

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Internal Lending Program Quarterly Report for Quarter Ended March 31, 2010

For information only.

*Attachment*

Internal Lending Program Quarterly Report for Quarter Ended March 31, 2010

Average  
Cost of  
Debt  
4.6%

# Internal Lending Program Quarterly Report

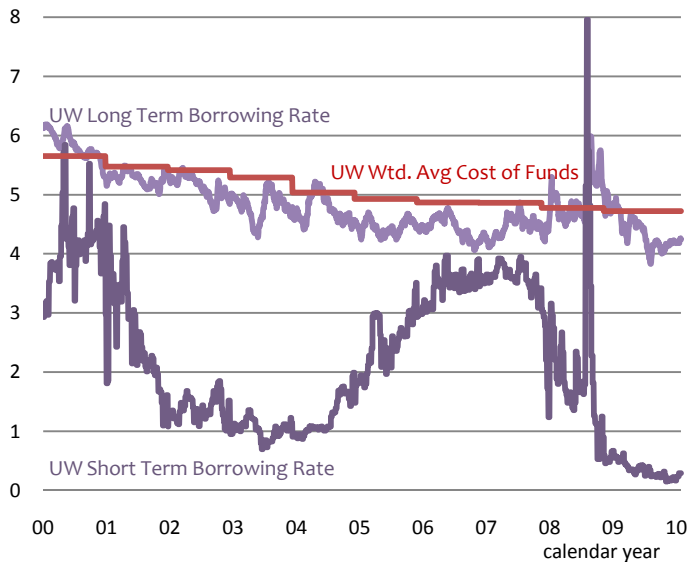
Quarter Ended March 31, 2010

(dollars in millions)

Internal  
Lending  
Rate  
5.5%

## Interest Rates

There has been a slight uptick in long term interest rates over the past quarter. Even with that change, long term borrowing rates continue to be at near historic lows.



## External Borrowing

The difference in FY10 borrowings between December & March is the change in status for the Molecular Engineering project. Debt repaid by the bond retirement account is exempt from the ILP.

Debt Issued to Fund ILP	Issued FY10	Total Outstanding	Wtd. Avg Rate	Wtd. Avg Maturity (yrs)
Commercial Paper	0	30	0.2%	0.27
Variable Rate	0	0	n/a	n/a
Fixed Rate	24	628	4.6%	15.3
<b>ILP Total</b>	<b>24</b>	<b>658</b>	<b>4.4%</b>	<b>15.2</b>
<b>Non-ILP Debt</b>	<b>54</b>	<b>420</b>	<b>4.9%</b>	<b>14.4</b>
<b>Total Debt</b>	<b>78</b>	<b>1,078</b>	<b>4.6%</b>	<b>14.9</b>

Note: Used \$78 of \$150M authorization for FY2010.

## Internal Lending

A \$34M increase (funded with cash) in the UWMC expansion project budget was approved in January 2010. Expenditures for PACCAR Business School & UWMC Expansion totaled \$22 million in the past quarter.

As of 6/30/09      FY10      Total

### Approved Project Budget

Internal Loans	449	140	589
Cash	97	49	146

**Total Approved Budget      546      189      735**

### Capital Expenditures Funded to Date

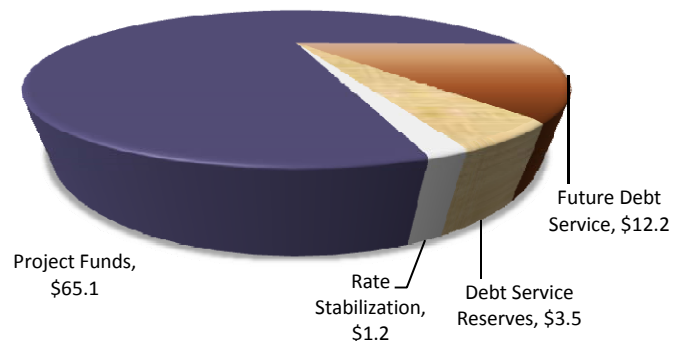
Internal Loans	19	49	68
Cash	40	68	108

**Total Funded to Date      59      117      176**

## Cash Position

The pace of funding loans continues to pick up. The large decrease in net debt proceeds from December 2009 is due to reserving \$53M in project proceeds for Molecular Engineering.

Beginning Balance Jul-09	\$120.4
Internal Debt Service	\$41.9
External Debt Service	(\$35.3)
Net Debt Proceeds	(\$44.7)
Expenses	(\$0.3)
<b>Ending Balance Mar-10</b>	<b>\$82.0</b>



### Ending Balance Composition

## Internal Lending Program - Approved Funding

Project Name	Date Approved	Debt	Cash	Total Approved Budget	Spent to Date (all sources)
UWMC Expansion	Feb-08	160	10	170	27%
AAALAC Projects	Mar-08	25	3	28	93%
Pediatric Dentistry	Mar-08	12	6	18	38%
Tower Improvements	Mar-08	13	0	13	90%
J-Wing	Jul-08	16	8	24	10%
PACCAR Business School	Jul-08	30	65	95	70%
AAALAC Budget Increase	Nov-08	7	0	7	0%
Housing Phase 1	May-09	164	0	164	4%
Alumni Association TI's	May-09*	2	0	2	32%
Molecular Engineering - ICR only	Jun-09	20	5	25	20%
HUB Renovation	Jul-09	117	11	128	4%
ECC Renovation	Jul-09	15	1	16	5%
Hall Health Renovation	Jul-09	8	3	11	7%
UWMC, Phase 1 Increase	Jan-10	0	34	34	0%
<b>Total</b>		<b>589</b>	<b>146</b>	<b>735</b>	<b>24%</b>

\* Note: approved under delegated authority.

## Project Funding By Source - Actual and Projected

