

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Internal Lending Program Quarterly Report for the Quarter Ended September 30, 2010

For information only.

Attachment

Internal Lending Program Quarterly Report, Quarter Ended September 30, 2010

Average
Cost of
Debt
4.4%

Internal Lending Program Quarterly Report

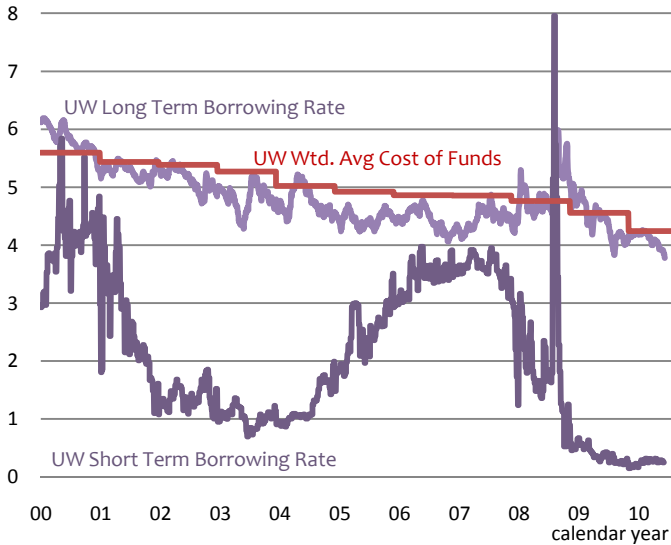
Quarter Ended September 30, 2010

(dollars in millions)

Internal
Lending
Rate
5.5%

Interest Rates

Rates continue to be at near-historic lows. The BABs program which returns 35% of interest cost to issuers is set to expire in December 2010.



External Borrowing

The University issued \$165M in long term debt in October 2010. Of that amount \$105M will be in the ILP and \$50M is reserved for Balmer Hall & Tacoma Phase 3. The remaining \$10M refunded previously issued debt.

Debt Issued to Fund ILP	Issued FY11	Total Outstanding	Wtd. Avg Rate	Wtd. Avg Maturity (yrs)
Commercial Paper	35	65	0.3%	0.06
Variable Rate	0	0	n/a	n/a
Fixed Rate	0	673	4.4%	16.4
ILP Total	35	738	4.0%	15.0
Non-ILP Debt	0	360	5.1%	12.5
Total Debt	35	1,098	4.4%	14.2

Note: Used \$155m of \$308m authorization for FY 2011.

Internal Lending

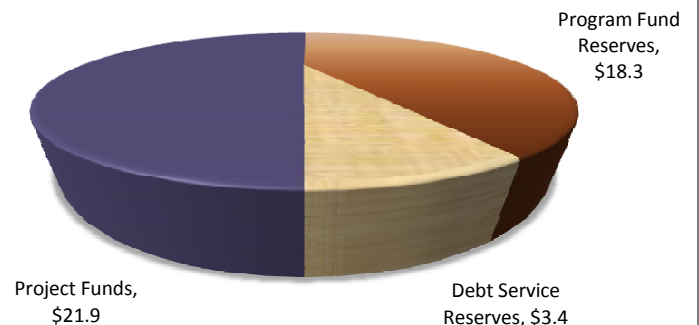
Internal loans for authorized projects continue at a rapid pace. The program has funded \$34M in expenditures since July.

	As of 6/30/10	FY11	Total
Approved Project Budget			
Internal Loans	587	0	587
Cash	146	0	146
Total Approved Budget	733	0	733
Capital Expenditures Funded to Date			
Internal Loans	100	34	134
Cash	116	10	126
Total Funded to Date	216	44	260

Cash Position

The ILP has about \$2M in rate stabilization reserves as of 9/30/10.

Beginning Balance Jul-10	\$48.6
Internal Debt Service	\$13.9
External Debt Service	(\$11.3)
Net Debt Proceeds	(\$7.5)
Expenses	(\$0.1)
Ending Balance Sep-10	\$43.6



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	41%
AAALAC Projects	Mar-08	25	3	28	94%
Pediatric Dentistry	Mar-08	12	6	18	86%
Tower Improvements	Mar-08	13	0	13	93%
J-Wing	Jul-08	16	8	24	25%
PACCAR Business School	Jul-08	30	65	95	91%
AAALAC Budget Increase	Nov-08	7	0	7	30%
Housing Phase 1	May-09	164	0	164	10%
Molecular Engineering - ICR only	Jun-09	20	5	25	20%
HUB Renovation	Jul-09	117	11	128	8%
ECC Renovation	Jul-09	15	1	16	8%
Hall Health Renovation	Jul-09	8	3	11	11%
UWMC, Phase 1 Increase	Jan-10	0	34	34	0%
Total		587	146	733	35%

* Note: approved under delegated authority. Alumni Association no longer shown this quarter (\$2M)

Project Funding By Source - Actual and Projected

