</li> <li>Develop strategies and take action to mitigate and monitor risks</li> <li>Encouraged to share summary of assessments with ERM program</li> </ol>	<ol style="list-style-type: none"> <li>Establish ERM framework, standards and templates</li> <li>Monitor and participate in risk committees for the purpose of providing the enterprise view</li> <li>Provide admin support, summary info and analysis to COFi and PACERM</li> <li>Train the trainer</li> </ol>	<ol style="list-style-type: none"> <li>Oversight of COFi Assessments (e.g., the division or function level)</li> <li>Approval of methods to monitor risks</li> <li>Identify topics for outreach</li> </ol>	<ol style="list-style-type: none"> <li>Approval of key documents such as ERM Annual Report</li> <li>Oversight of PACERM Assessments (e.g., the entity level)</li> <li>Advise the University President on the management of risks and opportunities which may significantly impact strategic goals/priorities</li> </ol>	<ol style="list-style-type: none"> <li>Independent verification and testing of internal controls</li> <li>Oversight of changes in unit level risks (e.g., Internal Audit risk map)</li> <li>Provide administrative support, summary information and analysis to COFi</li> </ol>	<ol style="list-style-type: none"> <li>Verbally acknowledge key documents such as:</li> <li>ERM Framework</li> <li>PACERM and COFi Council Charters</li> <li>PACERM Assessments (e.g., the entity level)</li> <li>ERM Dashboard</li> <li>Reports to Regents</li> </ol>

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## ERM Assessments

- Since its inception in 2006, UW ERM has conducted over 30 risk assessments, identifying almost 250 risk statements.
- Risk assessment teams include risk owner (team lead) with members from 2 to over 35, with initial focus on identification and evaluation of risks.
- Best practices for writing risk statements have been developed with standard scales of *Likelihood* of a risk occurring, and to rate the *Impact* if it does occur. Impacts may include health and safety, financial, service interruption, and reputation.
- Risks assembled into Risk Map, so that top risks from across widely different areas and operations are seen as part of the overall University's risk profile.

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## Summary of Completed Risk Assessments

*(Since 2006)*

- Global Support Project
- Pollution
- Asbestos
- Post Award Financial Admin.
- Student Safety
- Compliance Council
- Occupational Health & Safety
- Patient Privacy/HIPAA
- Cash Handling
- Campus Impacts from Construction Projects
- Research Laboratories
- Technology Investments
- Financial Oversight of Self-Sustaining Units
- ARRA Recovery Plan for WA Agencies (risk ID only)
- International Tax
- Liquidity and Cash Management (concepts only)
- Electronic Discovery
- Data Management

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## Risk Mitigation in Action!

- **Global Support Program**
- **Compliance Operations Finance Council**

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## The UW's Global Support Project

**The problem:** Significant administrative barriers for faculty conducting research and teaching internationally

**The Risks:** Researchers (and their \$) going elsewhere; compliance; reputation, complexity

**The Objectives:** Streamline processes, leading with service, compliance results as “derivative”

### **Guiding Principles:**

- Align with UW global strategies
- Accept and manage international risk
- Ensure transparency
- Develop multiple process options
- Facilitate collaboration
- Leverage Improvements

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## **Transformative Improvements!**

### **Research**

- Statutory change to banking law
- Streamlined honorarium process
- Established “UWorld”
- Streamlined cash management, hiring, leasing, subcontracting
- Strengthened connectivity and other IT tools
- Developed proposal guidelines for and training

### **Study Abroad**

- Streamlined cash advance process
- Statutory change to permit student health insurance
- Established required training for faculty program directors

### **Overall**

- Created Global Operations Support Website
- Established Global Emergency Management Program, including creating Travel Security Management and Information position
- Streamlined hiring process for UW employees relocated abroad and foreign employees abroad
- Established single points of contact in central admin offices
- Developed comprehensive training for units

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## **COFI Council – *Primary Goals*** *Compliance-Operations-Finance Council*

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- 1) *Engage* in a continual, cross-functional process that results in effective prioritization of institutional responses to compliance, financial, operational risks, and considers the impacts to strategic and reputational risks;
- 2) *Assure* the institutional perspective is always present in risk and compliance management discussions;
- 3) *Identify* strategies to address emerging risk and compliance management issues.

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## **COFI Council – *Primary Goals (Con't)***

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- 4) *Support risk* and compliance management training and outreach efforts throughout the University;
- 5) *Provide* external auditors and regulators with information about the University's risk and compliance programs;
- 6) *Avoid* the creation of additional bureaucracy by minimizing redundancy and maximizing resources.

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## COFI Council – *Strategic Goals*

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- 1) Ensure academic personnel and staff know who is responsible and accountable for coordinating compliance with laws, regulations, contractual obligations and University policies:
- Establish information architecture or framework to link University units with institutional obligations specified in law and regulation;
  - Identify gaps in roles, responsibilities, policies or procedures.

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## COFI Council – *Strategic Goals (con't)*

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- 2) Improve the compliance environment through the actions of University units and coordinated efforts between academic personnel and staff:
- Evaluate the completeness of existing compliance environment;
  - Develop a model for measuring compliance;
  - Serve as resource conduit and/or forum to University in developing or improving compliance related processes and training.

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## COFI Council – Strategic Goals (Con’t)

3) Connect with appropriate senior leadership (e.g., President’s Advisory Committee on Enterprise Risk Management), and other University-wide strategic initiatives:

- Pursue targeted areas of opportunity to advance COFI mission;
- Top Institutional Risks;
- Metrics Compendium/Dashboard.

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## 8 Elements of an Effective Compliance Program

	1	2	3	4	5	6	7	8
	Written policies and procedures that are current and internally consistent	Designated compliance officer and compliance oversight group	Effective education & training program	Effective lines of communication to receive complaints or questions. Procedures to protect complainant from retaliation	Clearly defined roles and responsibilities resulting in effective oversight	Self-Audits and compliance monitoring	Systems of appropriate disciplinary action	Investigation of misconduct and appropriate corrective action and preventative measures
ADA and Title IX								
Environmental Health & Safety								
Ethics								
Health Care								
NCAA								
Privacy & Information Security								
Research								
	Stage of Compliance Program Development							
	Lacking	Emerging	Evolving	Mature				

<sup>111</sup> Federal Sentencing Guidelines for Organizations, 2005

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# What's Next?

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## Measuring Institutional Health

- Development of Institutional Financial Forecasting Model
- Development of Unit-level profiles focused on excellence, strategy and areas of concern
- Identification of Institutional “Top Risks” (10-15)
- Metrics Compendium

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## Metrics Compendium

- Three broad elements of success, focusing on criteria to demonstrate stability to, e.g., rating agencies;
- Quantitative information about key areas of excellence, strategy and potential concern;
- Over 100 (draft) measures;
- Potential for “dashboards” with more narrowly targeted views, depending on area of focus, e.g., financial, academic, etc.

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## Metrics Compendium – Core Elements

- **UW’s Core Mission**
  - Market leadership with global reputation and top-ranked programs
  - Top students and faculty
- **Sustainable Academic Business Plan**
  - Multiple lines of business and diversified funding sources
  - Donor and community support
  - Financial metrics
- **Stewardship**
  - Compliance metrics
  - Administrative Burden/Efficiency
  - Infrastructure

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## Potential Areas of Institutional Risk

- Regulation and compliance
- Aging infrastructure and systems
- Managing talent and aging workforce
- Declines in research funding
- Cyber security
- Inflating costs such as energy and healthcare
- Alliances, affiliations and industry consolidations
- Philanthropy and investment returns
- Shifts in competition and consumer demand for higher education

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## Lessons Learned (or learning!)

- Clarify roles of risk committees
- Develop “workplan” for committees
- Develop engaging agendas, focused at the right level
- Staff committee activities adequately
- Don’t overemphasize “lowest common denominator” risks
- Gather data/information to develop expertise on specific risks
- Avoid discussing low-level, narrow risks – takes too much time!
- Don’t get into the weeds with implementation and process – delegate actions to responsible parties

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**W** UNIVERSITY of WASHINGTON

# Questions?

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37





**W** UNIVERSITY *of* WASHINGTON



UNIVERSITY *of* WASHINGTON  
Enterprise Risk Management

## 2012 Annual Report

*Report to Board of Regents*

*July 11, 2013*

**“...I am increasingly impressed to see that the remarkable drive, inquisitiveness, and ambition of our faculty , staff, and students are tempered by a deep pervasive respect for the rules and societal standards that define the right way to conduct our work. Such steadfast adherence to ethical principles is far from universal, nor can we take it for granted.”**

*President Michael K. Young, Renewing Our Pledge of Integrity, January 3, 2012*

# For Today

- I. Maturing the “Culture of Compliance”
- II. Improving safety of the community
- III. Transforming administrative infrastructure
- IV. Strengthening ERM Fundamentals
- V. Identifying Top Risks – Timeline
- VI. Top Risks 2013-2014

# Annual Report Summary

**Overall, we have seen broader consideration of risk in decision-making, and evolution in the use of metrics and data to evaluate operational effectiveness and strategic initiatives.**

# I. Maturing the Culture of Compliance

The “tone at the top” at the UW supports a commitment to excellence and highest standards of integrity.

Examples include:

- ***Title IX program*** to coordinate assistance to units to ensure gender equity in academic programs.
- ***Animal care facility planning*** initiated to further advances in science and medicine, and to strengthen compliance.
- ***State procurement reform*** led by UW to assist the new Washington State Department of Enterprise Services develop an innovative, risk-based approach to regulatory oversight over the purchase of goods and services in State government, including higher education.

## II. Improving Safety of the Community

The UW is a safe place to work, study and visit.

Examples include:

- ***Safety of minors*** assessment, coordinated by the Office of the President, evaluated current programs and policies involving minors, and opportunities to strengthening existing protocols.
- ***Student mental health*** staff added in Student Life to manage increased demand for student mental health services.
- ***Sexual assault prevention and response*** committee charged by President Young in early 2013 to assess current protocols and draft an action plan to improve prevention and response to sexual assaults on campus.

## II. Improving Safety of the Community (continued)

The UW is a safe place to work, study and visit.

Examples include:

- ***Violence prevention and response program*** expanded its training efforts in 2012 by joining with the UWPD to successfully pilot active shooter response training.
- ***Laboratory safety risk framework*** will be launched in 2013 to develop a risk-based approach to manage safety in laboratories for achieving lower risk profiles within labs.
- ***UW Medicine Patients Are First*** dashboard incorporates quality & safety data. Patient Safety Innovation Program provides grants for projects that promote collaboration between clinicians and researchers to explore solutions to patient safety and quality of care challenges.



# III. Transforming Administrative Infrastructure

Numerous efforts have focused on strengthening administrative infrastructure. Examples include:

- ***Information technology security and privacy insurance*** obtained through a collaboration between UW Information Technology and the Office of Risk Management.
- ***Human Resource / Payroll Modernization Project*** risk assessment, and corresponding mitigation activities.
- ***Procure to Pay Initiative*** utilized “Lean” methods to transform procurement at the UW to a fully integrated and on-line process. These efforts enhanced internal controls, eliminated duplicate entry, increased data available to campus, and reduced costs.

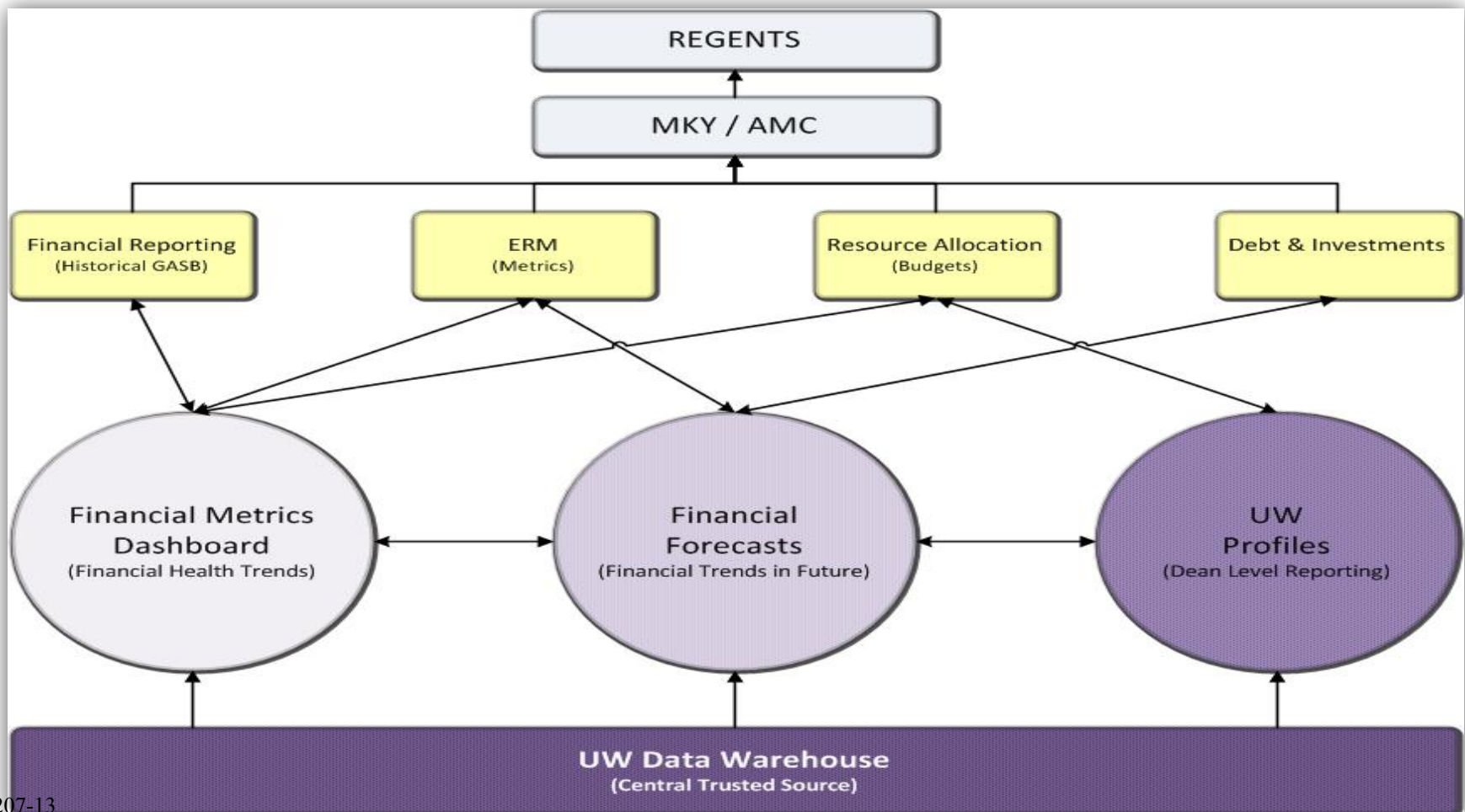
### III. Transforming Administrative Infrastructure (continued)

Numerous efforts have focused on strengthening administrative infrastructure. Examples include:

- ***Consolidated Administrative Support Services*** in College of Arts and Sciences and School of Medicine to streamline support and strengthen compliance for payroll, procurement, pre-award grants management and visa processing.
- ***2012 Legislative Session Administrative Efficiencies*** led by administrative leaders from the UW, in coordination with other state higher education institutions and the Council of Presidents, achieved legislative relief benefitting procurement, travel reimbursement, and payroll processes.

# IV. Strengthening ERM Fundamentals

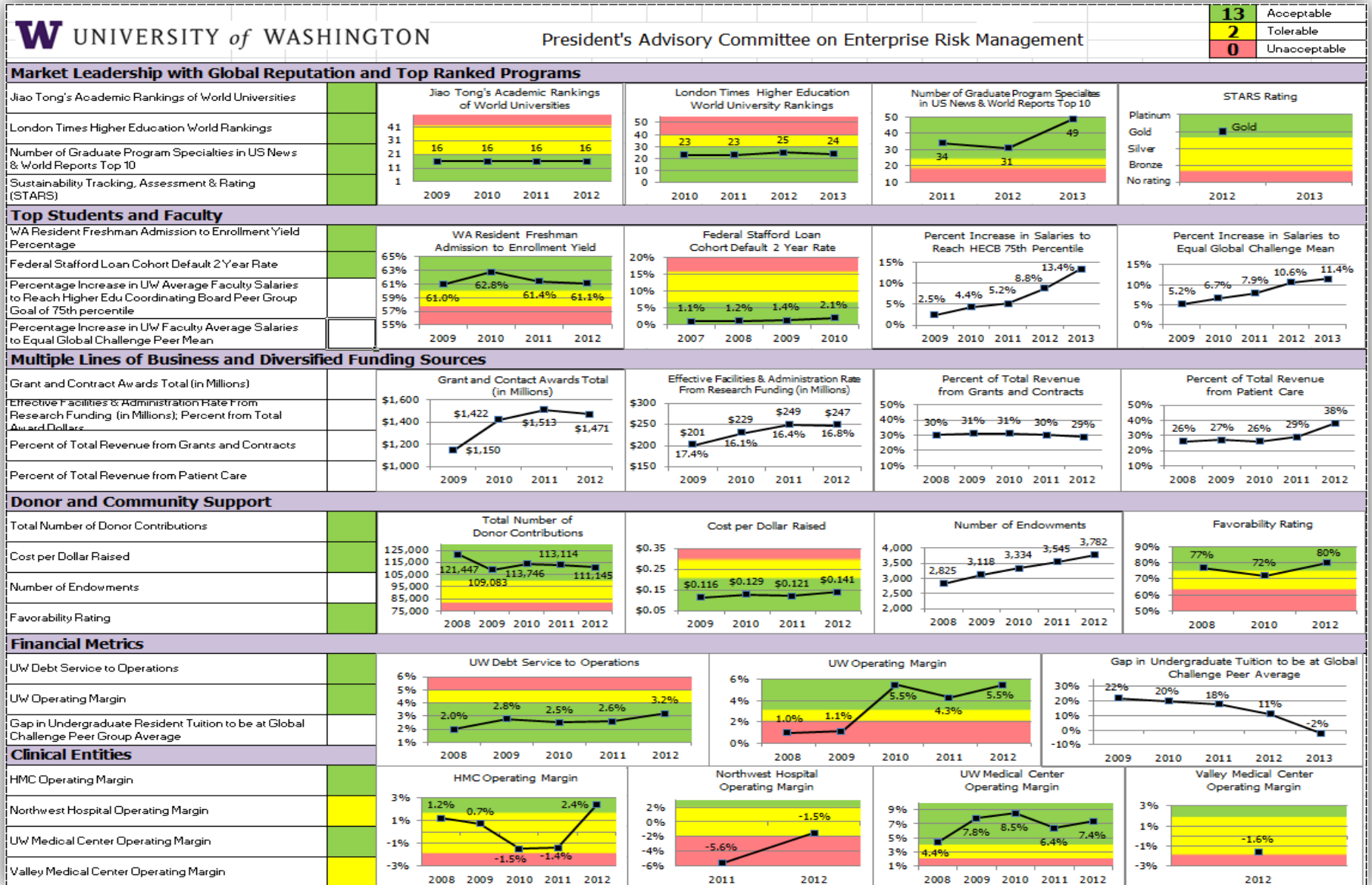
Partnership between the Provost (e.g., UW Profiles) and the Treasurer (e.g., Financial Forecasting) to develop an enterprise-wide financial forecasting platform with financial forecasting capabilities.



## IV. Strengthening ERM Fundamentals (continued)

- **Financial Forecasting** tool called *Future Perfect* will enable campus-wide planning and facilitate modeling scenarios, such as changes in enrollment, research and workforce volumes, auxiliary cash flow adjustments, investment opportunities and financial stresses.
- **UW Profiles** will provide data for academic and central units focused on key areas of excellence, strategy and potential concern. The target date for this tool's first release is Fall 2013, and will include academic measures, financial measures, and human resource measures.
- **Dashboard for Success** involved key PACERM members, Provost Cauce and President Young in the development of a compendium of institutional metrics that focused on broad elements of stability and success as identified by *Moody's Investors Service*

# IV. Strengthening ERM Fundamentals (continued)



# V. Identifying Top Risks – Timeline

**May 3, 2012**

## **ERM report to Board of Regents**

- ✓ ERM roles and responsibilities
- ✓ UW will be financially healthy if...
- ✓ **Top institutional risk areas, in general**



May 2012

July/Aug/Sep

Oct/Nov/Dec

Jan/Feb/Mar

Apr/May/Jun

**June 2012 – November 2012**

## **Compliance, Operations, and Finance Council (COFi Council)**

- ✓ Began with a peer-sourced list of 400 risk areas defined by 17 higher education institutions and professional organizations
- ✓ Ranked 140 risk areas, and identified the top 32 risk areas applicable to UW
- ✓ Narrowed list of risk areas applicable to UW
- ✓ Consensus on the wording of risk statements based upon the top risk areas

**January 23, 2013**

## **President's Advisory Committee on Enterprise Risk Management (PACERM)**

- ✓ Ranked impact for top the 28 risks

**February 2013 – June 2013**

- ✓ **COFi Council steering committee ranked likelihood, velocity and vulnerability** for the top 28 risks
- ✓ Presented top risks to Provost Cauce and President Young

For more information about ranking the top risks, see ERM 2012 Annual Report Appendix 8: Tools to Evaluate Risks.

## VI. Top Risks for 2013 – 2014

Changing demographics

Changing revenue streams

Maintaining safety

Increasing cost of compliance

Aging infrastructure and operational systems

# VI. Top Risks for 2013 – 2014 (continued)

## Changing demographics

*Quality, Access and Affordability*

**Ability to recruit and retain top faculty, students and staff**

Risk Level				
Low	Medium	Substantial	High	Extreme



# VI. Top Risks for 2013 – 2014 (continued)

## Changing revenue streams

*Quality, Access and Affordability*

**Decline in competitive advantages diminishes research funding**

**Ability to adapt to changing revenue streams**

*Ability to meet enrollment and yield rates*

Risk Level				
Low	Medium	Substantial	High	Extreme

# VI. Top Risks for 2013 – 2014 (continued)

## Maintaining safety

*Maintain Quality*

**Safety:** workplace, student and patient environment, labs, and campus community

*Earthquake: the “big one”*

Risk Level				
Low	Medium	Substantial	High	Extreme

# VI. Top Risks for 2013 – 2014 (continued)

## Increasing cost of compliance

*Maintain Quality*

**Information systems assurance:** loss, corruption or compromise of institutional data and intellectual property

**Federal grant regulations**

**Environmental and occupational health, lab safety, and hazardous materials regulations**

**Academic, scientific misconduct, research integrity policies and regulations**

*Healthcare regulations*

*Animal research regulations*

Risk Level				
Low	Medium	Substantial	High	Extreme

# VI. Top Risks for 2013 – 2014 (continued)

## Aging infrastructure and operational systems

*Maintain Quality*

**Age of IT systems and facilities**

**Information security and back up**

*Capital construction costs reduce financial flexibility for campus projects*

Risk Level				
Low	Medium	Substantial	High	Extreme

## VII. Next Steps

- 1. Quantify top risks, identify risk owners, and monitor with a dashboard that includes actionable metrics;**
- 2. Charter efforts to address and mitigate selected top risk areas (e.g., lab safety);**
- 3. Collect input from University executives about emerging risks, incorporating into existing dashboards; and**
- 4. Select a limited set of key metrics to monitor the quality of the undergraduate education, financial health, core UW values, and mission-critical activities.**

## VII. STANDING COMMITTEES

## B. Finance, Audit and Facilities Committee

UW Medicine Epic Clinic Deployment Project UpdatePROJECT DESCRIPTION

The UW Medicine Epic Clinic deployment project will complete the implementation of the Epic Electronic Health Record (EHR) by July 2014. It includes the ambulatory medical record, a patient portal, and revenue cycle functionality for all remaining clinics at Harborview Medical Center, Northwest Hospital and UW Medical Center. The project comprises a total of 86 clinics and 44 service specialties of which will transition to Epic.

BACKGROUND

For UW Medicine, the transition of patient medical records from a largely paper process to a fully Electronic Health Record (EHR) is a goal in support of the safety, quality, and efficiency of care delivery by helping clinicians and administrators manage the increasing amount of data and information in the healthcare environment. EHR is an essential foundation for all healthcare systems in a time of regulatory reform.

As part of healthcare reform, CMS (Centers for Medicare and Medicaid Services) is driving a nationwide transition to EHRs to support quality and safety and to assist in managing healthcare costs. Initiated as part of the American Recovery and Reinvestment Act of 2009 (ARRA), provisions known as “Meaningful Use” (MU) compel hospitals and ambulatory providers to achieve meaningful use of an EHR in a staged approach.

If provisions of the MU program are not adopted, hospitals and providers risk permanent reductions in reimbursements and significant penalties beginning in 2015. To offset the substantial costs of an EHR implementation, there are linked incentives for hospitals and ambulatory providers who meet MU by 2015. For UW Medicine, the incentive opportunities are estimated to be as high as \$37 million and the penalties are estimated to start at three percent of Medicare billings. CMS has tied the EHR to other incentive revenue adjustments such as ePrescribing and Clinical Quality Measures, and industry estimates show total penalties as high as seven to nine percent. Private payers are also beginning to adopt the same standards that depend on information systems and robust EHRs for patient care and population management needs. It is estimated the reimbursement changes driven by CMS will soon apply to all patient populations.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### UW Medicine Epic Clinic Deployment Project Update (continued p. 2)

UW Medicine intends to meet the MU provisions by 2015 to achieve incentive opportunities and to avoid substantial penalties, and is well on its way. The attestation of compliance is a separate process for hospitals and providers. For our hospitals, Northwest Hospital and Valley Medical Center have already achieved first stage compliance and received incentive payments. HMC and UWMC will begin the attestation process this summer, with expected incentives this fiscal year. For UW Medicine providers, the UW Neighborhood Clinics and Valley Medical Center have achieved first stage compliance and received incentives. HMC, NWH and UWMC have achieved first stage for some providers, but the majority are not able to meet the provisions because they are not using a fully robust EHR. Implementation of the Epic ambulatory EHR will address this gap.

At HMC and UWMC, implementation of the Epic ambulatory EHR has been underway since 2009, using a clinic-by-clinic implementation model. This approach resulted in successful EHR implementations in all primary care clinics. However, only forty percent of HMC and UWMC clinics and five percent of NWH clinics are on a complete EHR. The Epic Clinic Deployment project seeks to accelerate this implementation for completion no later than July 2014. This will allow UW Medicine to achieve MU incentives and avoid MU penalties for all providers.

#### SCOPE OF THE PROJECT

The UW Medicine Epic Clinic Deployment comprises a functional scope of EHR and revenue cycle features, described below, across HMC, NWH and UWMC. The total number of users involved is 2500, including physicians, nurses, medical assistants, and patient and billing services representatives. The Epic Clinic deployment is being run as two parallel conjoined projects:

- The NWH Primary Care Implementation (NWH-PCI) will be the first phase and will deploy the Epic ambulatory EHR, and patient access and billing applications in eight, predominantly Primary Care Clinics at NWH. This will bring NWH to parity with HMC and UWMC which are fully implemented in Primary Care; and
- The Enterprise Epic Specialty Implementation (EESI), the largest segment of the project, will implement the Epic EHR in seventy-eight specialty care clinics across all three sites. It will also implement the patient access and billing applications at NWH specialty care clinics.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### UW Medicine Epic Clinic Deployment Project Update (continued p. 3)

The functional scope of the EHR includes:

- Medical record elements of physician orders for patient care, electronic medication prescription, results review, progress notes, and documentation of care by all disciplines;
- Embedded decision support with evidence-based real time alerts such as drug-drug or drug-allergy interactions, best practice advisory alerts, and health reminders for routine screening and for care specific to identified patient populations;
- A robust patient portal which allows patients secure electronic communication with their care team, direct access to personal health data such as test results, the ability to schedule appointments, and access to education materials;
- Patient registries to track identified patient populations. Used by individual providers and at the enterprise level, registries that support more effective management of diverse patient populations; and
- Tools that allow electronic sharing of healthcare data between UW Medicine and outside organizations. These interoperability tools, a federal requirement for Healthcare Information Exchange, provide access to outside record information instantaneously and at the point of care.

Revenue cycle scope includes:

- Modules to register patients for care and to schedule clinic visits and procedures;
- Integrated charge capture and billing. At the completion of a patient visit, charge information is automatically transmitted for billing;
- The Epic billing application for facility outpatient charges; and
- The Epic billing application for professional service fees.

Of note, the Epic revenue cycle applications were successfully rolled out in HMC and UWMC in the CHARMS project, completed in 2011, and have achieved the benefits anticipated for enhancing the revenue cycle at both medical centers.

Through the functionality above, UW Medicine will achieve the objectives of a single ambulatory EHR, facilitating immediate access to patient information across the enterprise; enhanced patient to provider and provider to provider communication; and more effective primary to specialty care referrals.

It will provide the tools needed for practitioners to attest for Meaningful Use as defined by CMS, enabling capture of premiums and avoidance of penalties.



## VII. STANDING COMMITTEES

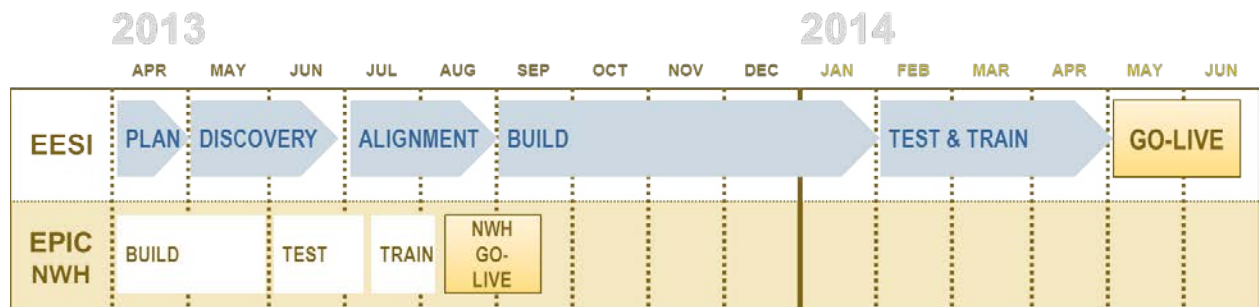
### B. Finance, Audit and Facilities Committee

#### UW Medicine Epic Clinic Deployment Project Update (continued p. 4)

Enterprise standard workflows and clinical content will be enabled, in support of best practices and improved patient outcomes. To be successful, the project must be cognizant of and committed to strong executive sponsorship, operational involvement, careful change management, and robust project methodologies. This important project will position UW Medicine to meet current and future healthcare reform requirements.

#### PROJECT SCHEDULE

The NWH Primary Care Implementation is scheduled for August 12, 2013. The Enterprise Epic Specialty Implementation is scheduled for mid-May 2014. Both phases are tracking to schedule, below.



#### PROJECT BUDGET

The project budget totals \$49.7 million. This includes labor costs of \$41.6 million (84%) and software, infrastructure, and device costs of \$8.1 million (16%). Capital and expense are evenly split at \$24.9 million and \$24.8 million, respectively.

#### PROJECT FUNDING PLAN

UW Medicine proposes to fund the project through patient revenues from HMC, NWH and UWMC.

#### INTERNAL REVIEW AND APPROVALS

The project and funding plan has been reviewed and approved by the UW Medicine Board of Trustees, and by the individual boards of Harborview Medical Center, Northwest Hospital, and UW Medical Center. The plan was also reviewed and approved by the Vice President, UW Information Technology and CIO, in

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### UW Medicine Epic Clinic Deployment Project Update (continued p. 5)

accordance with the Memorandum of Understanding between UW Information Technology and UW Medicine for UW Oversight of technology projects. As part of this approval, an external quality assurance (QA) consultant has been engaged to review and report on the project.

VII. STANDING COMMITTEES

A. Academic and Student Affairs

*in Joint Session with*

B. Finance, Audit and Facilities Committee

UW Medicine Board Annual Patient Safety and Quality Committee Report

There will be an oral report for information only.

*Attachments*

1. University HealthSystem Consortium Summary Report for Harborview Medical Center and UW Medical Center
2. UW Medicine Patient Safety & Quality Metrics



## **UW Medicine's Harborview and UW Medical Center Achieve High Marks on University HealthSystem Consortium's (UHC) Quality and Accountability Performance Scorecard**

UW Medicine's Harborview Medical Center and UW Medical Center continue to rise on the UHC Quality and Accountability Study. Our 2012 ranking placed Harborview at #23 and UW Medical Center #31 overall in the nation out of 101 academic healthcare facilities. Additional Highlights included Harborview and UW Medical Center both ranking #1 for Equity; Harborview ranking in the top 3 for Effectiveness; UW Medical Center ranking in the top 25 for Mortality; and both hospitals ranking in the top 20 for Patient Safety.

The UHC Scorecard is an important benchmark because it allows us to compare performance to more than 100 peer university hospitals based on the Institute of Medicine's domains of care. UHC measures performance on mortality, effectiveness, safety, equity, patient-centeredness and efficiency. At UW Medicine high performance in these areas is a top priority. We have made tremendous progress since the first scorecard in 2005 through our Patients Are First initiative. Our next goal is to procure the UHC Quality Leadership Award by being one of the top 10 institutions in the country based on these metrics.

- The # 1 ranking for Equity reflects our mission to provide high quality, and safe care for patients from all walks of life.
- Effectiveness scores are based on core measures for quality care related to heart attacks, heart failure, pneumonia, selected surgical procedures and readmissions. In July 2012, our excellent performance resulted in achieving our first-ever 100-percent score by providing the correct care for every patient included in these sets of core measures.
- Safety scores are based on hospital-acquired events such as infections, pressure ulcers and events related to operative procedures. Our keys to success include timely review of all events, continual attention to hand washing, careful cleaning of patient rooms, use of best practices and a daily commitment to provide safe, evidenced-based care.
- Efficiency rankings are based on comparing "observed" or actual cost and length of stay to "expected" cost and length of stay. Our progress reflects the work of many teams and medical services to implement process improvements and standardization methods.
- Documentation is a key component in our Mortality rankings, which compares the "observed" or actual number of deaths to the number of deaths "expected" based on the acuity of illness or injury. We continue to provide 100% mortality review and focus on improved accuracy in our documentation and coding of patient care.
- Patient-centeredness measures the 10 Hospital Consumer Assessment of Health Plans Survey (HCAHPS) patient survey questions. Because UHC uses data that is well over a year old for this score, we expect that next year's study will begin to reflect the improvements in patient satisfaction achieved through the implementation of Patients are First across the organization.

The 2012 UHC results are a credit to the continued efforts of our UW Medicine physician and staff and their focus on patient safety, quality and service at each site.

# **UW MEDICINE PATIENT SAFETY & QUALITY METRICS**

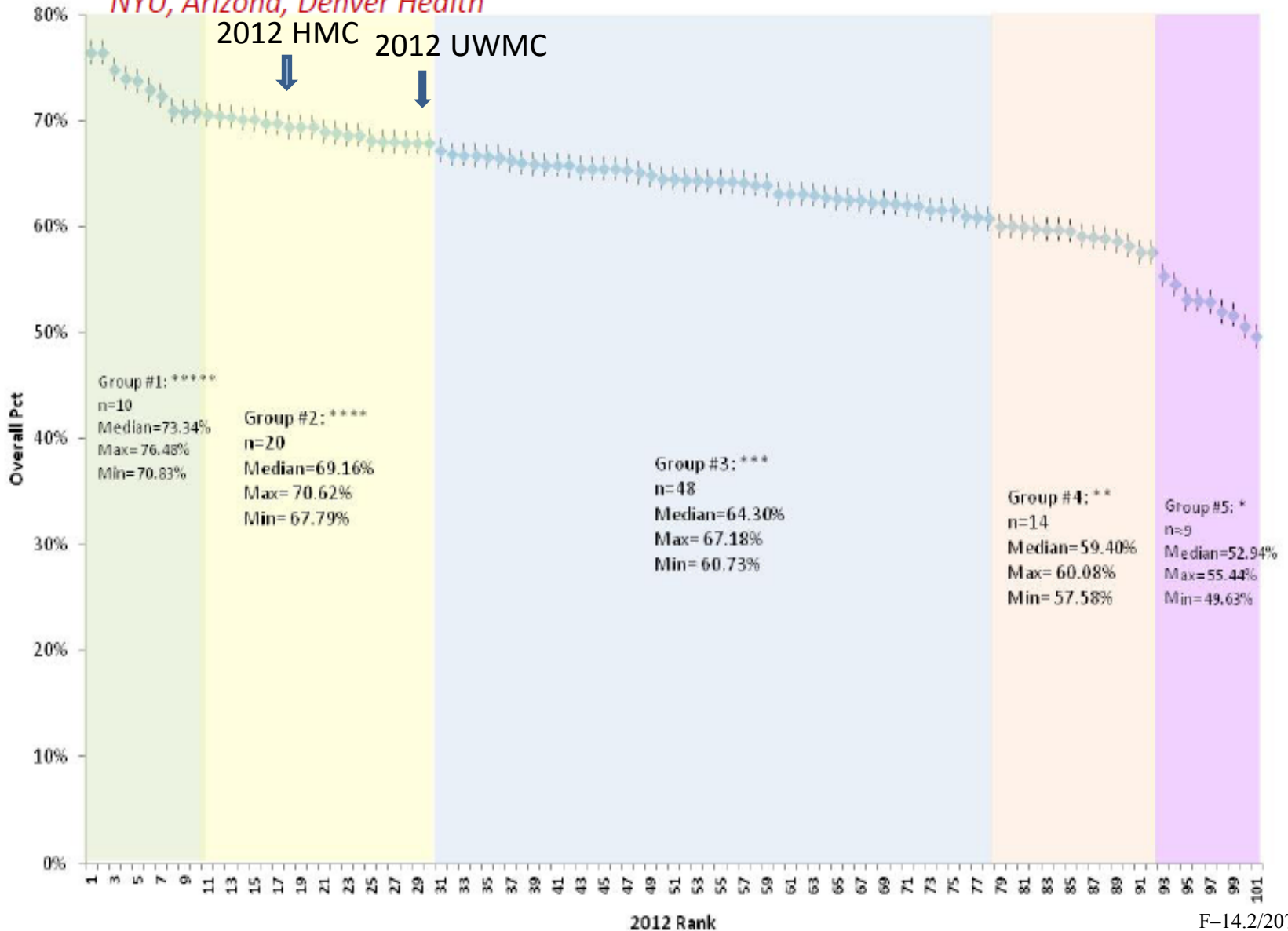
UW Board of Regents  
July 11, 2013

# PRESENTATION OUTLINE

- UW Medicine Patient Safety & Quality Performance Metrics
- Patients are First Pillars & Goals
  - Quality & Cost Control
  - Comparison to External Benchmarks

# Hospital Rankings in University HealthSystem Consortium (UHC) (includes 101 hospitals and health systems)

*Top 10 for 2012: Colorado, Emory, Kansas, Utah, Beaumont, Emory Midtown, Mayo, NYU, Arizona, Denver Health*





## 2012 Quality and Accountability Performance Scorecard

### Harborview Medical Center (84)

This document presents the measures evaluated in the 2012 UHC Quality and Accountability ranking. This scorecard provides a comparison of your organization's performance with that of other academic medical centers. The data were obtained from existing UHC data resources, including the Clinical Data Base (June 2011- May 2012), and Core Measures Data Base (Q2 2011-Q1 2012), as well as HCAHPS data from the Hospital Compare Web site (Q4 2010-Q3 2011).

The goal of the Quality and Accountability ranking is to assess organizational performance across a broad spectrum of high-priority dimensions of patient care. The 2012 scoring and ranking cover the domains of mortality, effectiveness, safety, equity, patient centeredness and efficiency using measures developed by national organizations or the federal government. Refer to the methodology white paper (available at [www.uhc.edu](http://www.uhc.edu)) for specifics regarding the metrics, scoring methods, and data sources used.

Overall Composite Performance	Rating	Composite Score	Top-Performer Score	Group Median
<b>Overall</b> <small>(Based on Clinical Domain Performance)</small>	★★★★	<b>68.7</b>	<b>76.5</b>	<b>64.6</b>
Clinical Domain Performance	Rank (* denotes tie)	Domain Score	Top-Performer Score	Group Median
<b>Mortality (25%)</b>	45*	59.4%	81.3%	54.7%
<small>Includes UHC O/E mortality rate for the following selected product service lines: bone marrow transplant, burns, cardiology, cardiothoracic surgery, cardiac surgery, thoracic surgery, gastroenterology, gynecology, gynecologic oncology, heart/lung transplant, HIV, kidney/pancreas transplant, liver transplant, medical oncology, medicine general, neurology, neurosurgery, obstetrics, orthopedics, otolaryngology, plastic surgery, rheumatology, spinal surgery, surgical oncology, surgery general, trauma, urology, vascular surgery, and ventilator support.</small>				
<b>Effectiveness (25%)</b>	3	92.8%	97.5%	81.6%
<small>Includes all-cause readmission rate within 30 days after discharge (excluding chemotherapy, dialysis, obstetric delivery, radiation therapy, and rehabilitation and psych (within 1 day) from numerator and OB, neonatology and normal newborn service lines and death at 1st admit from the denominator) and Joint Commission Hospital Core Measures composite scores for AMI, HF, PN, and SCIP (IP OP): percentage of patients who received all of the care they were eligible to receive.</small>				
<b>Safety (25%)</b>	19*	62.5%	77.5%	55.0%
<small>Includes PSI metrics: PSI-6 iatrogenic pneumothorax, PSI-7 central line associated BSI, PSI-9 postoperative hemorrhage and hematoma, PSI-11 postoperative respiratory failure, PSI-12 postoperative pulmonary embolism or deep vein thrombosis.</small>				
<b>Equity (5%)</b>	1*	100.0%	100.0%	100.0%
<small>Includes Joint Commission Hospital Core Measures composite scores for AMI, HF, PN, and SCIP, testing for statistically significant differences in outcomes in 3 equity-based dimensions: gender (male vsvs. female), race (white vsvs. nonwhite), and socioeconomic status (Medicaid, self-pay, uninsured, and charity combined vs. all others).</small>				
<b>Patient Centeredness (10%)</b>	89*	43.8%	76.6%	56.3%
<small>Includes 10 HCAHPS questions on nurse communication, doctor communication, pain management, communication about medications, cleanliness and quietness, responsiveness of staff, and discharge information and overall rating of the hospital averaged as a composite.</small>				
<b>Efficiency (10%)</b>	42*	56.3%	75.0%	56.3%

LOS O/E and direct cost O/E for following selected service lines: cardiology, gastroenterology, medical oncology, general medicine, neurology, general surgery, neurosurgery, cardiac surgery and thoracic surgery. Cases within the above service lines with 1 day LOS and an MS-DRG in the following list are excluded: 069, 190, 191, 192, 291, 292, 313, 391, 392, 223, 225, 226, 227, 242, 243, 244, 245, 246, 248, 249, 251, 259, 261 and 262.





## 2012 Quality and Accountability Performance Scorecard

### University of Washington Medical Center (82)

This document presents the measures evaluated in the 2012 UHC Quality and Accountability ranking. This scorecard provides a comparison of your organization's performance with that of other academic medical centers. The data were obtained from existing UHC data resources, including the Clinical Data Base (June 2011- May 2012), and Core Measures Data Base (Q2 2011-Q1 2012), as well as HCAHPS data from the Hospital Compare Web site (Q4 2010-Q3 2011).

The goal of the Quality and Accountability ranking is to assess organizational performance across a broad spectrum of high-priority dimensions of patient care. The 2012 scoring and ranking cover the domains of mortality, effectiveness, safety, equity, patient centeredness and efficiency using measures developed by national organizations or the federal government. Refer to the methodology white paper (available at [www.uhc.edu](http://www.uhc.edu)) for specifics regarding the metrics, scoring methods, and data sources used.

Overall Composite Performance	Rating	Composite Score	Top-Performer Score	Group Median
<b>Overall</b> <small>(Based on Clinical Domain Performance)</small>	★ ★ ★	<b>67.2</b>	<b>76.5</b>	<b>64.6</b>
Clinical Domain Performance	Rank (* denotes tie)	Domain Score	Top-Performer Score	Group Median
<b>Mortality (25%)</b>	25*	61.7%	81.3%	54.7%
<small>Includes UHC O/E mortality rate for the following selected product service lines: bone marrow transplant, burns, cardiology, cardiothoracic surgery, cardiac surgery, thoracic surgery, gastroenterology, gynecology, gynecologic oncology, heart/lung transplant, HIV, kidney/pancreas transplant, liver transplant, medical oncology, medicine general, neurology, neurosurgery, obstetrics, orthopedics, otolaryngology, plastic surgery, rheumatology, spinal surgery, surgical oncology, surgery general, trauma, urology, vascular surgery, and ventilator support.</small>				
<b>Effectiveness (25%)</b>	67*	79.5%	97.5%	81.6%
<small>Includes all-cause readmission rate within 30 days after discharge (excluding chemotherapy, dialysis, obstetric delivery, radiation therapy, and rehabilitation and psych (within 1 day) from numerator and OB, neonatology and normal newborn service lines and death at 1st admit from the denominator) and Joint Commission Hospital Core Measures composite scores for AMI, HF, PN, and SCIP (IP OP): percentage of patients who received all of the care they were eligible to receive.</small>				
<b>Safety (25%)</b>	19*	62.5%	77.5%	55.0%
<small>Includes PSI metrics: PSI-6 iatrogenic pneumothorax, PSI-7 central line associated BSI, PSI-9 postoperative hemorrhage and hematoma, PSI-11 postoperative respiratory failure, PSI-12 postoperative pulmonary embolism or deep vein thrombosis.</small>				
<b>Equity (5%)</b>	1*	100.0%	100.0%	100.0%
<small>Includes Joint Commission Hospital Core Measures composite scores for AMI, HF, PN, and SCIP, testing for statistically significant differences in outcomes in 3 equity-based dimensions: gender (male vsvs. female), race (white vsvs. nonwhite), and socioeconomic status (Medicaid, self-pay, uninsured, and charity combined vs. all others).</small>				
<b>Patient Centeredness (10%)</b>	48*	56.3%	76.6%	56.3%
<small>Includes 10 HCAHPS questions on nurse communication, doctor communication, pain management, communication about medications, cleanliness and quietness, responsiveness of staff, and discharge information and overall rating of the hospital averaged as a composite.</small>				
<b>Efficiency (10%)</b>	42*	56.3%	75.0%	56.3%

LOS O/E and direct cost O/E for following selected service lines: cardiology, gastroenterology, medical oncology, general medicine, neurology, general surgery, neurosurgery, cardiac surgery and thoracic surgery. Cases within the above service lines with 1 day LOS and an MS-DRG in the following list are excluded: 069, 190, 191, 192, 291, 292, 313, 391, 392, 223, 225, 226, 227, 242, 243, 244, 245, 246, 248, 249, 251, 259, 261 and 262.

# UW MEDICINE PATIENTS ARE FIRST PILLAR GOALS

## Focus on Serving the Patient/Family

Serve all patients and family members with compassion, respect and excellence.

## Provide the Highest Quality Care

Provide the highest quality, safest and most effective care to every patient, every time.

## Become the Employer of Choice

Recruit and retain a competent, professional workforce focused on serving our patients and their families.

## Practice Fiscal Responsibility

Ensure effective financial planning and the economic performance necessary to invest in strategies that improve the health of our patients.

Pillar Goals are the foundation of UW Medicine's **Patients Are First** and form the groundwork for measuring and managing our improvement efforts in all areas, including:

Service/Access/Satisfaction

***Patient Safety & Quality***

Physician and Staff Satisfaction

Cost Control/Financial Viability

# WE HAVE MADE PROGRESS IN QUALITY AND SAFETY MEASURES IN FY 12

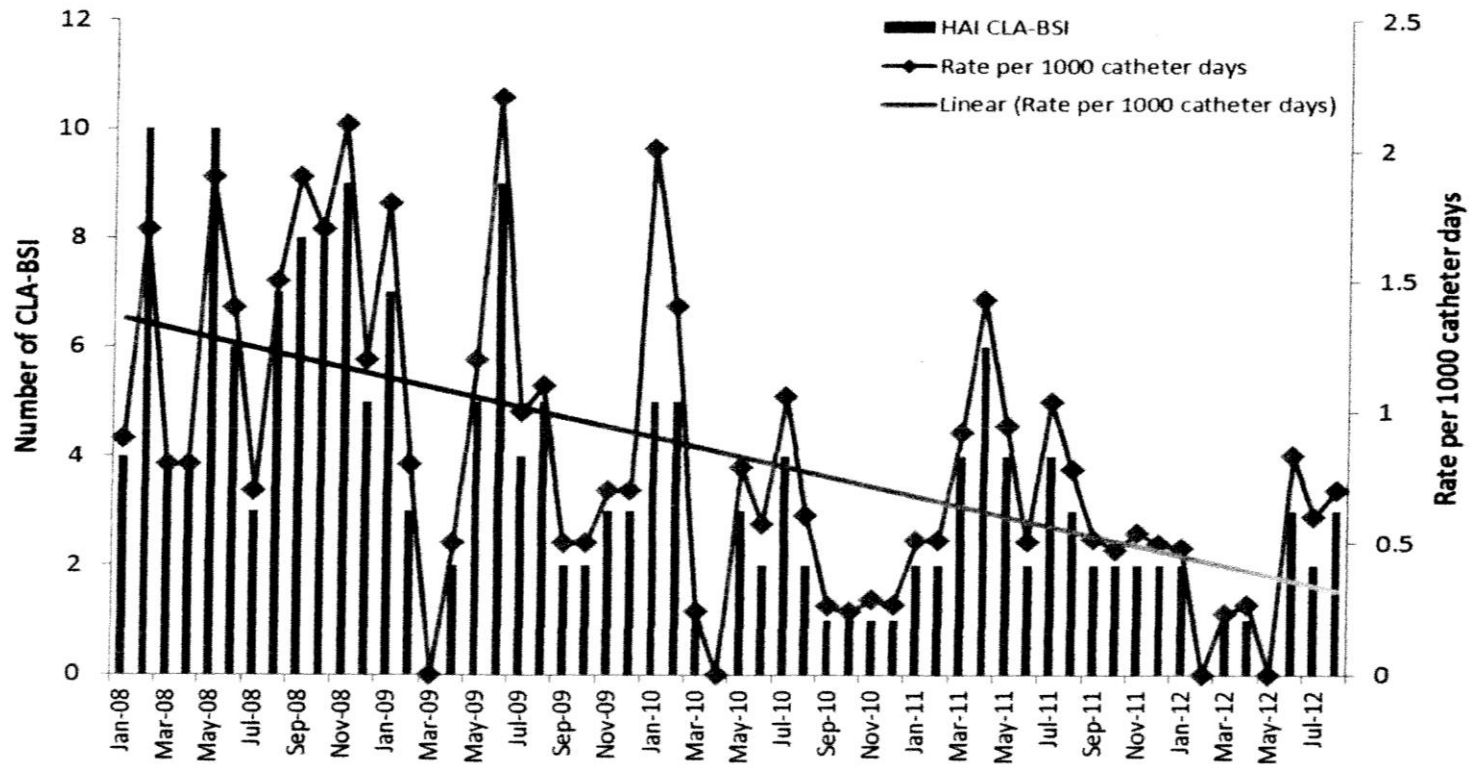
Quality Measure	Target Metrics	Results	
<u>Methicillin-resistant Staphylococcus aureus (MRSA)</u>	<u>&lt;= 0.46 per 1000 pt days</u>	0.36	
<u>Central Line-Associated Bloodstream Infection (CLABSI)</u>	<u>&lt;= 0.86 per 1000 cath days</u>	0.84	
<u>Hand Hygiene</u>	<u>&gt;= 91%</u>	<u>96%</u>	
<u>Patient Safety Indicator</u>	<u>&lt;= 2.48 per 1000 elig pts</u>	2.00	
<u>Core Measure Composite</u>	<u>&gt;= 95%</u>	<u>94%</u>	
<u>30 Day Readmission</u>	<u>&lt;= 15.7%</u>	<u>14.0%</u>	
<u>Ambulatory Health Diabetes Measure</u>	<u>&gt;= 87%</u>	<u>84%</u>	
<u>Ambulatory Pneumococcal Vaccination</u>	<u>&gt;= 70%</u>	<u>70%</u>	
<u>Ambulatory Health Cancer Screening</u>	<u>&gt;= 70%</u>	<u>66%</u>	

***UW Medicine has met or exceeded goals in seven of the 10 metrics and is continuing to work on achieving the remaining 3 related to Quality and Safety.***

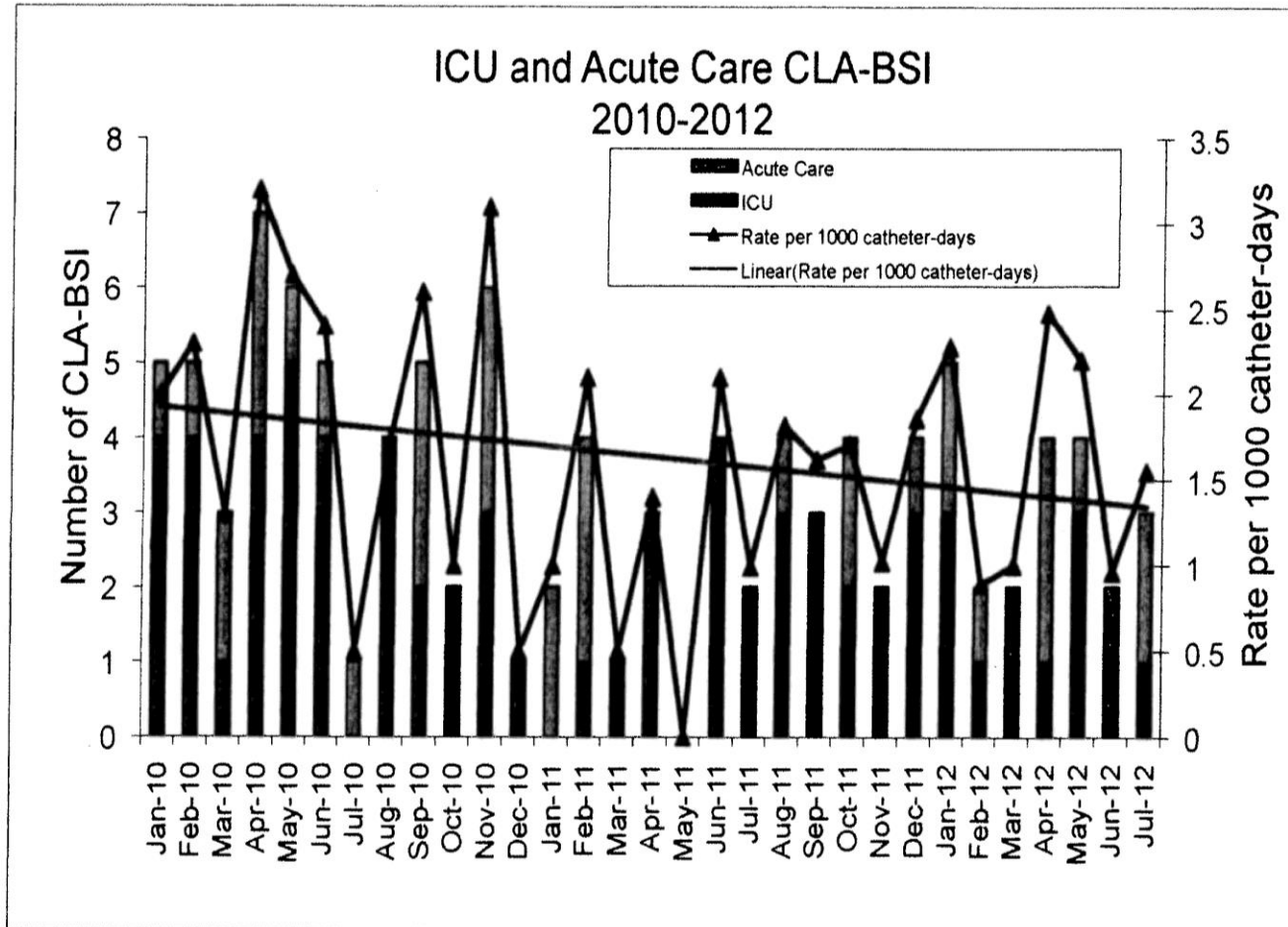
UW Medicine

# REDUCING CENTRAL LINE INFECTIONS UW MEDICAL CENTER

**UWMC CLA-BSI  
2008-2012**



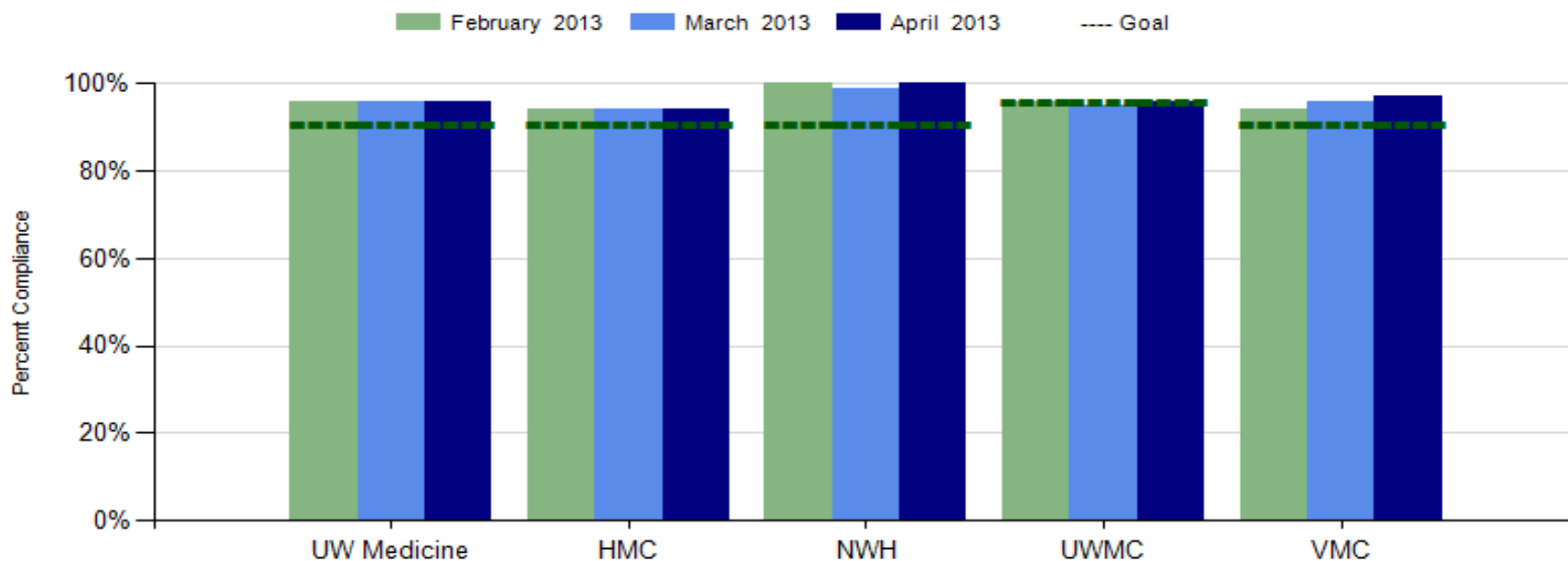
# REDUCING CENTRAL LINE INFECTIONS HARBORVIEW





# IMPROVING HAND HYGIENE & REDUCING INFECTIONS AT UW MEDICINE

**UW Medicine Inpatient Hand Hygiene Compliance by Facility for three months ending April 30, 2013**

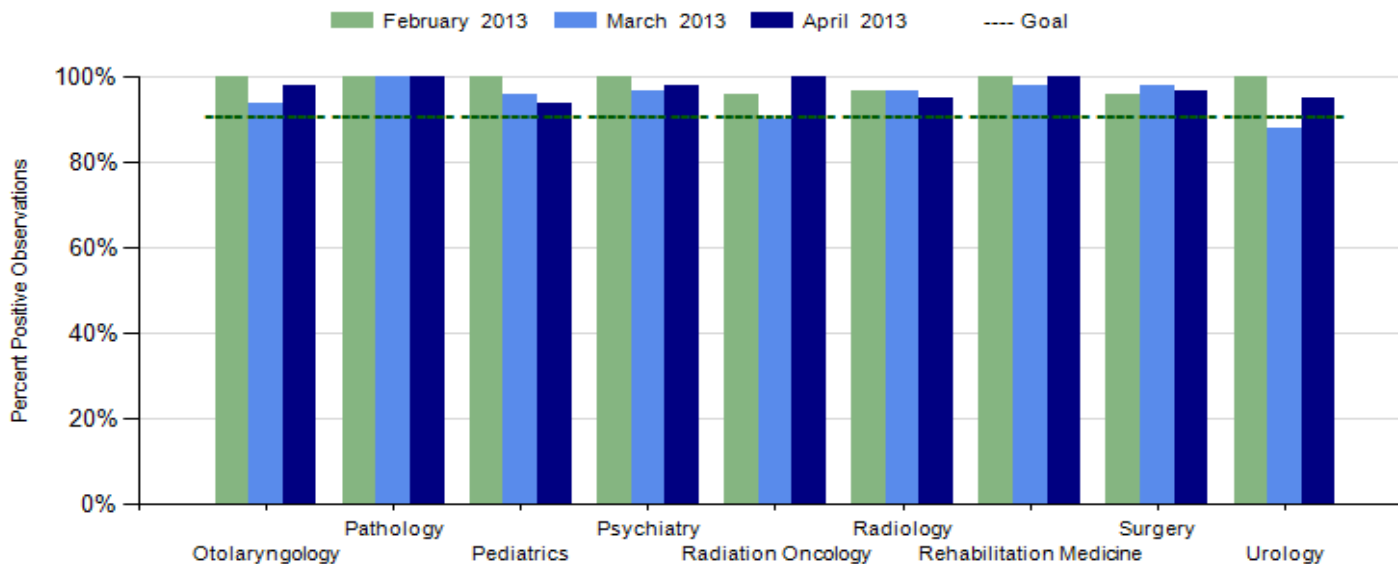


Hand hygiene data is collected in the following ways: by observation and by rounding with teams.

	UW Medicine	HMC	NWH	UWMC	VMC
<b>February</b>	96%	94%	100%	96%	94%
<b>March</b>	96%	94%	99%	95%	96%
<b>April</b>	96%	94%	100%	96%	97%
<b>Goal</b>	91 %	91 %	91 %	96 %	91 %

# HAND HYGIENE BY DEPARTMENT

Hand Hygiene Percent Compliance  
By Department for UWMC and HMC



	Otolaryngology	Pathology	Pediatrics	Psychiatry	Radiation Oncology	Radiology	Rehabilitation Medicine	Surgery	Urology
<b>Feb 2013</b>	100%	100%	100%	100%	96%	97%	100%	96%	100%
<b>Mar 2013</b>	94%	100%	96%	97%	90%	97%	98%	98%	88%
<b>Apr 2013</b>	98%	100%	94%	98%	100%	95%	100%	97%	95%
<b>Goal</b>	91%	91%	91%	91%	91%	91%	91%	91%	91%
<b>FY13 Q1</b>	97%	100%	94%	89%	100%	98%	92%	95%	95%
<b>FY13 Q2</b>	96%	100%	94%	95%	91%	96%	99%	93%	98%
<b>FY13 Q3</b>	95%	100%	95%	99%	95%	98%	98%	97%	94%
<b>FY13 YTD</b>	96%	100%	94%	97%	95%	97%	97%	95%	96%

# MONITORING PERFORMANCE TRANSPARENCY OF INFORMATION

UW MEDICINE • KEEPING EVERYONE SAFE

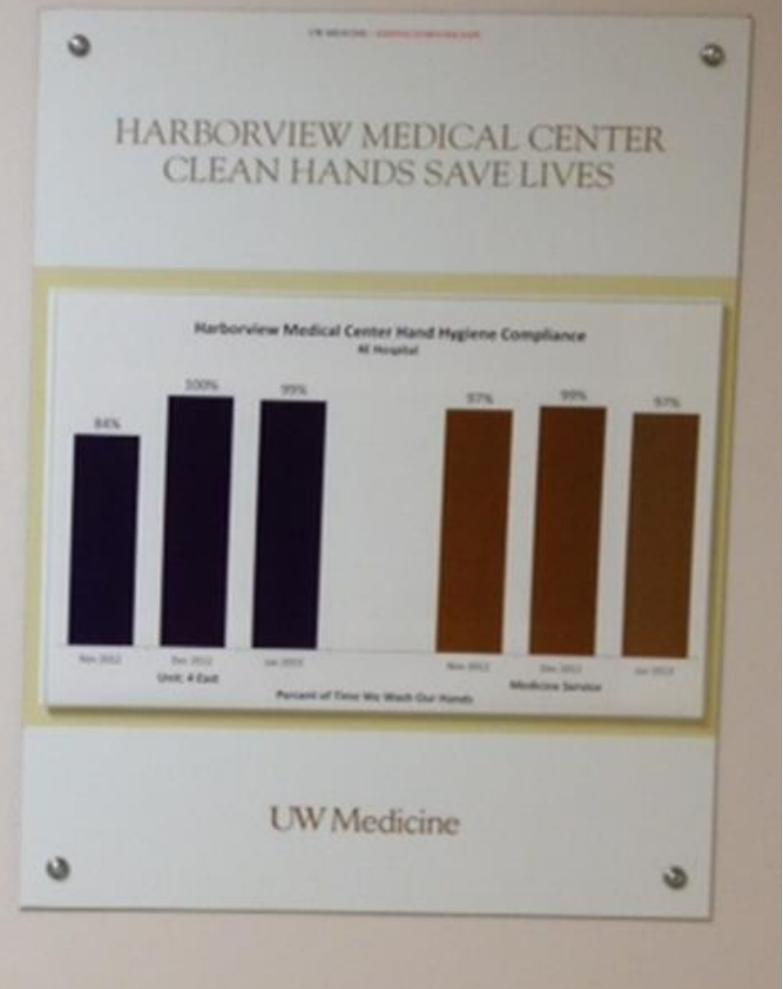
## CLEAN HANDS SAVE LIVES



*Annalisa Schlegel, M.D.* *Nate Emmons  
Nurse Manager*

Preventing infections is in our hands. Everyone. Every time.

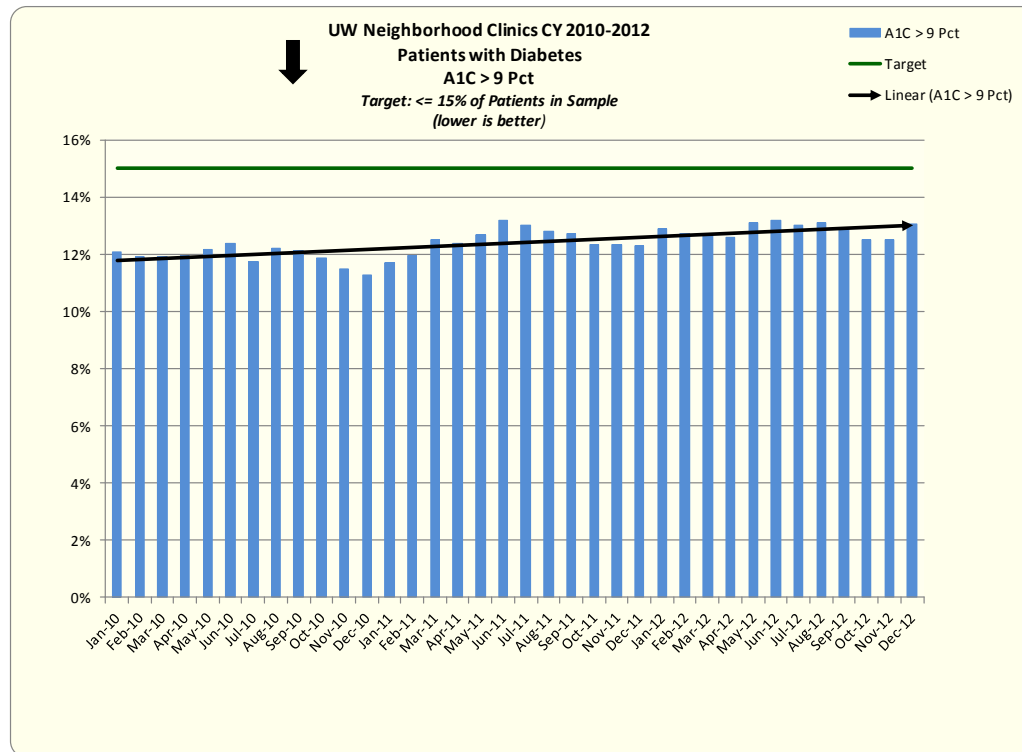
**UW Medicine**  
HARBORVIEW  
MEDICAL CENTER





# CLINICAL OUTCOMES – DIABETES

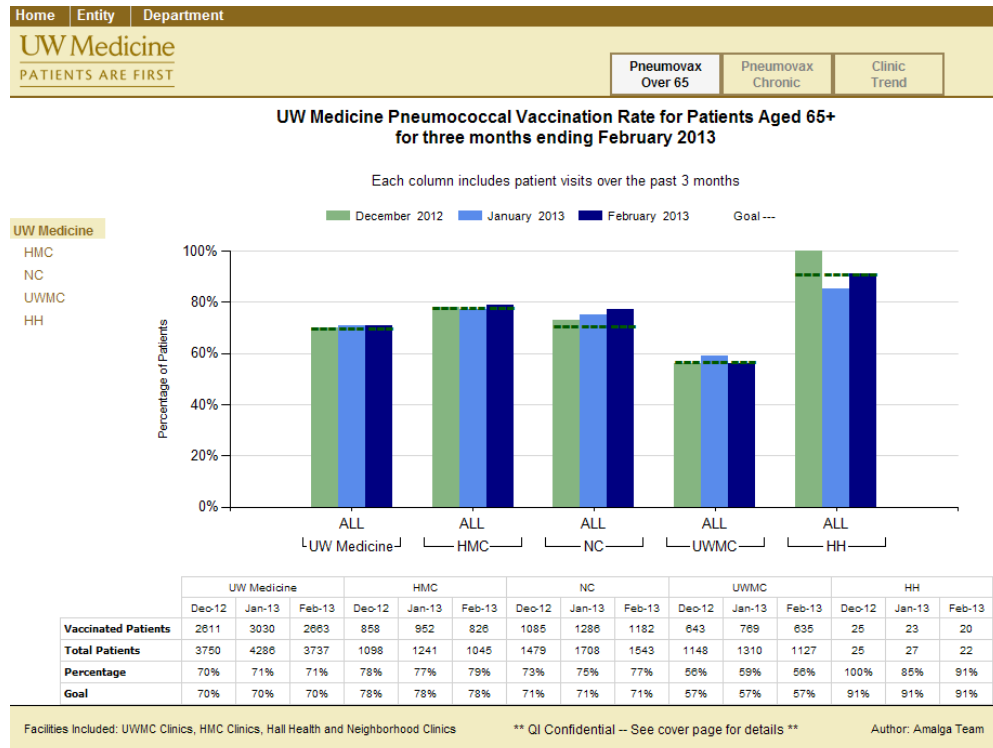
## CONTROL OF BLOOD SUGAR



- UW Neighborhood Clinics – excellent performance based on the National Committee of Quality Assurance Measures (NCQA). Achieved the 90<sup>th</sup> percentile for control of blood sugar in diabetic patients

# CLINICAL OUTCOMES

## PNEUMONIA VACCINATION RATE



- UW Medicine – excellent performance in pneumonia vaccination rate for at risk elderly populations for the UW Neighborhood Clinics, Hall Health, and Harborview Medical Center *exceeding NCQA 75<sup>th</sup> percentile*

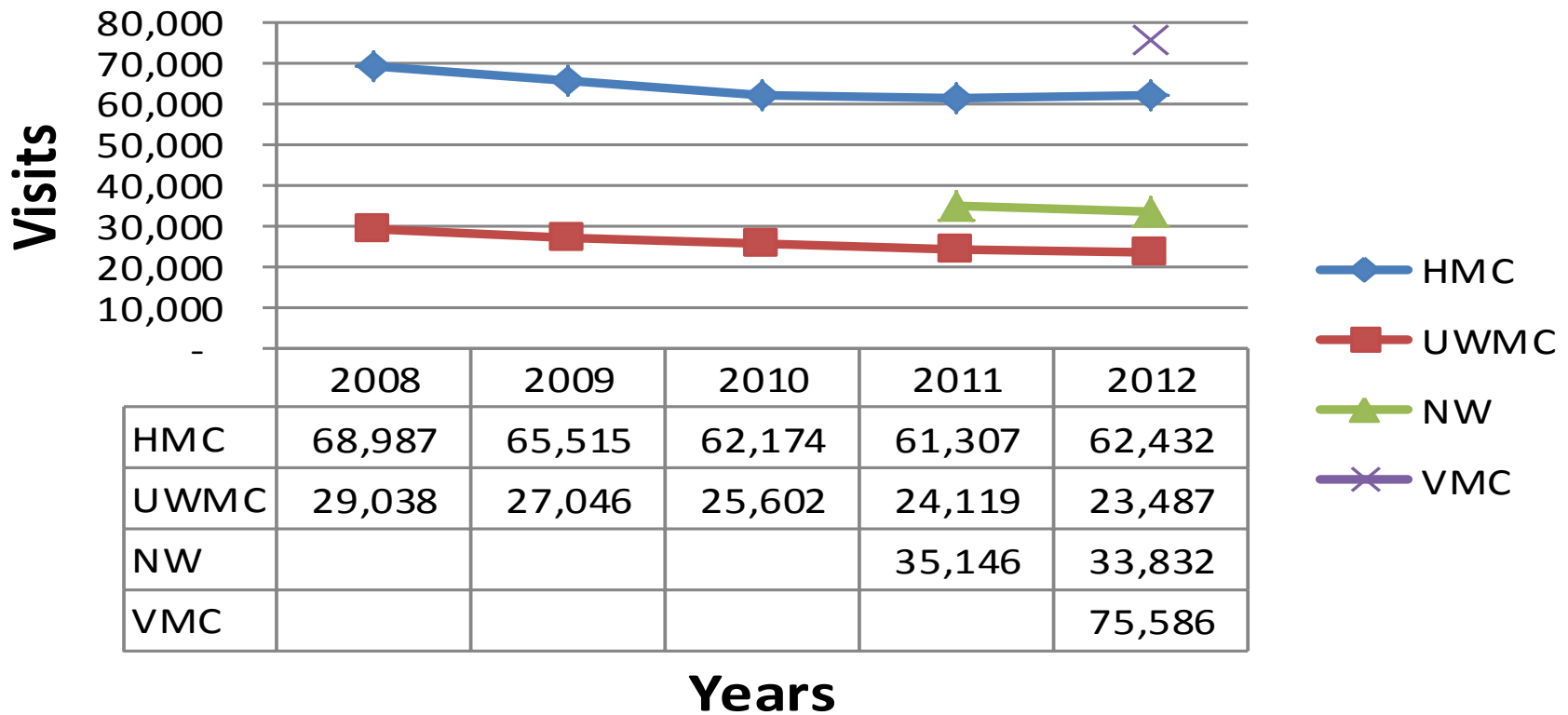
## QUALITY & COST

### REDUCING EMERGENCY DEPARTMENT USE & READMISSIONS

- UW Medicine has had a significant reduction in Emergency Department visits over 5 year period
- Strategies implemented to achieve this include:
  - Increased access to after-care clinics
  - Provided same-day and walk-in clinic access for primary care
  - 24/7 nurse advice line for patients
  - Proactive outreach to high utilizers
  - Reduced readmissions with after discharge follow up phone calls to patients
  - Established designated outpatient observation protocols to reduce admissions

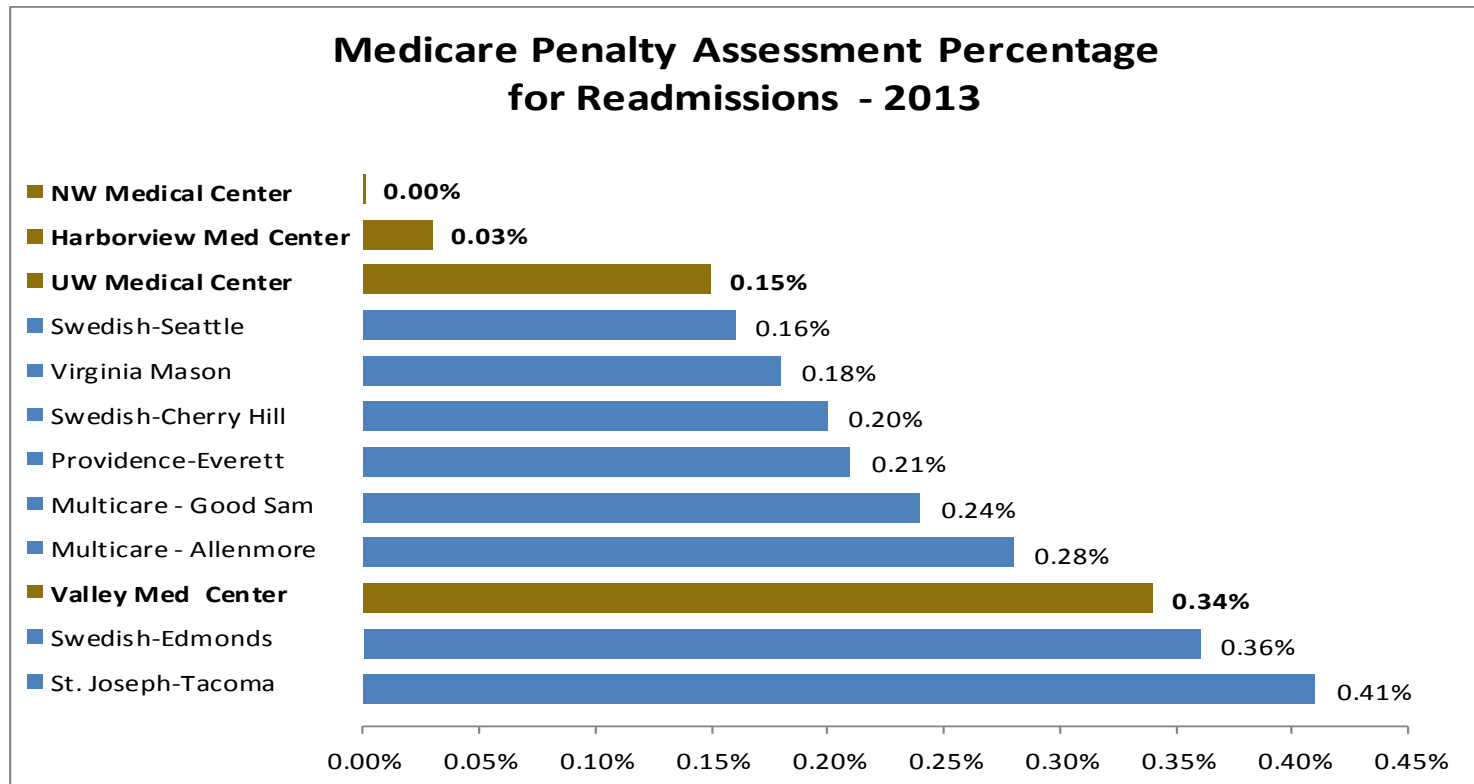
# QUALITY & COST CONTROL REDUCTION OF EMERGENCY VISITS

## UW Medicine ED Visits 2008 to 2012



# QUALITY & COST CONTROL

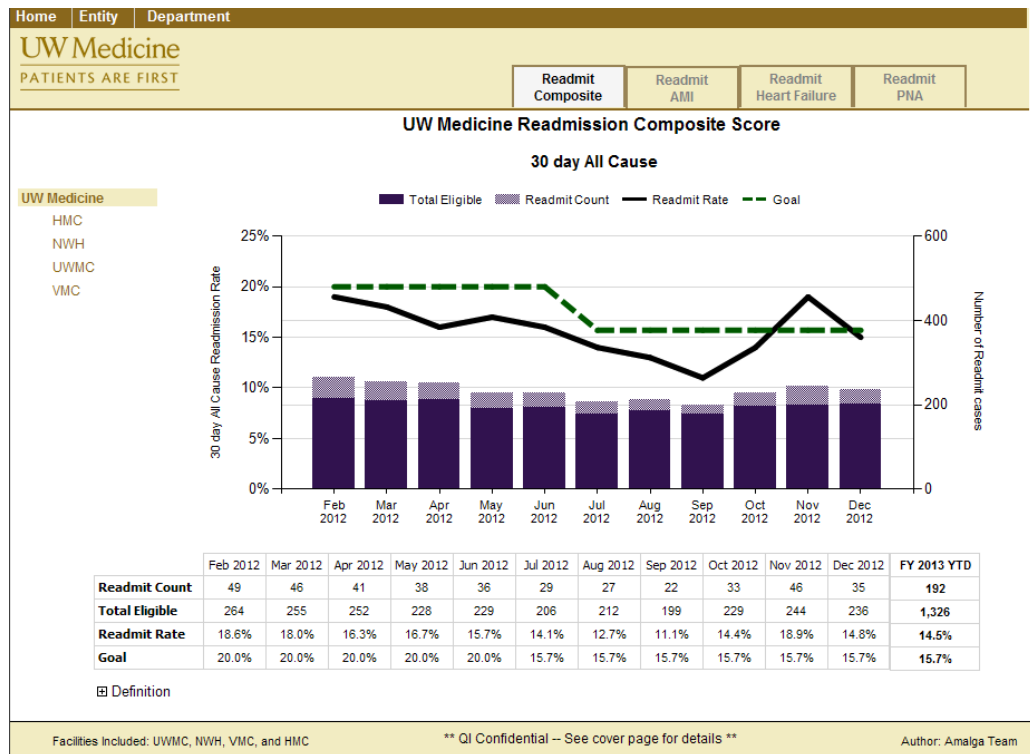
## REDUCTION OF READMISSIONS



- UW Medicine's hospitals' Medicare readmission rate penalty in three of its four hospitals, as published by the Puget Sound Business Journal in October of 2012, is significantly lower than other hospitals in the Puget Sound Region.

# COST CONTROL

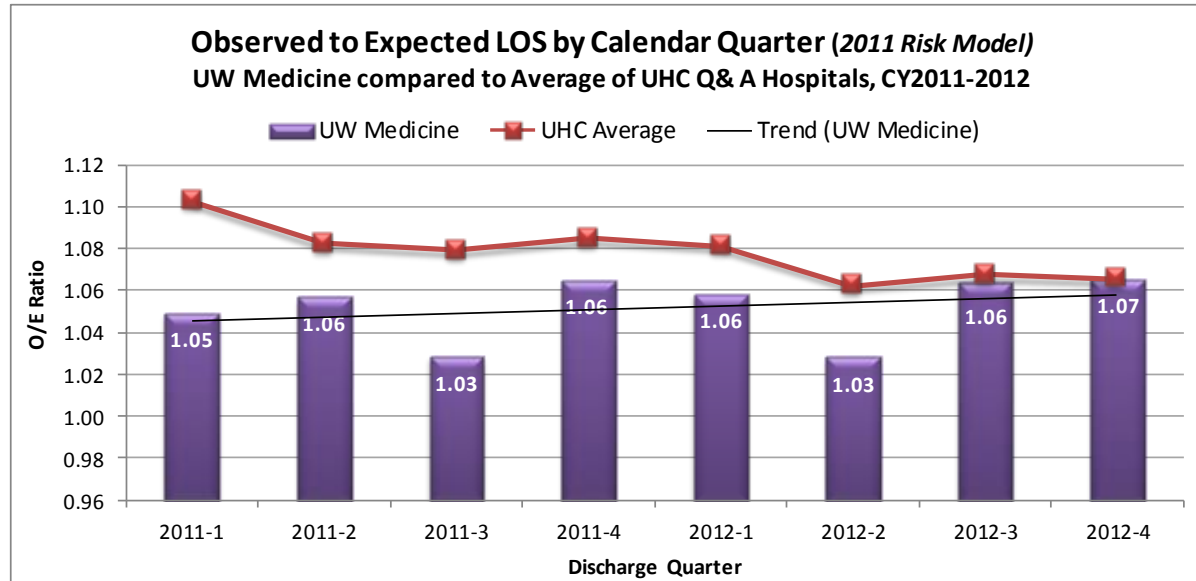
## 30 DAY ALL-CAUSE READMISSION RATE



- Outstanding readmission rates for Acute Myocardial Infarction (AMI), Heart Failure (HF) and Pneumonia (PNA) well below national benchmarks.
- Subsets: AMI: UW year to date = 12.5 (national average = 19.7%)
- HF: UW year to date = 16.9% (national average = 24.7%)
- PNA: UW year to date = 12.9% (national average = 18.5%)

# QUALITY & COST CONTROL

## LOWER INPATIENT LENGTH OF STAY

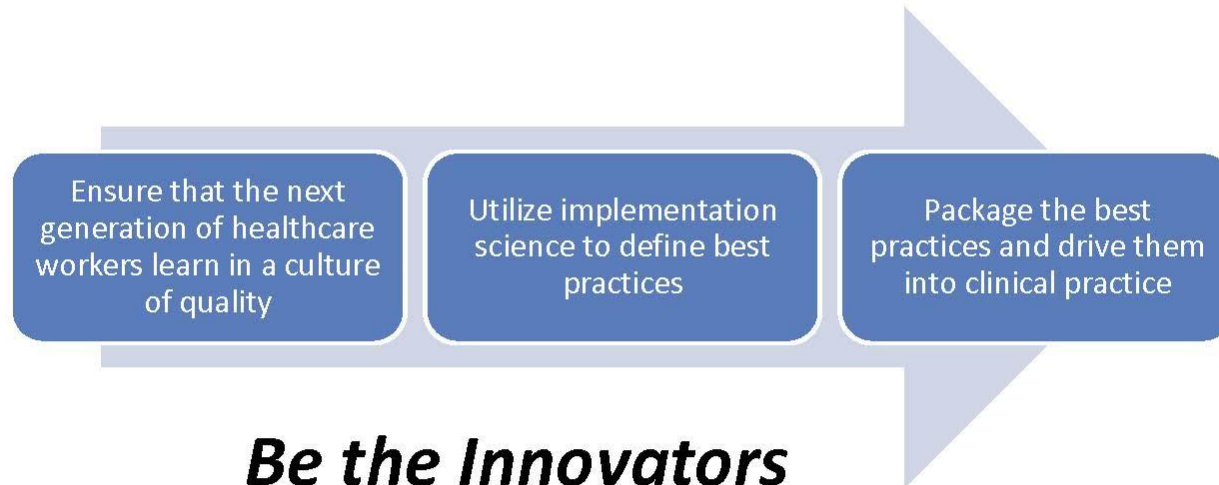


- **UW Medicine hospitals have a significantly lower than expected inpatient length of stay as adjusted for severity of patient diagnoses**

# UW MEDICINE PARTICIPATING IN BEST PRACTICES FOR BETTER CARE (IN COLLABORATION WITH HQSC)

## Best Practices for Better Care Vision

Draw on the collective strength of academic medical centers and teaching hospitals to...



2

AAMC – Association of American Medical Colleges  
UHC – University HealthSystem Consortium



# BEST PRACTICES FOR BETTER CARE COMMITMENTS

1. Teach quality and patient safety to the next generation of doctors
2. Ensure safer surgery through use of surgical checklists
3. Reduce infections of central lines using proven protocols
4. Reduce hospital readmissions for high-risk patients
5. Research, evaluate, and share new and improved practices

\* According to Association of American Medical Colleges (AAMC) & University HealthSystem Consortium (UHC)

# FOCUSED IMPROVEMENTS FOR FY 14

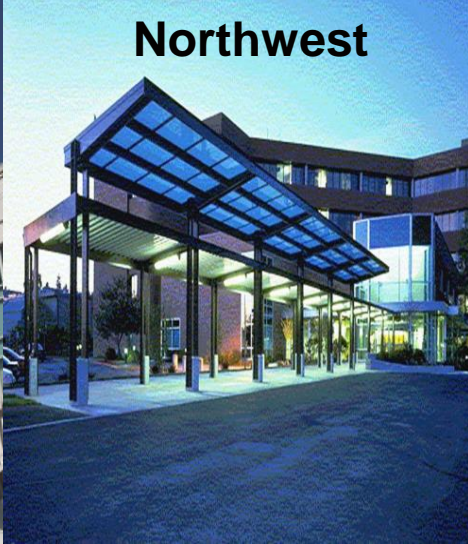
- 1. Improving patient problem list use rates and functionality**
- 2. Improving intraoperative glycemic control using a real-time decision support system**
- 3. Development of a training intervention to decrease procedure-related errors**
- 4. Improving communication during handoffs in care (transitions to next shift or team)**

# FOCUSED IMPROVEMENTS FOR FY 14

- 5. Multidisciplinary approach to decreasing catheter associated complications In hospitalized patients**
- 6. Improving quality and patient safety with online clinical care algorithms & messaging**
- 7. An innovative approach to comprehensive standardization of the pre-surgical patient**



**Harborview**



**Northwest**

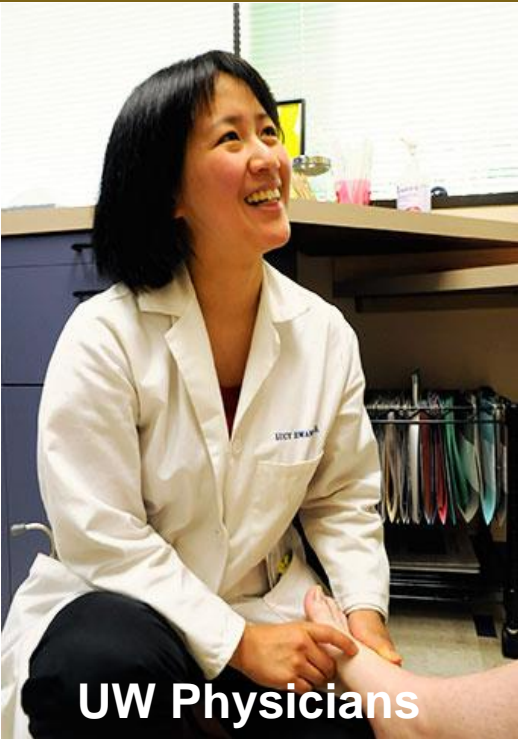


**UW Medical Center**



**Valley**

**UW MEDICINE**



**UW Physicians**



**Airlift Northwest**

**UW School of Medicine**



**UW Neighborhood Clinics**