



October 14, 2010

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, OCTOBER 20, 2010

5:30 p.m. Hill-Crest

DINNER FOR REGENTS AND OTHER GUESTS

THURSDAY, OCTOBER 21, 2010

10:15 to 10:50 a.m. 142 Gerberding Hall

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regents Barer (Chair), Gates, Harrell, Jewell, Youn

11:05 a.m. to 12:05 p.m. 142 Gerberding Hall

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regents Barer (Chair), Gates, Harrell, Jewell, Youn

in Joint Session with

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

12:25 to 2:25 p.m. 142 Gerberding Hall

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

**3:00 p.m. Petersen Room
Allen Library**

REGULAR MEETING OF BOARD OF REGENTS

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PRELIMINARY AGENDA

BOARD OF REGENTS University of Washington

October 21, 2010

3:00 p.m. – Petersen Room, Allen Library

(Item No.)

I. CALL TO ORDER

II. ROLL CALL

III. CONFIRM AGENDA

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Simon

V. REPORT OF THE UNIVERSITY PRESIDENT: Dr. Wise

VI. CONSENT AGENDA

Approval of Minutes of Meeting of September 16, 2010

Grant and Contract Awards Summary – July and August, 2010 F-1

Architectural Commission Membership Reappointment F-2

UW Retirement Plan and Voluntary Investment Program – Approve Fund Review Committee Changes F-6

Amendment to the Statement of Investment Objectives and Policy for the Consolidated Endowment Fund F-10

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee: Regent Barer – Chair

Academic and Administrative Appointments (ACTION) A-1

Faculty Presentation: Renewable energy landscapes: Appropriate technologies through interfacing of technologic, ecologic, economic, and social systems (Information only) A-2

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

Overview of Student Enrollment (Information only) A-3

Graduate School Leave Policy and Waiver of Non-Resident Tuition –
Information Only (Information only) F-11

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

Report of Contributions – August, 2010 (Information only) F-3

Actions Taken Under Delegated Authority (Information only) F-4

UW Retirement Plan Overview (Information only) F-5

UW Supplemental Retirement Plan Overview (Information only) F-7

Housing & Food Services (HFS) Master Plan Phase I Construction – Status
Report (Information only) F-8

Overview of UW Investment and Advancement Budgets (Information only) F-9

VIII. OTHER BUSINESS

Reports from ex-officio representatives to the Board:

Faculty Senate Chair – Professor JW Harrington

ASUW President – Ms. Madeleine McKenna

GPSS President – Ms. Sarah Reyneveld

Alumni Association President – Ms. Colleen Fukui-Sketchley

IX. DATE FOR NEXT REGULAR MEETING: Thursday, November 18, 2010

X. ADJOURNMENT



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

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

**October 21, 2010
10:15 to 10:50 a.m.
142 Gerberding Hall**

1. **Academic and Administrative Appointments** **ACTION** A-1
Mary Lidstrom, Interim Provost and Executive Vice
President

2. **Faculty Presentation: Renewable energy landscapes:
Appropriate technologies through interfacing of technologic,
ecologic, economic, and social systems** **INFORMATION** A-2
Daniel T. Schwartz, Chairman and Boeing-Sutter Professor,
Department of Chemical Engineering, College of Engineering
Everett Isaac, Ph.D. Student, School of Forest Resources

3. **Other Business**



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

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

In Joint Session with

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

**October 21, 2010
11:05 a.m. to 12:05 p.m.
142 Gerberding Hall**

1. **Overview of Student Enrollment** **INFORMATION** A-3
Mary Lidstrom, Interim Provost and Executive Vice President
Paul Jenny, Vice Provost, Planning & Budgeting
Todd Mildon, Assistant Vice Provost for Institutional Research and Data Management, Office of Planning & Budgeting

2. **Graduate School Leave Policy and Waiver of Non-Resident Tuition – Information Only** **INFORMATION** F-11
Gerald Baldasty, Vice Provost and Dean, The Graduate School
Gary Quarfoth, Assistant Vice Provost, Office of Planning & Budgeting

3. **Executive Session**
(To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of a decreased price.)

4. **Other Business**



UNIVERSITY OF WASHINGTON
BOARD OF REGENTS

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

October 21, 2010
12:25 to 2:25 p.m.
142 Gerberding Hall

1. **Grant and Contract Awards Summary – July and August, 2010** ACTION F-1
Mary Lidstrom, Interim Provost and Executive Vice
President
2. **Architectural Commission Membership Reappointment** ACTION F-2
Rebecca Barnes, University Architect, Office of Planning &
Budgeting
3. **Report of Contributions – August, 2010** INFORMATION F-3
Walter G. Dryfoos, Associate Vice President, Advancement
Services
Connie Kravas, Vice President, University Advancement
4. **Actions Taken Under Delegated Authority** INFORMATION F-4
Richard Chapman, Associate Vice President, Capital
Projects Office
5. **UW Retirement Plan Overview** INFORMATION F-5
Kathleen Dwyer, Executive Director, Benefits and WorkLife
6. **UW Retirement Plan and Voluntary Investment Program –
Approve Fund Review Committee Changes** ACTION F-6
Kathleen Dwyer
7. **UW Supplemental Retirement Plan Overview** INFORMATION F-7
Kathleen Dwyer
8. **Housing & Food Services (HFS) Master Plan Phase I
Construction – Status Report** INFORMATION F-8
Jon Lebo, Interim Director, Student Life Projects, Capital
Projects Office
Pamela Schreiber, Director, Housing & Food Services
9. **Overview of UW Investment and Advancement Budgets** INFORMATION F-9
Paul Jenny, Vice Provost, Office of Planning & Budgeting
10. **Amendment to the Statement of Investment Objectives and
Policy for the Consolidated Endowment Fund** ACTION F-10
V’Ella Warren, Senior Vice President and Treasurer, Board
of Regents
11. **Other Business**



AGENDA

BOARD OF REGENTS University of Washington

October 21, 2010
3:00 p.m.
Petersen Room, Allen Library

(Item No.)

I. CALL TO ORDER

II. ROLL CALL: Assistant Secretary Kelly Keith

III. CONFIRM AGENDA

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Simon

V. REPORT OF THE UNIVERSITY PRESIDENT: Dr. Wise

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Academic and Administrative Appointments (ACTION) A-1

Faculty Presentation: Renewable energy landscapes: Appropriate technologies through interfacing of technologic, ecologic, economic, and social systems (Information only) A-2

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

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Information Only (Information only) F-11

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ASUW President – Ms. Madeleine McKenna

GPSS President – Ms. Sarah Reyneveld

Alumni Association President – Ms. Colleen Fukui-Sketchley

IX. DATE FOR NEXT REGULAR MEETING: Thursday, November 18, 2010

X. ADJOURNMENT

OFFICIAL MINUTES

MINUTES

**BOARD OF REGENTS
University of Washington**

October 21, 2010

The Board of Regents held its regular meeting on Thursday, October 21, 2010, beginning at 3:00 p.m. in the Petersen Room of the Allen Library. The notice of the meeting was appropriately provided to the public and the media.

CALL TO ORDER

Regent Simon called the meeting to order at 3:00 p.m.

ROLL CALL

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

Absent: Regent Barer, Ms. Fukui-Sketchley

CONFIRM AGENDA

The agenda was confirmed as presented.

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

Regent Simon noted the standing committee appointments for 2010-11.

Academic and Student Affairs Committee

Joanne Harrell, Chair
Craig Cole, Vice Chair
Stan Barer
Bill Gates
Frances Youn

Finance, Audit and Facilities Committee

Orin Smith, Chair
Sally Jewell, Vice Chair
Kristi Blake
Jeff Brotman
Craig Cole (alternate)

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Regent Simon acknowledged incoming Academic and Student Affairs Committee Chair Joanne Harrell and Finance, Audit and Facilities Committee Chair Orin Smith and thanked outgoing Committee Chairs Kristi Blake and Stan Barer for their service to the Board. Regent Smith thanked all Board members for their commitment, hard work, and time in service of the Board and the University.

Regent Simon welcomed President Phyllis Wise and Provost Mary Lidstrom to their first Board meeting in their interim roles. Regent Simon said he attended the President's recent address to the UW Community, along with other Regents, and reported she received a standing ovation.

REPORT OF THE UNIVERSITY PRESIDENT: Dr. Wise

Dr. Wise said she feels privileged and honored to serve as President of the University in the interim. She said there are many challenges and opportunities that can't wait for the arrival of a new president.

For the last sixty days she has been on a listening and learning tour, mainly focused on external stakeholders, while faculty and staff were away during the summer. She plans to meet with students, staff, and faculty over next sixty days.

President Wise highlighted her three goals for the year.

- 1) 2Y2D – promote and move forward on the 2 years to 2 decades initiative.
- 2) Olympia – there are challenges associated with the upcoming legislative session. She met with the Governor and several legislators and will continue to broaden the conversations. She hopes to develop a simple message to save and preserve higher education to help the community in even more impactful ways.
- 3) Fundraising Campaign – to assure revenue streams over the next twenty years. Planning for the next campaign is in the early stages. While it is not customary to launch a campaign under an interim president, there is much advance planning to be accomplished.

President Wise introduced three newly-appointed Deans who each spoke for a few minutes and answered Regents' questions.

Dean Lisa Graumlich, College of the Environment, started on June 28, 2010.

Dean Graumlich is a graduate of UW's College of Forest Resources, and most recently was at the University of Arizona. Her area of study is climate change and human dimensions of the environment. Dean Graumlich described her observation of the greater public understanding of how the issues of the environment touch the challenges of people's lives. She said students come to the University seeking solutions to these challenges, whether the issues are local or global. The issues are broad and large and require the integration of various disciplines to generate solutions. Dr. Graumlich outlined her three goals for the college. Her first goal is to deal with budget challenges. The formation of the College created synergies and efficiencies, allowing better administration of the College with fewer resources. Her second goal is to organize and

encourage the faculty to work across large divisions – physical, social, and biological sciences, and pure versus applied sciences – and do intellectual work that has the scope and size of the problems faced. Her third goal is to work to combat the “loading dock” approach to science, which she described as taking science to the edge of campus and hope someone will pick it up. By engaging with stakeholders and communities at the outset of research, researchers are more able to connect science to solution pathways.

Regent Jewell asked Dean Graumlich about the opportunity for grant and contract funding. Dean Graumlich described a recently-awarded grant and was optimistic about future funding due to the College’s unique combination of multi-disciplinary research.

Dean Tom Stritikus, College of Education, started on September 16, 2010.

Dean Stritikus has been a faculty member in UW’s College of Education since 2000, serving as Associate Dean for Academic Programs. He specializes in bilingualism, bi-literacy and language policy. Dean Stritikus said he felt this was an ideal time to be involved in education due to the public and political discourse around school improvement, intense interest and scrutiny created by things like the film “Waiting for Superman,” and programs like “Education Nation.” He is hopeful for a rigorous debate on these issues.

Dean Stritikus said he is committed to scholarship on shifting demographics. By the year 2025, one of three students will be coming to schools speaking a language other than English at home. The College needs to dedicate resources to highest need schools, and place teachers, principals, and researchers in those schools. They need to do research that matters to people who work in schools, around real problems, and take that research to the people who use it.

Regent Gates asked about the students attending the College and their relationship to the current metamorphosis in education. Dean Stritikus said students are adapting their styles to meet the current needs. Regent Gates asked about teaching teachers about technique. Dean Stritikus said the mission of the College is to make teaching a clinical practice and take faculty and their research out into schools.

Regent Jewell asked about energetic and well-trained teachers interacting with a system dealing with seniority and unions. She asked if, within the work of the college, does the curriculum deal with policy and organization of schools and schools systems that undermine the ability of newly-trained teachers? Dean Stritikus described current policy work and helping schools’ central offices reform themselves into learning organizations. This involves transforming how they relate to learning.

Dean Howard “Howie” Frumkin, School of Public Health, started September 27, 2010.

Dean Frumkin came to the UW from Emory University and the Centers for Disease Control in Atlanta. His specialty is public health as a focus discipline and the role of public health in urban sprawl, in the built environment, and in environmental issues that have disparate effects on different populations.

As an environmental health specialist his initial research and clinical work focused on hazardous exposure. Recently he has become passionate about larger scale exposures – community design, contact with nature, and climate change, understanding both the positive and negative aspects of these environments.

Dean Frumkin told the Regents he is excited to be the Dean of the School of Public Health, because it is a broad field dedicated to protecting and promoting good health across populations. The study of public health ranges from sophisticated science, to on-the-ground programs, to the analysis and design of health policy. It is science-based and mission-driven. UW's School has about two hundred faculty and one thousand students; it is ranked fourth nationally; and key programs such as epidemiology, biostatistics, and nutritional sciences are ranked even higher. At the UW, it follows the medical school and engineering in the amount of research support it brings in.

Dr Frumkin described two challenges for the School. The first is the current business model – the school has been successful in leveraging state funds with research grants and contracts, but 15% of the faculty payroll is supported by “hard money.” He said this is not a sustainable model.

The School's facilities represent a second challenge. Currently, faculty members work in about twenty venues around Seattle. Without a shared home, Dr. Frumkin said, faculty and students lack opportunities for casual interactions, a key incubator for ideas and projects, and often find it difficult even to get to department meetings. However, working in different facilities provides opportunities for internal collaborations with the schools where they are located.

Dean Frumkin outlined his areas of future focus: aggressive advancement efforts to increase donations to the School; aggressive efforts at business efficiencies; strategic planning to identify long term directions and to build shared sense of mission; selective hiring of faculty “superstars” to replace those leaving; a thorough review of the curriculum; and renewed efforts at community and state outreach.

On behalf of the Board of Regents, Regent Simon applauded the three newly-appointed Deans and thanked them for coming to the University of Washington.

CONSENT AGENDA

Regent Simon asked if there were any items to be removed from the Consent Agenda and returned to the report of a standing committee for discussion. Regent Blake asked Regent Simon to move item F-10 from the Consent Agenda to the report of the Finance, Audit and Facilities Committee where it would be considered for approval.

Regent Simon noted there were four remaining items for approval on the consent agenda, and called for a motion.

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

Minutes for the meeting of September 16, 2010

Grant and Contract Awards Summary – July and August, 2010 (Agenda no. F-1)

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 July, 2010, in the total amount of \$169,728,541, and for the month of August, 2010, for \$219,493,300.

See Attachment F-1.

Architectural Commission Membership Reappointment (Agenda no. F-2)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to reappoint Cathy Simon, FAIA, to the University of Washington Architectural Commission, commencing in October 2010, and ending in October 2014.

See Attachment F-2.

UW Retirement Plan and Voluntary Investment Program – Approve Fund Review Committee Changes (Agenda no. F-6)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve changes to the Fund Review Committee (the Committee) language of both the UW Retirement Plan (UWRP) Plan Document Section 5.2 and Section 5.4 of the UW Voluntary Investment Program (VIP).

See Attachment F-6.

STANDING COMMITTEES

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Barer, Chair

In Regent Barer's absence, Regent Jewell, the Vice Chair of the Academic and Student Affairs Committee, provided the report. Regent Jewell asked Provost Lidstrom if there were any appointments she wished to highlight. Provost Lidstrom said there were none on this month's report.

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

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

See Attachment A-1.

Faculty Presentation: Renewable energy landscapes: Appropriate technologies through interfacing of technologic, ecologic, economic, and social systems (Agenda no. A-2) (Information only)

Regent Jewell reported on the presentation by Professor Dan Schwartz, and his graduate student Everett Isaac. They described their research on renewable energy landscapes, specifically on the Yakama Nation reservation, about seeking ways to generate power through the use of wood waste, from removal of invasive species. The program has a high percentage of tribal members participating.

See Attachment A-2.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Barer, Chair
In joint session with
FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Blake, Chair

Overview of Student Enrollment (Agenda no. A-3) (Information only)

Regent Jewell said the Regents received a report on enrollments, with five-year projections, planning for significant growth at the Bothell and Tacoma campuses, as well as maintaining the number of in-state students served on the Seattle campus, and given the budget realities faced by the University, a gradual increase in the number of out-of-states students likely to attend the Seattle campus.

See Attachment A-3.

Graduate School Leave Policy and Waiver of Non-Resident Tuition – Information Only (Agenda no. F-11) (Information only)

Regent Blake reported on a presentation Regents received regarding three proposed action items relative to graduate students. The items related to the fees and time period for leaves as well as fees for reapplication. Regents also heard an update on an item they took action on five years ago. This provided a tuition waiver for non-resident graduate students. Graduate students participated in the presentation and provided information and testimonials about the benefits of this program. The Board plans to take action on these items at the next month's meeting.

See Attachment F-11.

Amendment to the Statement of Investment Objectives and Policy for the Consolidated Endowment Fund (Agenda no. F-10)

Regent Blake asked for this item to be pulled from the Consent Agenda, and considered in the report of the committee. This was a complex item related to the Endowment, including the spending level, timing of the payments, and averaging of the payments.

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Regent Blake wished to clarify number 6 (“Implementation”) of the “Recommended Action” to include the use of a 5% collar on quarter to quarter increases or decreases, as described in the “Rationale” section of the item.

MOTION: Upon the recommendation of the Finance, Audit and Facilities Committee and the motion made by Regent Jewell, seconded by Regent Smith, the Board voted to approve the Amendment to the Statement of Investment Objectives and Policy for the Consolidated Endowment Fund (CEF) and adopt a new spending policy. The recommended policy change will replace the interim spending policy which impacted program distributions in fiscal years 2009 and 2010.

The recommendation is summarized below:

1. **SPENDING RATE:** Reduce total spending (program distributions plus administrative fees) by one percentage point representing a drop in the long term spending rate from 6.0% to 5.0%.
2. **SPENDING SPLIT:** Reduce the rate on program distributions from 5.0% to 4.0% and maintain the current administrative fee of 1.0%.
3. **ADMINISTRATIVE FEE SPLIT:** Maintain current 1% administrative fee at 80 bps to the Advancement Program and 20 bps to the Investment Office.
4. **AVERAGING PERIOD:** Extend the averaging period from three years to five years.
5. **TIMING:** Next quarterly distribution following Board approval.
6. **IMPLEMENTATION:** Implement to a five year averaging period incrementally over a twenty quarter transition period. Beginning with the second quarter during the transition, distributions will be smoothed through the use of a 5% collar on quarter to quarter increases or decreases.
7. **ADMINISTRATIVE FEES’ CALCULATION:** Change administrative fee distribution from period end calculation to the same averaging formula used for program distributions.
8. **ADMINISTRATIVE FEE REVIEW PROCESS:** Initiate annual review of administrative programs (Advancement and Investment Offices) funded off the CEF by the Office of Planning and Budgeting. Identify process for ongoing administrative program oversight.

See Attachment F–10.

FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Blake, Chair

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Regent Simon noted this was Regent Blake's last meeting as Chair of the Finance, Audit and Facilities Committee and thanked her for her hard work during the past year.

Report of Contributions – August, 2010 (Agenda no. F-3) (Information only)

The total gifts received in August, 2010, was \$24,558,486. The total for the year-to-date is \$55,521,709.

See Attachment F-3.

Actions Taken Under Delegated Authority (Agenda no. F-4) (Information only)

See Attachment F-4.

UW Retirement Plan Overview (Agenda no. F-5) (Information only)

Regents received an overview of the UW Retirement Plan and learned more about their fiduciary responsibilities relative to the plan. Regents asked questions and requested follow-up presentations to better understand their fiduciary and legal responsibilities. Regents also hope to learn what controls they may have over plan design, plan funding, and other associated issues.

See Attachment F-5.

UW Supplemental Retirement Plan Overview (Agenda no. F-7) (Information only)

See Attachment F-7.

Housing & Food Services (HFS) Master Plan Phase I Construction – Status Report
(Agenda no. F-8) (Information only)

During the construction of new student housing, Regents asked to know that the demand for this housing continues. They instituted "off ramps" from projects to make sure continued demand existed to proceed with subsequent phases of the project. During the presentation, Regents learned dorm occupancy is 114%, with single rooms housing two students, doubles housing three students, and students living in areas not designed to be residences, and waiting lists. Based on the demand there is no reason to decide not to proceed with next phase of construction.

See Attachment F-8.

Overview of UW Investment and Advancement Budgets (Agenda no. F-9)
(Information only)

See Attachment F-9.

REPORTS FROM EX OFFICIO REPRESENTATIVES TO THE BOARD OF REGENTS

Faculty Senate Chair: Professor JW Harrington

Professor Harrington commented on the University's leadership and noted as a faculty member in the Department of Geography, his department chair, divisional dean, dean, provost, and president are all female scholars who have found a way to add administrative roles to their scholarship. And next year his successor will be Susan Astley, a professor of Epidemiology and Pediatrics who directs a network of four clinical sites around the state.

Professor Harrington said his report would consist of three short comments on immediate matters, followed by a longer-term "interpretation" to share with the Regents.

The proposed repeal of the graduate, non-resident, tuition waiver has not yet been discussed by the Senate Committee on Planning and Budgeting, and therefore he won't offer an official faculty opinion, but from his observation at the meeting, there was quite a bit of agreement regarding goals.

Professor Harrington said he would like to learn more about the retirement benefit supplementation. He plans to seek more background from Katy Dwyer, and some advice from the Faculty Council on Benefits and Retirement.

Dr. Harrington noted a key issue faculty members are grappling with. There is great concern of his colleagues over the upcoming football game against UCLA on Thursday, November 18, at 5 p.m. Dr. Harrington noted this is rush hour and there are over 1,500 classes, labs, and sections that afternoon. Nearly every parking facility on campus is to be dedicated to football guests, displacing the students who are paying to study here and the faculty who are paid to lead them. The game day is a Thursday, and there are no classes on the previous Thursday, Veterans Day; no classes on the next Thursday, Thanksgiving. Dr. Harrington said the President, Provost, and deans have urged faculty not to cancel classes, but those faculty who can get to campus for afternoon classes will probably find them so depleted that they will have to reschedule major activities like tests. UW leaders have emphasized the primacy of teaching and labs, and yet the perception is that football and fans are what will drive, and drive to, the university that day.

Dr. Harrington said would focus his remarks on why, and whether, universities are enduring institutions.

He said Universities are a key and enduring part of civil society in West and in the East. In the modern world, they are largely separate from church and state, even when they are supported in part by them. In contemporary life, they are separate from private corporations. They are separate and yet they contribute to the regeneration of ideas and people. What universities do is based on peer evaluation and critique. The continuity of universities has been ensured by a continuing need for regeneration and by a complex governance system.

There is value in the creative conflict that arises among faculty who determine the course of academic programs, and value in the watchful interaction between faculty and

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administrators. Such explicit, creative conflict is often absent in more hierarchical organizations, allowing ill-advised decisions to propagate unfettered.

There are tensions in the relationship between the inherent conservatism of the institution, as a form of self-preservation, and the radicalism because of the duty to generate ideas; conservatism because of the desire to remain apart from current ideologies, the radicalism as a critique of current ideologies; the conservatism of evolutionary development of disciplines versus the radicalism of revolutionary ideas require a certain amount of interdisciplinarity and non-disciplinarity – hence the difficulty in “governing” academic life.

After sixty years of hegemony over academic training, basic research, and occupational training, universities in the U.S. now face competition from private, governmental, non-governmental, and international sources for the granting of degrees, conduct of basic research, and occupational certification.

What remains unique to the academic enterprise is the relatively unfettered nature of university work, where there is some chance of viewing the society at a distance, and the dominance of universities as a place where young people are transformed.

The current “pickle” is the privatization of higher education costs based on the presumed privatization of returns. So far, this has affected who comes to the university, what they choose to study (based on an expectation of sufficient private returns), and who teaches them.

Professor Harrington said he still has many students from middle-income backgrounds in his classes, although they are increasingly stressed by the costs. Despite the financial pressures they face, Dr. Harrington is amazed by the openness and curiosity they retained – usually including among the droves that flock to Business, Computer Science, and pre-Medicine because of the perception of greater economic returns.

UW has been somewhat more resistant to the reliance on part-time instructors that dominates much of higher education. The size of UW’s graduate programs allows many undergraduate programs to employ teaching assistants who are actively engaged in research.

Dr. Harrington said he wished he had more answers to the current “pickle,” but he would leave the Regents with this: For the students, UW has to maintain the quality and accessibility – noting that the key to accessibility is different for students from different economic, geographic, age, and cultural backgrounds.

For the faculty, it is about more than salary: collegial connections across units, opportunity for productivity (which relies on good management at the local level as well as key support services), self-determination (the opportunity to see and seize opportunity, in the classroom), and a sense of doing, rather than being done to. Right now, there’s a sense that November 18th was done unto the faculty, and announced widely after they had planned our classes.

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For the society, including whatever future society may follow, UW has to maintain an independent academic sector. For all, it's more than economics. The faculty and administration are trying to find approaches to increase an appreciation of the public returns to higher education in a democracy – a democracy that feels in danger of imploding from a reliance on uncritical rhetoric and virulent anti-intellectualism.

Regent Cole quoted President John Adams “If a democracy is to be successful, a liberal education must become the property of the many, as opposed to the few.”

Regent Jewell said the faculty perspective will be very important in meetings with the legislature.

Regent Simon said Professor Harrington's message is very relevant, especially to legislators during the upcoming session.

ASUW President: Ms. Madeleine McKenna

Ms. McKenna apologized for missing the committee meetings earlier in the day. She said she had the “once in a lifetime opportunity” to speak at an event featuring President Obama.

Ms. McKenna said students were excited about campus life over all, and look forward to being on the national stage on Thursday, November 18, for the Husky football game.

She reported ASUW completed a voter registration campaign; they registered 1,200 new voters within four class days, which represents about one-fifth of the freshman class. They are proud of this accomplishment and hope to create a culture on campus where political engagement is the norm, and sustain a level of excitement about elections and voting through the legislative session. ASUW will host an interactive debate on state ballot initiatives 1098, 1100, and 1105 entitled “Booze, Taxes, and Democracy.”

They are beginning conversations with President Wise and External Affairs about the University's legislative message, especially regarding tuition delegating authority. Ms. McKenna said President Wise has been approachable and interested in bringing students “to the table” to have this discussion of policy and messaging.

UW hosted its first Sustainability Summit, bringing community leaders to campus to talk about ways to make the University more sustainable. This is the first year of the campus sustainability fund created by student fees to finance environmental projects on campus. ASUW is also working on making changes to the U-PASS transit program. The Student Senate is considering legislation for a universal U-PASS, a mandatory purchase program, instead of the current opt-out program. They are also working with the City of Seattle for relief from the commercial parking tax. The city is moving toward creating a grant program for institutions who use parking revenues to subsidize transit programs.

Ms. McKenna expressed extreme sorrow about the recent suicide of an undergraduate student and said this touches and affects a lot of people, and offers the community an opportunity to come together and support each other. She thanked Vice President and

Vice Provost Eric Godfrey and his staff in the Office of Student Life for reaching out and supporting students.

Regent Simon commented how fortunate the students are to have Ms. McKenna as their leader.

GPSS President: Ms. Sarah Reyneveld

Ms. Reyneveld praised Eric Godfrey for the hard work he's done in support of students and raising student awareness in the area of mental health, counseling, and access to those services.

GPSS has been hard at work this fall on an ambitious social programming schedule that includes the fourth annual Summit to be held on Friday, December 3. The topic of the Summit is "Losing Leverage: Federal and State Investment in Higher Education," and it will bring legislators to look at the importance of core state funding and how this core funding is essential to leverage research grants. As part of the Summit, GPSS will conduct a survey, intended to show the impacts of budget cuts.

GPSS recently hosted the first annual student-parent mixer. The event was attended by over one hundred undergraduate and graduate student-parents. The event provided an opportunity to reach this often-marginalized community, as they seek accessible and affordable child care.

Ms. Reyneveld highlighted other GPSS initiatives and said graduate student aid is always a priority. Three out of four graduate student aid programs were suspended by the legislature last year. GPSS plans to work to reach compromises to insure graduate aid is made available to "world-class" students to attend UW. She offered special thanks to Regent Blake for allowing graduate students, who were recipients of the non-resident waiver, to share their stories at the day's committee meeting.

They are also working on access to transportation. She said the U-PASS program is in a critical state – user fees have nearly doubled since 2009 and ridership has decreased. ASUW and GPSS will be looking at proposals to universalize the U-PASS, an action requiring Regental approval.

GPSS has been hard at work on their legislative agenda. She looks forward to discussing solutions to tuition and financial aid with Regent Simon, President Wise and others so their talking points are consistent heading into the legislative session.

Alumni Association President: Ms. Colleen Fukui-Sketchley

The Vice Chair of the Alumni Association, Sue Williams, provided a report in Ms. Fukui-Sketchley's absence.

The Alumni Association is actively involved in engaging students, alumni, and friends around the world, regionally and locally. This is the second year of offering a UW history and traditions class taught by an alumni association staff member in the form of a

October 21, 2010

FIG (Freshman Interest Group) class. The instructor has trained thirty other FIG leaders in the curriculum so they also can impart this information.

Ms. Williams provided an update of recent Homecoming activities. UWAA sponsors the annual Homecoming royalty program involving recognizing six students, the top two of whom receive scholarship checks. The final homecoming event is the upcoming 25th annual Dawg Dash at Husky Stadium.

Football-related events, including viewing parties, are held around the world in conjunction with UW football games. UWAA sponsors pre-game warm-ups at away games. More than 500 are expected to attend the upcoming event in Tucson, Arizona.

During fall quarter the award-winning, lifelong learning lecture program brings thousands of alumni and friends to campus to experience more than twenty five lectures and programs. Lecture topics include history, engineering, arts and sciences, and are listed on the UWAA website.

As a new program, UWAA is recognizing faculty and staff retirees from the past year by expanding the license plate gift program, paying the first year's fee for a UW affinity license plate. The goal is to encourage retirees to continue to renew the license plate, with proceeds funding scholarships. More than two hundred graduating seniors activated their UW license plate gift voucher this past year. UWAA plans to expand the program to include freshman and their parents.

October is membership month for the Alumni Association; Ms. Williams asked meeting attendees to encourage friends and neighbors to become members, and said there are 55,000 current members.

DATE FOR NEXT MEETING

The next regular meeting of the Board of Regents will be held on Thursday, November 18, 2010, on campus.

ADJOURNMENT

The regular meeting was adjourned at 4:05 p.m.



Joan Goldblatt
Secretary of the Board of Regents

Approved at the meeting of the Board of Regents on November 18, 2010.

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 the Board of Regents approve the appointments to the University faculty and administration as presented on the attached list.

Attachment

Personnel Recommendations

ADMINISTRATIVE APPOINTMENTS

School of Medicine

School of Medicine

Goldstein, Erika Ann

Acting Associate Dean, School of Medicine, effective 12/1/2010

Continuing Appointment:

- Professor without Tenure, Medicine

Degrees:

- MD, 1981, University of Rochester
 - BA, 1976, Middlebury College
-

ENDOWED APPOINTMENTS

College of Arts and Sciences

Department of Chemistry

Chiu, Daniel Teyun

A. Bruce Montgomery Professorship in Chemistry, effective 10/1/2010

Continuing Appointment:

- Professor, Chemistry

Degrees:

- PhD, 1998, Stanford University
- BA, 1993, University of California (Berkeley)
- BS, 1993, University of California (Berkeley)

Goldberg, Karen Ila

Nicole A. Boand Endowed Professorship in Chemistry, effective 10/1/2010

Continuing Appointment:

- Professor, Chemistry

Degrees:

- PhD, 1988, University of California (Berkeley)
- AB, 1983, Barnard College

Department of English

Kenney, Richard Laurence

S. Wilson & Grace M. Pollock Professorship in Creative Writing, effective 9/16/2010

Continuing Appointment:

- Professor, English

Degree:

- BA, 1970, Dartmouth College

Mc Hugh, Heather

S. Wilson & Grace M. Pollock Professorship in Creative Writing, effective 9/16/2010

Continuing Appointment:

- Professor, English

Degrees:

- MA, 1972, University of Denver
- BA, 1970, Harvard University

Department of Political Science

Parker, Christopher S.

Stuart A. Scheingold Social Justice Term Professorship, effective 7/1/2010

Continuing Appointment:

- Assistant Professor, Political Science

Degrees:

- PhD, 2001, University of Chicago
- MA, 1996, University of Chicago
- BA, 1993, University of California (Los Angeles)

Jackson School of International Studies

Kasaba, Resat

Stanley D. Golub Endowed Chair, effective 8/16/2010

Continuing Appointments:

- Professor, International Studies
- Adjunct Professor, Near Eastern Languages and Civilization
- Adjunct Professor, Political Science
- Adjunct Professor, Sociology
- Director, International Studies

Degrees:

- PhD, 1986, State University of New York (Binghamton)
- MA, 1979, State University of New York (Binghamton)
- BS, 1976, Middle East Technical University (Turkey)

Pianko, Noam

Samuel N. Stroum Endowed Chair In Jewish Studies, effective 7/1/2010

Continuing Appointments:

- Assistant Professor, International Studies
- Adjunct Assistant Professor, History

Degrees:

- PhD, 2004, Yale University
- BA, 1995, Brown University

School of Dentistry

Department of Dental Public Health Sciences

Cameron, Cheryl Ann

Virginia & Prentice Bloedel Professorship, effective 7/1/2010

Continuing Appointments:

- Professor, Dental Public Health Sciences
- Adjunct Professor, Education
- Vice Provost for Academic Personnel

Degrees:

- JD, 1994, Seattle University
- PhD, 1986, University of Washington
- MEd, 1978, University of Kentucky
- BHS, 1977, University of Kentucky

College of Engineering

Department of Civil and Environmental Engineering

Wartman, Joseph

Henry Roy Berg Endowed Professorship in Civil and Environmental Engineering, effective 9/16/2010

Continuing Appointment:

- Associate Professor, Civil and Environmental Engineering

Degrees:

- PhD, 1999, University of California (Berkeley)
- MEng, 1996, University of California (Berkeley)
- MSCE, 1996, University of California (Berkeley)

NEW APPOINTMENTS

College of Arts and Sciences

Department of Physics

Yu, Yongle

Visiting Professor, Physics, effective 10/1/2010

Prior Non-UW Appointment:

Professor, Physics, Wuhan Institute of Physics and Mathematics

Degrees:

- PhD, 2003, University of Washington
- BA, 1993, Wuhan University (China)

Department of Speech and Hearing Sciences

Lee, Adrian KC

Assistant Professor, Speech and Hearing Sciences, effective 1/1/2011

Degrees:

- Doctor Of Science, 2007, Massachusetts Institute of Technology
- Bachelor in Engineering, 2002, University of New South Wales (Australia)

Sullivan, Jessica

Assistant Professor, Speech and Hearing Sciences, effective 9/1/2010

Degrees:

- PhD, 2010, University of Texas, Dallas
- MS, 2000, Lamar University
- BA, 1996, Louisiana State University

Jackson School of International Studies

Klapaki, Nektaria

Visiting Assistant Professor, International Studies, effective 9/16/2010

Prior Non-UW Appointment:

Adjunct Professor, History, University of Thessaly

Degrees:

- PhD, 2006, University of London (UK)
- MA, 1996, University of London (UK)
- BA, 1995, University of Crete

Business School

Department of Management and Organization

Cox, Emily

Assistant Professor, Management and Organization, effective 9/23/2010

Notes:

PhD awarded October 2010 from Stanford University

Prior UW Appointment:

Acting Assistant Professor, pending Ph.D., Management and Organization

Degrees:

- MA, 2010, Stanford University
- PhD, 2010, Stanford University
- MBA, 2000, Brigham Young University (Utah)
- BS, 1998, Brigham Young University (Utah)

College of Engineering

Department of Bioengineering

Fu, Elain S.

Research Assistant Professor, Bioengineering, effective 10/1/2010

Degrees:

- PhD, 1997, University of Maryland
- MS, 1996, University of Maryland
- ScB, 1992, Brown University

Kim, Deok-Ho

Assistant Professor, Bioengineering, effective 2/1/2011

Degrees:

- PhD, 2010, Johns Hopkins University
- MS, 2000, Seoul National University (Korea)
- BS, 1998, Pohang University of Science and Technology (Korea)

School of Law

School of Law

Lee, Chulwoo

Visiting Professor, Law, effective 1/1/2011

Prior Non-UW Appointment:

Professor, Law, University of Yonsei

Degrees:

- PhD, 1996, London School of Economics (UK)
- Master Of Laws, 1987, Georgetown University
- Master Of Laws, 1985, Seoul National University (Korea)
- Bachelor Of Laws, 1983, Seoul National University (Korea)

Porter, Elizabeth Gilbert

Visiting Assistant Professor, Law, effective 9/16/2010

Degrees:

- JD, 2000, Columbia University
- MA, 2000, Columbia University
- EdM, 1992, Harvard University
- BA, 1991, Brown University

School of Medicine

Department of Anesthesiology and Pain Medicine

Ciliberto, Christopher

Assistant Professor without Tenure, Anesthesiology and Pain Medicine, effective 10/1/2010

Prior Non-UW Appointment:

Assistant Professor, Anesthesia, Columbia University
College of Physicians and Surgeons

Degrees:

- MD, 1991, University of Medicine & Dentistry of New Jersey
- BA, 1987, Boston University

Larkin, Kathleen Lynn

Assistant Professor without Tenure, Anesthesiology and Pain Medicine, effective 9/7/2010

Prior UW Appointment:

Acting Instructor, Medical Education and Biomedical Informatics

Degrees:

- PhD, 2005, Gonzaga University
- MA, 1983, Alaska Pacific University
- BS, 1978, University of Nebraska (Omaha)
- BS, 1974, Eastern Washington University

Department of Medical Education and Biomedical Informatics

Coerver, Donald A.

Senior Lecturer Full-Time, Medical Education and Biomedical Informatics, effective 9/1/2010

Prior UW Appointment:

Nephrology Fellowship, Joint Nephrology Program,
Massachusetts General Hospital and Brigham Women's
Univeristy

Degrees:

- MMSc, 2010, Harvard University
- MD, 2003, Washington University
- PhD, 2003, Washington University
- BA, 1994, University of California (Berkeley)

Department of Medicine

Afkarian, Maryam

Assistant Professor without Tenure, Medicine, effective 9/1/2010

Prior Non-UW Appointment:

Nephrology Fellowship, Joint Nephrology Program,
Massachusetts General Hospital and Brigham Women's
Univeristy

Degrees:

- MMSc, 2010, Harvard University
- MD, 2003, Washington University
- PhD, 2003, Washington University
- BA, 1994, University of California (Berkeley)

Banks, William A.

Professor without Tenure, Medicine, effective 6/1/2010

Prior Non-UW Appointment:

Professor, Internal Medicine and Pharmacological &
Physiological Sciences, Saint Louis University

Degrees:

- MD, 1979, University of Missouri
- BA, 1975, University of Missouri

Bhatia, Shailender

Assistant Professor without Tenure, Medicine, effective 9/1/2010

Prior UW Appointment:

Acting Instructor, Medicine

Degree:

- MB BS, 2000, All-India Institute of Medical Sciences

Duffield, Jeremy Stuart

Associate Professor without Tenure, Medicine, effective 9/1/2010

Prior UW Appointment:

Visiting Assistant Professor, Medicine

Degrees:

- MD, 2004, Educational Commission for Foreign Medical Graduates
- PhD, 2001, Edinburgh University (Scotland)
- MA, 1995, Oxford University (UK)
- BM, 1992, Oxford University (UK)
- BA, 1989, Oxford University (UK)

Kritek, Patricia A.

Associate Professor without Tenure, Medicine, effective 9/1/2010

Prior Non-UW Appointment:

Instructor, Medicine, Harvard Medical School

Degrees:

- EdM, 2006, Harvard University
- MD, 1998, University of Connecticut
- BA, 1992, Yale University

Sorrer, Mohamed

Assistant Professor without Tenure, Medicine, effective 10/1/2010

Prior UW Appointment:

Fellow, Medicine

Degrees:

- MSC, 1998, University of Asyut
- MD, 1993, University of Asyut

Department of Pediatrics

Likes, Maggie

Assistant Professor without Tenure, Pediatrics, effective 10/1/2010

Prior Non-UW Appointment:

Pediatric Cardiology Fellowship, Mattel Children's Hospital, University of California, Los Angeles

Degrees:

- MD, 2003, Tulane University
- BA, 1999, University of Oregon

Department of Psychiatry and Behavioral Sciences

Collins, Susan Elizabeth

Research Assistant Professor, Psychiatry and Behavioral Sciences, effective 9/1/2010

Prior UW Appointment:

Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- PhD, 2003, Syracuse University
- MA, 2000, Syracuse University
- BA, 1998, University of Texas (Austin)

Lindgren, Kristen

Assistant Professor without Tenure, Psychiatry and Behavioral Sciences, effective 9/1/2010

Prior Non-UW Appointment:

Assistant Professor, Psychology, University of Richmond

Degrees:

- PhD, 2006, University of Washington
- MS, 2002, University of Washington
- BS, 1998, Brown University

Department of Rehabilitation Medicine

Fogelberg, Donald J.

Assistant Professor without Tenure, Rehabilitation Medicine, effective 9/1/2010

Prior Non-UW Appointment:

Post-Doctoral Research Associate, Occupational Science and Occupational Therapy, University of Southern California

Degrees:

- PhD, 2008, University of Southern California
- BA, 1989, Occidental College

Moritz, Chet Thomas

Assistant Professor without Tenure, Rehabilitation Medicine, effective 9/16/2010

Prior UW Appointment:

Research Assistant Professor, Physiology and Biophysics

Degrees:

- PhD, 2003, University of California (Berkeley)
- BS, 1998, University of Washington

Department of Urology

Morrissey, Colm M.

Research Assistant Professor, Urology, effective 9/1/2010

Prior UW Appointment:

Acting Assistant Professor, temporary, Urology

Degrees:

- PhD, 1999, University College (Ireland)
- BSC, 1994, University College (Ireland)

Witten, Daniela

Assistant Professor, Biostatistics, effective 10/1/2010

Notes:

PhD awarded September 23, 2010 from Stanford University

Prior UW Appointment:

Acting Assistant Professor, pending PhD, Biostatistics

Degrees:

- PhD, 2010, Stanford University
- MS, 2006, Stanford University
- BS, 2005, Stanford University

University of Washington, Bothell

Business, Bothell

Boss, Allan D.

Assistant Professor, Business, Bothell, effective 9/16/2010

Notes:

PhD awarded August 2010 from University of Maryland

Prior UW Appointment:

Acting Assistant Professor, pending PhD, Business, Bothell

Degrees:

- PhD, 2010, University of Washington
- MA, 1999, Brigham Young University
- BA, 1996, Brigham Young University

Business, Bothell

Li, Yu

Assistant Professor, Business, Bothell, effective 9/1/2010

Notes:

PhD awarded August 2010 from University of Washington

Prior UW Appointment:

Acting Assistant Professor, pending PhD, Business, Bothell

Degrees:

- PhD, 2010, University of Washington
- MBA, 2003, University of Massachusetts
- BS, 1993, Shanghai University (China)

Science and Technology, Bothell

Daruwala, Khushroo Peshotan

Senior Lecturer, Full-time, Science and Technology, Bothell, effective 9/16/2010

Prior UW Appointment:

Lecturer Part-Time, Chemistry

Degrees:

- PhD, 1987, Oregon State University
- MSC, 1981, University of Bombay
- BSC, 1979, University of Bombay

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Faculty Presentation: Renewable energy landscapes: Appropriate technologies through interfacing of technologic, ecologic, economic and social systems

INFORMATION ONLY



Daniel T. Schwartz is Chairman and Boeing-Sutter Professor of Chemical Engineering at the University of Washington, Seattle. He began as an Assistant Professor at the UW in 1991 and has become a leader in interdisciplinary engineering education and research. He currently directs two multi-faculty interdisciplinary research and education programs supported by the National Science Foundation, one on new nanotechnology-based approaches for photovoltaics manufacturing and the other on integrative strategies for bioenergy. He has supervised 16 Ph.D. graduates in electrochemical topics, developed a unique undergraduate electrochemical technology course, and subsequently has seen 6 former students (3 Ph.D., 3 B.S.) found electrochemical technology companies in the Puget Sound area. In 2010 he received the Electrochemical Society's Linford Award for Outstanding Teaching.

Professor Schwartz will be joined by doctoral student Everett Isaac, an enrolled member of the Yakama Nation. After several years working for tribal programs, he has returned to the University of Washington as a Ph.D. student studying fire science in the School of Forest Resources under Professor Ernesto Alvarado. His doctoral research seeks to understand the broad role of fire on the landscape, including the historical role of fire, implications due to a century of suppression and the delicate reintroduction of fire to the landscape. The approach combines sophisticated physical models with field validation. He is supported by the UW Bioenergy Ph.D. training program, and first learned about the program during collaborative project planning between UW and the Yakama Nation. Mr. Isaac currently has a B.S. and M.S. in Forest Resources from the University of Washington.

Energy production and distribution requires sophisticated technological systems to interact in complex ways with ecologic, economic, and social systems. Developing appropriate renewable energy options within this interacting "system-of-systems" context demands a new kind of integrated research program. Professor Schwartz describes a case-study-oriented Ph.D. energy research and training program that combines the interdisciplinary expertise of engineering and environmental science students with the local knowledge, expertise, and economic development plans of several Northwest Tribes. Lessons learned from two completed case studies, with the Yakama Nation and Confederated Salish and

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Faculty Presentation: Renewable energy landscapes: Appropriate technologies through interfacing of technologic, ecologic, economic and social systems
(continued p. 2)

Kootenai Tribes, show that the installation of bioenergy production facilities have the potential to develop an economic market that promotes biodiversity and ecological resilience on the landscape, while contributing energy and income for the tribes. Program outcomes also include a national model for engaging Native American's in Ph.D. education (9 of the 33 Ph.D. students in this NSF-funded program are Native American). Barriers to implementation remain, mostly tied to risk premiums associated with uncertainty in several elements of the integrated system.

Attachment

Professor Schwartz's handout on energy

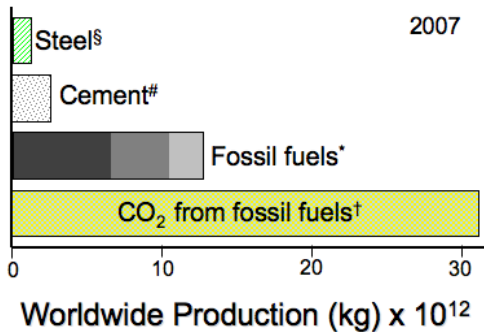


Daniel T. Schwartz
Boeing-Sutter Professor and Chair
Department of Chemical Engineering
University of Washington
dts@uw.edu

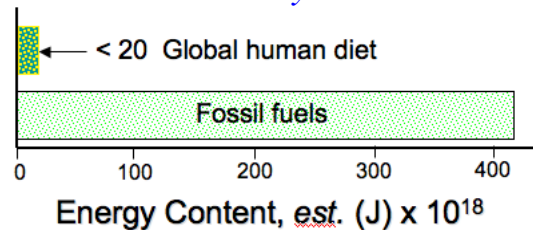
1. Why does energy touch so many things?



a. Because we use it in HUGE quantities.



b. Because it dramatically enhances what humans can do.



2. Renewable energy is a diffuse resource

"Replacing" the energy production from this one 2.4 acre platform (Atlantis) in the Gulf of Mexico will take:

- 6 "Cash for Clunkers" programs
- 15 U.S. nuclear power plants
- 326 eSolar Concentrating Farms (82,000 acres)
- 2 Grand Coulee Dams (170,000 acres)
- 62 Wildhorse Wind Farms (350,000 acres)
- 375,000 acres of Algae Farms
- 1,300,000 acres of Biomass Farms



Atlantis is big, but there are roughly 800 other production platforms operating in the GOM.

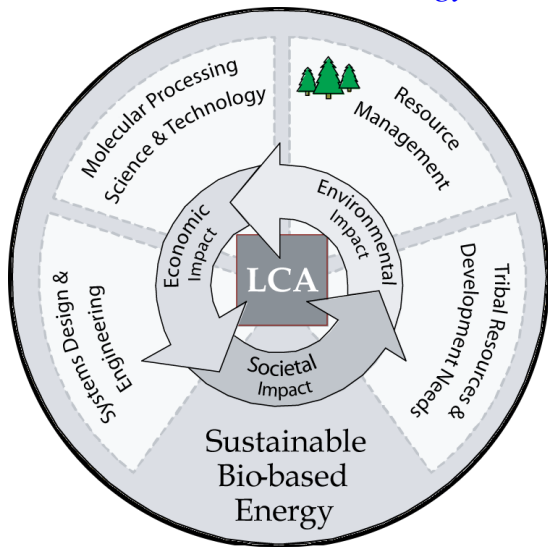
3. "Not in my back yard" is impossible if renewables are to make a difference.

- Renewables drive profound changes in land and water use.
- Start with improving efficiency (no land required)
- New thinking is critical - integrate renewable energy with ecosystem restoration to IMPROVE the environment.
- System thinking is critical
Technology + Environment + Economy + Society.

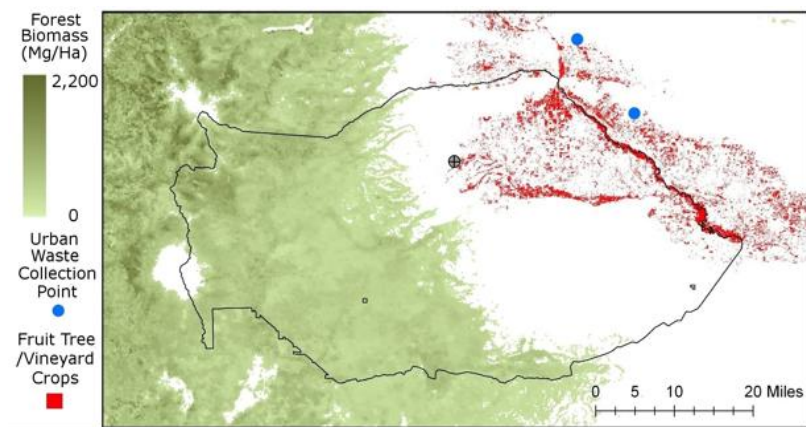


Daniel T. Schwartz, Director
 Bioresource-based energy for sustainable
 societies graduate program
 University of Washington
<http://bioenergy.washington.edu>

1. Our program takes a systems-level approach by working with Northwest Tribes on renewable energy research.



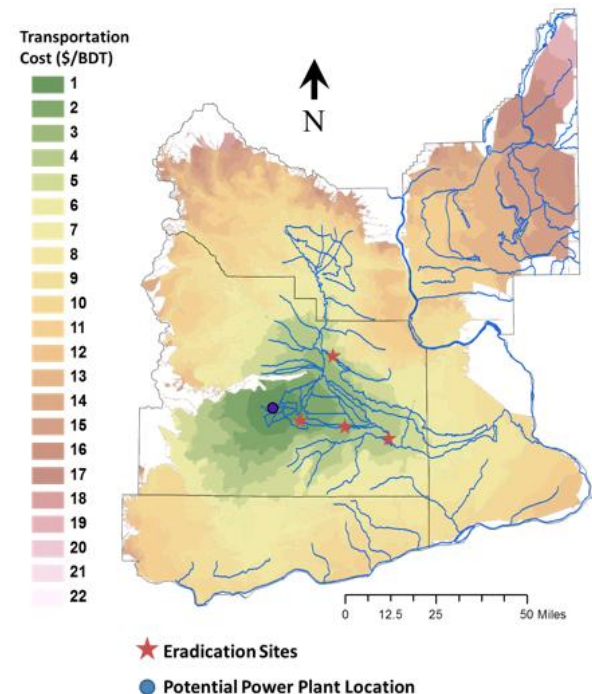
2. Satellite imagery and ground data provide an assessment of the natural resources and can indicate overstocked areas.



3. Example: The Yakama generate ~150,000 tons of woody waste annually, including much from forest restoration.



4. Outcome from System-level thinking: A biopower facility will create a wood-waste market that can self-fund invasive tree eradication over 5 counties (eco+econ+social benefits)



5. This program is a national model for Ph.D. education

- 9 of 33 Ph.D. students are Native Americans (15% of US pool)
- Provides interdisciplinary tools and communication skills along with traditional deep disciplinary scholarship.

VII. STANDING COMMITTEES

- A. Academic and Student Affairs Committee

In joint session with

- B. Finance, Audit and Facilities Committee

Overview of Student Enrollment

INFORMATION ONLY

Vice Provost Paul Jenny will provide an overview of current student enrollment across the three campuses with respect to demographic representation between resident and non-residents and freshmen and transfer student populations and how these students affect tuition revenues of the university.

AN OVERVIEW OF THE UW STUDENT ENROLLMENT

Fall 2010

W UNIVERSITY of WASHINGTON | OFFICE OF PLANNING & BUDGETING

An overview of enrollment at the University of Washington:

- I. What is the total enrollment at the UW and what types of students are enrolled?
- II. What is the connection between different types/levels of students and tuition revenue?
- III. Undergraduate enrollments – who are our undergraduates, and what does the entering class look like?
- IV. What sorts of admissions plans for undergraduates have been considered and what might the effect of those plans be on the composition of the student body?

W UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING


UNIVERSITY of WASHINGTON | OFFICE OF PLANNING & BUDGETING

The profile of the UW student body

UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING

UNIVERSITY of WASHINGTON | OFFICE OF PLANNING & BUDGETING

Size and scope of the UW instructional enterprise – An enrollment overview:

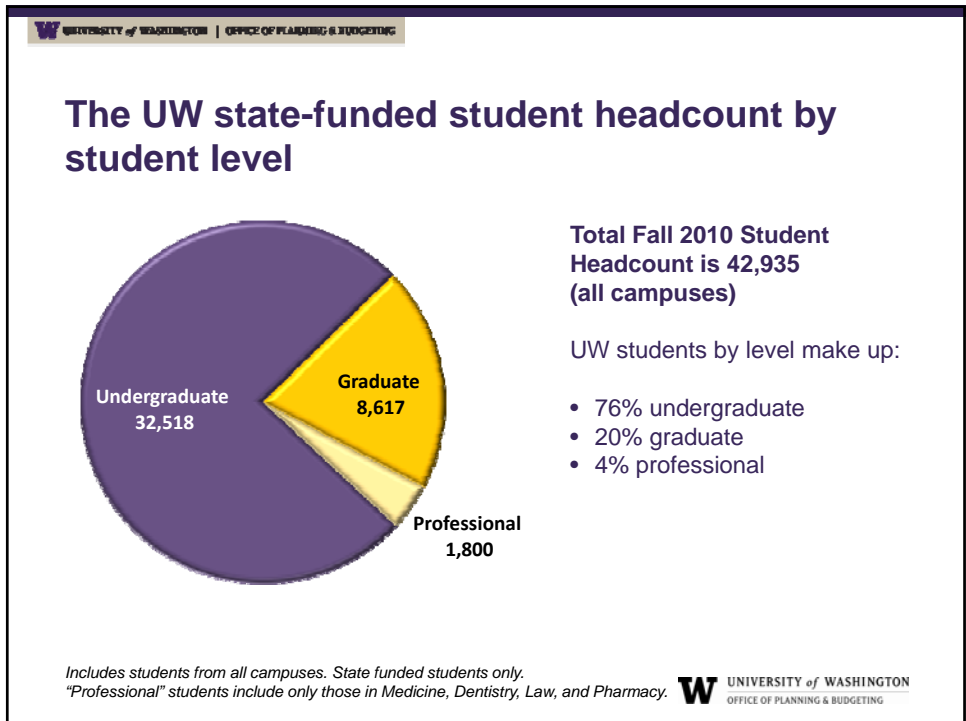
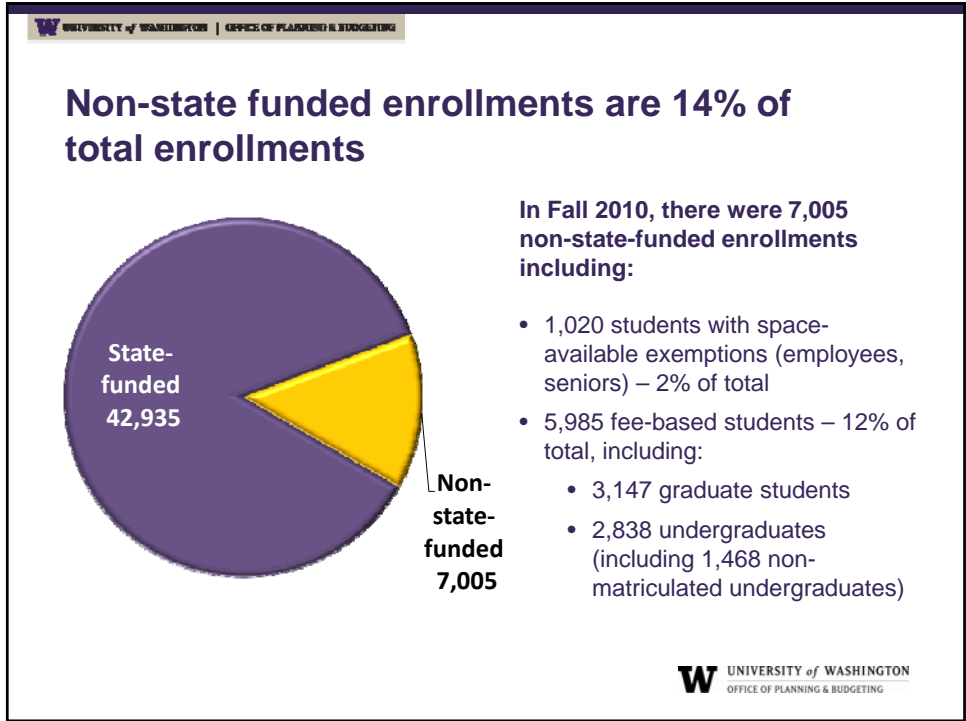


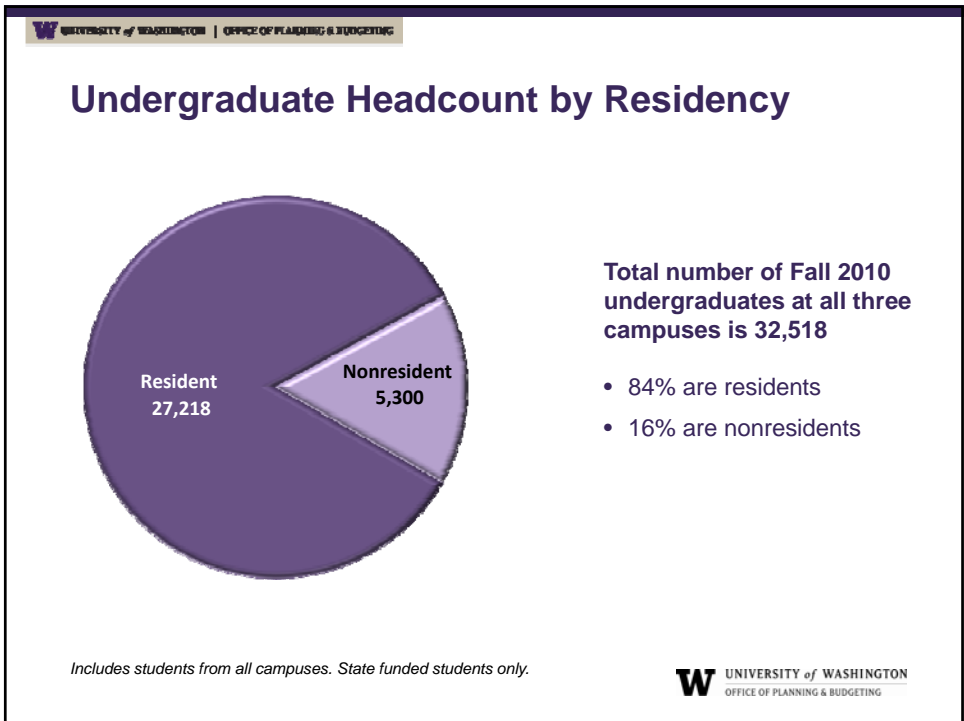
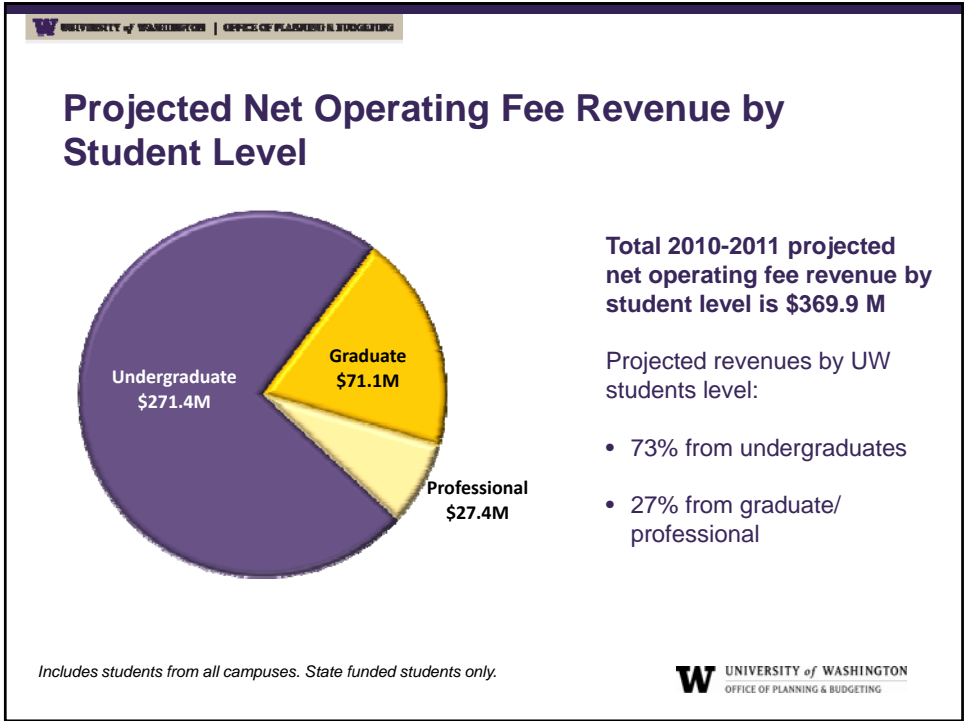
Total Enrollment
49,940

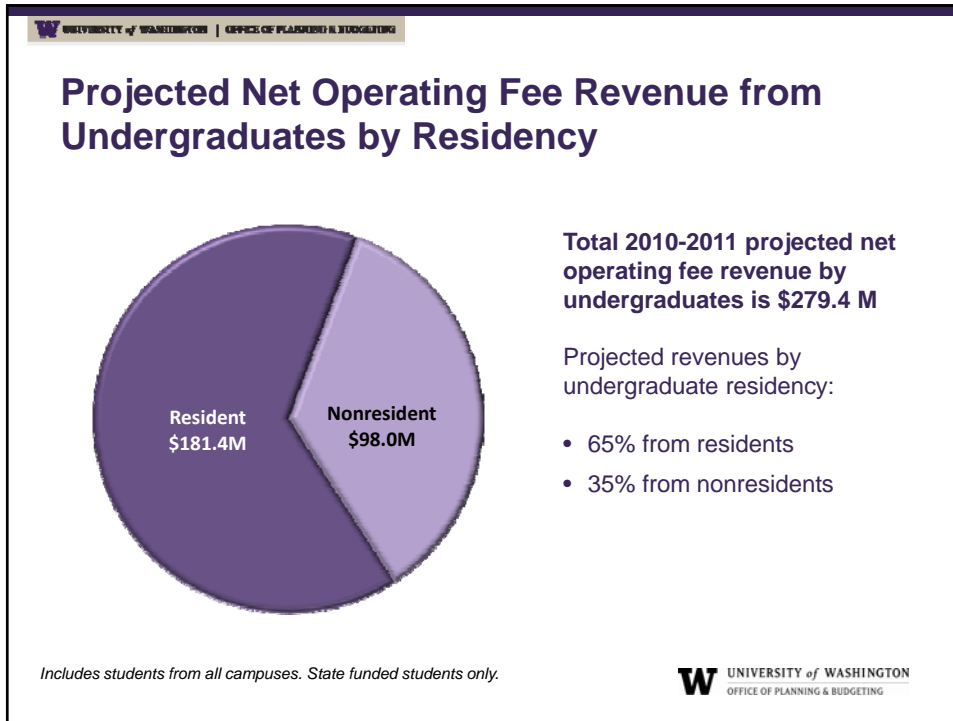
Total Fall 2010 student headcount is 49,940, which includes:

- State-funded enrollments
- Non-state funded enrollments
- Enrollment at all three campuses
- Enrollment at all student levels
- Resident and nonresident students

UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING



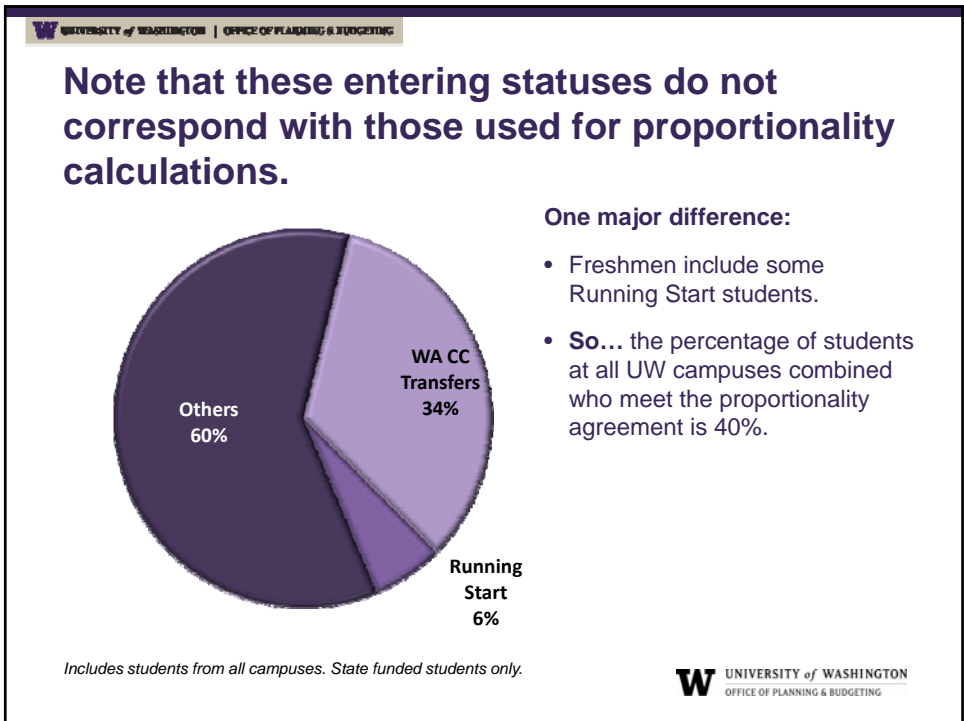
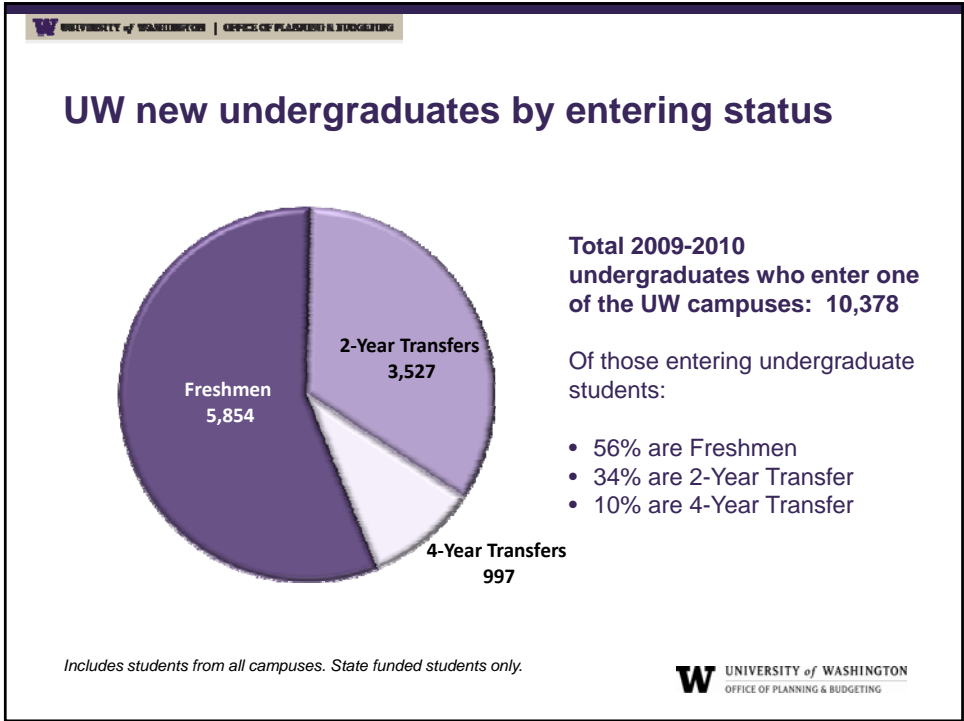


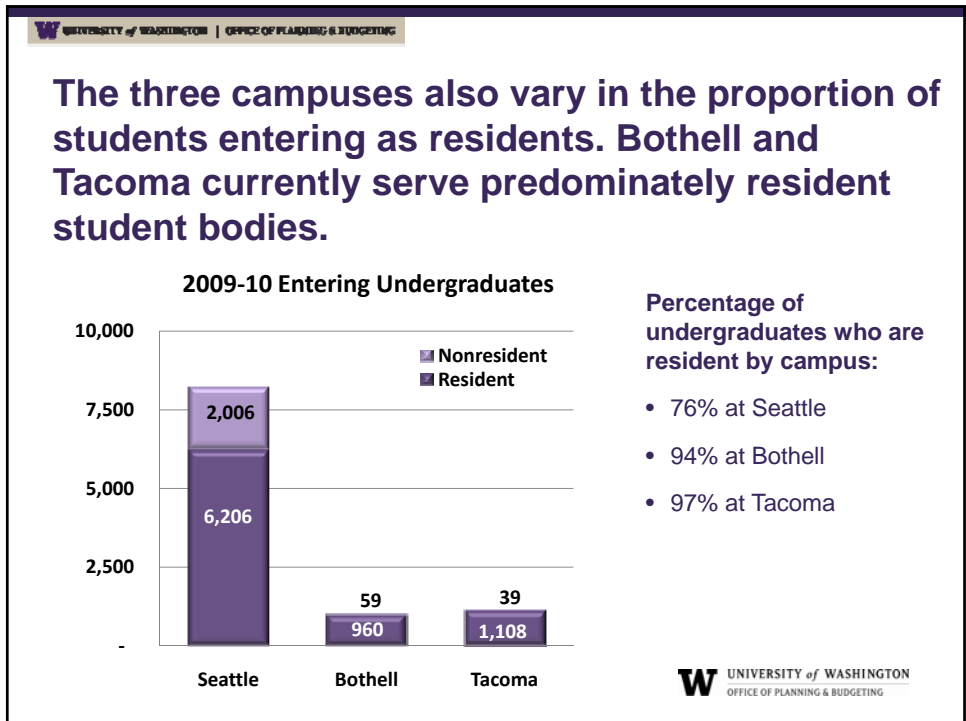
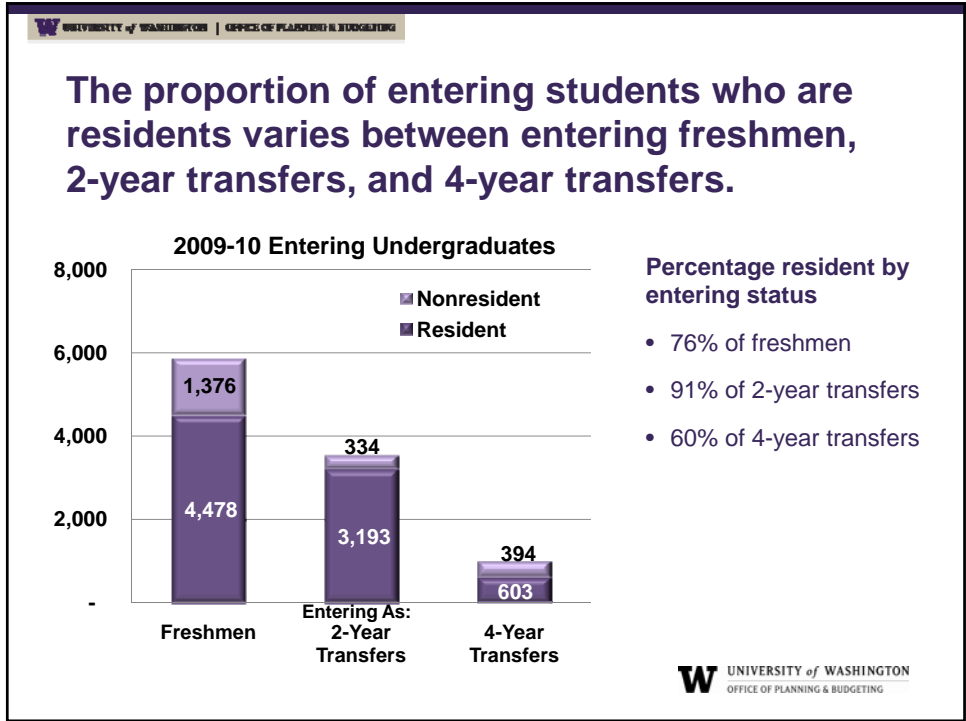


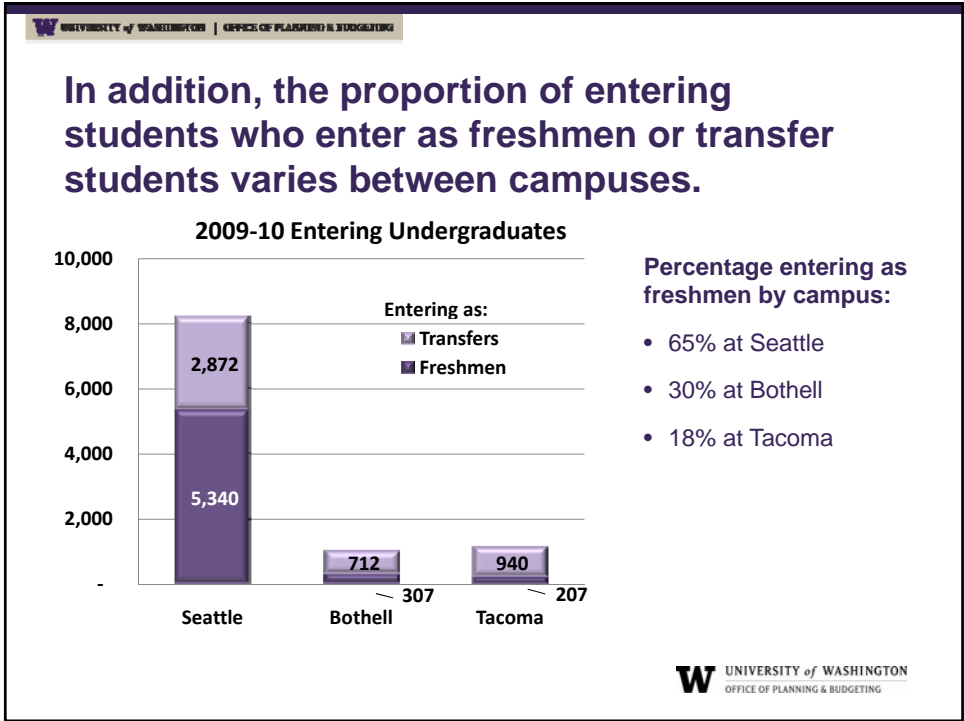
UNIVERSITY of WASHINGTON | OFFICE OF PLANNING & BUDGETING

The profile of entering undergraduates

UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING







UNIVERSITY of WASHINGTON | OFFICE OF PLANNING & BUDGETING

Five-Year Admissions Plans

UNIVERSITY of WASHINGTON
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Admissions Plans: Who, what, and where?

- The admissions plans shown are for 2009-10 to 2014-15.
- Each campus has its own admissions plan, reflecting both mission and capacity.
- With the current uncertainty around state funding, such plans may change and can only be viewed as draft plans that are reflective of current intentions.

W UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING

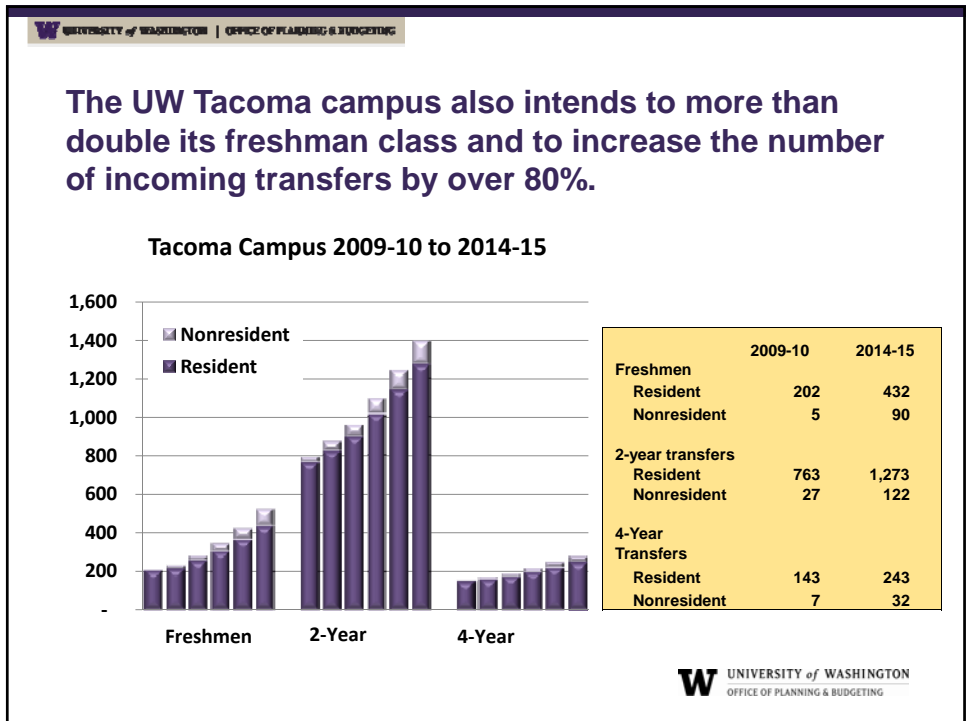
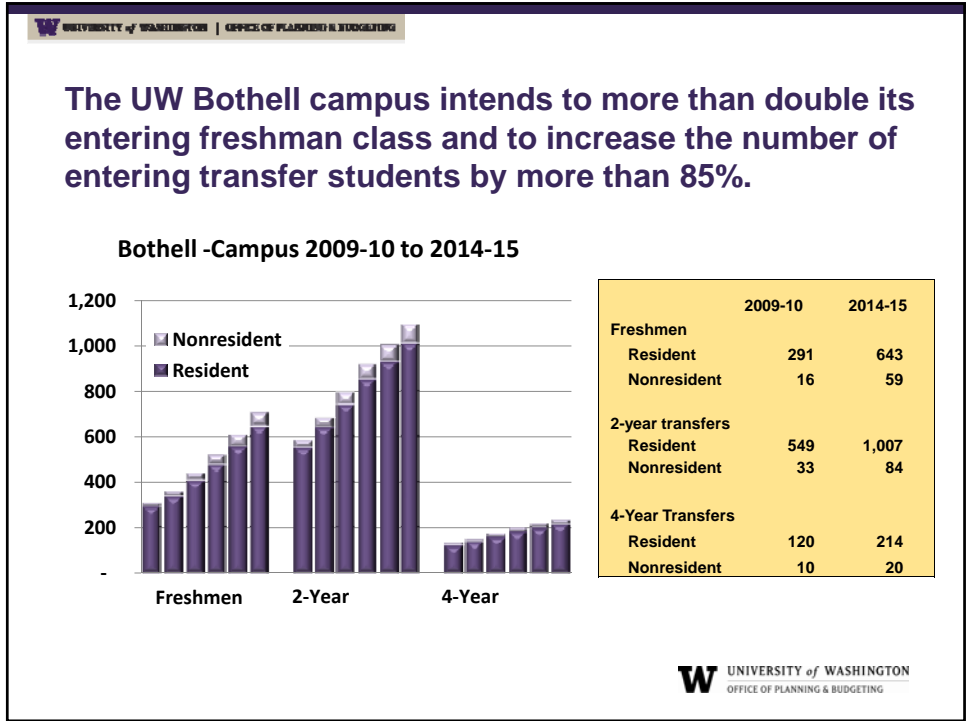
UNIVERSITY of WASHINGTON | OFFICE OF PLANNING & BUDGETING

The UW Seattle campus plans to enroll an additional 100 – 150 NEW nonresident freshmen each year; otherwise, the entering class size and composition will remain the same.

Seattle Campus 2009-10 to 2014-15

	2009-10	2014-15
Freshmen		
Resident	3,985	4,000
Nonresident	1,355	2,005
2-year transfers		
Resident	1,881	1,881
Nonresident	274	274
4-Year Transfers		
Resident	340	340
Nonresident	377	377

W UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING



UNIVERSITY of WASHINGTON | OFFICE OF PLANNING & BUDGETING

The effect of admissions plans

UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING

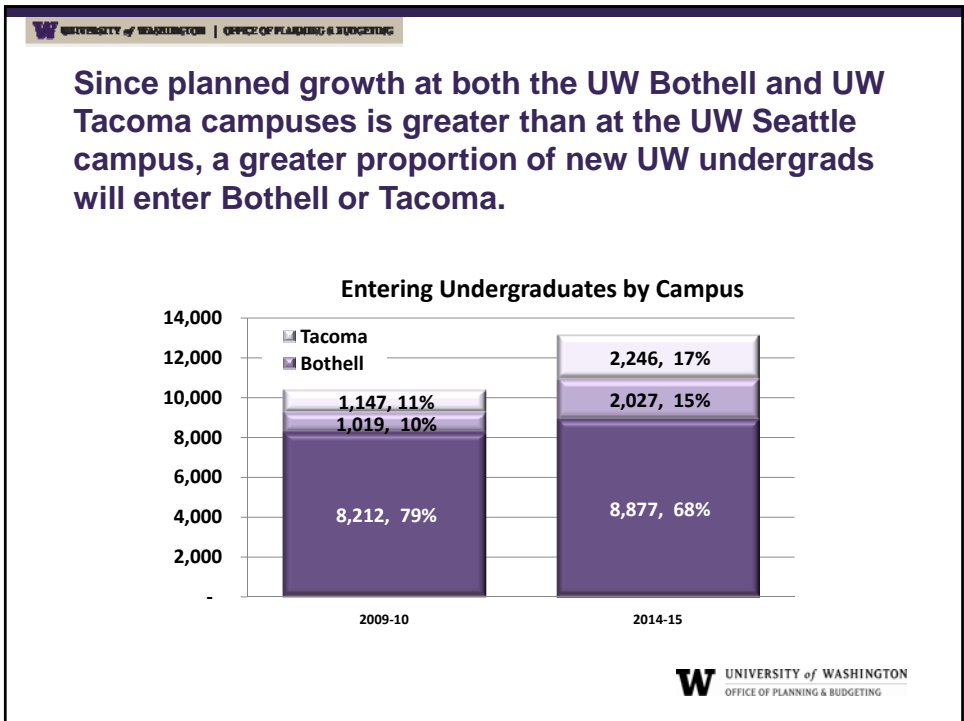
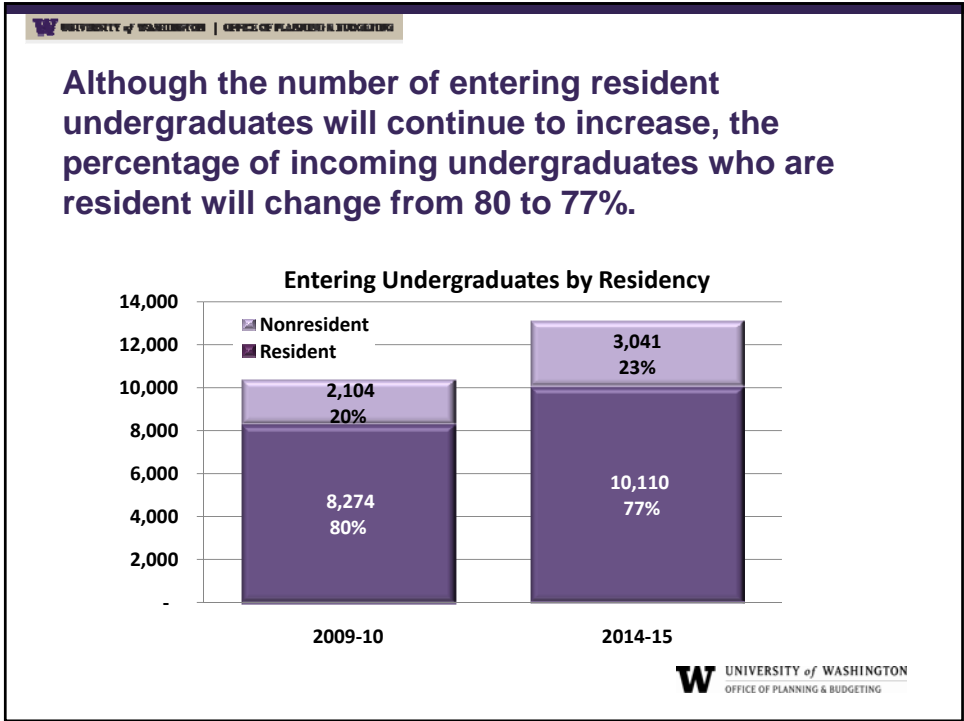
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Even with all of these changes, the relative proportions of incoming students by entering status will change only slightly.

Entering Undergraduates by Entering Status

Year	Transfers	Freshmen
2009-10	4,524 (44%)	5,854 (56%)
2014-15	5,923 (45%)	7,227 (55%)

UNIVERSITY of WASHINGTON
OFFICE OF PLANNING & BUDGETING



Potential consequences of admissions plans

Increasing the number of nonresident undergraduates:

- Will increase tuition revenue (an increase of 150 nonresident undergrads in 2010-11 is expected to increase 2010-11 tuition revenue by \$3.6 million).
- Will require efforts to ensure the diversity of the student body is maintained.
- Will increase the demand for instructional support and, in addition, for various student services, including advising and housing.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Grant and Contract Awards Summary –July and August, 2010

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 as presented in the attached reports.

Attachments

Grant and Contract Awards Summary for July, 2010

Grant and Contract Awards Summary for August, 2010

Grant and Contract Awards Summary

to

The Board of Regents

of the

University of Washington

for

July 2010

Office of Research

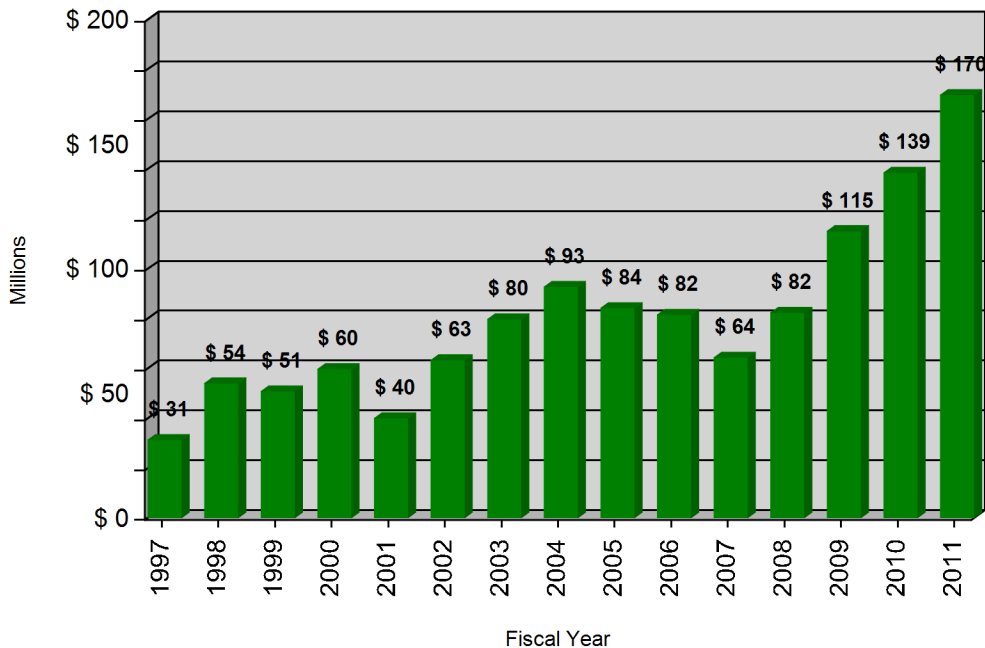
Office of Sponsored Programs

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Summary of Contract Awards	10
Report of Grant & Contract Awards over \$1,000,000	11

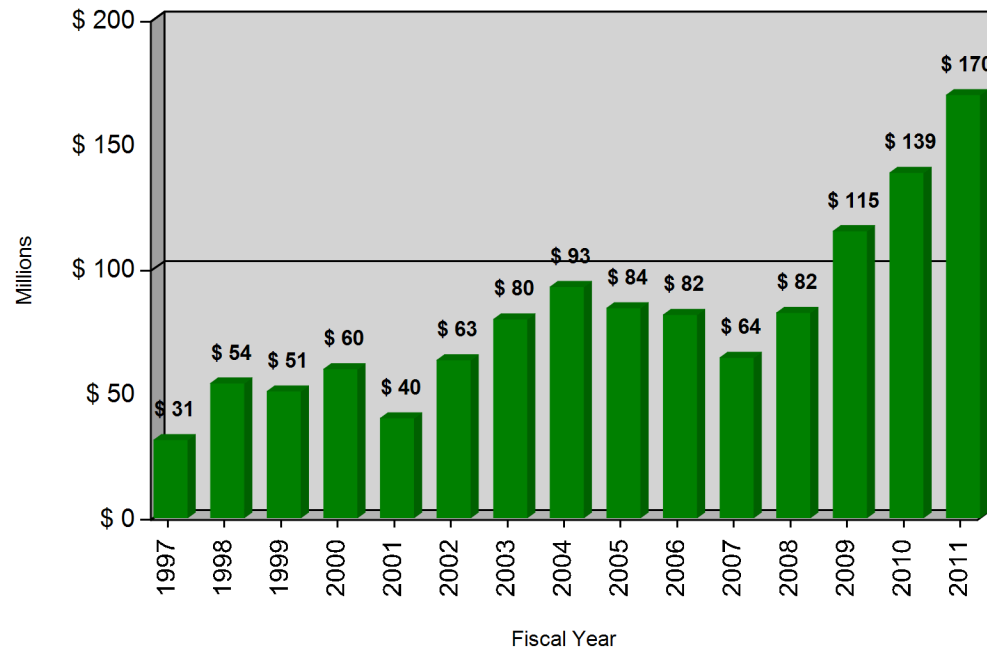
July Only

Comparison of Grant & Contract Awards



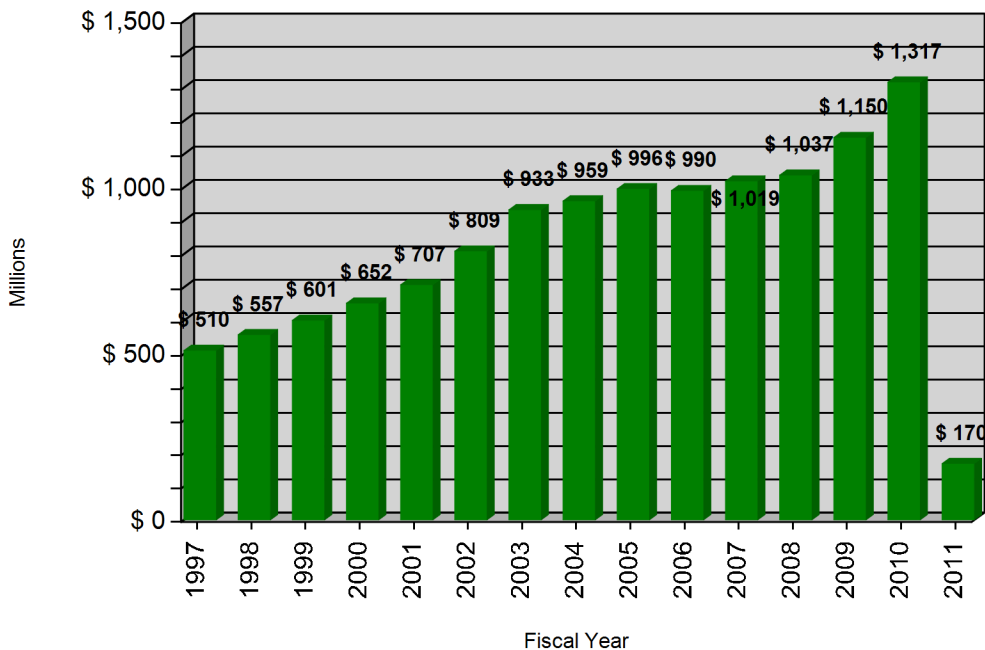
Fiscal Year to Date

Comparison of Grant & Contract Awards



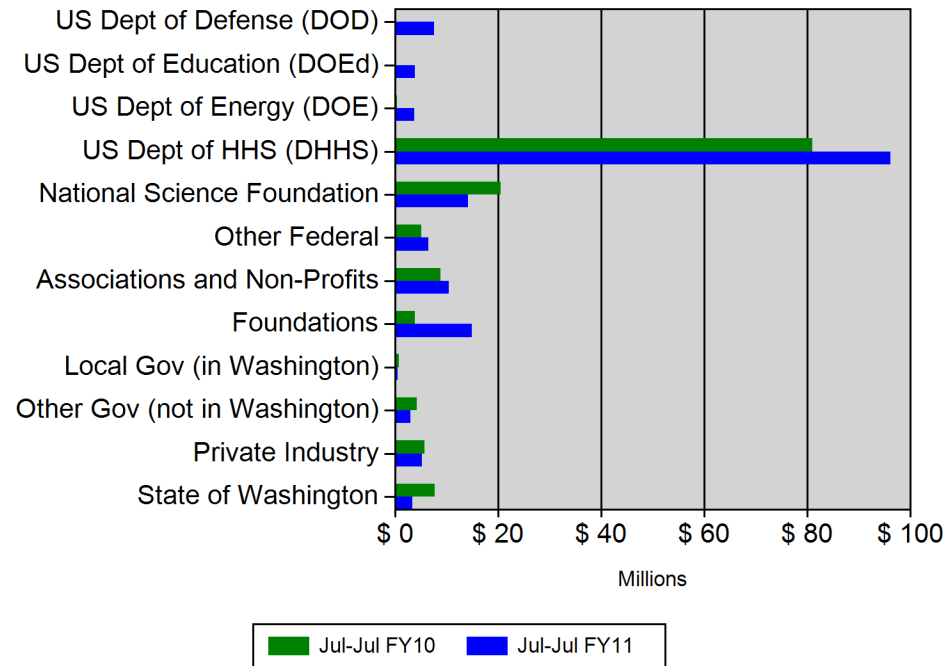
Complete Fiscal Year

Comparison of Grant & Contract Awards



Fiscal Year to Date

Two-Year Comparison of Grant and Contract Awards



Summary of Grant and Contract Awards

Fiscal Year 2010-2011

Month	RESEARCH AND OTHER		TRAINING		Total Grants and Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 116,733,700	\$ 35,436,220	\$ 15,457,740	\$ 2,100,929	\$ 169,728,500
FY11 to Date	\$116,733,654	\$35,436,223	\$15,457,735	\$2,100,929	\$169,728,541
FY10 to Date	\$92,331,483	\$29,358,050	\$15,030,892	\$1,904,177	\$138,624,602
Over (Under) Previous Year	\$24,402,171	\$6,078,173	\$426,843	\$196,752	\$31,103,939

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by Agency

Fiscal Years 2009-2010 and 2010-2011

Agency	Jul-Jul FY10	Jul-Jul FY11
US Department of Defense (DOD)	\$ 262,346	\$ 7,633,467
US Department of Education (DOEd)	\$ 42,627	\$ 3,955,203
US Department of Energy (DOE)	\$ 403,734	\$ 3,774,749
US Department of Health and Human Services (DHHS)	\$ 81,001,685	\$ 96,130,480
National Science Foundation (NSF)	\$ 20,508,410	\$ 14,150,048
Other Federal	\$ 5,143,573	\$ 6,547,442
Subtotal for Federal :	\$ 107,362,375	\$ 132,191,389
Associations and Non-Profits	\$ 8,901,817	\$ 10,537,428
Foundations	\$ 3,887,861	\$ 14,904,287
Local Government (in Washington)	\$ 772,749	\$ 497,952
Other Government (not in Washington)	\$ 4,298,266	\$ 2,975,877
Private Industry	\$ 5,701,103	\$ 5,269,001
State of Washington	\$ 7,700,431	\$ 3,352,607
Subtotal for Non-Federal :	\$ 31,262,227	\$ 37,537,152
Grand Total :	\$ 138,624,602	\$ 169,728,541
Amount of Increase (Decrease) :		\$ 31,103,939
Percent of Increase (Decrease) :		22.4 %

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by School/CollegeFiscal Years 2009-2010 and 2010-2011

School/College	Jul-Jul FY10	Jul-Jul FY11
Upper Campus		
Architecture and Urban Planning	\$ 6,500	\$ 2,500
Arts and Sciences	\$ 14,656,169	\$ 7,150,604
College of the Environment	\$ 1,599,719	\$ 6,678,570
Director of Libraries		\$ 64,500
Education	\$ 747,833	\$ 1,971,039
Engineering	\$ 12,500,309	\$ 8,118,335
Evans School of Public Affairs	\$ 170,979	
Forest Resources	\$ 179,600	\$ 297,642
Foster School of Business	\$ 286,487	\$ 894,700
Graduate School	\$ 803,555	\$ 76,246
Information School	\$ 202,872	\$ 189,876
Ocean and Fishery Sciences	\$ 5,490,715	\$ 6,982,943
Office of Research	\$ 4,377,186	\$ 7,894,522
Social Work	\$ 2,162,572	\$ 6,400,373
VP Minority Affairs	\$ 552,778	\$ 387,955
VP Student Affairs	\$ 280,137	
Subtotal :	\$ 44,017,411	\$ 47,109,805
Health Sciences		
Dentistry	\$ 1,682,941	\$ 589,552
Medicine	\$ 71,171,247	\$ 97,033,526
Nursing	\$ 5,662,592	\$ 5,726,792
Pharmacy	\$ 1,101,977	\$ 3,224,864
Public Health	\$ 10,564,530	\$ 13,863,653
Subtotal :	\$ 90,183,287	\$ 120,438,387
Special Programs		
Alcohol and Drug Abuse Institute	\$ 45,000	
CHDD Administration	\$ 3,833,105	\$ 1,055,435
Regional Primate Center	\$ 222,803	\$ 884,022
Subtotal :	\$ 4,100,908	\$ 1,939,457
Other UW Campuses		
Bothell	\$ 321,996	\$ 240,891
Tacoma	\$ 1,000	
Subtotal :	\$ 322,996	\$ 240,891
Grand Total :	\$ 138,624,602	\$ 169,728,541

Assuming acceptance of all awards by the Board of Regents

Summary of Grant Awards

Fiscal Year 2010-2011

Excluding private awards from Foundations, Industry, Associations and Others

Month	RESEARCH AND OTHER		TRAINING		Total Grants
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 110,707,300	\$ 3,759,472	\$ 15,393,240	\$ 1,192,557	\$ 131,052,500
Year to Date	\$ 110,707,300	\$ 3,759,472	\$ 15,393,240	\$ 1,192,557	\$ 131,052,500

Assuming acceptance of all awards by the Board of Regents

Summary of Grant Awards

Fiscal Year 2010-2011

Private awards from Foundations, Industry, Associations and Others

Month	RESEARCH AND OTHER	TRAINING	Total Grants
July	\$ 24,992,810	\$ 369,153	\$ 25,361,960
Year to Date	\$ 24,992,810	\$ 369,153	\$ 25,361,960

Assuming acceptance of all awards by the Board of Regents

Summary of Contract Awards

Fiscal Year 2010-2011

Month	RESEARCH AND OTHER		TRAINING		Total Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 6,026,372	\$ 6,683,945	\$ 64,500	\$ 539,219	\$ 13,314,040
Year to Date	\$ 6,026,372	\$ 6,683,945	\$ 64,500	\$ 539,219	\$ 13,314,040

Assuming acceptance of all awards by the Board of Regents

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

July 2010

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

**Office of Research
Office of Sponsored Programs**

Detail of Public Grant Awards

Federal

US Department of Health and Human Services (DHHS)

Health Resources and Services Administration (HRSA)

To: King Holmes, Professor \$ 17,472,881
 Global Health
 For: International AIDS Education and Training Center
 Eff: 4/1/2010 Classified: No

Total for Health Resources and Services Administration (HRSA): \$ 17,472,881

National Institutes of Health (NIH)

To: Peter M Milgrom, Professor \$ 1,135,896
 Dental Pub Health Scis
 For: Northwest/Alaska/Hawaii Center to Reduce Oral Health Disparities
 Eff: 6/1/2010 Classified: No

To: Michael Gale, Associate Professor \$ 2,110,046
 Immunology
 For: Immune Control of Flavivirus Infection
 Eff: 5/1/2010 Classified: No

To: Bruce M. Psaty, Professor \$ 1,247,777
 Department Of Medicine
 For: CHS Events Follow-Up Study
 Eff: 6/1/2010 Classified: No

To: Charles E. Murry, Professor \$ 2,539,392
 Pathology
 For: STEM CELLS AND CARDIOVASCULAR REPAIR
 Eff: 6/1/2010 Classified: No

To: Gerald Van Belle, Professor Emeritus \$ 4,922,319
 Biostatistics
 For: Resuscitation Outcomes Consortium (ROC) Data Coordinating
 Center
 Eff: 3/1/2010 Classified: No

To: Gerald Van Belle, Professor Emeritus \$ 1,450,000
 Biostatistics
 For: Resuscitation Outcomes Consortium (ROC) Data Coordinating
 Center
 Eff: 5/17/2010 Classified: No

To: G Stamatoyannopoulos, Professor \$ 2,432,540
 Department Of Medicine
 For: Stem Cell Gene Therapy for Hemoglobinopathies
 Eff: 3/1/2010 Classified: No

To: Robb Glenny, Professor \$ 1,045,774
 Department Of Medicine
 For: Longitudinal Studies of HIV Associated Lung Infections and
 Complications
 Eff: 9/1/2009 Classified: No

Detail of Public Grant Awards

Federal

US Department of Health and Human Services (DHHS)

National Institutes of Health (NIH)

National Center for Research Resources (NCRR)

To: Gary Drobny, Professor \$ 2,660,500
Chemistry

For: Acquisition of a 800 MHz NMR Spectrometer

Eff: 5/13/2010 Classified: No

Total for National Center for Research Resources (NCRR): \$ 2,660,500

National Human Genome Research Institute (NHGRI)

To: Robert H Waterston, Professor \$ 1,497,093
Genome Sciences

For: Global Identification of transcribed elements in the C. elegans

Eff: 4/1/2010 Classified: No

Total for National Human Genome Research Institute (NHGRI): \$ 1,497,093

National Institute of Child Health and Human Development (NICHD)

To: G Stanley Mc Knight, Professor \$ 1,890,151
Pharmacology

For: U54 Clinical and Basic Studies in Male Reproduction

Eff: 4/1/2010 Classified: No

To: William J Bremner, Professor \$ 1,846,715
Department Of Medicine

For: Male Contraception Research Center Grant

Eff: 3/1/2010 Classified: No

Total for National Institute of Child Health and Human Development (NICHD): \$ 3,736,866

National Institute of Dental and Craniofacial Research (NIDCR)

To: Timothy De Rouen, Professor \$ 1,018,471
Dental Pub Health Scis

For: Comprehensive Training in Oral Health Research

Eff: 7/1/2010 Classified: No

Total for National Institute of Dental and Craniofacial Research (NIDCR): \$ 1,018,471

Total for National Institutes of Health (NIH): \$ 25,796,674

Total for US Department of Health and Human Services (DHHS): \$ 43,269,555

National Science Foundation (NSF)

National Science Foundation (NSF)

To: Helene J. Obradovich, Director \$ 3,867,458
Dean Grad School Admin

For: 09-10 NSF Graduate Research Fellowship

Eff: 6/1/2009 Classified: No

Total for National Science Foundation (NSF): \$ 3,867,458

Total for National Science Foundation (NSF): \$ 3,867,458

Total for Federal: \$ 47,137,013

Total Public Grants: \$ 47,137,013

Detail of Contract Awards

Federal

US Department of Health and Human Services (DHHS)

National Institutes of Health (NIH)

To: Michael J Gale, Associate Professor \$ 2,181,933
Immunology

For: RIG-I-LIKE RECEPTORS AND NOVEL INNATE IMMUNE
PATHWAYS FOR ADJUVANT DISCOVERY AND DEVELOPMENT

Eff: 9/30/2009 Classified: No

National Heart, Lung, and Blood Institute (NHLBI)

To: Richard A Kronmal, Professor \$ 2,095,389
Biostatistics

For: Multi-Ethnic Study of Atherosclerosis

Eff: 12/21/1998 Classified: No

Total for National Heart, Lung, and Blood Institute (NHLBI): \$ 2,095,389

Total for National Institutes of Health (NIH): \$ 4,277,322

Total for US Department of Health and Human Services (DHHS): \$ 4,277,322

Total for Federal: \$ 4,277,322

Total Contracts: \$ 4,277,322

Grand Total for all Awards \$ 51,414,335

Grant and Contract Awards Summary

to

The Board of Regents

of the

University of Washington

for

August 2010

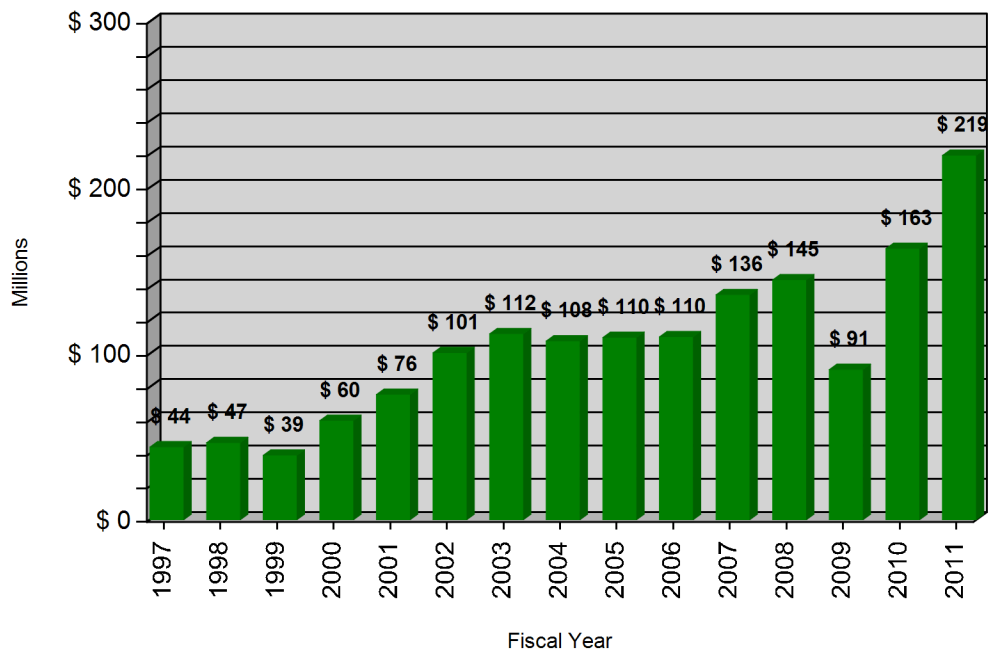
Office of Research

Office of Sponsored Programs

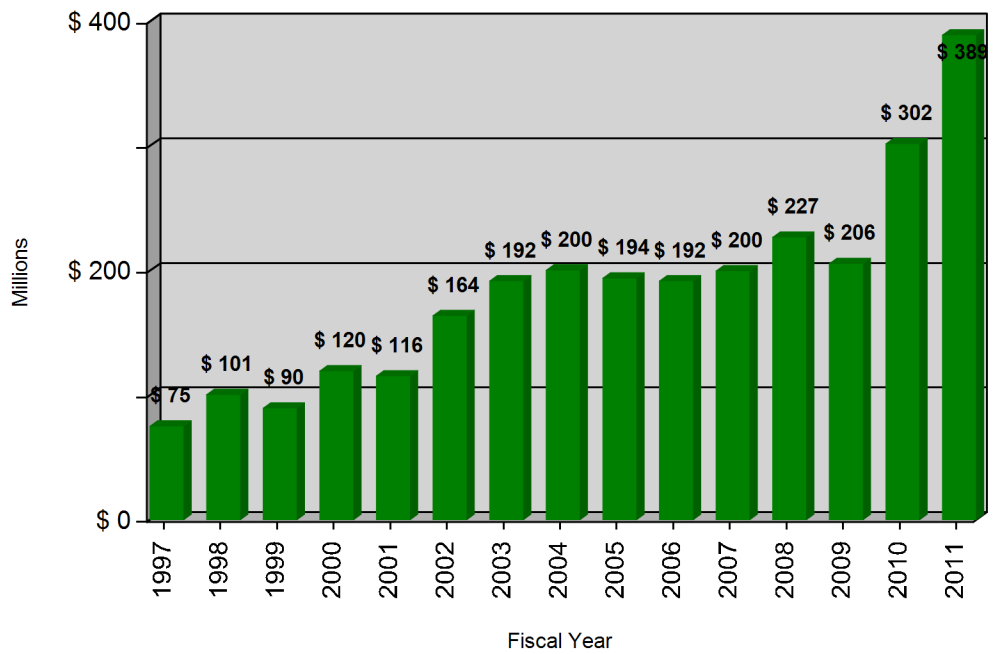
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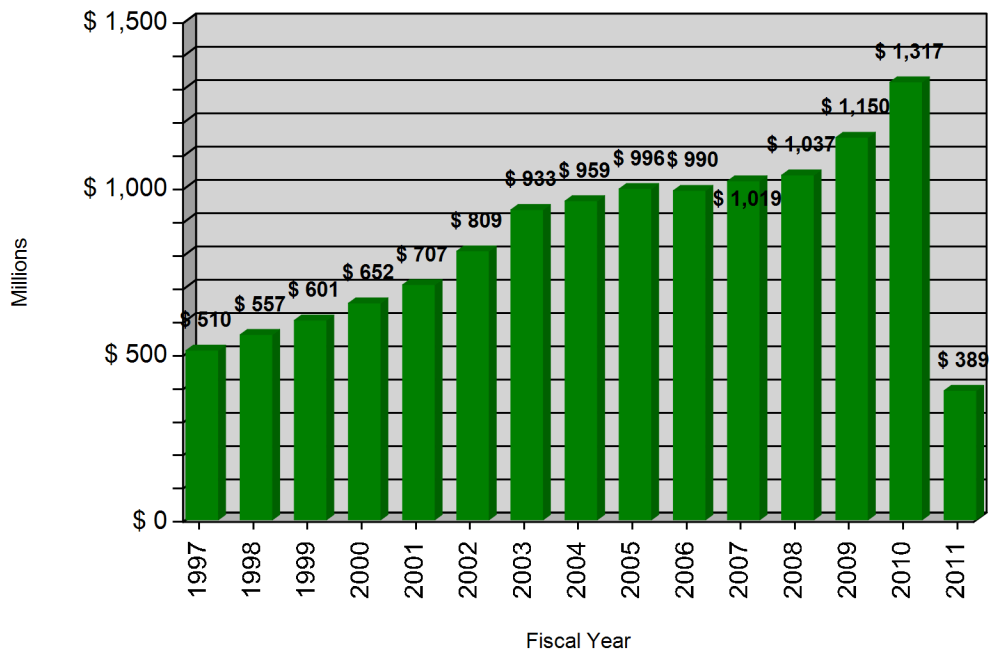
August Only
Comparison of Grant & Contract Awards



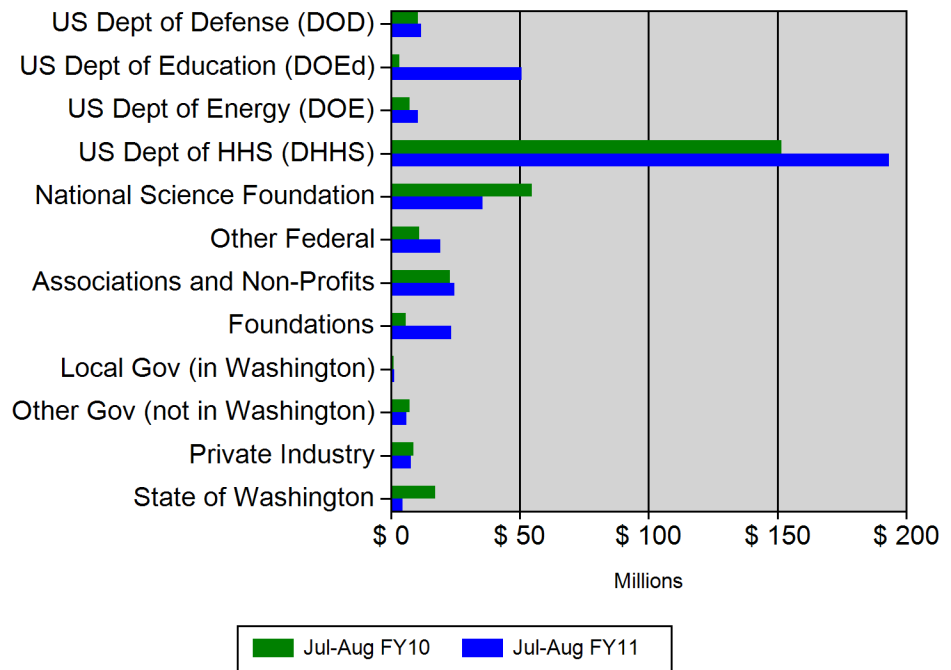
Fiscal Year to Date
Comparison of Grant & Contract Awards



Complete Fiscal Year
Comparison of Grant & Contract Awards



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



Summary of Grant and Contract Awards

Fiscal Year 2010-2011

Month	RESEARCH AND OTHER		TRAINING		Total Grants and Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 116,733,700	\$ 35,436,220	\$ 15,457,740	\$ 2,100,929	\$ 169,728,500
August	\$ 177,960,700	\$ 29,958,070	\$ 11,027,470	\$ 547,136	\$ 219,493,300
FY11 to Date	\$294,694,308	\$65,394,297	\$26,485,205	\$2,648,065	\$389,221,875
FY10 to Date	\$217,645,266	\$59,881,686	\$20,931,208	\$3,435,779	\$301,893,938
Over (Under) Previous Year	\$77,049,042	\$5,512,612	\$5,553,997	(\$787,714)	\$87,327,937

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by Agency

Fiscal Years 2009-2010 and 2010-2011

Agency	Jul-Aug FY10	Jul-Aug FY11
US Department of Defense (DOD)	\$ 10,580,371	\$ 11,867,882
US Department of Education (DOEd)	\$ 3,329,876	\$ 50,795,858
US Department of Energy (DOE)	\$ 7,278,164	\$ 10,484,360
US Department of Health and Human Services (DHHS)	\$ 151,626,806	\$ 193,135,699
National Science Foundation (NSF)	\$ 54,709,424	\$ 35,636,426
Other Federal	\$ 11,051,833	\$ 19,259,288
Subtotal for Federal :	\$ 238,576,474	\$ 321,179,512
Associations and Non-Profits	\$ 22,882,486	\$ 24,756,694
Foundations	\$ 5,836,061	\$ 23,344,181
Local Government (in Washington)	\$ 1,081,668	\$ 1,393,705
Other Government (not in Washington)	\$ 7,402,417	\$ 5,981,233
Private Industry	\$ 8,859,996	\$ 7,909,948
State of Washington	\$ 17,254,837	\$ 4,656,601
Subtotal for Non-Federal :	\$ 63,317,465	\$ 68,042,362
Grand Total :	\$ 301,893,938	\$ 389,221,875
Amount of Increase (Decrease) :		\$ 87,327,937
Percent of Increase (Decrease) :		28.9 %

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by School/College

Fiscal Years 2009-2010 and 2010-2011

School/College	Jul-Aug FY10	Jul-Aug FY11
Upper Campus		
Architecture and Urban Planning	\$ 11,500	\$ 1,405,992
Arts and Sciences	\$ 32,080,210	\$ 16,253,031
College of the Environment	\$ 6,574,001	\$ 12,031,608
Director of Libraries		\$ 64,500
Education	\$ 979,254	\$ 4,936,570
Engineering	\$ 29,451,055	\$ 27,362,604
Evans School of Public Affairs	\$ 170,979	\$ 667,421
Forest Resources	\$ 779,061	\$ 323,369
Foster School of Business	\$ 301,487	\$ 894,700
Graduate School	\$ 978,473	\$ 408,606
Information School	\$ 257,521	\$ 915,238
Law	\$ 209,134	\$ 1,209,134
Ocean and Fishery Sciences	\$ 15,630,539	\$ 10,003,246
Office of Research	\$ 9,667,576	\$ 19,023,843
Social Work	\$ 8,639,357	\$ 8,028,970
Undergraduate Education		\$ 289,302
VP Minority Affairs	\$ 866,772	\$ 1,883,762
VP Student Affairs	\$ 280,137	
VP Student Life		\$ 43,629,081
Subtotal :	\$ 106,877,055	\$ 149,330,977
Health Sciences		
Dentistry	\$ 2,838,359	\$ 937,042
Medicine	\$ 155,448,525	\$ 189,069,879
Nursing	\$ 7,716,759	\$ 8,631,743
Pharmacy	\$ 1,967,356	\$ 4,922,447
Public Health	\$ 19,940,059	\$ 28,838,816
Subtotal :	\$ 187,911,058	\$ 232,399,927
Special Programs		
Alcohol and Drug Abuse Institute	\$ 1,293,539	\$ 1,075,913
CHDD Administration	\$ 3,898,105	\$ 1,327,618
Regional Primate Center	\$ 971,501	\$ 4,255,712
Subtotal :	\$ 6,163,145	\$ 6,659,243
Other UW Campuses		
Bothell	\$ 864,716	\$ 397,891
Tacoma	\$ 77,964	\$ 433,837
Subtotal :	\$ 942,680	\$ 831,728
Grand Total :	\$ 301,893,938	\$ 389,221,875

Assuming acceptance of all awards by the Board of Regents

Summary of Grant Awards

Fiscal Year 2010-2011

Excluding private awards from Foundations, Industry, Associations and Others

Month	RESEARCH AND OTHER		TRAINING		Total Grants
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 110,707,300	\$ 3,759,472	\$ 15,393,240	\$ 1,192,557	\$ 131,052,500
August	\$ 173,709,400	\$ 3,816,791	\$ 11,027,470	\$ 202,523	\$ 188,756,200
Year to Date	\$ 284,416,700	\$ 7,576,263	\$ 26,420,700	\$ 1,395,080	\$ 319,808,800

Assuming acceptance of all awards by the Board of Regents

Summary of Grant Awards

Fiscal Year 2010-2011

Private awards from Foundations, Industry, Associations and Others

Month	RESEARCH AND OTHER	TRAINING	Total Grants
July	\$ 24,992,810	\$ 369,153	\$ 25,361,960
August	\$ 22,428,710	\$ 121,830	\$ 22,550,540
Year to Date	\$ 47,421,520	\$ 490,983	\$ 47,912,500

Assuming acceptance of all awards by the Board of Regents

Summary of Contract Awards

Fiscal Year 2010-2011

Month	RESEARCH AND OTHER		TRAINING		Total Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 6,026,372	\$ 6,683,945	\$ 64,500	\$ 539,219	\$ 13,314,040
August	\$ 4,251,216	\$ 3,712,571	\$ 0	\$ 222,783	\$ 8,186,570
Year to Date	\$ 10,277,590	\$ 10,396,520	\$ 64,500	\$ 762,002	\$ 21,500,610

Assuming acceptance of all awards by the Board of Regents

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

August 2010

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

**Office of Research
Office of Sponsored Programs**

Detail of Public Grant Awards

Federal

US Department of Health and Human Services (DHHS)

Health Resources and Services Administration (HRSA)

To: King Holmes, Professor \$ 17,472,881
 Global Health
 For: International AIDS Education and Training Center
 Eff: 4/1/2010 Classified: No

Total for Health Resources and Services Administration (HRSA): \$ 17,472,881

National Institutes of Health (NIH)

To: Peter M Milgrom, Professor \$ 1,135,896
 Dental Pub Health Scis
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To: Michael Gale, Associate Professor \$ 2,110,046
 Immunology
 For: Immune Control of Flavivirus Infection
 Eff: 5/1/2010 Classified: No

To: Bruce M. Psaty, Professor \$ 1,247,777
 Department Of Medicine
 For: CHS Events Follow-Up Study
 Eff: 6/1/2010 Classified: No

To: Charles E. Murry, Professor \$ 2,539,392
 Pathology
 For: STEM CELLS AND CARDIOVASCULAR REPAIR
 Eff: 6/1/2010 Classified: No

To: Gerald Van Belle, Professor Emeritus \$ 4,922,319
 Biostatistics
 For: Resuscitation Outcomes Consortium (ROC) Data Coordinating
 Center
 Eff: 3/1/2010 Classified: No

To: Gerald Van Belle, Professor Emeritus \$ 1,450,000
 Biostatistics
 For: Resuscitation Outcomes Consortium (ROC) Data Coordinating
 Center
 Eff: 5/17/2010 Classified: No

To: G Stamatoyannopoulos, Professor \$ 2,432,540
 Department Of Medicine
 For: Stem Cell Gene Therapy for Hemoglobinopathies
 Eff: 3/1/2010 Classified: No

To: Robb Glenny, Professor \$ 1,045,774
 Department Of Medicine
 For: Longitudinal Studies of HIV Associated Lung Infections and
 Complications
 Eff: 9/1/2009 Classified: No

Detail of Public Grant Awards

Federal

US Department of Health and Human Services (DHHS)

National Institutes of Health (NIH)

National Center for Research Resources (NCRR)

To: Gary Drobny, Professor \$ 2,660,500
Chemistry

For: Acquisition of a 800 MHz NMR Spectrometer

Eff: 5/13/2010 Classified: No

Total for National Center for Research Resources (NCRR): \$ 2,660,500

National Human Genome Research Institute (NHGRI)

To: Robert H Waterston, Professor \$ 1,497,093
Genome Sciences

For: Global Identification of transcribed elements in the C. elegans

Eff: 4/1/2010 Classified: No

Total for National Human Genome Research Institute (NHGRI): \$ 1,497,093

National Institute of Child Health and Human Development (NICHD)

To: G Stanley Mc Knight, Professor \$ 1,890,151
Pharmacology

For: U54 Clinical and Basic Studies in Male Reproduction

Eff: 4/1/2010 Classified: No

To: William J Bremner, Professor \$ 1,846,715
Department Of Medicine

For: Male Contraception Research Center Grant

Eff: 3/1/2010 Classified: No

Total for National Institute of Child Health and Human Development (NICHD): \$ 3,736,866

National Institute of Dental and Craniofacial Research (NIDCR)

To: Timothy De Rouen, Professor \$ 1,018,471
Dental Pub Health Scis

For: Comprehensive Training in Oral Health Research

Eff: 7/1/2010 Classified: No

Total for National Institute of Dental and Craniofacial Research (NIDCR): \$ 1,018,471

Total for National Institutes of Health (NIH): \$ 25,796,674

Total for US Department of Health and Human Services (DHHS): \$ 43,269,555

National Science Foundation (NSF)

National Science Foundation (NSF)

To: Helene J. Obradovich, Director \$ 3,867,458
Dean Grad School Admin

For: 09-10 NSF Graduate Research Fellowship

Eff: 6/1/2009 Classified: No

Total for National Science Foundation (NSF): \$ 3,867,458

Total for National Science Foundation (NSF): \$ 3,867,458

Total for Federal: \$ 47,137,013

Total Public Grants: 13 \$ 47,137,013

Detail of Contract Awards

Federal

US Department of Health and Human Services (DHHS)		
National Institutes of Health (NIH)		
To:	Michael J Gale, Associate Professor Immunology	\$ 2,181,933
For:	RIG-I-LIKE RECEPTORS AND NOVEL INNATE IMMUNE PATHWAYS FOR ADJUVANT DISCOVERY AND DEVELOPMENT	
Eff:	9/30/2009	Classified: No
<i>National Heart, Lung, and Blood Institute (NHLBI)</i>		
To:	Richard A Kronmal, Professor Biostatistics	\$ 2,095,389
For:	Multi-Ethnic Study of Atherosclerosis	
Eff:	12/21/1998	Classified: No
<i>Total for National Heart, Lung, and Blood Institute (NHLBI):</i>		<i>\$ 2,095,389</i>
Total for National Institutes of Health (NIH):		\$ 4,277,322
Total for US Department of Health and Human Services (DHHS):		\$ 4,277,322
Total for Federal:		\$ 4,277,322
Total Contracts:		\$ 4,277,322
Grand Total for all Awards		\$ 51,414,335

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

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to reappoint Cathy Simon, FAIA, to the University of Washington Architectural Commission, commencing in October 2010, and ending in October 2014.

BACKGROUND:

The University of Washington Architectural Commission's "Statement of Organization and Function" states that 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 & Professional Student Senate.

Cathy Simon earned her Bachelor of Arts degree in Art History from Wellesley College and a Master of Architecture degree from the Harvard Graduate School of Design. She leads Perkins+Will's San Francisco office's civic, corporate and commercial market sector, which encompasses mixed-use buildings to housing to civic institutions, from the reinvention of historic structures to large-scale urban design projects. Perkins+Will San Francisco's portfolio includes award-winning work around the Bay Area, across the U.S., and around the world.

Voting members:

Daniel S. Friedman, Dean, College of Built Environments

Linda Jewell, Freeman & Jewell

Stephen Kieran, KieranTimberlake

John Syvertsen, OWP/P – Cannon Design

John Schaufelberger, Faculty Member

Amy Monsen, Student Member

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Architectural Commission Membership Appointment (continued p. 2)

Non-voting ex officio members:

Rebecca Barnes, University Architect
Richard Chapman, Associate Vice President, Capital Projects Office
Charles Kennedy, Associate Vice President, Facilities Services
Kristine Kenney, University Landscape Architect
Kirk Pawlowski, Assistant Vice Provost, Capital Resource Planning
V'ella Warren, Senior Vice President

REVIEW AND APPROVALS

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

Attachment

Cathy Simon résumé



CATHY SIMON, FAIA, LEED AP DESIGN DIRECTOR, PRINCIPAL

Cathy Simon leads the San Francisco office's Civic, Corporate + Commercial Market Sector, which encompasses everything from mixed-use buildings to housing to civic institutions, from the reinvention of historic structures to large-scale urban design projects. Her focus on transformative design is evident at all scales, but is best exemplified by San Francisco's Ferry Building, a once-disused relic reborn as a public marketplace. She is much in demand as a speaker and teacher on issues of urbanization, revitalization, and the ways and means of creating these vibrant places that nurture the growth of community.

EDUCATION

Harvard Graduate School of Design,
Cambridge, MA
Master of Architecture

Wellesley College, Wellesley, MA
Bachelor of Arts in Art History with High
Honors, Phi Beta Kappa

REGISTRATIONS

Arizona, California, District of Columbia,
Massachusetts, Nevada, New York,
Pennsylvania, Texas

NCARB Certified

PROFESSIONAL ACTIVITIES

Board Member, Institute for International
Urban Development, 2009—present

Speaker, Workshop on Waterfront
and Old Port Areas, San
Sebastian, Spain, 2009

Member, Design Review
Committee, University of California,
Berkeley, 2008—present

Juror, AIA OC Awards of Excellence, 2008

Guest Lecturer, Stanford Graduate
School of Business, 2008, 2009

Speaker, Victoria University Public
Lecture, Wellington, New Zealand, 2008

Speaker, Victoria University
School of Psychology Seminar,
Wellington, New Zealand, 2008

RELEVANT PROJECT EXPERIENCE

Alexandria Real Estate Equities
San Francisco, California
Design Principal

- Life Sciences Building
- Urban Design Plan

Bard College
Annandale-on-Hudson, NY
Design Principal

- Bertlesmann Campus Center
- Campus Master Plan
- Conservatory of Music
- F. W. Olin Humanities Building
and Language Center
- Hegeman Science
Building Addition

Brown University Strategic Master
Plan: Brown in the Jewelry District
Brown University
Providence, Rhode Island
Design Principal

California Academy of Sciences &
M. H. de Young Memorial Museum
Relocation Feasibility Study
San Francisco, CA
Design Principal

Cupertino Library, Community
Hall + Civic Center
Cupertino, California
Design Principal

Drew College Preparatory School
San Francisco, California

Design Principal

The Ferry Building Renovation
Wilson Meany Sullivan
San Francisco, California
Design Principal

Good Samaritan Housing
San Francisco, California
Design Principal

Harvard Futures—
Scenarios for Growth
Harvard University
Cambridge, Massachusetts
Design Principal

Howard Street Family Housing
Mercy Charities
San Francisco, California
Design Principal

Hunters Point Shipyard
Redevelopment
Lennar / BVHP
San Francisco, California
Design Principal

Metreon
Millennium Partners
San Francisco, California
Design Principal

Mission Bay North of Channel
Urban Design Plan
San Francisco, California
Design Principal



PERKINS + WILL

Member, Architectural Commission,
University of Washington, 2007—present

Business Council, Trust for
Public Land, 2006

Speaker, Hot Firms Conference, San
Francisco, CA, November 2006

Juror, AIA Business Week/
Architectural Record Awards, 2002

Speaker, AIA Orange County 50th
Anniversary Lecture Series, April 2002

Speaker, AIA San Diego / Museum
of Contemporary Art 2001-2002
Lecture Series, March 2002

Speaker, John Gaw Meem Lecture /
School of Architecture and Planning,
University of New Mexico, Feb. 2002

Board Member, San Francisco
Museum of Modern Art - Architecture
& Design Forum, 2001—2004

Juror, General Services
Administration, Temecula Border
Station Design Competition, 2001

Juror, ACSA Student Competition, 2001

Speaker, Car of the Future Symposium,
Interlaken, Switzerland, 2001

Member, Harvard Design
Magazine Practitioners' Advisory
Board, 2000-present

Speaker, CRAVE Conference,
September 2000

Co-chair, Advisory Council of the College
of Environmental Design, University of
California, Berkeley, 1999 - Present

Member, Visiting Committee, Harvard
Graduate School of Design, 1998 – 2008

Speaker, American Bar
Association, January 1998

Juror, AIA New York Chapter,
Awards, 1998

Juror, AIA California Council

RELEVANT PROJECT EXPERIENCE

Mission Bay Visitor Center
San Francisco, California
Design Principal

Moss Room: California
Academy of Sciences Cafe
San Francisco, California
Design Principal

Museum of New Mexico
Expansion Master Plan
Santa Fe, New Mexico
Design Principal

NYU Plans 2031
New York University
New York, NY
Design Principal

Oceanside Water Pollution
Control Plant
San Francisco, California
Design Principal

Piers 27-31
Shorenstein
San Francisco, California
Design Principal

Pier 1
AMB Property Corporation
San Francisco, California
Design Principal

Piers 30-32
Shorenstein
San Francisco, California
Design Principal

Pier 70
AMB Property Corporation
San Francisco, California
Design Principal

Piers 92-94
Merchandise Mart Property
New York, New York
Design Principal

Presidio Landmark Adaptive
Reuse Housing
Forest City Residential West
San Francisco, California

Design Principal

Rich Sorro Commons
Affordable Housing
Mission Housing Development Co.
San Francisco, California
Design Principal

Sacramento Intermodal
Transportation Facility
City of Sacramento
Sacramento, California
Design Principal

San Francisco Art Institute
San Francisco, California
Design Principal

- Master Plan
- Computer Center

San Francisco Ballet Pavilion
San Francisco, California
Design Principal

San Francisco Conservatory of
Music San Francisco, California
Design Principal

San Francisco Main Library
San Francisco, California
Design Principal

Seawall Lot 337 + Pier
48 Redevelopment
SF Giants et al
San Francisco, California
Design Principal

Slow Food Nation Civic
Center Master Plan
San Francisco, California
Design Principal

Southeast Federal Center
Forest City Washington
Washington DC
Design Principal

Stanford University
Design Principal

- Redwood City Campus Master
Plan Redwood City, CA
- Center for Computer Research

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Report of Contributions – August, 2010

For information only.

Attachment

University of Washington Foundation Report of Contributions for August, 2010

Report *of* Contributions

All Areas

August 2010



UNIVERSITY *of* WASHINGTON | *Foundation*

ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month				Year to Date			
	Gifts	Private Grants	Total	Donors ¹	Gifts	Private Grants	Total	Donors
UW Medicine	\$1,420,876	\$9,233,224	\$10,654,100	2,258	\$4,741,992	\$26,074,044	\$30,816,037	2,791
Arts and Sciences	\$506,785	\$1,016,287	\$1,523,072	1,057	\$1,282,168	\$1,252,392	\$2,534,560	1,852
Broadcast Services	\$30,403		\$30,403	3,715	\$159,772		\$159,772	5,255
Built Environments	\$46,622	\$187,000	\$233,622	71	\$288,081	\$189,500	\$477,581	245
Business School	\$867,495		\$867,495	318	\$1,650,869		\$1,650,869	427
Dentistry	\$1,189,627		\$1,189,627	90	\$1,298,481		\$1,298,481	173
Education	\$26,680	\$65,104	\$91,784	104	\$33,359	\$175,104	\$208,463	161
Engineering	\$329,793	\$148,533	\$478,326	243	\$764,537	\$399,815	\$1,164,352	332
Environment	\$66,260	\$289,217	\$355,477	111	\$165,910	\$2,645,202	\$2,811,112	181
Evans School of Public Affairs	\$61,065	\$267,438	\$328,503	39	\$74,219	\$267,438	\$341,657	55
Graduate School	\$532		\$532	19	\$1,015	\$8,791	\$9,806	24
Information School	\$41,971		\$41,971	164	\$55,575		\$55,575	189
Intercollegiate Athletics	\$784,189		\$784,189	729	\$3,088,866		\$3,088,866	2,401
Law	\$275,896		\$275,896	89	\$415,714		\$415,714	163
Libraries	\$123,818		\$123,818	253	\$137,945		\$137,945	366
Minority Affairs	\$11,272		\$11,272	121	\$19,465		\$19,465	161
Nursing	\$2,714	\$400,000	\$402,714	62	\$241,505	\$400,000	\$641,505	99
Pharmacy	\$15,987		\$15,987	82	\$38,906	\$85,868	\$124,774	171
President's Funds	\$26,200		\$26,200	112	\$88,008		\$88,008	164
Public Health	\$33,543	\$5,245,222	\$5,278,765	104	\$199,240	\$5,893,529	\$6,092,769	137
Social Work	\$217,128	\$38,262	\$255,390	31	\$229,563	\$43,262	\$272,825	49
Student Affairs	\$386,514		\$386,514	170	\$909,079		\$909,079	251
Undergraduate Academic Affairs	\$1,781	\$578,604	\$580,385	60	\$20,042	\$578,604	\$598,646	73
University Press	\$37,300		\$37,300	10	\$55,875		\$55,875	32
UW Alumni Association	\$46,222		\$46,222	918	\$118,641		\$118,641	2,436
UW Bothell	\$5,637	\$7,000	\$12,637	57	\$13,226	\$7,000	\$20,226	110
UW Tacoma	\$254,415		\$254,415	81	\$319,416		\$319,416	189
Other University Support	\$121,096	\$150,776	\$271,872	162	\$488,928	\$600,763	\$1,089,691	903
Total	\$6,931,819	\$17,626,666	\$24,558,486	10,707	\$16,900,397	\$38,621,312	\$55,521,709	18,505

MONTHLY HIGHLIGHTS

The UW received \$24.56M in total private voluntary support (\$6.93M in gifts and \$17.63M in grants) in the current month.

Areas including Built Environments, Business School, Dentistry, Environment, Evans School of Public Affairs, Intercollegiate Athletics, Law, Libraries, Nursing, Public Health, Social Work, Student Affairs, Undergraduate Academic Affairs, University Press and UW Tacoma are ahead of last year's year-to-date totals.

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

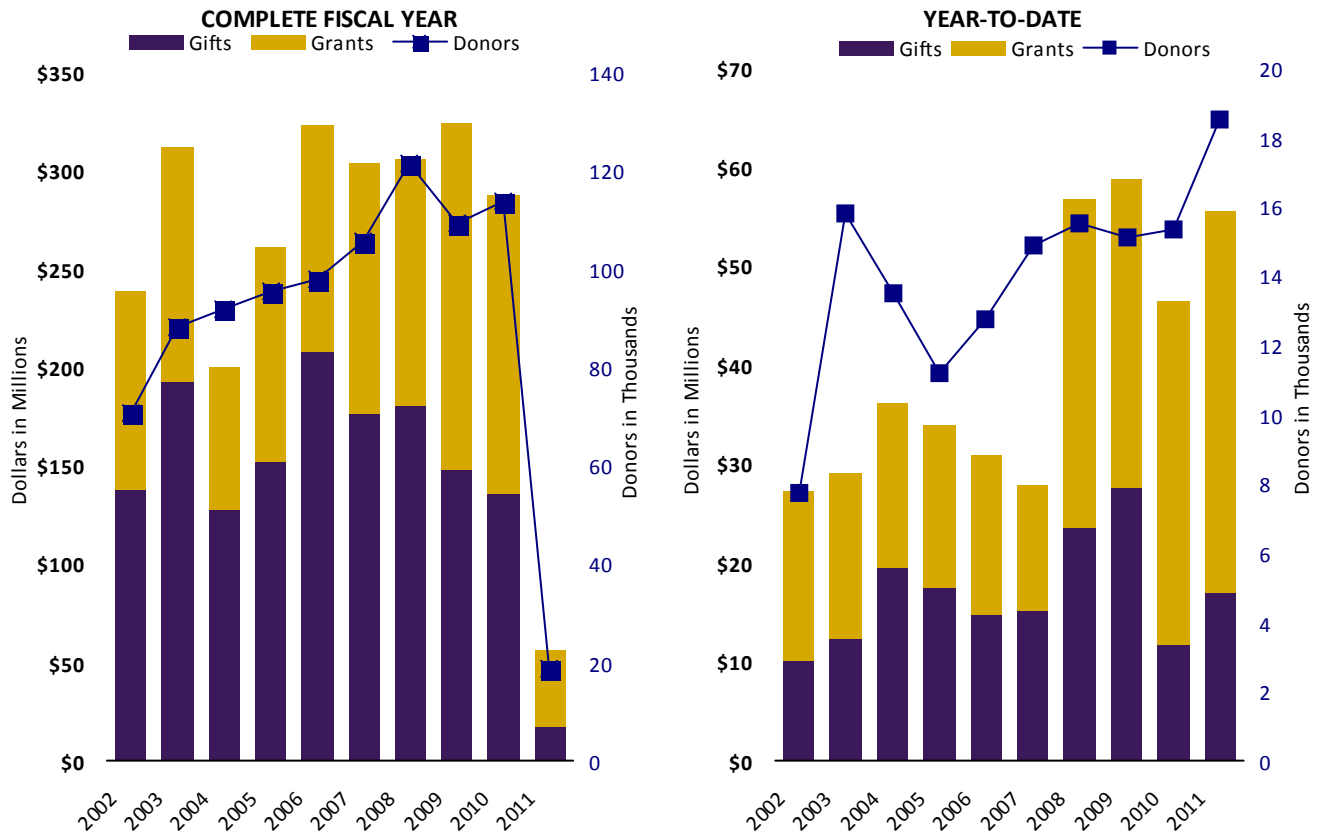
The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

DEVELOPMENT SUMMARY BY CONSTITUENCY

School	Current Month		Year to Date		Prior Year to Date		Prior Year Total	
	Total	Donors	Total	Donors	Total	Donors	Total	Donors
UW Medicine	\$10,654,100	2,258	\$30,816,037	2,791	\$30,932,953	2,886	\$137,228,784	15,896
Arts and Sciences	\$1,523,072	1,057	\$2,534,560	1,852	\$2,600,987	1,882	\$22,353,398	13,980
Broadcast Services	\$30,403	3,715	\$159,772	5,255	\$356,867	1,925	\$2,884,588	21,203
Built Environments	\$233,622	71	\$477,581	245	\$58,479	70	\$2,460,168	1,345
Business School	\$867,495	318	\$1,650,869	427	\$662,445	475	\$13,466,725	4,129
Dentistry	\$1,189,627	90	\$1,298,481	173	\$96,159	202	\$3,317,422	1,250
Education	\$91,784	104	\$208,463	161	\$690,826	435	\$4,695,480	1,575
Engineering	\$478,326	243	\$1,164,352	332	\$3,319,742	363	\$22,392,566	4,345
Environment	\$355,477	111	\$2,811,112	181	\$1,492,351	197	\$8,056,542	2,066
Evans School of Public Affairs	\$328,503	39	\$341,657	55	\$44,997	55	\$729,548	508
Graduate School	\$532	19	\$9,806	24	\$67,955	36	\$946,285	312
Information School	\$41,971	164	\$55,575	189	\$99,631	54	\$1,598,080	699
Intercollegiate Athletics	\$784,189	729	\$3,088,866	2,401	\$2,379,823	2,398	\$17,893,004	24,696
Law	\$275,896	89	\$415,714	163	\$42,728	139	\$1,644,729	2,038
Libraries	\$123,818	253	\$137,945	366	\$74,277	897	\$1,034,271	5,362
Minority Affairs	\$11,272	121	\$19,465	161	\$137,655	156	\$538,889	738
Nursing	\$402,714	62	\$641,505	99	\$175,903	112	\$3,464,905	1,743
Pharmacy	\$15,987	82	\$124,774	171	\$516,554	83	\$3,869,407	1,046
President's Funds	\$26,200	112	\$88,008	164	\$65,671	182	\$586,255	1,536
Public Health	\$5,278,765	104	\$6,092,769	137	\$1,014,007	146	\$16,560,816	754
Social Work	\$255,390	31	\$272,825	49	\$25,920	30	\$3,641,796	832
Student Affairs	\$386,514	170	\$909,079	251	\$392,870	249	\$5,341,443	2,802
Undergraduate Academic Affairs	\$580,385	60	\$598,646	73	\$51,610	125	\$688,975	640
University Press	\$37,300	10	\$55,875	32	\$19,775	18	\$292,500	169
UW Alumni Association	\$46,222	918	\$118,641	2,436	\$124,835	2,668	\$894,199	18,266
UW Bothell	\$12,637	57	\$20,226	110	\$49,795	91	\$1,556,176	630
UW Tacoma	\$254,415	81	\$319,416	189	\$120,573	187	\$3,009,562	827
Other University Support	\$271,872	162	\$1,089,691	903	\$726,816	223	\$5,482,304	2,729
Total¹	\$24,558,486	10,707	\$55,521,709	18,505	\$46,342,203	15,347	\$286,628,819	113,746

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

FISCAL YEAR COMPARISON OF TOTAL CONTRIBUTIONS



Fiscal Year	Complete Fiscal Year				Year to Date			
	Gifts	Private Grants	Total	Donors	Gifts	Private Grants	Total	Donors
2010-2011	\$16,900,397	\$38,621,312	\$55,521,709	18,505	\$16,900,397	\$38,621,312	\$55,521,709	18,505
2009-2010	\$135,813,022	\$150,815,796	\$286,628,819	113,746	\$11,784,568	\$34,557,636	\$46,342,203	15,347
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$27,578,596	\$31,090,012	\$58,668,609	15,114
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$23,671,479	\$32,915,059	\$56,586,538	15,488
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$15,219,124	\$12,601,654	\$27,820,778	14,880
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$14,627,686	\$16,245,654	\$30,873,340	12,724
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$17,530,695	\$16,433,767	\$33,964,462	11,183
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$19,537,721	\$16,597,595	\$36,135,316	13,476
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$12,230,893	\$16,786,392	\$29,017,285	15,765
2001-2002	\$137,959,340	\$100,820,547	\$238,779,887	70,560	\$10,186,072	\$16,972,711	\$27,158,784	7,718



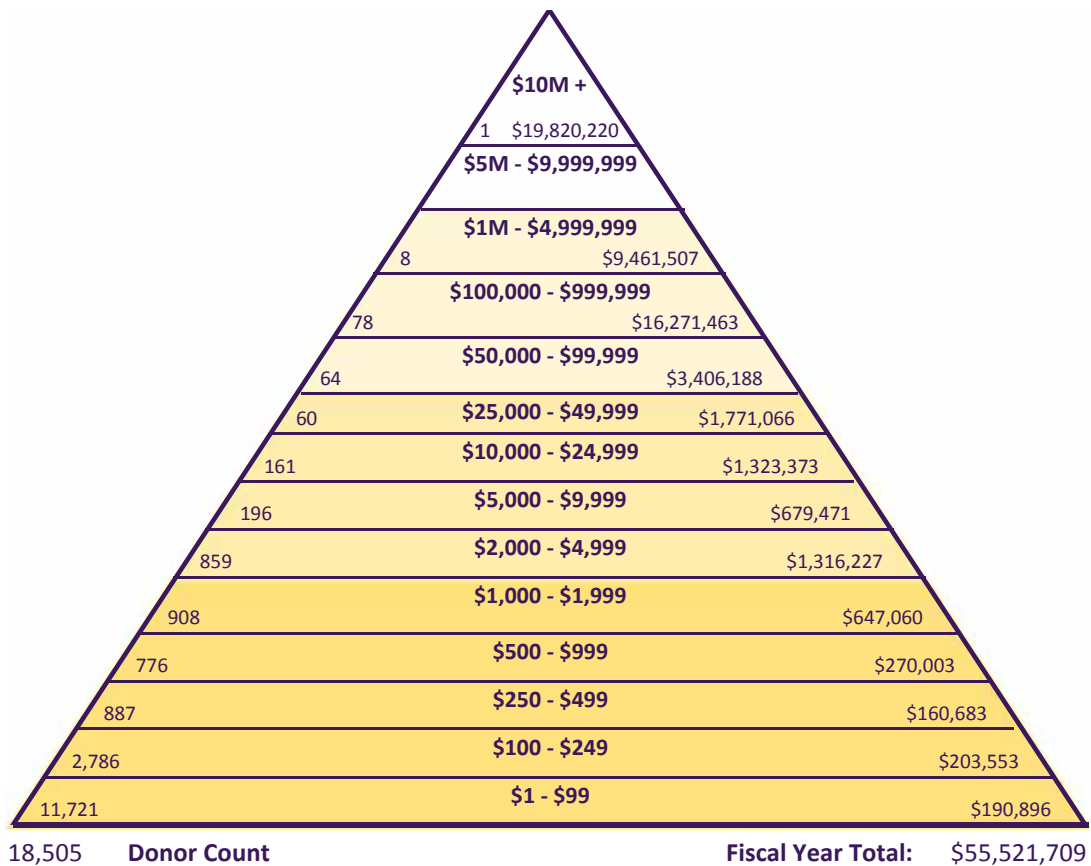
ANNUAL FUNDING THEME PROGRESS

Theme	Current Use	Year to Date	
		Endowment	Total
Student Support	\$1,169,546	\$1,805,680	\$2,975,226
Faculty Support	\$1,194,795	\$557,295	\$1,752,090
Program Support for Faculty and Students	\$43,196,952	\$789,145	\$43,986,097
Capital	\$2,705,241		\$2,705,241
Excellence Funds	\$3,251,377	\$851,677	\$4,103,055
Total	\$51,517,913	\$4,003,796	\$55,521,709

DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors	Total	Donors	Total
Alumni	7,976	\$3,351,190	7,748	\$3,393,598	50,992	\$35,117,094
Corporations	407	\$7,930,184	371	\$6,555,605	2,832	\$43,318,033
Family Foundations	24	\$935,271	29	\$913,747	171	\$13,713,745
Foundations	119	\$24,749,588	95	\$19,915,714	433	\$89,376,760
Non-Alumni	9,869	\$4,755,054	6,998	\$2,102,107	58,737	\$35,745,608
Organizations	110	\$13,800,422	123	\$13,461,432	581	\$69,357,578
Total	18,505	\$55,521,709	15,364	\$46,342,203	113,746	\$286,628,819

DEVELOPMENT ACTIVITY PYRAMID



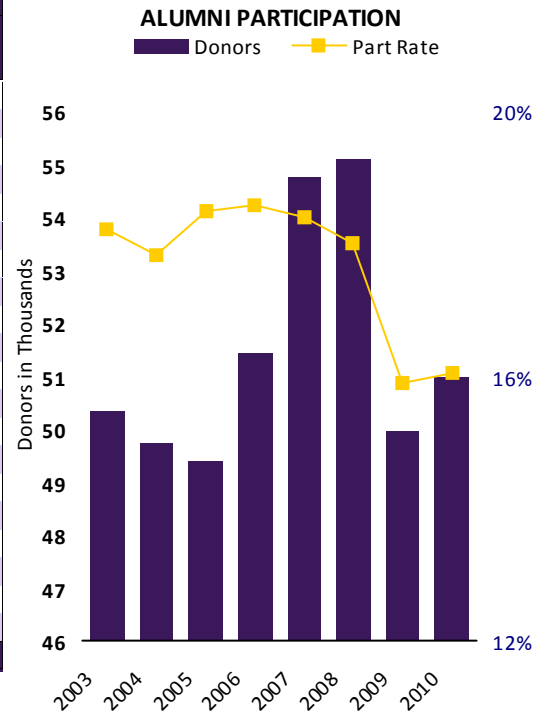
ANNUAL PROGRESS BY GIVING LEVEL

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +					\$19,820,220		\$19,820,220
\$5M - \$9,999,999							\$0
\$1M - \$4,999,999				\$2,661,403	\$2,500	\$6,797,604	\$9,461,507
\$100,000 - \$999,999	\$771,865	\$2,749,838	\$605,000	\$3,119,596	\$2,931,630	\$6,093,534	\$16,271,463
\$50,000 - \$99,999	\$369,333	\$650,483	\$71,300	\$442,914	\$1,397,732	\$474,426	\$3,406,188
\$25,000 - \$49,999	\$242,391	\$123,332	\$135,100	\$812,180	\$330,116	\$127,947	\$1,771,066
\$10,000 - \$24,999	\$312,011	\$149,448	\$75,736	\$455,875	\$127,075	\$203,228	\$1,323,373
\$5,000 - \$9,999	\$204,031	\$125,969	\$35,500	\$181,619	\$71,600	\$60,752	\$679,471
\$2,000 - \$4,999	\$670,645	\$391,434	\$12,535	\$167,981	\$47,523	\$26,110	\$1,316,227
\$1,000 - \$1,999	\$329,373	\$235,865		\$55,242	\$16,572	\$10,009	\$647,060
\$500 - \$999	\$143,392	\$105,635		\$15,988	\$2,500	\$2,487	\$270,003
\$250 - \$499	\$84,795	\$63,398		\$8,422	\$1,290	\$2,777	\$160,683
\$100 - \$249	\$99,524	\$95,664	\$100	\$6,575	\$450	\$1,240	\$203,553
\$1 - \$99	\$123,830	\$63,988		\$2,390	\$381	\$308	\$190,896
Total	\$3,351,190	\$4,755,054	\$935,271	\$7,930,184	\$24,749,588	\$13,800,422	\$55,521,709

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +					1		1
\$5M - \$9,999,999							0
\$1M - \$4,999,999				4	1	3	8
\$100,000 - \$999,999	8	18	4	12	12	24	78
\$50,000 - \$99,999	8	18	1	8	21	8	64
\$25,000 - \$49,999	10	9	4	23	10	4	60
\$10,000 - \$24,999	55	47	5	31	10	13	161
\$5,000 - \$9,999	65	68	6	34	13	10	196
\$2,000 - \$4,999	425	349	3	59	15	8	859
\$1,000 - \$1,999	443	391		49	17	8	908
\$500 - \$999	364	378		26	4	4	776
\$250 - \$499	405	438		30	5	9	887
\$100 - \$249	1,141	1,579	1	53	3	9	2,786
\$1 - \$99	5,052	6,574		78	7	10	11,721
Total	7,976	9,869	24	407	119	110	18,505

ALUMNI PARTICIPATION BY CONSTITUENCY (CURRENT FISCAL YEAR)

Area	Solicitable	To UW		To Unit	
		Year to Date	Part Rate	Year to Date	Part Rate
UW Medicine	19,185	521	2.72%	247	1.29%
Arts and Sciences	151,787	3,749	2.47%	1,074	0.71%
Business School	39,725	1,155	2.91%	397	1.00%
Built Environments	8,496	205	2.41%	35	0.41%
Dentistry	4,650	163	3.51%	63	1.35%
Education	18,092	475	2.63%	24	0.13%
Engineering	33,868	673	1.99%	336	0.99%
Environment	11,635	223	1.92%	53	0.46%
Evans School of Public Affairs	2,747	97	3.53%	11	0.40%
Interdisc. Grad. Programs	2,200	64	2.91%		
Interschool Programs	2,459	101	4.11%		
Information School	4,950	240	4.85%	110	2.22%
Law	8,186	253	3.09%	77	0.94%
School of Nursing	8,909	219	2.46%	33	0.37%
Pharmacy	3,690	128	3.47%	78	2.11%
Public Health	4,683	127	2.71%	17	0.36%
Social Work	6,753	152	2.25%	18	0.27%
UW Bothell	8,069	185	2.29%	36	0.45%
UW Tacoma	9,452	191	2.02%	86	0.91%
Unspecified	9,472	202	2.13%		
ALL UW TOTAL	330,521	7,976	2.41%		



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	19,127	579	3.03%	3,647	19.07%	301	1.57%	2,251	11.77%
Arts and Sciences	146,824	3,544	2.41%	21,644	14.74%	767	0.52%	5,769	3.93%
Business School	38,262	1,144	2.99%	7,650	19.99%	230	0.60%	2,250	5.88%
Built Environments	8,184	172	2.10%	1,430	17.47%	22	0.27%	562	6.87%
Dentistry	4,540	166	3.66%	1,116	24.58%	74	1.63%	582	12.82%
Education	18,841	505	2.68%	3,221	17.10%	25	0.13%	540	2.87%
Engineering	32,965	621	1.88%	5,082	15.42%	148	0.45%	2,312	7.01%
Environment				1,310	7.54%	29		609	
Evans School of Public Affairs	2,496	90	3.61%	602	24.12%	15	0.60%	204	8.17%
Interdisc. Grad. Programs	1,817	62	3.41%	334	18.38%				
Interdisc. Undergrad. Programs	258	5	1.94%	29	11.24%				
Interschool Programs	520	20	3.85%	528	101.54%				
Information School	4,614	139	3.01%	1,009	21.87%	22	0.48%	433	9.38%
Law	7,905	228	2.88%	1,892	23.93%	67	0.85%	1,027	12.99%
School of Nursing	8,644	224	2.59%	1,820	21.06%	38	0.44%	945	10.93%
Pharmacy	3,547	94	2.65%	891	25.12%	32	0.90%	558	15.73%
Public Health	4,580	149	3.25%	776	16.94%	19	0.41%	267	5.83%
Social Work	6,522	156	2.39%	990	15.18%	11	0.17%	409	6.27%
UW Bothell	6,995	170	2.43%	1,003	14.34%	8	0.11%	204	2.92%
UW Tacoma	8,050	154	1.91%	901	11.19%	36	0.45%	299	3.71%
Unspecified	11,600	297	2.56%	1,653	14.25%				
ALL UW TOTAL	317,522	7,489	2.36%	50,992	16.06%				



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



UWAA Member Giving by Constituency

School	Solicitable Alumni	Member		Alumni Giving	
		Members ¹	Donors	Members	Non Members
UW Medicine	19,185	1,941	186	9.58%	1.49%
Arts and Sciences	151,787	19,639	1,387	7.06%	1.10%
Business School	39,725	7,437	556	7.48%	1.03%
Built Environments	8,496	1,182	66	5.58%	1.16%
Dentistry	4,650	1,024	87	8.50%	1.21%
Education	18,092	2,884	184	6.38%	1.05%
Engineering	33,868	4,617	250	5.41%	0.89%
Environment	11,635	1,453	60	4.13%	1.07%
Evans School of Public Affairs	2,747	323	28	8.67%	1.90%
Forest Resources					
Interdisc. Grad. Programs	2,200	203	19	9.36%	1.60%
Interdisc. Undergrad. Progra					
Interscholar Programs	2,459	572	55	9.62%	1.64%
Information School	4,950	790	82	10.38%	3.10%
Law	8,186	1,072	96	8.96%	1.55%
School of Nursing	8,909	1,339	58	4.33%	1.53%
Ocean & Fisheries					
Pharmacy	3,690	649	61	9.40%	1.61%
Public Health	4,683	404	35	8.66%	1.71%
Social Work	6,753	642	37	5.76%	1.44%
UW Bothell	8,069	956	43	4.50%	0.98%
UW Tacoma	9,452	857	43	5.02%	0.77%
Unspecified	9,472	1,964	94	4.79%	0.73%
Non-Alumni		8,944	1,363	15.24%	
Total	330,521	55,278	4,356	7.88%	

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	22.70%	2010	1,513
1954	21.93%	1971	1,089
1953	21.91%	1974	1,063
1959	21.81%	1973	1,056
1946	21.71%	1970	1,035
1956	21.52%	1972	1,025
1950	20.87%	1976	1,015
1952	20.75%	1975	985
1958	20.49%	1977	951
1951	20.33%	1968	900

Activity Participation - Rolling 3 Year Total³

School ²	Participants	Part. Donors	% Donors	Alum Non-Part.	Alum Non-Par Donor	% Non-Part Donor
Intercollegiate Athletics	2,445	2,401	98.20%			
UW Medicine	3,581	2,726	76.12%	21,156	3,282	15.51%
Arts and Sciences	12,269	2,929	23.87%	138,868	7,439	5.36%
Built Environments	1,454	646	44.43%	7,591	745	9.81%
Business School	5,772	1,534	26.58%	35,062	3,187	9.09%
Dentistry	1,887	733	38.84%	3,025	378	12.50%
Education	1,693	377	22.27%	16,251	840	5.17%
Engineering	2,584	888	34.37%	31,197	3,079	9.87%
Environment	1,138	529	46.49%	10,187	948	9.31%
Evans School of Public Affairs	723	278	38.45%	2,227	317	14.23%
Graduate School	338	192	56.80%	1,506	2	0.13%
Information School	679	202	29.75%	4,478	577	12.89%
Law	1,980	853	43.08%	6,660	1,134	17.03%
Libraries	973	939	96.51%			
Nursing	918	420	45.75%	8,280	1,289	15.57%
Pharmacy	367	219	59.67%	3,381	778	23.01%
Public Health	541	199	36.78%	3,666	327	8.92%
Social Work	696	208	29.89%	6,232	669	10.73%
UW Bothell	728	232	31.87%	7,831	621	7.93%
UW Tacoma	469	207	44.14%	9,278	862	9.29%

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

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

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

Source: University of Washington Alumni Association



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities 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. Health Sciences Center (HSC) B-Wing 3rd Floor Orthodontics Clinic Remodel Project No. 202110
Action Reported: Select Architect/Adopt Budget

On September 3, 2010, an architectural agreement was awarded to Capital Projects' Office Design Services, for the HSC B-Wing 3rd Floor Orthodontics Clinic Remodel project. The agreement amount is \$91,420 for basic services versus a budget value of \$167,330 for design consultants. The balance of the design budget is intended for a hazardous materials consultant, testing consultant and a previously completed predesign.

Design Services is our in-house design firm for assistance on campus, working on a wide variety of projects, including UWMC 8NN ADA Upgrade and Joint Institute for the Study of Atmosphere and Ocean and Program on the Environment Renovation to the John M. Wallace Hall (formerly the Academic Computer Center Building).

The Orthodontics Clinic project is an interior renovation of the 3rd floor clinic in the B-wing. The remodel is to upgrade the aesthetics and efficiency of the Orthodontics lab. The base scope includes renovation to the lobby, reception, break room, conference room, sterilization & dispensary stations, as well as, provide renovation to the finishes within the clinic at the operatories. Design is expected to be completed by December of 2010 with construction beginning in January, and lasting through July of 2010.

The project budget is established at \$1,000,000. Funding of \$171,305 is provided from Department of Orthodontics and was donated by the Alumni. The Department will make available the balance from donated funds before construction.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 2)

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

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

2. UW Tower S Building Project No. 202443
Action Reported: Adopt Budget/Award Construction Contract

In June 2008, the Board of Regents approved delegated authority to the President to award a design contract to ZGF architects. The project began with a predesign study to develop design alternatives and cost estimates for a new south entry and potential associated renovations, modernization and expansion of the S Building and associated outdoor public spaces. The total project has shrunk in size and been split into smaller scopes of work to meet schedule needs. The first two phases were completed and occupied as part of the overall UW Tower occupancy move project. This project is the final increment of the S Building upgrades for the Alumni Association.

On September 9, 2010 a construction contract was awarded to Howard S. Wright Constructors of Seattle, Washington in the amount of \$717,852.00 for the UW Tower S-Building Project Number 202443. Four bids were received for this project; the highest bid was \$881,000.00. The pre-bid construction cost estimate was \$880,000.00. The project budget has been established at \$1,478,000.00 and reflects the construction bid results.

The Howard S. Wright Construction Company was established in 1885, and has evolved into a family of companies that have built thousands of projects over the past 125 years. Howard S Wright Constructors is a general contracting firm that is part of this family of companies with six primary business locations in the western United States. Howard S. Wright Constructors has broad experience across a diverse range of project types and sizes. This is their first project for the University of Washington.

The current project scope includes renovation of approximately 3,250 square feet on the second floor of the S-Building at the UW Tower as a multi-purpose space

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 3)

to accommodate meetings, social events and a public interface for the Alumni Association and other building occupants. The project is the final phase of a three-phased renovation of the S-Building for occupancy by the UW departments of Development, Alumni Relations and Marketing, and the UW Alumni Association. Construction activities began on September 29, 2010 with completion anticipated on or before December 22, 2010.

The project budget for the S-Building second floor multi-purpose space includes \$100,000 in funding for the initial predesign study. Funding has been provided from the following sources:

\$50,000	Capital Resources/Central Funds
\$450,000	UW Advancement
\$978,000	UW Alumni Association
<u>\$1,478,000</u>	

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services*	\$269,708	\$269,708
Total Construction Cost**	\$938,963	\$938,963
Other Cost	\$150,051	\$150,051
Project Administration	\$119,278	\$119,278
Total Project Budget	\$1,478,000	\$1,478,000

* Includes \$100,000 for the initial predesign study

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

3. UW Tower C1 & O1 Occupancy Project No. 202925
Action Reported: Award Construction Contract

On August 12, 2010, a construction contract was awarded to Aldrich + Associates construction specialist of Bothell, Washington, in the amount of \$1,567,626 for the UW Tower C1 & O1 Occupancy, Project No. 202925. Ten bids were received for this project; the highest bid was \$1,728,500. The forecast construction cost for this contract was \$1,705,116. The original construction budget included \$300,000 of communications cabling and time critical site preparation demolition, that were removed from the contract scope prior to bid. Cabling will be delivered through UW-IT and demolition was accomplished

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B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 4)

through in plant services. As planned, the furniture budget was increased \$130,000 due to favorable bid results.

Aldrich + Associates is a general contractor that has been performing work successfully in the private & public sector since 1972. Their main areas of expertise are in medical and dental facilities as well as commercial and education projects. They have not performed work here at the University of Washington previous to this project.

The goal of the project is to prepare space on UW Tower Floors C1 and O1 for occupancy by units reporting to Human Resources (HR) and Finance & Facilities. The units moving into the space include HR Operations Campus & Health Sciences, HR U Temps, Benefits Office, Combined Fund Drive, Payroll, Travel, Emergency Management, Emergency Operations Center and the Chief Information Security office. The work will involve approximately 23,000 assignable square feet of existing space. Improvements will be made to respond to program requirements for public access, security, confidentiality and other critical functions in preparation for these units to continue their vital service to the University community. Renovation activities started September 1, 2010 with completion anticipated on or before January 7, 2010.

Project funding is provided by local funds of \$1,000,000 and the Internal Lending Program amount of \$3,150,000.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$400,000	\$446,758
Total Construction Cost*	\$2,700,000	\$2,054,126
Other Costs	\$564,051	\$1,023,950
Project Administration	\$285,949	\$285,949
Total Project Budget	\$3,950,000	\$3,810,783

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

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 5)

4. University of Washington Medical Center (UWMC) 3NN/3NE
Otolaryngology Renovation, Project No. 202995
Action Reported: Budget Adjustment

The project budget for the UWMC 3NN/3NE Otolaryngology Renovation project was increased from \$1,400,000 to \$1,580,000 on August 4, 2010. The project scope expanded to include new Owner-requested changes, including relocation of existing utilities, additional lighting and regulatory agency changes associated with existing hearing booth's fire protection system.

The UWMC is consolidating the Otolaryngology and Eye Clinic located on the 3rd floor to improve patient care delivery services and optimize efficiency. The project consists of interior finishes upgrade, consolidation of patient waiting areas, addition of new hearing booths, and creation of new eye exam rooms. The project is delivered through four phases to maintain existing operations. Project delivery utilized a combination of Job Order Contracting (JOC) and competitive bid process to meet the schedule demand.

The construction activities began in August 2009 with completion in September 2010. The construction was phased to provide the client surge space so the clinic could continue to see patients.

Funding of \$1,580,000 for the project is available from University of Washington Medical Center patient revenues.

Budget Summary	Original Approved Budget	Current Approved Budget Forecast Cost to Complete
Total Consultant Services	\$209,948	\$223,662
Total Construction Cost*	\$1,064,331	\$1,227,404
Other Costs	\$14,512	\$17,725
Project Administration	\$111,209	\$111,209
Total Project Budget	\$1,400,000	\$1,580,000

* Includes construction contract amount for JOC and competitively bid contracts, contingencies and state sales tax.

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B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 6)

5. Bagley 291 Undergraduate Teaching Lab Renovation, Project No. 203164
Action Reported: Award of Construction Contract/Budget Adjustment

On August 18, 2010 a construction contract was awarded to Lease Crutcher Lewis of Seattle, Washington, in the amount of \$925,357 for the Bagley 291 Undergraduate Teaching Lab Renovation Project. Seven bids were received for this project; the highest bid was \$1,266,000. The budgeted construction contract amount was \$1,400,000. The project budget was established at \$2,400,000. The project budget has been reduced to \$1,708,000, due to favorable bid results.

Lease Crutcher Lewis (LCL), is a general construction company based in Seattle, Washington. The company was founded in Montana in 1886, moved to Seattle in 1939 and expanded to Portland, Oregon in 1993. The company specializes in medical, biotech, office buildings and higher education projects. LCL has completed over 50 higher education projects including major projects for the University of Oregon, Portland State University, Seattle Pacific University, Pacific University and the University of Washington. For the University of Washington, LCL has completed multiple projects that include William H. Gates School of Law and Tacoma Phase 2b.

This project is to renovate Bagley 291 to provide the Department of Chemistry with a renovated undergraduate instructional lab. This project will improve safety and reduce energy use. The scope includes reconstruction of finishes, lab furniture, built-in equipment, and redistribution of mechanical and electrical systems. Construction began in September 2010, and is forecast to be complete in January 2011.

The project funding of \$1,708,000 is from the 2009-2011 College of Arts and Sciences Budget.

Budget Summary	Original Approved Budget	Current Approved Budget Forecast Cost to Complete
Total Consultant Services	\$276,729	\$268,917
Total Construction Cost*	\$1,870,261	\$1,215,918
Other Costs	\$72,508	\$65,109
Project Administration	\$180,502	\$158,056
Total Project Budget	\$2,400,000	\$1,708,000

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

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 7)

6. University of Washington Medical Center (UWMC) NE240 Satellite Radiology, Project No. 202783
Action Reported: Budget Adjustment

The project budget for the UWMC NE240 Satellite Radiology project was increased from \$1,360,000 to \$1,590,000 on August 4, 2010. The project scope has been expanded to account for changes encountered during construction including remediation of concealed mold in the old Operation Rooms, relocation of existing utilities in hard ceiling space, electrical revisions, and incidental additional costs for infection control and premium work to minimize impact to the hospital operations.

This project expanded the Radiology Services at the NE240 SCOR Suite and the Employee Health area. The project consists of 2,856 gross square feet of new procedure rooms including a Radiology Room, Ultra Sound and general X-Ray Rooms, and a new CT Room. Ancillary spaces such as Dressing Room, Control Room, Nurse Station, Soiled Utility Room, Storage, and Toilet Room are also included.

The construction activities began on February 15, 2010 with a Substantial Completion date of July 26, 2010. Occupancy followed in August 2010 after installation of the CT, and X-Ray equipment.

The project funding of \$1,590,000 is provided by UWMC.

Budget Summary	Original Approved Budget	Current Approved Budget Forecast Cost to Complete
Total Consultant Services	\$246,352	\$282,082
Total Construction Cost*	\$974,631	\$1,154,753
Other Costs	\$21,705	\$17,405
Project Administration	\$117,312	\$135,760
Total Project Budget	\$1,360,000	\$1,590,000

* Includes construction contract amount, contingencies and state sales tax. It also includes Phase I construction cost for Employee Health Renovation delivered through the JOC process as a "make-ready" project for Satellite Radiology.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 8)

7. Expansion Joints Replacement and Tunnel Asbestos Mitigation 2009-2011
Project No. 202989
Action Reported: Award Construction Contract

On July 26, 2010, a construction contract was awarded to Shinn Mechanical Inc. of Kent, Washington, in the amount of \$377,008 for the Expansion Joints Replacement and Tunnel Asbestos Mitigation 2009-2011 Project No. 202989. Three bids were received for this project; the highest bid was \$848,964. The budgeted construction cost was \$346,665.

Shinn Mechanical is a mechanical contractor that has successfully completed numerous projects for the University of Washington (UW), including other projects within the tunnel system and power plant. Projects at the UW include the Power Plant Cold Water Pipe Replacement, Tunnel Asbestos Manhole Abatement and Steam Expansion Joints, Henderson Hall Chiller Replacement, Power Plant Emergency Water Supply, and Power Plant Boiler Feedwater System.

The goal of this project is to fully abate asbestos containing pipe insulation from one manhole in the tunnel system, to replace all valves and expansion joints in that manhole, and to replace failing expansion joints and valves at various locations throughout the tunnel system. Construction began in August 2010 and is scheduled for completion in May 2011.

Funding is provided by the 2009-2011 Facility Services Utility Budget.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$153,260	\$144,260
Total Construction Cost*	\$681,232	\$691,311
Other Costs	\$214,313	\$214,313
Project Administration	\$101,195	\$101,195
Total Project Budget	\$1,150,000	\$1,151,079

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

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 9)

8. Harborview Medical Center (HMC), Vascular Center of Excellence Project No. 203117
Action Reported: Adopt Budget/Architect Selection

On July 28, 2010, the project budget for the HMC Vascular Center of Excellence was established at \$1,925,000. Since this project is a tenant improvement to shell space in the Maleng Building, HMC, King County and the University have agreed to perform the project as part of the Harborview Bond Project three party agreement with the oversight of the Harborview Bond Oversight Committee.

The Vascular Center of Excellence Clinic will create a new vascular specialty center that will enhance patient care and their experience by providing a clinical space that is flexible, efficient and will have the technological ability to provide interconnection conferencing with other medical specialists for pre and post cardiac procedures. The center will be located on the Harborview Medical Center campus within the Norm Maleng Building within a vacant space that is approximately 5,200 square feet. The design is expected to be completed April 2011, with construction beginning in July and lasting through October 2011.

The architectural selection of Zimmer Gunsul Frasca (ZGF) for the predesign phase was reported to the Board of Regents in March 2010. On September 15, 2010, a basic services architectural agreement was awarded to ZGF Architects. The agreement amount is \$149,270 for Basic Services versus a budgeted value of \$338,879 for design consultants. The balance of the design budget is intended for a hazardous materials consultant, testing, commissioning and a previously completed predesign.

The project budget is established at \$1,925,000. Funding of \$1,925,000 will be provided from the Harborview Medical Center's Capital Budget.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$338,879	\$338,879
Total Construction Cost*	\$1,404,513	\$1,404,513
Other Costs	\$24,537	\$24,537
Project Administration	\$157,071	\$157,071
Total Project Budget	\$1,925,000	\$1,925,000

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

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 10)

9. Central Plaza Garage Precast Beam Repairs, Project No. 203253
Action Reported: Award Construction Contract/Budget Adjustment

On August 30, 2010, a construction contract was awarded to Edifice Construction Co., Inc. in the amount of \$593,157 for the Central Plaza Garage Precast Beam Repairs project. Seven bids were received for this project; the highest bid was \$1,048,833. The budgeted construction cost was \$1,020,174, with a total project budget of \$1,200,000. The budget has been reduced to \$958,000, due to favorable bid results.

Edifice Construction, established in 1978, is a local general contractor that specializes in commercial and residential projects. This is their first project at the University of Washington.

This project will repair the bearing connections and structural cracks described in the “Central Plaza Garage Precast Beam Support Study.”

The construction activities began September 10, 2010 with a Substantial Completion date of December 29, 2010. Full occupancy is expected in December 29, 2010.

The project funding of \$1,000,000 is provided by Transportation Services Capital Reserves.

Budget Summary	Original Approved Budget	Current Approved Budget Forecast Cost to Complete
Total Consultant Services	\$89,100	\$115,028
Total Construction Cost*	\$1,020,174	\$746,091
Other Costs	\$16,675	\$18,830
Project Administration	\$74,051	\$74,051
Total Project Budget	\$1,200,000	\$954,000

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

10. Brooklyn Building Demolition Project No.202354 and Student Housing Phase I Project No. 202707
Action Reported: Award Construction Contract/Budget Adjustment

The Brooklyn building demolition along with the demolition of the adjacent five small buildings was originally a stand-alone project. The City of Seattle permitting requirements for the five small buildings (formerly residential houses) required issuance of the Master User Permit for the new Elm Hall Student

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Actions Taken Under Delegated Authority (continued p. 11)

Housing Phase I project before issuance of the demolition permit. This connection of the permits delayed the demolition project as it was more cost-effective to demolish all of the buildings as a single contract. For coordination purposes the demolition work was incorporated into the Student Housing Phase I project 202707.

On August 9, 2010 a construction contract was awarded to W.G. Clark Construction Co., the general contractor / construction manager (GC/CM) for Elm Hall as part of the Student Housing Phase I project in the amount of \$398,831.20 This amount also includes additional work performed by W.G. Clark as part of the demolition project. On June 15, 2010, 3 bids were received for the project, and the range between the bids was \$327,700 to \$593,597. The budgeted construction cost was \$782,165.

Since 1949 R.W. Rhine Inc., (Rhine) of Tacoma, Washington has grown into one of the premier demolition contractors in the Northwest In the late 1990's Rhine demolished over 20 houses and apartment buildings in the southwest campus area in preparation for the construction of the Oceanography and Fisheries Buildings.

Rhine demolished the Brooklyn Building on August 28, 2010 and quickly completed the additional structure demolitions. Once the buildings were removed further site investigations located four underground storage tanks in addition to the one known tank. Three of the tanks leaked heating oil for some time prior to demolition requiring extensive soils removal, including one hole that exceeded 25 feet in depth.

At the time of construction contract award the project budget was reduced from \$1,390,000 to \$1,150,000 to reflect the better than anticipated construction bids. The increased forecast to complete on the total construction costs reflect the additional soils remediation costs.

The project budget reflects the cost of the Brooklyn Building Demolition project only. Funding is provided from Capital Resource Planning Central Funds.

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B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 12)

Budget Summary	Original Approved Budget	Current Approved Budget Forecast Cost to Complete
Total Consultant Services	\$286,980	\$264,074
Total Construction Cost*	\$958,300	\$664,228
Other Costs	\$33,215	\$118,915
Project Administration	\$111,505	\$102,783
Total Project Budget	\$1,390,000	\$1,150,00

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

11. Benjamin Hall Interdisciplinary Research Building Life Sciences Discovery Fund (LSDF) Molecular Ultrasound Lab Tenant Improvement, 203335
Action Reported: Establish Project Budget for Design Build Services

A Design Build Operate Maintain (DBOM) contract was awarded to M. A. Mortenson on June 22, 2004 to provide design and construction of the core and shell of the Benjamin Hall Interdisciplinary Research Building - initially called the Research & Technology (R&T) Building. It was intended that future tenant improvement work would be accomplished under this DBOM agreement. The ninth such tenant has been identified: Life Sciences Discovery Fund (LSDF) Molecular Ultrasound laboratory for the College of Engineering (COE), occupying approximately 4,685 square feet on the third floor. The research is focused on developing the next generation of ultrasound machines and potential uses.

On August 19, 2010, a change order request for design-build services was issued to M.A. Mortenson for the Ben Hall LSDF Ultrasound lab tenant improvements, establishing a project budget of \$1,800,000. The agreement amount for design and construction is \$1,600,000. Work will be performed by the same design build team (M.A. Mortenson, Chernoff Thompson, & McKinstry). Since the completion of the initial Core & Shell project, the electrical design builder has changed to Sparling-Sequoyah. M. A. Mortenson has a long history with University projects including the Paul G. Allen Center for Computer Sciences & Engineering, and was also the general contractor / construction manager for the Architecture Hall renovation and UW Tower Data Center projects.

Construction for the ultrasound lab space is scheduled to start December 2010 and will be complete in May 2011.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 13)

The project budget of \$1,800,000 is funded from Tenant Improvement bond proceeds. No sales tax is included in the budget as this research tenant qualifies for tax deferral status.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Svcs*	10,000	10,000
Total Design – Build Construction Cost**	1,600,000	1,600,000
Other Costs	108,000	108,000
Project Administration	82,000	82,000
Total Project Budget	1,800,000	1,800,000

* refers to fees to consultants retained by University to prepare Furniture, Fixtures & Equipement specifications.

** Includes design fees, construction contract amount, contingencies and no state sales tax.

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

1. Hall Health Primary: Care Center Remodel, Project No. 202277
Action Reported: Award Construction Contract

In July 2009, the Board of Regents approved delegation of authority to the President to award a construction contract, subject to the scope, budget, and funding remaining within 10% of the established budget. On July 7, 2010, under Specific Delegated Authority, the Capital Projects Office awarded a construction contract to BNBuilders Inc. of Seattle, Washington, in the amount of \$4,051,500 for the Hall Health Primary Care Center (HHPCC) Remodel, Project No. 202277. Seven bids were received for this project; the highest bid was \$5,385,442. The budgeted construction cost was \$5,168,308.

BNBuilders is a general contractor that has successfully completed numerous projects for the University. Some of the projects include the UW Medical Center (UWMC) NE 240 Satellite Radiology Clinic, UWMC NN241C Cardiac Catheter Laboratory Renovation, and the Fluke 115B2 Clean Room. BNBuilders is also currently working on the Magnuson Health Sciences Center J-Wing Remodel for the Department of Microbiology.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 14)

The major programmatic goals for the HHPCC remodel project are to enhance the quality of care, improve student access to care, allow for future growth, increase student access to mental health services, generate additional revenue and provide adequate space for special programs. This project will extensively renovate the ground, first, a portion of the third floor of the existing building and construct an addition of approximately 2,600 square feet on two floors in what is currently the south service court. Work also includes an upgrade to the Hall Health Fire Alarm System and upgrades to the UW Club Loading Dock and Refuse Area.

Construction activities began on August 2, 2010 with final completion anticipated for August 2011.

The approved project budget is \$10,150,000. Funding for the project is from the following sources:

Internal Lending Program – Student Fees	\$7,615,000
Existing Bond Proceeds	\$2,032,091
Reserves / Other	\$100,315
Environmental Health & Safety	\$400,000
Capital Resource Planning – Central Funds	<u>\$98,000</u>
	\$10,245,406

Budget Summary	Current Approved Budget	Forecast Cost at Completion
Total Consultant Services	\$ 1,420,000	\$1,286,864
Total Construction Cost *	\$6,701,000	\$5,843,647
Other Costs	\$1,419,000	\$1,641,686
Project Administration	\$610,000	\$619,277
Total Project Budget	\$10,150,000	\$9,391,474

* Includes construction contract amount, contingencies and state sales tax

- Student Housing Phase III: Terry and Lander Halls Renovation, Project Number 203154
Action Reported: Selection of General Contractor/Construction Manager (GC/CM)

In January 2010, the Board of Regents approved delegation of authority to the President to award a design contract, subject to the successful negotiation of an

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 15)

architectural agreement. On August 5, 2010, under Specific Delegated Authority, the Capital Projects Office awarded a Preconstruction Services agreement to Skanska USA Building, Inc. (Skanska), as the General Contractor/Construction Manager after a selection process which saw thirteen firms submit qualifications, five firms interviewed, and three firms selected to submit proposals for its Percent Fee and Specified General Conditions costs. The other finalists were Hoffman Construction Company, and Mortenson Construction.

Skanska USA has completed several University of Washington projects including Johnson and Guggenheim Halls Renovation and the recently completed Magnuson Hall Sciences Center 6th Floor and WaNPRC RR-Wing Renovations. Skanska is currently working on the HUB Renovation and Expansion and the UW Medical Center Expansion projects.

This proposed project will substantially renovate the Terry and Lander Halls located on NE Campus Parkway. This is the start of the renovation phase of the existing residence halls operated by Housing and Food Services. Terry and Lander Halls, which were constructed in the 1950's, are in need of substantial infrastructure replacement, seismic upgrades, and improvements to accommodate changes in the "living-learning" environments for today's students.

The Terry and Lander Halls renovation project schedule and budget will be developed as part of the Predesign phase anticipated to be complete at the end of October 2010. We plan to present a project update in November 2010 and request budget and financing approval at the January 2011 Board of Regents meeting.

Attachment

GCCM Selection Tabulation Form

GC / CM - Tabulation Form Terry and Lander Halls

GC/CM Name	Walsh Pacific	WG Clark	Hoffman	Sellen	Mortenson	Absher	Bayley	Howard S. Wright	Skanska	Lease Crutcher Lewi	BN Builders	Turner	Anderson
	Proposal Evaluations												
Evaluator 1	23.0	42.0	39.0	34.0	39.0	29.0	25.0	29.0	34.0	33.0	28.0	37.0	24.0
Evaluator 2	33.0	35.0	41.0	42.0	38.0	37.0	34.0	35.0	48.0	37.0	39.0	42.0	35.0
Evaluator 3	42.0	45.0	44.0	45.0	46.0	45.0	43.0	46.0	48.0	42.0	43.0	44.0	43.0
Evaluator 4	23.0	35.0	40.0	37.0	35.0	27.0	25.0	32.0	40.0	37.0	30.0	35.0	33.0
Evaluator 5	30.0	41.0	44.0	43.0	41.0	41.0	39.0	41.0	42.0	44.0	41.0	43.0	35.0
Evaluator 6	25.0	34.0	41.0	41.0	39.0	33.0	27.0	36.0	42.0	34.0	30.0	44.0	26.0
Evaluator 7	23.0	23.0	48.0	37.0	48.0	28.0	38.0	41.0	40.0	47.0	40.0	48.0	42.0
Evaluator 8	36.0	36.0	39.0	39.0	45.0	41.0	44.0	35.0	47.0	44.0	42.0	35.0	39.0
Average Score (max. 50)	29.4	36.4	42.0	39.8	41.4	35.1	34.4	36.9	42.6	39.8	36.6	41.0	34.6

Interviews													
Evaluator 1			28.0	11.0	28.0				25.0	16.0		20.0	
Evaluator 2			25.0	21.0	28.0				28.0	18.0		18.0	
Evaluator 3			20.0	19.0	25.0				27.0	15.0		18.0	
Evaluator 4			23.0	21.0	29.0				28.0	20.0		20.0	
Evaluator 5			27.0	16.0	24.0				28.0	14.0		23.0	
Evaluator 6			23.0	19.0	23.0				27.0	17.0		17.0	
Evaluator 7			24.0	15.0	23.0				24.0	13.0		17.0	
Evaluator 8			21.0	21.0	28.0				27.0	19.0		18.0	
Average Score (max. 30)			23.9	17.9	26.0				26.8	16.5		18.9	
Total Proposal and Interview			65.9	57.6	67.4				69.4	56.3		59.9	

Final Proposals													
Contractor's Fee Percentage			3.77%		4.15%				4.75%				
Contractor's Fee Amount			\$1,696,500		\$1,867,500				\$2,137,500				
Specified General Conditions Amount			\$1,498,000		\$1,367,799				\$692,217				
Final Proposal Bid Number			\$3,194,500		\$3,235,299				\$2,829,717				
Low Conforming Proposal			\$2,829,717		\$2,829,717				\$2,829,717				
Difference			\$364,783		\$405,582				\$0				
Percentage Within Low Proposal			13.00%		14.00%				0.00%				
Proposal Score* (max. 30)			17.00		16.00				30.00				

Total Score (max. 110)			82.90		83.40				99.40				
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Final Proposal Scoring Key*

Low Conforming Proposal 30 points
 starting with maximum 30 points, each proposal will
 be scored by deducting one point for each 1% that
 the proposal exceeds low conforming proposal

1st
2nd
3rd

Final Ranking

Skanska
Mortenson
Hoffman

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Retirement Plan Overview

INFORMATION:

The University of Washington Retirement Plan (UWRP) is a tax-deferred, defined contribution retirement plan authorized under RCW 28.B.10.400 et seq. It was established in 1939 by the Board of Regents to provide a fully vested and portable retirement plan to faculty in higher education.

The “Supplemental Benefit” (now called the UW Supplemental Retirement Plan or UWSRP) is defined in statute and was added in 1955. It is a defined benefit plan that works in concert with the UWRP.

Each of the 4-year public institutions, plus the State Board for Community and Technical Colleges are authorized to offer these plans. Each institution’s Board of Regents or Trustees is the fiduciary of the institution’s plans. The plan design and provisions are very similar at each institution. The plans are organized under Internal Revenue Code (IRC) Section 403(b) for the Defined Contribution portion of the plan. Due to changes to the Internal Revenue Code (IRC), effective January 2009, the UW Board of Regents authorized splitting the UWSRP into a separate Defined Benefit Plan, which has been filed with the IRS under IRC Section 401(a). Approval is pending from the IRS. Participants in the UWRP are also participants in the UWSRP.

Below are details about the UWRP 403(b) plan. Details about the UWSRP will be provided in a separate Information Item.

UWRP 403(B) FACTS

- Delegation from the Board of Regents for administrative actions is to the Provost/Executive Vice President
- Initial Eligibility: Employment in an eligible job class (faculty, professional staff or librarian) at 50% or greater FTE.
- Current participants: 12,346
- Employee Contribution Rates:

under age 35	5	%
Age 35 and over	7.5	%
Age 50	10	% (optional)

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

UW Retirement Plan Overview (continued p. 2)

- Employer Contribution: 100% match by UW
- Retirement Age
 - Normal Retirement: Age 65
 - Early Retirement: Age 55 with 10 years of Service
- Retirement Benefits:
 - Access to UWRP income
 - Access to purchase state Public Employees' Benefits Board (PEBB) Retiree Medical/Dental Plan
 - Medical and dental premiums are paid by the retiree or surviving spouse/partner
 - Legislature currently provides small medical premium subsidy to lower costs to Medicare-eligible retirees.
 - Retiree privileges:
 - Retiree ID card allows access to museums, discounted tickets to UW events, etc.
 - Reduced rate parking on campus (with limitations)

CURRENT ASSETS AND INVESTMENT OPTIONS:

Total Plan Assets: Approximately \$3 billion

Total Employee and Employer Contributions 2009: \$157,130,967

Investment Options

- Currently 67 Funds available to participants
- Currently three Record-keepers: Fidelity, TIAA-CREF and Vanguard
- Asset allocation – current balances:
 - TIAA-CREF 86% (sole vendor until 1993)
 - Vanguard 8% (added in 1993)
 - Fidelity 5% (added in 1993)
- Asset allocation – current contributions
 - TIAA-CREF 58%
 - Vanguard 24%
 - Fidelity 18%

Fund Review Committee:

- Standing committee established within both the UWRP and Voluntary Investment Plan (VIP) Plan Documents; charged with reviewing funds and

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

UW Retirement Plan Overview (continued p. 3)

investment structure offered in both programs and providing any recommendations for change to Provost/Executive Vice President.

- Investment Consultants to Committee: Hewitt Investment Group, LLC
 - Hewitt was selected effective February 2010 following a Request for Proposal process.
- Current Committee focus: evaluation of current UWRP investment managers and structure.
- Committee recommendations provided to Provost/Executive Vice President – September 2010 (see attachments)
 - Discussions with stakeholder committees to obtain input regarding the recommendations is underway fall 2010; report of stakeholder input to be delivered to Provost/Executive Vice President by December 15, 2010.

Additional details about the UWRP are available online at:

<http://www.washington.edu/admin/hr/benefits/retirement/plans/uwrp/index.html>

Attachments

1. Hewitt Investment Group Defined Contribution Plan Redesign
2. Fund Review Committee Recommendations to Provost/EVP – September, 2010
3. Provost's Response to Fund Review Committee – September, 2010



Hewitt Investment Group LLC | September 2010

Defined Contribution Plan Redesign

University of Washington

F-5.1/210-10
10/21/10

ATTACHMENT 1

To protect the confidential and proprietary information included in this material, it may not be disclosed or provided to any third parties without the approval of Hewitt Investment Group LLC.

Hewitt

Why Make Changes?

Why is the Fund Review Committee considering changes to the defined contribution plans?

Fees and Plan Expenses

- ▣ Identify opportunities to reduce Plan fees for administration and investment management
 - Lower fees can lead to increased retirement savings as participants keep more of their investment return
 - 100% of the fee savings will accrue to the staff and faculty
 - There is increased scrutiny in Washington D.C. on fees paid for administrative expenses and investments

New IRS Rules

- ▣ IRS regulations issued in 2007 effectively made 403(b) plans much more similar to 401(k) plans
- ▣ Regulations require:
 - Complex data consolidation across all recordkeepers
 - Fiduciary oversight by the University

Why Make Changes?

Fiduciary Oversight

- ▣ Fiduciary responsibilities apply to selection of a recordkeeper and the investments offered
- ▣ Broad selection of investment options in the UWRP means:
 - The Fund Review Committee needs to monitor and track 67 investment funds
 - Time and cost are involved:
 - > Reviewing fund performance, and
 - > Removing funds that are inappropriate for the Plan
 - Some of the current investments may need to be replaced

Compliance Risk

- ▣ Must apply plan limits across multiple recordkeepers
 - The complexity of monitoring across recordkeepers leaves opportunity for error

Why Make Changes?

Too Much Choice?

UWRP Investment Structure

Asset Class	TIAA-CREF	Vanguard	Fidelity	Total
Target Date ¹	0	1	1	2
Capital Preservation	2	1	1	4
U.S. Fixed Income	2	9	2	13
Balanced	1	5	3	9
U.S. Large Cap Equity	3	11	12	26
U.S. Mid Cap Equity	0	1	2	3
U.S. Small Cap Equity	0	1	1	2
International/Global Equity	1	2	4	7
Real Estate	1	0	0	1
Specialty	0	0	0	0
Total	10	31	26	67

¹ TIAA-CREF target date funds are offered by CWU and WWU (not UW)

- ✦ Too much investment choice in defined contribution Plans can have negative effects:
 - **Lower Diversification and Participation** - Too much choice can overwhelm participants, leading to poor diversification, inappropriate investment decisions, and potentially lower participation
 - **Complexity in Communication** – Industry surveys indicate that participants have difficulty explaining and understanding investments

Why Make Changes?

Defined Contribution Plan Redesign Objectives

#1 Make it easier for Plan participants to view and evaluate their retirement savings

- Consider reducing the number of vendors and/or identifying a Master Recordkeeper to coordinate reporting
 - > Simplify participant experience
 - > Lower fees due to economies of scale
 - > Facilitate compliance with federal regulations

#2 Make it easier for Plan participants to select appropriate funds for retirement savings

- Offer a limited number of strong “core” investments
 - > Broadly diversified “core” funds with low fees that will be monitored by the University
 - > Funds with lower fees translates into more retirement income for faculty and staff
 - > Make ongoing monitoring of investments more manageable

#3 Offer increased investment flexibility for sophisticated investors through a self-directed brokerage option

- Participants that want more flexibility can access thousands of funds through a self-directed brokerage account

#4 Add a Roth 403(b) Plan option

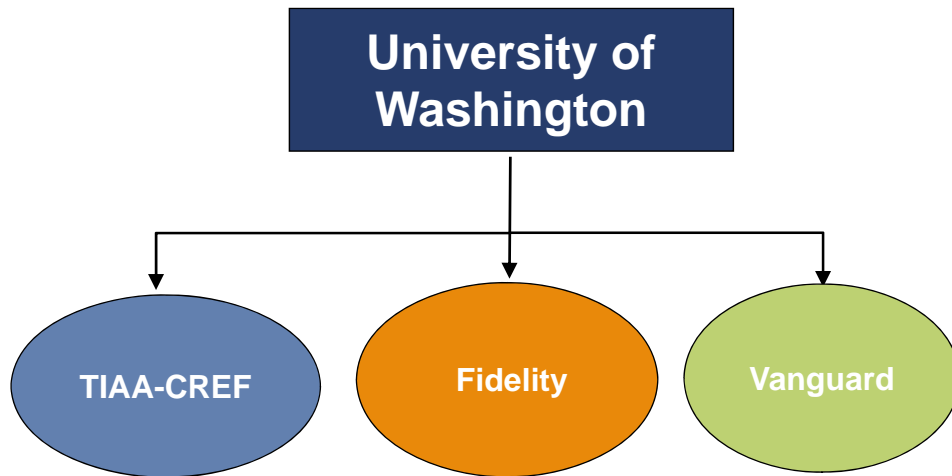
- Provide the opportunity for participants to contribute after-tax dollars now; this option is most attractive if tax rates are higher in the future

#5 Leverage work on UWRP to improve VIP

- Implement similar changes to VIP if appropriate

Select Recordkeeper

Current Recordkeeper Structure



Currently have a total of three recordkeepers

Faculty and staff may have a relationship with one or all of the three recordkeepers

Potential Recordkeeper Structure

One Recordkeeper or Master Recordkeeper
Select one:
TIAA-CREF, Fidelity, Vanguard, or Other

Consider consolidation to one Recordkeeper or a Master Recordkeeper that can consolidate data

Select Recordkeeper

Why consider reducing the number of recordkeepers?

Pros

Participants

- ▣ Improved participant experience
- ▣ Fee savings
- ▣ Consolidated account statement for participants
- ▣ All Plan assets considered when providing investment guidance

Administration

- ▣ Streamline administrative processes
- ▣ Easier to monitor—fulfilling fiduciary duties
- ▣ Reduces risk of non-compliance with regulations
- ▣ Reduces administrative burden

Cons

Participants

- ▣ May lose existing relationships with current recordkeeper(s)
- ▣ Possibly a new user experience
 - investment tools
 - quarterly statements

Administration

- ▣ Programming and processes may need to be developed in order to accommodate the recordkeeping system

Select Investments

Implement a tiered approach

Possible Tier	Characteristics
Target Retirement Date Funds	<ul style="list-style-type: none">▪ Simple packaged solution requires less time and expertise▪ Built-in asset allocation that gets more conservative as a person gets closer to retirement
Core Funds	<ul style="list-style-type: none">▪ Limited number of mutual funds covering the key asset classes▪ Includes active and indexed fund options▪ Requires asset allocation decision
Annuity Window	<ul style="list-style-type: none">▪ Full or partial menu of TIAA-CREF annuity accounts
Mutual Fund Window	<ul style="list-style-type: none">▪ Includes all mutual funds available through recordkeeper's brokerage account▪ Participant has greater flexibility, but also full responsibility for whether specific funds are appropriate

Investment Structure – Leading Candidate

	Asset Class	Funds
Target Retirement Date Fund Series	Pre-Mixed	Approx. 12 Funds at 5-Year Increments
Core Funds (11 Active / 4 Index)	Capital Preservation	Money Market Fund
	Diversified Bond	Core Fixed Income Fund Barclays US Aggregate Bond Index Fund
	Specialty	Inflation Protected Bond (TIPS) Fund Non-US\$ Bond Fund Real Estate Investment Trusts (REITs) Fund
	Large Cap Equity	Large Cap Value Fund S&P 500 Index Fund Large Cap Growth Fund
	Small/Mid Cap Equity	Small/Mid Cap Value Fund Small/Mid Cap US Index Fund Small/Mid Cap Growth Fund
	Non-US Equity	Non-US Equity Fund Non-US Equity Index Fund Emerging Markets Equity Fund
Annuity Window (optional)	Various	Full or partial menu of TIAA-CREF annuity accounts
Mutual Fund Window	Various	Full menu of mutual funds in brokerage account

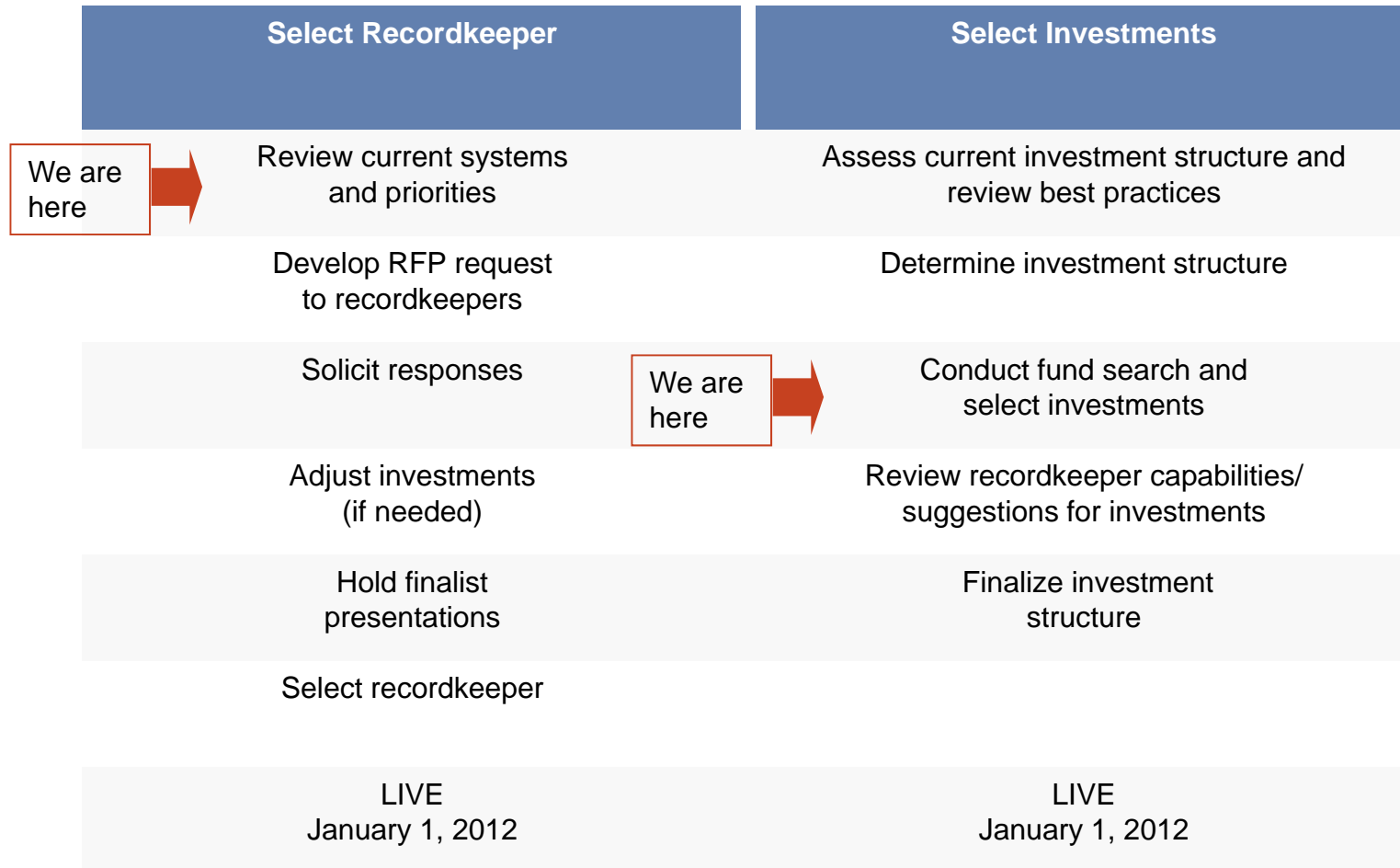
Self-Directed Brokerage Accounts

Self-Directed Brokerage Accounts

	Fidelity	TIAA-CREF	Vanguard
# Funds Available in Brokerage Window	4,600	1,800	3,000
# Funds Available with No Transaction Fee (NTF)	1,400	1,000	1,000
Minimum Initial Investment (most funds)	\$2,500	\$500	\$3,000
Annual Maintenance Fee	\$0	\$40	\$50
Transaction Fee (except NTF Funds)	\$75 per online trade \$100- \$250 per trade with assistance from Fidelity Rep	\$35 per trade	\$35 per trade

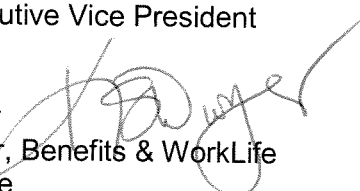
- ▶ Participants must complete a separate brokerage application
- ▶ The participant can avoid transaction fees by selecting funds that are included within the vendor's "no-transaction-fee" program
 - Vanguard, Fidelity, and TIAA-CREF funds available without a transaction fee through their own brokerage account
- ▶ Waiver form for participants to acknowledge their acceptance of the risks associated with the account

UWRP Plan Redesign Process



September 29, 2010

To: Dr. Phyllis Wise
Provost and Executive Vice President
351237

From: Kathleen S Dwyer 
Executive Director, Benefits & WorkLife
UW Benefits Office
355660

Subject: Fund Review Committee – UWRP Recommendations

The Fund Review Committee (the Committee) of the UW Retirement Plan (UWRP) and Voluntary Investment Program (VIP) has been working with Hewitt Investment Group since their appointment as Investment Advisor in February 2010. The addition of a professional investment advisor has greatly enhanced the Committee's role of monitoring the funds offered to UW faculty and staff for their retirement savings. Hewitt has provided a thorough data analysis of the funds currently available in our plans, education about fiduciary responsibilities and best practices, and professional expertise to assess other fund options.

The initial work of the Committee has been focused on a review of the funds offered in the UWRP, and its current investment structure. The Committee has received updates regarding recent recommendations from the US Department of Labor around retirement plan fiduciary responsibility and best practices, and been provided information about actions of similar committees in higher education institutions around the U.S. After completing its initial analysis of the UWRP, the Committee unanimously passed three recommendations for your consideration at its September 22, 2010 meeting:

1. The Committee recommends that the UW implement four tiers for the UWRP investment structure:
 - a. Tier One: Target Retirement Date Funds, selected and monitored by the Committee
 - b. Tier Two: Core Funds, selected and monitored by the Committee
 - c. Tier Three: Annuity Window: this addresses the large number of participants currently using TIAA-CREF annuities in their UWRP.
 - d. Tier Four: Mutual Fund Window – allow access to a broad range of mutual funds through a recordkeeper's brokerage account.
2. The Committee recommends a substantial reduction in the number of Core funds offered in the UWRP. We recommend the use of Target Retirement Date Funds (Tier One, above) plus 10 to 20 Core Funds (Tier 2).
3. The Committee recommends that the UW retain a consultant to conduct a Recordkeeper search to assist the Committee in determining if consolidation of recordkeeping services will be of benefit to the Plan and participants.

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3903 Brooklyn Avenue NE, Seattle, WA 98105-6694
206.543.2800 ■ fax 206.685.0343 ■ benefits@uw.edu ■ www.washington.edu/admin/hr/benefits

F-5.2/210-10
10/21/10

ATTACHMENT 2

Provost Phyllis Wise
September 29, 2010
Page 2 of 2

Attached is a summary document which provides information in support of the recommendations outlined above. If you have any questions please contact me at 543-2812, or any of the Committee members listed below.

Enclosure

Cc: UWRP/VIP Fund Review Committee Members:

Professor Emeritus Ray Bowen
Professor Robert Breidenthal
Ms. Kathleen Dwyer
Professor Paul Malatesta
Mr. Aaron Morello
Professor Frederica O'Connor
Ms. Dorothy Smith
Ms. V'Ella Warren

Non-voting Committee Members:

Ms. Nicole Goodman - WWU
Ms. Wendy Rittereiser - CWU


Committee Guests

Mr. Gary Quarfoth, UW Planning & Budgeting Office
Ms. Susan Ball, UW Treasury Office
Mr. Gerry Grohs, UW Benefits Office



September 30, 2010

TO: Kathleen Dwyer
Executive Director, Benefits & WorkLife

FROM: Phyllis M. Wise
Provost and Executive Vice President 

SUBJECT: Fund Review Committee Recommendations

Thank you for informing me of the recommendations of the UWRP/VIP Fund Review Committee in your memo of September 29.

First let me convey my thanks to the Committee for their valuable service on this Committee. The work of monitoring our retirement programs on behalf of our participants and the UW is of great importance to all of us and we are all deeply appreciative of their efforts and commitment.

At this time I ask you to meet with and communicate the recommendations of the Committee to key stakeholder committees and leadership of the UW community and seek their input. Please provide a summary of your meetings and of the input received by December 15, 2010 to Interim Provost and Executive Vice President Mary Lidstrom. At that time she will review the input from stakeholders and act on the recommendations.

Again, my thanks to the Fund Review Committee for their efforts in this important work.

c: Mary E. Lidstrom

UWRP/VIP Fund Review Committee:

Professor Emeritus Ray Bowen
Professor Robert Breidenthal
Ms. Kathleen Dwyer
Professor Paul Malatesta
Mr. Aaron Morello
Professor Frederica O'Connor
Ms. Dorothy Smith
Ms. V'Ella Warren

Non-voting Committee Members:

Ms. Nicole Goodman - WWU
Ms. Wendy Rittreiser - CWU

Committee Guests

Mr. Gary Quarfoth, UW Planning & Budgeting Office
Ms. Susan Ball, UW Treasury Office
Mr. Gerry Grohs, UW Benefits Office

VII. STANDING COMMITTEES**B. Finance, Audit and Facilities Committee**UW Retirement Plan and Voluntary Investment Program – Approve Fund Review Committee ChangesRECOMMENDED ACTION

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve changes to the Fund Review Committee (the Committee) language of both the UW Retirement Plan (UWRP) Plan Document Section 5.2 and Section 5.4 of the UW Voluntary Investment Program (VIP).

EXPLANATION OF PROPOSED CHANGES

Section 5.2 of the UW Retirement Plan Document and Section 5.4 of the UW Voluntary Investment Program authorize a joint UWRP and VIP Fund Review Committee. The language is the same in both plans.

The Fund Review Committee is advisory to the UW Provost/Executive Vice President, and is charged with review of the investments and investment structure offered in both the UWRP and VIP. During the recent Investment Advisor Request for Proposal evaluation process, the Committee received assistance from staff of the UW Treasury Office and the Office of the Vice Provost for Planning and Budgeting. The Committee believes that permanent addition of representatives of these organizations will add significantly to the depth of expertise on which they can draw.

The Committee currently includes representatives of participant groups (faculty, professional staff and librarians) as well as UW administration. The proposed language would add three additional voting members; one additional faculty member, as requested by the Faculty Council on Benefits and Retirement; one representative of the UW Treasury Office; and one representative from the office of the Vice Provost for Planning and Budgeting. In addition the language which currently provides for just one non-voting representative for both Central Washington University (CWU) and Western Washington University (WWU) is updated to recognize one non-voting representative from each university. UW partners with CWU and WWU to achieve economies in consulting fees for all the institutions.

In addition to the above, the language of the Section has been modified to reflect more accurate investment terminology and to reflect changes to member titles.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Retirement Plan and Voluntary Investment Program – Approve Fund Review Committee Changes (continued p. 2)

The current Fund Review Committee language reads as follows:

Fund Review Committee.

(a) **Responsibility.** The Fund Review Committee is a standing body responsible for reviewing the performance of Fund Sponsors and Funding Vehicles available through the University of Washington Retirement Plan (UWRP) and Voluntary Investment Program (VIP). The Committee will also evaluate and recommend whether new Fund Sponsors or Funding Vehicles should be added and whether existing Fund Sponsors or Funding Vehicles should be removed.

If a Funding Vehicle or Fund Sponsor is removed, it shall not be available for subsequent contributions except as otherwise prescribed by the Committee. In addition, the Committee may determine that existing accumulations shall be transferred to one or more other Funding Vehicles specified by the Committee.

The Committee, in coordination with the UW Benefits and WorkLife Office, is to determine the frequency of the performance reviews. In evaluating existing Fund Sponsors and Fund Vehicles, the Committee will monitor and review performance data, analyze participants' comments, requests and concerns, and conduct public meetings on proposed changes. Draft recommendations of the Committee will be presented to and discussed with the Faculty Council on Retirement, Insurance and Benefits. Final recommendations for changes are to be submitted to the Executive Vice President.

The UW Benefits and WorkLife Office shall provide support for the Committee's activities. The Committee may also appoint such advisors and adopt such guidelines, policies or procedures as it deems appropriate.

(b) **Membership.** The Committee shall be appointed by, and serve at the pleasure of, the Executive Vice President of UW, who will consult with the Faculty Council on Retirement, Insurance and Benefits in selecting the members. The membership shall include the following representatives and officials:

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Retirement Plan and Voluntary Investment Program – Approve Fund Review Committee Changes (continued p. 3)

- One representative of the Faculty Council on Retirement, Insurance and Benefits
- One or more representatives of the Faculty, as recommended by the Faculty Senate Executive Committee
- One representative of the Librarians, as recommended by the Association of Librarians of the University of Washington
- One representative of the Professional Staff, as recommended by the Professional Staff Organization
- One UWRP participant representing the Classified or Contract Classified Staff, as recommended by the Vice President, Human Resources
- One retired UWRP representative, as recommended by the UW Retirement Association
- Ex officio, voting members:
 - UW Director of Benefits & WorkLife
 - UW Treasurer, Board of Regents
- Nonvoting members:
 - Representative from a four year institution of higher education in the State of Washington other than the University of Washington.

In appointing members, those groups recommending members and the Executive Vice President shall seek to identify individuals who have expertise in the areas of tax and pension law for 403(b) or similar retirement plans, or of finance, investment, or economics.

The Executive Vice President shall designate the Chair of the Committee. Term of office for members shall be staggered, three year terms. The Committee shall meet as often as it deems appropriate, but not less than every six months. The Chair of the Committee may appoint such committee officers, advisors and subcommittees as needed.

The proposed change to Section 5.2 of the UWRP and Section 5.4 of the VIP reads as follows:

Fund Review Committee.

(a) **Responsibility.** The Fund Review Committee is a standing body responsible for reviewing the performance of Fund Sponsors and Investment Options available through the University of Washington

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Retirement Plan and Voluntary Investment Program – Approve Fund Review Committee Changes (continued p. 4)

Retirement Plan (UWRP) and Voluntary Investment Program (VIP). The Committee will also evaluate and recommend whether new Fund Sponsors or Investment Options should be added and whether existing Fund Sponsors or Investment Options should be removed.

If an Investment Option or Fund Sponsor is removed, it shall not be available for subsequent contributions except as otherwise prescribed by the Committee. In addition, the Committee may determine that existing accumulations shall be transferred to one or more other Investment Options specified by the Committee.

The Committee shall meet as often as it deems appropriate, but not less than every six months. In evaluating existing Fund Sponsors and Investment Options, the Committee will monitor and review performance data, consider participants' comments, requests and concerns. Draft recommendations of the Committee will be presented to and discussed with the Faculty Council on Benefits and Retirement; the Professional Staff Organization and the Association of Librarians of the University of Washington. Final recommendations for changes will be submitted to the Provost and Executive Vice President.

The UW Benefits and WorkLife Office shall provide support for the Committee's activities. The Committee will assist in the selection of an Investment Consultant and adopt an Investment Policy Statement to guide their recommendations.

(b) **Membership.** The Committee shall be appointed by, and serve at the pleasure of, the Provost and Executive Vice President of UW, who will consult with the Faculty Council on Benefits and Retirement, the Professional Staff Organization and the Association of Librarians of the University of Washington in selecting committee members to represent their constituents. The membership shall include the following voting representatives and officials:

- One representative of the Faculty Council on Benefits and Retirement;
- Two or more representatives of the Faculty, as recommended by the Faculty Senate Executive Committee;
- One representative of the Librarians, as recommended by the Association of Librarians of the University of Washington;

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Retirement Plan and Voluntary Investment Program – Approve Fund Review Committee Changes (continued p. 5)

- One representative of the Professional Staff, as recommended by the Professional Staff Organization;
- One representative of the UW Treasury Office as recommended by the UW Treasurer;
- One representative of the Office of Planning and Budgeting as recommended by the Vice Provost for Planning and Budgeting;
- One Voluntary Investment Program (VIP) participant representing the Classified or Contract Classified Staff, as recommended by the Vice President, Human Resources
- One retired UWRP representative, as recommended by the UW Retirement Association;
- Ex officio, voting members:
 - UW Human Resources - Executive Director of Benefits & WorkLife
 - UW Treasurer, Board of Regents
- Nonvoting members:
 - One representative each from Human Resources at Central Washington University and Western Washington University.

In appointing members, those groups recommending members and the Executive Vice President shall seek to identify where possible, individuals who have expertise in the areas of tax and pension law for 403(b) or similar retirement plans, or of finance, investment, or economics.

The Provost and Executive Vice President shall designate the Chair of the Committee. Members shall serve staggered, three year terms. The Chair of the Committee may appoint such committee officers, advisors and subcommittees as needed.

REVIEW AND APPROVAL:

The language of this proposed change was drafted by the Fund Review Committee; reviewed and endorsed by standing committees representing Plan participants including the Faculty Council on Benefits and Retirement; Faculty Senate Executive Committee; the Board of the Professional Staff Organization; and the Association of UW Librarians.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Supplemental Retirement Plan OverviewINFORMATION:

In addition to the University of Washington Retirement Plan (UWRP) defined contribution 403(b) plan available to public higher education plan participants, there is the UW Supplemental Retirement Plan (UWSRP), a defined benefit, or formula-driven retirement plan. The Regents authorized the UWSRP in 1955 as established in RCW 28B.10.430 et seq. Effective January 2009, the Regents authorized a split of the UWSRP Defined Benefit into its own 401(a) Plan Document in response to changes in the Internal Revenue Code. Regardless of the Plan Document split, participants in the UWRP 403(b) continue to be concurrent participants in the UWSRP 401(a).

Eligibility for a UWSRP benefit calculation applies to those who retire with a minimum of 10 or more years of service in the Plan, and who are age 62 or older. The UWSRP is a formula-driven calculation created in 1955 in response to faculty concerns that there be some sort of “minimum benefit” provided by the institution. There are no employee contributions to the UWSRP; the benefit is fully funded by the institution, and projected future liabilities are funded within the Benefits Loading Rate calculation. Eligibility for a calculation does not guarantee that a benefit will be provided. Historically about 5 to 10% of those eligible for a UWSRP benefit calculation actually received a benefit. However during the economic downturn of the past three years, the rate of those retiring for whom there is a positive benefit calculation has risen to approximately 25% of those eligible for a calculation.

The calculation is actually a comparison of two separate calculations. Following is an abridged summary of that process.

One half of the UWSRP calculation process is similar to the state Public Employees’ Retirement System (PERS) Plan 1 formula:

$$2\% \times \text{Years of Service (up to 25 years maximum)} \times \text{Average Final Monthly Salary (high 2 years)}$$

The result of this calculation is translated into a monthly retirement *goal income* amount.

The second half of the calculation is establishing a retirement *assumed income* amount based upon the contributions made during the individual’s participation in

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Supplemental Retirement Plan Overview (continued p. 2)

the UWRP. State law requires this calculation to assume that the total contributions (employer and employee) were invested 50% in a *fixed annuity* and 50% in a *variable annuity*. That is, instead of the actual returns the participant achieved, this model runs the actual contributions through an actuarial model as if they had been invested in a fixed annuity and variable annuity. The result is turned into a monthly annuity. Actuaries perform this calculation and provide the results to UW which uses the data to complete the calculation of the assumed income.

The goal income and assumed income, stated as monthly amounts, are compared. If the goal income calculation is higher, the difference between the two amounts is paid to the participant for the rest of his/her life, plus the life of the selected beneficiary. If the assumed income is higher, then no payment is due to the participant.

The UWSRP calculation is performed once, effective as of the date of retirement. No further calculations are ever performed.

UWSRP FACTS

Current number of retirees receiving a UWSRP lifetime benefit	220
Average monthly benefit amount	\$ 745
UWSRP payments to retirees for fiscal year 2009 – 2010	\$2.2 million

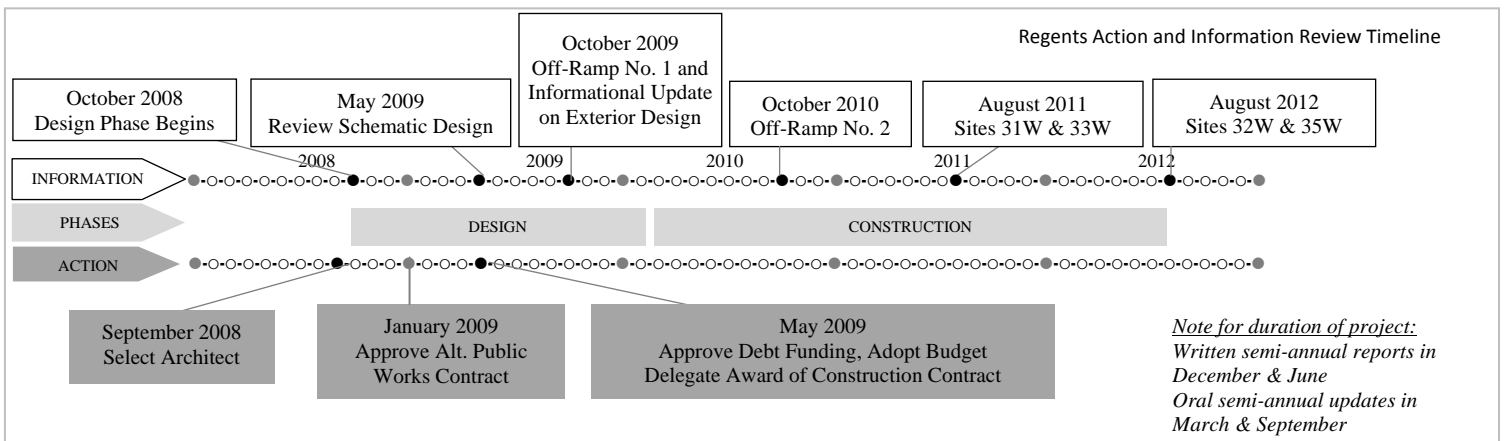
Additional details about the UWSRP are available online at:

<http://www.washington.edu/admin/hr/benefits/retirement/plans/uwrp/uwsrp.html>

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Housing & Food Services (HFS) Master Plan Phase I Construction – Status Report



INFORMATION

The purpose of this presentation is to provide a status report on the demand for on-campus housing for the Autumn Quarter 2010. The previously submitted credit analysis for the HFS Master Plan Phase I identified this information as critical to the decision to continue with the construction of the remaining two of four on-campus residential facilities. The credit analysis included two off-ramps; this is the second of two.

The second off-ramp identified a threshold occupancy rate of ninety percent or less of capacity (after eliminating overcrowding) in Autumn Quarter 2010 to either reduce in scale or postpone the construction of Elm and Alder Halls. Based upon the occupancy rate for Autumn Quarter 2010 of 114.8 percent of designed capacity, Housing and Food Services is proceeding with the next two residential facilities as planned for in the Student Housing Phase I project.

The first two Student Housing Phase I projects Cedar Apartments and Poplar Hall are under construction and on schedule for occupancy in Autumn Quarter 2011. The next two buildings Elm and Alder Halls are planned for construction start in January 2011 with occupancy anticipated for Autumn Quarter 2012. When combined - the four campus residential facilities will provide 1,650 new beds. These new beds will allow Housing and Food Service to begin to meet some of the student housing demand for additional beds and allow the existing residence halls to be renovated as part of future phases by shifting students into the new residential facilities.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Housing & Food Services (HFS) Master Plan Phase I Construction – Status Report (continued p. 2)

STATUS REPORT: DEMAND FOR ON-CAMPUS HOUSING

For Autumn Quarter 2010, occupancy within on-campus housing exceeds capacity. As of September 23, 2010, 5,776 (single) students were assigned to on-campus residence halls. This includes 659 students in repurposed spaces—including rooms designed for one or two persons but accommodating two or three, respectively, and graduate student housing that has been converted to residence hall inventory. This also includes 93 students assigned to temporary accommodations such as floor lounges and 106 students remain on the waitlist and will move into on-campus housing as space becomes available. Occupancy for Autumn Quarter 2010 is currently 114.8 percent of designed capacity.


Consistent with previous years, 63.9 percent of the confirmed freshmen class is assigned to the residence halls; the percentage of students who contracted to return to campus housing from last Spring Quarter is 38 percent. While true demand cannot be fully known, it should be noted that 1,811 students cancelled their on-campus housing application at some point after the application was submitted to HFS; a portion of these cancellations were due to our inability to guarantee on-campus housing. Demand for on-campus housing for Autumn Quarter 2010 continues the trend of demand exceeding supply and supports the decision to construct additional residence halls on the University of Washington Seattle campus.

Attachment

HFS Master Plan Phase I construction site map

HOUSING & FOOD SERVICES (HFS)
MASTER PLAN PHASE I CONSTRUCTION



	Phase I	Site 31W	Cedar Apartments
		Site 32W	Elm Hall
		Site 33W	Poplar Hall
		Site 35W	Alder Hall

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Overview of UW Investment and Advancement Budgets

For information only.

Attachment

Overview of UW Investment and Advancement Budgets

University of Washington

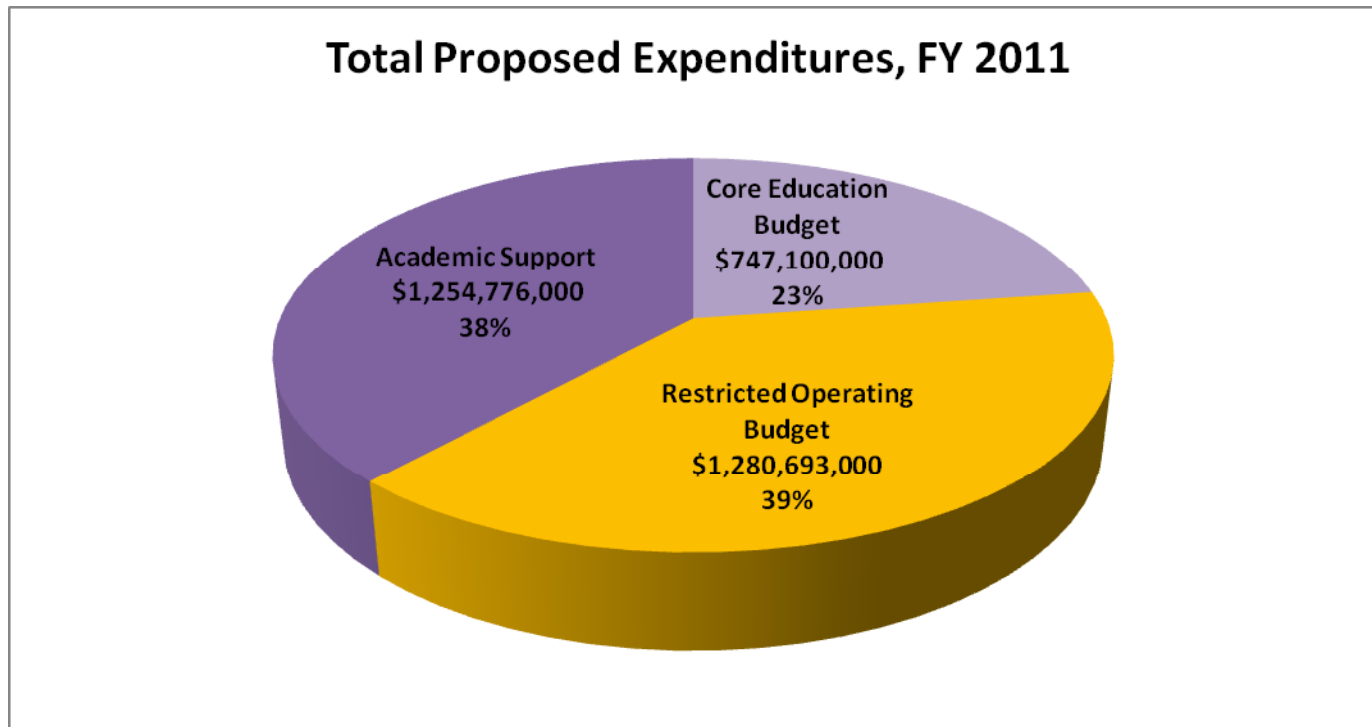


Overview of UW Investment and Advancement Budgets

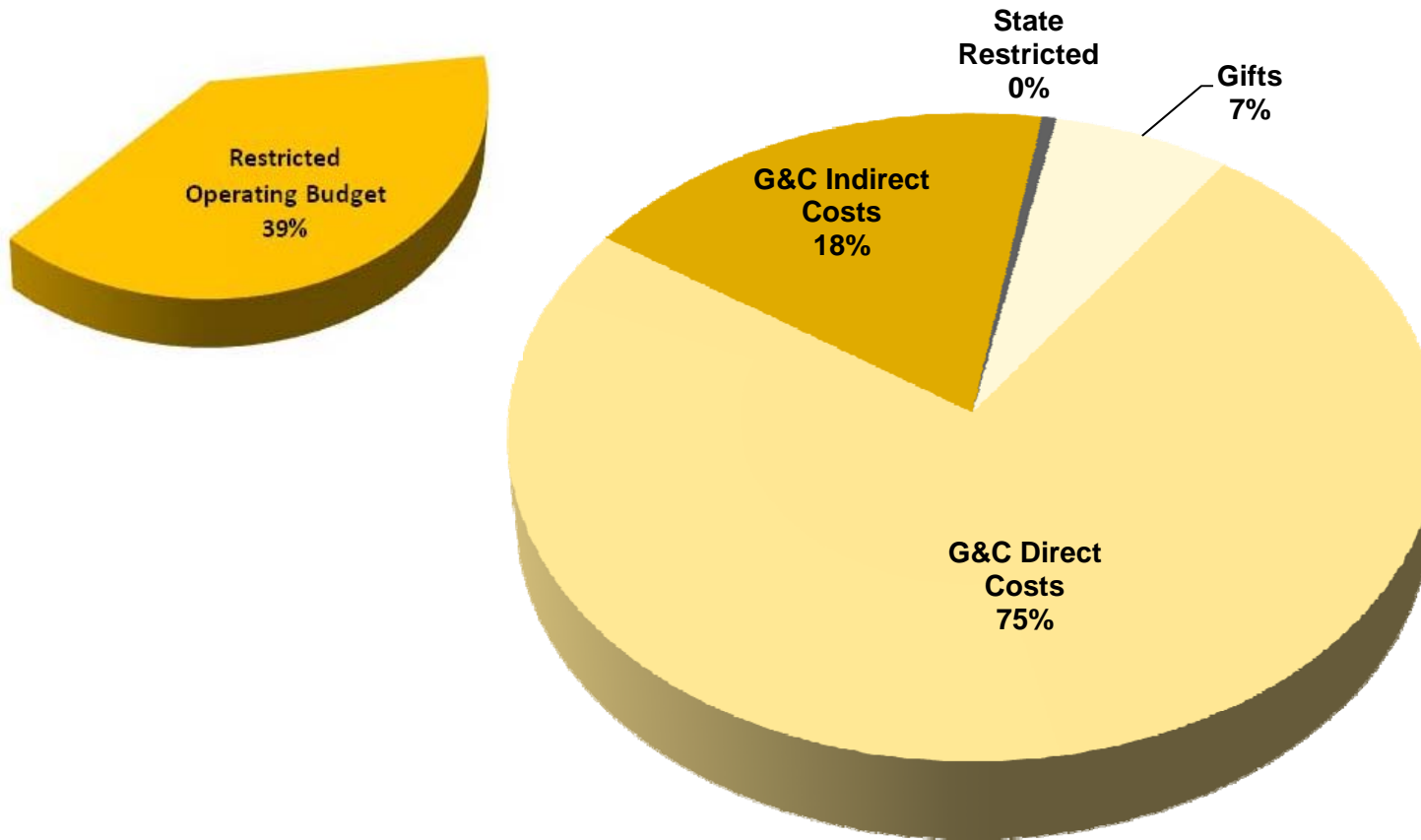
UW Board of Regents
October 21, 2010

**University of Washington
Office of Planning and Budgeting**

The UW operating budget for FY 2011 totals \$3.3 billion



UW FY 2011 Restricted Operating Budget



Provost's annual budget review



- Winter Quarter budget meetings with all deans, vice provosts and vice presidents
 - Academic trends including course reductions, student credit hour growth and distribution, class size and academic and student support services
 - Administrative efficiencies including combining and streamlining administrative support units and macro efficiency options (utilities, financial services)
 - Alternative revenue options
 - Use and management of unit carry forward funds
 - Staff size and impact of reductions
 - Confirm alignment with established policies
 - Annually approve all unit budgets

Endowment value, distribution and fees



(\$000's)	FY06	FY07	FY08	FY09	FY10
Endowment value (3/31)	\$1,706,700	\$1,947,000	\$2,100,000	\$1,515,000	\$1,897,000
Endowment Distributions*	\$69,959	\$80,695	\$94,314	\$75,475	\$59,015
Endowment Fees (100bp)	\$15,297	\$17,999	\$21,223	\$17,915	\$17,833

*In FY09 and FY10 the distribution amounts were reduced significantly based on interim action by the Board of Regents

UW Investment sources and uses FY06-FY10



(\$000's)	FY06	FY07	FY08	FY09	FY10
Revenue Sources					
Endowment Fund Fee (20 bps)	3,056	3,596	4,261	3,597	3,578
Central Funding	1,000	1,000	1,000	1,000	1,000
Reserve Interest	188	248	278	133	134
Total Revenues	\$ 4,245	\$ 4,844	\$ 5,539	\$ 4,730	\$ 4,712
Expenditures					
Staff Expenses	2,559	3,498	4,367	4,143	3,085
Non Staff Expenses	779	888	954	792	832
Total Expenditures	\$ 3,338	\$ 4,386	\$ 5,321	\$ 4,935	\$ 3,917
Net Cash Flows	\$ 906	\$ 458	\$ 218	\$ (205)	\$ 795
Reserve Balance	\$ 6,225	\$ 6,683	\$ 6,900	\$ 6,695	\$ 7,490

UW Advancement sources and uses FY06-FY10



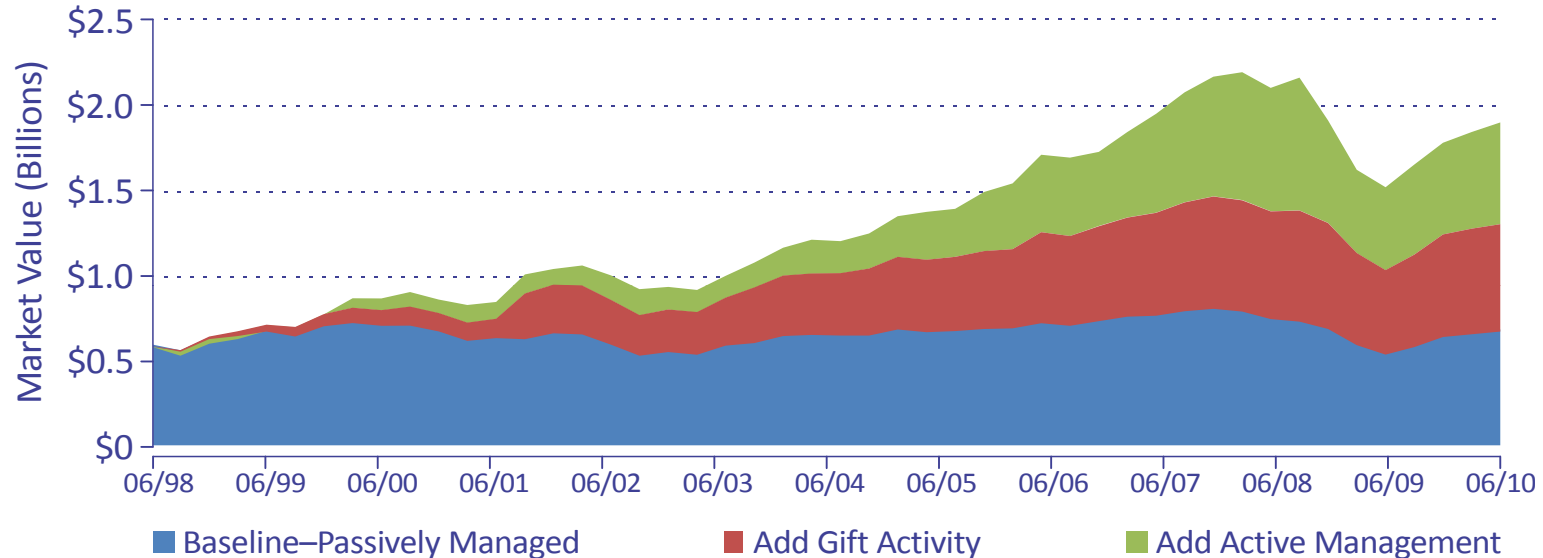
(\$000's)	FY06	FY07	FY08	FY09	FY10
Revenue Sources					
Endowment Fund Fee (80 bps)	12,241	14,402	16,961	14,318	14,255
Interest and Suspense Accounts	8,891	8,500	10,087	9,258	8,428
Institutional Support	3,788	3,728	3,846	4,173	3,729
Total Revenues	\$ 24,920	\$ 26,630	\$ 30,894	\$ 27,749	\$ 26,412
Expenditures					
Staff Expenses	14,694	15,408	18,262	18,154	16,755
Non Staff Expenses	7,706	9,095	10,273	10,672	8,598
Non-Operating Adjustments*			2,500		
Total Expenditures	\$ 22,400	\$ 24,503	\$ 31,035	\$ 28,826	\$ 25,353
Net Cash Flows	\$ 2,520	\$ 2,127	\$ (141)	\$ (1,077)	\$ 1,059
Reserve Balance	5,462	7,589	7,448	6,371	7,430
* one-time costs for move to UW Tower					
Additional Unit Investments	\$ 10,347	\$ 11,371	\$ 13,318	\$ 14,667	\$ 11,715

UW Investment and Advancement reserve policies



- **Investment**
 - \$1m temporary annual funding ended in FY10. Reserve will provide transition funding as Investments becomes self-sustaining.
 - Reserve is also necessary to mitigate volatile markets and provide funds for staff retention and recruiting.
- **Advancement**
 - Minimum of three month operating expenditures as hedge against market volatility

UW Investment recent activities



•Blue area assumptions: passive management, 25% of actual gifts, no administrative fees, \$.7 bn ending CEF market value

•Red area assumptions: passive management, 100% of actual gift activity, 80 bp administrative fee to Advancement, \$1.3 bn CEF ending market value

•Green area assumptions: active management, 100% of actual gift activity, 80 bp administrative fee to Advancement, 20 bp administrative fee to Investments, \$1.8 bn CEF ending market value

UW Advancement recent activities



<i>(\$000's)</i>	FY06	FY07	FY08	FY09	FY10
New Endowment Gifts	121,785	71,888	80,586	53,677	39,689
New Current Use Gifts	201,961	231,002	224,373	270,401	246,940
Total	323,746	302,890	304,959	324,078	286,629

- UW total advancement budget (central and units) is less than peers such as UCLA , Michigan, Texas and Ohio State
- National not-for-profit five year average of cost per dollar raised is \$.20
- UW five year average of cost per dollar raised is \$.115
- UW five year average of total gifts raised is third among public research universities and 13th among public and private research universities

Benchmark data: Gift and Endowment Fees



- Association of American Universities (AAU) 2009 survey
 - 21 universities responded
 - 7 universities have a gift fee
 - 1% to 10% of all new gifts
 - Several different rates depending on size of gift. In general gift fee averages to 5%
 - 19 have an endowment fee
 - 47bp to 187bp
 - Average is 94bp

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities

Amendment to the Statement of Investment Objectives and Policy for the Consolidated Endowment FundRECOMMENDED ACTION:

It is the recommendation of the Finance, Audit and Facilities Committee that the Board of Regents adopt a new spending policy for the Consolidated Endowment Fund (CEF). The recommended policy change will replace the interim spending policy which impacted program distributions in fiscal years 2009 and 2010.

The recommendation is summarized below:

1. **SPENDING RATE:** Reduce total spending (program distributions plus administrative fees) by one percentage point representing a drop in the long term spending rate from 6.0% to 5.0%.
2. **SPENDING SPLIT:** Reduce the rate on program distributions from 5.0% to 4.0% and maintain the current administrative fee of 1.0%.
3. **ADMINISTRATIVE FEE SPLIT:** Maintain current 1% administrative fee at 80 bps to the Advancement Program and 20 bps to the Investment Office.
4. **AVERAGING PERIOD:** Extend the averaging period from three years to five years.
5. **TIMING:** Next quarterly distribution following Board approval.
6. **IMPLEMENTATION:** Implement to a five year averaging period incrementally over a twenty quarter transition period. Beginning with the second quarter during the transition, distributions will be smoothed through the use of a 5% collar on quarter to quarter increases or decreases.
7. **ADMINISTRATIVE FEES' CALCULATION:** Change administrative fee distribution from period end calculation to the same averaging formula used for program distributions.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities

Amendment to the Statement of Investment Objectives and Policy for the Consolidated Endowment Fund (continued p. 2)

- 8. ADMINISTRATIVE FEE REVIEW PROCESS:** Initiate annual review of administrative programs (Advancement and Investment Offices) funded off the CEF by the Office of Planning and Budgeting. Identify process for ongoing administrative program oversight.

BACKGROUND:

In March 2009, the Board of Regents approved an interim spending policy that lowered then froze program distributions at approximately half that of fiscal year 2008 levels. The action was taken to prevent further erosion of the endowment following the severe meltdown in global financial markets in the last half of 2008. The Board's intention was to review the spending policy on an ongoing basis and reinstate the long term spending policy no later than 6/30/2013. Valuations have improved significantly over the past year and while not fully restored, it is reasonable to consider a return to a long term spending policy at this time.

SPENDING POLICY OBJECTIVES:

An effective spending policy will meet the following objectives:

- Balance the competing needs of current and future endowment beneficiaries;
- Maximize the stability and predictability of distributions;
- Be understandable and acceptable to donors and campus.

SPENDING POLICY COMPONENTS:

The most commonly used spending policies have two components:

- **Spending Rate:** The annual amount withdrawn from the endowment expressed as a percentage of the endowment's market value.
- **Spending Rule:** The formula for determining annual spending withdrawals and the mechanics of its implementation. The spending rule is designed to reduce annual variability in spending – typically by applying the spending rate against an average multiyear endowment market value.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities

Amendment to the Statement of Investment Objectives and Policy for the Consolidated Endowment Fund (continued p. 3)

RATIONALE:

To facilitate decision-making, the recommended action is broken into its component pieces, which are summarized below:

9. **SPENDING RATE:** In its 2010 CEF annual asset allocation review, UWINCO advised the Board of Regents to reduce the total spending (program distributions plus administrative fees) on the CEF from 6.0% to 5.0%. The recommendation from UWINCO was informed by general economic conditions suggesting a prolonged low return environment.
10. **AVERAGING PERIOD:** The longer averaging period has the benefit of dampening market volatility during market extremes – providing higher levels of support when markets are down and lower levels of support when markets are up. A longer averaging period also facilitates forecasting and allows programs to effectively plan for change.
11. **TIMING:** Departments have been severely affected by state budget cuts. Endowments are an increasingly important source of funding for the programs they support. Increasing spending from its current 3.2% to 4.0% will provide a much needed boost in support. Endowment operating account balances declined 1.3% from 6/30/08 to 6/30/10. The decline seems slight when viewed in total. But many departments function with very little in reserve and the decline in some programs is as much as 70%. Endowments providing scholarships and fellowships are particularly affected.
12. **IMPLEMENTATION:** Management of the transition to the new spending policy is critical. It is recommended that the averaging period be implemented incrementally; increasing one quarter each period until the twenty quarter (5 year) average has been attained then rolling forward. Beginning with the second quarter during the transition, distributions will be smoothed through the use of a 5% collar on quarter to quarter increases or decreases.
13. **ADMINISTRATIVE FEES' CALCULATION:** Prior to the recommended change, distributions to administrative programs were based upon the current quarter end market value. This resulted in high

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities

Amendment to the Statement of Investment Objectives and Policy for the Consolidated Endowment Fund (continued p. 4)

quarter to quarter variability in the distribution. Approval of the recommended action will result in the use of the same spending calculation for both program distributions and administrative fees.

14. **ADMINISTRATIVE FEE REVIEW PROCESS:** Reviews of the administrative programs funded by the CEF (advancement and investment offices) will be conducted by the Office of Planning and Budgeting annually.

REVIEW AND APPROVALS:

This policy recommendation has been reviewed by the Senior Vice President and the administration, the Chief Investment Officer and by the University's investment consultant, Cambridge Associates.

Attachment

Consolidated Endowment Fund Spending Policy Review



Consolidated Endowment Fund Spending Policy Review

A Report to the Board of Regents
October 21, 2010

**Treasury Office
University of Washington**

Consolidated Endowment Fund Spending Policy Review

*A Report to the Board of Regents
October 21, 2010*

Treasury Office
University of Washington

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Executive Summary

In exercising its fiduciary responsibility over the University of Washington's investment program, the Board of Regents makes two key policy decisions: strategic asset allocation and spending. Changes to the strategic asset allocation of the CEF were approved by the Board at its May 2010 meeting. The focus of the October 2010 Board meeting is on endowment spending.

❑ **Interim Spending Policy:** In March 2009, the Board of Regents approved an interim spending policy that lowered then froze program distributions at approximately half that of fiscal year 2008 levels. The action was taken to prevent further erosion of the endowment following the severe meltdown in global financial markets in the latter part of 2008.

❑ **Campus Impact:** The pain felt by endowed programs was tempered for some departments by their reserve balances and/or the continuing generosity of their donors. Scholarships and fellowships were the most heavily impacted and anecdotal evidence suggests that further declines in the number and size of awards lie ahead. Over the past year, many donors expressed disappointment that their endowed programs have not been better supported.

❑ **Recommended Action:** Adopt a new long term spending policy that sets total spending (programs distributions plus administrative fees) at 5% of the average market value of the CEF for the previous five years.

❑ **Implementation:** The five year average will be implemented incrementally. After the initial quarter, the quarter to quarter change in the distribution level will be capped at 5% as a way of smoothing the distribution to campus and as protection in volatile markets.

What is the Governance Structure of the CEF?

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

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

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

What are the Key Roles and Responsibilities

Board of Regents	University of Washington Investment Committee (UWINCO)	Chief Investment Officer (CIO)
<p>Sets Investment Policy</p> <ul style="list-style-type: none"> • Spending rate • Strategic asset allocation • Delegations 	<p>Advises the CIO</p> <ul style="list-style-type: none"> • Investment planning • Asset allocation • Manager identification • Market trends 	<p>Implements investment program</p> <ul style="list-style-type: none"> • Day-to-day management • Tactical asset allocation • Manager appointments • Manager terminations
<p>Appoints investment officers / advisors</p> <ul style="list-style-type: none"> • Chief Investment Officer • UWINCO Members • Investment consultants 	<p>Advises the Board of Regents</p> <ul style="list-style-type: none"> • Investment program oversight 	<ul style="list-style-type: none"> • Risk management • Research
<p>Review results</p> <ul style="list-style-type: none"> • Program oversight/accountability 		<p>Monitors results</p> <ul style="list-style-type: none"> • Performance reporting

Governance of the investment program is defined around clearly established roles and responsibilities.

The University of Washington Consolidated Endowment Fund

In 1905, the University of Washington received its first cash endowed gift of \$400, thus beginning the accumulation of endowed funds that are held today. By June 30, 2010, the University of Washington's endowment totaled \$1.8 billion and contained 3,334 individual endowment funds. Approximately 80% of the funds held in the Consolidated Endowment Fund (CEF) are endowed by the donor and/or department and can be used solely to support designated programs. The remaining 20% consists primarily of long-term operating monies invested by policy in the CEF by the Board of Regents.

The CEF currently funds scholarships and fellowships (28%), professorships and chairs (25%), research (9%), general academic support (18%) and other university activities (20%). Nearly half of the endowment benefits the overall University, with the remaining focused on specific units, including Academic Medical Affairs (24%), Arts and Sciences (12%), Engineering (7%), and the Business (5%) and Law (4%) Schools.

Individual endowment funds are commingled in the CEF for investment purposes and unitized much like a mutual fund. Distributions to endowed programs are made quarterly.

Over the past ten years, the CEF provided \$648 million in endowed program support. This represents approximately 2% - 3% of the University's annual operating revenues.

What are the Characteristics of the CEF?

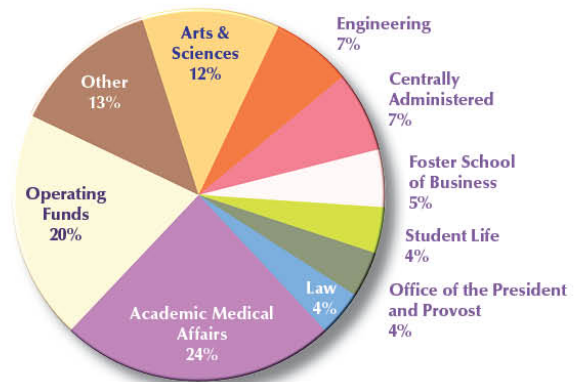
As of June 30, 2010

Endowed Program Support

Principal by Purpose



Principal by School and College



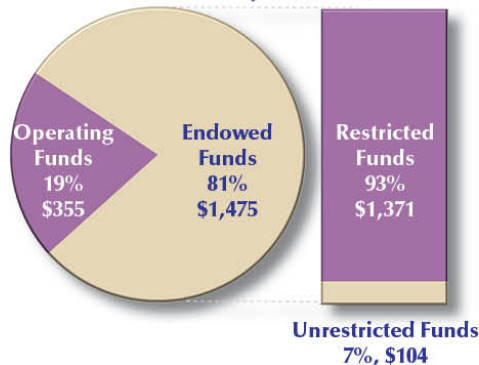
Endowment Distributions as a % of Total UW Revenues

Fiscal Years	Annual UW Revenues	Endowment Distributions	%
2005	\$3,025	\$62	2.0%
2006	\$3,455	\$70	2.0%
2007	\$3,666	\$81	2.2%
2008	\$3,427	\$94	2.8%
2009	\$3,054	\$75	2.5%
2010		\$59	

Endowed Dollars Distributed



Endowment Composition: \$1,830



What are the Characteristics of a Good Spending Policy?

A spending policy should strike a balance among the following objectives:

- Provide programs with a predictable and stable stream of revenue
- Maintain the purchasing power of this revenue stream over the long term
- Maintain the purchasing power of endowment assets over the long term
- Be understandable

A spending policy should include:

- A target spending rate
 - Balances current and future program needs
 - Does not exceed the average real investment return over the long term
- Spending rule or formula
 - Reduces the annual volatility of spending
 - Keeps spending within sustainable limits

Source: Cambridge Associates

These objectives are typically met by establishing a spending rate consistent with the institution's tolerance for risk. A higher spending rate requires a higher allocation to equities. Stability in the distribution flow is managed through the use of a smoothing mechanism, commonly three to seven years average market value, to soften the disruptive impact of short term capital market volatility.

What is the CEF Spending Policy?

Interim Spending Policy: Per unit distributions to endowed programs were decreased by 25% in both FY '09 and FY '10 after which distributions are held constant at the FY '10 level. This interim policy went into effect in March 2009 and will be revisited by the Board of Regents no later than June 30, 2013 to determine the appropriate next steps.

Long-Term Spending Policy: Spend 5% of the average market value of the CEF for the previous three years.

Core Concept: *Intergenerational Equity*: This concept balances the needs of current and future beneficiaries. It requires policies that allow spending to change at approximately the same rate as inflation without impairing principal over the long term.

Frequency: Distributions are administered on a quarterly basis.

Policy Changes: Changes to the spending policy require approval of the Board of Regents.

Other Spending (Fees): A 1.0% annual administrative fee is charged against the endowment: 0.8% to the Advancement Office and 0.2% to the Investment Office.

The interim spending policy was approved by the Board of Regents in March 2009, and retroactive to the beginning of fiscal year 2009. The action was taken in response to the extreme volatility and downward price pressures in the financial markets in the latter half of 2008 which ultimately resulted in a 23% drop in endowment values in FY09.

How has the Spending Policy Changed Over Time?

Period	Spending Policy	Administrative Fees
Pre- 1988	All interest and dividend income	15 bps to Treasury
1988	5% of a three year moving average market value	15 bps to Treasury
1989-1990	5% of a three year moving average market value	30 bps to Treasury
1990-1998	5% of a three year moving average with year over year change in distributions limited to 5%	30 bps to Treasury
1998-2001	5% of a three year moving average with year over year change in distributions limited to 5%	20 bps to Treasury 20 bps to Advancement
2001-2009	5% of a three year moving average market value	20 bps to Treasury 80 bps to Advancement
Current (Interim Policy*)	Fixed distribution of \$2.35 per unit per year (42% of FY08 distribution level)	20 bps to Treasury 80 bps to Advancement

** Interim policy approved by the Board of Regents in March 2009 and retroactive to the beginning of FY09.*

What Impact has the Interim Policy Had on Schools and Colleges?

Prior to the adoption of the interim policy, many departments accumulated distributions on new endowments for the first year or two as the program was established. As a result, endowment operating accounts grew steadily along with new gifts. Endowed operating balances declined in FY09 and were flat in FY10.

Fiscal Year	% Increase (Decrease) in Endowed Operating Balances
FY07	12.8%
FY08	15.0%
FY09	-1.4%
FY10	0.1%

Which Endowed Programs Drew Down their Operating Balances Since the Spending Cut?

The largest drop in endowed operating balances were those related to scholarships, fellowships and chairs. The least impacted were medical research funds.

<i>Dollars in Millions</i>	Endowed Operating Balances			
Endowment Purpose	As of 6/30/2008	As of 6/30/2010	\$ Change	% Change
Scholarships	\$20.3	\$17.5	(\$2.8)	-14%
Felloshhips	\$11.1	\$9.9	(\$1.2)	-11%
Chairs	\$17.8	\$17.3	(\$0.5)	-3%

The schools and colleges showing the largest declines in endowed operating balances are summarized below:

School or College	Market Value		Operating Budget Balances			Coverage Ratios *		
	Total School or College Endowments		As of 6/30/2008	As of 6/30/2010	% Change	As of 6/30/2008	As of 6/30/2010	% Change
	\$	#						
Information School	\$3.1 mn	26	\$ 313,571	\$ 187,490	-40%	2.0	1.7	-17%
Undergraduate Education	\$27.0 mn	24	559,572	403,894	-28%	0.4	0.4	2%
Forest Resources	\$22.9 mn	85	1,495,928	1,102,234	-26%	1.3	1.4	5%
Evans School of Public Affairs	\$15.2 mn	24	460,257	365,384	-21%	0.6	0.7	12%
Nursing	\$21.7 mn	94	830,311	799,359	-4%	0.8	1.0	33%

* Coverage ratios are based on the current long-term spending policy.

What is the Impact of Spending Cuts on Student Support?

Example	Endowment Market Value <i>(Dollars in Millions)</i>			Endowment Operating Acct <i>(Dollars in Thousands)</i>			Number of Student Awards		
	As of 6/30/2008	As of 6/30/2010	▲	As of 6/30/2008	As of 6/30/2010	▲	Before cut	After cut	▲
Chemical Engineering Scholarships	\$2.4	\$2.2	-11%	\$70.6	\$23.3	-67%	30	11	-63%
<i>The combination of rapidly escalating tuition plus declining revenues from endowments means our ability to support students has dropped precipitously.</i>									
Evans School Fellowships	\$3.0	\$2.5	-16%	\$132.4	\$121.2	-8%	17-18	8-9	-50%
<i>The cut in distributions hampered our ability to raise new funds. It's difficult to meet donor expectations, primarily in financial aid, recruitment and enrichment.</i>									
Foster Business Scholarships	\$16.9	\$18.6	10%	\$852.0	\$796.9	-6%	402	273	-32%
<i>Awards for MBA students dropped from \$4K-\$24K in FY09 to \$3K-\$18K in FY10. Before the decrease in distributions the Business School made the decision to grant larger more meaningful scholarships. This decision impacted the number of scholarships awarded.</i>									
I School Scholarships	\$0.5	\$0.5	-	\$30.7	\$17.9	-42%	11	6	-45%
<i>Cuts would have been larger had not two donors made over \$4K in current use awards. Our PhD program is one of the most competitive in the country but our student enrollment is suffering because we can't add scholarship money.</i>									
Katherine Hoffman Fellowship in Nursing	\$0.8	\$0.6	-22%	\$26.6	\$8.5	-68%	11	3	-73%
<i>Our ability to award scholarships funding to students has been deeply impacted.</i>									
Law Scholarships <i>(Excludes Gates term endowment)</i>	\$13.0	\$10.7	-16%	\$628.3	\$428.7	-32%	83	53	-36%
<i>The impact has been huge, mainly on the scholarship side. Recruitment is hurting as well. Donors have stepped up but are angry at what some view as "bait and switch" - established endowments have not been able to fulfill their purpose at the reduced level.</i>									
Mary Gates Endowed Scholarship	\$31.9	\$24.8	-22%	\$392.3	\$202.4	-48%	325	160	-51%
<i>We used to hold semi-annual competitions for research and quarterly competitions for leadership awards. Now we hold just one competition for each program. Cuts have had a negative impact on hundreds of students, as well as a devastating impact on undergraduate participation in research and leadership.</i>									

What Level of Return is Needed to Cover Spending and Inflation?

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

Endowment Distributions	5.0%	Long Term Policy Rate
Advancement Office	0.8%	} Administrative Fees
Treasury Office	0.2%	
Expected Inflation	<u>3.0%</u>	Consumer Price Index
Total Nominal Return Required <u>9.0%</u>		

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

Required Nominal Return Matrix

Distribution Rate plus Administrative Fees

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

 Long Term spending plus inflation rate estimate

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

Do Historical Market Returns Help Define a Sustainable Level of Spending?

Real Historical Returns (Inflation Adjusted)					
U.S. Equity / U.S. Bond Ratio	1900–2009 (110 years)	1900–1979 (80 years)	1900–1969 (70 years)	Deflationary Period 1928–33 (6 yrs)	Inflationary Period 1968–81 (14 yrs)
0/100 ¹	2.4	1.1	1.5	9.7	(3.8)
10/90	3.0	1.8	2.2	9.3	(3.5)
20/80	3.5	2.4	2.9	8.8	(3.2)
30/70	4.0	2.9	3.5	8.2	(2.9)
40/60	4.4	3.5	4.1	7.5	(2.6)
50/50	4.8	3.9	4.7	6.6	(2.4)
55/45	5.0	4.2	4.9	6.2	(2.3)
60/40	5.2	4.4	5.2	5.7	(2.2)
65/35	5.3	4.6	5.4	5.2	(2.1)
70/30	5.5	4.8	5.7	4.6	(2.0)
80/20	5.8	5.2	6.1	3.4	(1.8)
90/10	6.0	5.5	6.5	2.1	(1.6)
100/0 ²	6.2	5.8	6.9	0.7	(1.5)
Inflation	3.0	2.8	2.2	(4.4)	7.0

¹ Bonds only ²Equities only

Sources: Citigroup Global Markets, Common-Stock Indexes (Cowles Commission), Federal Reserve, Global Financial Data, Inc., Standard & Poor's, and U.S. Department of Labor - Bureau of Labor Statistics

A good endowment spending policy maintains the purchasing power of endowment assets over time. Historically, a 70% allocation to equity was sufficient to support an inflation adjusted spending level of 5%. Higher spending was possible only through a higher allocation to equities.

What is the Near to Mid-term Consensus View on Capital Markets' Returns?

Asset Class / Fund	Three to Five Year Capital Market Forecasts			Historical Returns *
	UW	Investment Managers & Banks	Investment Consultants	
Emerging Markets Equity	11%	10%	9%	14%
Developed Markets Equity	9%	9%	8%	10%
Real Assets	8%	7%	7%	8%
Opportunistic / Credit	7%	7%	7%	11%
Capital Appreciation Fund	6.4%	6.0%	5.6%	7.3%
Absolute Return	7%	6%	6%	11%
Fixed Income	3%	3%	4%	6%
Capital Preservation Fund	1.5%	1.4%	1.5%	2.5%
TOTAL CEF RETURN	7.9%	7.4%	7.2%	9.8%

* Historical returns represent the longest time series available for each asset class. Composite returns are calculated using the 2010 Board-approved CEF asset allocation.

Most market experts anticipate a lower return environment over the next three to five years as compared with historical averages.

How Does the Spending Rate Impact Market Values?

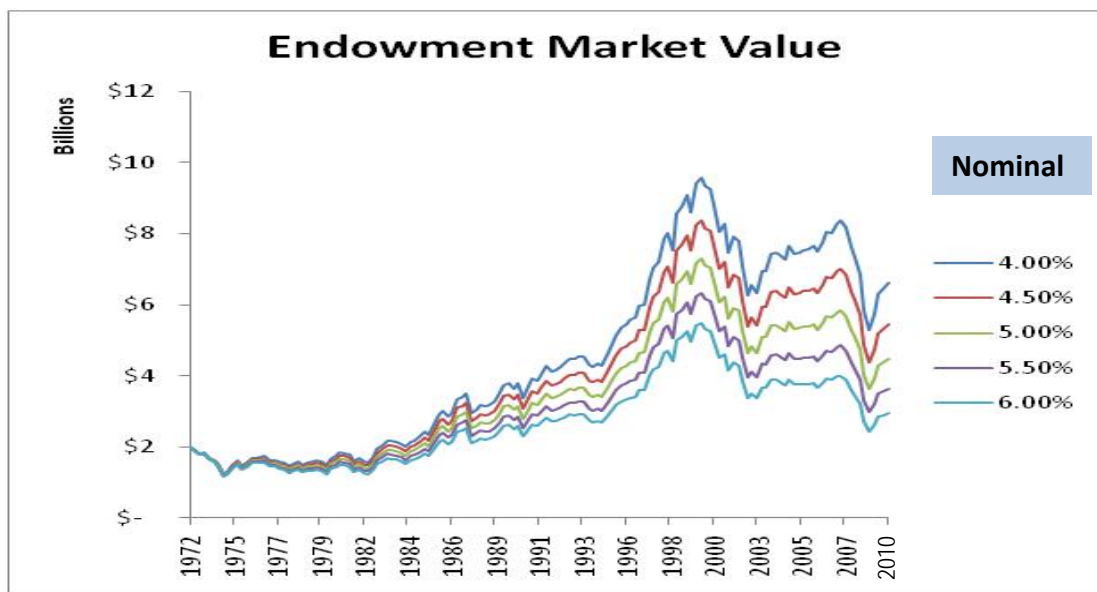
Historical simulation : 1973 to current

Beginning market value: \$2 billion

Spending policy: Spending rate * 5 Year average MV

Investment: 70% S&P500 and 30% Government Bond

5 Year Averaging Period	Spending Rate				
	4.0%	4.5%	5.0%	5.5%	6.0%
Ending Market Value	\$6.6 bn	\$5.4 bn	\$4.5 bn	\$3.6 bn	\$3.0 bn
% Change in Market Value from Beginning Value of \$2 bn	230%	170%	125%	80%	50%



How Does the Spending Rate Impact Payouts?

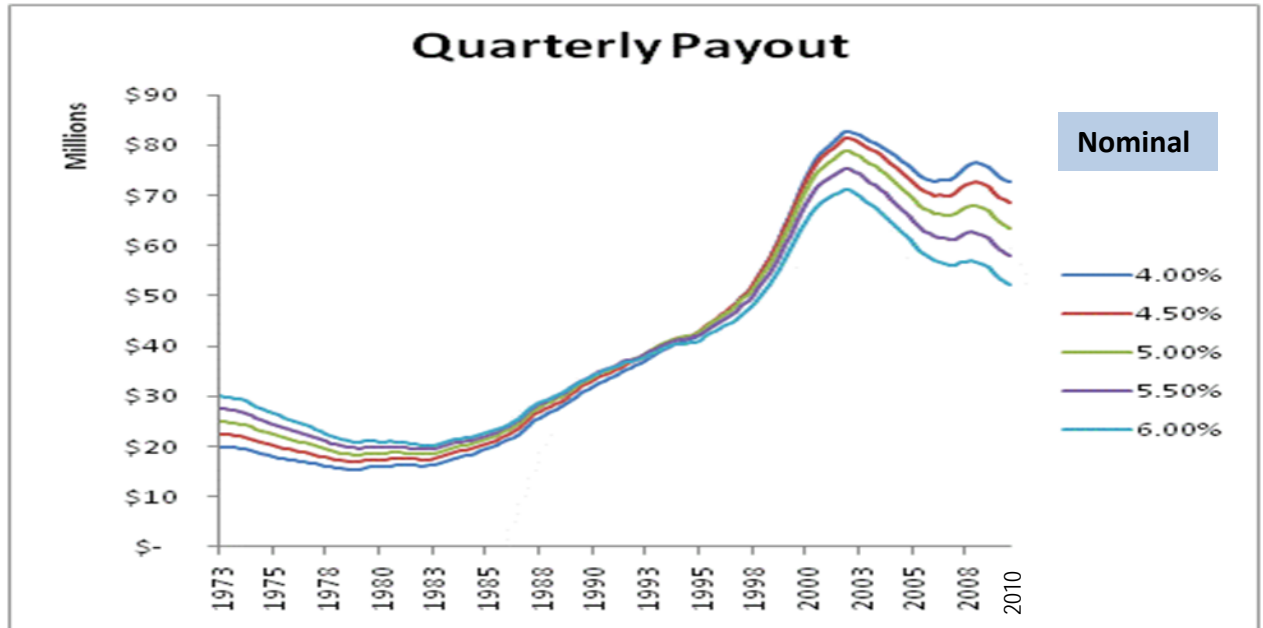
Historical simulation : 1973 to current

Beginning market value: \$2 billion

Spending policy: Spending rate * 5 Year average MV

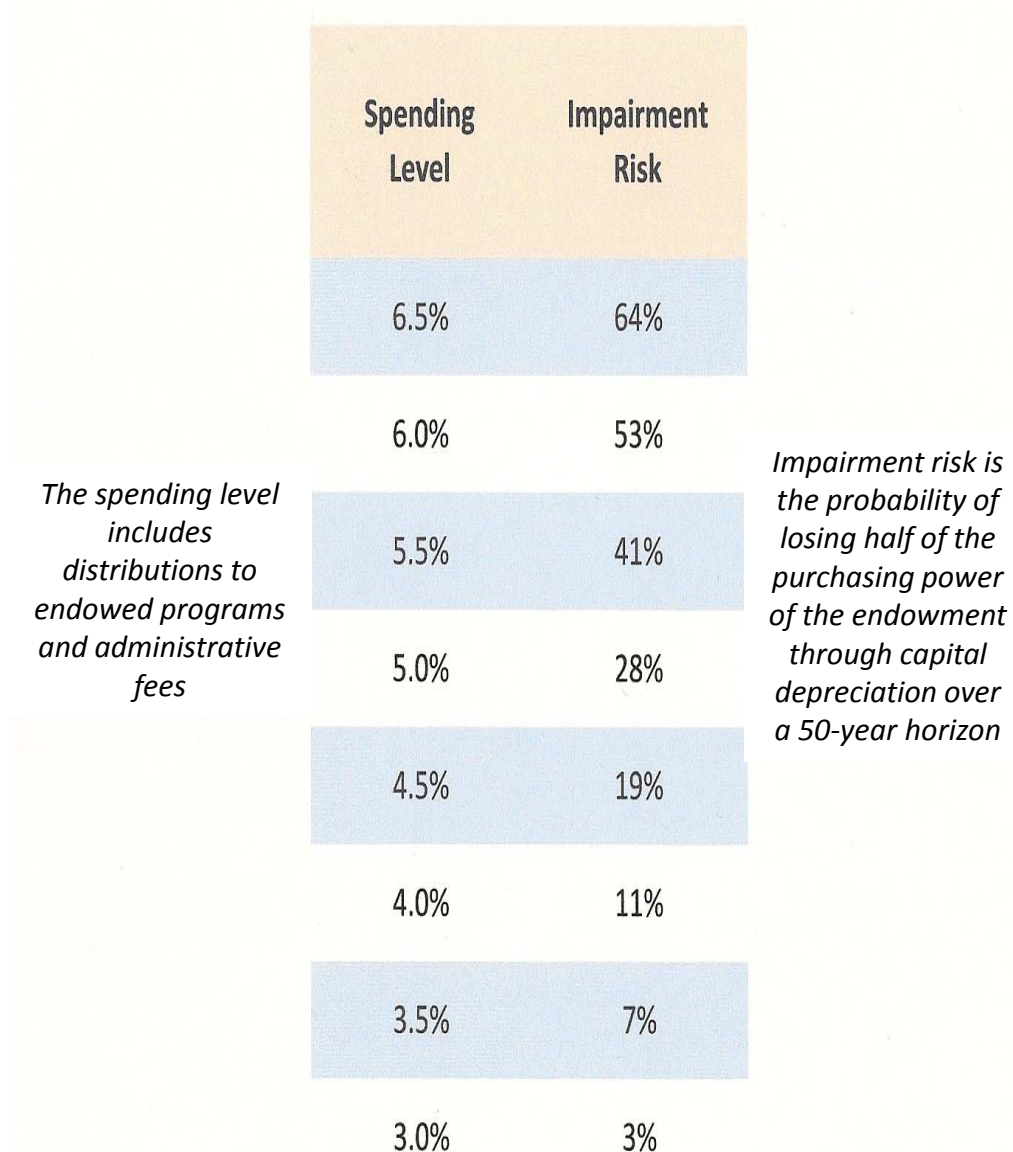
Investment: 70% S&P500 and 30% Government Bond

5 Year Averaging Period	Spending Rate				
	4.0%	4.5%	5.0%	5.5%	6.0%
1st Year Payout	\$80 mn	\$90 mn	\$100 mn	\$110 mn	\$120 mn
Ending Annual Payout	\$290 mn	\$274 mn	\$254 mn	\$232 mn	\$209 mn
% Change in Payout from 1st Year	263%	204%	154%	111%	74%



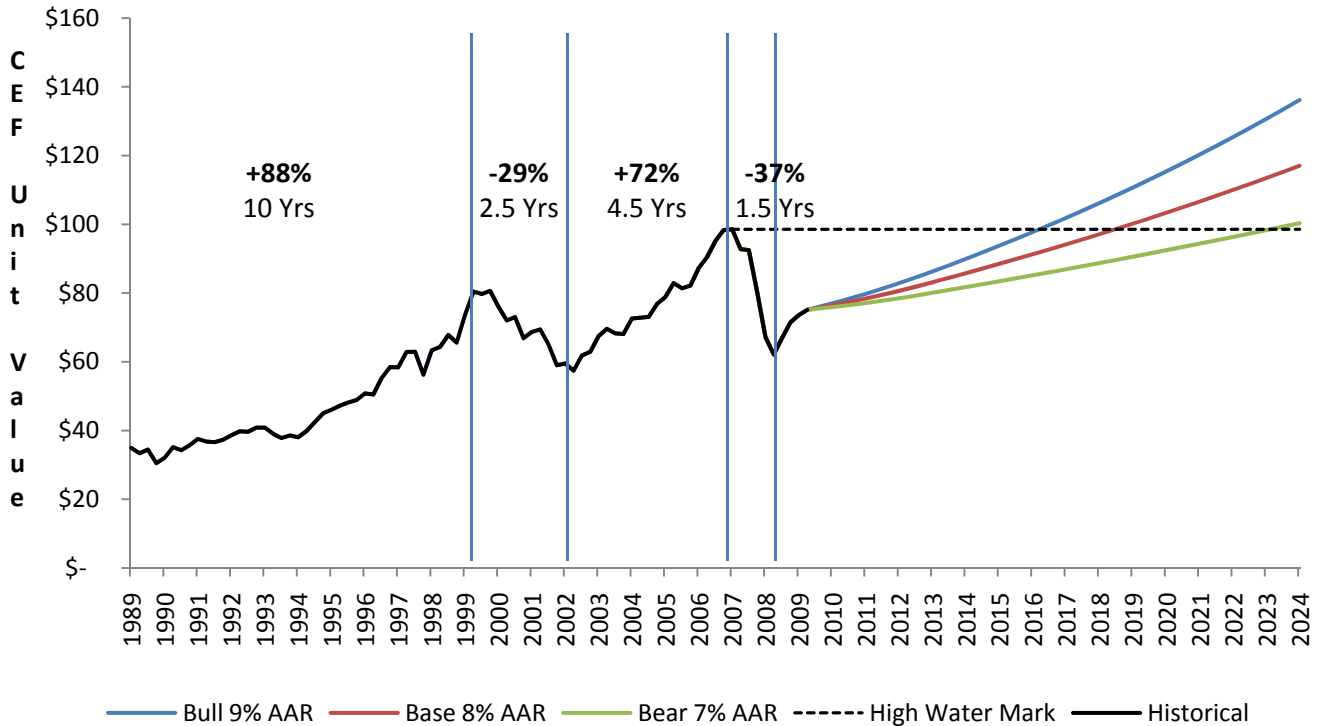
Between 20 and 30 years in most spending simulations, the “crossover” occurs where the highest payout rate provides the lowest actual dollar program distribution going forward.

How Does the Spending Level Impact the Probability of Future Impairment of the CEF?



Through its spending and asset allocation policies, an endowed institution balances the competing demands of current and future generations.

How long will it take for the CEF unit value to reach the 2007 peak valuation?

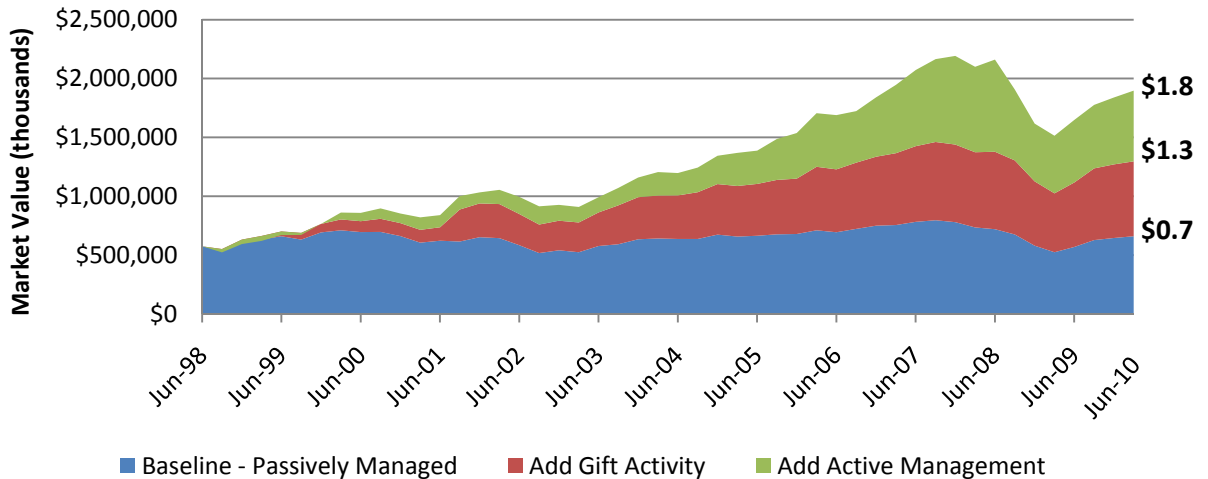


Through June 2010, the CEF per unit value recovered nearly a fifth of its decline from the 2007 peak. (The unit value does not change when gifts are added.) As the chart shows, if annual returns are 8% and the recommended total spend of 5% is approved, it will take an additional eight years to return to the 2007 peak market value per unit.

The benefits of lower spending levels are best seen over long time horizons – 25 to 50 year periods.

How have Gift Activity and Active Investment Management Contributed to Endowment Growth?

Contributors of Endowment Growth



Blue Area Assumptions (Baseline):

- CEF passively invested 70% S&P 500 and 30% U.S. Government bonds
- 25% of actual gift activity
- No administrative fees to advancement or investments
- \$0.7 bn CEF ending market value

Red Area Assumptions (Add back Gift Activity):

- CEF passively invested 70% S&P 500 and 30% U.S. Government bonds
- 100% of actual gift activity – invested passively
- 80 bp administrative fee to advancement
- \$1.3 bn CEF ending market value

Green Area Assumptions (Add back Active Management):

- CEF actively managed with actual results shown
- 100% of actual gift activity
- 80 bp administrative fee to advancement & 20 bp administrative fee to investments
- \$1.8 bn CEF ending market value

Successful fundraising efforts coupled with an active approach to investment management led to significant growth in the CEF over the past 12 years.

What Options Were Considered in Developing the Recommendation?

SPENDING POLICY ATTRIBUTES	(1) CURRENT LONG-TERM POLICY 6% of a 3 Yr moving average	(2) <i>Add Collar</i> 6% of a 3 Yr moving average / Change over prior yr capped at +/- 5%	(3) <i>Reduce Rate</i> 5% of a 3Yr moving average	(4) <i>Reduce Rate, Lengthen Averaging Period, Add Collar</i> 5% of a 5 Yr moving average / Change over prior yr capped at +/- 5%	(5) <i>Reduce Rate, Lengthen Averaging Period</i> 5% of a 5Yr moving average
Intergenerational Equity <i>Programs supported today will be supported at the same level in the future.</i>	5	3	3	5	1
Predictability <i>Year-to-year variability in programs support is minimized.</i>	3	1	3	1	3
Sustainable Spending Level <i>Investment performance can support the spending level + keep pace with inflation.</i>	5	3	3	3	3
Easy to Understand <i>Can be easily understood by advancement staff and explained to donors</i>	1	5	1	5	1
Score	14 <i>Overspend</i>	12 <i>Acceptable</i>	10 <i>Acceptable</i>	14 <i>Underspend</i>	8 <i>Recommended</i>

CONCLUSIONS:

- Spending has a much lesser impact on market values than returns.
- Over the very long term spending policies with the same spending rate, will result in very similar market values – no matter the smoothing mechanism.
- The only way to positively affect long term market value via spending policy is to lower the spending rate.
- Policy (5) is recommended because it strikes the best balance in achieving the first three goals without being too difficult to understand.

How Will the Changes be Implemented?

When will the interim policy be lifted?

- Effective the quarter in which the Board decision on CEF spending is made

What impact will the change have on Campus?

- Effect on campus is significant – especially programs dependent on one or a few large endowments.
- Lower rate and longer averaging period result in spending policy that can be sustained in volatile markets.

How will the move from the interim policy be implemented?

- Averaging will be incremental.
- During the transition to a 20 quarter average, distributions will not be allowed to increase or decrease more than 5% in any one quarter, *except* in the first quarter.

How will administrative fees be handled?


- Contrary to current practice, administrative fees will be based upon a rolling average market value.
- Averaging will be incremental.
- During the 20 quarter transition, fees will also not be allowed to increase or decrease by more than 5% in any one quarter.

Appendix

What Universities Recently Changed their Endowment Spending Policies?

University	2009 Market Value <i>(\$ in millions)</i>	Lower Spending Rate	Lengthen Averaging Period	Add Spending Cap and/or Floor	Change From	Change To
Pennsylvania State University	\$1,226	✓	✓		5% of the 3 year average market value	4.5% of the 5 year average market value
Ohio State University	\$1,652	✓	✓	✓	Pre FY05: 4.5% of the 5 year average market value	4.25% of the 7 year average market value
					FY05+: 4% of the 5 year average market value.	
					Cap / Floor: 3% maximum increase. 1% maximum decrease.	FY10: One time floor limiting drop in distribution to 3%
University of Illinois Foundation	\$826	✓	✓		4.75% of the 6 year average market value	4% of the 7 year average market value
University of Michigan	\$6,001	✓			5% of a 7 year average market value with cap of 5.3% of current market value	4.5% of a 7 year average market value with cap of 5.3% of current market value
Northwestern University	\$5,445			✓	Market Element - 30% weight, 4.5% of 3 year average market value Spending Element -70% weight, increases last year's spending rate by the actual rate of inflation plus budget growth (1.5%).	Freeze FY10 Spending at FY09 per unit spending level.
Stanford University	\$12,619	✓		✓	Payout rate established annually by the Board of Trustees. Currently targeting a long-term average annual distribution of 5.5%	The university will decrease payout on individual endowment funds by 10% in fiscal year 2010, and plans for a further 15 % reduction in fiscal year 2011

Other universities with spending rates between 4.0% and 4.5% include: University of Wisconsin; University of Florida; University of Pittsburg; University of Minnesota; and Purdue University.

 Temporary spending change
 FL10.1/210-10
 10/21/10

Results of Fiscal Year 2009

NACUBO-Commonfund Endowment Study

24% of Study participants deviated from their spending policy in FY09

15% of institutions with assets over \$1 billion decreased spending

Of institutions decreasing spending, the average decrease was 21%

73% of institutions with assets over \$1 billion increased spending

Of institutions increasing spending, the average increase was 13.3%

Cambridge Associates will update its endowment spending survey during the fall of 2010. The FY10 NACUBO Study will be available in winter 2011.

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

In joint session with

B. Finance, Audit and Facilities Committee**Graduate School Leave Policy and Waiver of Non-Resident Tuition – Information Only****INFORMATION:**

The Graduate School will provide an information presentation to the Regents this month, and will return in November to request action on three items:

1. Waiver of non-resident tuition (for some graduate and professional students)
2. Graduate student leave policy
3. Re-application fee for graduate students who drop all UW registration or leave status.

1. NON-RESIDENT TUITION REDUCTION:**Background**

In July 2005, the University of Washington Regents approved a special tuition reduction for non-resident graduate and professional students. This reduction provided an annual waiver of the differential tuition between resident and non-resident tuition for non-resident graduate and professional students who have lived in the state for one year, but who do not qualify for state residency (e.g., non-residents could pay in-state rather than out-of-state tuition after one year at UW).

Rationale for the Reduction

In 2005, the Regents' briefing document provided these details:

1. The tuition reduction would help the UW compete for "top quality graduate and professional students," with a notation that "most other public universities allow non-resident graduate and professional students to be reclassified as residents for tuition and fee paying purposes basely solely on living in the state for one year."
2. The estimated cost of the tuition reduction was \$1m in foregone tuition revenue (for about 100 graduate and professional students per year).

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In joint session with

B. Finance, Audit and Facilities Committee

Graduate School Leave Policy and Waiver of Non-Resident Tuition – Information Only (continued p. 2)

Rationale for Repeal Request

We request that the Regents approve our request for a repeal of the tuition reduction for non-resident graduate and professional students for several reasons:

1. The cost has far exceeded original estimates, depriving the University of valuable tuition revenues. In FY 2009, 291 non-resident graduate and professional students received these waivers, totaling \$3.18m. In FY 2010, the foregone revenue was \$3.8m.
2. The UW Board of Deans has recommended repeal of the tuition reduction; the deans thought that this reduction did not give UW a significant competitive edge.
3. Under the UW's new Activity Based Budgeting model, colleges and schools will receive most of the revenue generated by tuition; the tuition reduction can reduce their revenues sharply (e.g., in 2008-9 foregone tuition for top schools and colleges include: Law \$513k, Pharmacy \$438k, Medicine \$373k, Built Environments \$322k, Dentistry \$275k, Business \$171k).
4. Public universities in several other states (Oregon, Michigan, Illinois, Wisconsin) do not provide a tuition waiver for non-resident students. Getting residency in each state is dependent upon moving to that state for reasons other than education.

Effective Date

We request that the repeal of the tuition reduction take effect for new students who begin their UW graduate/professional students after July 1, 2012 – so that no current students or prospective students (who are applying now) would be penalized by repeal.

Other Details

- The tuition reduction applies only to non-resident graduate and professional students who have no other formal UW support; as such, it does not pertain to non-residents who work as Research Assistants,

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In joint session with

B. Finance, Audit and Facilities Committee

Graduate School Leave Policy and Waiver of Non-Resident Tuition – Information Only (continued p. 3)

Teaching assistants, or other graduate assistants. Most fellowships also provide an automatic reduction of non-resident tuition. In practice, the tuition reduction benefit thus applies only to non-resident graduate and professional students who are paying their own tuition.

- The tuition reduction does not apply to international graduate or professional students at all, but just to non-resident US graduate or professional students.

2. LEAVES OF ABSENCE FOR UW GRADUATE AND PROFESSIONAL STUDENTS

We request that the Regents approve a change in the policy on leaves of absence for graduate and professional students. This is not intended as a revenue-raising measure, but is focused entirely on encouraging graduate and professional students to be actively focused on their academic careers.

Current Policy, Practice

1. A graduate or professional student may request a leave of absence for a period from one quarter to one full year.
2. A \$35 fee is required.
3. At any given time, about 7-8 percent of UW graduate or professional students are on leave (~840 to 950).

We Ask the Regents' Support for a New Policy

1. A graduate or professional student may request a leave of absence for a period of one quarter; additional quarters of leave would require an additional application.
2. Each application would cost \$25 (e.g., the student would be required to pay a fee of \$25 for the initial quarter and for each subsequent quarter in which the leave is renewed).

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In joint session with

B. Finance, Audit and Facilities Committee

Graduate School Leave Policy and Waiver of Non-Resident Tuition – Information Only (continued p. 4)

Rationale for Proposal

1. Shortening degree completion times. National studies show that successful degree completion is mostly closely tied to continuous enrollment/registration (rather than leaves of absence or other interruptions of studies.). Degree completion rates are increasingly important (both in terms of national rankings and for local effectiveness and efficiency). A quarterly leave policy asks graduate and professional students to re-assess their academic plans on a regular basis, and thus should facilitate degree completion. A quarterly leave policy, in contrast to the current year-long option, will make it more difficult for students to drift along without substantive academic planning).
2. Peer practices. Our peers allow leaves of one term (usually a semester); year long leaves are very rare (indeed, we cannot find evidence of any year-long leaves among comparable public institutions).
3. Nominal fee. The \$25 fee is a nominal one; it will defray the costs incurred to the University in processing the leave, and should not create a financial hardship for students going on leave. (Over the course of one year, the current leave fee is \$35; for a similar period of time under the new policy, the total cost would be \$75 – with no charge for summer quarter, which is consistent with general university policy).

Process/Implementation:

We will need several months to communicate the change in leave policy, and to set up procedures for processing the leaves. Consequently, this new leave policy would go into effect May 1, 2011.

3. IMPLEMENTATION OF A “RE-APPLICATION” FEE FOR GRADUATE AND PROFESSIONAL STUDENTS WHO DROP ALL UW REGISTRATION/LEAVE STATUS.

We ask the Regents to approve a Graduate School recommendation that we implement a “re-application” fee for students who drop all UW registration/leave status.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In joint session with

B. Finance, Audit and Facilities Committee

Graduate School Leave Policy and Waiver of Non-Resident Tuition – Information Only (continued p. 5)

Current Practice

1. If a UW graduate or professional student drops out (e.g., fails to register, does not go on a leave of absence), s/he must reapply for admission to UW and to a particular graduate or professional program.
2. The current application fee is \$75.

Proposed Change

Graduate and professional students who have dropped out will pay a “re-application” fee of \$250.

Rationale for Change

1. Some students drop out to avoid costs. Even with the current very liberal leave policy, ~250 graduate/professional students have dropped out of UW to avoid paying tuition or the current leave fee, and *will seek re-admission when they are ready to defend a thesis or dissertation.* We do not want to create an incentive for even more students to drop out (if the new leave policy is adopted). Note: many of these students, contrary to UW policy, continue to consult with faculty advisers even though they are not enrolled or on leave.
2. Departmental support. Some departments advise students to drop out to avoid tuition or fees; these departments assure students that re-entry will be easy. We want to discourage this practice.