

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Internal Lending Program Quarterly Report

*Attachment*

Internal Lending Program Quarterly Report, Quarter Ended September 30, 2009

Average  
Cost of  
Debt  
4.6%

# Internal Lending Program Quarterly Report

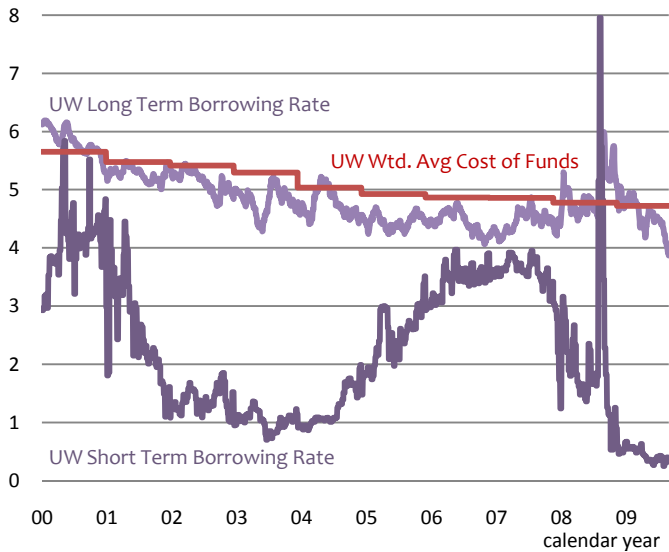
Quarter Ended September 30, 2009

(dollars in millions)

Internal  
Lending  
Rate  
5.5%

## Interest Rates

Short term rates have remained low and the yield curve continues to be steep, putting the ILP rate about 55 basis points above the long term tax exempt external rate.



## External Borrowing

The UW is planning to issue \$77M of fixed rate taxable bonds (BABs) in December 2009.

Debt Issued to Fund ILP	Issued FY10	Total Outstanding	Wtd. Avg Rate	Wtd. Avg Maturity (yrs)
Commercial Paper	2	32	0.3%	0.17
Variable Rate	0	0	n/a	n/a
Fixed Rate	0	617	4.6%	15.7
<b>ILP Total</b>	<b>2</b>	<b>649</b>	<b>4.6%</b>	<b>15.6</b>
<b>Non-ILP Debt</b>	<b>0</b>	<b>371</b>	<b>5.1%</b>	<b>13.0</b>
<b>Total Debt</b>	<b>2</b>	<b>1,020</b>	<b>4.8%</b>	<b>14.7</b>

Note: Used \$0 of \$150M authorization for FY2010.

## Internal Lending

Projects approved in the prior quarter were the HUB, ECC, & Hall Health for a total of \$155 million. Of the \$26 million funded from Internal Loans, \$18 million was for UWMC expansion.

As of 6/30/09      FY10      Total

### Approved Project Budget

Internal Loans	501	140	641
Cash	111	15	126
<b>Total Approved Budget</b>	<b>612</b>	<b>155</b>	<b>767</b>

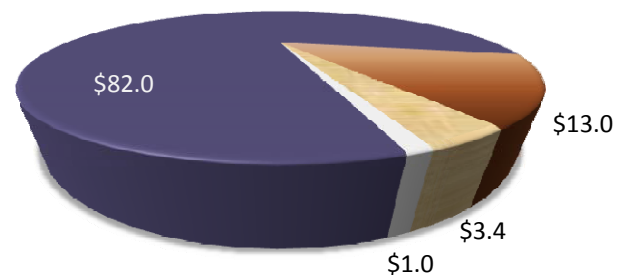
### Capital Expenditures Funded to Date

Internal Loans	20	26	46
Cash	54	18	72
<b>Total Funded to Date</b>	<b>74</b>	<b>44</b>	<b>118</b>

## Cash Position

ILP balances decreased by \$21 million primarily due to funding of internal loans.

Beginning Balance Jul-09	\$120.4
Internal Debt Service	\$14.4
External Debt Service	(\$7.4)
Net Debt Proceeds	(\$27.9)
Expenses	(\$0.1)
<b>Ending Balance Sep-09</b>	<b>\$99.4</b>



■ Project Funds      ■ Future Debt Service  
■ Debt Service Reserves      ■ Rate Stabilization Reserve

## Internal Lending Program - Approved Funding

Project Name	Date Approved	Debt	Cash	Total Approved Budget	Spent to Date (all sources)
West Campus Garage Addition	Oct-07	3	15	18	77%
UWMC Expansion	Feb-08	156	9	165	17%
AAALAC Projects	Mar-08	25	3	28	65%
Pediatric Dentistry	Mar-08	11	6	17	17%
Tower Improvements	Mar-08	13	0	13	86%
J-Wing	Jul-08	16	8	24	4%
PACCAR Business School	Jul-08	30	65	95	34%
AAALAC Budget Increase	Nov-08	7	0	7	0%
Housing Phase 1	May-09	164	0	164	1%
Alumni Association TI's	May-09*	2	0	2	26%
Molecular Engineering	Jun-09	74	5	79	7%
HUB Renovation	Jul-09	117	11	128	2%
ECC Renovation	Jul-09	15	1	16	3%
Hall Health Renovation	Jul-09	8	3	11	3%
<b>Total</b>		<b>641</b>	<b>126</b>	<b>767</b>	<b>15%</b>

\* Note: approved under delegated authority.

## Project Funding By Source - Actual and Projected

