

February 14, 2005

TO: Members of the Board of Regents  
Ex Officio Representatives to the Board of Regents

FROM: Michele M. Sams, Secretary of the Board of Regents

RE: Schedule of Meetings

**THURSDAY, FEBRUARY 17, 2005**

<b>9:00–9:45 a.m.</b>	<b>142 Gerberding Hall</b>	<b>CAPITAL ASSETS COMMITTEE:</b> Regents Jewell (Chr), Barer, Bolton, Evans, Proctor, Yapp
		<b>CAPITAL ASSETS COMMITTEE:</b> Regents Jewell (Chr), Barer, Bolton, Evans, Proctor, Yapp
<b>9:45–11:30 a.m.</b>	<b>142 Gerberding Hall</b>	<i>In Joint Session with</i> <b>FINANCE AND AUDIT COMMITTEE:</b> Regents Yapp (Chr), Barer, Cole, Gates, Jewell, Kiga
<b>11:30 a.m.-12:30 p.m.</b>	<b>142 Gerberding Hall</b>	<b>COMMITTEE OF THE WHOLE:</b> Regents Brotman (Chr), Barer, Bolton, Cole, Evans, Gates, Jewell, Kiga, Proctor, Yapp
<b>12:45–12:55 p.m.</b>	<b>142 Gerberding Hall</b>	<b>FINANCE AND AUDIT COMMITTEE:</b> Regents Yapp (Chr), Barer, Cole, Gates, Jewell, Kiga
		<b>FINANCE AND AUDIT COMMITTEE:</b> Regents Yapp (Chr), Barer, Cole, Gates, Jewell, Kiga
<b>12:55–1:40 p.m.</b>	<b>142 Gerberding Hall</b>	<i>In Joint Session with</i> <b>ACADEMIC &amp; STUDENT AFFAIRS COMMITTEE:</b> Regents Gates (Chr), Bolton, Cole, Evans, Kiga, Proctor
<b>1:40–2:50 p.m.</b>	<b>142 Gerberding Hall</b>	<b>ACADEMIC &amp; STUDENT AFFAIRS COMMITTEE:</b> Regents Gates (Chr), Bolton, Cole, Evans, Kiga, Proctor
<b>3:00 p.m.</b>	<b>Peterson Room Allen Library</b>	<b>SPECIAL MEETING OF BOARD OF REGENTS</b>
<b>4:00–5:00</b>	<b>Peterson Room Allen Library</b>	<b>COMMITTEE OF THE WHOLE:</b> Regents Brotman (Chr), Barer, Bolton, Cole, Evans, Gates, Jewell, Kiga, Proctor, Yapp

**ENCLOSURES:** Agendas for Committees



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

February 14, 2005

**TO:** Members of the Academic and Student Affairs Committee  
Regents Gates (Chair), Bolton, Cole, Evans, Kiga, Proctor

**FROM:** Michele M. Sams, Secretary of the Board of Regents

**RE:** Meeting of Committee on 2/17/05 (1:40–2:50 p.m., 142 Gerberding Hall)

The following topics are noted for discussion at the meeting of the committee on *Thursday, February 17*. Items requiring action by the full Board of Regents are marked "DRAFT."

1. **Academic and Administrative Appointments** ACTION A-1  
David B. Thorud, Acting Provost and Vice President for  
Academic Affairs
2. **Approval of Proposed Amendments to the University of  
Washington Book Store Trust** ACTION A-2  
V'ella Warren, Treasurer of the Board of Regents  
Bryan Pearce, Chief Executive Officer, University  
Bookstore
3. **Student Learning Goals** INFORMATION A-3  
George S. Bridges, Dean and Vice Provost, Undergraduate  
Education  
Christine Ingebritsen, Associate Dean & Associate Vice  
Provost, Office of Undergraduate Education  
David C. Hodge, Dean, College of Arts and Sciences
4. **Other Business** INFORMATION



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

February 14, 2005

**TO: Members of the Capital Assets Committee**  
Regents Jewell (Chair), Barer, Bolton, Evans, Proctor, Yapp

**FROM: Michele M. Sams, Secretary of the Board of Regents**

**RE: Meeting of Committee on 2/17/05 (9–9:45 a.m., 142 Gerberding Hall)**

The following topics are noted for discussion at the meeting of the committee on *Thursday, February 17*. Items requiring action by the full Board of Regents are marked "DRAFT."

1. **Actions Taken Under Delegated Authority** **INFORMATION** C-1  
Weldon E. Ihrig, Executive Vice President  
Richard Chapman, Associate V. P. for Capital Projects  
Kerry L. Kahl, Director, Purchasing and Stores
2. **Metropolitan Tract Quarterly Report** **INFORMATION** C-2  
Weldon E. Ihrig  
Jeanette L. Henderson, Director of Real Estate  
Lisa L. Stewart, Principal, Urbis Partners, LLC
3. **UNICO Properties Inc., 2005 Capital Improvement Plan** **ACTION** C-3  
Weldon E. Ihrig  
Jeanette L. Henderson  
Lisa L. Stewart
4. **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 decreased price) **INFORMATION**
5. **Other Business** **INFORMATION**  
Weldon E. Ihrig



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

February 14, 2005

**TO: Members of the Capital Assets Committee**  
Regents Jewell (Chair), Barer, Bolton, Evans, Proctor, Yapp

*In Joint Sessions with*

**Members of the Finance and Audit Committee**  
Regents Yapp (Chair), Barer, Cole, Gates, Jewell, Kiga

**FROM: Michele M. Sams, Secretary of the Board of Regents**

**RE: Meeting of Committee on 2/17/05 (9:45 a.m.–11:30 p.m., 142 Gerberding Hall)**

The following topics are noted for discussion at the meeting of the committee on *Thursday, February 17*. Items requiring action by the full Board of Regents are marked "DRAFT."

1. **UW Medicine** **INFORMATION** C-4  
**Bruce Ferguson**, Associate Vice President, Chief  
Financial Officer, Office of the Vice President for Medical  
Affairs
2. **UW Research Space** **INFORMATION** C-5  
**Harlan Patterson**, Vice Provost for Planning and  
Budgeting
3. **UW Medicine Research Facilities: South Lake Union** **INFORMATION** C-6  
**Paul G. Ramsey**, Vice President for Medical Affairs, Dean  
of the School of Medicine  
**Scott Davies**, Senior Associate Treasurer, Treasury Office



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

February 14, 2005

**TO: Members of the Finance and Audit Committee**  
Regents Yapp (Chair), Barer, Cole, Gates, Jewell, Kiga

**FROM: Michele M. Sams, Secretary of the Board of Regents**

**RE: Meeting of Committee on 2/17/05 (12:45–12:55 p.m., 142 Gerberding Hall)**

The following topics are noted for discussion at the meeting of the committee on *Thursday, February 17*. Items requiring action by the full Board of Regents are marked "DRAFT."

1. **Grant and Contract Awards – December, 2004** **ACTION** F–2  
**Weldon E. Ihrig**, Executive Vice President
2. **Report of Contributions - December, 2004** **INFORMATION** F–1  
**Walter G. Dryfoos**, Associate Vice President for  
Development, Advancement Services  
**Connie Kravas**, Vice President for Development and Alumni  
Relations
3. **Other Business** **INFORMATION**



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

February 14, 2005

**TO: Members of the Finance and Audit Committee**  
Regents Yapp (Chair), Barer, Cole, Gates, Jewell, Kiga

*In Joint Sessions with*

**Members of the Academic and Student Affairs Committee**  
Regents Gates (Chair), Bolton, Cole, Evans, Kiga, Proctor

**FROM: Michele M. Sams, Secretary of the Board of Regents**

**RE: Meeting of Committee on 2/17/05 (12:55–1:40 p.m., 142 Gerberding Hall)**

The following topics are noted for discussion at the meeting of the committee on *Thursday, February 17*. Items requiring action by the full Board of Regents are marked "DRAFT."

1. **Fiscal Year 2006 Tuition**  
**Harlan F. Patterson**, Vice Provost for Planning and  
Budgeting  
**Gary R. Quarfoth**, Associate Vice Provost

**INFORMATION**

F-3



UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS

February 14, 2005

**TO:** **Members of the Committee of the Whole**  
Regents Brotman (Chair), Barer, Bolton, Cole, Evans, Gates, Jewell,  
Kiga, Proctor, Yapp

**FROM:** **Michele M. Sams, Secretary of the Board of Regents**

**RE:** **Meeting of Committee on 2/17/05 (11:30 a.m.–12:30 p.m., 142 Gerberding Hall)**

The following topics are noted for discussion at the meeting of the committee on *Thursday, February 17*. Items requiring action by the full Board of Regents are marked "DRAFT."

1. Discussions of Board Communications **INFORMATION**

## AGENDA

### SPECIAL MEETING of the BOARD OF REGENTS University of Washington

February 17, 2005  
3:00 p.m. – Peterson Room, Allen Library

- I.       **CALL TO ORDER** (Item No.)
- II.       **ROLL CALL**
- III.       **CONFIRM AGENDA**
- IV.       **REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Brotman**
- V.        **REPORT OF THE UNIVERSITY PRESIDENT: Dr. Emmert**
- VI.       **CONSENT AGENDA**
- Approval of Minutes of Meeting of January 20, 2005
- Approval of Proposed Amendments to the University of Washington Book Store Trust A-2
- Grant and Contract Awards F-2
- UNICO Properties Inc., 2005 Capital Improvement Plan C-3
- VII.      **STANDING COMMITTEES**
- A. Academic and Student Affairs Committee: Regent Gates - Chair**
- Academic and Administrative Appointments (**ACTION**) A-1
- Student Learning Goals (Information only) A-3
- B. Finance and Audit Committee: Regent Yapp - Chair**
- Report of Contributions - December, 2004 (Information only) F-1
- Joint Session*
- B. Finance and Audit Committee: Regent Yapp - Chair**
- A. Academic and Student Affairs Committee: Regent Gates - Chair**
- Fiscal Year 2006 Tuition (Information only) F-3



**C. Capital Assets Committee: Regent Jewell - Chair**

Actions Taken Under Delegated Authority (Information only)	C-1
Metropolitan Tract Quarterly Report (Information only)	C-2

*Joint Session*

**C. Capital Assets Committee: Regent Jewell - Chair**

**B. Finance and Audit Committee: Regent Yapp - Chair**

UW Medicine	C-4
UW Research Space	C-5
UW Medicine Research Facilities: South Lake Union	C-6

**Committee of the Whole: Regent Brotman – Chair**

Discussions of Board Communications (Information only)

**VIII. OTHER BUSINESS**

Reports from ex officio representatives to the Board:

**ASUW President – Ms. Kelsey Knowles**

**GPSS President – Mr. Adam Grupp**

**Alumni Association President – Ms. Karen Lee**

**Faculty Senate Chair – Professor G. Ross Heath**

**IX. DATE OF NEXT REGULAR MEETING: Thursday, March 17, 2005**

**X. EXECUTIVE SESSION**

**XI. ADJOURNMENT**

## MINUTES

### **SPECIAL MEETING of the BOARD OF REGENTS University of Washington**

**February 17, 2005**

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

The Board of Regents held its special meeting on Thursday, February 17, 2005, beginning at 3:00 p.m. in the Walker-Ames Room, Kane Hall. The Regents met in a noon session as the Committee of the Whole. The notice of the meetings was appropriately provided to the public and the press.

#### **CALL TO ORDER**

#### **ROLL CALL**

The Assistant Secretary called the roll: Present were Regents Brotman (presiding), Barer, Bolton, Cole, Evans (via conference telephone), Gates, Jewell, Kiga, Proctor, Yapp; Dr. Emmert, Dr. Thorud, Ms. Warren, Ms. Keith, Ms. Sams; ex officio representatives: Ms. Kelsey Knowles, Mr. Adam Grupp, Ms. Karen Lee, Professor G. Ross Heath.

#### **CONFIRM AGENDA**

The agenda was confirmed as presented.

#### **REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Brotman**

Regent Brotman began by inviting the ex-officio representative to participate in conversation that occur at the Board meetings. He also encouraged them, to the extent that they are available, to participate in the committee meetings.

Mr. Brotman then announced that the Board will continue holding all of its meetings on the third Thursday of the month. The day will start with a meeting of a working group composed of the chairs of the committees, the chair and vice chair of the Board and the President. The number of standing committees will be reduced from three to two, combining the Capital Assets Committee with the Finance & Audit Committee, while maintaining the Academic and Student Affairs Committee. The Board will continue to convene meetings of the Committee of the Whole during the lunch hour. At the conclusion of Board meetings, the working group again will meet to plan the next months' agenda. It was noted that amendments to the Board bylaws will be on the March agenda.

#### **REPORT OF THE UNIVERSITY PRESIDENT: Dr. Emmert**

President Emmert reported that the administration continues to work toward filling key administrative positions, and that good progress is being made on the search for a new provost. He noted that with the impending departure of Dr. George Bridges, Dean of Undergraduate Education, who will become President of Whitman College; and Dr. Ernest Morris, Vice President of Student Affairs, who will retire at the end of the calendar year, he plans to assemble a group to review the nature of the undergraduate experience at the University of Washington. Once that process has been completed, he will seek guidance from the Regents.

Randy Hodgins provided a brief update on legislative affairs, noting that the 59<sup>th</sup> legislative session is more than one-third of the way completed. He reported that the bill to establish a Washington Academy of Sciences continues to look promising. If passed, the University of Washington and Washington State University will collaborate on a proposal to establish the Academy for Washington State.

President Emmert then introduced Dr. Matthew Spark, Associate Professor in Geography and International Studies, who spoke about his teaching experience at the University of Washington. His presentation addressed three areas; balancing teaching and research, developing good global education, and developing and making diversity work.

## **CONSENT AGENDA**

Regent Brotman noted there were 4 items for approval on the consent agenda, and called for a motion.

**MOTION:** Upon the recommendation of the President of the Board and the motion made by Regent Jewell, seconded by Regent Proctor, the Board voted to approve the 4 items on the consent agenda as shown below:

### **Minutes for the meeting of January 20, 2005**

#### **Approval of Proposed Amendments to the University of Washington Book Store Trust (Agenda no. A-2)**

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the following proposed amendments to the University of Washington Book Store Trust:

1. To increase the University Book Store Board of Trustees from nine members to eleven members by adding a fifth UW student trustee to be appointed by either the ASUW or the GPSS based on mutual agreement and the chief executive officer of the University Book Store. The chief executive officer would not be eligible to hold President (Chair) or Vice President (Vice Chair) positions on the board and would not be eligible to vote on issues relating to the chief executive position.
2. To make each of the terms of the five UW student trustees, four UW faculty trustees and the UW administrative trustee three years. In the event a trustee is unable to

- complete a term, a new trustee would be appointed to complete the remaining board year term, if applicable, and their full three-year term would commence on the following July 1st.
3. To approve revisions to the University of Washington Book Store Trust document to reflect the amendments and for accuracy and relevancy.

(See Attachment A-2)

**Grant and Contract Awards – December 2004** (Agenda no. F-2)

It was the recommendation of the Finance and Audit Committee and the administration that the Board of Regents accepted Grant and Contract Awards for the month of December 2004, in the total amount of \$45,825,972.

(See Attachment F-2)

**Unico Properties Inc., 2005 Capital Improvement Plan** (Agenda no. C-3)

It was the recommendation of the Capital Assets Committee and the administration that the Board of Regents approve reimbursement of up to \$9.2 million in capital expenditures by Unico Properties, Inc., for rehabilitation and modernization projects requested in its 2004 Capital Improvement Plan for office buildings on the Metropolitan Tract. The \$9.2 million is comprised of \$6.8 million for capital improvements and up to \$2.4 million for tenant improvements.

(See Attachment C-3)

**STANDING COMMITTEES**

**ACADEMIC AND STUDENT AFFAIRS COMMITTEE:** Regent Gates, Chair

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

Regent Gates highlighted the appointments noted below.

**Professor Eva Cherniavsky** was nominated for the Andrew R. Hilen Jr. Endowed Professorship in English. Professor Cheriavsky received her Ph.D. in 1990 from the University of California, Berkeley. She has served in the Department of English at Indiana University since 1990. Her research is focused on American literature of the past three centuries. Andrew Hilen, Jr. was a faculty member in the department of English at the University of Washington from 1945 until his retirement in 1976. This endowment was established to foster distinguished scholarship and teaching in the field of American literature.

**Professors Barbara Wakimoto and Toby Bradshaw** were nominated for the Washington Research Foundation Endowed Professorship in Basic Biological Sciences. Professor Wakimoto received her Ph.D. in 1981 from Indiana University. She is a

geneticist and a developmental biologist. Dr. Wakimoto is nationally recognized for her research in molecular and cellular biology. Professor Bradshaw received his Ph.D. in 1984 from Louisiana State University. His research takes contemporary genetics out of the lab and into the field to study the ecology and evolution of natural populations of organisms. The Washington Research Foundation is responsible for contributing nearly thirty individual gifts to the University of Washington in support of research and entrepreneurship.

**Professor Patricia Moy** was nominated for the Christy Cressey Endowed Professorship. Professor Moy received her Ph.D. in 1988 from the University of Washington. Her expertise is in public opinion research and international communications. She serves as Communications Graduate Program Coordinator. Christy Cressey earned her B.A. in 1977 from the University of Washington in French and Editorial Journalism. This endowment was established to support the Department of Communication's ability to recruit and retain outstanding faculty.

**Professor Craig Rubens** was nominated for the Children's Hospital Guild Association Endowed Chair for Pediatric Infectious Disease Research. Dr. Rubens received his M.D. in 1982 from the University of Washington. He currently serves as Chief of the Division of Infectious Diseases, Immunology, and Rheumatology as well as Director of the Pediatric Infectious Disease Training Program. This endowment is administered by Children's Hospital and Regional Medical Center.

**MOTION:** Upon the recommendation of the administration and the motion made by Regent Proctor, seconded by Regent Yapp, the Board voted to approve the personnel appointments displayed on Agenda no. A-1: (Regent Bolton abstained from the discussion and vote.)

(See Attachment A-1)

**FINANCE AND AUDIT COMMITTEE: Regent Kiga, Vice Chair**

Regent Kiga noted that the committee adopted the December 2004 Grant and Contract Awards, which were noted on the consent agenda. He reported that Dr. Connie Kravas and Mr. Walter Dryfoos presented the Report of Contributions. Total private support received through December 2004 was \$130,548,045.

**CAPITAL ASSETS COMMITTEE: Regent Jewell, Chair**

Regent Jewell reported that the Capital Assets and Finance and Audit Committees meet jointly and heard three informative presentations related to the overall structure of the University of Washington Medicine Organization, University of Washington Research Space and the University of Washington Research Facilities at South Lake Union.

(See Attachments C-4, C-5 and C-6)

## REPORTS FROM EX OFFICIO REPRESENTATIVES TO THE BOARD OF REGENTS

### **ASUW President:** Ms Kelsey Knowles

Ms. Knowles shared highlights of her participation in the Tuesday, February 15, Higher Education Day in Olympia. Sponsored by the four-year institutions in Washington, the annual event promotes awareness of higher education issues in the Legislature. She reported that ASUW students helped develop a bill which would recognize the statewide student organization for the State's public four-year institutions and establish a mandatory statewide student association fee to be assessed on all students (unless students voluntarily choose not to have the fee assessed). If passed, this legislation creates the means for students to have a full-time staff member in Olympia to assist in educating students on issues of higher education. In closing, she reminded everyone that February is Black History Month and noted that the Black Student Commission is working on meaningful and fun events to celebrate.

### **GPSS President:** Mr. Adam Grupp

Mr. Grupp indicated how pleased he was with the collaboration between the ASUW and GPSS and with the positive responses received from lawmakers on a number of issues. In particular, he noted House Bill #2043, which would establish a pilot program in the employment security department to coordinate job placement activities and resources for graduate and professional students at the University of Washington and Washington State University career services department; and Senate Bill #5910, which would establish a loan repayment assistance program for University of Washington law school graduates who establish careers in public service. In closing, Mr. Grupp noted that another annual celebration of Graduate and Professional Student Week would conclude on Friday. Mr. Grupp took the opportunity to express his appreciation for the unwavering public and private support to help graduate students be successful.

### **Alumni Association President:** Ms. Karen Lee

Ms. Lee announced that she was recently appointed as the 22<sup>nd</sup> Commissioner of the Employment Securities Department. This elicited a round of applause from the Regents and others attending the meeting. Ms. Lee then remarked on the Alumni Association bus trip to Olympia to participate in Higher Education Day, Tuesday, February 15. She said all those who attended were surprised to learn of the diminished level of state support for undergraduate students. She offered the Alumni Association's support in whatever capacity it may be needed to solicit greater support from the state.

### **Faculty Senate Chair:** Professor G. Ross Heath

Professor Heath said he had been inspired by the Committee of the Whole discussion, which took place earlier in the day, to scale back the amount of time Board committees spend on more routine activities and to once again allocate time for educational presentations. He then suggested the Board give thought to maintaining systematic contact with the faculty and students, noting that most of the creative ideas and new

programs come from within the faculty ranks. He hypothesized that if at every Board meeting each of the Regents met with a dean, two faculty members and a student from a particular school or college, potentially over the course of a six-year term, Regents would talk to dean and students more than 500 times and over 1,000 times with faculty members.

#### **FEBRUARY 17 FOR NEXT MEETING**

The next regular meeting of the Board of Regents will be held on Thursday, March 17, 2005, on campus.

#### **EXECUTIVE SESSION**

Regent Brotman called for the Regents and others to meet in an executive session to discuss with legal counsel representing the University legal risks of a proposed action or current practice that the University has identified when public discussion of the legal risks is likely to result in an adverse legal or financial consequence to the agency

#### **ADJOURNMENT**

The regular meeting reconvened and was adjourned at 4:40 p.m.

A handwritten signature in black ink, appearing to read "Michele M. Sams", written in a cursive style.

Michele M. Sams  
Secretary of the Board of Regents

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

Attachment: Personnel Recommendations



## **RESERVE OFFICERS TRAINING CORPS**

### DEPARTMENT OF AEROSPACE STUDIES

#### **NEW APPOINTMENTS**

##### **WHITE, PAUL K.**

(BS, 1978, TROY STATE UNIVERSITY; MA, 1979, UNIVERSITY OF OKLAHOMA) TO BE PROFESSOR OF AEROSPACE STUDIES PAID DIRECT BY SOURCES OTHER THAN THE UNIVERSITY EFFECTIVE 6/1/2005. (COLONEL WHITE IS CURRENTLY COMMANDER OF THE 36TH AIR EXPEDITIONARY WING AT ANDERSON AIR FORCE BASE, GUAM.)

##### **ZORIJ, MICHAEL**

(BS, 2001, SOUTHERN ILLINOIS UNIVERSITY) TO BE ASSISTANT PROFESSOR OF AEROSPACE STUDIES PAID DIRECT BY SOURCES OTHER THAN THE UNIVERSITY EFFECTIVE 6/1/2005. (LT ZORIJ IS CURRENTLY AN ELECTRONIC WARFARE SYSTEMS JOURNEYMAN IN THE 16TH COMPONENT REPAIR SQUADRON, HURLBURT FIELD, FLORIDA.)

### DEPARTMENT OF MILITARY SCIENCE

#### **NEW APPOINTMENTS**

##### **LEADY, WILLIAM**

(BS, 1987, US MILITARY ACADEMY; MS, 1997, PURDUE UNIVERSITY) TO BE PROFESSOR OF MILITARY SCIENCE PAID DIRECT BY SOURCES OTHER THAN THE UNIVERSITY EFFECTIVE 8/1/2005. (LT COL LEADY IS CURRENTLY A STAFF ENGINEER IN THE CIVILIAN-MILITARY OPERATIONS SECTION IN KABUL, AFGHANISTAN.)

## **COLLEGE OF ARCHITECTURE AND URBAN PLANNING**

### DEPARTMENT OF ARCHITECTURE

#### **NEW APPOINTMENTS**

##### **HUBER, NICOLE**

(BA, 1991, DARMSTADT UNIVERSITY OF TECH (GERMANY); MArch, 2001, UNIVERSITAT DER KUNSTE, BERLIN) TO BE ACTING ASSISTANT PROFESSOR OF ARCHITECTURE AT A SALARY RATE OF \$50,004 OVER NINE MONTHS, EFFECTIVE 2/1/2005.

### AMERICAN ETHNIC STUDIES

#### **ADMINISTRATIVE APPOINTMENTS**

##### **FLORES, LAURO HUGO**

(BA, 1973, UNIVERSITY OF CALIFORNIA (SAN DIEGO); PHD, 1980, UNIVERSITY OF CALIFORNIA (SAN DIEGO)) TO BE ACTING CHAIR OF AMERICAN ETHNIC STUDIES, EFFECTIVE 1/2/2005. (DR. FLORES WILL CONTINUE AS PROFESSOR OF AMERICAN ETHNIC STUDIES AND ADJUNCT PROFESSOR OF SPANISH AND PORTUGUESE.)

### DEPARTMENT OF ANTHROPOLOGY

#### **NEW APPOINTMENTS**

##### **HOFFMAN, DANIEL**

(BA, 1994, PRINCETON UNIVERSITY; MA, 2001, DUKE UNIVERSITY; PHD, 2004, DUKE UNIVERSITY) TO BE ASSISTANT PROFESSOR OF ANTHROPOLOGY AT A SALARY RATE OF \$52,002 OVER NINE MONTHS, EFFECTIVE 12/30/2004. (PHD AWARDED DECEMBER 2004 FROM DUKE UNIVERSITY.)

### DEPARTMENT OF BIOLOGY

## **ENDOWED APPOINTMENTS**

### **BRADSHAW, HARVEY (TOBEY)**

(BS, 1979, EAST CAROLINA UNIVERSITY; PHD, 1984, LOUISIANA STATE UNIVERSITY) TO BE HOLDER OF THE WASHINGTON RESEARCH FOUNDATION ENDOWED PROFESSORSHIP IN BASIC BIOLOGICAL SCIENCE OVER NINE MONTHS, EFFECTIVE 1/1/2005. (PROFESSOR BRADSHAW WILL CONTINUE AS PROFESSOR OF BIOLOGY.)

### **WAKIMOTO, BARBARA TOSHIKO**

(BS, 1976, ARIZONA STATE UNIVERSITY; PHD, 1981, INDIANA UNIVERSITY) TO BE HOLDER OF THE WASHINGTON RESEARCH FOUNDATION ENDOWED PROFESSORSHIP IN BASIC BIOLOGICAL SCIENCE OVER NINE MONTHS, EFFECTIVE 1/1/2005. (PROFESSOR WAKIMOTO WILL CONTINUE AS PROFESSOR OF BIOLOGY AND ADJUNCT PROFESSOR OF GENOME SCIENCES.)

## DEPARTMENT OF COMMUNICATION

### **ENDOWED APPOINTMENTS**

#### **MOY, PATRICIA**

(BS, 1989, CORNELL UNIVERSITY; MS, 1993, CORNELL UNIVERSITY; PHD, 1998, UNIVERSITY OF WASHINGTON) TO BE HOLDER OF THE CHRISTY CRESSEY ENDOWED PROFESSORSHIP OVER NINE MONTHS, EFFECTIVE 9/16/2005. (PROFESSOR MOY WILL CONTINUE AS ASSOCIATE PROFESSOR OF COMMUNICATION AND ADJUNCT ASSOCIATE PROFESSOR OF POLITICAL SCIENCE.)

## DEPARTMENT OF EARTH AND SPACE SCIENCES

### **NEW APPOINTMENTS**

#### **AALTO, ROLF**

(BA, 1993, UNIVERSITY OF CALIFORNIA (BERKELEY); MS, 1995, UNIVERSITY OF WASHINGTON; PHD, 2002, UNIVERSITY OF WASHINGTON) TO BE RESEARCH ASSISTANT PROFESSOR OF EARTH AND SPACE SCIENCES AT A SALARY RATE OF \$68,040 OVER TWELVE MONTHS, EFFECTIVE 1/16/2005. (PRIOR TO THIS APPOINTMENT, DR. AALTO WAS A RESEARCH ASSOCIATE IN THE SAME DEPARTMENT.)

#### **MATSUOKA, KENICHI**

(BS, 1995, HOKKAIDO UNIVERSITY (JAPAN); MS, 1997, HOKKAIDO UNIVERSITY (JAPAN); PHD, 2002, HOKKAIDO UNIVERSITY (JAPAN)) TO BE RESEARCH ASSISTANT PROFESSOR OF EARTH AND SPACE SCIENCES AT A SALARY RATE OF \$66,000 OVER TWELVE MONTHS, EFFECTIVE 5/16/2005. (PRIOR TO THIS APPOINTMENT, DR. MATSUOKA WAS A RESEARCH ASSOCIATE IN THE SAME DEPARTMENT.)

## **COLLEGE OF ARTS AND SCIENCES**

## DEPARTMENT OF PSYCHOLOGY

### **NEW APPOINTMENTS**

#### **MURRAY, SCOTT O.**

(BA, 1993, UNIVERSITY OF OREGON; MA, 1997, UNIVERSITY OF HAWAII; PHD, 2002, UNIVERSITY OF CALIFORNIA (DAVIS)) TO BE ASSISTANT PROFESSOR OF PSYCHOLOGY AT A SALARY RATE OF \$64,503 OVER NINE MONTHS, EFFECTIVE 9/16/2005. (PRIOR TO THIS APPOINTMENT, DR. MURRAY WAS A POST-DOCTORAL FELLOW AT THE UNIVERSITY OF MINNESOTA.)

## DEPARTMENT OF ENGLISH

### **NEW APPOINTMENTS**

#### **CHERNAVSKY, EVA**

(BA, 1982, UNIVERSITY OF CALIFORNIA (BERKELEY); PHD, 1990, UNIVERSITY OF CALIFORNIA (BERKELEY)) TO BE PROFESSOR OF ENGLISH AT A SALARY RATE OF \$81,000 OVER NINE MONTHS, EFFECTIVE 7/1/2005. (DR. CHERNAVSKY WILL ALSO BE HOLDER OF THE ANDREW R. HILEN JR. ENDOWED PROFESSORSHIP IN ENGLISH. DR CHERNAVSKY IS CURRENTLY ASSOCIATE PROFESSOR OF ENGLISH AND DIRECTOR OF THE GRADUATE PROGRAM IN AMERICAN STUDIES AT INDIANA UNIVERSITY)

**FOSTER, THOMAS R.**

(BA, 1982, NORTHEAST LOUISIANA UNIVERSITY; MA, 1984, UNIVERSITY OF TEXAS (AUSTIN); PHD, 1990, UNIVERSITY OF WISCONSIN) TO BE PROFESSOR OF ENGLISH AT A SALARY RATE OF \$81,000 OVER NINE MONTHS, EFFECTIVE 9/16/2005. (DR. FOSTER IS CURRENTLY ASSOCIATE PROFESSOR OF ENGLISH AND DIRECTOR OF THE CULTURAL STUDIES PROGRAM AT INDIANA UNIVERSITY)

**COLLEGE OF ENGINEERING**

DEPARTMENT OF ELECTRICAL ENGINEERING

**NEW APPOINTMENTS**

**MAKRIS, YIORGOS**

(MS, 1997, UNIVERSITY OF CALIFORNIA (SAN DIEGO); PHD, 2001, UNIVERSITY OF CALIFORNIA (SAN DIEGO)) TO BE VISITING ASSISTANT PROFESSOR OF ELECTRICAL ENGINEERING PAID DIRECT BY YALE UNIVERSITY EFFECTIVE 1/16/2005. (DR. MAKRIS IS AN ASSISTANT PROFESSOR OF ELECTRICAL ENGINEERING AT YALE UNIVERSITY.)

**SCHOOL OF SOCIAL WORK**

SOCIAL WORK

**NEW APPOINTMENTS**

**GAVIN, AMELIA RYLE**

(BA, 1989, UNIVERSITY OF WISCONSIN; MSW, 2000, UNIVERSITY OF MICHIGAN; PHD, 2004, UNIVERSITY OF MICHIGAN) TO BE ASSISTANT PROFESSOR OF SOCIAL WORK AT A SALARY RATE OF \$65,007 OVER NINE MONTHS, EFFECTIVE 12/19/2004. (PHD AWARDED DECEMBER 2004 FROM THE UNIVERSITY OF MICHIGAN.)

**SCHOOL OF DENTISTRY**

DEPARTMENT OF DENTAL PUBLIC HEALTH SCIENCES

**NEW APPOINTMENTS**

**KAIYALA, KARL**

(BA, 1982, UNIVERSITY OF WASHINGTON; MS, 1984, UNIVERSITY OF WASHINGTON; PHD, 1997, UNIVERSITY OF WASHINGTON) TO BE RESEARCH ASSISTANT PROFESSOR OF DENTAL PUBLIC HEALTH SCIENCES AT A SALARY RATE OF \$63,624 OVER TWELVE MONTHS, EFFECTIVE 1/1/2005. (PRIOR TO THIS APPOINTMENT, DR. KAIYALA WAS AN ACTING ASSISTANT PROFESSOR-TEMPORARY IN THE SAME DEPARTMENT.)

DEPARTMENT OF PERIODONTICS

**ADMINISTRATIVE APPOINTMENTS**

**ROBERTSON, PAUL B.**

(BA, 1962, UNIVERSITY OF TEXAS (AUSTIN); DDS, 1966, UNIVERSITY OF TEXAS (HOUSTON); MS, 1972, UNIVERSITY OF ALABAMA) TO BE ACTING CHAIR OF PERIODONTICS, EFFECTIVE 1/1/2005. (DR. ROBERTSON WILL CONTINUE AS PROFESSOR IN THE SAME DEPARTMENT.)

**NEW APPOINTMENTS**

**FLEMMIG, THOMAS**

(DMD, 1985, ALBERT LUDWIG UNIVERSITAT (GERMANY); PHD, 1992, JULIUS MAXIMILIANS UNIVERSITY (GERMANY); MBA, 2005, DUKE UNIVERSITY) TO BE CHAIR AND PROFESSOR OF PERIODONTICS AT A SALARY RATE OF \$160,008 OVER TWELVE MONTHS, EFFECTIVE 6/15/2005. (PRIOR TO THIS APPOINTMENT, DR. FLEMMIG WAS PROFESSOR AND CHAIR OF PERIODONTOLOGY AT WESTFALIAN-WILHELM UNIVERSITY, GERMANY.)

# SCHOOL OF MEDICINE

## DEPARTMENT OF MEDICINE

### **NEW APPOINTMENTS**

#### **CHANG, MARY Y.**

(BS, 1985, MASSACHUSETTS INSTITUTE OF TECHNOLOGY; PHD, 1991, MASSACHUSETTS INSTITUTE OF TECHNOLOGY) TO BE RESEARCH ASSISTANT PROFESSOR OF MEDICINE AT A SALARY RATE OF \$65,040 OVER TWELVE MONTHS, EFFECTIVE 1/2/2005. (PRIOR TO THIS APPOINTMENT, DR. CHANG WAS AN ACTING ASSISTANT PROFESSOR-TEMPORARY IN THE SAME DEPARTMENT.)

#### **SWEET, IAN RICHARD**

(BS, 1984, PURDUE UNIVERSITY; PHD, 1993, UNIVERSITY OF WASHINGTON) TO BE RESEARCH ASSISTANT PROFESSOR OF MEDICINE AT A SALARY RATE OF \$73,500 OVER TWELVE MONTHS, EFFECTIVE 1/2/2005. (PRIOR TO THIS APPOINTMENT, DR. SWEET WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

## DEPARTMENT OF PEDIATRICS

### **ENDOWED APPOINTMENTS**

#### **RUBENS, CRAIG**

(BS, 1975, UNIVERSITY OF WASHINGTON; PHD, 1978, MEDICAL UNIVERSITY OF SOUTH CAROLINA; MD, 1982, UNIVERSITY OF WASHINGTON) TO BE HOLDER OF THE CHILDREN'S HOSPITAL GUILD ASSOCIATION ENDOWED CHAIR FOR PEDIATRIC INFECTIOUS DISEASE RESEARCH OVER TWELVE MONTHS, EFFECTIVE 2/1/2005. (DR. RUBENS WILL CONTINUE AS PROFESSOR OF PEDIATRICS AND ADJUNCT PROFESSOR OF MICROBIOLOGY.)

### **NEW APPOINTMENTS**

#### **HORSLEN, SIMON**

(MChB, 1984, UNIVERSITY OF BRISTOL (UK)) TO BE PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY CHILDREN'S HOSPITAL AND REGIONAL MEDICAL CENTER EFFECTIVE 1/1/2005. (PRIOR TO THIS APPOINTMENT, DR. HORSLEN WAS AN ASSOCIATE PROFESSOR OF PEDIATRICS AT THE UNIVERSITY OF NEBRASKA MEDICAL CENTER.)

#### **MESHINCHI, SOHEIL**

(BS, 1984, UNIVERSITY OF MICHIGAN; PHD, 1990, UNIVERSITY OF MICHIGAN; MD, 1994, WAYNE STATE UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY FRED HUTCHINSON CANCER RESEARCH CENTER EFFECTIVE 1/1/2005. (PRIOR TO THIS APPOINTMENT, DR. MESHINCHI WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

## DEPARTMENT OF PSYCHIATRY AND BEHAVIORAL SCIENCES

### **NEW APPOINTMENTS**

#### **KOHEN, RUTH**

(MD, 1986, UNIVERSITY OF AACHEN (GERMANY)) TO BE RESEARCH ASSISTANT PROFESSOR OF PSYCHIATRY AND BEHAVIORAL SCIENCES AT A SALARY RATE OF \$93,420 OVER TWELVE MONTHS, EFFECTIVE 2/1/2005. (PRIOR TO THIS APPOINTMENT, DR. KOHEN WAS A LECTURER IN THE SAME DEPARTMENT.)

## DEPARTMENT OF SURGERY

### **NEW APPOINTMENTS**

#### **TATUM, ROGER PERRY**

(BS, 1991, COLLEGE OF WILLIAM AND MARY; MD, 1995, NORTHWESTERN UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF SURGERY PAID DIRECT BY VETERANS AFFAIRS PUGET SOUND HEALTH CARE SYSTEM EFFECTIVE 1/15/2005. (PRIOR TO THIS APPOINTMENT, DR. TATUM WAS A CLINICAL INSTRUCTOR IN THE SAME DEPARTMENT.)

## **UNIVERSITY OF WASHINGTON, BOTHELL**

### COMPUTING AND SOFTWARE SYSTEMS PROGRAM

#### **ADMINISTRATIVE APPOINTMENTS**

##### **JACKELS, CHARLES FREDERICK**

(BS, 1968, UNIVERSITY OF MINNESOTA; PHD, 1975, UNIVERSITY OF WASHINGTON) TO BE DIRECTOR OF THE COMPUTING AND SOFTWARE SYSTEMS PROGRAM, EFFECTIVE 1/16/2005. (PROFESSOR JACKELS WILL CONTINUE AS PROFESSOR OF COMPUTING AND SOFTWARE SYSTEMS AND INTERDISCIPLINARY ARTS AND SCIENCES - BOTHELL.)

## **UNIVERSITY OF WASHINGTON, TACOMA**

### MILGARD SCHOOL OF BUSINESS

#### **NEW APPOINTMENTS**

##### **GREGORY, NORONHA**

(BSENG, 1984, UNIVERSITY OF MICHIGAN; MBA, 1986, VIRGINIA POLYTECHNIC INST & STATE UNIV; PHD, 1990, VIRGINIA POLYTECHNIC INST & STATE UNIV) TO BE PROFESSOR OF BUSINESS AT A SALARY RATE OF \$125,001 OVER NINE MONTHS, EFFECTIVE 9/16/2005. (PRIOR TO THIS APPOINTMENT, DR. NORONHA WAS AN ASSOCIATE PROFESSOR OF FINANCE AT ARIZONA STATE UNIVERSITY, WEST.)

## VII. STANDING COMMITTEES

## A. Academic and Student Affairs Committee

Approval of Proposed Amendments to the University of Washington Book Store TrustRECOMMENDED ACTION:

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the following proposed amendments to the University of Washington Book Store Trust:

1. To increase the University Book Store Board of Trustees from nine members to eleven members by adding a fifth UW student trustee to be appointed by either the ASUW or the GPSS based on mutual agreement and the chief executive officer of the University Book Store. The chief executive officer would not be eligible to hold President (Chair) or Vice President (Vice Chair) positions on the board and would not be eligible to vote on issues relating to the chief executive position.

2. To make each of the terms of the five UW student trustees, four UW faculty trustees and the UW administrative trustee three years. In the event a trustee is unable to complete a term, a new trustee would be appointed to complete the remaining board year term, if applicable, and their full three-year term would commence on the following July 1st.

3. To approve revisions to the University of Washington Book Store Trust document to reflect the amendments and for accuracy and relevancy.

BACKGROUND:

Proposed Amendment 1. It was determined that by adding a fifth student to the board, equal representation would be achieved with respect to the students and University of Washington staff as follows:

- UW Students – Five board positions
- UW Faculty – Four board positions
- UW Administrator – One board position

Including the chief executive on the board is consistent with industry practice for for-profit, independent college stores and would provide a voice representing the management and staff of the Book Store, achieve an odd number of board positions for voting purposes if necessary and ensure that no single group of trustees would have a fifty percent or greater voting position for federal income tax purposes.

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### Approval of Proposed Amendments to the University Book Store Trust (continued p. 2)

Proposed Amendment 2. Currently one student trustee and the UW administrative trustee serve one-year terms. Three students and the four faculty members serve three-year terms. It was concluded that a one year term is too short to enable a board member to sufficiently understand corporate issues prior to the term expiring and that one-year terms adversely affect continuity.

Parties to the University of Washington Book Store Trust, established in 1964, are the University Book Store Board of Trustees, the ASUW Board of Directors and the University of Washington Board of Regents. The proposed amendments above were unanimously approved by the University Book Store Board of Trustees on October 21, 2004 and the ASUW Board of Directors on December 2, 2004.

University Book Store was founded by UW students in 1900 and separately incorporated by the ASUW in 1932. The Book Store was owned by the ASUW from its inception until creation of the trust in 1964, at which time all shares of Book Store stock held by the ASUW were transferred into the trust.

VII. STANDING COMMITTEE

A. Academic and Student Affairs Committee

**Student Learning Goals**

**Presentation to the UW Board of Regents**

**George Bridges, David Hodge and Christine Ingebritsen**

- I. Introduction to Student Learning Goals Development
  - History and Policy Developments (George Bridges)
  - Work in Progress Across the UW (Christine Ingebritsen)
- II. Learning Goals Development and Implementation in the College of Arts and Sciences (David Hodge)
- III. Questions and Discussion



## VII. STANDING COMMITTEES

## C. Capital Assets and Finance &amp; Audit Committees

**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 Executive Vice President in Executive 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.

**Part I: Report of Actions Taken Under General Delegated Authority****UWMC Chilled Water Upgrade Project, Project No. 10624****Action Reported: Appoint Energy Services Company (ESCO) Consultant and Contractor and Establish Project Budget**

In June 2003, the University of Washington established an Inter-Agency Agreement (IAA) with the General Administration (GA) office to utilize the ESCO program (an energy savings incentive program) that is offered to all state agencies by the GA. Working in conjunction with the GA, the UW conducted a selection process and the firm of McKinstry was chosen to provide ESCO services for the University.

On January 26, 2005 an agreement for design and construction services was awarded to McKinstry Company via the Inter-Agency Agreement between UW and the GA. The amount agreed upon is \$1,427,214 for the UW Medical Center Chilled Water Upgrade Project.

McKinstry, established in Seattle in 1960, is one of the leading mechanical construction and engineering firms in the Pacific Northwest. McKinstry offers a broad range of construction, design and facility services. Work for the University totals over \$30 million, including recent projects such as the Fisheries Building, the Rosen Building and the Research and Technology Building, which is presently in design.

This project will provide future energy savings and efficiencies through the purchase of new, more efficient equipment. The existing UWMC chilled water system is undersized and inefficient for its present usage and the planned process cooling needs of UWMC. Various UWMC projects slated to go on line from August 2005 through December 2006 will need the increased cooling capacity this upgraded system will provide. We anticipate the construction to be complete in late summer 2005.

The total project budget is \$1,729,158. The cost of the improvements will be financed through the State of Washington's Equipment Lease/Purchase Program. Under the program, the University will sign a 10-year financing contract. Lease payments made by the University will be used to repay tax-exempt Certificates of Participation (COP's) issued by the financing entity. UWMC Patient Revenue is the funding source for the lease payments.

It is anticipated that future energy savings and Seattle City Light rebates will offset the lease payments.

**UWMC Chilled Water Upgrade Project, Project No. 10624 (continued)**

<b>Budget Summary:</b>	<b>Original Approved Budget 12/22/2004</b>	<b>Revised Budget (Date)</b>	<b>Forecast/Actual</b>
Total Consult Services	\$11,421		
Total Const Cost	\$1,628,508		
Other Costs	\$2,079		
Project Admin	\$87,150		
<b>Total Project Budget</b>	\$1,729,158		

**Communications Exterior Masonry Repairs**

**Action Reported: Architect Appointment and a Budget Increase of More than 10%**

On January 5, 2005 an agreement for architectural services was awarded to SM Stemper Architects for the Communications Exterior Masonry Repairs project. SM Stemper Architects previously completed the initial studies for this project. They have also designed masonry restoration projects for the Atmospheric Sciences Building and Harborview Medical Center.

The project was originally scoped and budgeted to replace the terra cotta coping. The condition of the existing coping has deteriorated beyond repair. Temporary repairs were made to stop water from leaking into the building. After studying repair and replacement options it was determined that replacement of the coping with new terra cotta would retain the historic look of the building and provide a very durable material for extended life. During the study it was discovered that problems with the masonry extended beyond just the coping stones to require correction and replacement of damaged masonry, rusted ledger angles and improved masonry anchorage for seismic restraint. The need to scaffold the building to replace the coping was an additional opportunity to correct the other masonry problems.

The project scope now includes the replacement of the existing terra cotta coping, the cleaning and sealing of the brick masonry, rebuilding the top of the brick parapet walls as required, tuck-pointing of masonry walls, replacement or repair and flashing of steel masonry angles, replacement or repair of cracked and broken terra cotta, painting and caulking of existing steel window sash as required.

The budget for the project was increased from \$734,707 to \$2,421,159 to allow for this increased scope of work. The project will be funded from 03-05 and 05-07 Building Renewal funds.

<b>Budget Summary:</b>	<b>Original Apprv'd Budget 4/18/03</b>	<b>Revised Budget 12/6/04</b>	<b>Forecast/Actual</b>
Total Consultant Svcs	\$71,130	\$280,342	\$280,342
Total Construction Cost	\$603,840	\$1,911,552	\$1,911,552
Other Costs	\$5,000	\$70,824	\$70,824
Project Administration	\$54,737	\$158,441	\$158,441
<b>Total Project Budget</b>	\$734,707	\$2,421,159	\$2,421,159

**Condon Hall – Elevator 182, 183 & 184 Improvements, Project No. 10443**  
**Action Reported: Contract Award**

On December 22, 2004, a construction contract was awarded to Western Ventures Construction, Inc., in the amount of \$906,700, for the Condon Hall Elevator 182, 183 & 184 Improvements project. Five bids were received for the project, and the range between the bids (including two bid alternates) was \$906,700 to \$1,190,000. Western Ventures Construction, Inc. is a Mountlake Terrace firm that has successfully completed many projects at the University, including two major classrooms improvement projects: Kane Hall 700-seat Classroom Renovation, Schmitz Hall Elevator Improvements, and Health Sciences RR Wing Elevators 136 & 137 Modernization. Current projects include Bagley Hall Fire Protection Improvements and Atmospheric Sciences Fire Alarm Improvements.

The project scope is the complete renovation of all three elevators in Condon Hall including associated abatement, electrical, mechanical and architectural items. Work includes replacing hoisting machines, controllers, doors, cab interiors, intercoms, machine room ventilation, etc. Only one elevator at a time will be out of service. The work in Condon Hall will start in February 2005 and will be completed by January 2006.

The project budget is \$1,470,000. Funding is available from Building Renewal 03-05.

<b>Budget Summary:</b>	<b>Original Apprv'd Budget (12/3/03)</b>	<b>Revised Budget (11/23/04)</b>	<b>Forecast/Actual</b>
Total Consultant Svcs	\$152,182	\$184,533	\$184,533
Total Construction Cost	\$1,295,538	\$1,139,776	\$1,139,776
Other Costs	\$42,933	\$42,841	\$42,841
Project Administration	\$109,347	\$102,850	\$102,850
<b>Total Project Budget</b>	<b>\$1,600,000</b>	<b>\$1,470,000</b>	<b>\$1,470,000</b>

## **Gould Hall Digital Commons, Project No. 10743**

### **Action Reported: Architect Appointment and Establish Project Budget**

In August 2004, SHKS Architects was awarded an architectural agreement for the Gould Hall Digital Commons project.

The scope of the project includes renovating storage spaces in the basement and sub-basement of Gould Hall into a Digital Commons. The Digital Commons project will include a computer classroom, a commons area with computer workstations, and departmental computer server room and office space for instructors. This renovation will allow the existing computer classroom in Gould to be converted back to studio space for an expansion of the department's teaching program.

SHKS Architects recent projects include Guthrie Masonry project as well as the West Seattle Library, Green Lake Library and Dexter Horton Building.

The project budget has increased from \$972,609 to \$1,232,817 as the project scope has been refined and to account for additional scope items requested from the College of Architecture and Urban Planning (CAUP) to better support the teaching program. Improvements include additional acoustical treatments to dampen noise from the adjacent mechanical rooms, and improved lighting, electrical and data systems.

The project is currently funded at \$603,000, of which \$76,000 is provided by CAUP. The balance of funding in the amount of \$630,000 will be provided by Central Funds, to be repaid from donations raised by CAUP.

<b>Budget Summary:</b>	<b>Original Apprv'd Budget 10/1/04</b>	<b>Revised Budget 1/13/05</b>	<b>Forecast/Actual</b>
Total Consultant Svcs	\$153,254	\$174,713	\$174,713
Total Construction Cost	\$662,062	\$882,351	\$882,351
Other Costs	\$86,102	\$97,607	\$97,607
Project Administration	\$71,191	\$78,146	\$78,146
<b>Total Project Budget</b>	<b>\$972,609</b>	<b>\$1,232,817</b>	<b>\$1,232,817</b>

## **HSC MRI Replacement, Project No. 4433**

### **Action Reported: Architectural Firm Appointment, Establish Project Budget**

In February 2004, Taylor Gregory Butterfield was awarded a term contract to perform architectural design and professional services for projects in the UW Medical Center

In July 2004, under their term agreement, Taylor Gregory Butterfield was given a work order to provide professional services for a feasibility study to remodel the minus one level of the AA Wing for the Department of Radiology. The project budget at the conclusion of the feasibility study is \$2,537,668.

This project will replace the existing MRI-1.5T with a new 1.5T unit and add an additional MRI-3.0T to the department suite at the minus one level of the AA Wing. The work includes demolition, new finishes, new casework, replacement of radio frequency shielding, additional work in adjacent spaces, HVAC upgrades, lighting and electrical upgrades, and replacement of the MRI units and associated equipment.

The intent is to proceed with the preliminary design document phase and construction document phase with bidding and construction beginning late 2005 or early 2006.

The project budget is \$2,537,668. Funding is available from the School of Medicine.

<b>Budget Summary:</b>	<b>Original Budget Feasibility Study 1/05</b>	<b>Revised Budget (Date)</b>	<b>Forecast/Actual</b>
Total Consultant Svcs	\$364,943		\$364,943
Total Construction Cost	\$1,929,056		\$1,929,056
Other Costs	\$48,747		\$48,747
Project Administration	\$194,885		\$194,885
<b>Total Project Budget</b>	<b>\$2,537,668</b>		<b>\$2,537,668</b>

**Part II: Report of Actions Taken Under Specific Delegated Authority**

**Emergency Power – Phase 2 – Delegated Authority**

**Action Reported: Contract Award**

Following Regent approval in January, the University proceeded to award a construction contract for the Emergency Power – Phase 2 project to the low bidder, Intermountain Electric, Inc., in the amount of \$3,392,000. This was less than the \$4,145,000 maximum allowable construction cost that was budgeted.

Phase 2 of the Emergency Power project builds upon the recently completed Phase 1, which included installation of new emergency generation equipment and distribution switchgear. Phase 2 installs a portion of the emergency power cable distribution system to some of the buildings not currently on the emergency power network.

Abacus Engineered Systems completed construction documents and the project was advertised for bids on December 15, 2004. On January 25<sup>th</sup> three bids were received for the project, and the range between bids was \$3,392,000 to \$3,612,000. Intermountain Electric, Inc. was the low, responsible bidder.

Intermountain Electric, Inc. was the contractor for the Emergency Power – Phase 1 project, and was recently the successful, low bidder for the PCB Transformer Replacement Project (#10446) and the Primary Electrical Distribution System Improvement Project (#10447).

State appropriated funds forecasted to be unspent near the mid point of construction will be aligned with a commensurate scope of work for additional Phase 2 tie-ins and be competitively bid later in the year.

The total estimated budget for this project is \$6,648,000. Funding for this project is available from the 2003-05 state appropriation.

<b>Budget Summary:</b>	<b>Original Approved Budget</b>	<b>Revised Budget 2/05</b>	<b>Forecast/Actual</b>
Total Consult Services	\$777,496	\$777,496	\$777,496
Total Const Cost	\$5,219,746	\$5,219,746	\$5,219,746
Other Costs	\$192,369	\$192,369	\$192,369
Project Admin	\$458,389	\$458,389	\$458,389
<b>Total Project Budget</b>	<b>\$6,648,000</b>	<b>\$6,648,000</b>	<b>\$6,648,000</b>

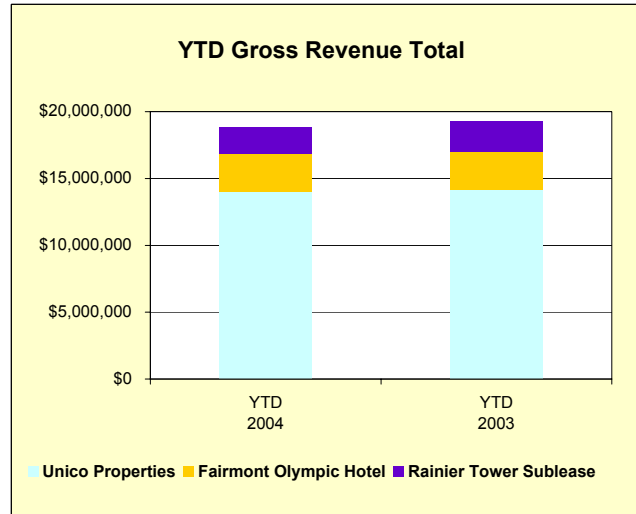
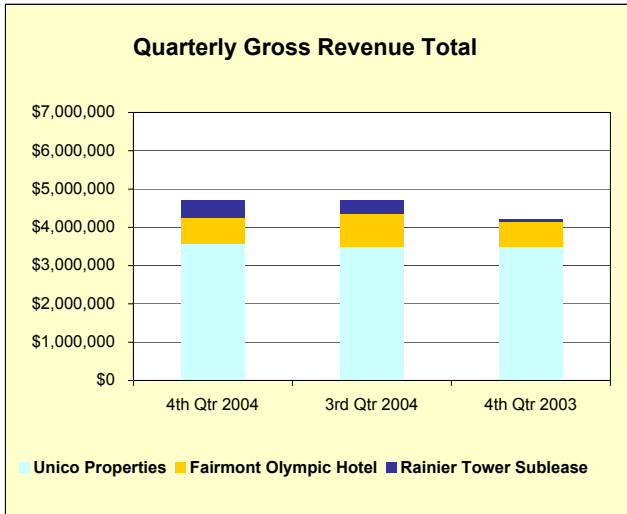
**METROPOLITAN TRACT**  
**PERFORMANCE REPORT**  
**For the Quarter Ended**  
**December 31, 2004**



**Capital Assets Committee**

February 17, 2005

University of Washington Metropolitan Tract  
**CONSOLIDATED METROPOLITAN TRACT PROPERTIES**  
**Quarterly Summary**  
**Quarter Ending December 31, 2004**



CURRENT QUARTER							
Gross Revenue to University	4th Qtr 2004	Prior Qtr		Change from Prior Qtr		Change from Prior Year	
		3rd Qtr 2004	4th Qtr 2003	\$	%	\$	%
Unico Properties	3,566,019	3,497,657	3,485,827	68,361	2.0%	80,191	2.3%
Rainier Tower Sublease	454,551	365,058	53,800	89,494	24.5%	400,751	744.9%
Fairmont Olympic Hotel	695,495	848,561	659,274	(153,066)	(18.0%)	36,222	5.5%
<b>TOTAL GROSS REVENUE</b>	<b>\$4,716,065</b>	<b>\$4,711,276</b>	<b>\$4,198,901</b>	<b>\$4,789</b>	<b>0.1%</b>	<b>\$517,164</b>	<b>12.3%</b>

Gross Revenue to University	CALENDAR YEAR TO DATE				ANNUAL	
	YTD 2004	YTD 2003	Change from Prior YTD		Projected 2004	Actual 2003
			\$	%		
Unico Properties	14,026,751	14,122,297	(95,546)	(0.7%)	14,628,589	14,122,293
Rainier Tower Sublease	1,954,708	2,267,710	(313,002)	(13.8%)	1,510,081	2,267,710
Fairmont Olympic Hotel	2,852,489	2,896,955	(44,466)	(1.5%)	3,077,644	2,896,955
<b>TOTAL GROSS REVENUE</b>	<b>\$18,833,948</b>	<b>\$19,286,962</b>	<b>(\$453,014)</b>	<b>(2.3%)</b>	<b>\$19,216,314</b>	<b>\$19,286,958</b>



**CONSOLIDATED METROPOLITAN TRACT PROPERTIES**

**Quarterly Summary**

**Quarter Ending December 31, 2004**

**CONSOLIDATED METROPOLITAN TRACT SUMMARY**

Revenue from the Metropolitan Tract totaled \$4.7 million in the fourth quarter of 2004, an increase of less than \$5,000 from 3rd quarter 2004, though it is an increase of 12.3% over 4th quarter of 2003. The discrepancy in year-to-date performance between 2003 and 2004 can be primarily attributed to leasing costs related to the Rainier Tower Sublease. It had been expected that as new tenants moved in and free rent concessions burned off, we would see revenue levels rise by year end. In fact, revenue from Rainier Tower Sublease increased nearly \$90,000 (24.5%) over the previous quarter. The 4th quarter's revenue brought the annual revenue almost to 2003 levels.

**UNICO PROPERTIES**

Revenue from the Unico properties totaled \$3.57 million in the 4th quarter, for an increase of 2%. Compared to 4th quarter of last year, revenue from the Unico properties was up 2.3%. While office revenues saw only slight improvement over 3rd quarter, retail was up 7%. Retail produced \$754,161 which is also a 14.7% increase over 2003's 4th quarter. There was a slight decline in occupancy finishing the quarter at 87.4% with the majority of the vacancy is spread evenly across Puget Sound Plaza, Skinner Building and Financial Center. Currently, Unico has a fair amount of interest in Puget Sound Plaza and the remaining vacancies at the IBM Building. Financial Center is likely to cause the greatest leasing challenge due to view blockages and the configuration of the windows. We are currently working with Unico to develop some strategies to overcome these challenges. Additionally, the early relocation of some Cobb Building tenants in anticipation of the residential redevelopment accounts for some of the occupancy decline.

**RAINIER TOWER SUBLEASE**

Revenue from the Rainier Tower Sublease totaled \$454,551 in the 4th quarter 2004, up 24.5%, attributable in large part to Key Bank's rent commencement in October. Rainier Tower is expected to perform well in 2005 with only one lease expiration. However, 2006 will create a need for significant capital investment as Washington Mutual relocates to its new headquarters building. Since 1995, the Rainier Tower Sublease has generated more than \$12 million dollars of net revenue.

**FAIRMONT OLYMPIC HOTEL**

Despite some positive room rate movement in October and December, declining occupancy caused RevPar to continue to decline in the 4th quarter of 2004. The Hotel's gross revenue for the quarter fell 18% from the 3rd quarter's total to just under \$700,000. That result is, however, a 5.5% uptick over 4th quarter 2003.

During the fourth quarter, the Hotel's occupancy decreased 18.5%. While this is never a strong quarter for the hotel, this is a more severe drop than in 2003 when occupancy fell 14%. By comparison, the competitive set declined 27% reinforcing the Olympic's position in the market.

The Hotel's employee and guest satisfaction ratings were outstanding in 2004, with the employee satisfaction rating for the Olympic leading Fairmont's company-wide results. In addition, Fairmont was successful in retaining its AAA 5 Diamond status (the 21st consecutive year for the Hotel).

**MARKET UPDATE**

**OFFICE MARKET**

The Puget Sound office market ended 2004 with a vacancy rate of 85.06%. While this is down slightly both for the quarter and for the full year, the declines are quite small and it is evident that the market is rebounding. Though the Puget Sound economy has only regained a third of the jobs from the peak employment of early 2001, the professional services sector have seen the greatest share of that rebound, with indicators pointing to a continuation of this trend. General estimates are that employment growth for the region will be in the 2%-3% range in 2005. Looking a little further into the future reveals that the new Washington Mutual Center, which is scheduled for completion in 2006, will certainly offset some of the impact of this growth in the market. While the addition of nearly one million square feet will likely slow the positive absorption and upward pressure on rents in the market, it shouldn't interfere with the longer term recovery and growth of the central business district.

**HOTEL MARKET**

For the first time since 2000, a steady increase in rates and occupancy levels is expected nationwide in 2005. Increases in business travel and leisure travel are both expected to improve in 2005. Locally, Seattle hosted 8.5 million visitors, including 350,000 cruise ship passengers. These sailings are expected to be up by 50% in 2005, bringing with it a higher demand for overnight accommodations.

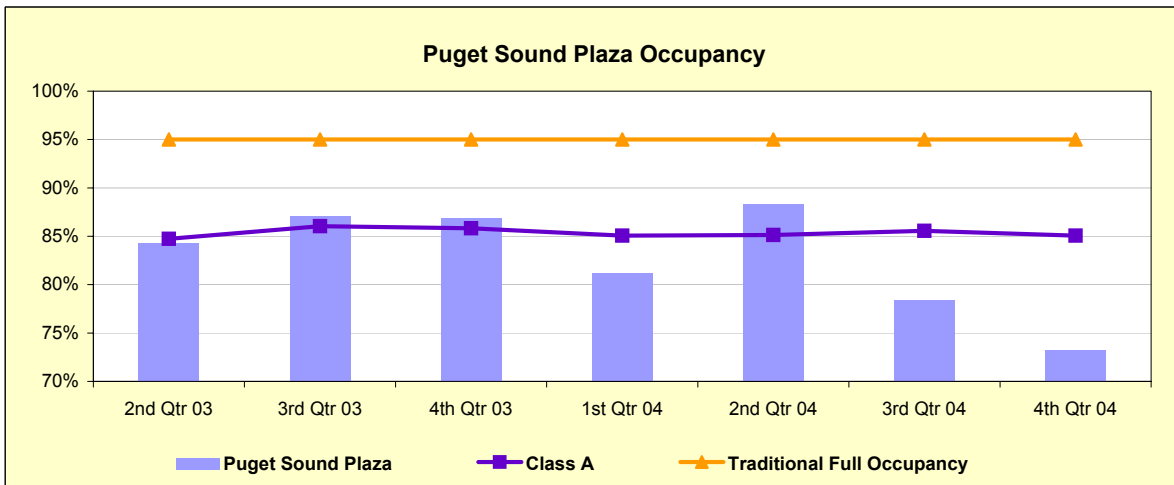
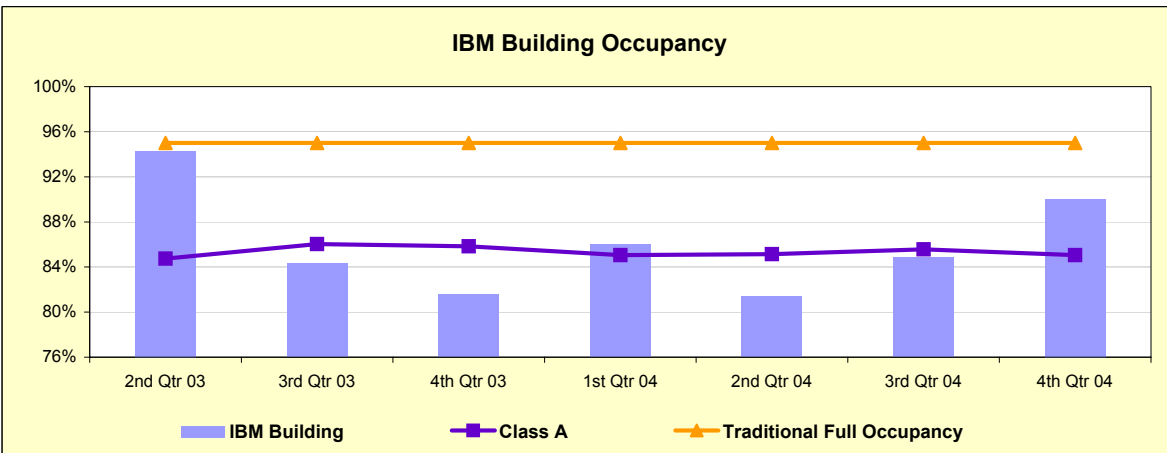
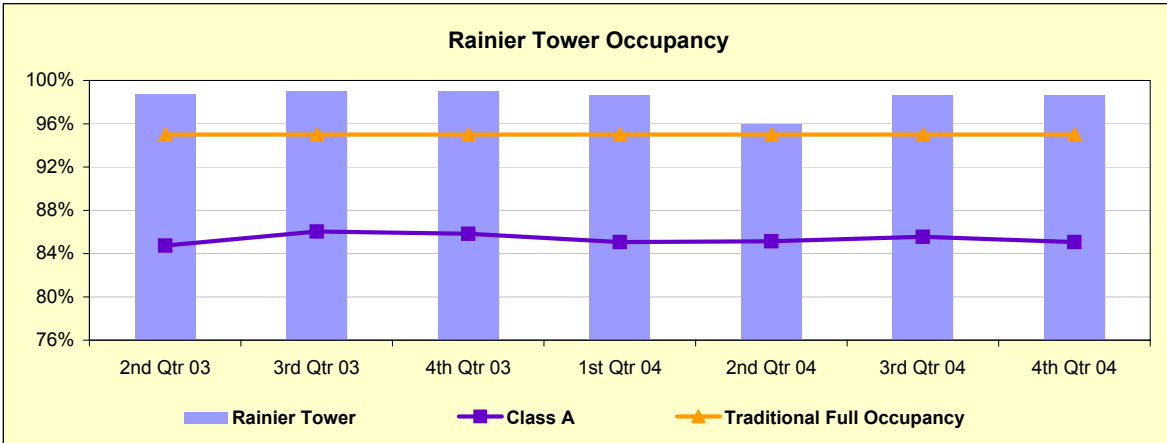
Proposed hotel projects are plentiful in downtown Seattle with five projects currently in the planning stages. This supply will impact the ultimate recovery of the local hotel market when the new hotels are delivered in 2007 and 2008.

**DOWNTOWN RESIDENTIAL**

A strong theme as we begin 2005 and for the foreseeable future will be the creation of more residential options in the downtown area. While Belltown, the waterfront and more outlying areas have seen a lot of focus in recent years, attention is shifting. All of the new luxury hotels to be built in the next couple of years have condominium components. Additionally, the city is planning on making some code changes, facilitating the development of more downtown residential options. This trend speaks well of the prospects for the conversion of the Cobb Building. Additionally, as more people gravitate toward living in the downtown core, that should further stimulate retail operations downtown.

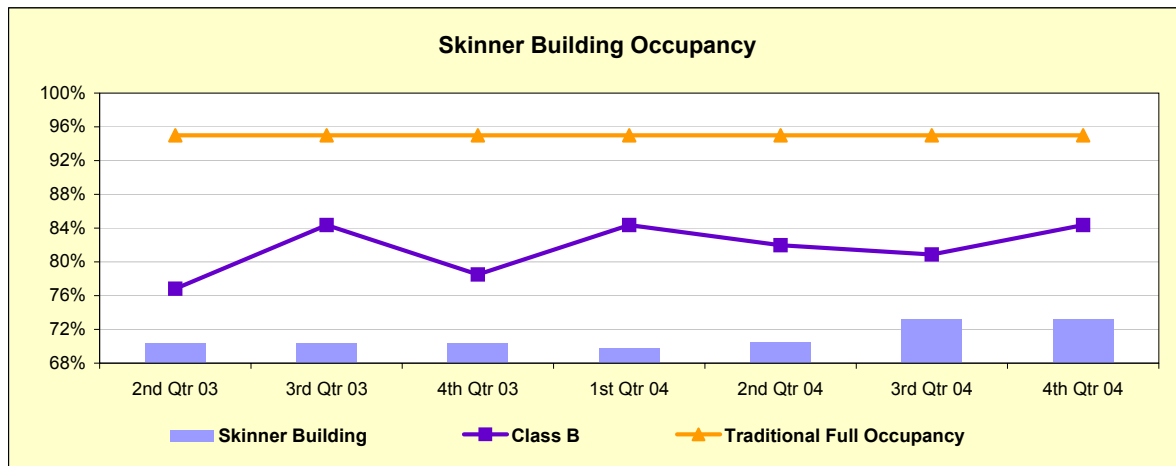
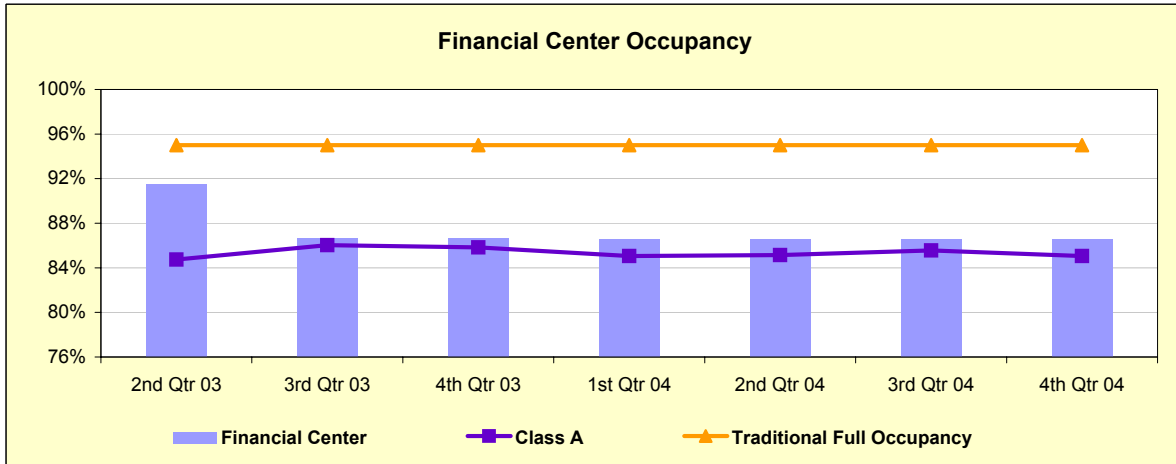
University of Washington Metropolitan Tract  
**OFFICE BUILDING OCCUPANCY COMPARISON CHARTS**  
 Last Six Quarters  
 Quarter Ending December 31, 2004

Includes Direct and Sublease Vacancy

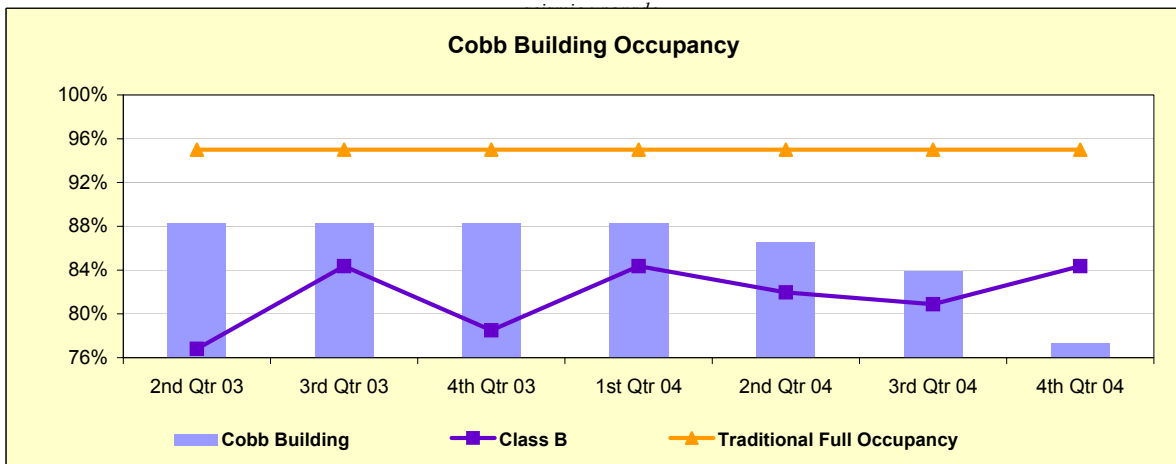


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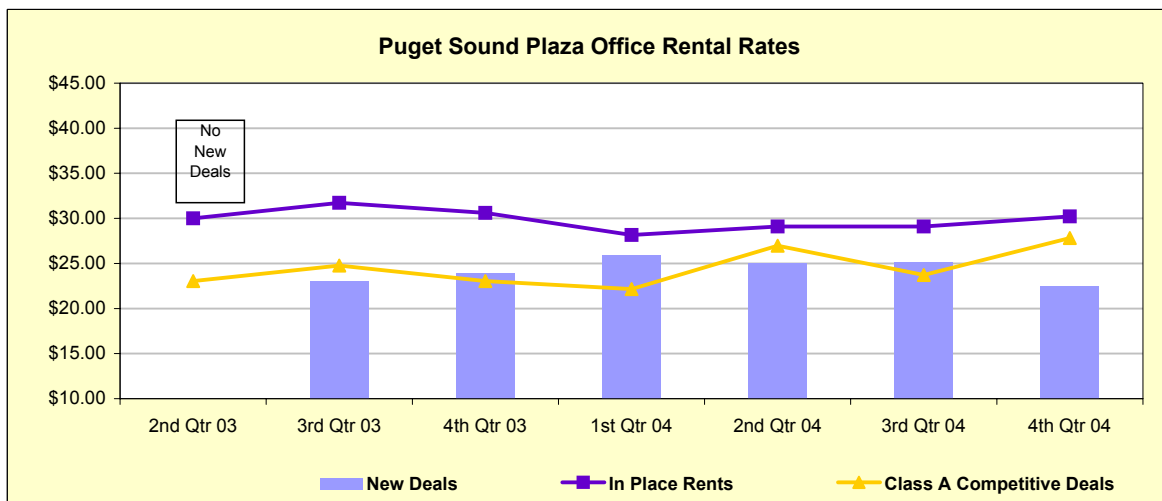
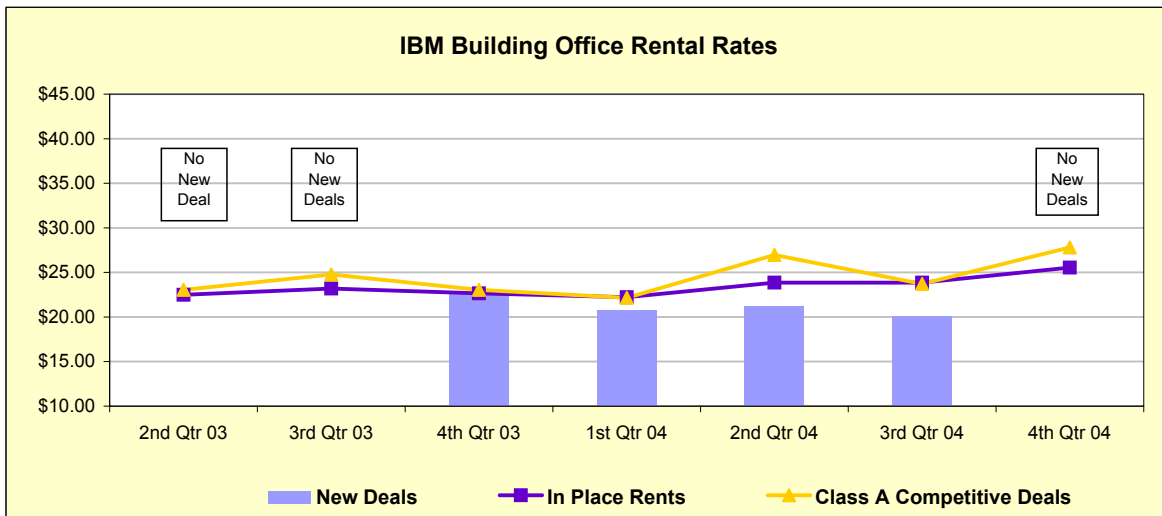
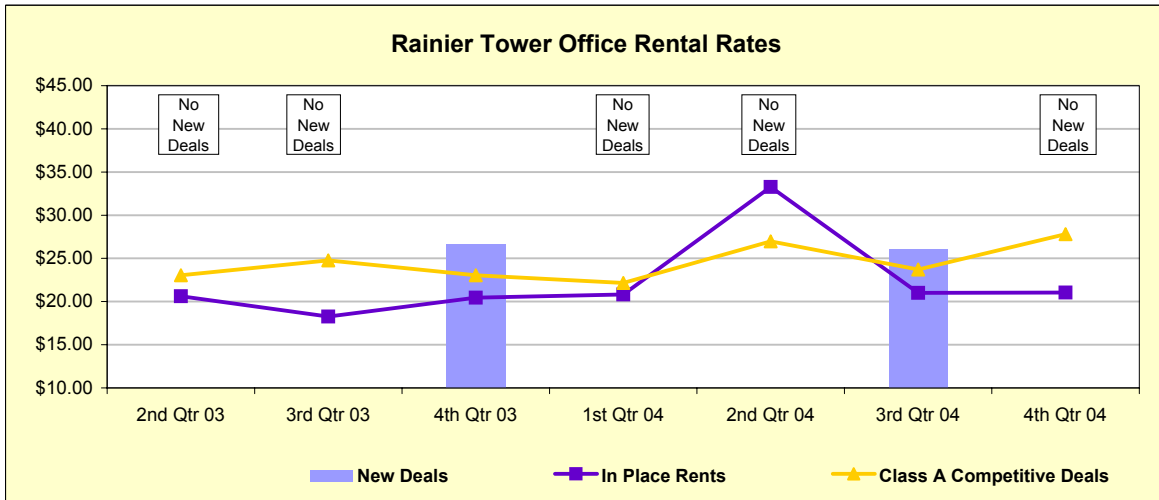
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\* Vacancy in the Skinner Building was created by loss of a single, full floor tenant coupled with a disruption due to current construction to complete the

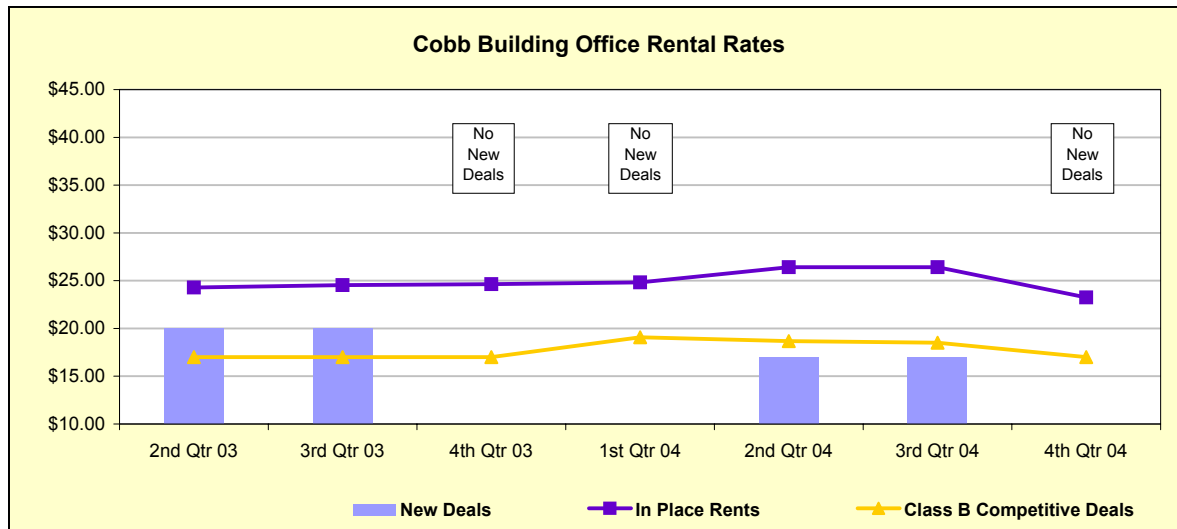
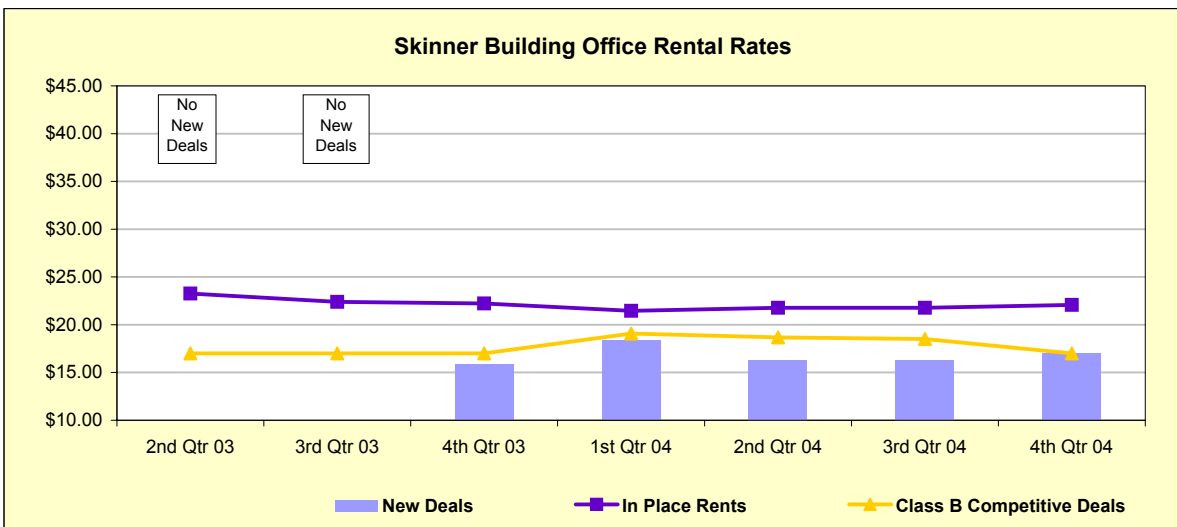
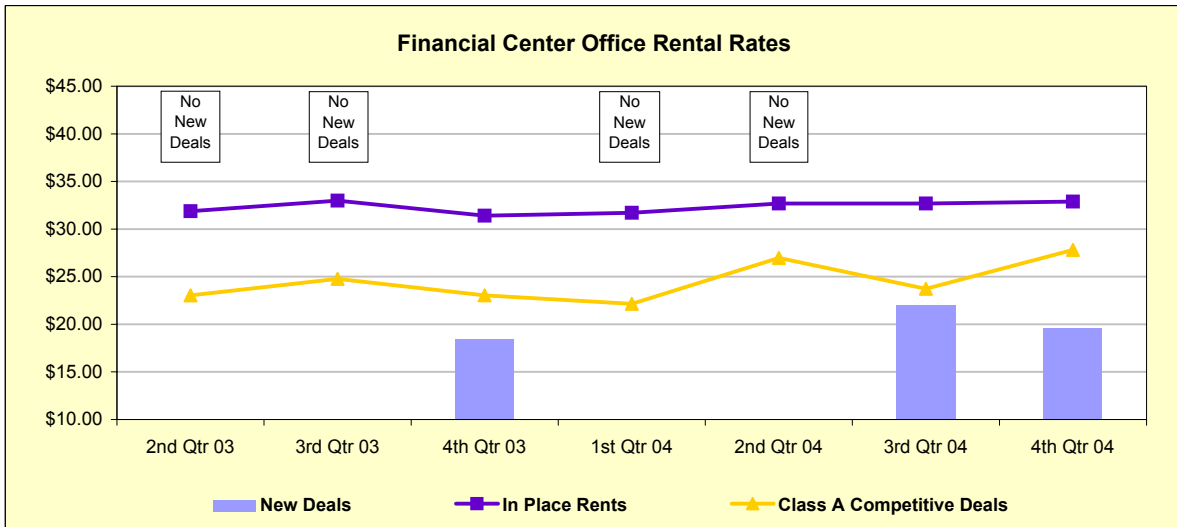


**OFFICE BUILDING RENTAL RATE COMPARISON**  
 Last Six Quarters  
 Quarter Ending December 31, 2004



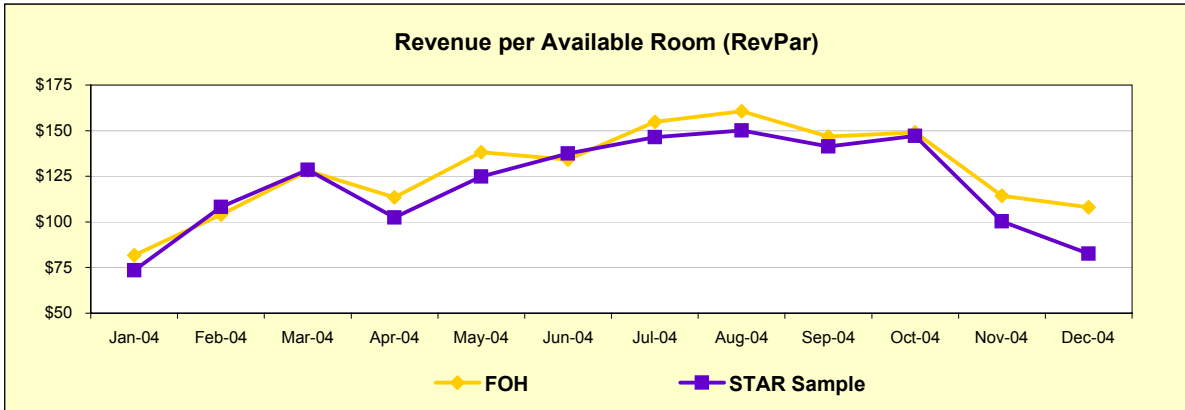
**Note:** Due to a decline in leasing velocity in the last several quarters, the competitive deals included in the charts above are based heavily upon asking rents, which are higher compared to where lease deals are actually being done. The result is a gap between New Deals in the Metropolitan Tract and Competitive Deals in the market.

**OFFICE BUILDING RENTAL RATE COMPARISON**  
 Last Six Quarters  
 Quarter Ending December 31, 2004



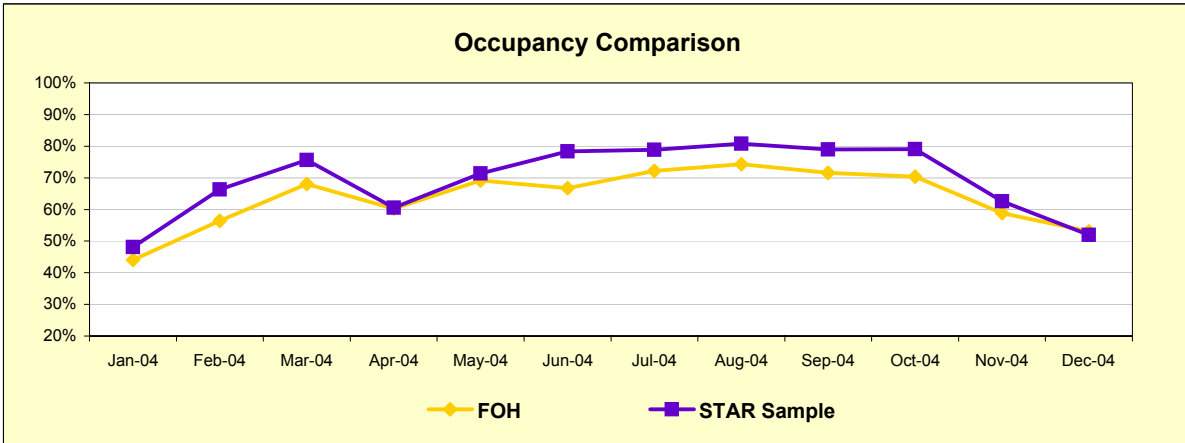
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**FAIRMONT OLYMPIC HOTEL MARKET COMPARISONS**  
**Twelve Months Ended December 31, 2004**



RevPar 12-months Average	Dec-04	Dec-03	Change from Prior Year \$
FOH	\$127.77	\$127.72	\$0.05
STAR Sample Avg <1>	\$120.23	\$115.53	\$4.70

RevPar Current Month Ended	Dec-04	Dec-03	Change from Prior Year %
FOH	\$108.08	\$107.06	\$1.02
STAR Sample Avg <1>	\$82.62	\$76.77	\$5.85

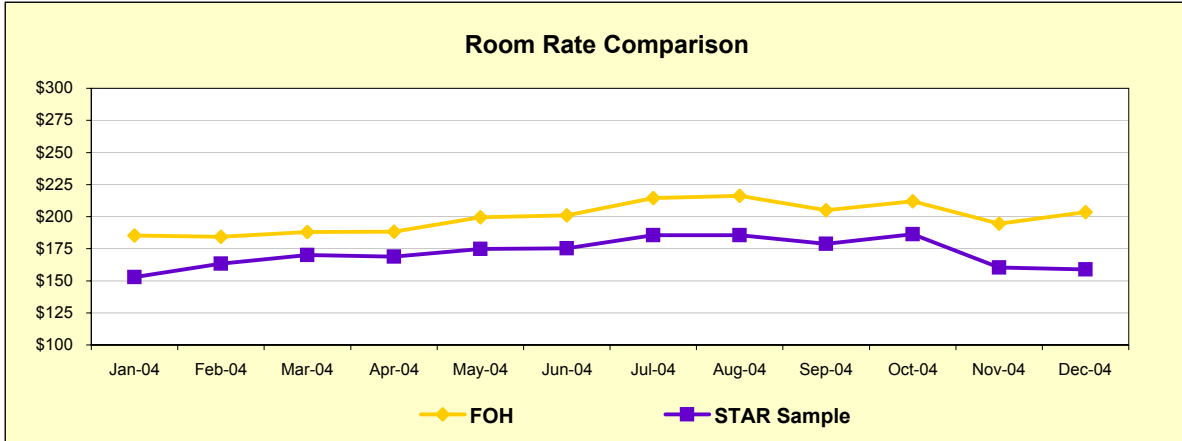


Occupancy 12-months Average	Dec-04	Dec-03	Change from Prior Year %
FOH	63.8%	62.2%	1.6%
STAR Sample Avg <1>	69.4%	68.5%	0.9%

Occupancy Current Month Ended	Dec-04	Dec-03	Change from Prior Year %
FOH	58.8%	54.7%	4.1%
STAR Sample Avg <1>	62.6%	49.8%	12.8%

<1> Information is based on Smith Travel Research (STAR) Report for the Sheraton Hotel, Hotel Vintage Park, Hotel Monaco, Seattle Alexis, Sorrento, Westin, W Hotel, Madison and Inn at the Market.

**FAIRMONT OLYMPIC HOTEL MARKET COMPARISONS**  
**Twelve Months Ended December 31, 2004**



Average Daily Rate 12-months Average	Dec-04	Dec-03	Change from Prior Year \$
FOH	\$199.36	\$204.68	(\$5.32)
STAR Sample Avg <1>	\$171.71	\$157.54	\$14.17

Average Daily Rate Month Ended	Dec-04	Dec-03	Change from Prior Year \$
FOH	\$203.61	\$195.88	\$7.73
STAR Sample Avg <1>	\$158.78	\$154.12	\$4.66

<1> Information is based on Smith Travel Research (STAR) Report for the Sheraton Hotel, Hotel Vintage Park, Hotel Monaco, Seattle Alexis, Sorrento, Westin, W Hotel, Madison and Inn at the Market.



## VII. STANDING COMMITTEES

## C. Capital Assets Committee

UNICO Properties Inc., 2005 Capital Improvement PlanRECOMMENDED ACTION:

It is the recommendation of the Capital Assets Committee and the administration that the Board of Regents approve reimbursement of up to \$9.2 million in capital expenditures by Unico Properties, Inc., for rehabilitation and modernization projects requested in its 2004 Capital Improvement Plan for office buildings on the Metropolitan Tract. The \$9.2 million is comprised of \$6.8 million for capital improvements and up to \$2.4 million for tenant improvements.

BACKGROUND:

Under the terms of the University's lease with Unico Properties, Inc., capital improvement expenditures for purposes of rehabilitation and modernization of the Metropolitan Tract must be approved by the University. As lessor, the University is responsible for reimbursement of these expenditures.

The recommended 2005 capital expenditure request is \$9.2 million. Of this, \$6.8 million is allocated for building improvements to address systems needs in order to reduce potential liability, upgrade mechanical systems and renovate common areas. The major projects for 2005 include the restoration of the exterior of the Financial Center, the continued installation of sprinklers in the Financial Center, IBM Building and Puget Sound Plaza, the replacement of the roof the Skinner Building, an upgrade of the sidewalks at the Skinner Building and completion of the multi-tenant floor upgrades in all of the buildings. Additionally, dated vacant spaces will receive new ceilings and lights as they are leased. The remaining \$2.4 million is allocated to tenant improvements related to vacant space and expiring leases in the Tract buildings. These funds will be used to complete necessary tenant improvements to facilitate leasing and achieve targeted rental rates. Reimbursement for tenant improvements is subject to Unico achieving agreed upon rent thresholds.

Exhibit I, prepared by Urbis Partners and Heitman and attached hereto, summarizes the projected expenditures for the recommended capital improvements and tenant improvements. It also sets forth a projected 5-year capital plan for planning purposes only. Unico is required to submit its recommendations each year for approval on an annual basis.

Completion of capital improvements and tenant improvements will ensure continued competitiveness of the Metropolitan Tract, and generate a substantial net present value improvement to the University's economic position.

## VII. STANDING COMMITTEES

### C. Capital Assets Committee

#### UNICO Properties Inc., 2005 Capital Improvement Plan (continued p.2)

Urbis Partners and Heitman Real Estate Services, the University's asset managers for the Metropolitan Tract, recommend approval of a total of \$9.2 million to accomplish Unico's 2005 Capital Improvement Plan.

The 2005 Capital Improvement Plan and expenditure request has been recommended for approval by the Executive Vice President and the Director of Real Estate.

## UNICO PROPERTIES 2005 CAPITAL BUDGET SUMMARY

2005 REQUESTED APPROVAL	
Capital Improvements	\$ 6,775,076
Tenant Improvements	\$ 2,445,218
<b>TOTAL</b>	<b>\$ 9,220,294</b>

2005 Building	Capital Improvements			Tenant Improvements
	Recommended 2005 Budget	Total 5 Year Projected Capital <sup>1</sup>	Major Planned Projects	Expected Transaction Budget <sup>3</sup>
Rainier Tower	1,254,403	4,883,732	Louis Vuitton exp \$606K	371,199
Financial Center	2,259,021	17,719,445	Exterior restoration \$1.8m	73,060
IBM Building	973,304	7,547,791	Roof \$339K	1,257,282
Puget Sound Plaza	823,843	4,069,212		492,980
Skinner Building	1,439,505	10,876,134	Sidewalk upgrades \$500K, Roof \$514K	250,697
Met Tract Studies <sup>4</sup>	25,000	25,000		
<b>TOTAL</b>	<b>6,775,076</b>	<b>45,121,314</b>		<b>2,445,218</b>

<sup>1</sup> \$22.6M is attributable to major mechanical upgrades for which we are currently evaluating alternative financing mechanisms.

<sup>2</sup> Based on leasing every vacant space and renewing every tenant with a lease expiring in 2005

<sup>3</sup> Based on budgeted leasing for 2005: all vacant and expiring spaces are budgeted to be \$6.0m

<sup>4</sup> Required under Article VII of the Unico Lease

### Historical Capital Expenditures

Budget Year	Net Capital Approved <sup>1</sup>	2005 Carryover <sup>2</sup>
2004	4,200,353	898,991
2003	5,638,651	277,116
2002	5,462,369	-
2001	5,882,055	30,000
2000	10,565,288	-
<b>5 YEAR CAPITAL TOTAL</b>	<b>31,748,716</b>	<b>1,206,107</b>
<b>5 YEAR TI TOTAL</b>	<b>10,592,561</b>	<b>1,911,689</b>
<b>TOTAL</b>	<b>42,341,277</b>	<b>3,117,796</b>

### Historical Tenant Improvement Expenditures

Budget Year	TIs Approved	Completed Deals	Carryover 2005
2004	4,304,829	3,694,955	1,818,079
2003	3,792,083	3,565,817	46,307
2002	615,410	604,467	45,313
2001	2,582,022	1,943,772	-
2000	1,488,192	783,549	1,990
<b>TOTAL</b>	<b>12,782,537</b>	<b>10,592,561</b>	<b>1,911,689</b>

Other Projects	Net Capital Approved	2005 Carryover
Skinner Seismic Upgrade <sup>2</sup>	10,880,702	2,492,467
Cobb Pre-Development	403,802	
IBM Retail Pre-Development <sup>3</sup>	250,000	168,948
<b>TOTAL:</b>	<b>12,223,802</b>	<b>2,661,415</b>
<b>TOTAL All Projects</b>	<b>54,565,079</b>	<b>5,779,211</b>

<sup>1</sup> Net Capital Approved represents the actual costs to complete the projects

<sup>2</sup> Represents amount yet to be reimbursed to Unico

<sup>3</sup> Skinner Building seismic project achieved savings of \$750,000 from the initial budget

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VII. STANDING COMMITTEE

C. Capital Assets Committee

*In Joint Session with*

B. Finance and Audit Committee

UW Medicine

See Attached Document

# UW Medicine

## *Major Components*

### School of Medicine Faculty

#### Owned and/or Managed Organizations

Harborview Medical Center  
UW Medical Center  
UW Physicians  
UW Physicians Network

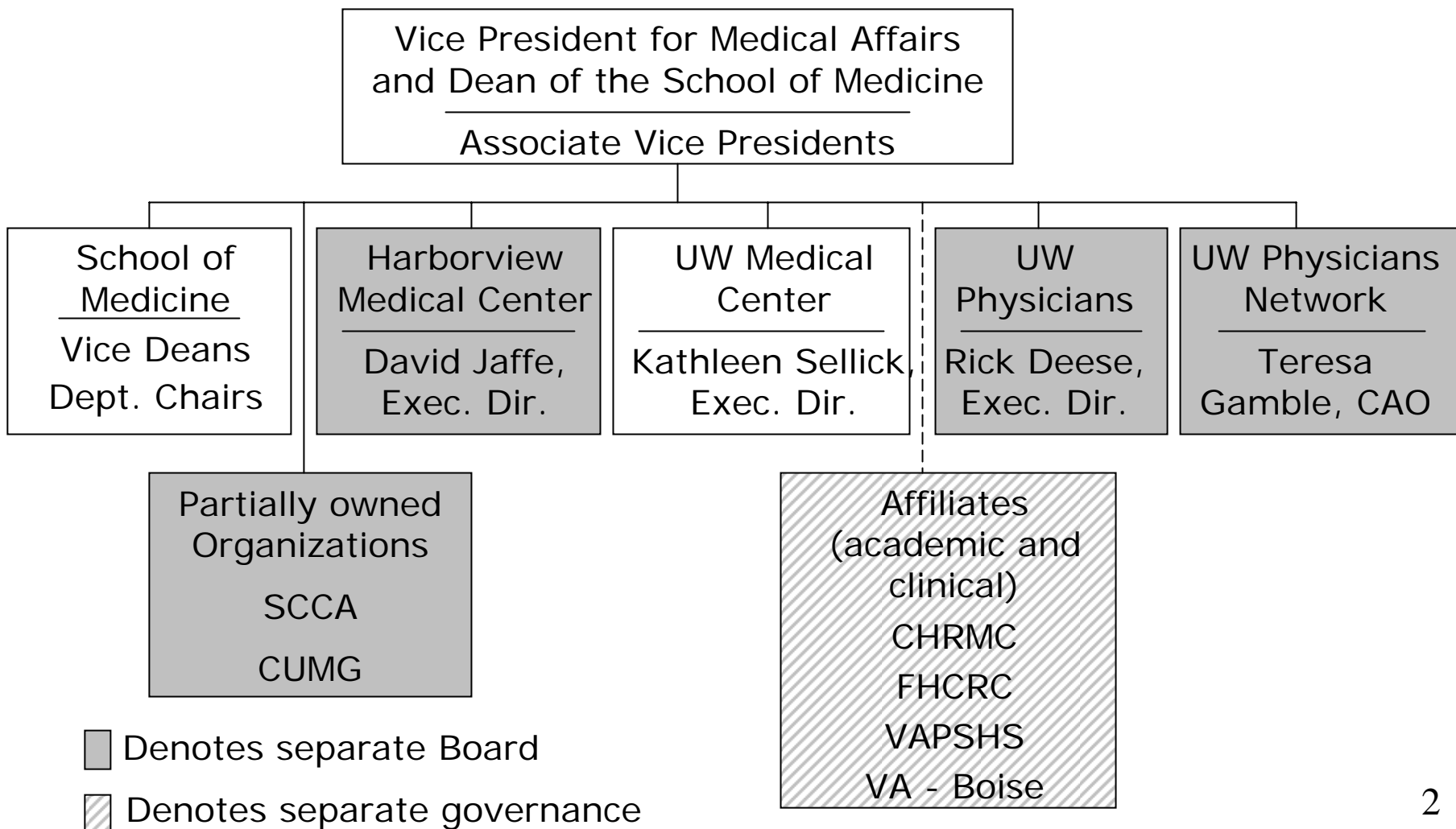
#### Membership Organizations

Children's/University  
Medical Group  
Seattle Cancer Care  
Alliance

#### Closely Affiliated Organizations

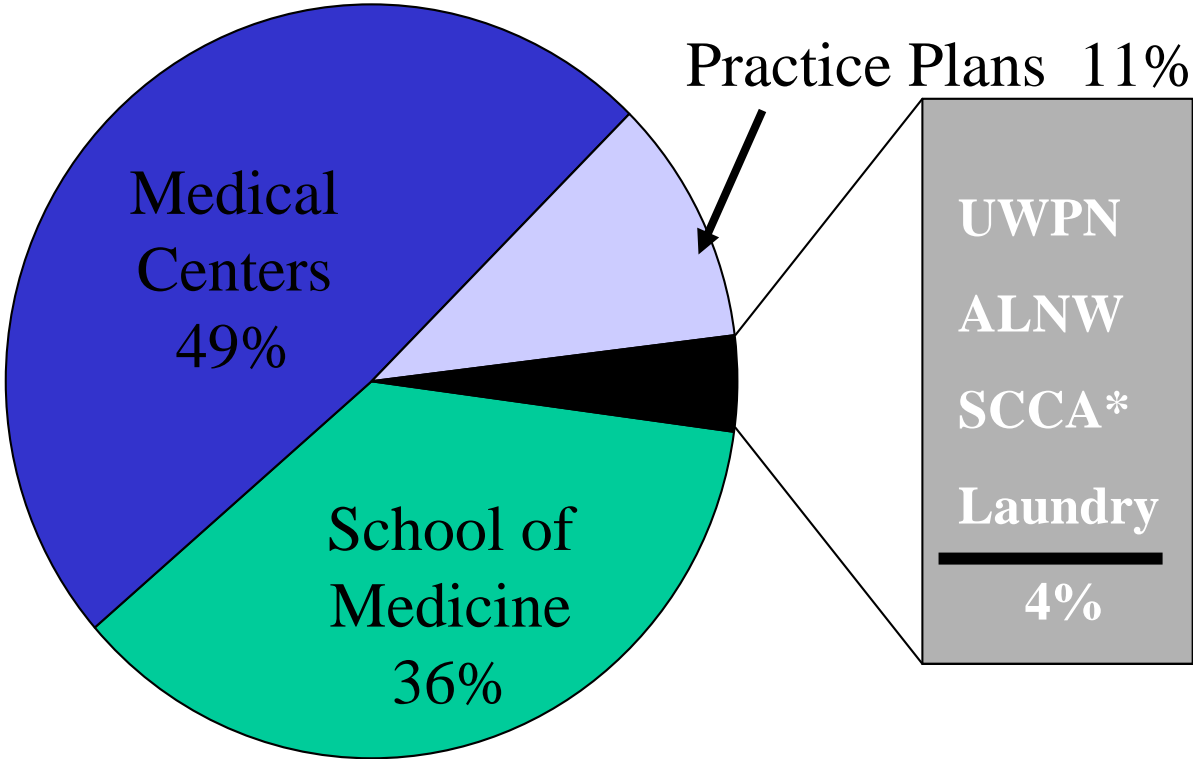
Children's Hospital &  
Regional Medical Center  
Fred Hutchinson Cancer  
Research Center  
VA Medical Centers –  
Seattle, American Lake,  
& Boise

# UW Medicine Organization



# UW Medicine

## *Revenue by operating entity*



\*Includes 33% of SCCA net revenues



# Balance Sheet

## Medical Centers & Practice Plans (\$ in thousands)

<b><u>Assets:</u></b>	<b><u>6/30/04</u></b>
Cash and Investments	252,806
Other Current Assets	284,640
Property Plant and Equipment	540,810
Other Assets	<u>223,834</u>
<b>Total Unrestricted Fund Assets</b>	<b>1,302,090</b>
<b><u>Liabilities and Fund Balance:</u></b>	
Current Liabilities	308,098
Other Liabilities	781
Long Term Debt (Net of Current Portion)	137,672
Fund Balance	<u>855,539</u>
<b>Total Unrestricted Fund Liabilities &amp; Fund Balances</b>	<b>1,302,090</b>

# Combined Income Statement

## Medical Centers & Practice Plans

(\$ in thousands)

	<u>6/30/2004</u>
<b>Revenue:</b>	
<b>Patient Service Revenue</b>	<b>\$ 1,161,028</b>
<b>State Appropriation</b>	<b>15,840</b>
<b>Other Revenue</b>	<b>74,393</b>
<b>Total Revenues</b>	<b><u>1,251,261</u></b>
<b>Expenses:</b>	
<b>Salaries, Wages and Benefits</b>	<b>686,522</b>
<b>Supplies and Other Expenses</b>	<b>434,573</b>
<b>Depreciation</b>	<b>60,216</b>
<b>Interest, Insurance and Taxes</b>	<b>5,500</b>
<b>Total Expenses</b>	<b><u>1,186,811</u></b>
<b>Income before CMF Assessment &amp; Departmental Distributions</b>	<b>64,450</b>
<b>CMF Assessments &amp; Departmental Distributions</b>	<b><u>(33,792)</u></b>
<b>Net Operating Income</b>	<b>30,658</b>
<b>Nonoperating Gains (Losses)</b>	<b><u>5,996</u></b>
<b>Revenues and Gains In Excess of Expense and Losses</b>	<b><u>\$ 36,654</u></b>

# Key Financial Indicators

	UWMC		HMC	UWP	CUMG	UWPN	All Other
Operating Income (In 000's)	\$ 17,248	\$ 868	-	-	\$ (6,412)	\$ 7,426	
Total Income (In 000's)	\$ 17,331	\$ 2,889	-	-	\$ 8,588	\$ 7,847	
Net Working Capital (In 000's)	\$ 117,019	\$ 93,741	-	-	\$ 13,610	\$ 17,071	
<b><u>PERCENTAGES</u></b>							
Operating Margin %	3.2%	0.2%	-	-	( 31.8%)	20.2%	
Total Margin %	3.2%	0.6%	-	-	42.5%	21.3%	
Debt / Equity	0.36	0.03	-	-	NA (1)	0.05	
Days Cash	62	24	N/A	N/A	24	133	
Days A/R	81	102	67	69	51	67	

(1) Value is negative due to negative net assets.

(2) Before elimination of UWPN loss



	<u>6/30/03</u>	<u>6/30/04</u>
<b>Revenues</b>	<b>742,466</b>	<b>725,132</b>
<b>Expenditures</b>	<b>635,849</b>	<b>698,492</b>
<b>Revenues in excess of expenditures</b>	<b>106,617</b>	<b>26,640</b>
<b>Beginning fund balance</b>	<b>254,021</b>	<b>360,638</b>
<b>Ending fund balance</b>	<b>360,638</b>	<b>387,278</b>
<b>Unexpended grant and contract awards</b>	<b><u>335,035</u></b>	<b><u>385,832</u></b>

# Appendices

- School of Medicine – revenue detail
- School of Medicine – expenditure detail
- School of Medicine – fund balance detail
- Medical centers & practice plans – balance sheet detail
- Medical centers & practice plans – income statement detail



	<u>6/30/03</u>	<u>6/30/04</u>
State funds	47,302	43,203
Off Campus Facilities ICR/RCR	25,413	29,315
Endowment Income & Gifts:		
Restricted	96,418	25,889
Unrestricted	3,354	6,987
Self-Sustaining	84,567	120,715
Clearing & Other	35,106	41,723
Research & Training (Note 1)	65,724	45,454
Grants & Contracts (Note 2)	370,232	399,419
Endowment Principal (at cost)	14,350	12,427
<b>Total Revenue</b>	<b>742,466</b>	<b>725,132</b>

Note 1: Research & Training revenue includes transfers from UWP and CUMG Clinical Medicine funds and hospital support.

Note 2: Grants & Contracts revenue is recognized to the extent of expenditures, and expenditures have increased year to year as awards have increased. .



	<u>6/30/03</u>	<u>6/30/04</u>
Salary/benefits	375,178	405,215
Supplies and other exp	165,572	198,676
Equipment	18,245	14,065
Grants/stipends	6,481	6,978
Debt redemption	4,190	2,414
Indirect cost	82,056	89,643
Cost transfers	(15,873)	(18,499)
<b>Total Expenditures</b>	<b><u>635,849</u></b>	<b><u>698,492</u></b>

Note: School of Medicine expenditures may also be recorded in hospital or practice plan income statements. The related reimbursement by the hospital or practice plan is reflected in School of Medicine revenues (including transfers). Examples include hospital-based operations for the Department of Laboratory Medicine, physician salaries paid on UW accounts, and single-source resident salaries paid by the hospitals.



	<u>6/30/03</u>	<i>% of</i> <u>Total</u>	<u>6/30/04</u>	<i>% of</i> <u>Total</u>
State funds (Note 1)	0		0	
Off Campus Facilities ICR/RCR	11,473	3%	16,377	4%
Endowment Income & Gifts:				
Restricted (Note 2)	124,573		131,489	
Unrestricted	10,173		10,805	
Total Endowment Income & Gifts	134,746	37%	142,294	37%
Self-Sustaining	8,439		18,308	
Clearing & Other	(45)		(235)	
Research & Training (Note 3)	23,650	7%	15,767	4%
<b>Subtotal</b>	<b>178,263</b>	<b>49%</b>	<b>192,511</b>	<b>50%</b>
Grants & Contracts (Note 4)	0		0	
Endowment Principal (at cost) (Note 5)	182,375	51%	194,767	50%
<b>Ending Fund Balance</b>	<b><u>360,638</u></b>	<b>100%</b>	<b><u>387,278</u></b>	<b>100%</b>





Note 1: State appropriation revenue is only recognized to the extent of spending for each fiscal year. Spending may vary from year to year, but the biennial appropriation is spent in full by the end of the biennium.

Note 2: The 6/30/04 ending balance of restricted gifts includes \$70M for the Genome Sciences construction fund.

Note 3: Research and Training is funds held on account on UW books (Dean's Office as well as department accounts). The source of funds is practice plan or affiliated hospital transfers to the School of Medicine. The transfers are made for expense reimbursement, or to fund School of Medicine operations. The 6/30/04 ending balance of \$16M includes \$6M transfer from UWMC to DOM and \$11M IME-DME payments from UWMC and HMC to reimburse SOM for costs related to resident program. An estimated \$4M of the IME-DME payments will be transferred to SOM clinical departments as final cost reports are filed. The majority of R&T funds is held at the practice plans (recorded as a liability by the practice plans) and not included in this fund balance.

Note 4: Grant revenue is only recognized to the extent of spending for each fiscal year, as a result the year end fund balance is \$0. Unspent grant revenue is \$335M at 6/30/03 and \$385M at 6/30/04.

Note 5: Market value of endowments is \$263M at 6/30/03 and \$303M at 6/30/04. The increase includes additions to endowments as well as investment earnings.

# Balance Sheet Detail – FY 2004

## Medical Centers & Practice Plans

	UW Medical Center	Harborview Medical Center	University of Washington Physicians	Children's University Medical Group	UW Physician Network	All Other
Cash & Investments	\$ 110,139	\$ 39,740	\$ 75,698	\$ 11,825	\$ 1,396	\$ 14,008
Other Current Assets	124,125	116,941	26,990	10,342	12,971	7,391
Property Plant and Equipment (Net)	281,684	248,732	2,093	120	4,716	3,465
Other Assets	29,033	191,389	10,000	-	87	6,016
<b>Total Unrestricted Fund Assets</b>	<b>544,981</b>	<b>596,802</b>	<b>114,780</b>	<b>22,287</b>	<b>19,170</b>	<b>30,880</b>
Current Liabilities	117,245	62,940	114,722	22,225	757	4,328
Other Liabilities	-	532	-	-	249	-
Long Term Debt (Net of Current Portion)	113,640	12,620	58	-	10,000	1,354
Fund Balances	314,096	520,710	-	62	8,165	25,198
<b>Total Liabilities and Fund Balances</b>	<b>\$ 544,981</b>	<b>\$ 596,802</b>	<b>\$ 114,780</b>	<b>\$ 22,287</b>	<b>\$ 19,170</b>	<b>\$ 30,880</b>

# Income Statement Detail- FY 2004

## Medical Centers & Practice Plans

	UW Medical Center	Harborview Medical Center	University of Washington Physicians	Children's University Medical Group	UW Physician Network	All Other
<b>REVENUES</b>						
Patient Service Revenues	\$ 822,458	\$ 793,035	\$ 375,223	\$ 83,379	\$ 33,994	\$ 58,018
State Appropriation	8,306	7,534	-	-	-	-
Other Revenue	23,865	35,992		18,783	440	-
Total Deductions	(320,418)	(359,602)	(225,215)	(49,547)	(14,246)	(21,217)
<b>Total Revenues</b>	<b>534,211</b>	<b>476,959</b>	<b>150,009</b>	<b>52,615</b>	<b>20,188</b>	<b>36,801</b>
<b>EXPENSES</b>						
Salaries, Wages and Benefits	252,670	277,734	99,296	38,106	17,646	10,766
Supplies and Other Expenses	226,902	173,253	26,667	3,563	7,611	17,933
Depreciation	32,835	24,402	1,148	53	1,172	606
Interest, Insurance, and Taxes	4,556	702		-	171	71
<b>Total Expenses</b>	<b>516,963</b>	<b>476,091</b>	<b>127,110</b>	<b>41,722</b>	<b>26,601</b>	<b>29,375</b>
<b>Income (Loss) before Distributions</b>	<b>17,248</b>	<b>868</b>	<b>22,899</b>	<b>10,893</b>	<b>(6,412)</b>	<b>7,426</b>
Departmental Distributions, CMF Assessments			(33,721)	(11,910)		
Non-operating income			10,822	1,017		
<b>Net Operating Income</b>	<b>17,248</b>	<b>868</b>	<b>-</b>	<b>-</b>	<b>(6,412)</b>	<b>7,426</b>
<b>NONOPERATING GAINS (LOSSES)</b>						
Due from Network Agreements					15,000	
Interest, Investment, and Other Income	83	2,021	-	-	-	421
<b>Net Nonoperating Gains (Losses)</b>	<b>83</b>	<b>2,021</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>421</b>
<b>Net Income</b>	<b>\$ 17,331</b>	<b>\$ 2,889</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,588</b>	<b>\$ 7,847</b>

# UW Medicine

## *Major Components*

### School of Medicine Faculty

#### Owned and/or Managed Organizations

Harborview Medical Center  
UW Medical Center  
UW Physicians  
UW Physicians Network

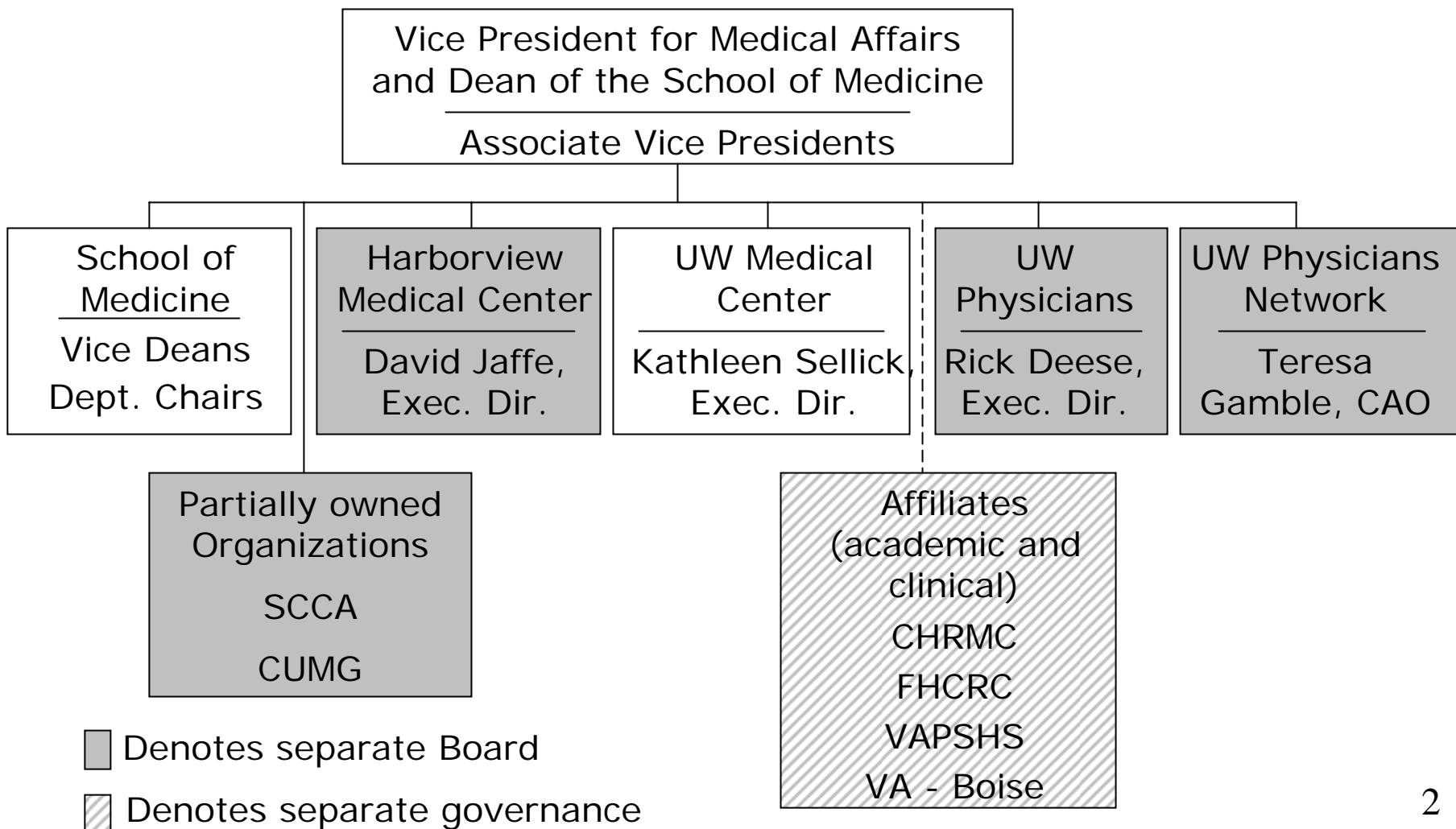
#### Membership Organizations

Children's/University  
Medical Group  
Seattle Cancer Care  
Alliance

#### Closely Affiliated Organizations

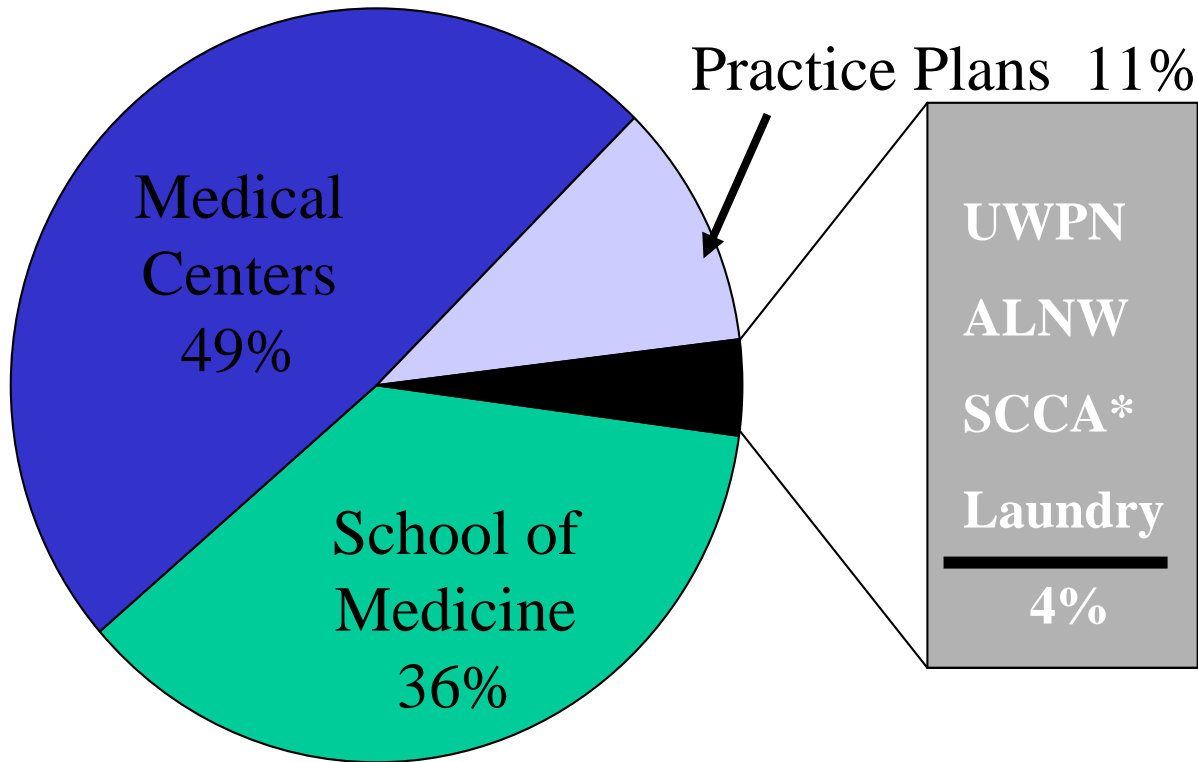
Children's Hospital &  
Regional Medical Center  
Fred Hutchinson Cancer  
Research Center  
VA Medical Centers –  
Seattle, American Lake,  
& Boise

# UW Medicine Organization



# UW Medicine

## *Revenue by operating entity*



\*Includes 33% of SCCA net revenues

# Balance Sheet

## Medical Centers & Practice Plans (\$ in thousands)

<b><u>Assets:</u></b>	<b><u>6/30/04</u></b>
Cash and Investments	252,806
Other Current Assets	284,640
Property Plant and Equipment	540,810
Other Assets	<u>223,834</u>
<b>Total Unrestricted Fund Assets</b>	<b>1,302,090</b>
<b><u>Liabilities and Fund Balance:</u></b>	
Current Liabilities	308,098
Other Liabilities	781
Long Term Debt (Net of Current Portion)	137,672
Fund Balance	<u>855,539</u>
<b>Total Unrestricted Fund Liabilities &amp; Fund Balances</b>	<b>1,302,090</b>

# Combined Income Statement

## Medical Centers & Practice Plans

(\$ in thousands)

	<u>6/30/2004</u>
<b>Revenue:</b>	
<b>Patient Service Revenue</b>	<b>\$ 1,161,028</b>
<b>State Appropriation</b>	<b>15,840</b>
<b>Other Revenue</b>	<b>74,393</b>
<b>Total Revenues</b>	<b><u>1,251,261</u></b>
<b>Expenses:</b>	
<b>Salaries, Wages and Benefits</b>	<b>686,522</b>
<b>Supplies and Other Expenses</b>	<b>434,573</b>
<b>Depreciation</b>	<b>60,216</b>
<b>Interest, Insurance and Taxes</b>	<b>5,500</b>
<b>Total Expenses</b>	<b><u>1,186,811</u></b>
<b>Income before CMF Assessment &amp; Departmental Distributions</b>	<b>64,450</b>
<b>CMF Assessments &amp; Departmental Distributions</b>	<b><u>(33,792)</u></b>
<b>Net Operating Income</b>	<b>30,658</b>
<b>Nonoperating Gains (Losses)</b>	<b><u>5,996</u></b>
<b>Revenues and Gains In Excess of Expense and Losses</b>	<b><u>\$ 36,654</u></b>



# Key Financial Indicators

	UWMC		HMC	UWP	CUMG	UWPN	All Other
Operating Income (In 000's)	\$ 17,248	\$ 868	-	-	\$ (6,412)	\$ 7,426	
Total Income (In 000's)	\$ 17,331	\$ 2,889	-	-	\$ 8,588	\$ 7,847	
Net Working Capital (In 000's)	\$ 117,019	\$ 93,741	-	-	\$ 13,610	\$ 17,071	
<b><u>PERCENTAGES</u></b>							
Operating Margin %	3.2%	0.2%	-	-	( 31.8%)	20.2%	
Total Margin %	3.2%	0.6%	-	-	42.5%	21.3%	
Debt / Equity	0.36	0.03	-	-	NA <b>(1)</b>	0.05	
Days Cash	62	24	N/A	N/A	24	133	
Days A/R	81	102	67	69	51	67	

(1) Value is negative due to negative net assets.

(2) Before elimination of UWPN loss



	<u>6/30/03</u>	<u>6/30/04</u>
<b>Revenues</b>	<b>742,466</b>	<b>725,132</b>
<b>Expenditures</b>	<b>635,849</b>	<b>698,492</b>
<b>Revenues in excess of expenditures</b>	<b>106,617</b>	<b>26,640</b>
<b>Beginning fund balance</b>	<b>254,021</b>	<b>360,638</b>
<b>Ending fund balance</b>	<b>360,638</b>	<b>387,278</b>
<b>Unexpended grant and contract awards</b>	<b>335,035</b>	<b>385,832</b>

# Appendices

- School of Medicine – revenue detail
- School of Medicine – expenditure detail
- School of Medicine – fund balance detail
- Medical centers & practice plans – balance sheet detail
- Medical centers & practice plans – income statement detail



	<u>6/30/03</u>	<u>6/30/04</u>
State funds	47,302	43,203
Off Campus Facilities ICR/RCR	25,413	29,315
Endowment Income & Gifts:		
Restricted	96,418	25,889
Unrestricted	3,354	6,987
Self-Sustaining	84,567	120,715
Clearing & Other	35,106	41,723
Research & Training (Note 1)	65,724	45,454
Grants & Contracts (Note 2)	370,232	399,419
Endowment Principal (at cost)	14,350	12,427
<b>Total Revenue</b>	<b><u>742,466</u></b>	<b><u>725,132</u></b>

Note 1: Research & Training revenue includes transfers from UWP and CUMG Clinical Medicine funds and hospital support.

Note 2: Grants & Contracts revenue is recognized to the extent of expenditures, and expenditures have increased year to year as awards have increased. .



	<u>6/30/03</u>	<u>6/30/04</u>
Salary/benefits	375,178	405,215
Supplies and other exp	165,572	198,676
Equipment	18,245	14,065
Grants/stipends	6,481	6,978
Debt redemption	4,190	2,414
Indirect cost	82,056	89,643
Cost transfers	(15,873)	(18,499)
<b>Total Expenditures</b>	<b><u>635,849</u></b>	<b><u>698,492</u></b>

Note: School of Medicine expenditures may also be recorded in hospital or practice plan income statements. The related reimbursement by the hospital or practice plan is reflected in School of Medicine revenues (including transfers). Examples include hospital-based operations for the Department of Laboratory Medicine, physician salaries paid on UW accounts, and single-source resident salaries paid by the hospitals.



	<u>6/30/03</u>	<i>% of</i> <u>Total</u>	<u>6/30/04</u>	<i>% of</i> <u>Total</u>
State funds (Note 1)	0		0	
Off Campus Facilities ICR/RCR	11,473	3%	16,377	4%
Endowment Income & Gifts:				
Restricted (Note 2)	124,573		131,489	
Unrestricted	10,173		10,805	
Total Endowment Income & Gifts	134,746	37%	142,294	37%
Self-Sustaining	8,439		18,308	
Clearing & Other	(45)		(235)	
Research & Training (Note 3)	23,650	7%	15,767	4%
<b>Subtotal</b>	<b>178,263</b>	<b>49%</b>	<b>192,511</b>	<b>50%</b>
Grants & Contracts (Note 4)	0		0	
Endowment Principal (at cost) (Note 5)	182,375	51%	194,767	50%
<b>Ending Fund Balance</b>	<b><u>360,638</u></b>	<b>100%</b>	<b><u>387,278</u></b>	<b>100%</b>



Note 1: State appropriation revenue is only recognized to the extent of spending for each fiscal year. Spending may vary from year to year, but the biennial appropriation is spent in full by the end of the biennium.

Note 2: The 6/30/04 ending balance of restricted gifts includes \$70M for the Genome Sciences construction fund.

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<b>Net Income</b>	<b>\$ 17,331</b>	<b>\$ 2,889</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,588</b>	<b>\$ 7,847</b>

VII. STANDING COMMITTEE

C. Capital Assets Committee

*In Joint Session with*

B. Finance and Audit Committee

UW Research Space

See Attached Document

# UW Research Space

## *What is the context for research space expansion at the University of Washington?*

**Research Enterprise** - At the January, 2005 Finance and Audit Committee meeting, the Office of Research briefed the Regents regarding sponsored research programs at the University of Washington, illustrating the UW's outstanding success in achieving research grant and contract awards from federal and non-federal sources. While the overall growth rates in NIH and NSF awards have flattened, the University of Washington's market share has remained very steady.

**Financial Position** - UW Medicine has also provided information summarizing the current financial status of Medicine, as part of the larger context for decision-making regarding the expansion of research facilities, particularly in South Lake Union.

**Research Space** - The following information update regarding University of Washington's research space summarizes our current research space portfolio, illustrates the relationship between the availability of research space and the receipt of research grant and contract awards, and describes the UW's plan for expanding research facilities into the future, while appropriately managing risk.

Building on these three briefings, in March, the Regents will be asked to consider granting approval to exercise the option for South Lake Union, Phase II, moving the project forward into construction and allowing for the issuance of related debt.

# UW Research Space Plan

*How much research space do we have?*

## 2005 Total Space and Research Space Component (000's Gross Sq. Ft.)

	<u>UWS</u>	<u>Leased</u>	<u>UWB</u>	<u>UWT</u>	<u>Total</u>
All Space	16,629	2,882	336	528	20,253
Research Space	2,768	405	16	0	3,189*
% Research Space	17%	14%	5%	0%	16%

## Total Dedicated Research Space (000's Gross Sq. Ft.)

Existing	3,189*	
Approved	<u>387</u>	(265,000 Foege Building and 122,000 UW Research & Technology I)
Total	3,576	

*What is the relationship between incremental research space and research awards?*

	<u>1990</u>	<u>1995</u>	<u>2000</u>	<u>2005</u>	<u>Growth 1990-2005</u>	<u>Potential 2020</u>
Total Research Space <sup>1</sup>	2,088	2,349	2,742	3,576	1,488(71%)	4,403
Research Awards (\$M)	\$346	\$477	\$652	\$973 <sup>2</sup>	\$634(183%)	\$1.5 -\$2B <sup>3</sup>

<sup>1</sup> In 000's gross square feet

<sup>2</sup> Estimated using 2004 total, plus 2%

<sup>3</sup> Estimated growth of 3-5%/year

## What is our plan for expanding research space?

### Principles

- Allow for smaller incremental increases in research space
- Each expansion phase or project must work on its own
  - Initial equity investment
  - Capital reserves
  - Operations and maintenance
- Maintain leased spaces to buffer risk
- Contingency plans for flexible growth
  - Consolidate leaseholds
  - Build flexible space to allow change in use
    - Office to lab/lab to office
    - UW researchers/Non-UW occupants
  - Maintain reserves

### Major Projects

		<u>GSF</u>	<u>% Assigned</u>
Approved	Foege Building	265,000	100%
	UW Research and Technology I	<u>122,000</u>	35%
	Subtotal	387,000	
Recommended	South Lake Union Phase II (lab only)	<u>197,000</u>	xx%
	Subtotal	197,000	
Future	UW Research and Technology II/III	230,000	
	South Lake Union Phase III	<u>400,000</u>	
	Subtotal	<u>630,000</u>	
	TOTAL	<u>1,214,000</u>	Gross Sq. Ft. New Space

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	TOTAL	<u>1,214,000</u>	Gross Sq. Ft. New Space



VII. STANDING COMMITTEE

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UW Medicine Research Facilities: South Lake Union

See Attached Document

# UW Medicine Research Facilities: South Lake Union

## What is the program opportunity?

- UW Medicine is the number one public school of medicine recipient of federal research funding: \$450 million for UW-based research in FY2004
- NIH-funded research for UW Medicine faculty at all locations was \$506 million in Federal FY 2004
- 10% annual research growth over the last 12 years
- 46% share of total UW dollars awarded over past several years
- Over 1,000 full-time faculty working on NIH research
- 687 Principal Investigators (PI's) generate on average \$735,000/year of grant revenues
- Regional economic development and job growth a direct result of UW Medicine research activities – UW Medicine's economic impact was estimated at \$2.7 billion in FY 2002, primarily attributable to federally-funded research
- Vulcan property in South Lake Union selected as the best location able to meet program objectives and provide capacity for future growth

## What is the demand for lab space?

NIH sponsored research at UW Medicine has grown at an annual rate of 10% per year over the past twelve years. If we continue this pace of growth for the next ten years, UW-based awards will grow from \$450 million (FY 04) to \$1.1 billion (FY 14).

We have projected a much more conservative UW Medicine annual growth rate of 3.0% after initial occupancy for our current research activities in our financial modeling for South Lake Union – Phase II.

The modeled economic impact will be:

- Over the ten-year period, the funding for UW Medicine-based research will grow from \$450 million to \$680 million per year.
- The \$230 million of incremental growth will generate another \$400 million per year of related regional economic growth for a total impact of \$630 million.

The projected employment impact of this growth would be:

- 3,500 new jobs at the University of Washington.
- 8,000 additional jobs in the region.

The following table summarizes the current School of Medicine owned and managed space inventory (laboratory, faculty, administrative space) and the planned additions:

	<b>Gross square feet (GSF)</b>	<b>Assignable square feet (ASF)</b>
Current Inventory	1,900,000	800,000
Foege Bldg	265,000	140,000
South Lake Union	817,000	450,000
<b>Total</b>	<b>2,982,000</b>	<b>1,390,000</b>

The South Lake Union facilities are projected to account for:

- \$180 million (per year) in additional research funding (~\$400 per ASF);
- \$300 million (per year) of additional economic benefit to the community;
- 2,700 new UW jobs; and
- 6,000 new additional jobs in the community.

<b>Economic &amp; Space Assumptions</b>	<b>Space Assumptions</b>
<ul style="list-style-type: none"> <li>▪ \$1 million of research funding = 15 UW jobs (10 at UW Medicine research and 5 elsewhere in the UW system)</li> <li>▪ Each UW job produces 2.3 additional jobs</li> <li>▪ Each \$1 million of research funding = \$1.7 million of additional economic benefit to the region</li> </ul>	<ul style="list-style-type: none"> <li>▪ Each UW research position requires 185 ASF of space</li> <li>▪ ASF is 50% to 55% of GSF</li> <li>▪ UW Medicine currently generates ~ \$400 of research/ASF (direct + indirect)</li> </ul>

## What is the proposal for South Lake Union?

- Build a three-phase research campus to accommodate over 700,000 gross sq ft of laboratory space and 100,000 gross sq ft of administrative space

<b>Phases 1 &amp; 2: Sources &amp; Uses of Funds (\$ in millions)</b>							
Phase/Use	Completion	Area (gross sq ft)	USES /-----SOURCES-----/		SOURCES-----/		
			Upfront Project Cost*	Upfront Project Debt	Upfront Project Capital	Operating Capital	Total Funding Sources
1-lab	Dec-04	110,000	\$46.9	\$41.9	\$5.0	\$0.0	\$46.9
2-office	Aug-07	110,000	\$32.4	\$29.4	\$3.0	\$0.0	\$32.4
2-lab	Dec-07	197,000	\$123.6	\$112.0	\$11.6	\$40.4	\$164.0
subtotal		417,000	\$202.9	\$183.3	\$19.6	\$40.4	\$243.3

<b>Phases 1 &amp; 2: Sources of Capital and Debt (\$ in millions)</b>			
	Identified	To be confirmed	Total
Donor Funds	\$8.0	\$13.0	\$21.0
UW Medicine Funds	\$10.0		\$10.0
UW undesignated central reserves	\$10.0		\$10.0
Other support (federal, state, donor)	\$0	\$19.0	\$19.0
subtotal Project and Operating Capital	\$28.0	\$32.0	\$60.0
GRB Lease Revenue Bonds	\$183.3	\$0.0	\$183.3
Total Funding	\$211.3	\$32.0	\$243.3

<b>Phases 1 &amp; 2: Average Annual Revenues &amp; Occupancy Costs (\$ in thousands)</b>				
Phase/Use	FY 2006-2010	FY 2011-15	FY 2016-20	FY 2021-25
Revenues **	\$11,346	\$22,136	\$25,220	\$28,800
Occupancy Costs***	\$15,438	\$25,045	\$26,333	\$27,679
Annual Facilities Cash Flow	(\$4,092)	(\$2,910)	(\$1,112)	\$1,121
Operating Capital (\$40M above plus interest)****	\$4,092	\$2,910	\$1,112	\$0
Adjusted Cash Flow	\$0	\$0	\$0	\$1,121

<b>Phase 3 Prelim. Budget (\$ in millions)</b>							
Phase/Use	Completion	Area (gross sq ft)	USES /-----SOURCES-----/		SOURCES-----/		
			Upfront Project Cost*	Upfront Project Debt	Upfront Project Capital	Operating Capital	Total Funding
3-lab	Aug 2010-12	400,000	\$250.0	\$225.0	\$25.0	\$80.0	\$330.0

\* Total project cost includes building and equipment but excludes value of ground lease.

\*\* Revenues include indirect cost, state proteomics support, parking.

\*\*\* Costs include debt service, ground rent, operations & maintenance, and reserves.

\*\*\*\* Operating capital reserves will fund annual deficits. Increases in state operating support, philanthropy, and improvements in base financial assumptions will reduce the need for reserves to cover under-funded occupancy costs.

## **What are the key variables that will determine the occupancy cost?**

- Research Growth: annual rate of change in total grant volume
  - Each 1% change in annual growth rate increases/decreases annual cash flow by \$850,000 (base case = 3%)
- Indirect Cost Recovery (ICR): facilities and administrative overhead rate applied to direct cost
  - Each 1% change in ICR rate increases/decreases annual cash flow by \$440,000 (base case = 61.6%)
- Mitigation of Growth and ICR risks: There are several anticipated approaches to dealing with negative outcomes relative to our expected case. The shortfall, if any, will be address through a combination of:
  - additional one-time investments,
  - limited use of UW Medicine administrative indirect cost recovery funds,
  - consolidation of existing lease space, and
  - sublease of space to third party non-profit organizations.

## **What are the next steps?**

- Feb - Aug 2005: Obtain commitments for balance of initial investment funding necessary for Phase 2
- March 2005: Regent approval to proceed
- April 2005: Exercise Phase 2 option
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# **UW Medicine Research Facilities: South Lake Union**

## **What is the program opportunity?**

- UW Medicine is the number one public school of medicine recipient of federal research funding: \$450 million for UW-based research in FY2004
- NIH-funded research for UW Medicine faculty at all locations was \$506 million in Federal FY 2004
- 10% annual research growth over the last 12 years
- 46% share of total UW dollars awarded over past several years
- Over 1,000 full-time faculty working on NIH research
- 687 Principal Investigators (PI's) generate on average \$735,000/year of grant revenues
- Regional economic development and job growth a direct result of UW Medicine research activities – UW Medicine's economic impact was estimated at \$2.7 billion in FY 2002, primarily attributable to federally-funded research
- Vulcan property in South Lake Union selected as the best location able to meet program objectives and provide capacity for future growth

## **What is the demand for lab space?**

NIH sponsored research at UW Medicine has grown at an annual rate of 10% per year over the past twelve years. If we continue this pace of growth for the next ten years, UW-based awards will grow from \$450 million (FY 04) to \$1.1 billion (FY 14).

We have projected a much more conservative UW Medicine annual growth rate of 3.0% after initial occupancy for our current research activities in our financial modeling for South Lake Union – Phase II.

The modeled economic impact will be:

- Over the ten-year period, the funding for UW Medicine-based research will grow from \$450 million to \$680 million per year.
- The \$230 million of incremental growth will generate another \$400 million per year of related regional economic growth for a total impact of \$630 million.

The projected employment impact of this growth would be:

- 3,500 new jobs at the University of Washington.
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VII. STANDING COMMITTEES

B. Finance and Audit Committee

**UW**

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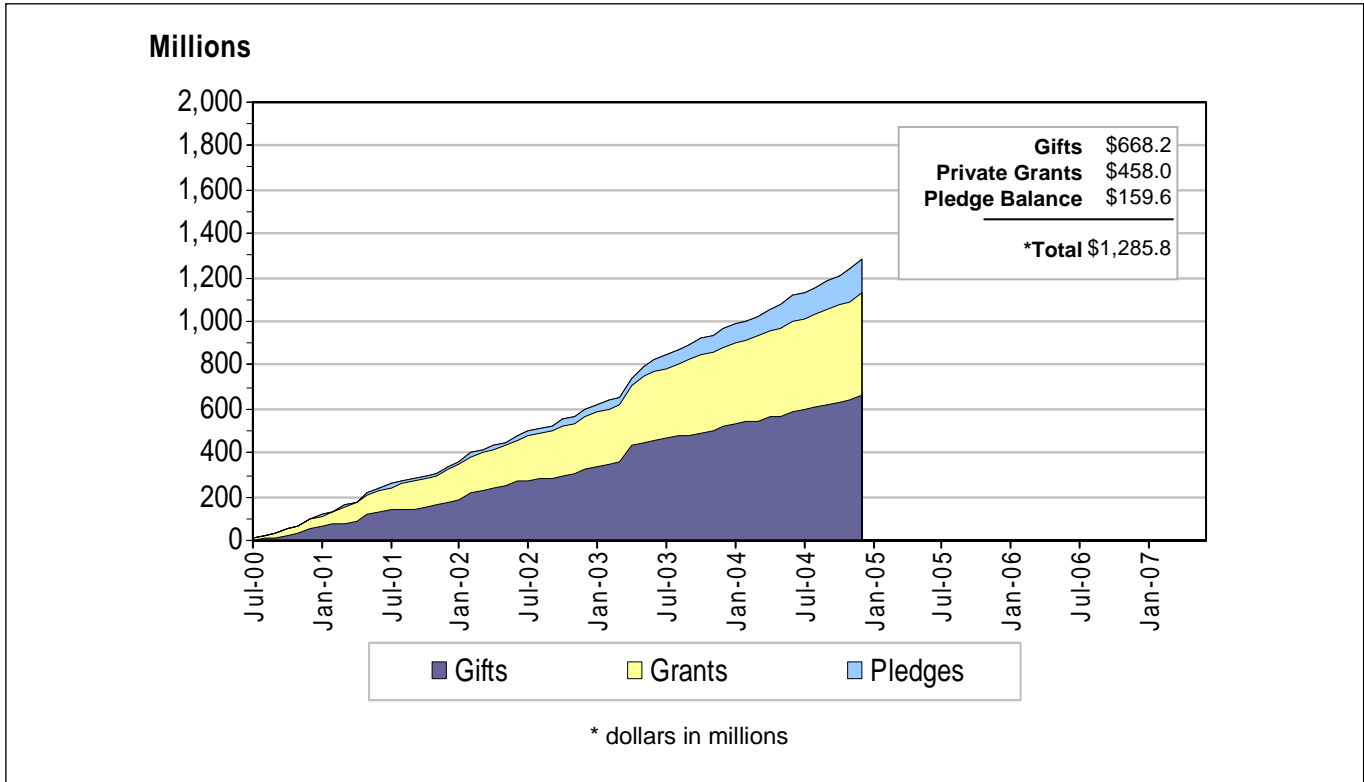
**Report of  
Contributions**

University of Washington  
University of Washington Foundation

December 2004

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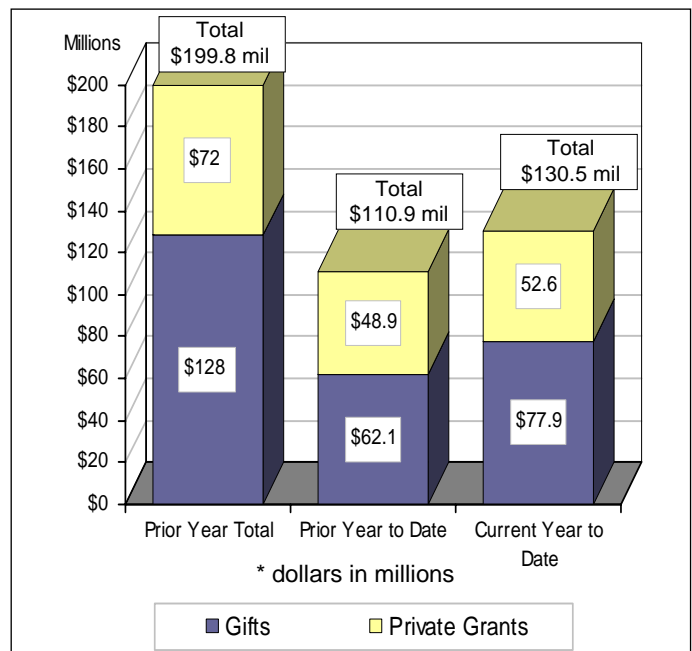
## Campaign Progress Since July 1, 2000



### Data Points

- \$1,285,754,172 has been raised toward our campaign goal of \$2 billion.
- The UW received \$37.2 million in total private voluntary support (\$28.2 million in gifts and \$9 million in grants) in December.
- Areas including Arts & Sciences, UW Bothell, Business, Dentistry, Education, Engineering, Information School, Intercollegiate Athletics, Libraries, UW Medicine, Ocean and Fisheries, Pharmacy, Public Health and Social Work are ahead of last year's year-to-date totals.

### Current Gift and Private Grant Totals



## December Gifts and Impact

Selected gifts representing private support for one of the University of Washington's key fundraising priorities -- student, faculty, program and facility support.<sup>RAFT</sup>

### **Benjamin Hall, Ph.D. and Margaret Hall, Ph.D. - \$450,000 to the College of Arts and Sciences**

- Professor Benjamin and Dr. Margaret Hall have made a \$1 million commitment to fund fellowships in the Department of Biology at the University of Washington. Their gift will receive \$500,000 in matching funds via the UW Matching Initiative.
- Professor Hall was a member of the UW Department of Genetics from 1963 to 1994, and currently holds a half-time position in the Department of Botany. His work on yeast genetics led to a manufacturing process for the hepatitis B vaccine that has generated over \$100 million in royalties for the University of Washington and the Washington Research Foundation. Professor Hall received the University's first "Inventor of the Year" award in 2004.
- Dr. Margaret Hall received her Education Certificate from the University of Washington in 1967 and went on to earn her Master's Degree (1975) and Ph.D. (1984) in History. She has taught elementary and high school and is affiliated with the Benjamin and Margaret Hall Foundation.

### **Guy L. Tribble, M.D. - \$250,810 to UW Medicine**

- Dr. Guy L. (Bud) Tribble has created the Wayne Crill Endowed Professorship to attract and retain a distinguished faculty member in the Department of Physiology and Biophysics at the UW. This gift is the first contribution on a \$334,000 pledge that will receive matching funds from the UW Matching Initiative, making it a fully-funded professorship.
- Bud Tribble studied under Dr. Wayne Crill, professor and chair of the Department of Physiology and Biophysics and an internationally renowned expert on the functions of the nervous system, and decided to honor Dr. Crill's work with an endowed professorship in the School of Medicine. Dr. Tribble received his M.D. and Ph.D. in Physiology and Biophysics in 1983.
- Bud Tribble is currently VP for Software at Apple Computers. He was the principal architect of the original Macintosh Computer and co-founded NeXT, Inc., which developed the NEXTSTEP hardware and operating system currently used by Apple's Mac computers.

### **Gary and Danielle Yoakam - \$20,000 to Scholarships and Student Programs**

- Mr. and Mrs. Yoakam are Olympia residents who have decided to give back to their community by providing scholarship funds for area students to attend UW.
- This gift is the first payment on a \$100,000 pledge to create the Gary and Danielle Burgoyne Yoakam Endowed Scholarship, which will receive \$50,000 in UW Matching Funds.
- The scholarships will be awarded to entering freshmen from the Tumwater School District and will be based on financial need; Mr. and Mrs. Yoakam believe that education can be life-changing and hope that their gift will enable greater educational opportunity for low-income students.



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# Report of Contributions

University of Washington  
University of Washington Foundation

December 2004

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Prepared By:  
Office of Development & Alumni Relations  
Advancement Services  
Information Management

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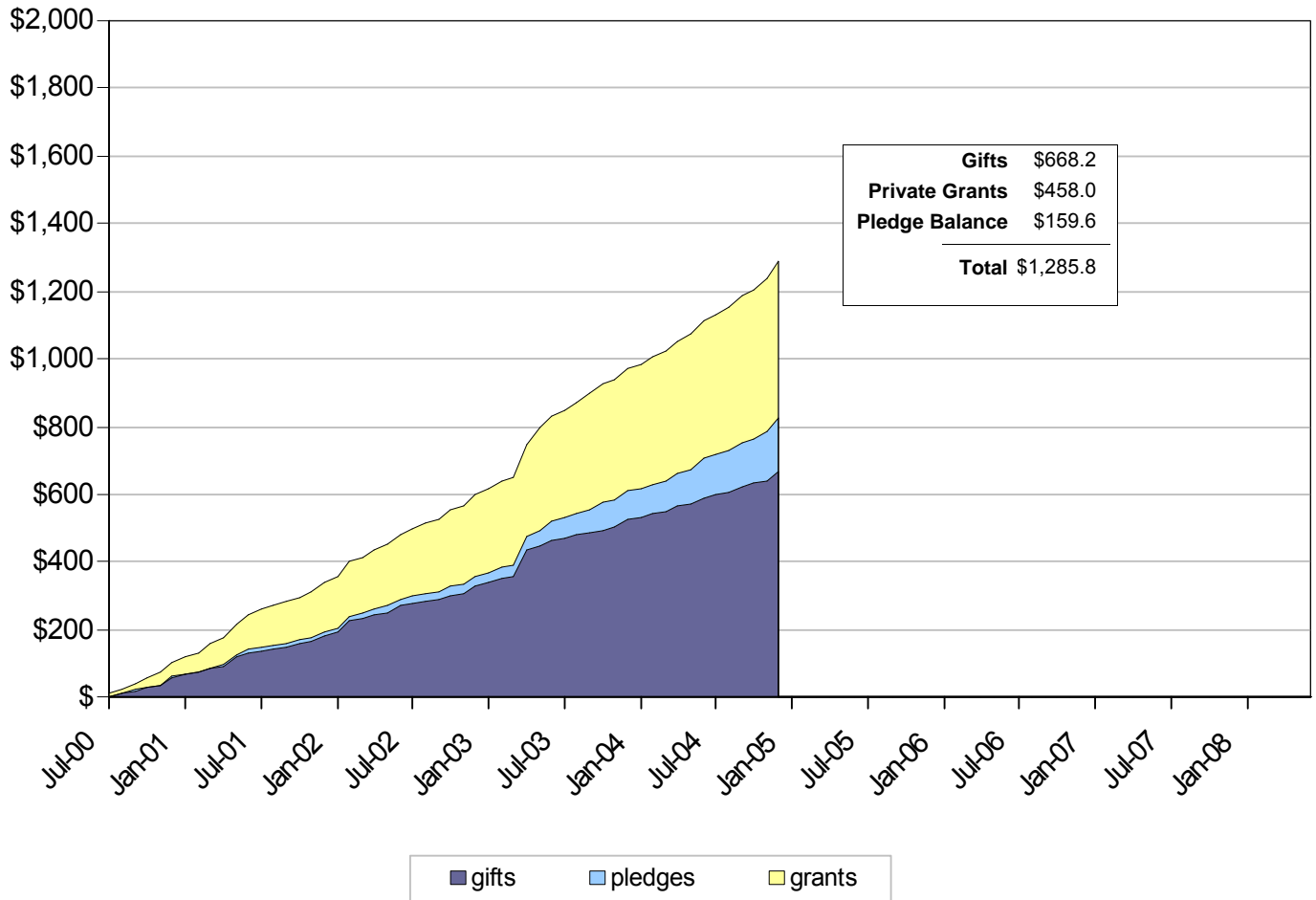
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\*All Campaign totals represented are from July 1, 2000 through the end of the preceeding calendar month. Please note that grant revenue totals in Campaign Reports may contain clinical trials. Fundraising totals from all affiliated non-profit organizations' are also included in UW Campaign totals.

Annual reporting is July 1, 2003 through the end of the preceeding calendar month.

## Campaign Progress to Date



Source: UW Office of Development

Summarizes Total Private Voluntary Support since July 1, 2000. Testamentary Commitments included in Pledge Balance total. All dollar totals in millions.

## Campaign Progress by Giving Level

### Dollars Raised

#### Gifts and Pledges

Giving Level *	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$100M+	\$0	\$32,720	\$87,083,337	\$0	\$0	\$0	\$87,116,057
\$50M - \$99,999,999	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$10M - \$49,999,999	\$28,643,062	\$45,809,997	\$20,512,500	\$19,804,632	\$20,456,061	\$0	\$135,226,252
\$5M - \$9,999,999	\$15,090,084	\$5,005,500	\$0	\$21,530,261	\$21,092,267	\$20,738,747	\$83,456,859
\$1M - \$4,999,999	\$63,881,082	\$43,132,914	\$20,794,319	\$46,133,217	\$31,038,816	\$4,251,032	\$209,231,380
\$100,000 - \$999,999	\$58,991,324	\$47,583,452	\$16,126,737	\$29,145,837	\$15,726,234	\$8,581,289	\$176,154,873
\$25,000 - \$99,999	\$16,711,096	\$13,341,624	\$1,891,834	\$11,665,373	\$3,011,164	\$2,690,211	\$49,311,303
\$10,000 - \$24,999	\$9,995,840	\$7,439,215	\$753,790	\$5,693,730	\$943,108	\$1,029,113	\$25,854,796
\$5,000 - \$9,999	\$7,968,514	\$5,959,963	\$249,236	\$3,323,674	\$320,062	\$471,912	\$18,293,361
\$2,000 - \$4,999	\$7,823,906	\$6,223,247	\$71,388	\$2,556,232	\$213,013	\$310,937	\$17,198,722
\$1,000 - \$1,999	\$3,562,285	\$2,955,459	\$26,010	\$1,052,300	\$72,784	\$137,557	\$7,806,395
\$500 - \$999	\$3,403,465	\$2,351,161	\$6,006	\$556,803	\$23,455	\$69,195	\$6,410,085
\$250 - \$499	\$2,767,231	\$2,044,594	\$1,550	\$250,840	\$8,882	\$38,346	\$5,111,443
\$100 - \$249	\$2,354,589	\$1,667,733	\$1,410	\$229,466	\$7,495	\$24,712	\$4,285,404
\$1 - \$99	\$1,355,265	\$916,400	\$104	\$57,834	\$818	\$8,309	\$2,338,730
<b>Gift / Pledge Total</b>	<b>\$222,547,741</b>	<b>\$184,463,978</b>	<b>\$147,518,221</b>	<b>\$142,000,198</b>	<b>\$92,914,159</b>	<b>\$38,351,362</b>	<b>\$827,795,659</b>
<b>Private Grant Total</b>							<b>\$457,958,513</b>

### Donor Counts

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$100M+	0	2	1	0	0	0	3
\$50M - \$99,999,999	0	0	0	0	0	0	0
\$10M - \$49,999,999	6	8	2	2	3	0	21
\$5M - \$9,999,999	4	4	0	7	5	7	27
\$1M - \$4,999,999	66	68	13	42	36	28	253
\$100,000 - \$999,999	339	357	62	333	148	145	1,384
\$25,000 - \$99,999	663	590	53	488	121	159	2,074
\$10,000 - \$24,999	1,210	1,058	55	549	85	127	3,084
\$5,000 - \$9,999	2,111	1,765	41	619	69	93	4,698
\$2,000 - \$4,999	4,370	3,819	26	1,013	84	130	9,442
\$1,000 - \$1,999	4,220	4,039	22	983	62	129	9,455
\$500 - \$999	7,319	5,994	12	1,023	38	120	14,506
\$250 - \$499	10,727	9,143	5	884	27	125	20,911
\$100 - \$249	19,679	16,340	10	1,807	54	191	38,081
\$1 - \$99	34,386	30,354	3	1,476	17	238	66,474
<b>Total</b>	<b>85,100</b>	<b>73,541</b>	<b>305</b>	<b>9,226</b>	<b>749</b>	<b>1,492</b>	<b>170,413</b>

Source: UW Office of Development

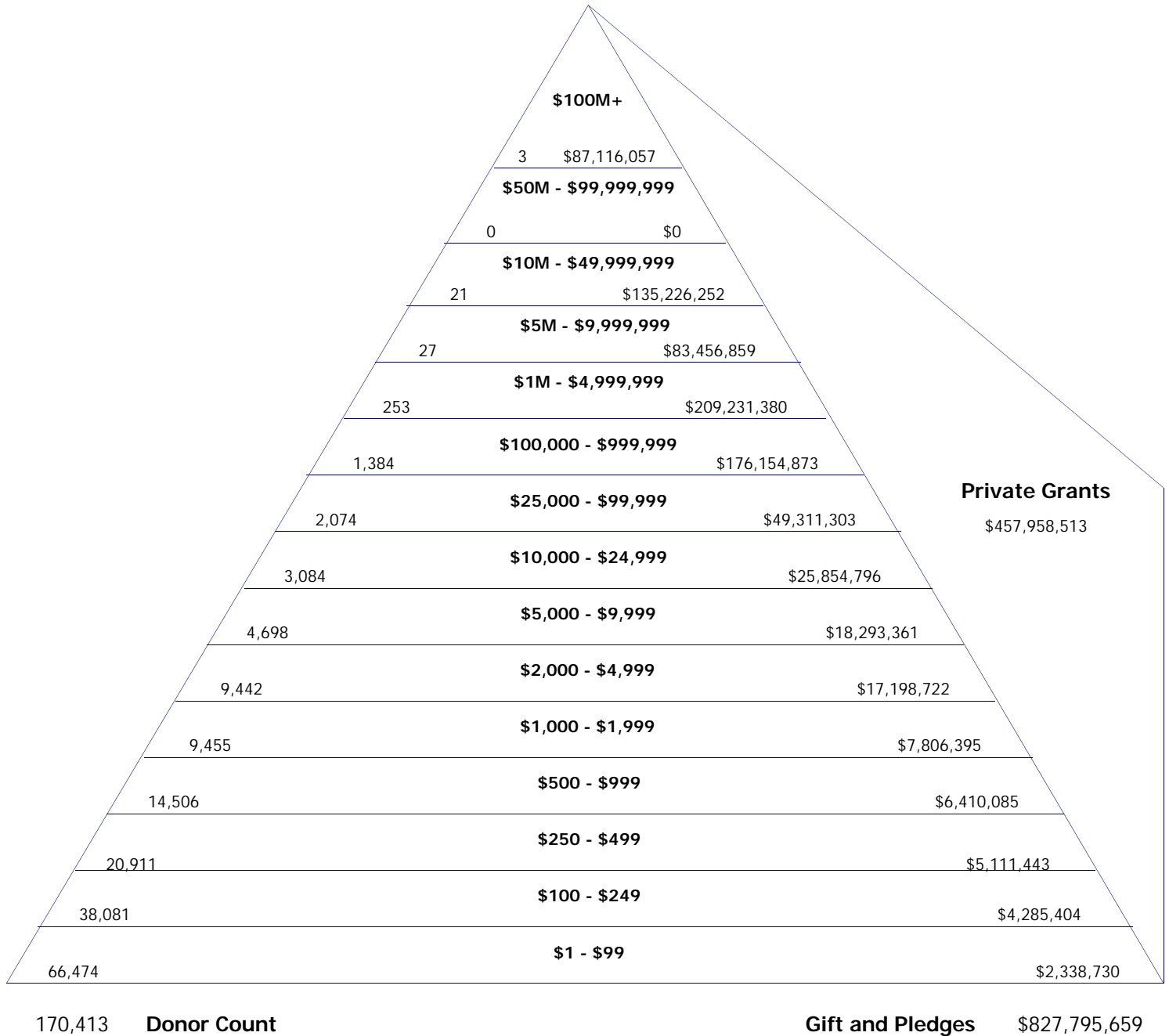
This report shows the count of distinct donors and campaign total by giving level and donor type since July 1, 2000. \*"Giving Level" is determined by summing of all gift record types(including grants); however only gifts and pledges are used to calculate dollar totals in the "Dollars Raised" chart.

Job Number: 63667

December 2004



## Campaign Progress Pyramid - Since July 1, 2000



**Campaign Total: \$1,285,754,172      \*Campaign Working Goal: \$2,000,000,000      Percent Complete: 64.3%**

Source: UW Office of Development

The counts of distinct donors and fundraising totals by giving level are shown. \*Unit campaign goals are still being finalized. Pyramid Levels are determined by summing all gift record types(including grants); however only gifts and pledges are used to calculate dollar totals displayed.

Job Number: 63667

December 2004

## Campaign Progress by Constituency

	Gifts	Irrevocable Deferred Gifts		Active Pledges	Testamentary Commitments		Private Grants	Campaign - Private Voluntary Support		
		Donor Value	Discount Value		Donor Value	Discount Value		Total	* Working Goal	% of Goal
UW Medicine	\$201,008,962	\$9,576,291	\$4,316,607	\$21,743,847	\$16,714,853	\$3,817,119	\$229,118,670	\$478,162,623	\$1,000,000,000	47.8%
Architecture	\$5,647,540	\$244,117	\$78,098	\$672,107	\$0	\$0	\$1,142,909	\$7,706,673	\$19,150,000	40.2%
Arts and Sciences	\$67,684,086	\$4,265,174	\$2,164,137	\$9,486,179	\$6,974,000	\$4,106,597	\$51,884,956	\$140,294,395	\$240,000,000	58.5%
Broadcast Services	\$28,764,167	\$0	\$0	\$12,182	\$0	\$0	\$0	\$28,776,349	N/A	N/A
Business School	\$39,458,342	\$741,794	\$337,793	\$31,041,140	\$2,400,271	\$1,791,119	\$190,200	\$73,831,747	\$188,000,000	39.3%
Dentistry	\$5,259,109	\$20,000	\$7,801	\$803,297	\$100,000	\$41,408	\$3,387,559	\$9,569,965	\$22,100,000	43.3%
Education	\$7,266,469	\$0	\$0	\$3,297,844	\$0	\$0	\$7,883,747	\$18,448,060	\$23,000,000	80.2%
Engineering	\$95,220,656	\$1,398,700	\$566,577	\$9,668,899	\$1,750,000	\$1,124,333	\$45,191,314	\$153,229,570	\$250,000,000	61.3%
Evans Schl. of Pub. Affairs	\$8,455,760	\$52,994	\$18,215	\$675,901	\$500,000	\$265,793	\$30,461,718	\$40,146,374	\$40,000,000	100.4%
Forest Resources	\$5,326,466	\$646,572	\$439,763	\$468,870	\$1,250,000	\$637,648	\$2,369,590	\$10,061,498	\$17,700,000	56.8%
Friday Harbor Labs	\$4,961,249	\$153,242	\$24,284	\$525,125	\$695,000	\$438,421	\$765,000	\$7,099,616	\$12,000,000	59.2%
Information School	\$2,256,578	\$0	\$0	\$117,688	\$100,000	\$64,666	\$818,952	\$3,293,218	\$5,000,000	65.9%
Intercollegiate Athletics	\$62,011,853	\$190,582	\$93,990	\$4,822,122	\$0	\$0	\$0	\$67,024,556	\$110,000,000	60.9%
Law	\$21,890,272	\$1,292	\$1,292	\$1,718,542	\$0	\$0	\$817,947	\$24,428,053	\$70,000,000	34.9%
Libraries	\$3,640,839	\$427,146	\$265,714	\$79,646	\$772,000	\$379,527	\$410,326	\$5,329,956	\$9,000,000	59.2%
Nursing	\$6,034,697	\$275,000	\$119,617	\$1,116,399	\$1,475,000	\$869,595	\$6,131,632	\$15,032,728	\$24,000,000	62.6%
Ocean and Fisheries	\$9,386,676	\$562,500	\$187,134	\$1,009,907	\$0	\$0	\$12,934,647	\$23,893,730	\$34,000,000	70.3%
Pharmacy	\$5,708,183	\$0	\$0	\$388,021	\$0	\$0	\$3,224,493	\$9,320,697	\$10,260,000	90.8%
President's Funds	\$4,311,613	\$274,582	\$124,004	\$609,238	\$1,750,000	\$823,656	\$0	\$6,945,432	N/A	N/A
Public Health	\$12,324,272	\$50,259	\$24,777	\$717,155	\$0	\$0	\$46,733,017	\$59,824,703	\$90,000,000	66.5%
Scholar. & Student Progs.	\$18,637,650	\$321,293	\$97,431	\$2,526,318	\$550,000	\$239,963	\$501,568	\$22,536,830	\$40,000,000	56.3%
Social Work	\$1,400,200	\$165,797	\$33,243	\$193,825	\$0	\$0	\$4,199,019	\$5,958,841	\$10,000,000	59.6%
University Press	\$1,143,083	\$83,788	\$35,275	\$31,774	\$0	\$0	\$0	\$1,258,645	\$3,000,000	42.0%
University Support	\$17,735,470	\$808,240	\$579,069	\$8,957,348	\$12,521,091	\$4,500,384	\$9,671,049	\$49,693,199	N/A	N/A
UW Bothell	\$1,906,127	\$0	\$0	\$247,257	\$0	\$0	\$50,500	\$2,203,884	\$5,700,000	38.7%
UW Tacoma	\$10,331,178	\$150,000	\$150,000	\$10,531,952	\$600,000	\$303,041	\$69,700	\$21,682,831	\$30,000,000	72.3%
<b>All UW Total</b>	<b>\$647,771,498</b>	<b>\$20,409,362</b>	<b>\$9,664,821</b>	<b>\$111,462,584</b>	<b>\$48,152,215</b>	<b>\$19,403,270</b>	<b>\$457,958,513</b>	<b>\$1,285,754,172</b>	<b>\$2,000,000,000</b>	<b>64.3%</b>

Source: UW Office of Development

Fundraising progress toward campaign working goals by constituency area (school/college/program). Campaign total is the sum of gifts, grants, active pledges and donor values of irrevocable deferred gifts and testamentary commitments. "N/A" is not applicable. \*Unit campaign working goals are still being finalized.

---

## Campaign Funding Theme Progress - July 2000 to Present

	Current Use	Endowment	Total
Student Support	\$57,954,904	\$72,204,579	\$130,159,484
Faculty Support	\$65,381,013	\$74,718,179	\$140,099,192
Program Support for Faculty and Students	\$561,363,709	\$70,299,095	\$631,662,804
Capital	\$245,792,048	\$878,269	\$246,670,317
Unrestricted	\$110,181,436	\$26,980,939	\$137,162,376
Total	\$1,040,673,111	\$245,081,060	\$1,285,754,172
Goal	\$1,600,000,000	\$400,000,000	\$2,000,000,000
% to Goal	65.0%	61.3%	64.3%

Source: UW Office of Development

This report shows contribution totals by campaign theme/priority since July 1, 2000.

Job Number: 63667

December 2004

## Development Area Summary - Total Private Voluntary Support

	Gifts Year to Date Total	Private Grants Year to Date Total	Year to Date Totals
	Donor Value	Donor Value	Donor Value
UW Seattle			
UW Medicine	\$18,699,834	\$22,219,301	\$40,919,135
Architecture	\$261,381	\$2,500	\$263,881
Arts and Sciences	\$10,070,137	\$3,975,957	\$14,046,094
Broadcast Services	\$3,779,120		\$3,779,120
Business School	\$8,015,831	\$40,200	\$8,056,031
Dentistry	\$751,442	\$91,719	\$843,161
Education	\$1,287,940	\$1,975,797	\$3,263,737
Engineering	\$11,604,479	\$4,427,400	\$16,031,879
Evans Schl. of Pub. Affairs	\$292,500	\$7,677,400	\$7,969,900
Forest Resources	\$716,928	\$136,107	\$853,035
Graduate School	\$991,028	\$1,138,295	\$2,129,323
Information School	\$231,748	\$54,275	\$286,023
Intercollegiate Athletics	\$5,051,993		\$5,051,993
Law	\$967,096	\$25,000	\$992,096
Libraries	\$484,411		\$484,411
Nursing	\$749,450	\$402,782	\$1,152,232
Ocean and Fisheries	\$1,824,272	\$4,938,531	\$6,762,803
Pharmacy	\$1,208,777	\$193,602	\$1,402,379
President's Funds	\$339,141		\$339,141
Public Health	\$730,957	\$4,924,466	\$5,655,423
Scholar. & Student Progs.	\$2,703,398		\$2,703,398
Social Work	\$431,712	\$402,414	\$834,126
UW Alumni Association	\$428,154		\$428,154
University Press	\$185,093		\$185,093
University Support	\$5,583,089		\$5,583,089
Washington Tech. Center			
UW Bothell	\$210,733		\$210,733
UW Tacoma	\$319,242	\$2,400	\$321,642
All UW Total	\$77,919,899	\$52,628,146	\$130,548,045

Source: UW Office of Development

Contribution totals for the major Development areas of the University are shown.

Job Number: 63667

December 2004

## Development Area Summary - Gifts and Private Grants

	Current Month		Year to Date Total		Prior Year to Date Total		Prior Fiscal Year Total	
	Donors	Donor Value	Donors	Donor Value	Donors	Donor Value	Donors	Donor Value
<b>UW Seattle</b>								
UW Medicine	5,268	\$10,788,072	11,431	\$40,919,135	9,187	\$39,726,825	15,677	\$73,746,044
Architecture	357	\$173,402	555	\$263,881	591	\$1,049,786	1,125	\$1,526,446
Arts and Sciences	3,437	\$3,958,850	9,825	\$14,046,094	8,817	\$10,847,239	15,042	\$21,258,923
Broadcast Services	1,137	\$1,591,245	1,736	\$3,779,120	1,549	\$3,393,086	3,055	\$8,003,070
Business School	867	\$2,590,969	2,686	\$8,056,031	2,518	\$6,614,106	3,774	\$8,104,326
Dentistry	284	\$244,077	792	\$843,161	830	\$635,674	1,314	\$1,166,282
Education	165	\$470,963	777	\$3,263,737	958	\$1,588,930	1,559	\$2,231,526
Engineering	750	\$6,785,317	2,398	\$16,031,879	2,522	\$12,211,296	3,709	\$23,824,360
Evans Schl. of Pub. Affairs	95	\$123,658	424	\$7,969,900	250	\$8,652,758	420	\$8,704,838
Forest Resources	232	\$143,898	511	\$853,035	643	\$1,085,337	1,055	\$1,860,102
Graduate School	77	\$1,081,789	176	\$2,129,323	369	\$1,749,565	890	\$2,265,996
Information School	87	\$151,632	388	\$286,023	350	\$279,194	528	\$463,842
Intercollegiate Athletics	1,640	\$2,660,239	3,213	\$5,051,993	3,654	\$3,847,136	21,719	\$12,479,465
Law	623	\$200,656	946	\$992,096	1,023	\$1,609,304	1,703	\$2,886,862
Libraries	384	\$253,281	1,054	\$484,411	972	\$340,815	3,589	\$616,206
Nursing	615	\$328,851	1,129	\$1,152,232	1,166	\$1,428,977	1,617	\$1,922,445
Ocean and Fisheries	225	\$426,863	371	\$6,762,803	345	\$3,402,808	553	\$4,155,330
Pharmacy	187	\$225,089	450	\$1,402,379	650	\$992,993	1,061	\$1,494,282
President's Funds	339	\$134,056	877	\$339,141	1,464	\$270,253	2,322	\$869,415
Public Health	121	\$1,518,598	294	\$5,655,423	455	\$4,568,532	584	\$6,667,414
Scholar. & Student Progs.	522	\$1,460,016	1,857	\$2,703,398	2,331	\$3,301,879	4,958	\$5,858,592
Social Work	107	\$176,812	235	\$834,126	565	\$407,445	795	\$492,520
UW Alumni Association	2,466	\$110,648	9,309	\$428,154	11,075	\$486,678	22,454	\$1,032,281
University Press	61	\$55,821	190	\$185,093				
University Support	252	\$1,129,557	753	\$5,583,089	593	\$1,755,767	1,245	\$4,627,937
Washington Tech. Center					1	\$171,938	1	\$219,908
<b>UW Bothell</b>	<b>49</b>	<b>\$183,924</b>	<b>175</b>	<b>\$210,733</b>	<b>120</b>	<b>\$34,650</b>	<b>274</b>	<b>\$248,742</b>
<b>UW Tacoma</b>	<b>64</b>	<b>\$214,901</b>	<b>172</b>	<b>\$321,642</b>	<b>180</b>	<b>\$523,404</b>	<b>549</b>	<b>\$3,050,522</b>
<b>All UW Unique Total</b>	<b>18,586</b>	<b>\$37,183,201</b>	<b>46,414</b>	<b>\$130,548,045</b>	<b>46,351</b>	<b>\$110,976,388</b>	<b>91,903</b>	<b>\$199,777,690</b>

Source: UW Office of Development

The number of donors and contribution totals for the major Development areas of the University are shown.

Job Number: 63667

December 2004

Development Area Summary - Gifts and Private Grants

## Development Area Summary - Gifts

	Current Month		Year to Date Total		Prior Year to Date Total		Prior Fiscal Year Total	
	Donors	Donor Value	Donors	Donor Value	Donors	Donor Value	Donors	Donor Value
<b>UW Seattle</b>								
UW Medicine	5,215	\$6,080,513	11,245	\$18,699,834	9,010	\$17,542,211	15,479	\$36,774,110
Architecture	357	\$173,402	554	\$261,381	589	\$782,286	1,123	\$1,225,952
Arts and Sciences	3,430	\$2,756,210	9,779	\$10,070,137	8,772	\$6,494,337	14,989	\$14,525,068
Broadcast Services	1,137	\$1,591,245	1,736	\$3,779,120	1,549	\$3,393,086	3,055	\$8,003,070
Business School	867	\$2,590,969	2,685	\$8,015,831	2,518	\$6,614,106	3,774	\$8,104,326
Dentistry	284	\$244,077	789	\$751,442	827	\$499,185	1,310	\$859,073
Education	164	\$395,963	774	\$1,287,940	955	\$1,149,063	1,554	\$1,474,556
Engineering	740	\$5,508,593	2,358	\$11,604,479	2,482	\$7,062,402	3,654	\$15,709,271
Evans Schl. of Pub. Affairs	94	\$88,658	408	\$292,500	242	\$653,092	412	\$705,172
Forest Resources	232	\$143,898	507	\$716,928	642	\$1,036,752	1,050	\$1,730,480
Graduate School	76	\$691,789	171	\$991,028	366	\$890,636	886	\$1,402,400
Information School	86	\$126,632	387	\$231,748	349	\$203,997	527	\$388,645
Intercollegiate Athletics	1,640	\$2,660,239	3,213	\$5,051,993	3,654	\$3,847,136	21,719	\$12,479,465
Law	623	\$200,656	944	\$967,096	1,023	\$1,609,304	1,703	\$2,886,862
Libraries	384	\$253,281	1,054	\$484,411	972	\$340,815	3,589	\$616,206
Nursing	615	\$328,851	1,121	\$749,450	1,158	\$763,186	1,609	\$1,198,123
Ocean and Fisheries	224	\$412,696	359	\$1,824,272	333	\$2,249,140	537	\$2,827,176
Pharmacy	187	\$225,089	447	\$1,208,777	647	\$731,322	1,058	\$1,232,611
President's Funds	339	\$134,056	877	\$339,141	1,464	\$270,253	2,322	\$869,415
Public Health	118	\$300,274	273	\$730,957	429	\$146,816	551	\$603,827
Scholar. & Student Progs.	522	\$1,460,016	1,857	\$2,703,398	2,330	\$3,300,279	4,957	\$5,855,992
Social Work	106	\$151,384	226	\$431,712	560	\$43,688	790	\$128,763
UW Alumni Association	2,466	\$110,648	9,309	\$428,154	11,075	\$486,678	22,454	\$1,032,281
University Press	61	\$55,821	190	\$185,093				
University Support	252	\$1,129,557	753	\$5,583,089	590	\$1,249,667	1,241	\$4,022,337
Washington Tech. Center					1	\$171,938	1	\$219,908
<b>UW Bothell</b>	<b>49</b>	<b>\$183,924</b>	<b>175</b>	<b>\$210,733</b>	<b>120</b>	<b>\$34,650</b>	<b>274</b>	<b>\$248,742</b>
<b>UW Tacoma</b>	<b>63</b>	<b>\$212,501</b>	<b>171</b>	<b>\$319,242</b>	<b>180</b>	<b>\$523,404</b>	<b>549</b>	<b>\$3,050,522</b>
<b>All UW Unique Total</b>	<b>18,514</b>	<b>\$28,210,959</b>	<b>46,097</b>	<b>\$77,919,899</b>	<b>46,059</b>	<b>\$62,089,442</b>	<b>91,572</b>	<b>\$128,174,367</b>

Source: UW Office of Development

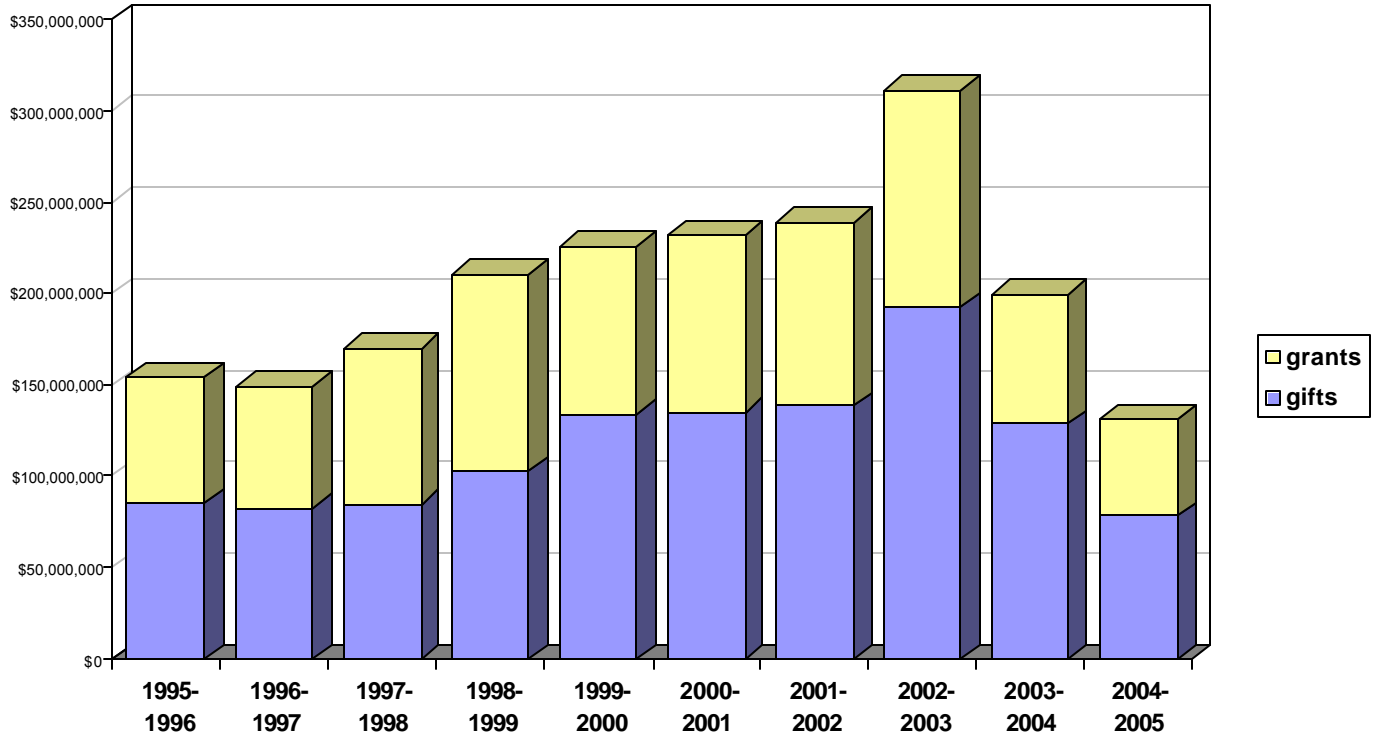
The number of donors and contribution totals (gifts only) for the major Development areas of the University are shown.

Job Number: 63667

December 2004

Development Area Summary - Gifts

## Complete Fiscal Year Comparison of Total Contributions Received

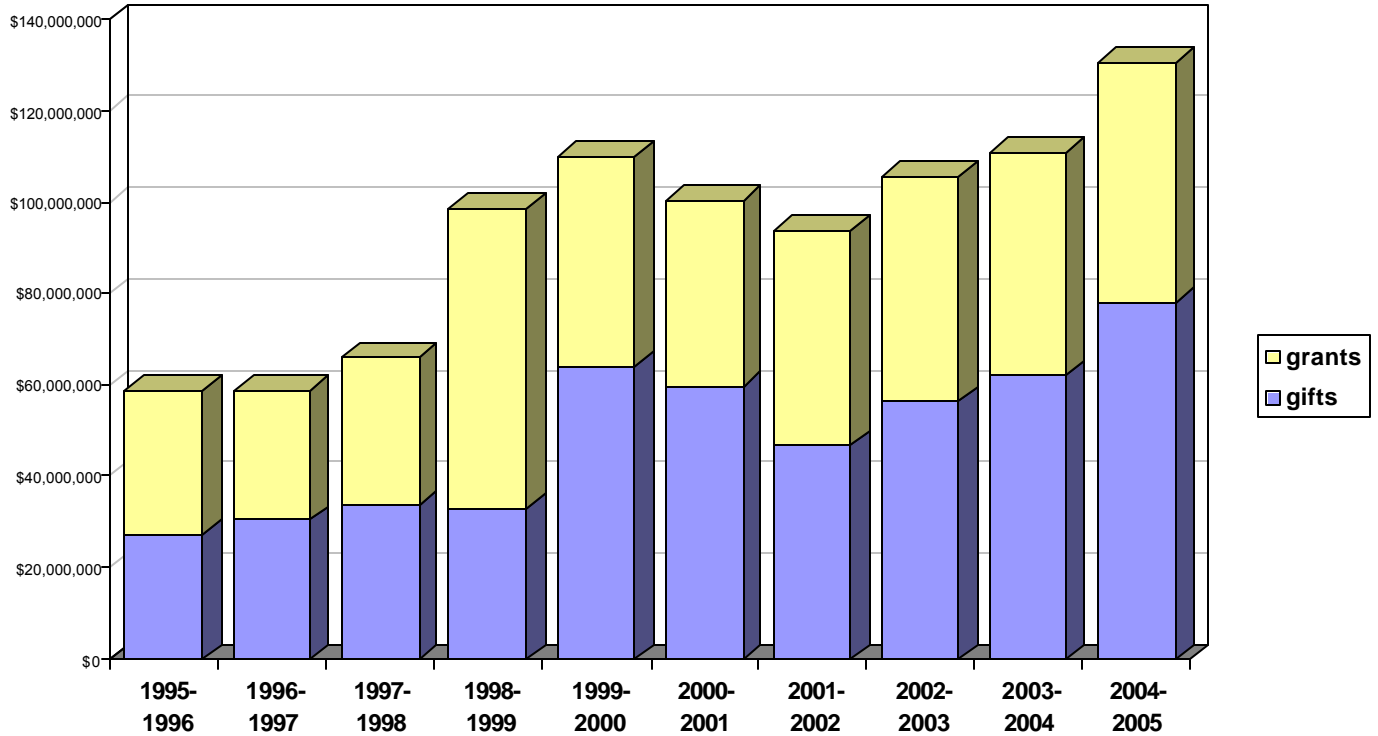


Source: UW Office of Development

Fiscal Year Contribution Totals			
Fiscal Year	Gifts	Grants	Total Contributions
2004- 2005	\$77,919,899	\$52,628,146	\$130,548,045
2003- 2004	\$128,174,367	\$71,603,323	\$199,777,690
2002- 2003	\$192,573,183	\$118,677,722	\$311,250,905
2001- 2002	\$137,959,340	\$100,820,547	\$238,779,887
2000- 2001	\$134,805,190	\$97,112,979	\$231,918,169
1999- 2000	\$134,037,997	\$91,536,165	\$225,574,162
1998- 1999	\$102,925,077	\$107,619,586	\$210,544,663
1997- 1998	\$84,718,016	\$85,276,615	\$169,994,631
1996- 1997	\$81,892,963	\$67,425,874	\$149,318,837
1995- 1996	\$85,036,511	\$69,150,088	\$154,186,599

This graph compares the current fiscal year's contribution totals to each of the previous nine fiscal year's contribution totals.

## Year To Date Contribution Totals



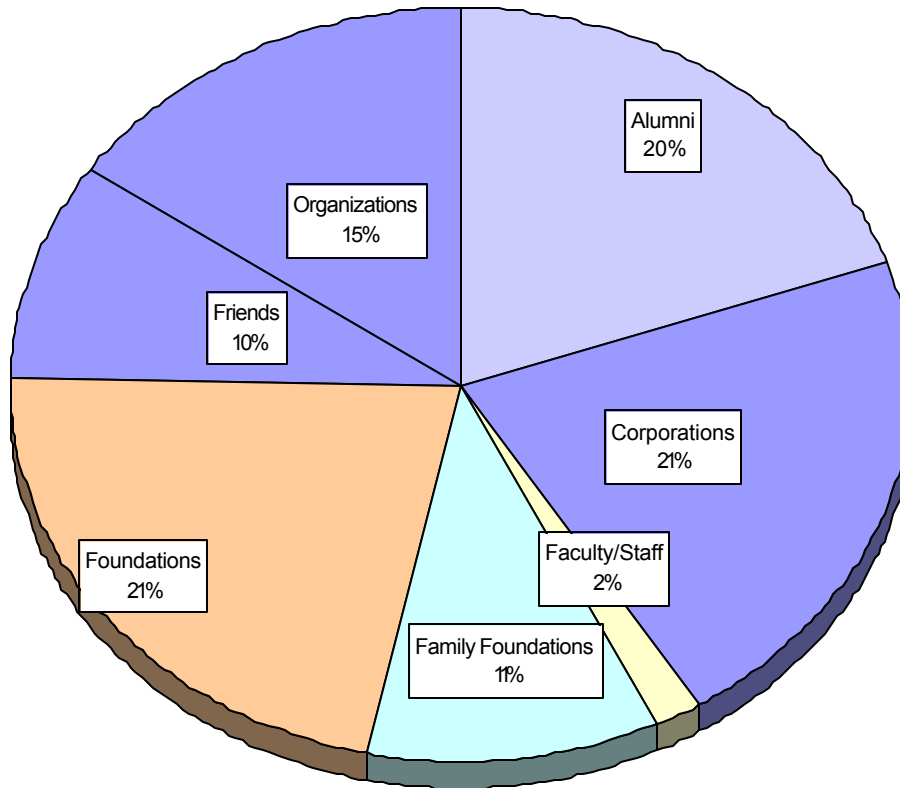
Source: UW Office of Development

Year To Date Contribution Totals			
Fiscal Year	Gifts	Grants	Total Contributions
2004- 2005	\$77,919,899	\$52,628,146	\$130,548,045
2003- 2004	\$62,089,442	\$48,886,946	\$110,976,388
2002- 2003	\$56,283,917	\$49,383,639	\$105,667,556
2001- 2002	\$46,825,862	\$46,929,112	\$93,754,975
2000- 2001	\$59,840,487	\$40,542,569	\$100,383,056
1999- 2000	\$64,006,287	\$46,019,341	\$110,025,628
1998- 1999	\$32,786,646	\$65,836,662	\$98,623,308
1997- 1998	\$33,640,703	\$32,367,456	\$66,008,159
1996- 1997	\$30,314,436	\$28,465,916	\$58,780,352
1995- 1996	\$27,177,198	\$31,530,817	\$58,708,015

This graph compares the current fiscal year's contribution totals to each of the previous nine fiscal year's contribution totals.



## Development Activity by Donor Type in Current Fiscal Year



Source: UW Office of Development

Donor Type Totals						
Donor Type	Year to Date Total		Prior Year to Date Total		Prior Fiscal Year Total	
	Donors	Donor Value	Donors	Donor Value	Donors	Donor Value
Alumni	25,841	\$25,864,619	28,327	\$19,533,140	49,719	\$37,211,864
Corporations	1,677	\$27,976,003	1,633	\$25,567,754	3,760	\$46,349,831
Faculty/Staff	2,457	\$2,183,655	2,161	\$2,086,815	3,171	\$3,335,421
Family Foundations	118	\$13,723,186	114	\$13,063,082	161	\$21,205,792
Foundations	246	\$28,492,538	261	\$20,983,837	387	\$34,932,399
Friends	15,785	\$12,524,536	13,592	\$10,808,343	34,361	\$27,532,116
Organizations	312	\$19,783,507	291	\$18,933,418	494	\$29,210,266

This graph shows the sources of contributions for the current year to date.

## Alumni Participation by Constituency

	Current Fiscal Year to Date			Previous Fiscal Year to Date			
	Solicitable	Donors	Partic. Rate	Solicitable	Donors	Partic. Rate	Final %
UW Seattle							
UW Medicine	15,842	1,898	12.0%	16,430	1,876	11.4%	19.6%
Architecture	7,192	689	9.6%	7,307	795	10.9%	18.9%
Arts and Sciences	121,216	10,857	9.0%	128,104	11,398	8.9%	15.8%
Business School	34,015	3,960	11.6%	35,210	4,213	12.0%	22.0%
Dentistry	4,301	685	15.9%	4,312	775	18.0%	31.3%
Education	18,677	1,757	9.4%	20,049	2,022	10.1%	18.9%
Engineering	29,399	2,689	9.1%	30,589	2,985	9.8%	16.6%
Evans Schl. Of Pub. Affairs	1,872	189	10.1%	1,797	256	14.2%	23.9%
Forest Resources	4,382	406	9.3%	4,468	445	10.0%	17.6%
Interdisc. Grad. Programs	1,161	114	9.8%	1,128	160	14.2%	22.5%
Interschool Programs	241	24	10.0%	219	19	8.7%	16.9%
Information School	3,786	526	13.9%	3,869	563	14.6%	23.0%
Law	7,070	900	12.7%	7,008	1,014	14.5%	25.6%
School Of Nursing	7,976	1,209	15.2%	8,092	1,333	16.5%	24.8%
Ocean & Fisheries	3,560	347	9.7%	3,705	405	10.9%	18.1%
Pharmacy	3,147	388	12.3%	3,159	587	18.6%	31.9%
Public Health	3,139	361	11.5%	3,044	425	14.0%	21.4%
Social Work	5,707	393	6.9%	6,008	661	11.0%	16.3%
Undergrad. Interdisc. Programs	67	5	7.5%	44	4	9.1%	25.0%
UW Bothell	3,580	220	6.1%	3,258	231	7.1%	12.8%
UW Tacoma	4,016	186	4.6%	3,595	187	5.2%	12.5%
Unspecified	11,614	1,405	12.1%	12,900	1,508	11.7%	22.1%
<b>All UW Total</b>	<b>267,179</b>	<b>25,841</b>	<b>9.7%</b>	<b>278,939</b>	<b>28,327</b>	<b>10.2%</b>	<b>17.8%</b>

Source: UW Office of Development

VII. STANDING COMMITTEES

B. Finance and Audit Committee

Grant and Contract Awards – December, 2004

RECOMMENDED ACTION:

It is the recommendation of the administration and the Finance and Audit Committee that the Board of Regents accept the Grant and Contract Awards as presented on the attached list.

Attachment: Grant and Contract Awards Summary  
Report of Grant and Contract Awards of  
\$1,000,000 or More

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**Grant and Contract Awards Summary**

to

**The Board of Regents**

of the

**University of Washington**

for

**December 2004**

**Office of Research**

**Office of Sponsored Programs**

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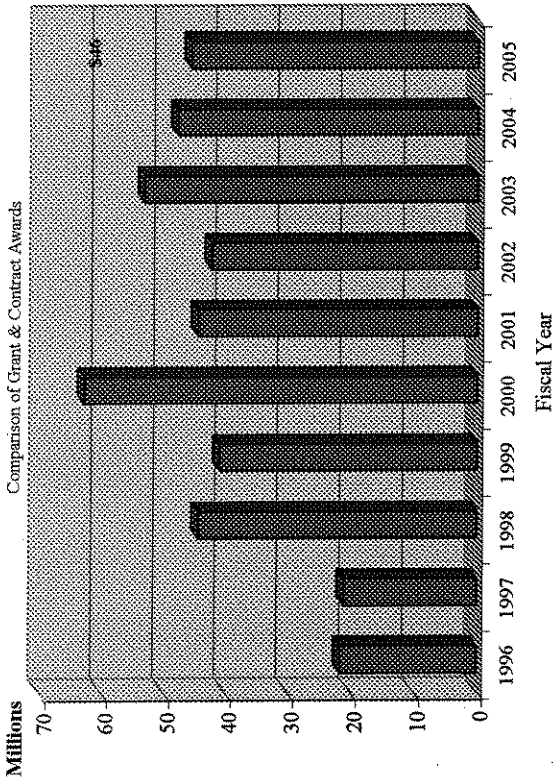
DECEMBER HIGHLIGHTS

The United States Agency for International Development awarded a grant in the amount of \$1,300,000 for a project under the direction of Senior Lecturer Ann E. Downer of the Department of Health Services entitled "Improving HIV/AIDS Training and Service Delivery In The Caribbean." These funds support the first year activities of a five year program totaling an estimated \$6,000,000. The purpose of this project is to increase availability of and access to quality HIV/AIDS care and treatment services in the Caribbean. The scientists will coordinate technical assistance to the countries of the area in order to increase the number of and widen the distribution of HIV specialty trained health care providers. A secondary aim is to assure transfer of clinical training capacity to indigenous institutions and trainers.

The Oregon Health Sciences University awarded a grant of \$131,998 for a project under the direction of Associate Professor Parker MacReady of the School of Oceanography entitled "A Pilot Coastal Ocean Observation for the Estuaries and Shores of Oregon and Washington." These are federal pass through funds from the National Oceanic and Atmospheric Administration. The Principal Investigator will initiate the development of an operational coastal ocean observatory to address the scientific information needs of federal, state and local agencies responsible for natural resource management and land-use planning in coastal communities of the Pacific Northwest. The result will be a framework for regional integration, certification and expansion of disparate existing observation and modeling capabilities for the estuaries and shores of Oregon and Washington.

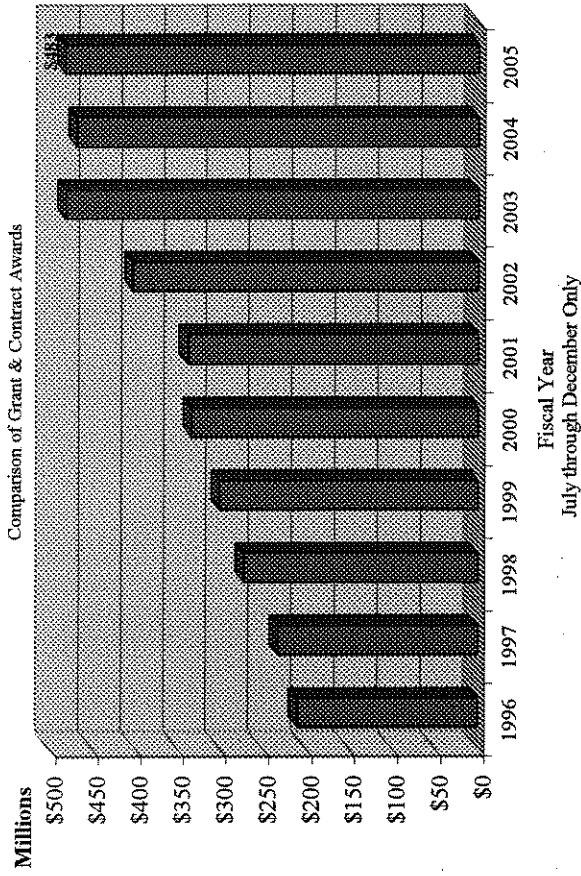
**DECEMBER ONLY**

Comparison of Grant & Contract Awards



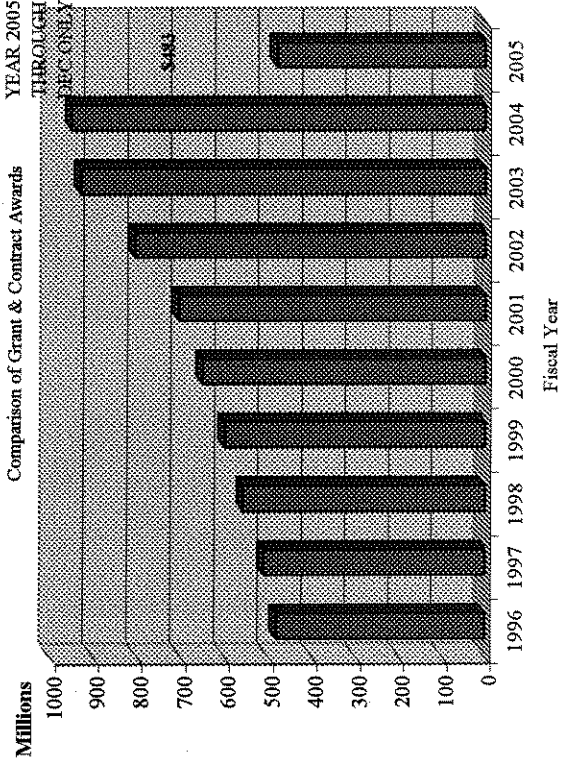
**YEAR-TO-DATE**

Comparison of Grant & Contract Awards



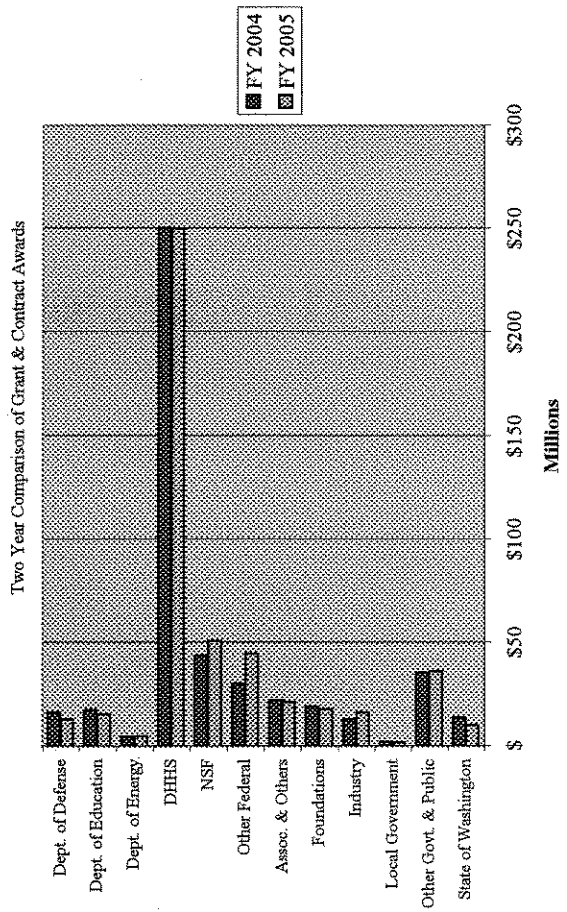
**COMPLETE FISCAL YEAR**

Comparison of Grant & Contract Awards



**JULY THROUGH DECEMBER**

Two Year Comparison of Grant & Contract Awards



**Summary of Grant and Contract Awards**  
Fiscal Year 2004-2005

Month	RESEARCH		TRAINING		Total
	Federal	Non-Federal	Federal	Non-Federal	Grants and Contracts
July	\$59,948,697	\$15,490,944	\$6,142,165	\$2,586,862	\$84,168,668
August	\$82,841,472	\$16,029,595	\$8,528,029	\$2,376,175	\$109,775,271
September	\$97,039,843	\$14,184,402	\$13,804,079	\$4,691,741	\$129,720,065
October	\$47,512,914	\$15,994,709	\$10,144,334	\$5,762,687	\$79,414,644
November	\$11,718,550	\$12,792,667	\$7,763,675	\$1,809,803	\$34,084,695
December	\$22,620,816	\$11,009,686	\$11,259,228	\$936,242	\$45,825,972
January					
February					
March					
April					
May					
June					
<b>Current Year to Date</b>	<b>\$321,682,292</b>	<b>\$85,502,003</b>	<b>\$57,641,510</b>	<b>\$18,163,510</b>	<b>\$482,989,315</b>
<b>Previous Year to Date</b>	<b>\$316,533,865</b>	<b>\$87,936,681</b>	<b>\$46,605,154</b>	<b>\$18,131,641</b>	<b>\$469,207,341</b>
<b>Over (Under) Previous Year</b>	<b>\$5,148,427</b>	<b>(\$2,434,678)</b>	<b>\$11,036,356</b>	<b>\$31,869</b>	<b>\$13,781,974</b>

Assuming acceptance of all awards by the Board of Regents



**Comparison of Grant and Contract Awards by Agency**  
**Fiscal Years 2003-2004 and 2004-2005**

<b>Agency</b>	<b>July-Dec FY04</b>	<b>July-Dec FY05</b>
Department of Defense	\$16,468,718	\$13,108,371
Department of Education	\$17,523,627	\$15,493,924
Department of Energy	\$4,634,543	\$4,945,052
Dept. of Health and Human Services	\$250,205,314	\$249,929,024
National Science Foundation	\$43,955,817	\$51,123,358
Other Federal	\$30,351,000	\$44,724,073
<b>Subtotal for Federal:</b>	<b>\$363,139,019</b>	<b>\$379,323,802</b>
Associations Others	\$22,220,044	\$21,247,619
Foundations	\$19,171,152	\$18,004,871
Industry	\$12,958,199	\$16,411,185
Local Government	\$2,172,356	\$1,758,116
Other Government and Public Agencies	\$35,505,866	\$36,128,289
State of Washington	\$14,040,705	\$10,115,433
<b>Subtotal for Non-Federal:</b>	<b>\$106,068,322</b>	<b>\$103,665,513</b>
<b>Grand Total :</b>	<b>\$469,207,341</b>	<b>\$482,989,315</b>
<b>Amount of Increase (Decrease):</b>		<b>\$13,781,974</b>
<b>Percent of Increase (Decrease):</b>		<b>2.9%</b>

**Assuming acceptance of all awards by the Board of Regents**

**Comparison of Grant and Contract Awards by School/College**  
**Fiscal Years 2003-2004 and 2004-2005**

<b>School/College</b>	<b>July-Dec FY04</b>	<b>July-Dec FY05</b>
<b>Upper Campus</b>		
Achitecture and Urban Planning	\$846,869	\$301,897
Arts and Science	\$48,984,477	\$35,834,864
Business Administration	\$0	\$396,250
Education	\$6,395,661	\$9,444,975
Engineering	\$43,240,987	\$41,016,608
Evans School of Public Affairs	\$8,677,758	\$5,680,684
Forest Resources	\$3,870,508	\$3,308,599
Graduate School	\$910,018	\$903,806
Information School	\$1,021,245	\$1,103,769
Law	\$0	\$2,101,778
Ocean and Fishery Sciences	\$30,406,556	\$35,109,936
Office of Research	\$7,636,994	\$15,679,268
Social Work	\$13,303,371	\$11,969,730
Undergraduate Education	\$118,897	\$141,228
<b>Subtotal :</b>	<b>\$165,413,341</b>	<b>\$162,993,392</b>
<b>Health Sciences</b>		
Dentistry	\$9,800,826	\$5,655,318
Medicine	\$228,185,508	\$217,332,421
Nursing	\$10,206,758	\$8,053,511
Pharmacy	\$6,724,767	\$6,509,700
Public Health and Community Medicine	\$30,209,273	\$53,300,747
<b>Subtotal :</b>	<b>\$285,127,132</b>	<b>\$290,851,697</b>
<b>Special Programs</b>		
Health Sciences Special Programs	\$9,907,988	\$17,807,345
Other Special Programs	\$8,338,252	\$9,661,025
<b>Subtotal :</b>	<b>\$18,246,240</b>	<b>\$27,468,370</b>
<b>Branch Campuses</b>		
Branch Campuses (Bothell)	\$329,628	\$1,508,788
Branch Campuses (Tacoma)	\$91,000	\$167,068
<b>Subtotal :</b>	<b>\$420,628</b>	<b>\$1,675,856</b>
<b>Grand Total :</b>	<b>\$469,207,341</b>	<b>\$482,989,315</b>

Assuming acceptance of all awards by the Board of Regents

**List of Awards for Arts and Sciences**

<b>Department</b>	<b>July-Dec FY04</b>	<b>July-Dec FY05</b>
Center for Humanities	\$10,000	\$0
Center for Statistics and the Social Sciences	\$443,204	\$296,482
Center for Studies in Demography and Ecology	\$1,138,241	\$412,741
College of Arts and Sciences	\$0	\$1,150,692
Department of Anthropology	\$548,007	\$283,826
Department of Applied Mathematics	\$918,860	\$456,546
Department of Asian Languages and Literature	\$0	\$10,000
Department of Astronomy	\$1,069,100	\$849,250
Department of Atmospheric Sciences	\$6,267,368	\$2,637,245
Department of Biology	\$8,633,951	\$2,902,858
Department of Chemistry	\$10,608,976	\$9,028,105
Department of Classics	\$44,656	\$0
Department of Communication	\$376,494	\$889,500
Department of Earth and Space Sciences	\$2,912,269	\$4,115,457
Department of English	\$3,000	\$0
Department of Geography	\$1,274,023	\$311,978
Department of Germanics	\$36,000	\$36,000
Department of History	\$16,005	\$40,000
Department of Mathematics	\$588,953	\$3,120,227
Department of Near Eastern Languages & Civilization	\$314,550	\$2,000
Department of Physics	\$1,818,232	\$2,869,755
Department of Political Science	\$121,577	\$0
Department of Psychology	\$5,136,622	\$3,375,554
Department of Scandinavian Languages and Literature	\$27,273	\$27,273
Department of Sociology	\$170,705	\$93,964
Department of Speech and Hearing Sciences	\$379,149	\$137,545
Department of Statistics	\$787,594	\$719,209
Henry M. Jackson School of International Studies	\$4,807,640	\$1,308,470
Institute for Nuclear Theory	\$161,700	\$195,000
Public Performing Arts	\$11,356	\$0
Sociology	\$0	\$22,718
Thomas Burke Memorial Washington State Museum	\$358,972	\$542,469
	<b>\$48,984,477</b>	<b>\$35,834,864</b>

Assuming acceptance of all awards by the Board of Regents

## Summary of Grant Awards

Fiscal Year 2004-2005

(Excluding Private Awards from Foundations, Industry, Associations and Other)

Month	RESEARCH		TRAINING		Total Grants
	Federal	Non-Federal	Federal	Non-Federal	
July	\$55,974,193	\$6,566,850	\$5,628,040	\$419,247	\$68,588,330
August	\$81,537,111	\$3,607,384	\$8,409,062	\$286,194	\$93,839,751
September	\$91,915,174	\$4,443,388	\$13,472,578	\$2,050,573	\$111,881,713
October	\$38,700,760	\$3,127,126	\$10,006,094	\$587,266	\$52,421,246
November	\$10,112,191	\$5,475,868	\$7,364,454	\$195,093	\$23,147,606
December	\$19,875,113	\$3,182,322	\$11,174,372	\$73,083	\$34,304,890
January					
February					
March					
April					
May					
June					
<b>Year to Date</b>	<b>\$298,114,542</b>	<b>\$26,402,938</b>	<b>\$56,054,600</b>	<b>\$3,611,456</b>	<b>\$384,183,536</b>

Assuming acceptance of all awards by the Board of Regents

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## Summary of Grant Awards

Fiscal Year 2004-2005

(Private Awards from Foundations, Industry, Associations and Other)

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Month	RESEARCH	TRAINING	Total Grants
July	\$4,689,311	\$1,326,279	\$6,015,590
August	\$6,122,163	\$1,311,941	\$7,434,104
September	\$4,654,889	\$1,752,306	\$6,407,195
October	\$9,071,080	\$602,381	\$9,673,461
November	\$4,857,082	\$1,482,411	\$6,339,493
December	\$4,783,350	\$670,728	\$5,454,078
January			
February			
March			
April			
May			
June			
Year to Date	\$34,177,875	\$7,146,046	\$41,323,921

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Assuming acceptance of all awards by the Board of Regents

## Summary of Contract Awards

Fiscal Year 2004-2005

Month	RESEARCH		TRAINING		Total Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$3,974,504	\$4,234,783	\$514,125	\$841,336	\$9,564,748
August	\$1,304,361	\$6,300,048	\$118,967	\$778,040	\$8,501,416
September	\$5,124,669	\$5,086,125	\$331,501	\$888,862	\$11,431,157
October	\$8,812,154	\$3,796,503	\$138,240	\$4,573,040	\$17,319,937
November	\$1,606,359	\$2,459,717	\$399,221	\$132,299	\$4,597,596
December	\$2,745,703	\$3,044,014	\$84,856	\$192,431	\$6,067,004
January					
February					
March					
April					
May					
June					
<b>Year to Date</b>	<b>\$23,567,750</b>	<b>\$24,921,190</b>	<b>\$1,586,910</b>	<b>\$7,406,008</b>	<b>\$57,481,858</b>

Assuming acceptance of all awards by the Board of Regents

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

**December 2004**

**Requiring Action of  
The Board of Regents**

**of the  
University of Washington**

**Office of Research  
Office of Sponsored Programs**

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## Table of Contents

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Detail of Contracts	4



Detail of Grant Awards (Excluding Private Awards) for  
December 2004

**FEDERAL**

**DEPARTMENT OF DEFENSE**

**U.S. Department of the Army**

To: MEHMET SARIKAYA, PROFESSOR \$1,093,200  
DEPARTMENT OF MATERIALS SCIENCE AND ENGINEERING  
For: GENETICALLY ENGINEERED PROTEINS FOR FUNCTIONAL INORGANICS  
  
Eff: 5/1/2001

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Department of Defense Subtotal: \$1,093,200

**DEPT. OF HEALTH AND HUMAN SERVICES**

**Health Resources and Services Administration**

To: KING K. HOLMES, PROFESSOR \$8,877,718  
DEPARTMENT OF MEDICINE  
For: INTERNATIONAL AIDS EDUCATIONAL TRAINING CENTER  
  
Eff: 10/1/2003

**National Institutes of Health**

To: JERRY P. PALMER, PROFESSOR \$1,353,532  
DEPARTMENT OF MEDICINE  
For: DIABETES ENDOCRINOLOGY RESEARCH CENTER  
  
Eff: 12/1/2004  
  
To: SIDNEY D. NELSON, PROFESSOR/DEAN \$1,287,161  
REGIONAL PRIMATE RESEARCH CENTER  
For: WASHINGTON NATIONAL PRIMATE RESEARCH CENTER  
  
Eff: 5/1/2004

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Dept. of Health and Human Services Subtotal: \$11,518,411

**OTHER FEDERAL**

**U.S. Department of State**

To: VERONICA TAYLOR, PROFESSOR \$1,999,998  
SCHOOL OF LAW  
For: U.S. - AFGHAN LL.M./CERTIFICATE PROGRAM FOR AFGHAN LEGAL SCHOLARS  
  
Eff: 11/1/2004

**Detail of Grant Awards (Excluding Private Awards) for  
December 2004**

**Other Federal Subtotal:**

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**\$1,999,998**

**Total for Federal:**

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**\$14,611,609**

**Detail of Contract Awards for  
December 2004**

**FEDERAL**

**OTHER FEDERAL**

**Agency for International Development**

To: ANN E. DOWNER, SENIOR LECTURER \$1,300,000  
DEPARTMENT OF HEALTH SERVICES  
For: IMPROVING HIV/AIDS TRAINING AND SERVICE DELIVERY IN THE CARIBBEAN  
Eff: 11/16/2004

**Other Federal Subtotal:** 

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\$1,300,000

**Total for Federal:** 

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\$1,300,000

**Total Awards \$1,000,000 or Greater:** 

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\$15,911,609

**Briefing  
February 17, 2005**

**Finance and Audit Committee**

*In Joint Session with*

**Academic and Student Affairs Committee**

**Information Item**

**Proposed Undergraduate Non-Resident, Graduate and Professional  
Tuition Increases for the 2005-06 Academic Year**

## **Proposed Undergraduate Non-Resident, Graduate and Professional Tuition Increases for the 2005-06 Academic Year**

### **Content of This Item**

This information item presents proposed tuition increases for the 2005-06 academic year for the undergraduate non-resident, graduate and professional tuition categories – the tuition categories for which the Regents have tuition setting authority. These tuition increase proposals will be brought back to the Board of Regents as an action item at the March meeting.

This information does not address either undergraduate resident tuition for 2005-06 or undergraduate resident financial aid for 2005-06. Both of these topics will be discussed in May and June in conjunction with the Board of Regents consideration of the UW budget for Fiscal Year 2006. The Board of Regents also establishes tuition for post baccalaureate and non-matriculated students who are enrolled at the UW. Tuition levels for post baccalaureate and non-matriculated students are based on the approved levels of undergraduate and graduate tuition and will be established in May and June as part of the process of the Board of Regents adoption of the UW budget for Fiscal Year 2006.

### **Supporting Information in Appendices**

A variety of supporting information is presented in appendices at the end of this information item:

Appendix 1: Current Tuition Category Structure

Appendix 2: Tuition and Fee Comparison Summary

Appendix 3: Tuition and Fee Comparison Historical Data

Appendix 4: Factors Considered When Tuition Increases are Proposed

Appendix 5: Loan Debt at Graduation for Students Receiving Various Degrees

### **Broad Context**

Decisions about level of tuition need to be considered in the context of the UW's current competitive funding situation. In order to deliver the educational quality that the UW wants to offer and that our students deserve, the UW's overall funding per student FTE must be competitive.

The UW's core educational funding comes from the combination of State General Fund resources and tuition paid by students. In Fiscal Year 2005, 62% of core educational funding comes from the State General Fund and 38% comes from tuition paid by students. Both the UW's State funding per student FTE and its tuition are below that of our competitor institutions. The UW's core educational funding per student FTE is approximately \$4,000 below the HEC Board 24 competitor group.

In order for the UW to continue to offer competitive programs, both our State support and our tuition need to increase – and these two funding sources are interrelated. To illustrate, if State support for the UW continues to lag State support of our competitors, the UW's tuition would need to be above that of competitor institutions in order for total funding per student FTE to be at a competitive level. In both the near and the long-term, the appropriate tuition target level cannot be determined until there is an agreed upon competitive funding level and the State makes its decision on the level of General Fund support for the UW.

## **Background**

On May 12, 2003, the State legislature passed Engrossed Substitute Senate Bill (ESSB) 5448 which gave the Board of Regents authority to set tuition for all tuition categories except for undergraduate resident tuition. The bill grants tuition setting authority for a six year time period – through the 2008-09 academic year.

The Board of Regents first utilized this tuition setting authority in June 2003 when it established tuition rates for the undergraduate non-resident category, and for all of the graduate and professional tuition categories for the 2003-04 academic year. Because ESSB 5448 did not pass until early May, the Board of Regents was not able to set tuition for the 2003-04 academic year until after students had already made their decisions about attendance for the upcoming academic year. The tuition setting actions for the 2003-04 academic year implemented large dollar increases in some of the professional tuition categories: \$1,750 for incoming resident Pharm.D students; \$1,600 for incoming resident Business masters students; and \$3,329 for incoming resident Law students.

As a result of feedback from students on the tuition setting process, the administration and the Board of Regents decided to conduct the process for setting tuition rates for the upcoming academic year in the February/March time period. Specifically, proposed tuition these tuition categories for the upcoming academic year would be brought to the Board as an information item at the February meeting and as an action item at the March meeting. This timetable establishes tuition for the upcoming academic year prior to when students accept into academic programs for the upcoming year.

The administration is following this same timetable for approval for tuition for the 2005-06 academic year. However, the administration may want to propose modifying this schedule in the future. The advantage of this schedule is that students know what their

tuition will be prior to accepting into a program. The disadvantage of this process is that it separates tuition setting decisions for these tuition categories from the rest of the UW budget approval process.

### **2005-06 Tuition Increase Proposals**

The administration's 2005-06 tuition increase proposals are strongly influenced by the status of discussions with the State legislature on establishing a performance contract with the university. We are in the middle of a discussion with the legislature from which the administration hopes to get agreement on both a competitive funding level target for the UW and on increases in State General Fund support for the UW. Given those two factors, the level of tuition increases needed to maintain a competitive funding level can be determined..

Because of the status of these discussions, the administration is not ready to propose any significant increases in tuition targets for the undergraduate non-resident, graduate and professional tuition categories for the 2005-06 academic year.

The general policy position that guides the recommendations is that as both the UW's State support and its tuition lags that of competitors, at a minimum the UW should implement tuition increases that will insure that that gap with competitor tuition levels will not increase from current levels. As competitor tuition levels are higher than the UW's and because we are projecting fairly high increases in competitor tuition for the 2005-06 academic year, the recommended increases in UW tuition are material increases.

It is important to note that these recommended increases are predicated on an informed guess as to the changes to the UW's State funding for Fiscal Year 2006. Obviously, if the ultimate outcome of the 2005 State Legislative Session differs substantially from this informed guess, these tuition increase recommendations may need to be revisited.

The proposed increases in tuition for the undergraduate non-resident, graduate and professional tuition categories are shown in the table on page 6. Discussions on tuition increases for the 2005-06 academic year between the Provost and the School of Medicine, School of Law, School of Dentistry and the Business School will continue over the next month. These discussions may lead to revisions to the proposed tuition increases presented in the table on page 6.

The proposed increases for Nursing Masters and for Business Masters need some additional comment. In approving tuition rates for the current academic year, the first year of a two-year ramp-up of Nursing Masters tuition was approved; the approved plan was to bring Nursing Masters tuition up to a level comparable with Pharm.D tuition over a two-year time period. The proposed increase for the 2005-06 academic year is the second installment of that planned ramp-up.

The Business School is proposing that the UW shift to a cohort based tuition model for its masters programs. Under such a model, students entering the program would pay the

same tuition during their two years in the program. The large increase in proposed tuition over the current year for incoming students takes into consideration that these students would pay that rate for two years.

There are also discussions still going on with respect to the graduate tuition “tier” designations for certain masters degree programs. Depending on the outcome of these discussions, the administration may bring forward some minor revisions to the existing graduate tuition “tier” designations.

### **Tuition Structure/Implementation Issues Still Under Discussion**

The Provost’s discussions with deans about tuition increases for 2005-06 as well as discussions over the last two years at the Tuition Policy Committee that the Provost has established have raised some significant issues about future tuition structure and implementation. While the administration is not making recommendations on any of these topics for implementation during the 2005-06 academic year, we do want to highlight the issues as recommendations may be brought in the future. The tuition structure/implementation issues that have been discussed include:

- cohort based pricing structures;

- multiple-year price setting;

- eliminating the resident/non-resident differential for the graduate category for some professional tuition categories;

- establishing ultimate tuition targets for tuition categories.

All of these are important issues and all of the issues involve potential trade-offs between tuition being predictable for students versus the UW being able to set tuition at a level that insures that we maintain a competitive funding level.



**University of Washington  
Academic Year 2005-06 Tuition Rate Proposals**

	2004-05 Tuition	2005-06		Proposed Tuition	Estimated Fees	2005-06 Proposed Tuition & Fees
		\$ Increase	% Increase			
<b>Undergraduate Non-resident</b>	<b>17,400</b>	<b>+ 2,000</b>	<b>11.5%</b>	<b>19,400</b>	<b>516</b>	<b>19,916</b>
<b>Graduate Tier I Resident</b>	<b>7,100</b>	<b>+ 650</b>	<b>9.2%</b>	<b>7,750</b>	<b>516</b>	<b>8,266</b>
<b>Graduate Tier I Non-Resident</b>	<b>17,300</b>	<b>+ 1,500</b>	<b>8.7%</b>	<b>18,800</b>	<b>516</b>	<b>19,316</b>
<b>Graduate Tier II Resident</b>	<b>7,350</b>	<b>+ 650</b>	<b>8.8%</b>	<b>8,000</b>	<b>516</b>	<b>8,516</b>
<b>Graduate Tier II Non-Resident</b>	<b>17,550</b>	<b>+ 1,500</b>	<b>8.5%</b>	<b>19,050</b>	<b>516</b>	<b>19,566</b>
<b>Graduate Tier III Resident</b>	<b>7,600</b>	<b>+ 650</b>	<b>8.6%</b>	<b>8,250</b>	<b>516</b>	<b>8,766</b>
<b>Graduate Tier III Non-Resident</b>	<b>17,800</b>	<b>+ 1,500</b>	<b>8.4%</b>	<b>19,300</b>	<b>516</b>	<b>19,816</b>
<b>Nursing Masters' Resident (Incoming)</b>	<b>7,800</b>	<b>+ 1,900</b>	<b>24.4%</b>	<b>9,700</b>	<b>516</b>	<b>10,216</b>
<b>Nursing Masters' Non-Res. (Incoming)</b>	<b>17,400</b>	<b>+ 1,800</b>	<b>10.3%</b>	<b>19,200</b>	<b>516</b>	<b>19,716</b>
<b>Nursing Masters Resident (Continuing)</b>	<b>7,100</b>	<b>+ 1,210</b>	<b>17.0%</b>	<b>8,310</b>	<b>516</b>	<b>8,826</b>
<b>Nursing Masters Non-Res. (Continuing)</b>	<b>17,300</b>	<b>+ 290</b>	<b>1.7%</b>	<b>17,590</b>	<b>516</b>	<b>18,106</b>
<b>Pharm.D. Resident (Incoming, 2nd Yr. &amp; 3rd Year)*</b>	<b>9,700</b>	<b>+ 970</b>	<b>10.0%</b>	<b>10,670</b>	<b>516</b>	<b>11,186</b>
<b>Pharm.D. Resident (4th Year)*</b>	<b>8,200</b>	<b>+ 410</b>	<b>5.0%</b>	<b>8,610</b>	<b>516</b>	<b>9,126</b>
<b>Pharm.D. Non-Res (Incoming, 2nd Yr &amp; 3rd Year)*</b>	<b>19,200</b>	<b>+ 1,920</b>	<b>10.0%</b>	<b>21,120</b>	<b>516</b>	<b>21,636</b>
<b>Pharm.D. Non-Res (4th Year)*</b>	<b>18,200</b>	<b>+ 910</b>	<b>5.0%</b>	<b>19,110</b>	<b>516</b>	<b>19,626</b>
<b>Business Masters Resident</b>	<b>12,100</b>	<b>+ 2,680</b>	<b>22.1%</b>	<b>14,780</b>	<b>516</b>	<b>15,296</b>
<b>Business Masters Non-Res (Both UWS &amp; UWB)</b>	<b>21,000</b>	<b>+ 3,717</b>	<b>17.7%</b>	<b>24,717</b>	<b>516</b>	<b>25,233</b>
<b>Law Resident</b>	<b>13,000</b>	<b>+ 1,300</b>	<b>10.0%</b>	<b>14,300</b>	<b>516</b>	<b>14,816</b>
<b>Law Non-Resident</b>	<b>19,300</b>	<b>+ 1,930</b>	<b>10.0%</b>	<b>21,230</b>	<b>516</b>	<b>21,746</b>
<b>Medicine Resident</b>	<b>12,800</b>	<b>+ 1,152</b>	<b>9.0%</b>	<b>13,952</b>	<b>516</b>	<b>14,468</b>
<b>Medicine Non-Resident</b>	<b>31,000</b>	<b>+ 2,790</b>	<b>9.0%</b>	<b>33,790</b>	<b>516</b>	<b>34,306</b>
<b>Dentistry Resident</b>	<b>12,800</b>	<b>+ 1,152</b>	<b>9.0%</b>	<b>13,952</b>	<b>516</b>	<b>14,468</b>
<b>Dentistry Non-Resident</b>	<b>31,000</b>	<b>+ 2,790</b>	<b>9.0%</b>	<b>33,790</b>	<b>516</b>	<b>34,306</b>
<b>Tacoma</b>						
<b>Business Masters Resident</b>	<b>11,000</b>	<b>+ 935</b>	<b>8.5%</b>	<b>11,935</b>	<b>516</b>	<b>12,451</b>
<b>Business Masters Non-Res</b>	<b>20,000</b>	<b>+ 1,700</b>	<b>8.5%</b>	<b>21,700</b>	<b>516</b>	<b>22,216</b>
<b>Bothell &amp; Tacoma</b>						
<b>Nursing Masters' Resident</b>	<b>7,350</b>	<b>+ 650</b>	<b>8.8%</b>	<b>8,000</b>	<b>516</b>	<b>8,516</b>
<b>Nursing Masters' Non-Resident</b>	<b>17,550</b>	<b>+ 1,500</b>	<b>8.5%</b>	<b>19,050</b>	<b>516</b>	<b>19,566</b>

## **Appendix 1 Current Tuition Category Structure**

The UW currently has a number of tuition categories and there is a resident/non-resident distinction within each category. The tuition categories are:

- Undergraduate
- Graduate Tier 1
- Graduate Tier 2
- Graduate Tier 3
- Business Masters Programs
- Nursing Masters Programs
- Doctor of Pharmacy
- Law Masters and Professional
- Medical and Dental Professional

In the Business Masters category and the Nursing Masters category, there are some differences in tuition levels across the Seattle, Bothell and Tacoma campuses. The Board of Regents also establishes tuition rates for post baccalaureate and non-matriculated students.

The current graduate tuition “tier” categorizations are listed below. The tier categorizations for some masters programs recognize differences in the cost of some programs and in the personal value of the degree to the graduates.

<u><b>Tier I</b></u>	All PhD students Master's degrees not specified below
<u><b>Tier II</b></u>	Education masters Forest Resources masters Non-professional School of Medicine masters` Ocean & Fish masters Public Affairs masters Public Health & Community Medicine masters
<u><b>Tier III</b></u>	Architecture & Urban Planning masters Engineering masters Information School masters

## Appendix 2

### Current Tuition and Fee Comparison Summary

Data showing the tuition and fee comparisons with the HEC Board 24 competitor institutions from the 1999-00 through the 2004-05 academic years are presented in Appendix 3. Some of the information from that appendix as well as some related information is summarized below.

In every tuition category, the UW's current tuition and fees lags that of the HEC Board 24 institutions and in most tuition categories is growing rather than shrinking. The gaps with competitor tuition for both the 2004-05 academic year and the projected gap for the 2005-06 academic year are summarized in the table below.

**Current and Projected Tuition and Fee Gaps Compared to the  
HEC Board 24 Competitor Group Average**

<u>Tuition Category</u>	<u>2004-05 Tuition+Fee Gap Compared to HEC Board 24 Average</u>	<u>2005-06 UW Proposed Tuition &amp; Fees</u>	<u>2005-06 Projected Peer Tuition &amp; Fees</u>	<u>2005-06 Projected Gap</u>
Undergraduate Non-Resident	697	19,916	19,932	16
Graduate Resident	226	8,266	8,470	204
Graduate Non-Resident	574	19,316	19,607	291
Business Masters Resident	1,965	15,296	15,931	635
Business Masters Non-Resident	2,845	25,233	26,285	1,052
Pharm.D Resident	1,765	11,186	12,977	1,791
Pharm.D Non-Resident	4,718	21,636	26,245	4,609
Law Resident	1,534	14,816	16,425	1,609
Law Non-Resident	6,431	21,746	28,144	6,398
Medicine Resident	6,819	14,468	21,748	7,280
Medicine Non-Resident	5,003	34,306	38,968	4,662
Dentistry Resident	5,631	14,468	20,696	6,228
Dentistry Non-Resident	5,480	34,306	39,714	5,408

So, undergraduate non-resident tuition and fees at the UW are currently \$697 below those of the HEC Board 24 institutions, Graduate Resident tuition and fees are currently \$226 below those of the HEC Board 24 institutions, etc. Note that even in tuition categories like Business Masters and Pharm.D. where the UW has significantly increased tuition in recent years, we still lag competitor tuition by large amounts.

Nationally, tuition has been increasing sharply in recent years. The table below shows the average annual percent change in tuition and fees for the last three academic years for various tuition categories; the table also shows the projected increases for 2005-06 for the HEC Board 24 competitor group.

**Higher Education Coordinating Board 24 Comparison Group**

**Average Percentage Increase in Tuition and Fees over the Previous Academic Year**

<b>Tuition Category</b>	<b>2002-03 Academic Year</b>	<b>2003-04 Academic Year</b>	<b>2004-05 Academic Year</b>	<b>Projected 2005-06 Academic Year</b>
Undergraduate Non-resident	9.4%	10.8%	10.3%	7.1%
Graduate Resident	10.3%	14.2%	10.3%	8.0%
Business Graduate Resident	12.0%	15.0%	13.5%	9.3%
Pharm.D. Resident	8.4%	15.0%	13.1%	8.3%
Law Resident	12.3%	16.0%	12.5%	9.1%
Dentistry Resident	15.5%	13.1%	14.3%	9.2%
Medicine Resident	10.0%	12.2%	11.2%	8.0%

**UW Tuition Increases in These Years**

<b>Tuition Category</b>	<b>2002-03 Academic Year</b>	<b>2003-04 Academic Year</b>	<b>2004-05 Academic Year</b>
Undergraduate Non-resident	16.0%	5.0%	11.5%
Graduate Resident	9.0%	4.5%	12.5%
Business Graduate Resident	27.0%	20.0%	26.0%
Pharm.D. Resident	32.0%	24.0%	7.3%
Law Resident	50.0%	33.0%	0.0%
Dentistry Resident	12.0%	9.0%	7.2%
Medicine Resident	12.0%	9.0%	7.2%

So over the last three academic years, annual double digit average increases in tuition and fees have been the rule rather than the exception. Projected increases in tuition and fees for the 2005-06 academic year for these tuition categories are all in the 7-9% range. As the HEC Board 24 competitors will implement these tuition changes on a base amount that is higher on average than the UW's, the UW's tuition increases will have to be higher than the projected peer increases simply to not get further behind.

## Appendix 3

### Tuition and Fee Comparisons University of Washington vs. HEC Board 24 Comparison Group

	1999- 2000	2000- 2001	2001- 2002	2002- 2003	2003- 2004	2004- 2005
<b>Undergraduate - Resident</b>						
HEC BOARD 24 Group Average	4,166	4,326	4,648	5,115	5,937	6,592
Washington	3,638	3,761	3,983	4,636	4,968	5,286
Gap	<b>528</b>	<b>565</b>	<b>665</b>	<b>479</b>	<b>969</b>	<b>1,306</b>
<b>Undergraduate - Nonresident</b>						
HEC BOARD 24 Group Average	12,526	13,067	13,931	15,241	16,881	18,613
Washington	12,029	12,453	13,258	15,337	16,121	17,916
Gap	<b>497</b>	<b>614</b>	<b>673</b>	<b>(96)</b>	<b>760</b>	<b>697</b>
<b>Graduate - Resident</b>						
HEC BOARD 24 Group Average	4,976	5,269	5,648	6,227	7,112	7,842
Washington	5,583	5,745	5,929	6,508	6,821	7,616
Gap	<b>(607)</b>	<b>(476)</b>	<b>(281)</b>	<b>(281)</b>	<b>291</b>	<b>226</b>
<b>Graduate Nonresident</b>						
HEC BOARD 24 Group Average	12,606	13,281	14,149	15,299	16,832	18,390
Washington	13,872	14,283	14,766	15,595	16,544	17,816
Gap	<b>(1,266)</b>	<b>(1,002)</b>	<b>(617)</b>	<b>(296)</b>	<b>288</b>	<b>574</b>
<b>Grad. Business - Resident</b>						
HEC BOARD 24 Group Average	7,943	8,870	9,973	11,168	12,842	14,581
Washington	5,664	5,859	6,675	8,469	10,110	12,616
Gap	<b>2,279</b>	<b>3,011</b>	<b>3,298</b>	<b>2,699</b>	<b>2,732</b>	<b>1,965</b>
<b>Grad. Business - Nonresident</b>						
HEC BOARD 24 Group Average	15,282	16,615	18,181	19,960	22,365	24,361
Washington	14,081	14,579	15,994	17,569	19,855	21,516
Gap	<b>1,201</b>	<b>2,036</b>	<b>2,187</b>	<b>2,391</b>	<b>2,510</b>	<b>2,845</b>
<b>PharmD - Resident</b>						
HEC BOARD 24 Group Average	7,307	7,648	8,500	9,213	10,593	11,981
Washington	5,583	5,745	5,929	7,758	9,549	10,216
Gap	<b>1,724</b>	<b>1,903</b>	<b>2,571</b>	<b>1,455</b>	<b>1,044</b>	<b>1,765</b>

Tuition and Fee Comparisons  
University of Washington vs. HEC Board 24 Comparison Group

	1999- 2000	2000- 2001	2001- 2002	2002- 2003	2003- 2004	2004- 2005
<b>PharmD - Nonresident</b>						
HEC BOARD 24 Group Average	16,241	16,968	18,690	20,145	22,425	24,434
Washington	13,872	14,283	14,766	16,595	18,386	19,716
Gap	<b>2,369</b>	<b>2,685</b>	<b>3,924</b>	<b>3,550</b>	<b>4,039</b>	<b>4,718</b>
<b>Law - Resident</b>						
HEC BOARD 24 Group Average	8,658	9,337	10,271	11,529	13,372	15,050
Washington	6,009	6,216	6,911	10,230	13,510	13,516
Gap	<b>2,649</b>	<b>3,121</b>	<b>3,360</b>	<b>1,299</b>	<b>(138)</b>	<b>1,534</b>
<b>Law - Nonresident</b>						
HEC BOARD 24 Group Average	17,328	18,561	20,046	21,890	24,180	26,247
Washington	14,801	15,326	17,114	17,969	18,510	19,816
Gap	<b>2,527</b>	<b>3,235</b>	<b>2,932</b>	<b>3,921</b>	<b>5,670</b>	<b>6,431</b>
<b>Dentistry - Resident</b>						
HEC BOARD 24 Group Average	10,873	11,595	12,683	14,655	16,582	18,947
Washington	9,210	9,533	10,142	11,421	12,448	13,316
Gap	<b>1,663</b>	<b>2,062</b>	<b>2,541</b>	<b>3,234</b>	<b>4,134</b>	<b>5,631</b>
<b>Dentistry - Nonresident</b>						
HEC BOARD 24 Group Average	24,555	25,772	27,663	30,485	33,677	36,996
Washington	23,256	24,084	25,668	27,547	29,388	31,516
Gap	<b>1,299</b>	<b>1,688</b>	<b>1,995</b>	<b>2,938</b>	<b>4,289</b>	<b>5,480</b>
<b>Medicine - Resident</b>						
HEC BOARD 24 Group Average	12,822	13,361	14,677	16,139	18,113	20,135
Washington	9,210	9,533	10,142	11,421	12,448	13,316
Gap	<b>3,612</b>	<b>3,828</b>	<b>4,535</b>	<b>4,718</b>	<b>5,665</b>	<b>6,819</b>
<b>Medicine - Nonresident</b>						
HEC BOARD 24 Group Average	25,789	26,849	28,812	31,174	34,187	36,519
Washington	23,256	24,084	25,668	27,547	29,388	31,516
Gap	<b>2,533</b>	<b>2,765</b>	<b>3,144</b>	<b>3,627</b>	<b>4,799</b>	<b>5,003</b>

## Appendix 4

### Factors Considered When Tuition Increases are Proposed

As has been discussed with the Board of Regents over the last few years, a variety of factors are considered when tuition increases are proposed. The factors considered when proposing tuition increases include:

What is the Institution's Current Competitive Funding Situation?

As is discussed in the "Broad Context" section in the body of this item, tuition is a significant component of the funding that supports the UW's Core Education Budget. Decisions about proposed tuition increases need to be linked to decisions that the State makes on the level of General Fund support for the UW. In order to offer competitive programs, the UW must be competitively funded. Both General Fund support and tuition support need to increase. How much tuition support needs to increase depends on how much General Fund support increases. Greater increases in General Fund support put less pressure on tuition increases; smaller increases in General Fund support put more pressure on tuition.

What is the Program's Quality Goal and is it Achieving that Goal?

What Does it Cost to Deliver the Program?

What is the Program's Current Competitive Position?

What is the Value of the Program to Students?

What is the Market Demand for Graduates of the Program?

What is the Student Demand for the Program?

What is the Average Loan Debt of Students Graduating from the Program?

How much financial aid are colleges/schools able to offer students in their programs?

To what extent can we make tuition predictable for students?

These factors are not considered on any formulaic basis, but rather evaluated more subjectively as whole. Information showing the amount of loan debt of students receiving various degrees is presented in Appendix 4; loan debt data for students receiving degrees over the last six years is shown.

## Appendix 5

### Loan Debt at Graduation University of Washington Students Receiving Bachelor's Degrees

Academic Year	Total Students Receiving Bachelor's Degrees	Number Receiving Bachelor's Degrees with Loan Debt	Percentage of those Receiving Bachelor's Degrees Who Have Any Debt	Mean Loan Debt at Graduation	Median Loan Debt at Graduation
2003-04	7,787	3,880	49.8%	15,210	13,364
2002-03	7,611	3,774	49.6%	14,769	12,796
2001-02	7,088	3,488	49.2%	14,630	13,014
2000-01	6,675	3,382	50.7%	14,843	13,585
1999-00	6,617	3,260	49.3%	14,500	13,114
1998-99	6,708	3,078	45.9%	15,658	14,093

### Loan Debt at Graduation University of Washington Students Receiving Graduate Degrees\*

Academic Year	Total Students Receiving Graduate Degrees	Number Receiving Graduate Degrees with Loan Debt	Percentage of those Receiving Graduate Degrees Who Have Any Debt	Mean Loan Debt at Graduation	Median Loan Debt at Graduation
2003-04	2,704	1,394	51.6%	31,835	26,283
2002-03	2,554	1,268	49.6%	31,256	25,871
2001-02	2,336	1,153	49.4%	28,552	24,584
2000-01	2,172	971	44.7%	26,865	22,648
1999-00	2,133	1,063	49.8%	26,932	22,014
1998-99	2,196	843	38.4%	30,242	25,839

\*Masters and Ph.D. degrees in fields other than Medicine, Dentistry, Law, Nursing, Pharmacy and Business.

Loan debt totals include both debt accumulated as an undergraduate student as well as debt accumulated as a graduate student.



**Loan Debt at Graduation  
University of Washington Students Receiving Medicine Degrees**

<b>Academic Year</b>	<b>Total Students Receiving Medicine Degrees</b>	<b>Number Receiving Medicine Degrees with Loan Debt</b>	<b>Percentage of those Receiving Medicine Degrees Who Have Any Debt</b>	<b>Mean Loan Debt at Graduation</b>	<b>Median Loan Debt at Graduation</b>
2003-04	174	154	88.5%	85,953	90,311
2002-03	157	140	89.2%	85,847	93,105
2001-02	183	163	89.1%	85,392	90,830
2000-01	176	158	89.8%	78,755	82,252
1999-00	161	135	83.9%	73,705	80,521
1998-99	161	142	88.2%	69,999	75,061

**Loan Debt at Graduation  
University of Washington Students Receiving Dentistry Degrees**

<b>Academic Year</b>	<b>Total Students Receiving Dentistry Degrees</b>	<b>Number Receiving Dentistry Degrees with Loan Debt</b>	<b>Percentage of those Receiving Dentistry Degrees Who Have Any Debt</b>	<b>Mean Loan Debt at Graduation</b>	<b>Median Loan Debt at Graduation</b>
2003-04	51	48	94.1%	97,257	101,847
2002-03	54	48	88.9%	94,806	97,196
2001-02	51	46	90.2%	80,388	89,116
2000-01	52	48	92.3%	74,347	85,557
1999-00	56	51	91.1%	70,928	71,326
1998-99	47	41	87.2%	62,886	68,294

Loan debt totals include both debt accumulated as an undergraduate student as well as debt accumulated as a graduate/professional student.

**Loan Debt at Graduation  
University of Washington Students Receiving Law Degrees**

<b>Academic Year</b>	<b>Total Students Receiving Law Degrees</b>	<b>Number Receiving Law Degrees with Loan Debt</b>	<b>Percentage of those Receiving Law Degrees Who Have Any Debt</b>	<b>Mean Loan Debt at Graduation</b>	<b>Median Loan Debt at Graduation</b>
2003-04	175	150	85.7%	47,068	47,739
2002-03	157	134	85.4%	48,348	45,847
2001-02	144	103	71.5%	46,521	44,326
2000-01	164	133	81.1%	44,547	44,275
1999-00	143	120	83.9%	40,268	40,777
1998-99	182	147	80.8%	43,505	41,709

**Loan Debt at Graduation  
University of Washington Students Receiving Nursing Degrees**

<b>Academic Year</b>	<b>Total Students Receiving Nursing Degrees</b>	<b>Number Receiving Nursing Degrees with Loan Debt</b>	<b>Percentage of those Receiving Nursing Degrees Who Have Any Debt</b>	<b>Mean Loan Debt at Graduation</b>	<b>Median Loan Debt at Graduation</b>
2003-04	142	62	43.7%	25,687	22,168
2002-03	96	45	46.9%	31,698	30,141
2001-02	101	53	52.5%	27,984	26,271
2000-01	103	48	46.6%	27,321	25,109
1999-00	90	55	61.1%	22,312	20,413
1998-99	92	40	43.5%	28,834	26,581

Loan debt totals include both debt accumulated as an undergraduate student as well as debt accumulated as a graduate/professional student.

**Loan Debt at Graduation  
University of Washington Students Receiving MBA Degrees**

<b>Academic Year</b>	<b>Total Students Receiving MBA Degrees</b>	<b>Number Receiving MBA Degrees with Loan Debt</b>	<b>Percentage of those Receiving MBA Degrees Who Have Any Debt</b>	<b>Mean Loan Debt at Graduation</b>	<b>Median Loan Debt at Graduation</b>
2003-04	394	149	37.8%	31,819	33,812
2002-03	448	187	41.7%	27,596	27,959
2001-02	395	158	40.0%	26,768	28,126
2000-01	344	111	32.3%	28,795	31,466
1999-00	313	117	37.4%	28,962	31,540
1998-99	273	86	31.5%	25,256	26,224

**Loan Debt at Graduation  
University of Washington Students Receiving Pharmacy Degrees**

<b>Academic Year</b>	<b>Total Students Receiving Pharmacy Degrees</b>	<b>Number Receiving Pharmacy Degrees with Loan Debt</b>	<b>Percentage of those Receiving Pharmacy Degrees Who Have Any Debt</b>	<b>Mean Loan Debt at Graduation</b>	<b>Median Loan Debt at Graduation</b>
2003-04	89	58	65.2%	49,019	49,684
2002-03	105	65	61.9%	50,800	49,984
2001-02	98	64	65.3%	43,248	42,157
2000-01	86	60	69.8%	44,587	48,735
1999-00	81	63	77.8%	41,774	41,119
1998-99	81	55	67.9%	40,219	38,434

Loan debt totals include both debt accumulated as an undergraduate student as well as debt accumulated as a graduate/professional student.

**VII. STANDING COMMITTEES**

- B. Finance and Audit Committee  
*In Joint Session With*
- C. Capital Assets Committee

Development of Educational Outreach Building by Educational Outreach Properties

RECOMMENDED ACTION:

It is the recommendation of the administration, the Finance and Audit and Capital Assets Committees that the Board of Regents authorize the President or the President's authorized representative to:

1. Execute a lease with Educational Outreach Properties (EOP), a non-profit subsidiary organization of the National Development Council, for a maximum term of 35 years, for the University of Washington property located on the southeast corner of Campus Parkway and University Way, providing for the development of the property as an office building for the UW Educational Outreach department (UWEO), the Visitors Center, and other campus users.
2. Approve, as required by the Internal Revenue Code:
  - a) EOP issuing up to \$17 million in tax-exempt bonds for the development of the project at a weighted average interest rate not to exceed 7.5% for no longer than the lease term;
  - b) EOP as a non-profit corporation, and;
  - c) The University's intent to accept unencumbered title when tendered by EOP when the non-profit's tax-exempt debt is retired.
3. Execute other documents and approvals required to complete the transaction.

BACKGROUND:

For over ten years, the various units of UWEO have been scattered throughout several locations. Two years ago, the building housing the central administrative unit was destroyed by fire resulting in further fragmentation. Sharing a single centrally located building will enable UWEO to make better use of resources, work more efficiently, and provide a single point of contact for the students and community members who interact daily with UWEO.

Development of Educational Outreach Building by Educational Outreach Properties (continued p. 2)

The building will be constructed on the University-owned site of the current UW Visitor's Information Center, located on the southeast corner of the intersection of NE Campus Parkway and University Way NE. The new building will also house the Visitor's Information Center and other UW units, which are currently occupying the building that will be demolished. The development model calls for a building of approximately 55,000 gross square feet, plus a minimum 20 space parking garage under the building.

DEVELOPMENT PROJECT:

Construction is expected to begin in December of 2005 and be completed by March of 2007. It is anticipated that the garage portion of the project will be completed no later than March of 2006.

The project will be constructed as public work. The University will enter into a design-build contract with an architect-builder team to be named by the selection jury on March 14, 2005. When the parking garage is completed, the design build contract will be assigned to EOP under the terms of a ground lease between the University and EOP. Following the execution of the ground and occupancy leases, the design-build team will assume all development risk.

The University Real Estate Office will negotiate a ground lease of the property with EOP for a term of no more than thirty-five years. The University will enter into an occupancy lease with EOP for approximately 13 years with extension options to coincide with the final payment on the bonds. Payments under the occupancy lease will commence only upon final completion of the project.

FINANCING STRUCTURE:

The total project cost of \$17.2M will be funded from two sources: tax-exempt lease revenue bonds issued by EOP and a \$6M contribution from UWEO.

Tax-exempt lease-backed bonds will be issued by EOP to finance the development. In order to secure the most cost effective lease rates, the lease will obligate the University to make payments from legally available, non-appropriated local funds. This is a broader revenue pool than the revenues which are directly responsible for the lease payments. When the bonds are retired, EOP is obligated to tender unencumbered title to the property to the University.

The overall occupancy costs of the building will be paid from UWEO and other non-appropriated local funds. As part of regular due diligence, Treasury Office has reviewed UWEO's financial position and is comfortable that it has sufficient resources to make lease payments.

Development of Educational Outreach Building by Educational Outreach Properties (continued p. 3)

REVIEW AND APPROVALS:

The lease, construction, and financing of the project have been recommended by the Vice Provost for Educational Outreach, the Director of Real Estate, the Vice Provost for Planning and Budgeting, the Vice President for Financial Management, and the Executive Vice President. This recommendation has been reviewed by the University's financial advisor and bond counsel.

ENCLOSURES:

Sources and Uses of Funds  
Summary of Operating Revenue, Expenditures and Estimates

**VII. STANDING COMMITTEES****B. Finance and Audit Committee**

*In Joint Session With*

**C. Capital Assets Committee**

Academic Year 2005-06 Tuition Rates for the Undergraduate Non-resident, Graduate and Professional Tuition Categories

RECOMMENDED ACTION:

It is the recommendation of the University of Washington administration and the Finance and Audit and Capital Assets Committee that the Board of Regents take the following actions regarding tuition rates for the undergraduate non-resident, graduate and professional tuition categories for the 2005-06 academic year:

establish tuition rates for the undergraduate non-resident, graduate and professional tuition categories for the 2005-06 academic year as shown in the attached table;

change the graduate tuition tier designation for engineering masters students from Graduate Tier III to Graduate Tier I; and

establish a cohort-based, two-year tuition rate for business masters students who begin their programs during the 2005-06 academic year; under this cohort-based tuition rate, business masters students entering programs at the start of the 2005-06 academic year will pay the rate listed on the attached table for both the 2005-06 academic year and the 2006-07 academic year; to be eligible for the cohort-based tuition rate, a business masters student must have continuous attendance and complete the degree program within a two-year time frame, subject to review and adjustment based upon the level of state general fund support that is received for the biennium.

POLICY CONSIDERATIONS:

The policy and financial context for these tuition recommendations was discussed at the February Board of Regents meeting. Consistent with recent policy, the purpose of setting tuition for these tuition categories in March is to provide early notice of next year's tuition to prospective and returning students. However, as this item is under consideration by the Board of Regents, the legislature is still in session and the administration does not yet know what level of State General Fund support will be provided to the university for Fiscal Year 2006. Depending on the level of State General Fund support that the legislature ultimately approves for the university for Fiscal Year 2006, the administration may ask the Board of Regents to reconsider

## VII. STANDING COMMITTEES

### B. Finance and Audit Committee

#### Academic Year 2005-06 Tuition Rates for the Undergraduate Non-resident, Graduate and Professional Tuition Categories (continued p. 2)

these tuition rate actions for the 2005-06 academic year when the university's Fiscal Year 2006 budget is discussed and approved.

This action item does not establish a tuition rate for undergraduate resident students. The legislature has retained authority over undergraduate resident tuition rates and the university cannot establish a tuition rate for these students until after the legislature has established an upper limit for the tuition increase in the 2005-07 State operating budget bill. The Board of Regents will discuss and establish a tuition rate for undergraduate resident students during its review and approval of the university's Fiscal Year 2006 budget which will occur in May and June (assuming that the legislature completes its actions during the regular session time limits).

A new tuition category for nursing masters students at the Seattle campus was added in 2004-05 with provisions to mitigate the impact of increasing tuition on current students. The 2005-06 academic year will be the last year of the "grandfathering" for nursing masters students; beginning with the 2006-07 academic year, all nursing masters students will be charged the same tuition rate.

Similarly, over the last few years previous Doctor of Pharmacy students have been "grandfathered" to mitigate the impact of tuition increases. The ongoing process of transitioning to having all PharmD students to standard resident and non-resident tuition rates continues during the 2005-06 academic year; for the 2005-06 academic year, incoming, 2<sup>nd</sup> year, and 3<sup>rd</sup> year students are in one tuition category and only 4<sup>th</sup> year students are paying a "grandfathered" rate. Beginning with the 2006-07 academic year, all PharmD students will be charged at either a standard resident or non-resident tuition rate.

#### FUTURE CONSIDERATIONS:

As was discussed at the February Board of Regents meetings, the administration plans on continuing to conduct analyses on both the level and structure of tuition rates for these tuition categories, and plans further discussion with the Board of Regents in upcoming months on the policy issues and questions raised by these analyses. Among the areas for discussion and analysis are:

Should the university formally establish longer-term tuition targets?

Is the current price differential among the graduate tuition tiers sufficient?

Should the university establish more degree specific tuition categories at the graduate level?



VII. STANDING COMMITTEES

B. Finance and Audit Committee

Academic Year 2005-06 Tuition Rates for the Undergraduate Non-resident, Graduate and Professional Tuition Categories (continued p. 3)

For selected graduate and professional tuition categories, should the university consider eliminating the resident/non-resident differential?

Are there graduate or professional programs other than business masters where the university might want to consider cohort-based tuition structures?

Attachment:

2005-06 Academic Year Tuition Rate Recommendations for the Undergraduate Non-Resident, Graduate and Professional Tuition Categories

VII. STANDING COMMITTEES

B. Finance and Audit Committee

Academic Year 2005-06 Tuition Rates for the Undergraduate Non-resident, Graduate and Professional Tuition Categories (continued p. 4)

<b>University of Washington</b>				
<b>Academic Year 2005-06 Tuition Rate Recommendations</b>				
	2004-05 Tuition	2005-06 Dollar Increase	2005-06 % Increase	2005-06 Recommended Tuition
<b>Undergraduate Non-resident</b>	17,400	+ 2,000	11.5%	19,400
<b>Graduate Tier I Resident</b>	7,100	+ 650	9.2%	7,750
<b>Graduate Tier I Non-Resident</b>	17,300	+ 1,500	8.7%	18,800
<b>Graduate Tier II Resident</b>	7,350	+ 650	8.8%	8,000
<b>Graduate Tier II Non-Resident</b>	17,550	+ 1,500	8.5%	19,050
<b>Graduate Tier III Resident</b>	7,600	+ 650	8.6%	8,250
<b>Graduate Tier III Non-Resident</b>	17,800	+ 1,500	8.4%	19,300
<b>Nursing Masters' Resident (Incoming)</b>	7,800	+ 1,900	24.4%	9,700
<b>Nursing Masters' Non-Res. (Incoming)</b>	17,400	+ 1,800	10.3%	19,200
<b>Nursing Masters Resident (Continuing)</b>	7,100	+ 1,210	17.0%	8,310
<b>Nursing Masters Non-Res. (Continuing)</b>	17,300	+ 290	1.7%	17,590
<b>Pharm.D. Resident (Incoming, 2nd Yr. &amp; 3rd Year)*</b>	9,700	+ 970	10.0%	10,670
<b>Pharm.D. Resident (4th Year)*</b>	8,200	+ 410	5.0%	8,610
<b>Pharm.D. Non-Res (Incoming, 2nd Yr &amp; 3rd Year)*</b>	19,200	+ 1,920	10.0%	21,120
<b>Pharm.D. Non-Res (4th Year)*</b>	18,200	+ 910	5.0%	19,110
<b>Business Masters Resident</b>	12,100	+ 2,680	22.1%	14,780
<b>Business Masters Non-Res (Both UWS &amp; UWB)</b>	21,000	+ 3,717	17.7%	24,717
<b>Law Resident</b>	13,000	+ 1,300	10.0%	14,300
<b>Law Non-Resident</b>	19,300	+ 1,930	10.0%	21,230
<b>Medicine Resident</b>	12,800	+ 1,152	9.0%	13,952
<b>Medicine Non-Resident</b>	31,000	+ 2,790	9.0%	33,790
<b>Dentistry Resident</b>	12,800	+ 1,152	9.0%	13,952
<b>Dentistry Non-Resident</b>	31,000	+ 2,790	9.0%	33,790
<b>Tacoma</b>				
<b>Business Masters Resident</b>	11,000	+ 935	8.5%	11,935
<b>Business Masters Non-Res</b>	20,000	+ 1,700	8.5%	21,700
<b>Bothell &amp; Tacoma</b>				
<b>Nursing Masters' Resident</b>	7,350	+ 650	8.8%	8,000
<b>Nursing Masters' Non-Resident</b>	17,550	+ 1,500	8.5%	19,050

VII. STANDING COMMITTEES

B. Finance and Audit Committee

Academic Year 2005-06 Tuition Rates for the Undergraduate Non-resident, Graduate and Professional Tuition Categories (continued p. 5)

<b>University of Washington</b>				
<b>Academic Year 2005-06 Tuition Rate Recommendations</b>				
	<b>2004-05 Tuition</b>	<b>2005-06 Dollar Increase</b>	<b>2005-06 % Increase</b>	<b>2005-06 Recommended Tuition</b>
<b>Post-baccalaureate Resident</b> taking 1 or more graduate courses	7,600	+ 650	8.6%	8,250
<b>Post-baccalaureate Non-resident</b> taking only undergraduate courses	17,400	+ 2,000	11.5%	19,400
taking 1 or more graduate courses	17,800	+ 1,500	8.4%	19,300
<b>Non-matriculated Resident</b> taking 1 or more graduate courses	7,600	+ 650	8.6%	8,250
<b>Non-matriculated Non-Resident</b> taking only undergraduate courses	17,400	+ 2,000	11.5%	19,400
taking 1 or more graduate courses	17,800	+ 1,500	8.4%	19,300

**Tier I**

All PhD students  
Master's degrees not specified below

**Tier II**

Education masters  
Forest Resources masters  
Non-professional School of Medicine masters  
Oceanography & Fisheries Sciences masters  
Public Affairs masters  
Public Health & Community Medicine masters

**Tier III**

Architecture & Urban Planning masters  
Information School masters  
Tacoma masters in Computing and Software Systems