

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**Withdrawal of Funds from Michael D. and Lynn M. Garvey Endowed Fund in Entrepreneurship and Neal and Jan Dempsey Endowed Chair in Management ScienceRECOMMENDED ACTION:

The administration and the Finance, Audit and Facilities Committee recommend that the Board approve the release of restrictions on use or investment as set forth in B.1 below; and transfer and restrict the future use of the released funds as set forth in B.2 below.

1. Per the attached written donor consents, approve the release of restrictions on the use or investment of funds gifted for the Michael D. and Lynn M. Garvey Endowed Fund in Entrepreneurship and Neal and Jan Dempsey Endowed Chair in Management Science (“released funds”).
2. Transfer the released funds, and restrict the use and investment of the released funds, to the Business School Building Fund.

BACKGROUND:

The investment policy for the Consolidated Endowment Fund (CEF) delegates to the Board of Regents the authority to approve full or partial liquidation of quasi-endowments greater than \$1 million. The Garvey and Dempsey Funds are true endowments. Based on the Uniform Management of Institutional Funds Act (Chapter 24.44 RCW), the use or investment of these Funds can be redirected by governing board approval with written consent of the donor. The written consents by the Garveys and Dempseys, in the form of letters from the donors to Connie Kravas, Vice President for Development and Alumni Relations, are attached hereto.

The Garvey Endowed Fund in Entrepreneurship was invested in the CEF on January 1, 2002. The original source of the funding was \$996,999.13 from the sale of stock gifted by Michael and Lynn Garvey. No other gifts have been added to this Fund. The market value of the Fund at December 31, 2006 was \$1,266,938.

The Dempsey Endowed Chair in Management Science was invested in the CEF on July 1, 2000. The sole source of the funding was \$1,000,000 donated by Neal and Jan Dempsey. No other gifts have been added to this Fund. The market value of the Fund at December 31, 2006 was \$1,096,447.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

Withdrawal of Funds from Michael D. and Lynn M. Garvey Endowed Fund in Entrepreneurship and Neal and Jan Dempsey Endowed Chair in Management Science (continued p. 2)

The Business School's primary goal for the current fundraising campaign is a new building. Both the Garveys and the Dempseys agree there is a critical need for improved Business School facilities. For this reason, they have consented to lift any restrictions on the use or investment of the money they earlier donated to the University for the Garvey and Dempsey Funds, and have approved the redeployment of these donations to the Business School Building Fund. The balance of each endowment's operating budget may also be transferred to the building fund.

This recommendation has been reviewed by the Treasurer of the Board of Regents, the Vice-President for Development, the EVP and the Attorney General.

Attachments

Mike and Lynn Garvey  
3225 122<sup>nd</sup> Place NE  
Bellevue, WA 98005-1242

November 16, 2006

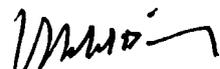
Dr. Connie Kravas  
Vice President for Development & Alumni Relations  
University of Washington  
407 Gerberding Hall, Box 351210  
Seattle, Washington 98195-1210

Dear Connie:

As stakeholders in the University of Washington and its future, we are pleased to do our part to advance education in every way we can. Specific to the Business School, it is clear that new facilities are critical to the vision Dean Jiambalvo is bringing together.

We ask that the funds related to our August 2001 commitment to create the Michael D. and Lynn M. Garvey Endowed Fund in Entrepreneurship (GARPEI, #99-0973) be redirected to The Business School Facility Fund (BBLDIN, #65-2850). This is the best use of our contribution at this pivotal time.

Sincerely,

  
Mike Garvey

Lynn Garvey



cc: Jim Jiambalvo, Steven Hatting

# BAY PARTNERS

November 13, 2006

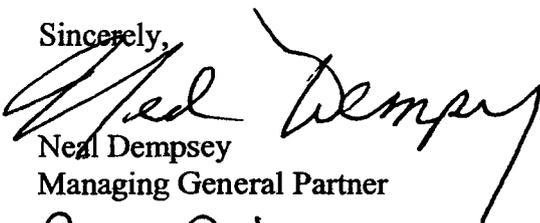
Dr. Connie Kravas  
Vice President for Development & Alumni Relations  
University of Washington  
407 Gerberding Hall, Box 351210  
Seattle, Washington 98195-1210

Dear Connie:

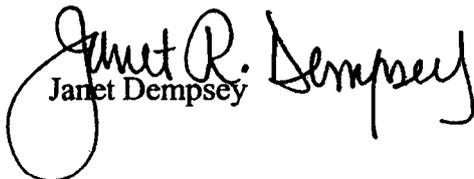
As stakeholders in the University of Washington and its future, we are pleased to do our part to advance education in every way we can. Specific to the Business School, it is clear that new facilities are critical to the vision Dean Jiambalvo is bringing together.

We ask that the funds related to our June 2000 commitment to create the Neal and Jan Dempsey Endowed Chair in Management Science (DEMPMS, #99-0818) be redirected to The Business School Facility Fund (BBLDIN, #65-2850). This is the best use of our contribution at this pivotal time.

Sincerely,



Neal Dempsey  
Managing General Partner



Janet R. Dempsey  
Janet Dempsey

cc: Jim Jiambalvo, Steven Hatting