



November 12, 2009

TO: Members of the Board of Regents
Ex-officio Representatives to the Board of Regents

FROM: Joan Goldblatt, Secretary of the Board of Regents

RE: Schedule of Meetings

THURSDAY, NOVEMBER 19, 2009

8:00 to 9:30 a.m.	Hotel Deca President's Room	SPECIAL MEETING OF THE BOARD OF REGENTS
9:45 to 11:15 a.m.	UW Tower Board Room, 22nd Floor	ACADEMIC & STUDENT AFFAIRS COMMITTEE: Regents Barer (Chr), Gates, Golden, Harrell, Jewell
11:15 a.m. to 2:35 p.m.	UW Tower Board Room, 22nd Floor	FINANCE, AUDIT AND FACILITIES COMMITTEE: Regents Blake (Chr), Brotman, Cole, Jewell, Kiga
2:35 to 3:00 p.m.	UW Tower Board Room, 22nd Floor	ACADEMIC & STUDENT AFFAIRS COMMITTEE: Regents Barer (Chr), Gates, Golden, Harrell, Jewell
		<i>in Joint Session with</i>
		FINANCE, AUDIT AND FACILITIES COMMITTEE: Regents Blake (Chr), Brotman, Cole, Jewell, Kiga
3:00 p.m.	UW Tower Board Room, 22nd Floor	REGULAR MEETING OF BOARD OF REGENTS

To request disability accommodation, contact the Disability Services Office at: 206.543.6450 (voice), 206.543.6452 (TTY), 206.685.7264 (fax), or email at dso@u.washington.edu. The University of Washington makes every effort to honor disability accommodation requests. Requests can be responded to most effectively if received as far in advance of the event as possible, preferably at least 10 days.



PRELIMINARY AGENDA

BOARD OF REGENTS University of Washington

November 19, 2009
3:00 p.m. – UW Tower, Board Room

(Item No.)

I. CALL TO ORDER

II. ROLL CALL

III. CONFIRM AGENDA

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Simon

Resolution Regarding Schedule of Regular Board Meetings in 2010 (Action) BP-1

Resolution of Appreciation to Constance L. Proctor (Action) BP-2

V. REPORT OF THE UNIVERSITY PRESIDENT: Dr. Emmert

VI. CONSENT AGENDA

Approval of Minutes of Meeting of October 15, 2009

Establishment of the Graduate Certificate in Public Scholarship A-2

University of Washington Medicine Board Appointment A-5

Grant and Contract Awards Summary – September, 2009 F-1

Amendment to University of Washington Advisory Committee on Real Estate
Statement of Principles F-2

Purchase of Alumni House Building F-8

Implementing a Graduate Degree Fee F-9

Smart Grid Project – Review Project Concept and Select Energy Services
Contractor F-11

VII. STANDING COMMITTEES**A. Academic and Student Affairs Committee: Regent Barer – Chair**

Academic and Administrative Appointments (Action)	A-1
Challenges and Innovations in Large Class Teaching and Learning (Information only)	A-3
Nitrate Won't Wait: Preserving America's Film Heritage and other Games of Chance (Information only)	A-4

B. Finance, Audit and Facilities Committee: Regent Blake – Chair

Report of Contributions – August and September, 2009 (Information only)	F-3
Actions Taken Under Delegated Authority (Information only)	F-4
Portage Bay Insurance Annual Report (Information only)	F-5
Investment Performance Report, First Quarter Fiscal Year 2010 (Information only)	F-6
UW Medicine Board Annual Financial Report (Information only)	F-7
Rainier Vista Concept Plan – Informational Update (Information only)	F-10
Housing & Food Services (HFS) Master Plan Phase II and III Update (Information only)	F-12
Internal Lending Program Quarterly Report (Information only)	F-13
UW Capital Plan Overview (Information only)	F-14
Advancement Return on Investment (Information only)	F-15
Annual Investment Program Review (Information only)	F-16
Consolidated Endowment Fund Investment Pool (Information only)	F-17

Joint Session**A. Academic and Student Affairs Committee: Regent Barer – Chair****B. Finance and Audit Committee: Regent Blake – Chair**

Legislative Messaging (Information only)	A-6
UW Budget Overview (Information only)	F-18

VIII. OTHER BUSINESS

Reports from ex-officio representatives to the Board:

Faculty Senate Chair – Professor Bruce Balick

ASUW President – Mr. Tim Mensing

GPSS President – Mr. Jake Faleschini

Alumni Association President – Mr. Eddie Pasatiempo

IX. DATE FOR NEXT REGULAR MEETING: December 10, 2009

XI. ADJOURNMENT



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

Academic and Student Affairs Committee
Regents Barer (Chair), Gates, Golden, Harrell, Jewell

**November 19, 2009
9:45 to 11:15 a.m.
UW Tower
Board Room, 22nd Floor**

- | | | | |
|----|---|--------------------|-----|
| 1. | Academic and Administrative Appointments
Cheryl Cameron , Vice Provost for Academic Personnel | ACTION | A-1 |
| 2. | Establishment of the Graduate Certificate in Public Scholarship
James Antony , Associate Vice Provost and Associate Dean for Academic Affairs, The Graduate School
Bruce Burgett , Professor and Director, Interdisciplinary Arts and Sciences Program, UW Bothell
Miriam Bartha , Assistant Director, Simpson Center for the Humanities, College of Arts and Sciences | ACTION | A-2 |
| 3. | Challenges and Innovations in Large Class Teaching and Learning
Lisa Coutu , Senior Lecturer, Department of Communication
Philip Reid , Professor, Department of Chemistry | INFORMATION | A-3 |
| 4. | Nitrate Won't Wait: Preserving America's Film Heritage and other Games of Chance
Jennifer Bean , Director, Cinema Studies Program, Associate Professor, Department of Comparative Literature | INFORMATION | A-4 |
| 5. | University of Washington Medicine Board Appointment
Paul G. Ramsey , CEO, UW Medicine and Dean of the School of Medicine | ACTION | A-5 |
| 6. | Other Business | | |



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

Finance, Audit and Facilities Committee
Regents Blake (Chair), Brotman, Cole, Jewell, Kiga

**November 19, 2009
11:15 a.m. to 2:35 p.m.
UW Tower
Board Room, 22nd Floor**

- | | | | |
|----|--|--------------------|------|
| 1. | Grant and Contract Awards Summary – September, 2009
V'Ella Warren, Senior Vice President and Treasurer, Board of Regents | ACTION | F-1 |
| 2. | Amendment to University of Washington Advisory Committee on Real Estate Statement of Principles
Jeannette Henderson, Director, Real Estate Office | ACTION | F-2 |
| 3. | Report of Contributions – August and September, 2009
Walter G. Dryfoos, Associate Vice President, Advancement Services
Connie Kravas, Vice President, University Advancement | INFORMATION | F-3 |
| 4. | Actions Taken Under Delegated Authority
Richard Chapman, Associate Vice President, Capital Projects Office | INFORMATION | F-4 |
| 5. | Portage Bay Insurance Annual Report
Elizabeth Cherry, Executive Director, Risk Management | INFORMATION | F-5 |
| 6. | Investment Performance Report, First Quarter Fiscal Year 2010
Keith Ferguson, Chief Investment Officer | INFORMATION | F-6 |
| 7. | UW Medicine Board Annual Financial Report
Charlotte Guyman, Chair, UW Medicine Board
Paul Ramsey, CEO UW Medicine, Executive Vice President for Medical Affairs, and Dean of the School of Medicine | INFORMATION | F-7 |
| 8. | Purchase of Alumni House Building
Jeannette Henderson | ACTION | F-8 |
| 9. | Smart Grid Project – Review Project Concept and Select Energy Services Contractor
Richard Chapman
Matthew O'Donnell, Frank and Julie Jungers Dean of Engineering
Brad Spencer, Interim Director, Special Projects Group, Capital Projects Office | ACTION | F-11 |

10. **Housing & Food Services (HFS) Master Plan Phase II and III Update** **INFORMATION** F-12
Jon Lebo, Director, Student Life Projects, Capital Projects Office
Pam Schreiber, Director, Housing & Food Services
Rob Lubin, Assistant Director, Facilities & Operations, Housing & Food Services
11. **Internal Lending Program Quarterly Report** **INFORMATION** F-13
Chris Malins, Senior Associate Treasurer, Treasury Office
Doug Breckel, Associate Vice President, Treasury Office
12. **UW Capital Plan Overview** **INFORMATION** F-14
Paul Jenny, Vice Provost, Office of Planning and Budgeting
Kirk Pawlowski, Assistant Vice Provost, Capital and Space Planning Office
Doug Breckel
Chris Malins
13. **Advancement Return on Investment** **INFORMATION** F-15
Walter G. Dryfoos
Connie Kravas
14. **Annual Investment Program Review** **INFORMATION** F-16
Keith Ferguson, Chief Investment Officer, Treasury Office
Garth Reistad, Deputy Chief Investment Officer, Treasury Office
15. **Consolidated Endowment Fund Investment Pool** **INFORMATION** F-17
Max Senter, Investment Consultant and Managing Director, Cambridge Associates
16. **Other Business**



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

Academic and Student Affairs Committee
Regents Barer (Chr) Gates, Golden, Harrell, Jewell

In Joint Session with

Finance, Audit and Facilities Committee
Regents Blake (Chr), Brotman, Cole, Jewell, Kiga

**November 19, 2009
2:35 p.m. to 3:00 p.m.
UW Tower
Board Room, 22nd Floor**

- | | | | |
|----|--|--------------------|------|
| 1. | Legislative Messaging
Randy Hodgins , Vice President, Office of External Relations | INFORMATION | A-6 |
| 2. | UW Budget Overview
Paul Jenny , Vice Provost, Office of Planning and Budgeting
Randy Hodgins | INFORMATION | F-18 |
| 3. | Other Business | | |



AGENDA

BOARD OF REGENTS University of Washington

**November 19, 2009
3:00 p.m.
UW Tower
Board Room, 22nd Floor**

(Item No.)

I. CALL TO ORDER

II. ROLL CALL: Assistant Secretary Kelly Keith

III. CONFIRM AGENDA

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Simon

Resolution Regarding Schedule of Regular Board Meetings in 2010 (Action) BP-1

Resolution of Appreciation to Constance L. Proctor (Action) BP-2

V. REPORT OF THE UNIVERSITY PRESIDENT: Dr. Emmert

VI. CONSENT AGENDA

Approval of Minutes of Meeting of October 15, 2009

Establishment of the Graduate Certificate in Public Scholarship A-2

University of Washington Medicine Board Appointment A-5

Grant and Contract Awards Summary – September, 2009 F-1

Amendment to University of Washington Advisory Committee on Real Estate
Statement of Principles F-2

Purchase of Alumni House Building F-8

Smart Grid Project – Review Project Concept and Select Energy Services
Contractor F-11

VII. STANDING COMMITTEES**A. Academic and Student Affairs Committee: Regent Barer – Chair**

Academic and Administrative Appointments (Action)	A-1
Challenges and Innovations in Large Class Teaching and Learning (Information only)	A-3
Nitrate Won't Wait: Preserving America's Film Heritage and other Games of Chance (Information only)	A-4

B. Finance, Audit and Facilities Committee: Regent Blake – Chair

Report of Contributions – August and September, 2009 (Information only)	F-3
Actions Taken Under Delegated Authority (Information only)	F-4
Portage Bay Insurance Annual Report (Information only)	F-5
Investment Performance Report, First Quarter Fiscal Year 2010 (Information only)	F-6
UW Medicine Board Annual Financial Report (Information only)	F-7
Housing & Food Services (HFS) Master Plan Phase II and III Update (Information only)	F-12
Internal Lending Program Quarterly Report (Information only)	F-13
UW Capital Plan Overview (Information only)	F-14
Advancement Return on Investment (Information only)	F-15
Annual Investment Program Review (Information only)	F-16
Consolidated Endowment Fund Investment Pool (Information only)	F-17

Joint Session**A. Academic and Student Affairs Committee: Regent Barer – Chair****B. Finance and Audit Committee: Regent Blake – Chair**

Legislative Messaging (Information only)	A-6
UW Budget Overview (Information only)	F-18

VIII. OTHER BUSINESS

Reports from ex-officio representatives to the Board:

Faculty Senate Chair – Professor Bruce Balick

ASUW President – Mr. Tim Mensing

GPSS President – Mr. Jake Faleschini

Alumni Association President – Mr. Eddie Pasatiempo

IX. DATE FOR NEXT REGULAR MEETING: December 10, 2009

XI. ADJOURNMENT

OFFICIAL MINUTES

MINUTES

BOARD OF REGENTS University of Washington

November 19, 2009

The Board of Regents held its regular meeting on Thursday, November 19, 2009, beginning at 3:15 p.m. in the UW Tower Board Room. The notice of the meeting was appropriately provided to the public and the media.

CALL TO ORDER

ROLL CALL

Assistant Secretary Keith called the roll: Present were Regents Simon (presiding), Barer, Blake, Brotman, Cole, Gates, Golden, Harrell, Jewell, Kiga; Dr. Emmert, Ms. Warren, Ms. Goldblatt; ex-officio representatives Mr. Mensing, Mr. Faleschini.

Absent: ex-officio representatives Professor Balick and Mr. Pasatiempo.

CONFIRM AGENDA

The agenda was confirmed as presented.

REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Simon

Regent Simon welcomed Joanne Harrell to her first meeting of the Board of Regents. Regent Harrell was appointed to the Board by Governor Gregoire, effective October 16, 2009, replacing Connie Proctor. Regent Harrell was invited to tell the Board about her background and experience.

Regent Simon noted the standing committee appointments for 2009-10 have been revised. Regents have a copy of these in their packets.

STANDING COMMITTEE APPOINTMENTS

ACADEMIC AND STUDENT AFFAIRS COMMITTEE:

Stanley H. Barer, Chair
Sally Jewell, Vice Chair
William H. Gates
Ben Golden

Joanne Harrell

FINANCE, AUDIT AND FACILITIES COMMITTEE:

Kristianne Blake, Chair
Frederick C. Kiga, Vice Chair
Jeffrey H. Brotman
Craig Cole
Sally Jewell

Resolution Regarding Schedule of Regular Board Meetings in 2010 (Agenda no. BP-1) (Action)

MOTION: Upon the recommendation of the Chair of the Board, and the motion made by Regent Barer, seconded by Regent Jewell, the Board voted to approve the Resolution Regarding Schedule of Regular Board meetings in 2010.

See Attachment BP-1.

Resolution of Appreciation to Constance L. Proctor (Agenda no. BP-2) (Action)

Regent Simon read the Resolution of Appreciation to Connie Proctor.

MOTION: Upon the recommendation of the Chair of the Board, and the motion made by Regent Cole, seconded by Regent Blake, the Board voted to approve the Resolution of Appreciation to Constance L. Proctor.

See Attachment BP-2.

REPORT OF THE UNIVERSITY PRESIDENT: Dr. Emmert

President Emmert commented on Washington State's budget deficit and its potential impact on the state and the University of Washington. He said the University conducts exemplary faculty research. President Emmert told the Regents he attended the exit interview for the School of Dentistry's accreditation visit. The accreditation team is tasked with finding areas needing improvement and the team found the School exemplary in every area. Following the Board meeting, the President will attend the annual reception for new members of National Academies. He said the University of Washington's faculty members hold around 75 memberships to national academies and the UW has new members appointed every year.

The President said the UW needs to maintain its level of excellence and quality, although the state of Washington is no longer willing to publicly subsidize higher education at the same level of quality it used to.

Dr. Emmert said there is a huge demand from applicants who want to attend the University of Washington. Last fall, the University had 22,000 applicants, half of whom were non-residents, for 5,000 slots. The UW continues to be second in the nation in the level of research funding it receives. Dr. Emmert explained another measure of

November 19, 2009

excellence is the number of citations faculty research receives. When other scientists cite published faculty research as important work, these citations are counted and considered a measure of accomplishment. UW science has been cited more than any other public university in the United States and is cited fourth behind Harvard, MIT, and Stanford, for public and private universities, demonstrating the extraordinary demand for UW's research.

The President concluded by saying he feels that the upcoming legislative session will be challenging for the state and the university.

CONSENT AGENDA

Regent Simon noted there were seven items for approval on the consent agenda and called for a motion.

MOTION: Upon the recommendation of the Chair of the Board and the motion made by Regent Gates, seconded by Regent Kiga, the Board voted to approve the seven items on the consent agenda as shown below:

Minutes for the meeting of October 15, 2009

Establishment of the Graduate Certificate in Public Scholarship (Agenda no. A-2)

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the graduate faculty of the Interdisciplinary Committee on Public Scholarship in the Graduate School to offer the Graduate Certificate in Public Scholarship, effective Autumn Quarter 2010. The certificate program will have provisional status with a review to be scheduled in the 2015-2016 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

See Attachment A-2.

University of Washington Medicine Board Appointment (Agenda no. A-5)

It is the recommendation of the University President and the Academic and Student Affairs Committee that the Board of Regents make the following new appointments to the UW Medicine Board:

James K. Anderson	January 1, 2010 – December 31, 2012
William J. Rex	January 1, 2010 – December 31, 2012

See Attachment A-5.

Grant and Contract Awards Summary – September, 2009 (Agenda no. F-1)

November 19, 2009

It was the recommendation of the administration and the Finance, Audit and Facilities Committee the Board of Regents accept Grant and Contract Awards for the month of September, 2009, in the total amount of \$194,939,200.

See Attachment F-1.

Amendment to University of Washington Advisory Committee on Real Estate Statement of Principles (Agenda no. F-2)

It is the recommendation of the Finance, Audit and Facilities Committee that the Board of Regents adopt an amendment to the Statement of Principles for the UW Advisory Committee on Real Estate, providing for up to eight members to be appointed by the Board of Regents and providing that the Chair of the Board of Regents and the University President are to serve ex officio.

See Attachment F-2.

Purchase of Alumni House Building (Agenda no. F-8)

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents:

1. Approve the purchase of the Alumni House property for \$1.8 million;
2. Delegate to the president or his designee the authority to execute all documents related to this transaction.

See Attachment F-8.

Smart Grid Project – Review Project Concept and Select Energy Services Contractor (Agenda no. F-11)

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve the use of McKinstry Essention as an Energy Services Contractor (ESCO) for the project.

See Attachment F-11.

STANDING COMMITTEES

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Barer, Chair

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

MOTION: Upon the recommendation of the administration and the motion made by Regent Gates, seconded by Regent Jewell, the Board voted to approve the personnel appointments. Regent Golden abstained from the discussion and vote.

See Attachment A-1.

Challenges and Innovations in Large Class Teaching and Learning (Agenda no. A-3) (Information only)

Regent Barer said the Regents received presentation about teaching to large size classes at the UW. Regents learned there is a lack of suitable large size classrooms. Budget cuts have resulted in a reduction in the number of teaching assistants in many areas, often resulting in larger classes.

See Attachment A-3.

Nitrate Won't Wait: Preserving America's Film Heritage and other Games of Chance (Agenda no. A-4) (Information only)

See Attachment A-4.

FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Blake, Chair

Report of Contributions–August and September, 2009 (Agenda no. F-3) (Information only)

The total amount of gifts received in August, 2009, was \$14,425,714 and in September, 2009, was \$24,914,852, the total for the year-to-date is \$71,252,601.

See Attachment F-3.

Actions Taken Under Delegated Authority (Agenda no. F-4) (Information only)

See Attachment F-4.

Portage Bay Insurance Annual Report (Agenda no. F-5) (Information only)

See Attachment F-5.

Investment Performance Report, First Quarter Fiscal Year 2010 (Agenda no. F-6) (Information only)

See Attachment F-6.

UW Medicine Board Annual Financial Report (Agenda no. F-7) (Information only)

Regent Blake reported the Regents received the annual financial report from the UW Medicine Board, and learned things are generally going well at UW Medicine. The operating margin has improved and is projected to continue in a positive direction. The first three months of this fiscal year show a positive direction, without degradation in revenues or significant changes in the payer mix. UW Medicine will need to continue to

November 19, 2009

assess the impacts of changes resulting from health care legislation, which could affect revenue.

See Attachment F-7

Housing & Food Services (HFS) Master Plan Phase II and III Update (Agenda no. F-12) (Information only)

Regents received an update on the long-range plan for building additional student housing. The plan was reorganized to phase in the renovation of Terry Lander sooner than originally planned. This plan will allow the construction and renovation of additional housing units to be spread out more evenly and avoid a year with a significant decrease in the number of on-campus student housing units. A gradual increase will also be easier to manage. The plans continue to have “off ramps” to review decisions if the demand for student housing decreases.

See Attachment F-12.

Internal Lending Program Quarterly Report (Agenda no. F-13) (Information only)

The University recently issued \$77 million of “Build America” bonds. The issue rate was the lowest rate for long-term debt by the University. The bonds had 26 year terms with interest only payments and a 3.63 net rate after discount. The rate is subsidized 35% by funding from the federal stimulus package.

See Attachment F-13.

UW Capital Plan Overview (Agenda no. F-14) (Information only)

The Regents received a presentation which included data on all potential capital projects on campus. The next step will be to develop methodologies to review and prioritize projects within the university’s dynamic debt capacity. In the future, the Regents will use this methodology to evaluate projects and create a priority list. The goal is to develop parameters for deciding which projects to pursue. Regent Blake said this presentation was a good first step.

See Attachment F-14.

Advancement Return on Investment (Agenda no. F-15) (Information only)

Regents heard a discussion on the costs of fundraising, including how different academic units have differential costs relative to the amount of money they raise.

See Attachment F-15.

Annual Investment Program Review (Agenda no. F-16) (Information only)

November 19, 2009

Max Senter, the University's financial investment advisor, provided the Regents with information on the investment program. Last year's returns were not as good as hoped. Long term returns are in line with benchmarks and on par with peers. The asset allocation strategy has been beneficial in the long term.

See Attachment F-16.

Consolidated Endowment Fund Investment Pool (Agenda no. F-17) (Information only)

See Attachment F-17.

FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Blake, Chair

In joint session with

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Barer, Chair

Legislative Messaging (Agenda no. A-6) (Information only)

See Attachment A-6.

UW Budget Overview (Agenda no. F-18) (Information only)

See Attachment F-18.

REPORTS FROM EX OFFICIO REPRESENTATIVES TO THE BOARD OF REGENTS

Faculty Senate Chair: Professor Bruce Balick

Due to his participation on a review team for the Hubble telescope, Professor Balick did not attend the meeting. Regent Simon invited Professor J. W. Harrington, the Vice Chair of the Faculty Senate, to provide a report.

Professor Harrington introduced himself, and told the Regents he holds a masters degree and PhD from the University of Washington. Originally from South Carolina, he received his bachelor's degree from Harvard. Dr. Harrington is a Professor in the Department of Geography, specializing in economic geography.

As a former faculty legislative representative Dr. Harrington said he agrees with the need for effective, external help in conveying the University's message. The message will be more effective if it is presented by people from outside the university, including students, alumni, and friends, specifically those who aren't paid to advocate for the UW.

Professor Harrington explained the role of the Senate Committee on Planning and Budgeting (SCPB) as the only place where central administrators, faculty from across the university, and student leaders sit together weekly to provide advice on budget matters. He noted that faculty members are trying to develop criteria to assess budget decisions and outcomes.

Professor Harrington discussed the issue of salary policy and faculty advancement, with a focus on positive principles.

He said in 1999, the Regents supported a landmark set of rules that formed the basis for faculty assessment and advancement. The current salary policy was a key component in a hard-negotiated system of responsibilities and rewards, which included annual post-tenure reviews and peer consultation regarding counter-offers.

Dr. Harrington said he believes the University is professionally managed and said that managing human resources through the implementation of career ladders and salary progression are key to professional development of any organization. The University can do this with faculty, as it does with classified and professional staff, and recognize salary progression as a fundamental expense.

He said the alternative to the present policy, since there are no step increases or cost-of-living adjustments for faculty, would be for the faculty to stay at the same salary level for years, unless they individually pursue external, competitive offers.

Dr. Harrington concluded that he feels the University can accomplish this, because a major portion of a basic salary progression can be paid internally by the replacement of retiring and departing faculty by junior faculty – as long as retiring and departing faculty have higher salaries than junior faculty, that is, as long as there is some career progression.

In the short run, the remainder of the current biennium, Senate leadership is working to interpret Sec. 24-70 (UW faculty salary policy) in a way that is consistent with Executive Order 29 (which called for no salary increases this biennium), and in light of the statewide ban on salary increases which expires in February, 2010.

According to the Faculty Code, the Senate Executive Committee provides official interpretation of the Code. On Monday, November, 16, the Chair of the SCPB asked the Executive Committee to request the Advisory Committee on Faculty Code and Regulation to advise the Senate Executive Committee, to issue a flexible interpretation.

Professor Harrington said the University's faculty salary policy is an example of how the Regents and the Faculty Senate can work together in a collaborative manner and benefit from closer communication as they work together.

Questions and discussion followed.

ASUW President: Mr. Tim Mensing

Mr. Mensing said he would talk about advocacy and the Husky Pride Scholarship Fund.

Mr. Mensing invited Regents to attend ASUW's tri-campus legislative reception on Wednesday, December 9, at 6:30 p.m.

Mr. Mensing reported that ASUW has created an office of governmental relations political action network. The goal is to have 1% of the student body send an email to five key legislators. Mr. Mensing said he encourages students to take ownership of advocacy and he feels the success of the university is students' responsibility.

The Husky Pride Scholarship fund is run by students, for students, and provides support to assist students affected by personal or family crises, helps students engage in community, and provides scholarships to graduate and undergraduate students. Mr. Mensing said students will be involved in fundraising, and their goal is to increase the fund balance from \$20,000 to \$50,000 by the end of the year. Mr. Mensing described the fund as a symbol of the student body's investment in one another.

Regent Jewell shared a personal story about how, many years ago, the University assisted Lloyd Anderson, co-founder of REI. As a UW engineering student, he was faced with a financial emergency when his slide rule was stolen. He received assistance from the emergency fund for students in need, which enabled him to complete his education.

GPSS President: Mr. Jake Faleschini

Mr. Faleschini said 25 cents from the sale of each "UW Edition of the Not for Tourist Guide to Seattle" is donated to the Husky Pride Fund.

Mr. Faleschini reported the GPSS Summit was held on October 30. State Senator Lisa Brown delivered the keynote address. Faleschini thanked Regents Golden and Gates for spending the day at the conference, and he thanked Regent Gates for providing opening remarks and welcoming Senator Brown. He then thanked the Regents for their financial contribution to the project.

The same weekend GPSS hosted the second annual conference of Student Advocates for Graduate Education (SAGE). SAGE is a national lobbying organization for ten public universities in the United States, representing over 300,000 graduate students. Efforts by SAGE assured that the national health care agenda did not inadvertently exclude provisions for student health care options. Mr. Faleschini reported a successful weekend of collaboration.

With Regent Simon's approval, Mr. Mensing and Mr. Faleschini invited ASUW Bothell President, Xheni Diko, and ASUW Tacoma President, Cruz Credle, to update the Regents on activities on their campuses.

ASUW Bothell President, Xheni Diko, praised UW Bothell for offering for small classes. The Bothell campus is in the process of expanding food options for students. Ms. Diko reported the campus has a "new buzz" and a good sense of community, evidenced by the recent sold out homecoming dance. The students joined the campus in celebrating 116% enrollment. Ms. Diko praised the high level of student involvement exemplified by the receipt of 27 applicants for six appointments to the Student Activity Fee Committee, in response to only two email announcements.

ASUW Tacoma President, Cruz Credle, said students are reviewing proposals from vendors to provide health services on the UW Tacoma campus. He said students are formulating plans for a student union facility on the Tacoma campus. ASUW Tacoma student leaders hosted a successful higher education and economic summit on November 3. Mr. Credle said, given the current economic challenges, the summit focused on employment after graduation. Mr. Credle praised the level of communication and collaborative efforts between the three campuses.

Alumni Association President: Mr. Eddie Pasatiempo

Mr. Pasatiempo did not attend the meeting. In his absence, Regent Simon invited Mr. Mike Egan, the UWAA Board Secretary, to provide a report.

Mr. Egan said the UWAA leadership has been active with a new strategic direction. He said the health of the state and region is tied to the health of the University of Washington. UWAA is embarking on a concerted effort to focus on civic engagement and the education of UWAA members and the extended university family. They plan to encourage alumni to educate themselves on issues related to the University.

Mr. Egan said it is critical to use connections with university friends to educate and engage them. UWAA will conduct a broad-based communications campaign, focused on communities and neighborhoods, to convey that all are impacted by the work being done at the University of Washington. UWAA leadership will be traveling through the state sharing this message.

DATE FOR NEXT MEETING

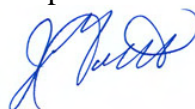
Regent Simon announced the December 10 meeting of the Board is canceled.

The next regular meeting of the Board of Regents will be held on Thursday, January 21, 2010, at the UW Tower. Regents will meet for dinner at Hill-Crest on Wednesday, January 20.

There will be a special joint meeting of the Washington State University and University of Washington Boards of Regents on Saturday, November 28, at 11:30 a.m. Governor Gregoire is planning to attend. Regents will receive further details by email from the Board office.

ADJOURNMENT

The regular meeting was adjourned at 4:15 p.m.



Joan Goldblatt
Secretary of the Board of Regents

Approved at the meeting of the Board of Regents on January 21, 2010.

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS

Resolution Regarding Schedule of Regular Board Meetings in 2010

RECOMMENDED ACTION:

It is the recommendation of the Chair of the Board of Regents that the Board approve the following resolution regarding its schedule of regular meetings for 2010:

RESOLUTION

WHEREAS, the Bylaws of the Board of Regents and WAC 478-04-030 call for regular monthly meetings, and

WHEREAS, the schedule of meetings is to be established yearly by resolution of this Board,

NOW, THEREFORE, BE IT RESOLVED that the regular meetings of the Board of Regents be held on the following dates in 2010, subject to change, providing that due notice is given by the Secretary of the Board in accordance with the Bylaws of the Board of Regents:

<u>Day</u>	<u>Date</u>	<u>Location</u>
Thursday	January 21	UW – UW Tower, Room T-22
Thursday	February 18	UW – Petersen Room, Allen Library
Thursday	March 18	UW Tacoma
Thursday	April 15*	UW – Petersen Room, Allen Library
Thursday	May 13	UW – UW Tower, Room T-22
Thursday	June 10 at 1 p.m.	UW – Petersen Room, Allen Library
Thursday	July 15	UW – UW Tower, Room T-22
Thursday	August 19*	UW – UW Tower, Room T-22
Thursday	September 16	UW – Petersen Room, Allen Library
Thursday	October 21	UW – UW Tower, Room T-22
Thursday	November 18	UW – Petersen Room, Allen Library
Friday	November 19	WSU Pullman
Thursday	December 9*	UW – Petersen Room, Allen Library

The Regents will meet for dinner at Hill-Crest, the residence of the University President, at 5:30 p.m. on the following dates:

<u>Day</u>	<u>Date</u>
Wednesday	January 20
Wednesday	March 17
Thursday	April 15*
Wednesday	May 12
Wednesday	July 14
Wednesday	August 18*
Wednesday	September 15
Wednesday	October 20

*The April, August, and December meetings will be canceled, circumstances permitting.

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS

Resolution Regarding Schedule of Regular Board Meetings in 2010 (continued p. 2)

Except as otherwise noted above, the Board's meetings begin with a series of Regent committee meetings attended by some or all of the members of the Board. These will commence at 8:00 a.m., or such later time as may be announced on the Board's webpage (<http://www.washington.edu/regents/>) and followed by a meeting of the full Board at 3 p.m. Meetings listing the location as "UW" will be held at the University of Washington, Seattle, Washington as noted above, unless another location is established and public notice given in accordance with RCW Chapter 42.30.

(Any changes in the above schedule will be announced at least 24 hours before the time of the scheduled regular meeting with due notice to press and public in accordance with RCW Chapter 42.30.)

To request disability accommodations, contact the Office of the ADA Coordinator, at least ten days in advance of the event. 206-543-6450 (voice); 206-543-6452 (TDD); 206-685-3885 (fax); access@uw.edu (e-mail).

IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS

**University of Washington
Board of Regents
Resolution of Appreciation to
Constance L. Proctor**

WHEREAS, Constance L. Proctor has completed two terms as a member of the University of Washington Board of Regents, contributing twelve years of exemplary service to the Board, the University of Washington, and the citizens of the state; and

WHEREAS, after graduating from the University of Washington School of Law, she built a distinguished career in real estate law as a partner in several prestigious Seattle law firms; and

WHEREAS, she provided outstanding leadership and served the Board in numerous capacities during her terms of service, including election as Board Chair in 2000-2001, Board Vice Chair in 1999-2000, and several terms chairing the Academic and Student Affairs Committee and the Capital Assets Committee; and

WHEREAS, her service to the Board and the University extended nationally with her appointment as the University of Washington Regent representative to the Association of Governing Boards, the national organization of Boards of Regents and Trustees; and

WHEREAS, her deep commitment to education and opportunity was manifest in everything she did as a Regent, in particular her openness and accessibility as a Regent and her unparalleled participation and engagement in every aspect of University life, from visiting classes and student-sponsored events to lectures, community forums, and Husky athletics; and

WHEREAS, her championing the values of diversity and eloquently articulating the Regents' long-standing commitment to ensuring that students from all walks of life and all economic backgrounds have an equal opportunity to succeed at the University of Washington; and

WHEREAS, her keen mind, wise judgment, and complete dedication and diligence in carrying out her Regental responsibilities have contributed in innumerable ways to the work of the Board and to the betterment of the University; and

WHEREAS, her passion for the educational enterprise in all its facets, her warmth, humor, and engaging personality contributed time and again to the Board's collegial deliberations;

NOW, THEREFORE, BE IT RESOLVED: That the members of the Board express to Connie Proctor their gratitude on behalf of the entire University community and their own personal thanks for her exemplary service, her friendship and collegiality, and her exceptional contributions to the work of the Board, that we wish her continued success and happiness in all her endeavors, and that this resolution be spread upon the minutes of the Board as a permanent record of the Board's sincere appreciation.

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

BASS, ZACHARY

(BBA, 2006, UNIVERSITY OF PORTLAND) TO BE ASSISTANT PROFESSOR OF AEROSPACE STUDIES PAID DIRECT BY SOURCES OTHER THAN THE UNIVERSITY EFFECTIVE 7/1/2010. (CAPTAIN BASS IS CURRENTLY THE COMMUNITY SERVICES FLIGHT COMMANDER AT WARREN AIR FORCE BASE, WYOMING.)

CUNNINGHAM, JAMES

(BS, 2000, NATIONAL AMERICAN UNIVERSITY; MBA, 2003, WESTERN NEW ENGLAND COLLEGE) TO BE ASSISTANT PROFESSOR OF AEROSPACE STUDIES PAID DIRECT BY SOURCES OTHER THAN THE UNIVERSITY EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, CAPTAIN CUNNINGHAM WAS COMPTROLLER FOR AIR FORCE OPERATIONAL TEST AND EVALUATION CENTER AT KIRTLAND AIR FORCE BASE, NEW MEXICO.)

KREPS, CHRISTINA

(BA, 2005, UNIVERSITY OF WYOMING) TO BE ASSISTANT PROFESSOR OF AEROSPACE STUDIES PAID DIRECT BY SOURCES OTHER THAN THE UNIVERSITY EFFECTIVE 7/1/2010. (CAPTAIN KREPS IS CURRENTLY A SECTION COMMANDER AT DAVIS-MONTHAN AIR FORCE BASE, ARIZONA.)

SANDGREN, RENA

(BA, 2005, UNIVERSITY OF FLORIDA) TO BE ASSISTANT PROFESSOR OF AEROSPACE STUDIES PAID DIRECT BY SOURCES OTHER THAN THE UNIVERSITY EFFECTIVE 7/1/2010. (CAPTAIN SANDGREN IS CURRENTLY CHIEF OF MILITARY PERSONNEL AT MCCHORD AIR FORCE BASE, WASHINGTON.)

COLLEGE OF ARTS AND SCIENCES

DEPARTMENT OF HISTORY

ENDOWED APPOINTMENTS

JOSHEL, SANDRA

(BA, 1969, SKIDMORE COLLEGE; MA, 1970, RUTGERS UNIVERSITY; PHD, 1977, RUTGERS UNIVERSITY) TO BE HOLDER OF THE JON BRIDGMAN ENDOWED PROFESSORSHIP IN HISTORY, EFFECTIVE 1/1/2010. (PROFESSOR JOSHEL WILL CONTINUE AS PROFESSOR OF HISTORY.)

JUNG, MOON-HO

(BA, 1991, CORNELL UNIVERSITY; MA, 1995, CORNELL UNIVERSITY; PHD, 2000, CORNELL UNIVERSITY) TO BE HOLDER OF THE WALKER FAMILY ENDOWED PROFESSORSHIP OF HISTORY, EFFECTIVE 1/1/2010. (PROFESSOR JUNG WILL CONTINUE AS ASSOCIATE PROFESSOR OF HISTORY AND ADJUNCT ASSOCIATE PROFESSOR OF AMERICAN ETHNIC STUDIES.)

POIGER, UTA

(BA, 1986, FREIBERG UNIVERSITY (GERMANY); MA, 1990, BROWN UNIVERSITY; MA, 1990, UNIVERSITY OF MASSACHUSETTS; PHD, 1995, BROWN UNIVERSITY) TO BE HOLDER OF THE GIOVANNI AND AMNE COSTIGAN ENDOWED PROFESSORSHIP IN HISTORY, EFFECTIVE 1/1/2010. (PROFESSOR POIGER WILL CONTINUE AS ASSOCIATE PROFESSOR OF HISTORY AND ADJUNCT ASSOCIATE PROFESSOR OF WOMEN STUDIES.)

NEW APPOINTMENTS

O'MARA, MARGARET

(BA, 1992, NORTHWESTERN UNIVERSITY; MA, 2002, UNIVERSITY OF PENNSYLVANIA; PHD, 2002, UNIVERSITY OF PENNSYLVANIA) TO BE ASSISTANT PROFESSOR OF HISTORY AT A SALARY RATE OF \$67,599 OVER NINE MONTHS, EFFECTIVE 9/16/2009. (PRIOR TO THIS APPOINTMENT DR. O'MARA WAS A VISITING ASSISTANT PROFESSOR IN THE SAME DEPARTMENT.)

DEPARTMENT OF PHYSICS

NEW APPOINTMENTS

ALLENDER, DAVID

(BA, 1970, UNIVERSITY OF IOWA; MS, 1971, UNIVERSITY OF ILLINOIS; PHD, 1975, UNIVERSITY OF ILLINOIS) TO BE VISITING PROFESSOR OF PHYSICS WITHOUT SALARY, EFFECTIVE 8/21/2009. (DR. ALLENDER IS CURRENTLY A PROFESSOR AT KENT STATE UNIVERSITY.)

KWON, CHULAN

(BS, 1981, SEOUL NATIONAL UNIVERSITY (KOREA); MS, 1984, UNIVERSITY OF NEBRASKA; MS, 1985, UNIVERSITY OF WASHINGTON; PHD, 1989, UNIVERSITY OF WASHINGTON) TO BE VISITING PROFESSOR OF PHYSICS WITHOUT SALARY, EFFECTIVE 8/21/2009. (DR. KWON IS CURRENTLY A PROFESSOR AT MYONGJI UNIVERSITY.)

PARK, HYUNNGYU

(BA, 1979, SEOUL NATIONAL UNIVERSITY (KOREA); MA, 1981, SEOUL NATIONAL UNIVERSITY (KOREA); PHD, 1988, UNIVERSITY OF WASHINGTON) TO BE VISITING PROFESSOR OF PHYSICS WITHOUT SALARY, EFFECTIVE 8/21/2009. (DR. PARK IS CURRENTLY A PROFESSOR AT THE KOREAN INSTITUTE FOR ADVANCED STUDIES.)

DEPARTMENT OF POLITICAL SCIENCE

ENDOWED APPOINTMENTS

MAY, PETER

(BA, 1972, DARTMOUTH COLLEGE; MPP, 1976, UNIVERSITY OF CALIFORNIA (BERKELEY); PHD, 1979, UNIVERSITY OF CALIFORNIA (BERKELEY)) TO BE HOLDER OF THE DONALD R MATTHEWS DISTINGUISHED PROFESSORSHIP IN AMERICAN POLITICS, EFFECTIVE 1/1/2010. (PROFESSOR MAY WILL CONTINUE AS PROFESSOR OF POLITICAL SCIENCE AND ADJUNCT PROFESSOR OF PUBLIC AFFAIRS.)

DEPARTMENT OF SOCIOLOGY

NEW APPOINTMENTS

DECHTER, AIMEE

(BS, 1983, CORNELL UNIVERSITY; MS, 1987, UNIVERSITY OF PENNSYLVANIA; PHD, 1991, UNIVERSITY OF PENNSYLVANIA) TO BE ASSISTANT PROFESSOR OF SOCIOLOGY AT A SALARY RATE OF \$72,000 OVER NINE MONTHS, EFFECTIVE 9/16/2009. (PRIOR TO THIS APPOINTMENT DR. DECHTER WAS A VISITING ASSISTANT PROFESSOR IN THE SAME DEPARTMENT.)

COLLEGE OF ENGINEERING

DEPARTMENT OF AERONAUTICS AND ASTRONAUTICS

NEW APPOINTMENTS

MILROY, RICHARD

(BS, 1969, UNIVERSITY OF ALBERTA (CANADA); MS, 1976, UNIVERSITY OF ALBERTA (CANADA); PHD, 1978, UNIVERSITY OF ALBERTA (CANADA)) TO BE RESEARCH PROFESSOR OF AERONAUTICS AND ASTRONAUTICS AT A SALARY RATE OF \$138,000 OVER TWELVE MONTHS, EFFECTIVE 11/1/2009. (PRIOR TO THIS APPOINTMENT DR. MILROY WAS A RESEARCH SCIENTIST IN THE SAME DEPARTMENT.)

DEPARTMENT OF CHEMICAL ENGINEERING

NEW APPOINTMENTS

YU, QIUMING

(BS, 1985, NANJING UNIVERSITY (CHINA); MS, 1989, NANJING UNIVERSITY (CHINA); PHD, 1995, CORNELL UNIVERSITY) TO BE RESEARCH ASSOCIATE PROFESSOR OF CHEMICAL ENGINEERING AT A SALARY RATE OF \$126,000 OVER TWELVE MONTHS, EFFECTIVE 10/16/2009. (PRIOR TO THIS APPOINTMENT DR. YU WAS A RESEARCH SCIENTIST IN THE SAME DEPARTMENT.)

DEPARTMENT OF CIVIL AND ENVIRONMENTAL ENGINEERING

ADMINISTRATIVE APPOINTMENTS

MILLER, GREG

(BSCE, 1980, UNIVERSITY OF WASHINGTON; MSCE, 1981, NORTHWESTERN UNIVERSITY; PHD, 1983, NORTHWESTERN UNIVERSITY) TO BE CHAIR OF CIVIL AND ENVIRONMENTAL ENGINEERING, EFFECTIVE 12/1/2009. (DR. MILLER WILL CONTINUE AS PROFESSOR OF CIVIL AND ENVIRONMENTAL ENGINEERING.)

NEW APPOINTMENTS

AHMED, KAMAL

(BSC, 1982, CAIRO UNIVERSITY (EGYPT); MSc, 1988, CAIRO UNIVERSITY (EGYPT); PHD, 1999, UNIVERSITY OF WASHINGTON) TO BE VISITING ASSISTANT PROFESSOR OF CIVIL AND ENVIRONMENTAL ENGINEERING AT A SALARY RATE OF \$30,000 OVER THREE MONTHS, EFFECTIVE 9/16/2009. (DR. AHMED IS CURRENTLY AN ASSISTANT PROFESSOR AT CAIRO UNIVERSITY.)

HUNTER, CHRISTOPHER

(BS, 1989, MOREHOUSE COLLEGE; MS, 1993, UNIVERSITY OF WASHINGTON; PHD, 2000, UNIVERSITY OF WASHINGTON) TO BE VISITING ASSOCIATE PROFESSOR, PART-TIME, OF CIVIL AND ENVIRONMENTAL ENGINEERING AT A SALARY RATE OF \$47,781 OVER NINE MONTHS, EFFECTIVE 10/16/2009. (DR. HUNTER IS CURRENTLY AN ASSOCIATE PROFESSOR AT THE UNIVERSITY OF RHODE ISLAND.)

SCHOOL OF MEDICINE

DEPARTMENT OF ANESTHESIOLOGY AND PAIN MEDICINE

NEW APPOINTMENTS

ESTEBE, JEAN-PIERRE

(MD, 1984, UNIVERSITY OF RENNES 1 (FRANCE)) TO BE PROFESSOR WITHOUT TENURE OF ANESTHESIOLOGY AND PAIN MEDICINE AT A SALARY RATE OF \$90,576 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. ESTEBE WAS AN ASSOCIATE PROFESSOR OF ANESTHESIOLOGY AT THE UNIVERSITY OF RENNES, FRANCE.)

O'DONNELL, BRENDAN

(BA, 1986, CONNECTICUT COLLEGE; MA, 1996, SAN FRANCISCO STATE; MD, 1998, UNIVERSITY OF CALIFORNIA (DAVIS)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF ANESTHESIOLOGY AND PAIN MEDICINE AT A SALARY RATE OF \$71,592 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. O'DONNELL WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

ROBOTHAM, JAMES

(BA, 1970, BOSTON UNIVERSITY; MD, 1970, BOSTON UNIVERSITY) TO BE PROFESSOR WITHOUT TENURE OF ANESTHESIOLOGY AND PAIN MEDICINE AT A SALARY RATE OF \$90,576 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. ROBOTHAM WAS A PROFESSOR OF ANESTHESIOLOGY AND PEDIATRICS AT THE UNIVERSITY OF ROCHESTER.)

DEPARTMENT OF MICROBIOLOGY

NEW APPOINTMENTS

SMITH, JASON

(BA, 1994, UNIVERSITY OF PENNSYLVANIA; PHD, 2004, HARVARD UNIVERSITY) TO BE ASSISTANT PROFESSOR OF MICROBIOLOGY AT A SALARY RATE OF \$96,000 OVER TWELVE MONTHS, EFFECTIVE 1/2/2010. (PRIOR TO THIS APPOINTMENT, DR. SMITH WAS A SENIOR RESEARCH FELLOW AT THE SCRIPPS RESEARCH INSTITUTE.)

DEPARTMENT OF NEUROLOGY

ENDOWED APPOINTMENTS

NOVOTNY, EDWARD

(BA, 1975, UNIVERSITY OF CALIFORNIA (IRVINE); BS, 1975, UNIVERSITY OF CALIFORNIA (IRVINE); MD, 1979, ST LOUIS UNIVERSITY) TO BE HOLDER OF THE ALVORD, GERLICH AND RHODES FAMILY ENDOWED CHAIR IN PEDIATRIC EPILEPSY OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (DR. NOVOTNY WILL CONTINUE AS PROFESSOR WITHOUT TENURE OF NEUROLOGY AND PROFESSOR WITHOUT TENURE OF PEDIATRICS.)

DEPARTMENT OF OPHTHALMOLOGY

NEW APPOINTMENTS

CHAO, JENNIFER

(BS, 1996, STANFORD UNIVERSITY; PHD, 2002, YALE UNIVERSITY; MD, 2003, YALE UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF OPHTHALMOLOGY AT A SALARY RATE OF \$90,000 OVER TWELVE MONTHS, EFFECTIVE 11/1/2009. (PRIOR TO THIS APPOINTMENT, DR. CHAO WAS A CLINICAL FELLOW AT THE DOHENY EYE INSTITUTE, UNIVERSITY OF SOUTHERN CALIFORNIA.)

DEPARTMENT OF PEDIATRICS

ENDOWED APPOINTMENTS

PIHOKER, CATHERINE

(BS, 1982, PENNSYLVANIA STATE UNIVERSITY; MD, 1987, ALBANY MEDICAL COLLEGE) TO BE HOLDER OF THE PEDIATRICS ENDOWED PROFESSORSHIP FOR RESEARCH SABBATICALS, EFFECTIVE 1/1/2010. (DR. PIHOKER WILL CONTINUE AS PROFESSOR WITHOUT TENURE OF PEDIATRICS.)

NEW APPOINTMENTS

HATTENDORF, BRANDY

(BA, 1995, OCCIDENTAL COLLEGE; MD, 1999, SAINT GEORGE'S UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 10/15/2009. (PRIOR TO THIS APPOINTMENT, DR. HATTENDORF WAS AN ASSISTANT CLINICAL PROFESSOR OF PEDIATRICS AT UNIVERSITY OF CALIFORNIA (DAVIS).)

LINDELL, DENNIS

(BS, 1997, UNIVERSITY OF MICHIGAN; PHD, 2004, UNIVERSITY OF MICHIGAN) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS AT A SALARY RATE OF \$90,000 OVER TWELVE MONTHS, EFFECTIVE 11/1/2009. (PRIOR TO THIS APPOINTMENT, DR. LINDELL WAS A RESEARCH INVESTIGATOR IN THE DEPARTMENT OF PATHOLOGY AT THE UNIVERSITY OF MICHIGAN.)

MCQUINN, TIMOTHY

(BS, 1974, MICHIGAN STATE UNIVERSITY; MD, 1979, UNIVERSITY OF WASHINGTON) TO BE PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. MCQUINN WAS A PROFESSOR OF PEDIATRIC CARDIOLOGY AT THE MEDICAL UNIVERSITY OF SOUTH CAROLINA.)

PAK-GORSTEIN, SUZINNE

(BS, 1986, SMITH COLLEGE; MPH, 1991, UNIVERSITY OF MICHIGAN; MD, 2000, MICHIGAN STATE UNIVERSITY; PHD, 2001, UNIVERSITY OF MICHIGAN) TO BE ASSISTANT PROFESSOR WITHOUT TENURE, PART-TIME, OF PEDIATRICS AT A SALARY RATE OF \$92,006 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. PAK-GORSTEIN WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

RUBIO, AGUSTIN

(BA, 1994, BUCKNELL UNIVERSITY; MD, 1998, UNIVERSIDAD AUTONOMA DE GUADALAJARA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS AT A SALARY RATE OF \$145,008 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. RUBIO WAS A SENIOR PEDIATRIC INTERVENTIONAL CARDIOLOGY FELLOW AT THE UNIVERSITY OF PENNSYLVANIA.)

DEPARTMENT OF PSYCHIATRY AND BEHAVIORAL SCIENCES**ADMINISTRATIVE APPOINTMENTS****CAMPBELL, WILLIAM**

(BA, 1979, McMASTER UNIVERSITY (CANADA); MD, 1982, LOYOLA UNIVERSITY (CHICAGO); MBA, 1990, JACKSONVILLE UNIVERSITY) TO BE PROFESSOR WITHOUT TENURE OF PSYCHIATRY AND BEHAVIORAL SCIENCES AND ASSOCIATE DEAN OF MEDICINE, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. CAMPBELL WAS THE DEPUTY CHIEF OF STAFF AT THE SOUTH TEXAS VETERANS HEALTH CARE SYSTEM, SAN ANTONIO TEXAS.)

NEW APPOINTMENTS**HSIAO, RAY**

(BA, 1996, NORTHWESTERN UNIVERSITY; MD, 2000, NORTHWESTERN UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PSYCHIATRY AND BEHAVIORAL SCIENCES AT A SALARY RATE OF \$151,032 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. HSIAO WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

DEPARTMENT OF SURGERY**NEW APPOINTMENTS****TSE, RAYMOND**

(BS, 1996, QUEEN'S UNIVERSITY AT KINGSTON (CANADA); MD, 2000, UNIVERSITY OF TORONTO (CANADA)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF SURGERY AT A SALARY RATE OF \$54,204 OVER TWELVE MONTHS, EFFECTIVE 11/1/2009. (PRIOR TO THIS APPOINTMENT, DR. TSE WAS AN ATTENDING PLASTIC SURGEON AT ROYAL JUBILEE HOSPITAL, VICTORIA B.C.)

SCHOOL OF PUBLIC HEALTH**DEPARTMENT OF GLOBAL HEALTH****NEW APPOINTMENTS**

GIMBEL-SHERR, KENNETH (BA, 1995, KENYON COLLEGE; MPH, 2000, UNIVERSITY OF WASHINGTON; PHD, 2009, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF GLOBAL HEALTH AT A SALARY RATE OF \$93,000 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009.

HAGOPIAN, AMY

(BA, 1976, UNIVERSITY OF WASHINGTON; MA, 1983, UNIVERSITY OF WASHINGTON; PHD, 2003, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF GLOBAL HEALTH AT A SALARY RATE OF \$95,004 OVER TWELVE MONTHS, EFFECTIVE 11/1/2009. (PRIOR TO THIS APPOINTMENT, DR. HAGOPIAN WAS AN ACTING ASSISTANT PROFESSOR-TEMPORARY IN HEALTH SERVICES.)

MARTIN, ROBERT

(BS, 1972, MICHIGAN STATE UNIVERSITY; MS, 1976, MICHIGAN TECHNOLOGICAL UNIVERSITY; MPH, 1979, UNIVERSITY OF NORTH CAROLINA; PHD, 1979, UNIVERSITY OF NORTH CAROLINA) TO BE ACTING PROFESSOR OF GLOBAL HEALTH AT A SALARY RATE OF \$150,000 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009. (PRIOR TO THIS APPOINTMENT, DR. MARTIN WAS A LABORATORY SCIENCE OFFICER AT THE CENTERS FOR DISEASE CONTROL AND PREVENTION.)

UNIVERSITY OF WASHINGTON, BOTHELL

SCIENCE AND TECHNOLOGY PROGRAM

NEW APPOINTMENTS

GHIRMAI, TADESSE

(BSC, 1988, ADDIS ABABA UNIVERSITY (ETHIOPIA); MSEE, 1985, UNIVERSITY OF SOUTH FLORIDA; PHD, 2004, STONY BROOK UNIVERSITY) TO BE SENIOR LECTURER, FULL TIME OF SCIENCE AND TECHNOLOGY AT A SALARY RATE OF \$73,008 OVER NINE MONTHS, EFFECTIVE 9/16/2009.

UNIVERSITY OF WASHINGTON, TACOMA

INTERDISCIPLINARY ARTS AND SCIENCES PROGRAM

NEW APPOINTMENTS

FOSTER, GREGORY

(BS, 1978, UNIVERSITY OF CALIFORNIA (DAVIS); MS, 1981, CALIFORNIA STATE UNIVERSITY, HAYWARD; PHD, 1985, UNIVERSITY OF CALIFORNIA (DAVIS)) TO BE VISITING PROFESSOR OF INTERDISCIPLINARY ARTS AND SCIENCES WITHOUT SALARY FROM THE UNIVERSITY, EFFECTIVE 10/1/2009.
(PROFESSOR FOSTER IS CURRENTLY A PROFESSOR AT GEORGE MASON UNIVERSITY.)

MILGARD SCHOOL OF BUSINESS

ADMINISTRATIVE APPOINTMENTS

NELSON, G. KENT

(BA, 1984, BOISE STATE UNIVERSITY; MA, 1989, UNIVERSITY OF WASHINGTON; PHD, 1994, UNIVERSITY OF WASHINGTON) TO BE ASSOCIATE DEAN OF THE MILGARD SCHOOL OF BUSINESS, EFFECTIVE 9/16/2009. (DR. KENT WILL CONTINUE AS A SENIOR LECTURER IN THE SAME SCHOOL.)

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Establishment of the Graduate Certificate in Public Scholarship

RECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the graduate faculty of the Interdisciplinary Committee on Public Scholarship in the Graduate School to offer the Graduate Certificate in Public Scholarship, effective Autumn Quarter 2010. The certificate program will have provisional status with a review to be scheduled in the 2015-2016 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

BACKGROUND

In June 2009, the Graduate School Dean received a request from the Graduate Faculty of the Interdisciplinary Committee on Public Scholarship to establish a Graduate Certificate in Public Scholarship. This certificate would be administratively housed in the Graduate School, with day-to-day administration occurring in the Simpson Center for the Humanities (College of Arts & Sciences). Students would enroll in the certificate program beginning Autumn Quarter 2010, with 6-12 students anticipated the first year.

Public scholarship encompasses scholarly activities that contribute to the public good and yield products of public and intellectual value for diverse communities. This certificate would advance and formally structure work done by graduate students on public forms of scholarship across the arts and sciences, including professional programs, that engages with and through the medium of culture. Students in the program would take courses on the historical, political, and intellectual foundations of public scholarship and would develop a portfolio of research, teaching, and/or engagement practices designed to complement their scholarly work in their home departments. Students would also collaborate with a cross disciplinary cohort of graduate students trained in diverse forms of applied cultural scholarship. The total certificate requirements encompass 15 credits of coursework.

The Graduate School Council met on October 8, 2009, to discuss the Graduate Certificate in Public Scholarship proposal. The Council unanimously recommended that the proposal be forwarded to the Board of Regents for review and approval.

The Vice Provost and Dean of the Graduate School and the Provost have reviewed and approved the recommendation for program implementation.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Challenges and Innovations in Large Class Teaching and Learning

For information only.

**Lisa Coutu**

Ph.D., University of Washington, 1996

Office: CMU 340D

E-Mail: coutu@uw.edu

Lisa Coutu, Principal Lecturer, specializes in the study of communication and culture, the ethnography of communication, and discourse analysis. In particular, her research interests involve the study of how groups' ways of speaking are created and maintained within the context of coexisting and competing ways of speaking. She teaches undergraduate courses in language, culture, and communication, intercultural communication, and interviewing, as well as the department's survey course of the field of communication. She is a 2003 recipient of the University of Washington's Distinguished Teaching Award.

**Philip Reid**

Professor of Chemistry

Associate Chair for Undergraduate Education

Director, NSF Center for Materials and Devices for Information Technology Research

Ph.D. University of California, Berkeley, 1992

(Physical Chemistry)

(206) 543-6147

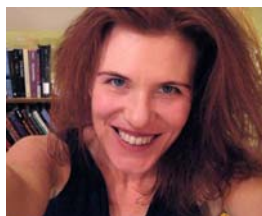
Email: preid@chem.washington.edu

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Nitrate Won't Wait: Preserving America's Film Heritage and other Games of Chance

For information only.

**Jennifer M. Bean**

C522 Padelford, Box 354338

206-616-6781

jmbean@uw.edu

Jennifer M. Bean is Director of the Cinema Studies Program, Associate Professor in the Department of Comparative Literature, and Adjunct Associate Professor in Women's Studies. She is editor of *Flickers of Desire: The Origins of American Film Stardom* (forthcoming, Rutgers UP), and co-editor of *A Feminist Reader in Early Cinema* (Duke UP, 2002), as well as a special issue of *Camera Obscura* on "Early Women Stars" (2001). She is the author of *The Play in the Machine: Gender, Genre, and the Cinema of Modernity* (forthcoming Duke UP), and is currently editing and organizing an international scholarly initiative, "Border Crossings: Silent Cinema and Politics of Space," for Indiana University Press. Her investment in silent-era film preservation and restoration agendas has led to her advisory work with the National Film Preservation Foundation; her voice-over on various restored films from the early period of cinema can be heard on two DVD-anthologies, *More Treasures from The Film Archives* (2004), and *Treasures III: Social Issues in Early American Cinema* (2007). Her current book project focuses on early comedy and modern theories of laughter. She recently contributed commentary for a BBC-2 radio documentary, *Smile: The Genius of Charlie Chaplin* (narrated by Robert Downey Jr.) and participated in New York Public Radio's "American Icon" series, in a segment titled "Chaplin's Tramp." At the University of Washington, she teaches courses in film history, visual literacy, critical analysis, and theory.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

University of Washington Medicine Board Appointment

RECOMMENDED ACTION:

It is the recommendation of the University President and the Academic and Student Affairs Committee that the Board of Regents make the following new appointments to the UW Medicine Board:

New Appointment

James K. Anderson

January 1, 2010 – December 31, 2012

William J. Rex

January 1, 2010 – December 31, 2012

BACKGROUND

Article 1, Section 1 of the UW Medicine Board Bylaws states, “The UW Medicine Board (the “Board”) shall consist of sixteen (16) members, including the President of the University and the CEO/EVPMA/Dean, who shall serve as *ex officio* members of the Board with full voice and vote. The Board members shall be appointed by the Board of Regents. The Chair of the Board of Regents shall appoint the Chairperson of the UW Medicine Board. At least one Board member shall be a member of the Board of Regents. One Board member shall be a member of the faculty of the University nominated by the President of the University. The remaining twelve (12) Board members shall be nominated by the President of the University from among people who have broad public perspectives and do not represent any special interest group.”

The affiliation agreement with Northwest Hospital provides that the UW will appoint two (2) UW Medicine/Northwest Trustees designated by the UW Medicine/Northwest Board (the “UW Medicine/Northwest Designated Board Members”) to serve as members of the UW Medicine Board. The individuals listed on Schedule 3.5(c) to this Agreement are the initial UW Medicine/Northwest Designated Board Members. Separate written approval by the UW of the nominees is a condition precedent to the parties’ obligations to close this transaction. Effective at Closing, the individuals listed on Schedule 3.5(c) to this Agreement (Mr. Anderson and Mr. Rex) shall be and hereby are appointed to serve as members of the UW Medicine Board. The UW Medicine/Northwest Designated Board Members shall in all respects, including but not limited to qualifications, rights (including voting rights), privileges, and term of office, be undifferentiated from the other UW Medicine Board Members.

Mr. Anderson has served on the Health Resources Northwest/Northwest Hospital & Medical Center board since 2000 and is currently Chairman. He also serves as the chair of the Executive and IS committees and sits on the Audit,

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

University of Washington Medicine Board Appointment (continued p. 2)

Compensation, Foundation, Governance, Insurance and Strategic Planning committees. Mr. Anderson is president and CEO of Adaptis Inc., a healthcare business process outsourcing company. Prior to Adaptis, Mr. Anderson was President, CEO and Chairman of Pacific First Financial Corporation and Pacific First Bank and Group Senior Vice President of California Federal Savings and Loan.

Mr. Rex has served on the Health Resources Northwest/Northwest Hospital & Medical Center board since 1990, and chairs the Governance Committee as well as sitting on the Building, Compensation, Finance, Investment and Strategic Planning committees. He recently retired as Managing Director of Prudential Securities Inc. and currently serves in an advisory role at Wachovia Securities Inc. Prior to Prudential Securities, Mr. Rex was President of Picnic Point Development Company, Ltd. Concurrently, he was Executive Vice President at Shearson Lehman Brothers and President of Foster & Marshall Realty and Mortgage Company, where he had previously held the title of Senior Executive Vice President.

It is recommended that Mr. Anderson and Mr. Rex be appointed to the UW Medicine Board for three year terms ending December 31, 2012, subject to the successful closing of the affiliation agreement by and among Health Resources Northwest, Northwest Hospital & Medical Center, and the University of Washington.

Under the Bylaws of the UW Medicine Board it states that “the term of office of each appointed Board member shall be three years. No appointed Board member may serve more than three successive three-year terms....”

Attachment

List of members of the UW Medicine Board

UNIVERSITY OF WASHINGTON MEDICINE BOARD

	Term of Recommended <u>Appointment</u>	<u>Changes</u>
Sally Jewell	10/1/07 to 9/30/10	
Mark Emmert President University of Washington	Ex-Officio	
James K. Anderson <i>appointment</i>	1/1/10 to 12/31/12	<i>New</i>
Alan Frazier	7/1/09 to 6/30/12	
Michael D. Garvey	2/1/09 to 1/31/12	
Allan C. Golston	11/1/08 to 10/31/11	
Jerry Grinstein	10/1/07 to 9/30/10	
Charlotte Guyman	7/1/09 to 6/30/10	
Rich Jones	8/1/09 to 7/31/12	
Shan Mullin	9/1/07 to 8/31/10	
Julie Nordstrom	11/1/08 to 10/31/11	
Dennis Okamoto	10/1/09 to 9/30/12	
William J. Rex <i>appointment</i>	1/1/10 to 12/31/12	<i>New</i>
Herman Sarkowsky	10/1/07 to 9/30/10	
Paul G. Ramsey, M.D. CEO UW Medicine Executive Vice President for Medical Affairs and Dean of the School of Medicine	Ex-Officio	
JoAnn Taricani	7/1/08 to 6/30/11	

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

Legislative Messaging

For information only.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Grant and Contract Awards Summary– September 2009

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.

Attachments

Grant and Contract Awards Summary for September 2009
Report of Grant and Contract Awards of \$1,000,000 or More

Grant and Contract Awards Summary

to

The Board of Regents

of the

University of Washington

for

September 2009

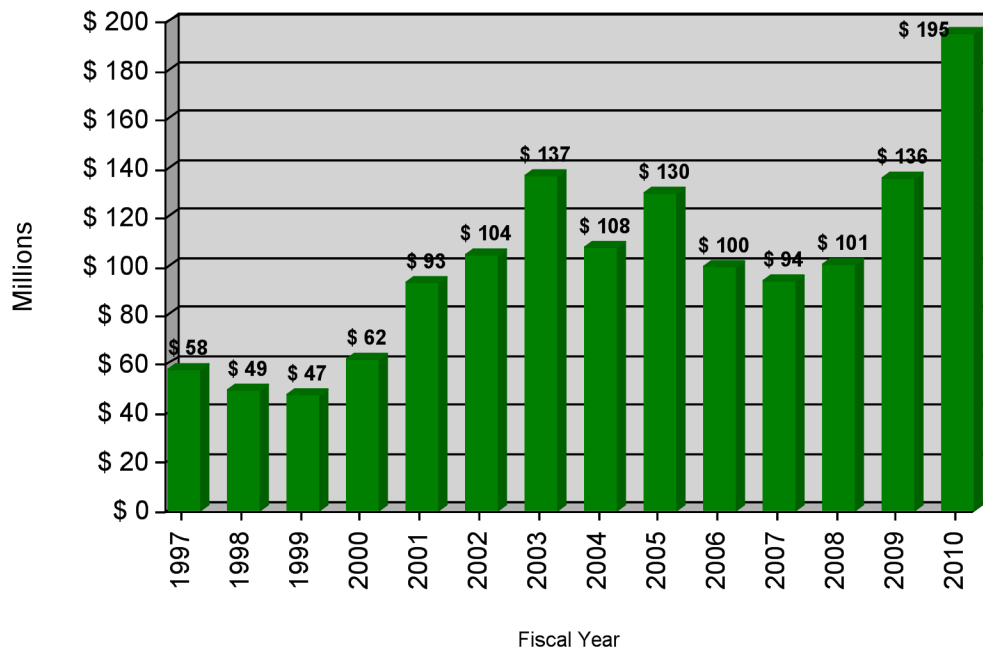
Office of Research

Office of Sponsored Programs

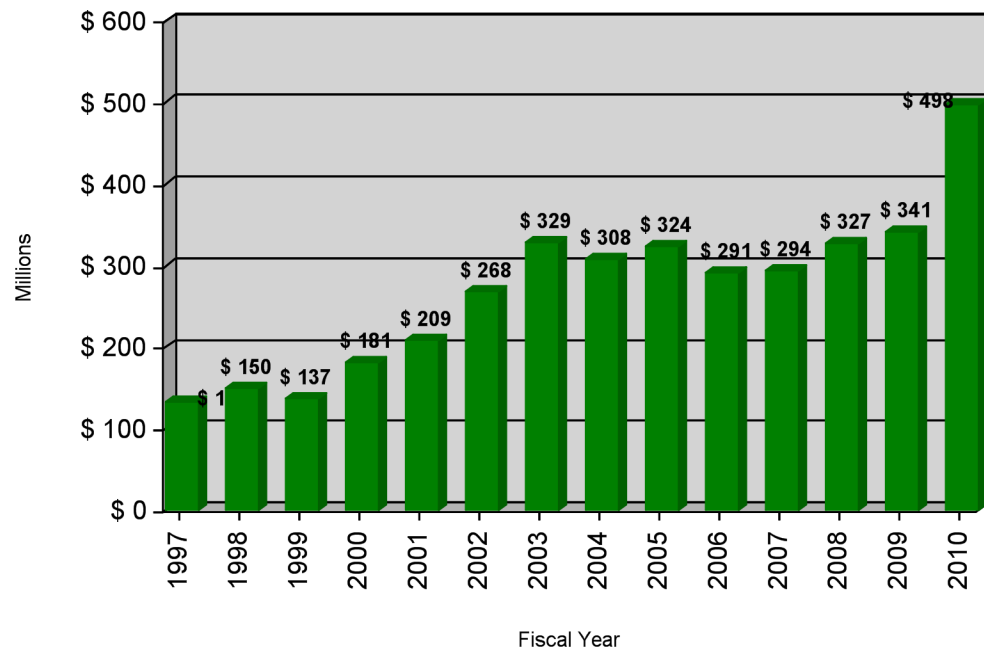
Table of Contents

Graphical Summary of Award Activity	3
Summary of Grant and Contract Awards	4
Comparison of Grants and Contract Awards by Agency	5
Comparison of Grants and Contract Awards by School/College	6
Summary of Grant Awards – Excluding Private Awards	8
Summary of Grant Awards - Private Awards	9
Summary of Contract Awards	10
Report of Grant & Contract Awards over \$1,000,000	11

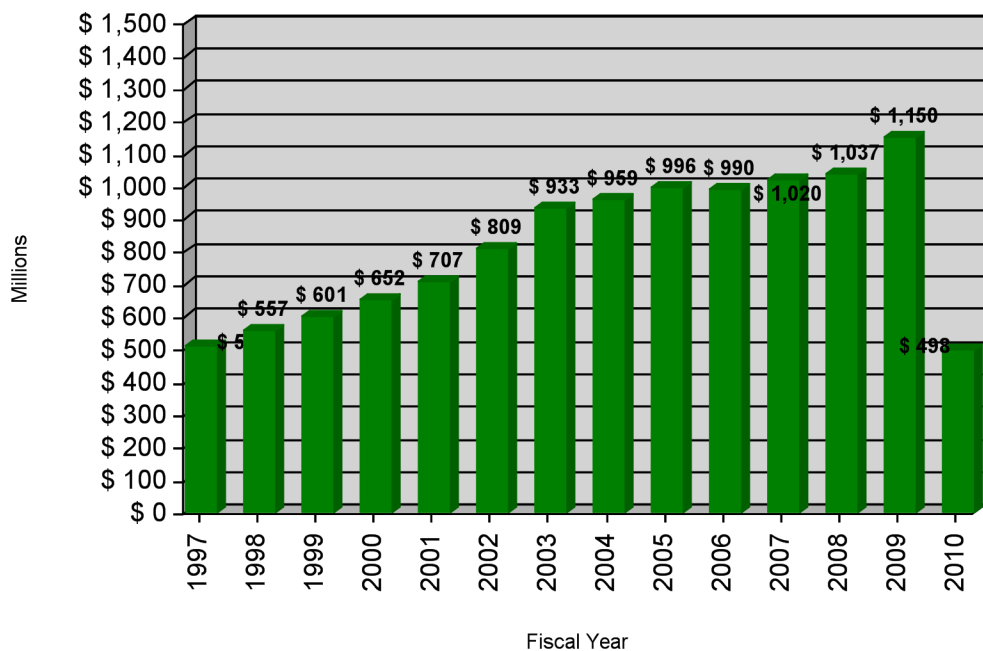
September Only
Comparison of Grant & Contract Awards



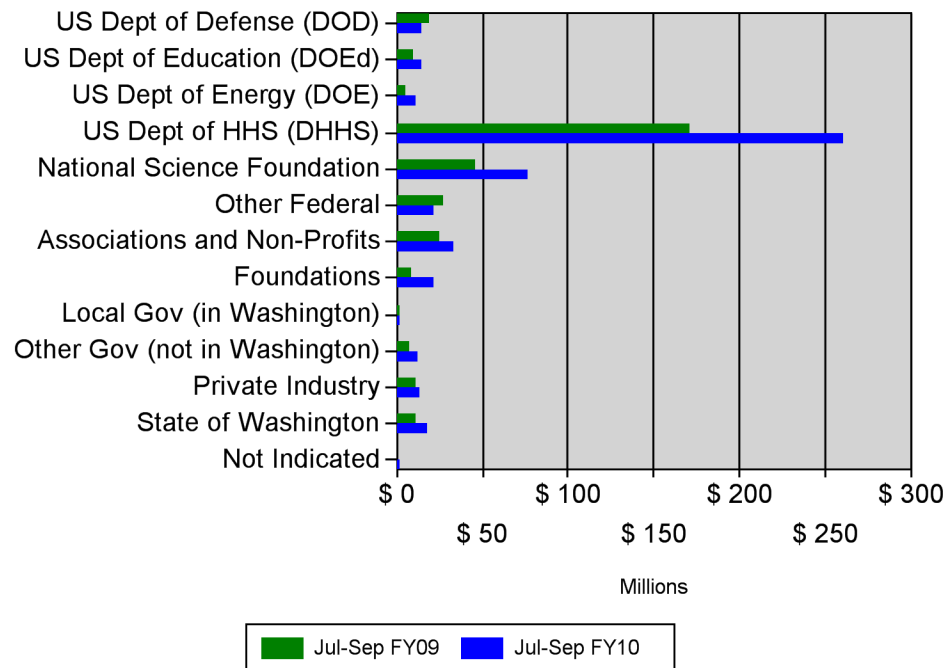
Fiscal Year to Date
Comparison of Grant & Contract Awards



Complete Fiscal Year
Comparison of Grant & Contract Awards



Fiscal Year to Date
Two-Year Comparison of Grant and Contract Awards



Summary of Grant and Contract Awards**Fiscal Year 2009-2010**

Month	RESEARCH AND OTHER		TRAINING		Total Grants and Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 92,953,080	\$ 29,204,080	\$ 15,030,890	\$ 1,904,177	\$ 139,092,200
August	\$ 125,375,900	\$ 30,935,220	\$ 5,900,316	\$ 1,531,602	\$ 163,743,100
September	\$ 126,511,000	\$ 35,953,430	\$ 32,079,670	\$ 395,123	\$ 194,939,200
<hr/>					
FY10 to Date	\$344,839,956	\$96,092,738	\$53,010,877	\$3,830,902	\$497,774,473
<hr/>					
FY09 to Date	\$250,467,904	\$58,766,827	\$27,004,000	\$5,129,658	\$341,368,390
<hr/>					
Over (Under) Previous Year	\$94,372,052	\$37,325,910	\$26,006,877	(\$1,298,756)	\$156,406,083

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by Agency

Fiscal Years 2008-2009 and 2009-2010

Agency	Jul-Sep FY09	Jul-Sep FY10
US Department of Defense (DOD)	\$ 19,450,810	\$ 14,502,359
US Department of Education (DOEd)	\$ 9,409,857	\$ 14,317,700
US Department of Energy (DOE)	\$ 4,819,482	\$ 10,416,628
US Department of Health and Human Services (DHHS)	\$ 170,482,241	\$ 260,472,591
National Science Foundation (NSF)	\$ 45,582,089	\$ 76,422,908
Other Federal	\$ 27,727,425	\$ 21,718,647
Subtotal for Federal :	\$ 277,471,904	\$ 397,850,833
Associations and Non-Profits	\$ 24,729,002	\$ 33,581,873
Foundations	\$ 8,149,183	\$ 21,156,906
Local Government (in Washington)	\$ 1,988,887	\$ 1,230,881
Other Government (not in Washington)	\$ 7,156,151	\$ 12,312,417
Private Industry	\$ 10,465,522	\$ 13,584,186
State of Washington	\$ 11,407,741	\$ 18,057,378
Not Indicated	\$ 0	\$ 48,909
Subtotal for Non-Federal :	\$ 63,896,486	\$ 99,972,549
Grand Total :	\$ 341,368,390	\$ 497,823,382
 Amount of Increase (Decrease) :		\$ 156,454,992
Percent of Increase (Decrease) :		45.8 %

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by School/College

Fiscal Years 2008-2009 and 2009-2010

School/College	Jul-Sep FY09	Jul-Sep FY10
Upper Campus		
Architecture and Urban Planning	\$ 245,118	\$ 258,050
Arts and Sciences	\$ 37,350,200	\$ 49,258,168
College of the Environment		\$ 13,645,725
Education	\$ 3,620,029	\$ 1,610,170
Educational Outreach	\$ 39,001	
Engineering	\$ 31,097,387	\$ 39,664,465
Evans School of Public Affairs	\$ 852,855	\$ 668,805
Executive Vice President	\$ 621,238	
Forest Resources	\$ 3,496,798	\$ 1,210,792
Foster School of Business	\$ 445,000	\$ 1,293,084
Graduate School	\$ 674,303	\$ 3,576,726
Information School	\$ 3,470,221	\$ 1,464,235
Law	\$ 1,258,309	\$ 211,634
Ocean and Fishery Sciences	\$ 25,237,323	\$ 24,650,280
Office of Research	\$ 15,202,213	\$ 12,918,910
Social Work	\$ 6,399,868	\$ 9,941,665
Undergraduate Education	\$ 10,640	
VP Educational Partnerships	\$ 30,000	
VP Minority Affairs	\$ 5,660,106	\$ 4,010,618
VP Student Affairs		\$ 280,137
VP Student Life		\$ 20,715
Subtotal :	\$ 135,710,609	\$ 164,684,179
Health Sciences		
Dentistry	\$ 2,827,482	\$ 4,112,278
Medicine	\$ 149,206,212	\$ 270,056,298
Nursing	\$ 6,006,350	\$ 9,732,391
Pharmacy	\$ 4,477,620	\$ 5,740,513
Public Health	\$ 23,864,413	\$ 33,242,981
Subtotal :	\$ 186,382,077	\$ 322,884,461
Special Programs		
Alcohol and Drug Abuse Institute	\$ 1,394,716	\$ 1,579,377
CHDD Administration	\$ 2,838,617	\$ 4,245,526
Regional Primate Center	\$ 13,607,672	\$ 3,312,054
Subtotal :	\$ 17,841,005	\$ 9,136,957
Other UW Campuses		
Bothell	\$ 1,009,756	\$ 864,716
Tacoma	\$ 424,943	\$ 77,964
Subtotal :	\$ 1,434,699	\$ 942,680

School/College		Jul-Sep FY09	Jul-Sep FY10
Not Indicated	Bothell		\$ 175,105
	Subtotal :		\$ 175,105
	Grand Total :	\$ 341,368,390	\$ 497,823,382

Assuming acceptance of all awards by the Board of Regents

Summary of Grant Awards**Fiscal Year 2009-2010***Excluding private awards from Foundations, Industry, Associations and Others*

Month	RESEARCH AND OTHER		TRAINING		Total Grants
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 91,428,820	\$ 4,713,717	\$ 15,030,890	\$ 955,270	\$ 112,128,700
August	\$ 119,211,600	\$ 10,620,200	\$ 5,900,316	\$ 998,571	\$ 136,730,700
September	\$ 118,571,000	\$ 3,619,947	\$ 31,878,100	\$ 155,656	\$ 154,224,700
Year to Date	\$ 329,211,400	\$ 18,953,860	\$ 52,809,310	\$ 2,109,497	\$ 403,084,000

Assuming acceptance of all awards by the Board of Regents

Summary of Grant Awards**Fiscal Year 2009-2010***Private awards from Foundations, Industry, Associations and Others*

Month	RESEARCH AND OTHER	TRAINING	Total Grants
July	\$ 12,916,300	\$ 64,396	\$ 12,980,690
August	\$ 13,367,960	\$ 304,231	\$ 13,672,190
September	\$ 26,139,530	\$ 239,467	\$ 26,378,990
Year to Date	\$ 52,423,790	\$ 608,094	\$ 53,031,880

Assuming acceptance of all awards by the Board of Regents

Summary of Contract Awards					
Fiscal Year 2009-2010					
Month	RESEARCH AND OTHER		TRAINING		Total Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 1,524,264	\$ 11,574,070	\$ 0	\$ 884,511	\$ 13,982,840
August	\$ 6,164,344	\$ 6,947,065	\$ 0	\$ 228,800	\$ 13,340,210
September	\$ 7,939,990	\$ 6,193,956	\$ 201,565	\$ 0	\$ 14,335,510
Year to Date	\$ 15,628,600	\$ 24,715,090	\$ 201,565	\$ 1,113,311	\$ 41,658,560

Assuming acceptance of all awards by the Board of Regents

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

September 2009

**Requiring action of
The Board of Regents
of the
University of Washington**

**Office of Research
Office of Sponsored Programs**

Detail of Public Grant Awards

Federal

US Department of Defense (DOD)

US Department of Defense (DOD)

To: Ann E. Downer, Senior Lecturer-full Time \$ 1,805,000
Public Health and Community Medicine

For: Department of Defense HIV/AIDS Prevention, Care and Treatment
Program

Eff: 10/1/2009 Classified: No

Total for US Department of Defense (DOD): \$ 1,805,000

Total for US Department of Defense (DOD): \$ 1,805,000

US Department of Education (DOEd)

US Department of Education (DOEd)

To: Kathe F. Matrone, Clinical Assistant Professor \$ 1,105,000
Department of Rehabilitation Medicine

For: Disability Business Technical Assistance Center (DBTAC UW Yr 3)

Eff: 10/1/2009 Classified: No

To: Loueta D. Johnson, Director \$ 1,088,304
VP Minority Affairs

For: Two Valleys One Vision GEAR UP Program

Eff: 9/1/2009 Classified: No

Total for US Department of Education (DOEd): \$ 2,193,304

Total for US Department of Education (DOEd): \$ 2,193,304

US Department of Health and Human Services (DHHS)

Centers for Disease Control and Prevention (CDC)

To: Mark Oberle, Associate Dean \$ 1,270,632
Public Health Interdisciplinary Programs

For: Northwest Preparedness and Emergency Response Research
Center

Eff: 9/30/2009 Classified: No

To: King Holmes, Chair \$ 1,476,531
Global Health

For: I-TECH Safe Male Circumcision in Botswana

Eff: 9/30/2009 Classified: No

Total for Centers for Disease Control and Prevention (CDC): \$ 2,747,163

Health Resources and Services Administration (HRSA)

To: David H Spach, Professor \$ 2,305,022
Department of Medicine

For: Regional AIDS Education and Training Centers Program

Eff: 7/1/2009 Classified: No

To: King K. Holmes, Professor \$ 17,143,077
Department of Medicine

For: International AIDS Education and Training Center

Eff: 4/1/2009 Classified: No

Total for Health Resources and Services Administration (HRSA): \$ 19,448,099

National Institutes of Health (NIH)

To: Mark Wurfel, Asst Professor \$ 3,103,446

Detail of Public Grant Awards

Federal

US Department of Health and Human Services (DHHS)

National Institutes of Health (NIH)

Department of Medicine		
For: Genetic risks for ALI in ARDSnet and the iSPAAR Consortium		
Eff: 9/30/2009	Classified: No	
To: Allan E. Rettie, Professor		\$ 1,386,511
Department of Medicinal Chemistry		
For: Drug Interactions		
Eff: 8/1/2009	Classified: No	
To: David S. Siscovick, Professor		\$ 1,928,268
Department of Medicine		
For: Genome-wide Study of Sudden Cardiac Arrest Risk in the Community		
Eff: 9/15/2009	Classified: No	
To: Raymond J Monnat, Professor		\$ 1,476,952
Department of Pathology		
For: Human RecQ helicases in biology and oncology		
Eff: 7/6/2009	Classified: No	

National Heart, Lung, and Blood Institute (NHLBI)

To: Dedra S Buchwald, Professor		\$ 1,118,768
Department of Medicine		
For: Cerebrovascular Disease and Its Consequence in the Strong Heart Study Cohort		
Eff: 8/15/2009	Classified: No	
To: Deborah Nickerson, Professor		\$ 11,008,061
Department of Genome Sciences		
For: Northwest Genomics Center		
Eff: 9/30/2009	Classified: No	
<i>Total for National Heart, Lung, and Blood Institute (NHLBI):</i>		<i>\$ 12,126,829</i>

National Institute of Allergy and Infectious Diseases (NIAID)

To: Samuel Miller, Professor		\$ 1,954,928
Department of Medicine		
For: NWRCE – ARRA projects		
Eff: 9/12/2009	Classified: No	
<i>Total for National Institute of Allergy and Infectious Diseases (NIAID):</i>		<i>\$ 1,954,928</i>

Total for National Institutes of Health (NIH):	\$ 21,976,934
---	----------------------

Total for US Department of Health and Human Services (DHHS):	\$ 44,172,196
---	----------------------

National Science Foundation (NSF)

National Science Foundation (NSF)

To: William Wilcock, Professor		\$ 3,704,568
School of Oceanography		
For: R/V Thomas G. Thompson Ship Operations 2005-2009		
Eff: 3/1/2005	Classified: No	
To: Joshua Akey, Assistant Professor		\$ 1,199,677
Department of Genome Sciences		

Detail of Public Grant Awards

Federal

National Science Foundation (NSF)

National Science Foundation (NSF)

For:	Exploring Databases: STEM learning and authentic research in the high school classroom	
Eff:	9/1/2009	Classified: No
To:	Helene J. Obradovich, Director Graduate School	\$ 2,000,000
For:	2009-2010 NSF Graduate Research Fellowship	
Eff:	8/1/2009	Classified: No
To:	Larry R. Dalton, Professor Department of Chemistry	\$ 4,000,000
For:	Center on Materials and Devices for Information Technology Research	
Eff:	8/1/2002	Classified: No

Total for National Science Foundation (NSF): \$ 10,904,245

Total for National Science Foundation (NSF): \$ 10,904,245

Other Federal

National Oceanic and Atmospheric Administration (NOAA)

To:	Nathan Mantua, Assoc Professor School of Aquatic and Fishery Science	\$ 1,588,828
For:	Center for Science in the Earth System 2009-2010	
Eff:	4/2/2001	Classified: No

Total for National Oceanic and Atmospheric Administration (NOAA): \$ 1,588,828

Total for Other Federal: \$ 1,588,828

Total for Federal: \$ 60,663,573

Total Public Grants: \$ 60,663,573

Detail of Private Grant Awards

Associations and Non-Profits

American Heart Association (AHA)

To:	Alfred Hallstrom, Professor Department of Biostatistics	\$ 1,375,000
For:	Resuscitation Outcomes Consortium Registry - AHA	
Eff:	10/1/2005	Classified: No

Total for American Heart Association (AHA):	\$ 1,375,000
--	---------------------

Total for Associations and Non-Profits:	\$ 1,375,000
--	---------------------

Foundations

Bill and Melinda Gates Foundation

To:	Connie L. Celum, Professor Department of Medicine	\$ 12,852,451
For:	Tenofovir and Emtricitabine/tenofovir Chemoprophylaxis to Prevent HIV Acquisition	
Eff:	7/1/2009	Classified: No

Total for Bill and Melinda Gates Foundation:	\$ 12,852,451
---	----------------------

Total for Foundations:	\$ 12,852,451
-------------------------------	----------------------

Total Private Grants:	\$ 14,227,451
------------------------------	----------------------

Detail of Contract Awards

Federal

US Department of Health and Human Services (DHHS)

National Institutes of Health (NIH)

To: Michael J Gale, Associate Professor \$ 3,035,437
Department of Immunology

For: RIG-I-LIKE RECEPTORS AND NOVEL INNATE IMMUNE
PATHWAYS FOR ADJUVANT DISCOVERY AND DEVELOPMENT

Eff: 9/30/2009 Classified: No

National Heart, Lung, and Blood Institute (NHLBI)

To: Richard A Kronmal, Professor \$ 2,628,421
Department of Biostatistics

For: Multi-Ethnic Study of Atherosclerosis

Eff: 12/21/1998 Classified: No

Total for National Heart, Lung, and Blood Institute (NHLBI): \$ 2,628,421

Total for National Institutes of Health (NIH): \$ 5,663,858

Total for US Department of Health and Human Services (DHHS): \$ 5,663,858

Total for Federal: \$ 5,663,858

Total Contracts: \$ 5,663,858

Grand Total for all Awards \$ 80,554,882

VII. STANDING COMMITTEES**B. Finance, Audit & Facilities Committee****Amendment to University of Washington Advisory Committee on Real Estate Statement of Principles****RECOMMENDED ACTION:**

It is the recommendation of the Finance, Audit and Facilities Committee that the Board of Regents adopt an amendment to the Statement of Principles for the UW Advisory Committee on Real Estate, providing for up to eight members to be appointed by the Board of Regents and providing that the Chair of the Board of Regents and the University President are to serve ex officio.

BACKGROUND:

The University of Washington Advisory Committee on Real Estate (“ACRE”) was established in September 2009 as an advisory committee to the Board of Regents (and/or its appropriate committee) and the President (and/or his designee) on matters relating to the management of the University’s commercial income producing properties and other significant real estate investments. A set of guidelines was established to address the administrative functioning of the Committee, called the Statement of Principles (Attachment 1).

The Statement of Principles is amended to provide that ACRE shall be comprised of up to eight members appointed by the Board of Regents plus the Chair of the Board of Regents and President of the University, both of whom are to serve ex officio.

Attachment

Amended University of Washington Advisory Committee on Real Estate Statement of Principles

Attachment 1

University of Washington Advisory Committee on Real Estate Statement of Principles

Approved by Board of Regents September 17, 2009

Amended November 19, 2009

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the real properties of the University, including its Metropolitan Tract located in downtown Seattle. The Board approved the establishment of an Advisory Committee on Real Estate at its meeting on September 17, 2009, and adopted the following Statement of Principles:

1. **Membership and Terms:** The UW Advisory Committee on Real Estate ("ACRE") shall consist of no more than eight (8) members to be appointed by the Board of Regents, plus the President of the University and the Chair of the Board of Regents, both of whom shall serve *ex officio*. These appointments shall be based on recommendations submitted by the Chair of the Board of Regents after consultation with the Chair of ACRE, the President of the University and his or her designee(s).

One or two of the appointed members shall be selected from the Board of Regents. ~~The President of the University shall also be a member of ACRE.~~ The remaining appointed members shall be experienced professionals of varying backgrounds.

There shall be a three year term limitation for Regent and non-Regent members of ACRE, renewable by the Board of Regents. Members will be asked to make a minimum commitment of three consecutive years, and shall serve at the pleasure of the Board of Regents.

2. **Functions:** ACRE shall advise the Board of Regents (and/or its appropriate committee) and the President (and/or his designee) on matters relating to the management of the University's commercial income producing properties and other significant real estate investments.
3. **Meetings:** ACRE shall establish a regular meeting schedule. Other meetings may be called by the Chair at any time. The Chair of ACRE may invite experts who are not members of the ACRE to attend specific meetings to provide additional guidance, advice and information.
4. **Indemnification and Compensation:** The University shall indemnify members of ACRE to the fullest extent permitted by law and the standing orders of the Board of Regents. ACRE members will not be paid for service on the committee.

5. **Conflict of Interest:** Regental members of ACRE are governed by conflict of interest rules applicable to Regents. Non-Regent members shall comply with the following conflict of interest provisions:
 - A. When a member of ACRE knows that the University is considering a transaction in which he or she has or may have a beneficial interest, the member shall (1) alert the Senior Vice President (“SVP”) (or successor official) of the University of his or her potential beneficial interest and (2) not participate in the formulation or rendering of advice with respect to the transaction.
 - B. Committee members shall not participate in the formulation or rendering of advice by ACRE where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he/she should consult the Chair of ACRE and the SVP, who may seek the advice of the Attorney General’s Office as appropriate.
 - C. Committee members may engage in transactions with the University if the Chair of ACRE and the SVP (who may consult with the Attorney General’s Office as she/he deems appropriate) determine that the member has not participated in the formulation or rendering of advice by ACRE to the University regarding the transaction.
6. **Chair and Vice Chair; Administrative Support:** The Chair of ACRE shall be designated by the Chair of the Board of Regents. The Chair of ACRE shall designate a Vice Chair from the committee membership. During the absence of the Chair or while he/she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The SVP shall ensure that ACRE has appropriate administrative support services, including secretarial assistance and record keeping.
7. **Communication:** The Chair of ACRE shall provide quarterly reports to the Board of Regents (and/or its designated committee).
8. **Amendments:** This Statement of Principles shall be reviewed annually and updated as needed. Amendments, additions, deletions or replacements may be recommended by ACRE. Such changes shall be subject to the approval of the President of the University and the Board of Regents.

University of Washington Advisory Committee on Real Estate Statement of Principles

Approved by Board of Regents September 17, 2009

Amended November 19, 2009

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the real properties of the University, including its Metropolitan Tract located in downtown Seattle. The Board approved the establishment of an Advisory Committee on Real Estate at its meeting on September 17, 2009, and adopted the following Statement of Principles:

1. **Membership and Terms:** The UW Advisory Committee on Real Estate ("ACRE") shall consist of no more than eight (8) members to be appointed by the Board of Regents, plus the President of the University and the Chair of the Board of Regents, both of whom shall serve *ex officio*. These appointments shall be based on recommendations submitted by the Chair of the Board of Regents after consultation with the Chair of ACRE, the President of the University and his or her designee(s).

One or two of the appointed members shall be selected from the Board of Regents. The remaining appointed members shall be experienced professionals of varying backgrounds.

There shall be a three year term limitation for Regent and non-Regent members of ACRE, renewable by the Board of Regents. Members will be asked to make a minimum commitment of three consecutive years, and shall serve at the pleasure of the Board of Regents.

2. **Functions:** ACRE shall advise the Board of Regents (and/or its appropriate committee) and the President (and/or his designee) on matters relating to the management of the University's commercial income producing properties and other significant real estate investments.
3. **Meetings:** ACRE shall establish a regular meeting schedule. Other meetings may be called by the Chair at any time. The Chair of ACRE may invite experts who are not members of the ACRE to attend specific meetings to provide additional guidance, advice and information.
4. **Indemnification and Compensation:** The University shall indemnify members of ACRE to the fullest extent permitted by law and the standing orders of the Board of Regents. ACRE members will not be paid for service on the committee.

5. **Conflict of Interest:** Regental members of ACRE are governed by conflict of interest rules applicable to Regents. Non-Regent members shall comply with the following conflict of interest provisions:
 - A. When a member of ACRE knows that the University is considering a transaction in which he or she has or may have a beneficial interest, the member shall (1) alert the Senior Vice President (“SVP”) (or successor official) of the University of his or her potential beneficial interest and (2) not participate in the formulation or rendering of advice with respect to the transaction.
 - B. Committee members shall not participate in the formulation or rendering of advice by ACRE where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their obligations to only consider the best interest of the University. Where a member is uncertain about the application of this rule to particular circumstances, he/she should consult the Chair of ACRE and the SVP, who may seek the advice of the Attorney General’s Office as appropriate.
 - C. Committee members may engage in transactions with the University if the Chair of ACRE and the SVP (who may consult with the Attorney General’s Office as she/he deems appropriate) determine that the member has not participated in the formulation or rendering of advice by ACRE to the University regarding the transaction.
6. **Chair and Vice Chair; Administrative Support:** The Chair of ACRE shall be designated by the Chair of the Board of Regents. The Chair of ACRE shall designate a Vice Chair from the committee membership. During the absence of the Chair or while he/she is unable to act, the Vice Chair shall perform the duties and exercise the powers of the Chair. The SVP shall ensure that ACRE has appropriate administrative support services, including secretarial assistance and record keeping.
7. **Communication:** The Chair of ACRE shall provide quarterly reports to the Board of Regents (and/or its designated committee).
8. **Amendments:** This Statement of Principles shall be reviewed annually and updated as needed. Amendments, additions, deletions or replacements may be recommended by ACRE. Such changes shall be subject to the approval of the President of the University and the Board of Regents.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW

Report of Contributions

University of Washington
University of Washington Foundation

August and September, 2009

A photograph of a university campus scene. In the foreground, two people are walking away from the camera on a paved path. The path is lined with large, leafy green trees. In the background, there are historic university buildings with Gothic-style architecture, including spires and stone walls. The sky is clear and blue.

UNIVERSITY of WASHINGTON | *Foundation*

Report *of* Contributions

All Areas

August 2009

Report By: University Advancement, Advancement Services, Information Management

ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month				Year to Date			
	Gifts	Grants	Total	Donors ¹	Gifts	Grants	Total	Donors
UW Medicine	\$1,018,879	\$8,369,377	\$9,388,255	1,902	\$3,122,911	\$27,794,964	\$30,917,875	2,883
Arts and Sciences	\$320,230	\$323,566	\$643,796	1,083	\$1,277,589	\$1,197,117	\$2,474,706	1,880
Broadcast Services	\$246,692	\$0	\$246,692	682	\$359,774	\$0	\$359,774	758
Built Environments	\$41,458	\$5,000	\$46,458	34	\$50,979	\$7,500	\$58,479	70
Business School	\$214,786	\$15,000	\$229,786	299	\$647,445	\$15,000	\$662,445	474
Dentistry	\$52,943	\$0	\$52,943	136	\$96,159	\$0	\$96,159	202
Education	\$17,292	\$0	\$17,292	101	\$234,999	\$455,827	\$690,826	436
Engineering	\$344,284	\$1,265,184	\$1,609,468	266	\$1,624,340	\$1,670,620	\$3,294,960	366
Environment	\$70,857	\$20,933	\$91,789	80	\$270,389	\$65,863	\$336,252	151
Evans School of Public Affairs	\$23,627	\$0	\$23,627	39	\$44,997	\$0	\$44,997	55
Forest Resources	\$0	\$0	\$0	0	\$0	\$0	\$0	0
Graduate School	\$1,962	\$0	\$1,962	21	\$67,955	\$0	\$67,955	36
Information School	\$5,446	\$0	\$5,446	31	\$24,631	\$75,000	\$99,631	54
Intercollegiate Athletics	\$497,782	\$0	\$497,782	734	\$2,384,726	\$0	\$2,384,726	2,394
Law	\$13,987	\$0	\$13,987	51	\$42,728	\$0	\$42,728	138
Libraries	\$28,411	\$0	\$28,411	231	\$74,277	\$0	\$74,277	886
Minority Affairs	\$109,327	\$0	\$109,327	115	\$113,883	\$0	\$113,883	147
Nursing	\$18,080	\$0	\$18,080	73	\$226,070	\$0	\$226,070	113
Ocean and Fishery Sciences	\$7,417	\$12,069	\$19,486	33	\$21,563	\$1,672,100	\$1,693,663	49
Pharmacy	\$30,311	\$127,879	\$158,190	55	\$193,575	\$312,979	\$506,554	82
President's Funds	\$9,919	\$0	\$9,919	142	\$65,679	\$0	\$65,679	183
Public Health	\$15,562	\$737,425	\$752,988	106	\$33,325	\$980,682	\$1,014,007	146
Social Work	\$4,045	\$20,540	\$24,585	22	\$5,380	\$20,540	\$25,920	30
Student Affairs	\$237,710	\$0	\$237,710	134	\$392,870	\$0	\$392,870	249
Undergraduate Academic Affairs	\$29,405	\$0	\$29,405	56	\$51,810	\$0	\$51,810	125
University Press	\$8,025	\$0	\$8,025	11	\$19,775	\$0	\$19,775	18
UW Alumni Association	\$55,122	\$0	\$55,122	1,159	\$125,777	\$0	\$125,777	2,673
UW Bothell	\$3,450	\$0	\$3,450	38	\$49,795	\$0	\$49,795	90
UW Tacoma	\$27,490	\$0	\$27,490	80	\$120,573	\$0	\$120,573	187
Other University Support	\$74,242	\$0	\$74,242	113	\$99,252	\$226,331	\$325,583	222
Total	\$3,528,741	\$10,896,973	\$14,425,714	7,284	\$11,843,226	\$34,494,523	\$46,337,749	14,172

MONTHLY HIGHLIGHTS

The UW received \$14.43M in total private voluntary support (\$3.53M in gifts and \$10.90M in grants) in the current month.

Areas including Arts and Sciences, Education, Engineering, Graduate School, Minority Affairs, Ocean and Fishery Sciences, Pharmacy, Public Health, Social Work, Student Affairs, Undergraduate Academic Affairs, UW Bothell and UW Tacoma are ahead of last year's year-to-date totals.

¹ Donors are defined as those entities who have a credit amount of greater than \$0.00.

The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

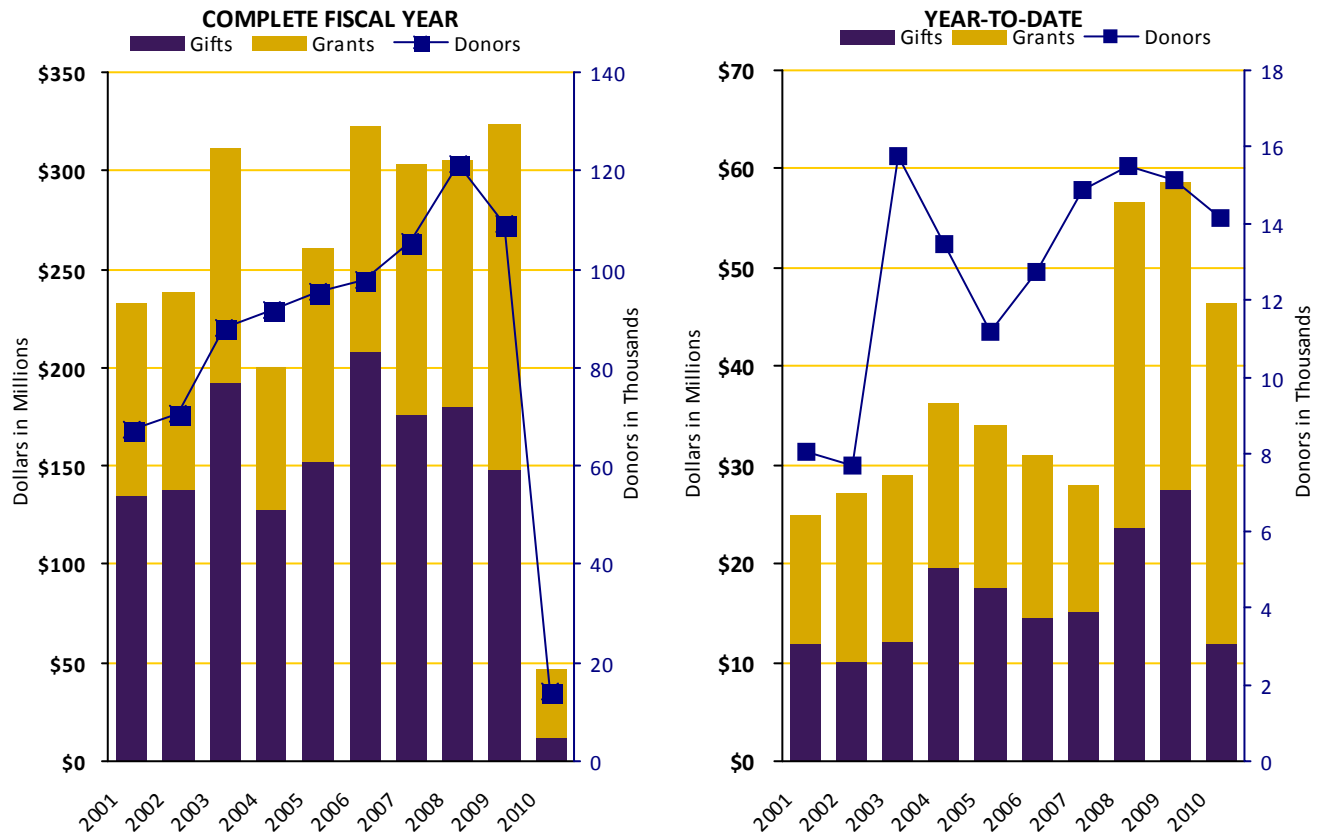
Source: University Advancement, Information Management Report # devrpts_s09095

DEVELOPMENT SUMMARY BY CONSTITUENCY

School	Current Month		Year to Date		Prior Year to Date		Prior Year Total	
	Total	Donors	Total	Donors	Total	Donors	Total	Donors
UW Medicine	\$9,388,255	1,902	\$30,917,875	2,883	\$32,443,957	2,926	\$156,190,821	16,799
Arts and Sciences	\$643,796	1,083	\$2,474,706	1,880	\$2,019,944	1,557	\$25,589,815	14,817
Broadcast Services	\$246,692	682	\$359,774	758	\$838,123	1,575	\$4,427,717	16,191
Built Environments	\$46,458	34	\$58,479	70	\$151,642	47	\$2,127,643	1,341
Business School	\$229,786	299	\$662,445	474	\$7,454,907	485	\$25,381,696	4,210
Dentistry	\$52,943	136	\$96,159	202	\$170,811	180	\$2,541,366	1,584
Education	\$17,292	101	\$690,826	436	\$298,610	229	\$3,724,956	1,667
Engineering	\$1,609,468	266	\$3,294,960	366	\$2,865,336	370	\$18,855,120	4,260
Environment	\$91,789	80	\$336,252	151	\$4,309,994	3	\$4,679,781	27
Evans School of Public Affairs	\$23,627	39	\$44,997	55	\$374,703	74	\$2,718,803	480
Forest Resources	\$0	0	\$0	0	\$415,828	51	\$3,451,299	1,096
Graduate School	\$1,962	21	\$67,955	36	\$1,119	23	\$1,602,622	324
Information School	\$5,446	31	\$99,631	54	\$703,312	47	\$1,679,278	609
Intercollegiate Athletics	\$497,782	734	\$2,384,726	2,394	\$2,405,290	2,636	\$15,659,243	23,317
Law	\$13,987	51	\$42,728	138	\$210,353	114	\$2,665,941	1,935
Libraries	\$28,411	231	\$74,277	886	\$355,186	595	\$1,171,951	5,280
Minority Affairs	\$109,327	115	\$113,883	147	\$18,521	122	\$388,492	511
Nursing	\$18,080	73	\$226,070	113	\$1,163,365	152	\$3,549,704	1,678
Ocean and Fishery Sciences	\$19,486	33	\$1,693,663	49	\$305,386	92	\$10,157,709	740
Pharmacy	\$158,190	55	\$506,554	82	\$363,655	76	\$2,098,248	1,034
President's Funds	\$9,919	142	\$65,679	183	\$39,957	198	\$5,761,734	1,691
Public Health	\$752,988	106	\$1,014,007	146	\$781,231	119	\$15,492,932	792
Social Work	\$24,585	22	\$25,920	30	\$23,353	54	\$1,289,956	700
Student Affairs	\$237,710	134	\$392,870	249	\$343,067	256	\$2,906,525	3,000
Undergraduate Academic Affairs	\$29,405	56	\$51,810	125	\$37,072	60	\$424,576	353
University Press	\$8,025	11	\$19,775	18	\$58,639	23	\$219,219	167
UW Alumni Association	\$55,122	1,159	\$125,777	2,673	\$145,488	3,015	\$1,001,508	19,763
UW Bothell	\$3,450	38	\$49,795	90	\$33,809	76	\$2,229,545	592
UW Tacoma	\$27,490	80	\$120,573	187	\$65,105	120	\$3,656,827	792
Other University Support	\$74,242	113	\$325,583	222	\$270,847	733	\$2,433,450	2,220
Total ¹	\$14,425,714	7,284	\$46,337,749	14,172	\$58,668,609	15,114	\$324,078,477	109,083

¹ The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

FISCAL YEAR COMPARISON OF TOTAL CONTRIBUTIONS



Fiscal Year	Complete Fiscal Year				Year to Date			
	Gifts	Grants	Total	Donors	Gifts	Grants	Total	Donors
2009-2010	\$11,843,226	\$34,494,523	\$46,337,749	14,172	\$11,843,226	\$34,494,523	\$46,337,749	14,172
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$27,578,596	\$31,090,012	\$58,668,609	15,114
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$23,671,479	\$32,915,059	\$56,586,538	15,488
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$15,219,124	\$12,601,654	\$27,820,778	14,880
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$14,627,686	\$16,245,654	\$30,873,340	12,724
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$17,530,695	\$16,433,767	\$33,964,462	11,183
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$19,537,721	\$16,597,595	\$36,135,316	13,476
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$12,230,893	\$16,786,392	\$29,017,285	15,765
2001-2002	\$137,959,340	\$100,820,547	\$238,779,887	70,560	\$10,186,072	\$16,972,711	\$27,158,784	7,718
2000-2001	\$134,797,642	\$97,112,979	\$231,910,621	67,307	\$11,971,851	\$12,973,413	\$24,945,264	8,052

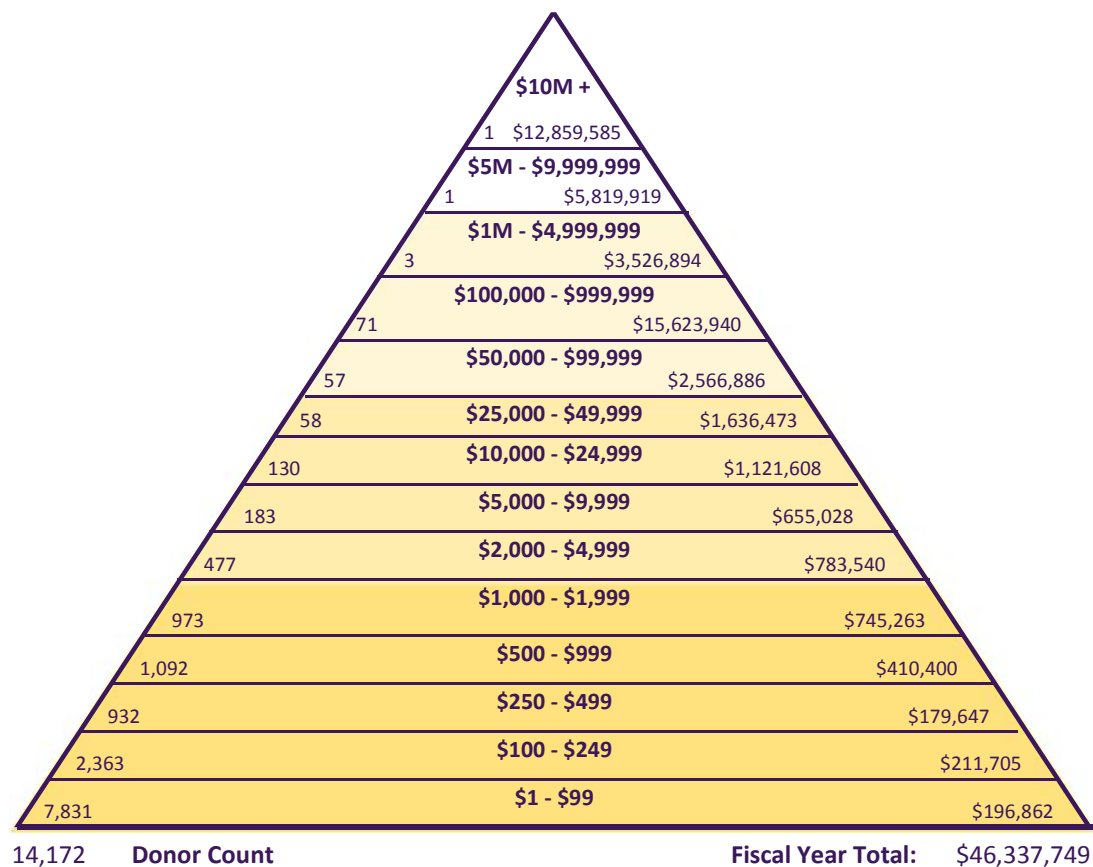
ANNUAL FUNDING THEME PROGRESS

Theme	Year to Date		
	Current Use	Endowment	Total
Student Support	\$715,130	\$1,102,287	\$1,817,416
Faculty Support	\$1,961,769	\$387,812	\$2,349,581
Program Support for Faculty and Students	\$36,949,438	\$712,774	\$37,662,212
Capital	\$384,117	\$0	\$384,117
Excellence Funds	\$4,114,542	\$9,880	\$4,124,422
Total	\$44,124,996	\$2,212,753	\$46,337,749

DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors	Total	Donors	Total
Alumni	7,489	\$3,391,661	7,830	\$8,362,850	49,981	\$40,529,614
Corporations	371	\$6,559,150	480	\$8,384,550	3,029	\$79,017,981
Family Foundations	29	\$913,747	33	\$1,637,735	173	\$15,996,206
Foundations	94	\$19,965,714	108	\$18,170,823	427	\$83,293,447
Non-Alumni	6,069	\$2,109,314	6,547	\$8,797,318	54,849	\$41,916,304
Organizations	120	\$13,398,163	133	\$13,315,333	624	\$63,324,926
Total	14,172	\$46,337,749	15,131	\$58,668,609	109,083	\$324,078,477

DEVELOPMENT ACTIVITY PYRAMID



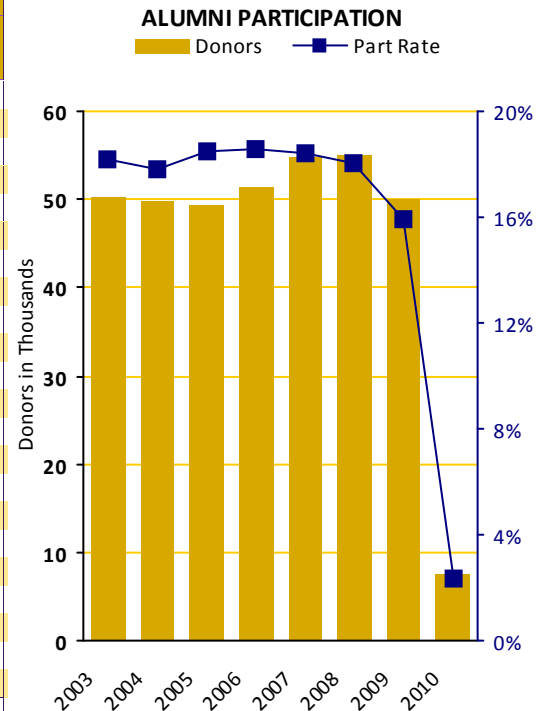
ANNUAL PROGRESS BY GIVING LEVEL

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	\$0	\$0	\$0	\$0	\$12,859,585	\$0	\$12,859,585
\$5M - \$9,999,999	\$0	\$0	\$0	\$0	\$0	\$5,819,919	\$5,819,919
\$1M - \$4,999,999	\$0	\$0	\$0	\$0	\$1,036,000	\$2,490,894	\$3,526,894
\$100,000 - \$999,999	\$1,092,859	\$460,275	\$545,000	\$4,881,248	\$4,849,718	\$3,794,840	\$15,623,940
\$50,000 - \$99,999	\$273,419	\$132,664	\$100,000	\$671,913	\$771,500	\$617,389	\$2,566,886
\$25,000 - \$49,999	\$239,700	\$209,317	\$144,731	\$359,327	\$286,166	\$397,231	\$1,636,473
\$10,000 - \$24,999	\$258,422	\$228,981	\$88,450	\$322,425	\$79,213	\$144,117	\$1,121,608
\$5,000 - \$9,999	\$253,777	\$161,175	\$26,680	\$115,561	\$47,100	\$50,735	\$655,028
\$2,000 - \$4,999	\$358,040	\$232,573	\$2,000	\$106,860	\$20,357	\$63,711	\$783,540
\$1,000 - \$1,999	\$390,624	\$273,711	\$6,186	\$55,358	\$7,344	\$12,040	\$745,263
\$500 - \$999	\$190,748	\$179,741	\$500	\$27,846	\$6,714	\$4,851	\$410,400
\$250 - \$499	\$96,886	\$72,013	\$0	\$8,210	\$1,100	\$1,438	\$179,647
\$100 - \$249	\$109,224	\$93,325	\$200	\$7,803	\$568	\$585	\$211,705
\$1 - \$99	\$127,960	\$65,538	\$0	\$2,598	\$350	\$415	\$196,862
Total	\$3,391,661	\$2,109,314	\$913,747	\$6,559,150	\$19,965,714	\$13,398,163	\$46,337,749

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	0	0	0	0	1	0	1
\$5M - \$9,999,999	0	0	0	0	0	1	1
\$1M - \$4,999,999	0	0	0	0	1	2	3
\$100,000 - \$999,999	6	11	4	19	19	12	71
\$50,000 - \$99,999	11	12	2	10	12	10	57
\$25,000 - \$49,999	11	13	4	10	9	11	58
\$10,000 - \$24,999	36	47	6	23	7	11	130
\$5,000 - \$9,999	74	66	5	21	8	9	183
\$2,000 - \$4,999	235	177	1	36	7	21	477
\$1,000 - \$1,999	475	434	4	44	6	10	973
\$500 - \$999	464	562	1	48	9	8	1,092
\$250 - \$499	455	439	0	30	3	5	932
\$100 - \$249	1,125	1,168	2	57	5	6	2,363
\$1 - \$99	4,597	3,140	0	73	7	14	7,831
Total	7,489	6,069	29	371	94	120	14,172

ALUMNI PARTICIPATION BY CONSTITUENCY (CURRENT FISCAL YEAR)

Area	Solicitable	To UW		To Unit	
		Year to Date		Year to Date	
		Donors	Part Rate	Donors	Part Rate
UW Medicine	19,127	579	3.03%	308	1.61%
Arts and Sciences	146,824	3,544	2.41%	1,210	0.82%
Business School	38,262	1,144	2.99%	384	1.00%
Built Environments	8,184	172	2.10%	25	0.31%
Dentistry	4,540	166	3.66%	76	1.67%
Education	18,841	505	2.68%	28	0.15%
Engineering	32,965	621	1.88%	260	0.79%
Evans School of Public Affairs	2,496	90	3.61%	15	0.60%
Forest Resources	4,612	58	1.26%		
Interdisc. Grad. Programs	1,817	62	3.41%		
Interdisc. Undergrad. Programs	258	5	1.94%		
Interschool Programs	520	20	3.85%		
Information School	4,614	139	3.01%	23	0.50%
Law	7,905	228	2.88%	70	0.89%
School of Nursing	8,644	224	2.59%	42	0.49%
Ocean & Fisheries	4,076	72	1.77%	16	0.39%
Pharmacy	3,547	94	2.65%	32	0.90%
Public Health	4,580	149	3.25%	19	0.41%
Social Work	6,522	156	2.39%	11	0.17%
UW Bothell	6,995	170	2.43%	8	0.11%
UW Tacoma	8,050	154	1.91%	36	0.45%
Unspecified	11,600	297	2.56%		
ALL UW TOTAL	317,522	7,489	2.36%		



ALUMNI PARTICIPATION BY CONSTITUENCY (PREVIOUS FISCAL YEAR)

Area	Solicitable	To UW				To Unit			
		Year to Date		FY Total		Year to Date		FY Total	
		Donors	Part Rate	Donors	Part Rate	Donors	Part Rate	Donors	PFFY Final
UW Medicine	19,109	562	2.94%	3,576	18.71%	282	1.48%	2,279	11.93%
Arts and Sciences	145,069	3,645	2.51%	21,029	14.50%	639	0.44%	6,553	4.52%
Business School	37,913	1,200	3.17%	7,343	19.37%	258	0.68%	2,345	6.19%
Built Environments	8,096	184	2.27%	1,410	17.42%	19	0.23%	576	7.11%
Dentistry	4,501	194	4.31%	1,237	27.48%	86	1.91%	722	16.04%
Education	18,944	521	2.75%	3,494	18.44%	57	0.30%	620	3.27%
Engineering	32,856	644	1.96%	4,994	15.20%	166	0.51%	2,374	7.23%
Evans School of Public Affairs	2,394	102	4.26%	529	22.10%	23	0.96%	189	7.89%
Forest Resources	4,601	72	1.56%	713	15.50%	9	0.20%	329	7.15%
Interdisc. Grad. Programs	1,719	48	2.79%	261	15.18%				
Interdisc. Undergrad. Programs	247	9	3.64%	27	10.93%				
Interschool Programs	493	17	3.45%	74	15.01%				
Information School	4,516	153	3.39%	932	20.64%	18	0.40%	395	8.75%
Law	7,755	215	2.77%	1,792	23.11%	52	0.67%	987	12.73%
School of Nursing	8,661	261	3.01%	1,804	20.83%	51	0.59%	944	10.90%
Ocean & Fisheries	4,038	83	2.06%	681	16.86%	21	0.52%	335	8.30%
Pharmacy	3,529	93	2.64%	895	25.36%	33	0.94%	594	16.83%
Public Health	4,465	151	3.38%	803	17.98%	21	0.47%	288	6.45%
Social Work	6,428	176	2.74%	972	15.12%	30	0.47%	427	6.64%
UW Bothell	6,635	178	2.68%	799	12.04%	20	0.30%	253	3.81%
UW Tacoma	7,685	152	1.98%	793	10.32%	36	0.47%	305	3.97%
Unspecified	11,813	310	2.62%	2,160	18.28%				
ALL UW TOTAL	314,219	7,824	2.49%	49,980	15.91%				

The University of Washington Alumni Association is the broad-based engagement vehicle for University Advancement and the University of Washington. Through its strategically designed programs, the UW Alumni Association invites alumni, donors and friends to engage in the life of the UW. Research indicates that engaged alumni and friends are more inclined to support the University and its students. The UW Alumni Association is proud to develop a solid base of support for the University of Washington.



UWAA Member Giving by Constituency

School	Solicitable Alumni	Members ¹	Member Donors	Alumni Giving	
				Members	Non Members
UW Medicine	19,127	1,838	179	9.74%	1.86%
Arts and Sciences	146,824	18,577	1,048	5.64%	1.16%
Business School	38,262	7,137	483	6.77%	1.19%
Built Environments	8,184	1,113	49	4.40%	0.98%
Dentistry	4,540	986	89	9.03%	1.29%
Education	18,841	3,082	166	5.39%	1.25%
Engineering	32,965	4,498	201	4.47%	0.81%
Evans School of Public Affairs	2,496	281	24	8.54%	1.72%
Forest Resources	4,612	641	22	3.43%	0.38%
Interdisc. Grad. Programs	1,817	157	11	7.01%	2.17%
Interdisc. Undergrad. Progra	258	22	1	4.55%	1.27%
Interscholar Programs	520	47	3	6.38%	1.90%
Information School	4,614	750	39	5.20%	1.60%
Law	7,905	1,027	79	7.69%	1.50%
School of Nursing	8,644	1,333	62	4.65%	1.64%
Ocean & Fisheries	4,076	473	23	4.86%	0.69%
Pharmacy	3,547	617	37	6.00%	1.09%
Public Health	4,580	410	32	7.80%	2.23%
Social Work	6,522	613	36	5.87%	1.49%
UW Bothell	6,995	633	21	3.32%	1.13%
UW Tacoma	8,050	654	25	3.82%	0.73%
Unspecified	11,600	2,508	145	5.78%	0.81%
Non-Alumni		6,948	1,200	17.27%	
Total	317,522	51,737	3,738	7.23%	0.79%

Alumni Activity

1 in 3 registrants at 2009 UW events were UWAA members
1 in 12 registrants at 2009 UW events were UW donors
2 in 3 registrants at 2009 UW events were Solicitable Alumni
1 in 25 UWAA members attended a 2009 UW event
1 in 3 2008-2009 Football/Basketball season ticket holders were UWAA members
1 in 8 UWAA members were 2008-2009 Football/Basketball season ticket holders

Top 10 Membership by Class Year

Class Year	Part. Rate	Class Year	Population
1955	23.16%	2009	1,347
1953	22.36%	1971	1,104
1946	22.24%	1974	1,055
1954	22.15%	1973	1,053
1959	22.13%	1972	1,023
1956	21.53%	1970	1,019
1952	21.37%	1976	1,012
1950	21.16%	2008	994
1958	20.62%	1975	994
1951	20.53%	1977	968

Activity Participation - Rolling 3 Year Total

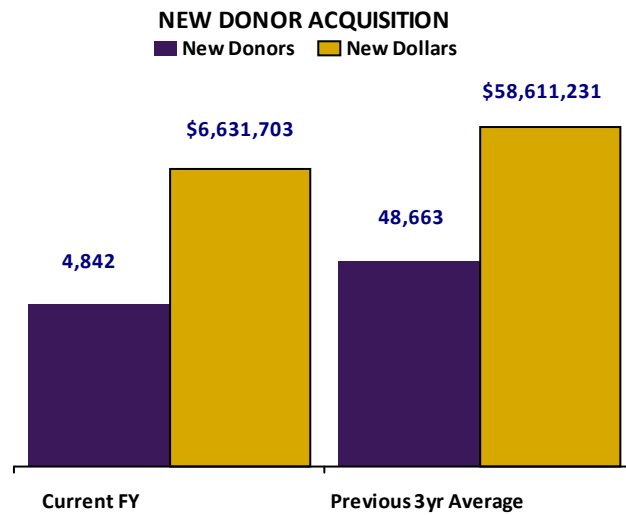
School ²	Participants	Part. Donors	% Donors	Alum Non-Part.	Alum Non-Par Donor	% Non-Part Donor
UW Medicine	3,024	1,090	36.04%	1,241	215	7.11%
Arts and Sciences	9,441	1,410	14.93%	3,819	521	5.52%
Built Environments	894	192	21.48%	307	94	10.51%
Business School	4,457	693	15.55%	1,839	424	9.51%
Dentistry	1,727	394	22.81%	716	303	17.54%
Education	1,477	188	12.73%	731	48	3.25%
Engineering	1,921	405	21.08%	831	157	8.17%
Environment	384	199	51.82%	199		
Evans School of Public Affairs	489	75	15.34%	125	80	16.36%
Graduate School	260	90	34.62%	120		
Information School	563	88	15.63%	189	57	10.12%
Law	1,507	278	18.45%	449	340	22.56%
Libraries	686	283	41.25%	283		
Nursing	712	210	29.49%	314	83	11.66%
Ocean & Fishery Sciences	263	58	22.05%	103	17	6.46%
Pharmacy	340	111	32.65%	144	67	19.71%
Public Health	440	79	17.95%	138	27	6.14%
Social Work	584	62	10.62%	135	71	12.16%
UW Bothell	500	67	13.40%	138	45	9.00%
UW Tacoma	302	67	22.19%	93	33	10.93%

¹ Members include paid Annual Member, Lifetime Members, and TPC Level Donors

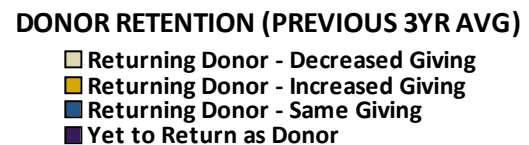
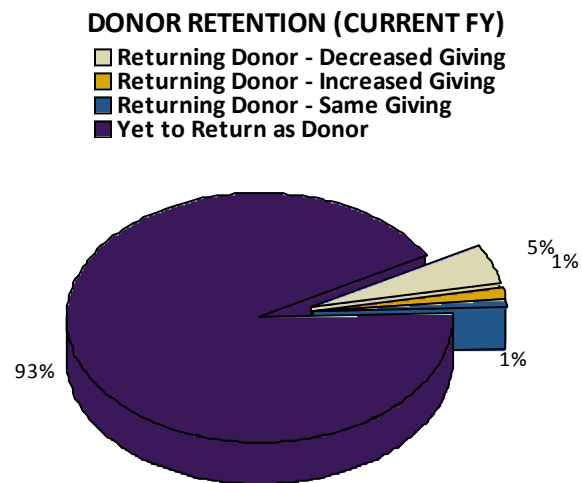
² Activity is based on positive RSVP, host, speaker, or participant at a unit event.

Source: University Advancement, Information Management Report # devrpts_s09095

KEY PERFORMANCE INDICATORS



	New Donors	New Dollars
Current FY	4,842	\$6,631,703
Previous 3yr Average	48,663	\$58,611,231



	Donors	Dollars
Returning Donor - Decreased Giving	6,574	\$31,049,597
Returning Donor - Increased Giving	1,458	\$7,877,521
Returning Donor - Same Giving	1,298	\$778,928
Yet to Return as Donor	112,121	

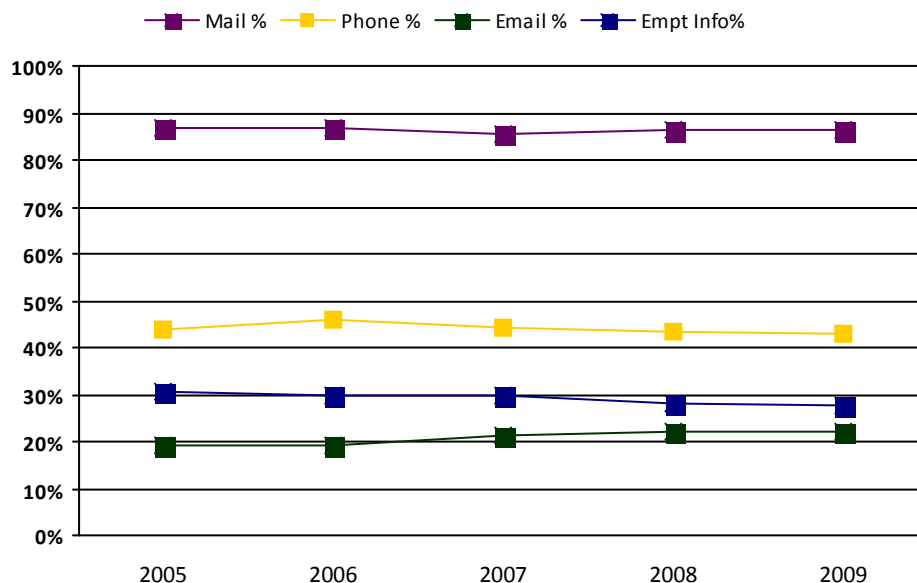
	Donors	Dollars
Returning Donor - Decreased Giving	16,124	\$65,278,811
Returning Donor - Increased Giving	22,023	\$178,192,234
Returning Donor - Same Giving	21,414	\$8,169,227
Yet to Return as Donor	39,919	

Donor counts may vary slightly due to donor crediting preferences.
 Three-year averages are based on fiscal year totals and do not reflect year-to-date status.

STATE OF THE DATABASE

School	Alumni	Friends	Total	Mailable	Mail %	Phonable	Phone %	Emailable	Email %	Emp Info	Emp %
UW Medicine	23,062	31,730	54,792	50,130	91.49%	29,968	54.69%	12,260	22.38%	16,975	30.98%
Arts and Sciences	181,462	16,507	197,969	165,775	83.74%	78,013	39.41%	47,032	23.76%	52,711	26.63%
Broadcast Services	0	37,198	37,198	33,771	90.79%	15,210	40.89%	4,782	12.86%	6,636	17.84%
Built Environments	9,626	1,652	11,278	10,010	88.76%	5,359	47.52%	2,792	24.76%	4,325	38.35%
Business School	47,145	3,535	50,680	42,614	84.08%	22,105	43.62%	14,877	29.35%	21,616	42.65%
Dentistry	5,117	1,474	6,591	6,094	92.46%	3,952	59.96%	1,864	28.28%	2,036	30.89%
Education	25,446	2,172	27,618	21,179	76.69%	11,398	41.27%	3,991	14.45%	7,942	28.76%
Engineering	41,420	3,636	45,056	37,103	82.35%	18,899	41.95%	10,538	23.39%	16,970	37.66%
Environment	0	3,025	3,025	2,906	96.07%	2,296	75.90%	1,070	35.37%	1,238	40.93%
Evans School of Public Affairs	2,827	471	3,298	3,074	93.21%	1,867	56.61%	1,577	47.82%	1,785	54.12%
Forest Resources	5,682	1	5,683	4,560	80.24%	2,319	40.81%	1,242	21.85%	2,251	39.61%
Graduate School	2,050	907	2,957	2,751	93.03%	1,817	61.45%	1,313	44.40%	1,368	46.26%
Information School	5,867	367	6,234	5,158	82.74%	3,279	52.60%	1,718	27.56%	2,623	42.08%
Intercollegiate Athletics	0	8,523	8,523	8,390	98.44%	6,659	78.13%	3,743	43.92%	3,458	40.57%
Law	8,963	1,561	10,524	9,540	90.65%	5,243	49.82%	4,294	40.80%	4,713	44.78%
Libraries	0	11,248	11,248	10,904	96.94%	9,397	83.54%	2,803	24.92%	2,176	19.35%
Minority Affairs	0	950	950	931	98.00%	737	77.58%	488	51.37%	531	55.89%
Nursing	10,924	1,368	12,292	10,161	82.66%	5,802	47.20%	2,717	22.10%	4,755	38.68%
Ocean and Fishery Sciences	4,977	547	5,524	4,646	84.11%	2,411	43.65%	1,248	22.59%	2,161	39.12%
Pharmacy	4,261	737	4,998	4,317	86.37%	2,523	50.48%	1,347	26.95%	2,229	44.60%
President's Funds	0	3,683	3,683	3,621	98.32%	2,961	80.40%	1,263	34.29%	1,950	52.95%
Public Health	5,254	778	6,032	5,473	90.73%	3,109	51.54%	2,393	39.67%	2,782	46.12%
Social Work	7,918	737	8,655	7,378	85.25%	3,574	41.29%	1,703	19.68%	2,919	33.73%
Student Affairs	0	8,822	8,822	8,682	98.41%	6,940	78.67%	3,256	36.91%	3,944	44.71%
Undergraduate Academic Affairs	0	1,015	1,015	986	97.14%	783	77.14%	475	46.80%	409	40.30%
University Press	0	568	568	544	95.77%	398	70.07%	210	36.97%	222	39.08%
UW Alumni Association	0	38,759	38,759	37,751	97.40%	25,315	65.31%	18,769	48.42%	15,125	39.02%
UW Bothell	7,916	816	8,732	8,154	93.38%	4,361	49.94%	3,105	35.56%	1,502	17.20%
UW Tacoma	9,241	832	10,073	9,370	93.02%	5,086	50.49%	3,194	31.71%	1,417	14.07%
Other University Support	953	5,858	6,811	6,491	95.30%	4,916	72.18%	3,157	46.35%	1,738	25.52%
Unspecified School	16,629	0	16,629	11,425	68.71%	6,390	38.43%	1,886	11.34%	3,728	22.42%
No Degree\Gift Affiliation	0	274,824	274,824	245,466	89.32%	149,562	54.42%	26,515	9.65%	48,553	17.67%
Total	394,632	376,105	770,737	665,319	86.32%	363,853	47.21%	134,488	17.45%	186,509	24.20%

Database Trends



A photograph of a university campus scene. In the foreground, two people are walking away from the camera on a paved path. The path is lined with large, leafy green trees. In the background, a large, historic building with Gothic-style architecture is visible under a clear blue sky. The scene is bright and sunny.

UNIVERSITY of WASHINGTON | *Foundation*

Report *of* Contributions

All Areas

September 2009

Report By: University Advancement, Advancement Services, Information Management

ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month				Year to Date			
	Gifts	Grants	Total	Donors ¹	Gifts	Grants	Total	Donors
UW Medicine	\$8,207,046	\$4,461,854	\$12,668,899	2,103	\$11,329,957	\$32,256,817	\$43,586,774	3,619
Arts and Sciences	\$1,015,300	\$1,052,439	\$2,067,739	1,455	\$2,292,890	\$2,249,556	\$4,542,446	3,063
Broadcast Services	\$38,665	\$0	\$38,665	276	\$398,439	\$0	\$398,439	832
Built Environments	\$55,694	\$106,000	\$161,694	154	\$106,673	\$113,500	\$220,173	220
Business School	\$695,147	\$15,000	\$710,147	684	\$1,342,591	\$30,000	\$1,372,591	1,134
Dentistry	\$582,978	\$241,323	\$824,301	161	\$679,137	\$241,323	\$920,460	327
Education	\$107,242	\$30,916	\$138,158	127	\$342,241	\$486,743	\$828,984	523
Engineering	\$951,310	\$365,010	\$1,316,320	586	\$2,575,650	\$2,035,630	\$4,611,280	894
Environment	\$70,641	\$71,011	\$141,651	67	\$341,030	\$136,873	\$477,903	207
Evans School of Public Affairs	\$30,474	\$0	\$30,474	50	\$75,471	\$0	\$75,471	88
Forest Resources	\$27,786	\$0	\$27,786	1	\$27,786	\$0	\$27,786	1
Graduate School	\$12,482	\$0	\$12,482	14	\$80,437	\$0	\$80,437	40
Information School	\$43,880	\$500,000	\$543,880	167	\$68,511	\$575,000	\$643,511	210
Intercollegiate Athletics	\$327,043	\$0	\$327,043	950	\$2,711,769	\$0	\$2,711,769	3,105
Law	\$292,202	\$2,500	\$294,702	111	\$334,930	\$2,500	\$337,430	238
Libraries	\$79,307	\$0	\$79,307	199	\$153,584	\$0	\$153,584	1,068
Minority Affairs	\$14,914	\$0	\$14,914	126	\$128,797	\$0	\$128,797	175
Nursing	\$1,170,313	\$51,344	\$1,221,657	256	\$1,396,382	\$51,344	\$1,447,726	321
Ocean and Fishery Sciences	\$51,778	\$522,036	\$573,814	68	\$73,341	\$2,194,136	\$2,267,477	95
Pharmacy	\$72,886	\$60,080	\$132,966	120	\$266,461	\$373,059	\$639,520	179
President's Funds	\$23,477	\$0	\$23,477	159	\$89,156	\$0	\$89,156	327
Public Health	\$159,327	\$2,626,898	\$2,786,225	140	\$192,652	\$3,607,580	\$3,800,232	211
Social Work	\$39,524	\$35,372	\$74,896	59	\$44,904	\$55,912	\$100,816	83
Student Affairs	\$222,778	\$0	\$222,778	308	\$615,648	\$0	\$615,648	526
Undergraduate Academic Affairs	\$23,305	\$0	\$23,305	51	\$75,116	\$0	\$75,116	163
University Press	\$27,575	\$0	\$27,575	9	\$47,350	\$0	\$47,350	23
UW Alumni Association	\$42,062	\$0	\$42,062	987	\$167,838	\$0	\$167,838	3,632
UW Bothell	\$15,953	\$0	\$15,953	36	\$65,748	\$0	\$65,748	107
UW Tacoma	\$99,656	\$0	\$99,656	109	\$220,229	\$0	\$220,229	252
Other University Support	\$272,327	\$0	\$272,327	155	\$371,579	\$226,331	\$597,910	329
Total	\$14,773,070	\$10,141,782	\$24,914,852	8,984	\$26,616,296	\$44,636,305	\$71,252,601	20,342

MONTHLY HIGHLIGHTS

The UW received \$24.91M in total private voluntary support (\$14.77M in gifts and \$10.14M in grants) in the current month.

Areas including UW Medicine, Dentistry, Engineering, Graduate School, Intercollegiate Athletics, Minority Affairs, Nursing, Ocean and Fishery Sciences, Pharmacy, Public Health, Social Work, Student Affairs and UW Bothell are ahead of last year's year-to-date totals.

¹ Donors are defined as those entities who have a credit amount of greater than \$0.00.

The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

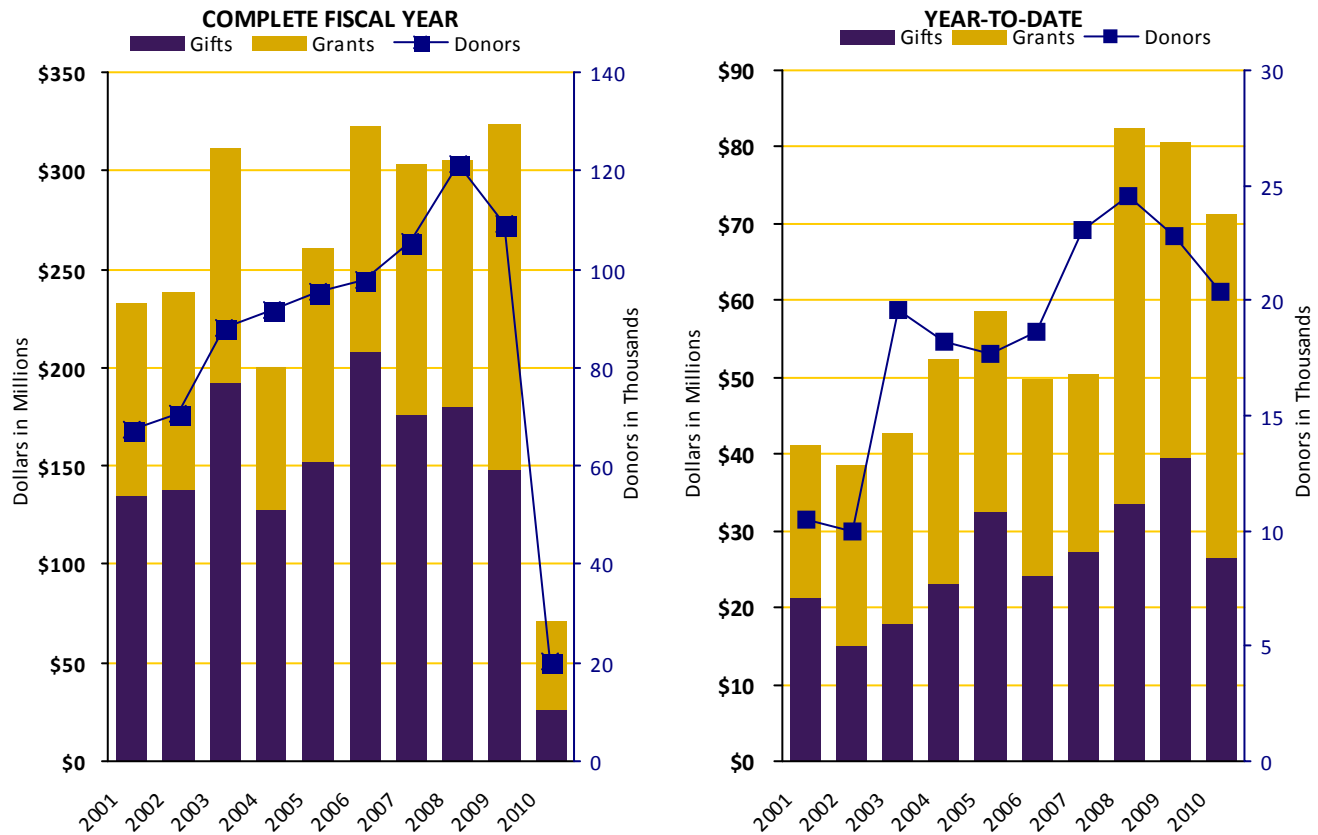
Source: University Advancement, Information Management Report # devrpts_s09104

DEVELOPMENT SUMMARY BY CONSTITUENCY

School	Current Month		Year to Date		Prior Year to Date		Prior Year Total	
	Total	Donors	Total	Donors	Total	Donors	Total	Donors
UW Medicine	\$12,668,899	2,103	\$43,586,774	3,619	\$41,760,177	4,387	\$156,190,821	16,799
Arts and Sciences	\$2,067,739	1,455	\$4,542,446	3,063	\$6,381,325	3,124	\$25,589,815	14,817
Broadcast Services	\$38,665	276	\$398,439	832	\$875,059	2,124	\$4,427,717	16,191
Built Environments	\$161,694	154	\$220,173	220	\$223,148	188	\$2,127,643	1,341
Business School	\$710,147	684	\$1,372,591	1,134	\$8,738,774	1,113	\$25,381,696	4,210
Dentistry	\$824,301	161	\$920,460	327	\$267,094	292	\$2,541,366	1,584
Education	\$138,158	127	\$828,984	523	\$1,266,635	620	\$3,724,956	1,667
Engineering	\$1,316,320	586	\$4,611,280	894	\$3,762,496	932	\$18,855,120	4,260
Environment	\$141,651	67	\$477,903	207	\$4,309,994	3	\$4,679,781	27
Evans School of Public Affairs	\$30,474	50	\$75,471	88	\$454,735	120	\$2,718,803	480
Forest Resources	\$27,786	1	\$27,786	1	\$631,811	202	\$3,451,299	1,096
Graduate School	\$12,482	14	\$80,437	40	\$2,667	40	\$1,602,622	324
Information School	\$543,880	167	\$643,511	210	\$738,026	197	\$1,679,278	609
Intercollegiate Athletics	\$327,043	950	\$2,711,769	3,105	\$2,684,955	2,921	\$15,659,243	23,317
Law	\$294,702	111	\$337,430	238	\$455,364	191	\$2,665,941	1,935
Libraries	\$79,307	199	\$153,584	1,068	\$371,313	760	\$1,171,951	5,280
Minority Affairs	\$14,914	126	\$128,797	175	\$32,386	183	\$388,492	511
Nursing	\$1,221,657	256	\$1,447,726	321	\$1,374,841	307	\$3,549,704	1,678
Ocean and Fishery Sciences	\$573,814	68	\$2,267,477	95	\$1,275,889	151	\$10,157,709	740
Pharmacy	\$132,966	120	\$639,520	179	\$508,325	170	\$2,098,248	1,034
President's Funds	\$23,477	159	\$89,156	327	\$1,597,021	434	\$5,761,734	1,691
Public Health	\$2,786,225	140	\$3,800,232	211	\$1,415,445	186	\$15,492,932	792
Social Work	\$74,896	59	\$100,816	83	\$25,688	87	\$1,289,956	700
Student Affairs	\$222,778	308	\$615,648	526	\$396,169	537	\$2,906,525	3,000
Undergraduate Academic Affairs	\$23,305	51	\$75,116	163	\$94,765	80	\$424,576	353
University Press	\$27,575	9	\$47,350	23	\$58,914	29	\$219,219	167
UW Alumni Association	\$42,062	987	\$167,838	3,632	\$207,493	4,150	\$1,001,508	19,763
UW Bothell	\$15,953	36	\$65,748	107	\$39,256	104	\$2,229,545	592
UW Tacoma	\$99,656	109	\$220,229	252	\$228,348	187	\$3,656,827	792
Other University Support	\$272,327	155	\$597,910	329	\$410,384	859	\$2,433,450	2,220
Total ¹	\$24,914,852	8,984	\$71,252,601	20,342	\$80,588,498	22,791	\$324,078,477	109,083

¹ The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

FISCAL YEAR COMPARISON OF TOTAL CONTRIBUTIONS



Fiscal Year	Complete Fiscal Year				Year to Date			
	Gifts	Grants	Total	Donors	Gifts	Grants	Total	Donors
2009-2010	\$26,616,296	\$44,636,305	\$71,252,601	20,342	\$26,616,296	\$44,636,305	\$71,252,601	20,342
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$39,551,169	\$41,037,329	\$80,588,498	22,791
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$33,546,899	\$48,925,994	\$82,472,893	24,511
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$27,414,529	\$23,052,463	\$50,466,991	23,091
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$24,257,352	\$25,307,056	\$49,564,408	18,667
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$32,475,755	\$25,933,731	\$58,409,486	17,729
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$23,128,776	\$29,149,098	\$52,277,874	18,183
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$17,877,664	\$24,671,474	\$42,549,138	19,588
2001-2002	\$137,959,340	\$100,820,547	\$238,779,887	70,560	\$15,196,328	\$23,250,028	\$38,446,357	9,942
2000-2001	\$134,797,642	\$97,112,979	\$231,910,621	67,307	\$21,349,307	\$19,740,955	\$41,090,262	10,508

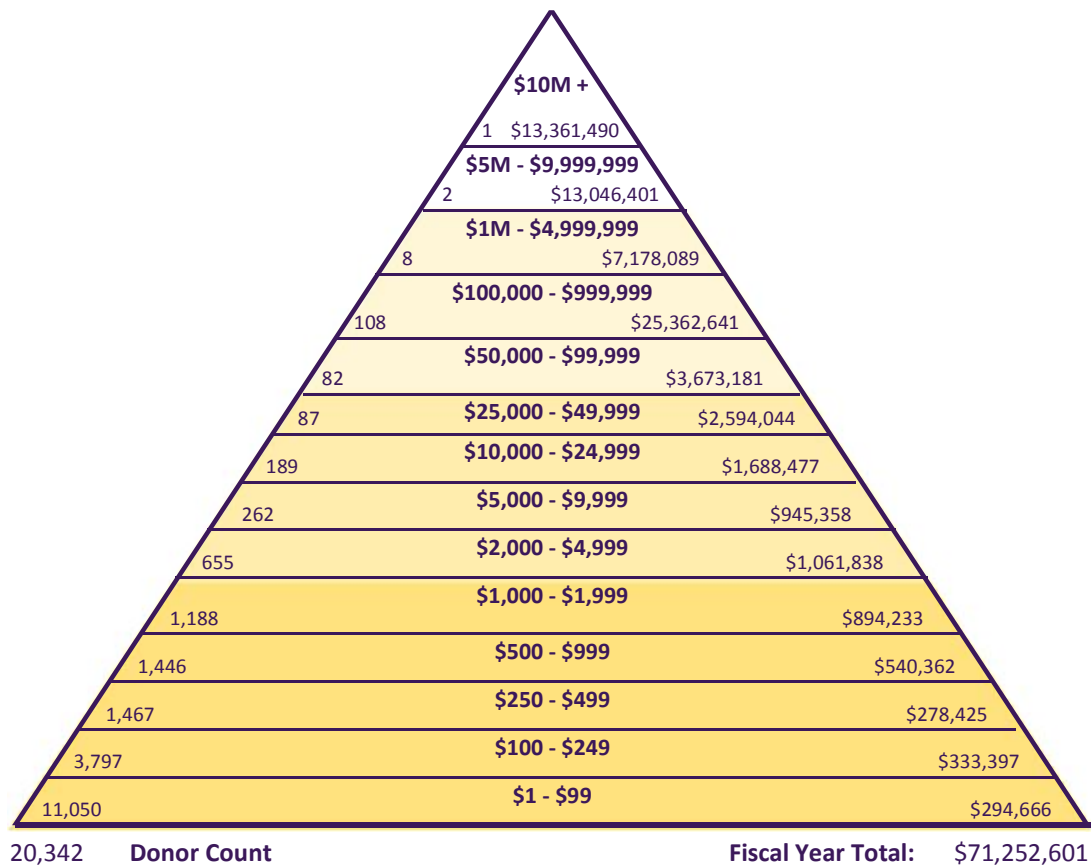
ANNUAL FUNDING THEME PROGRESS

Theme	Year to Date		
	Current Use	Endowment	Total
Student Support	\$1,687,289	\$3,137,629	\$4,824,919
Faculty Support	\$2,286,409	\$533,223	\$2,819,632
Program Support for Faculty and Students	\$54,888,036	\$2,015,449	\$56,903,484
Capital	\$1,415,782	\$0	\$1,415,782
Excellence Funds	\$5,261,630	\$27,155	\$5,288,784
Total	\$65,539,145	\$5,713,456	\$71,252,601

DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors	Total	Donors	Total
Alumni	11,200	\$5,912,603	11,956	\$11,331,543	49,981	\$40,529,614
Corporations	609	\$10,641,009	708	\$11,385,374	3,029	\$79,017,981
Family Foundations	41	\$1,239,829	49	\$3,576,370	173	\$15,996,206
Foundations	129	\$23,377,182	135	\$24,756,861	427	\$83,293,447
Non-Alumni	8,205	\$9,426,172	9,795	\$12,678,991	54,849	\$41,916,304
Organizations	158	\$20,655,806	187	\$16,859,359	624	\$63,324,926
Total	20,342	\$71,252,601	22,830	\$80,588,498	109,083	\$324,078,477

DEVELOPMENT ACTIVITY PYRAMID



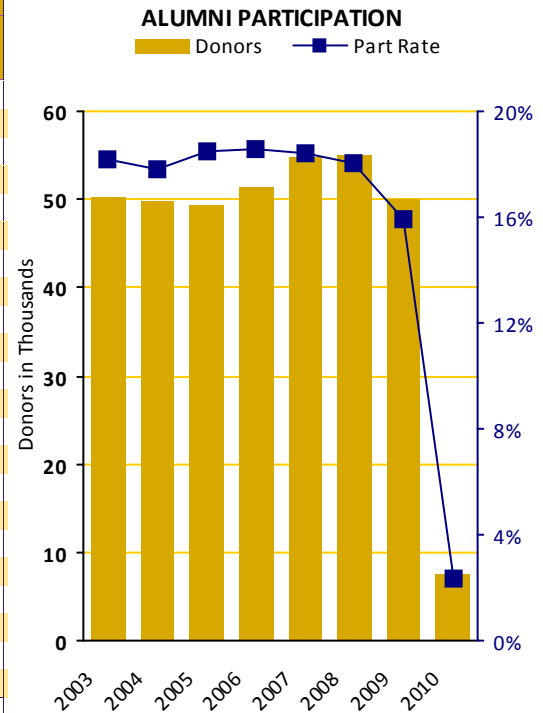
ANNUAL PROGRESS BY GIVING LEVEL

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	\$0	\$0	\$0	\$0	\$13,361,490	\$0	\$13,361,490
\$5M - \$9,999,999	\$0	\$5,392,286	\$0	\$0	\$0	\$7,654,115	\$13,046,401
\$1M - \$4,999,999	\$0	\$0	\$0	\$0	\$1,036,000	\$6,142,089	\$7,178,089
\$100,000 - \$999,999	\$2,815,220	\$1,560,375	\$645,000	\$7,966,306	\$7,166,286	\$5,209,455	\$25,362,641
\$50,000 - \$99,999	\$368,059	\$490,418	\$229,333	\$846,191	\$1,102,400	\$636,778	\$3,673,181
\$25,000 - \$49,999	\$243,997	\$284,449	\$179,980	\$800,900	\$474,970	\$609,747	\$2,594,044
\$10,000 - \$24,999	\$372,612	\$298,043	\$131,450	\$530,710	\$132,864	\$222,798	\$1,688,477
\$5,000 - \$9,999	\$331,732	\$225,927	\$39,680	\$203,195	\$54,053	\$90,771	\$945,358
\$2,000 - \$4,999	\$499,336	\$307,505	\$5,000	\$152,060	\$30,953	\$66,984	\$1,061,838
\$1,000 - \$1,999	\$464,745	\$321,683	\$7,686	\$76,097	\$9,944	\$14,078	\$894,233
\$500 - \$999	\$264,702	\$223,230	\$1,500	\$39,597	\$5,798	\$5,534	\$540,362
\$250 - \$499	\$149,561	\$115,097	\$0	\$10,952	\$800	\$2,015	\$278,425
\$100 - \$249	\$202,866	\$117,203	\$200	\$11,222	\$1,121	\$785	\$333,397
\$1 - \$99	\$199,771	\$89,957	\$0	\$3,779	\$502	\$656	\$294,666
Total	\$5,912,603	\$9,426,172	\$1,239,829	\$10,641,009	\$23,377,182	\$20,655,806	\$71,252,601

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	0	0	0	0	1	0	1
\$5M - \$9,999,999	0	1	0	0	0	1	2
\$1M - \$4,999,999	0	2	0	0	1	5	8
\$100,000 - \$999,999	12	20	5	29	25	17	108
\$50,000 - \$99,999	15	23	4	13	17	10	82
\$25,000 - \$49,999	12	16	5	23	14	17	87
\$10,000 - \$24,999	57	63	8	35	11	15	189
\$5,000 - \$9,999	102	92	7	36	10	15	262
\$2,000 - \$4,999	322	243	2	54	12	22	655
\$1,000 - \$1,999	563	537	5	63	8	12	1,188
\$500 - \$999	645	713	3	67	8	10	1,446
\$250 - \$499	706	713	0	39	2	7	1,467
\$100 - \$249	2,064	1,628	2	86	9	8	3,797
\$1 - \$99	6,702	4,154	0	164	11	19	11,050
Total	11,200	8,205	41	609	129	158	20,342

ALUMNI PARTICIPATION BY CONSTITUENCY (CURRENT FISCAL YEAR)

Area	Solicitable	To UW		To Unit	
		Year to Date		Year to Date	
		Donors	Part Rate	Donors	Part Rate
UW Medicine	19,127	579	3.03%	394	2.06%
Arts and Sciences	146,824	3,544	2.41%	1,795	1.22%
Business School	38,262	1,144	2.99%	1,044	2.73%
Built Environments	8,184	172	2.10%	79	0.97%
Dentistry	4,540	166	3.66%	144	3.17%
Education	18,841	505	2.68%	80	0.42%
Engineering	32,965	622	1.89%	669	2.03%
Evans School of Public Affairs	2,496	90	3.61%	26	1.04%
Forest Resources	4,612	58	1.26%		
Interdisc. Grad. Programs	1,817	62	3.41%		
Interdisc. Undergrad. Programs	258	5	1.94%		
Interschool Programs	520	20	3.85%		
Information School	4,614	139	3.01%	210	4.55%
Law	7,905	228	2.88%	123	1.56%
School of Nursing	8,644	224	2.59%	148	1.71%
Ocean & Fisheries	4,076	72	1.77%	33	0.81%
Pharmacy	3,547	94	2.65%	90	2.54%
Public Health	4,580	149	3.25%	48	1.05%
Social Work	6,522	156	2.39%	45	0.69%
UW Bothell	6,995	170	2.43%	17	0.24%
UW Tacoma	8,050	154	1.91%	66	0.82%
Unspecified	11,600	297	2.56%		
ALL UW TOTAL	317,522	7,490	2.36%		



ALUMNI PARTICIPATION BY CONSTITUENCY (PREVIOUS FISCAL YEAR)

Area	Solicitable	To UW				To Unit			
		Year to Date		FY Total		Year to Date		FY Total	
		Donors	Part Rate	Donors	Part Rate	Donors	Part Rate	Donors	PFFY Final
UW Medicine	19,109	562	2.94%	3,576	18.71%	399	2.09%	2,279	11.93%
Arts and Sciences	145,069	3,645	2.51%	21,029	14.50%	1,471	1.01%	6,553	4.52%
Business School	37,913	1,200	3.17%	7,343	19.37%	663	1.75%	2,345	6.19%
Built Environments	8,096	184	2.27%	1,410	17.42%	71	0.88%	576	7.11%
Dentistry	4,501	194	4.31%	1,237	27.48%	150	3.33%	722	16.04%
Education	18,944	521	2.75%	3,494	18.44%	119	0.63%	620	3.27%
Engineering	32,856	644	1.96%	4,994	15.20%	514	1.56%	2,374	7.23%
Evans School of Public Affairs	2,394	102	4.26%	529	22.10%	37	1.55%	189	7.89%
Forest Resources	4,601	72	1.56%	713	15.50%	43	0.93%	329	7.15%
Interdisc. Grad. Programs	1,719	48	2.79%	261	15.18%				
Interdisc. Undergrad. Programs	247	9	3.64%	27	10.93%				
Interschool Programs	493	17	3.45%	74	15.01%				
Information School	4,516	153	3.39%	932	20.64%	129	2.86%	395	8.75%
Law	7,755	215	2.77%	1,792	23.11%	89	1.15%	987	12.73%
School of Nursing	8,661	261	3.01%	1,804	20.83%	148	1.71%	944	10.90%
Ocean & Fisheries	4,038	83	2.06%	681	16.86%	45	1.11%	335	8.30%
Pharmacy	3,529	93	2.64%	895	25.36%	88	2.49%	594	16.83%
Public Health	4,465	151	3.38%	803	17.98%	42	0.94%	288	6.45%
Social Work	6,428	176	2.74%	972	15.12%	53	0.82%	427	6.64%
UW Bothell	6,635	178	2.68%	799	12.04%	32	0.48%	253	3.81%
UW Tacoma	7,685	152	1.98%	793	10.32%	66	0.86%	305	3.97%
Unspecified	11,813	310	2.62%	2,160	18.28%				
ALL UW TOTAL	314,219	7,824	2.49%	49,980	15.91%				

Source: University Advancement, Information Management Report # devrpts_s09104

REPORT OF CONTRIBUTIONS, UNIVERSITY OF WASHINGTON September 2009

All Areas

The University of Washington Alumni Association is the broad-based engagement vehicle for University Advancement and the University of Washington. Through its strategically designed programs, the UW Alumni Association invites alumni, donors and friends to engage in the life of the UW. Research indicates that engaged alumni and friends are more inclined to support the University and its students. The UW Alumni Association is proud to develop a solid base of support for the University of Washington.



UWAA Member Giving by Constituency

School	Solicitable Alumni	Members ¹	Member Donors	Alumni Giving	
				Members	Non Members
UW Medicine	19,127	1,834	230	12.54%	2.39%
Arts and Sciences	146,824	18,429	1,606	8.71%	1.57%
Business School	38,262	7,101	840	11.83%	1.99%
Built Environments	8,184	1,106	87	7.87%	1.60%
Dentistry	4,540	981	128	13.05%	1.83%
Education	18,841	3,065	313	10.21%	1.86%
Engineering	32,965	4,475	384	8.58%	1.68%
Evans School of Public Affairs	2,496	280	34	12.14%	2.21%
Forest Resources	4,612	636	34	5.35%	0.60%
Interdisc. Grad. Programs	1,817	156	13	8.33%	2.71%
Interdisc. Undergrad. Progra	258	20	1	5.00%	1.26%
Interscholar Programs	520	46	3	6.52%	1.90%
Information School	4,614	745	106	14.23%	3.46%
Law	7,905	1,020	119	11.67%	2.11%
School of Nursing	8,644	1,326	126	9.50%	2.64%
Ocean & Fisheries	4,076	470	40	8.51%	1.19%
Pharmacy	3,547	613	76	12.40%	2.18%
Public Health	4,580	408	47	11.52%	2.92%
Social Work	6,522	609	57	9.36%	1.96%
UW Bothell	6,995	615	27	4.39%	1.36%
UW Tacoma	8,050	623	43	6.90%	0.97%
Unspecified	11,600	2,494	231	9.26%	1.20%
Non-Alumni		6,951	1,480	21.29%	
Total	317,522	51,423	5,569	10.83%	0.29%

Alumni Activity

1 in 3 registrants at 2009 UW events were UWAA members
1 in 12 registrants at 2009 UW events were UW donors
2 in 3 registrants at 2009 UW events were Solicitable Alumni
1 in 25 UWAA members attended a 2009 UW event
1 in 3 2008-2009 Football/Basketball season ticket holders were UWAA members
1 in 8 UWAA members were 2008-2009 Football/Basketball season ticket holders

Top 10 Membership by Class Year

Class Year	Part. Rate	Class Year	Population
1955	23.11%	2009	1,348
1953	22.31%	1971	1,094
1954	22.05%	1974	1,044
1946	22.04%	1973	1,043
1959	21.89%	1972	1,010
1956	21.31%	1970	1,008
1952	21.24%	1976	1,005
1950	21.09%	1975	984
1951	20.41%	1977	955
1958	20.39%	2008	935

Activity Participation - Rolling 3 Year Total

School ²	Participants	Part. Donors	% Donors	Alum Non-Part.	Alum Non-Par Donor	% Non-Part Donor
UW Medicine	3,027	1,084	35.81%	1,234	218	7.20%
Arts and Sciences	9,490	1,411	14.87%	3,788	533	5.62%
Built Environments	894	191	21.36%	306	94	10.51%
Business School	4,460	689	15.45%	1,820	429	9.62%
Dentistry	1,728	389	22.51%	708	307	17.77%
Education	1,479	188	12.71%	725	48	3.25%
Engineering	1,924	400	20.79%	820	162	8.42%
Environment	384	197	51.30%	197		
Evans School of Public Affairs	489	73	14.93%	121	82	16.77%
Graduate School	260	90	34.62%	120		
Information School	564	88	15.60%	190	57	10.11%
Law	1,509	276	18.29%	445	343	22.73%
Libraries	688	281	40.84%	281		
Nursing	714	209	29.27%	313	84	11.76%
Ocean & Fishery Sciences	263	58	22.05%	102	17	6.46%
Pharmacy	340	111	32.65%	144	67	19.71%
Public Health	440	77	17.50%	135	28	6.36%
Social Work	584	62	10.62%	134	71	12.16%
UW Bothell	500	66	13.20%	135	46	9.20%
UW Tacoma	302	65	21.52%	90	35	11.59%

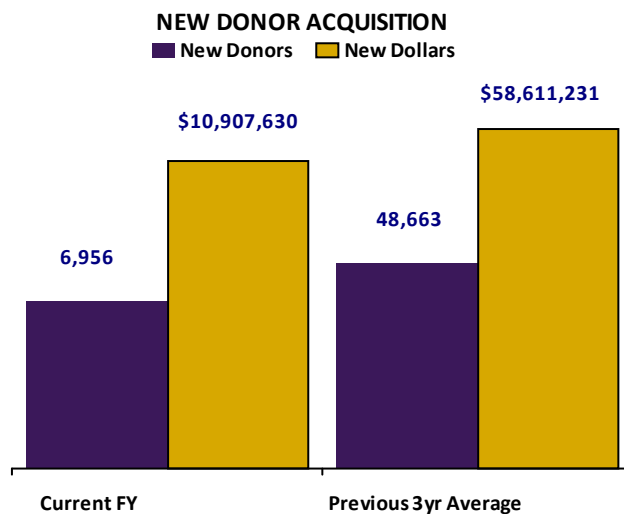
¹ Members include paid Annual Member, Lifetime Members, and TPC Level Donors

² Activity is based on positive RSVP, host, speaker, or participant at a unit event.

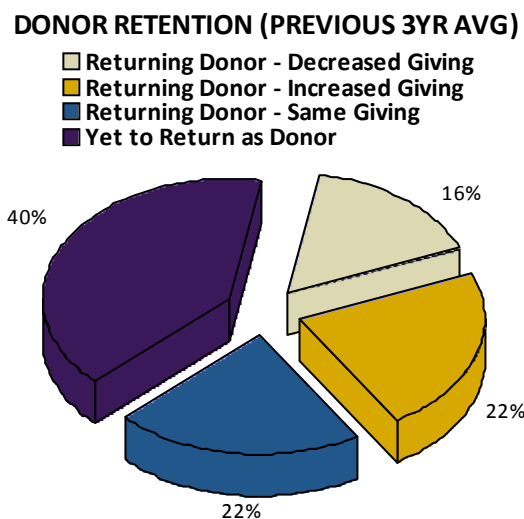
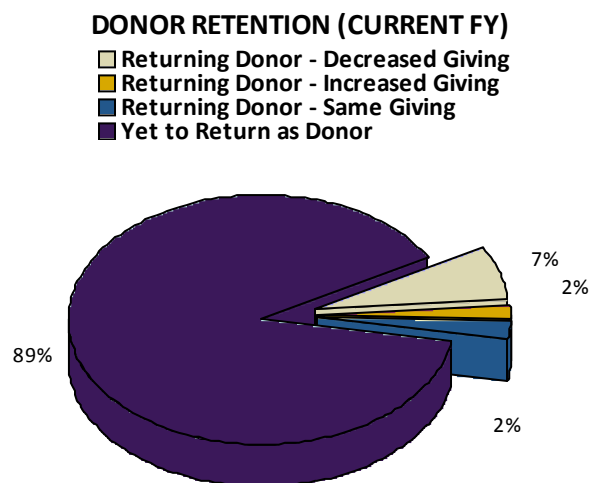
Source: University Advancement, Information Management Report # devrpts_s09104

Source: University of Washington Alumni Association

KEY PERFORMANCE INDICATORS



	New Donors	New Dollars
Current FY	6,956	\$10,907,630
Previous 3yr Average	48,663	\$58,611,231



	Donors	Dollars
Returning Donor - Decreased Giving	8,461	\$38,647,798
Returning Donor - Increased Giving	2,407	\$20,346,915
Returning Donor - Same Giving	2,518	\$1,350,059
Yet to Return as Donor	108,048	

	Donors	Dollars
Returning Donor - Decreased Giving	16,124	\$65,278,811
Returning Donor - Increased Giving	22,023	\$178,192,234
Returning Donor - Same Giving	21,414	\$8,169,227
Yet to Return as Donor	39,919	

Donor counts may vary slightly due to donor crediting preferences.

Three-year averages are based on fiscal year totals and do not reflect year-to-date status.

Source: University Advancement, Information Management Report # devrpts_s09104

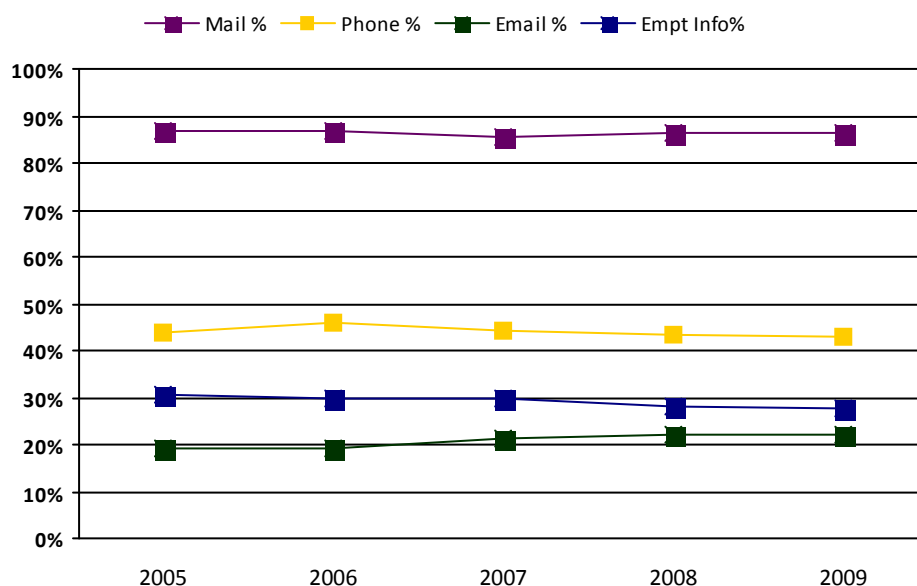
REPORT OF CONTRIBUTIONS, UNIVERSITY OF WASHINGTON September 2009

All Areas

STATE OF THE DATABASE

School	Alumni	Friends	Total	Mailable	Mail %	Phonable	Phone %	Emailable	Email %	Emp Info	Emp %
UW Medicine	23,056	32,071	55,127	50,700	91.97%	29,841	54.13%	12,395	22.48%	17,065	30.96%
Arts and Sciences	181,436	16,758	198,194	166,516	84.02%	76,194	38.44%	47,481	23.96%	52,818	26.65%
Broadcast Services	0	37,211	37,211	36,443	97.94%	14,718	39.55%	4,807	12.92%	6,649	17.87%
Built Environments	9,624	1,718	11,342	10,088	88.94%	5,328	46.98%	2,827	24.93%	4,365	38.49%
Business School	47,142	3,575	50,717	42,752	84.30%	21,780	42.94%	14,975	29.53%	21,679	42.75%
Dentistry	5,114	1,490	6,604	6,123	92.72%	3,937	59.62%	1,888	28.59%	2,043	30.94%
Education	25,438	2,180	27,618	21,220	76.83%	11,250	40.73%	4,044	14.64%	7,950	28.79%
Engineering	41,414	3,691	45,105	37,221	82.52%	18,593	41.22%	10,603	23.51%	16,988	37.66%
Environment	0	3,066	3,066	2,971	96.90%	2,310	75.34%	1,093	35.65%	1,246	40.64%
Evans School of Public Affairs	2,827	478	3,305	3,088	93.43%	1,814	54.89%	1,587	48.02%	1,799	54.43%
Forest Resources	5,681	2	5,683	4,690	82.53%	2,275	40.03%	1,248	21.96%	2,254	39.66%
Graduate School	2,050	919	2,969	2,790	93.97%	1,781	59.99%	1,325	44.63%	1,378	46.41%
Information School	5,867	371	6,238	5,173	82.93%	3,208	51.43%	1,728	27.70%	2,636	42.26%
Intercollegiate Athletics	0	8,667	8,667	8,531	98.43%	6,786	78.30%	3,864	44.58%	3,516	40.57%
Law	8,959	1,569	10,528	9,593	91.12%	5,172	49.13%	4,316	41.00%	4,741	45.03%
Libraries	0	11,345	11,345	11,140	98.19%	9,307	82.04%	2,849	25.11%	2,224	19.60%
Minority Affairs	0	955	955	939	98.32%	736	77.07%	488	51.10%	530	55.50%
Nursing	10,918	1,380	12,298	10,196	82.91%	5,724	46.54%	2,739	22.27%	4,758	38.69%
Ocean and Fishery Sciences	4,977	555	5,532	4,671	84.44%	2,381	43.04%	1,274	23.03%	2,167	39.17%
Pharmacy	4,261	742	5,003	4,341	86.77%	2,500	49.97%	1,353	27.04%	2,223	44.43%
President's Funds	0	3,707	3,707	3,648	98.41%	2,942	79.36%	1,286	34.69%	1,959	52.85%
Public Health	5,254	785	6,039	5,510	91.24%	3,045	50.42%	2,403	39.79%	2,790	46.20%
Social Work	7,915	740	8,655	7,391	85.40%	3,503	40.47%	1,715	19.82%	2,917	33.70%
Student Affairs	0	8,933	8,933	8,808	98.60%	6,919	77.45%	3,317	37.13%	3,985	44.61%
Undergraduate Academic Affairs	0	1,037	1,037	1,006	97.01%	777	74.93%	487	46.96%	417	40.21%
University Press	0	568	568	546	96.13%	397	69.89%	212	37.32%	222	39.08%
UW Alumni Association	0	39,000	39,000	38,147	97.81%	24,874	63.78%	19,130	49.05%	15,199	38.97%
UW Bothell	7,916	817	8,733	8,185	93.72%	4,220	48.32%	3,107	35.58%	1,503	17.21%
UW Tacoma	9,241	840	10,081	9,424	93.48%	4,929	48.89%	3,198	31.72%	1,421	14.10%
Other University Support	953	5,960	6,913	6,599	95.46%	4,783	69.19%	3,211	46.45%	1,772	25.63%
Unspecified School	16,617	0	16,617	11,550	69.51%	6,330	38.09%	1,905	11.46%	3,720	22.39%
No Degree\Gift Affiliation	0	275,750	275,750	249,700	90.55%	148,405	53.82%	26,736	9.70%	48,481	17.58%
Total	394,561	377,766	772,327	674,510	87.33%	358,620	46.43%	135,584	17.56%	186,680	24.17%

Database Trends



Source: University Advancement, Information Management Report # devrpts_s09104

REPORT OF CONTRIBUTIONS, UNIVERSITY OF WASHINGTON September 2009

All Areas

VII. STANDING COMMITTEES**B. Finance, Audit and Facilities Committee**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 Senior Vice President in Administrative 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.

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY –
CAPITAL PROJECT BUDGETS**1. None to Report**REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY –
ACQUISITION OF GOODS AND SERVICES**1. Harborview Medical Center
Action Reported: Purchase of a “Gamma Knife”**

Requisition number 877812 has been awarded for the purchase of an upgraded model of the Gamma Knife. The total value for this transaction will not exceed \$3,900,000 plus sales tax.

Harborview Medical Center has undertaken a project to improve its intracranial stereotactic radiosurgery for malignant and non-malignant brain tumors. Harborview has used the Elekta Gamma Knife® since April 2000, with an upgrade in 2005, as the sole method of Magnetic Resonance Imaging (MRI) capabilities. Harborview’s existing MRI is currently operating 24 hours a day seven days a week without a back-up unit. Its utilization rate is above standard use levels for comparable hospitals, and reflects the growing demand for greater access by our patients. Harborview is proposing to upgrade to the Elekta “Perfexion” Gamma Knife® model to continue treating intracranial tumors as well as extending to include those just beyond the skull base. This model enhances customer comfort, safety and reduces time for procedures. It also allows for extending the treatment area into the upper neck while maintaining the high degree of accuracy that has been the hallmark of all versions of the Gamma Knife®.

This transaction is being processed as a single-source transaction. All existing equipment, computers and software integrate flawlessly with the Elekta Perfexion model. The infrastructure and facility components fully support continued use of

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 2)

the upgraded Elekta model. The physicians are fully trained on Elekta Gamma Knife® procedures, software, diagnostic and planning programs. Changing vendors to a different modality and different product at this time would cause major disruption of the program.

This amount will be divided between Harborview's FY2010 Capital Budget (60%) and FY2011 Capital Budget (40%). The purchase has been approved by the Harborview Executive Director, the Clinical Operating Officer and Vice President for Medical Affairs, and the Harborview Board of Trustees.

VII. STANDING COMMITTEES**B. Finance, Audit and Facilities Committee**Portage Bay Insurance Annual Report

On June 30, 2009, the University's captive insurance company, Portage Bay Insurance (PBI), completed its seventh year of operation. It is providing all coverage and services envisioned in its 2002 business plan.

GOVERNANCE AND MANAGEMENT

The PBI Board of Directors includes two outside directors and five University employees having significant responsibilities for risk management, liability management and asset management. PBI contracts with the University for claim and risk management services from the Office of Risk Management and for investment services from Treasury. It contracts with Strategic Risk Solutions, a captive management company located in Phoenix, Arizona, to manage and account for its activities.

FY09 ASSET/LIABILITY GROWTH

PBI provides professional, general, automobile and employment practices liability insurance coverage for the University, its employees and students. Annual premiums are established through an independent actuarial study and are paid by the central administration and self-sustaining units. FY09 resulted in total retained premiums of \$11.6 million (down 1.6% from FY08) while claims incurred were \$9.2 million (down 24.3% from FY08). FY09 ended with total assets of \$69.8 million (down 5.9% from FY08) while total liabilities were \$31.2 million (down 7.7% from FY08). 134 claims were closed in the fiscal year, 42% without any payment to the claimant. Funds are invested in the University's Invested Funds portfolio which had a total return for the year of -5%. Milliman, the University's independent actuary, has opined that PBI is adequately funded to meet its liabilities.

REINSURANCE

PBI reinsures against catastrophic losses with London, Bermuda, Swiss and American reinsurers having A.M. Best ratings of A- or better. On July 1, 2009, coverage with limits of \$100 million was renewed for a \$2.5 million premium, a reduction of 2.97% from the prior year.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Portage Bay Insurance Annual Report (continued p. 2)

REGULATORY AND AUDIT

KPMG Honolulu has completed the PBI annual audit with no findings or issues. Final issuance of its report is pending completion of the Seattle team's audit of the University's investment portfolio. In 2007, a full regulatory review found PBI in compliance with all requirements of Hawaii, its state of domicile. The IRS has ruled that PBI qualifies as a 501c3 tax-exempt corporation and that it is not required to file 990 forms.

PROGRAM ACCOMPLISHMENTS

A PBI-funded "Patient Safety Innovation Program" was introduced in UW-Medicine. Its first grant of \$50,000 was awarded for the development of a program to train health care practitioners in appropriate methods for disclosure of errors in care to patients. Five or six more grants for research into new patient safety techniques will be awarded in the coming year. It is anticipated that promising outcomes may result in external grant funding and that all successful new loss prevention techniques will be implemented in UW facilities with the objectives of reducing patient injuries and controlling ultimate liability costs.

FY10 Goals

The Board of Directors will be adopting several financial management policies this year, including a confidence level policy and premium/reserve discounting policies.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Investment Performance Report, First Quarter Fiscal Year 2010

For information only.

Attachment

University of Washington Investment Performance Report to the Board of
Regents, First Quarter Fiscal Year 2010, as of September 30, 2009

UNIVERSITY OF WASHINGTON

INVESTMENT PERFORMANCE REPORT TO THE BOARD OF REGENTS

FIRST QUARTER FISCAL YEAR 2010

As of September 30, 2009



TREASURER BOARD OF REGENTS
TREASURY OFFICE

Published November 2009

TABLE OF CONTENTS

Treasury Assets.....	1
Asset Allocation	2
Consolidated Endowment Fund	3
Performance Update	4
Invested Funds	5
Consolidated Endowment Fund Spending Update.....	6
Summary of Actions Taken under Board Delegated Authorities 01/01/09–09/30/09 Public Markets	7–8
Summary of Actions Taken under Board Delegated Authorities 01/01/09–09/30/09 Private Markets	9

TREASURY ASSETS¹

As of 9/30/09—\$3.1 Billion

Dollars in Millions



Endowment & Similar Funds

Endowment Funds	\$1,429
Operating Funds	347
Consolidated Endowment Fund	1,776
Life Income Trusts	72
Outside Trusts	46
Non-CEF Endowments	18
Permanent Fund ⁶	29
	<u>\$1,941</u>

Operating & Reserve Funds

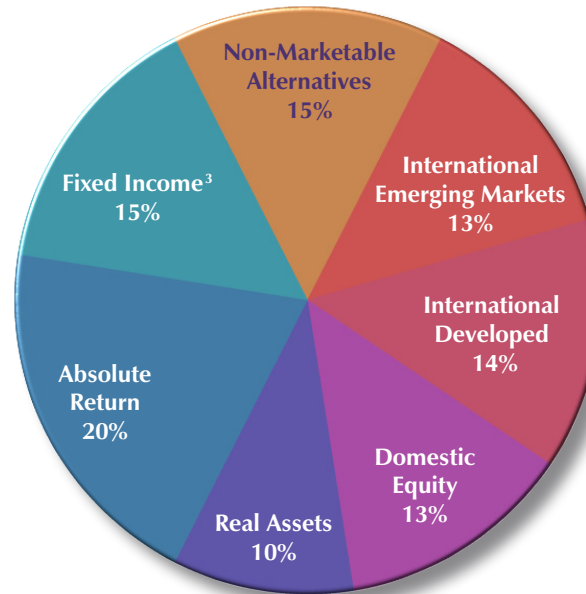
Invested Funds ^{2, 3}	\$1,001
Bond Retirement Fund ⁴	19
Building Fund ⁴	18
Debt Service Reserve Funds ⁵	12
Bond Proceeds ⁷	82
	<u>\$1,132</u>

1. Includes assets whose management falls under the auspices of the Finance & Audit Committee of the Board of Regents. Excludes Metro Tract and Forest Trust Lands. All dollar amounts are expressed in millions and represent market values.
2. The Invested Funds holds Consolidated Endowment Fund units valued at \$347. To avoid double counting, the dollars are included only in the CEF totals.
3. In June 2002, the Board of Regents authorized the establishment of a captive insurance company, Portage Bay Insurance(PBI). The previous insurance vehicle, the Self Insurance Revolving Fund (SIRF), will close after existing claims are resolved. Current balances: PBI \$74.4 & SIRF \$2.9.
4. General obligation bond reserve fund on deposit with the state of Washington.
5. Required reserve funds for locally issued bonds (TSB Properties \$1.1, Twenty Fifth Ave Prop \$2.4, 2004 Parking \$1.4, 2002 Housing & Dining \$1.5, 2004 Housing & Dining \$0.6, Roosevelt 1 \$2.3 and Roosevelt 2 \$2.0 & Commodore Duchess \$0.6)
6. Proceeds from sale of land grants and subsequent investment returns on deposit with the state of Washington.
7. Construction project funds which have not yet been disbursed.

ASSET ALLOCATION

As of September 30, 2009

Consolidated Endowment Fund ¹—\$1,776 MM



Dollars in Millions

Current Allocation ²			Policy Target	Policy Range
Global Equity	Non-Marketable Alternatives	\$252 15%	12%	5%–25%
	International Emerging Markets	237 13%	13%	5%–35%
	International Developed Markets	249 14%	16%	5%–35%
	Domestic Equity	235 13%	15%	5%–35%
	Equity Fund	\$973 55%	56%	45%–75%
	Real Assets Fund	\$177 10%	15%	5%–25%
	Absolute Return	366 20%	18%	5%–25%
	Fixed Income Fund ³	260 15%	11%	5%–35%
Total Consolidated Endowment Fund			\$1,776	100%

¹ International exposure: 38%; net foreign currency exposure: 37%.

² Current exposure percentage may not add to 100% due to rounding.

³ Includes allocation to cash.

CONSOLIDATED ENDOWMENT FUND (CEF)

For the Quarter ending September 30, 2009

Total Returns ¹ (%)

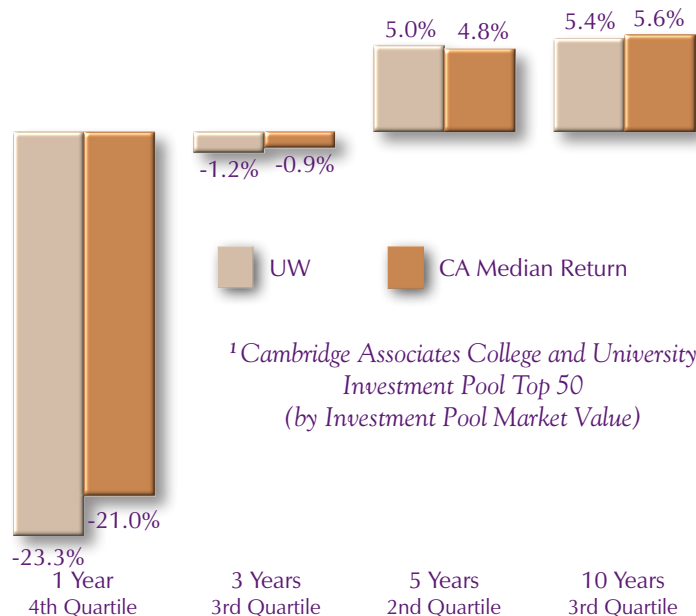
	1 st Qtr FY 2010	1-Year	5-Year	10-Year
Total CEF Return	7.7	-7.1	6.2	6.3
Strategy Weighted Policy Benchmark	9.3	-1.2	7.1	5.4
Equity Fund	11.8	-5.8	6.4	6.1
Weighted Policy Benchmark	14.6	-2.9	6.2	4.2
Real Assets Fund	-0.2	-28.9	3.0	—
Policy Benchmark	1.8	-10.1	7.4	—
Absolute Return Fund	7.5	3.3	—	—
Policy Benchmark	4.3	4.5	—	—
Fixed Income Fund	1.6	0.2	3.7	4.9
Policy Benchmark (LB Govt Bond)	2.0	6.7	5.2	6.2

¹ Average Annual Compound Return

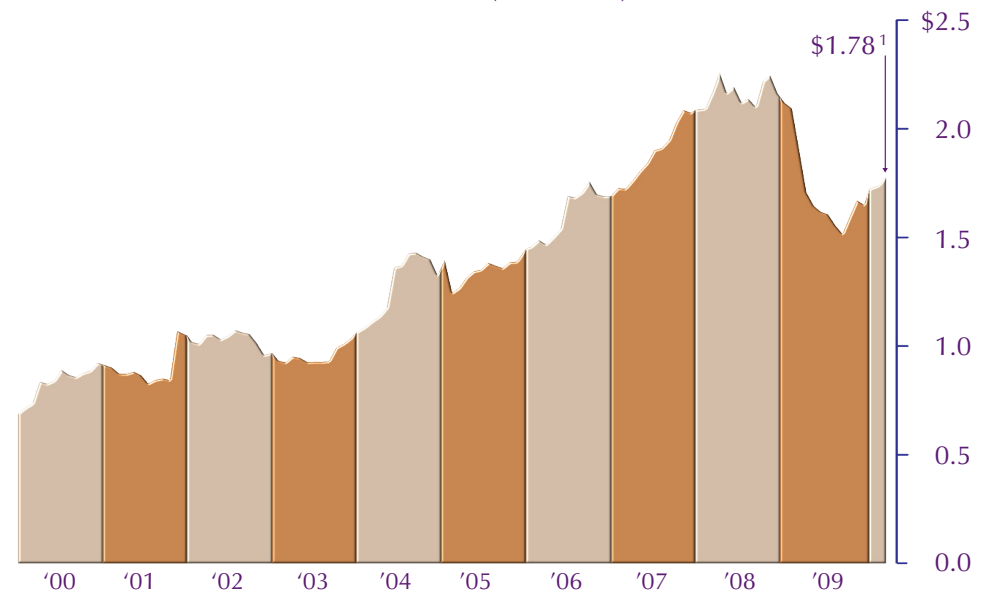
Activity (in Millions)

	1 st Qtr FY 2010	FY 2009	FY 2008	5 Years	10 Years
Beginning Balance	1,649	2,161	2,074	1,243	689
Gifts	11	84	99	417	626
Transfers	1	10	8	59	86
Total Additions	12	94	107	476	712
Operating Funds Purchases	2	3	44	64	365
Net Investment Return	131	(515)	53	460	764
Distributions	(15)	(75)	(94)	(381)	(630)
Administrative Fees	(1)	(4)	(4)	(17)	(27)
Advancement Support	(3)	(14)	(17)	(69)	(98)
Ending Balance	1,776	1,649	2,161	1,776	1,776
Net Change	127	(512)	88	533	1,087

UW & Cambridge Associates ¹ Returns for periods ending 6/30/09



Market Value (in Billions)



¹ Reflects inclusion of IF units in CEF starting 7/01—value without would be \$1.4

PERFORMANCE UPDATE

Total Return ¹ As of 9/30/09

	1 st Qtr FY '10	1 Year	3 Years	5 Years	10 Years
Consolidated Endowment Fund	7.7	-7.1	0.2	6.2	6.3
Equity Fund	11.8	-5.8	-0.5	6.4	6.1
Non-Marketable Alternatives ²	4.2	-18.6	3.2	10.2	8.0
Global Equity ³	15.0	1.0	—	—	—
International Emerging Markets	20.0	15.6	12.2	—	—
International Developed Markets	13.0	-1.5	-5.0	4.8	2.7
Domestic Equity	11.8	-8.7	-5.5	0.9	3.0
Real Assets Fund	-0.2	-28.9	-6.1	3.0	—
Absolute Return Fund ³	7.5	3.3	—	—	—
Fixed Income Fund	1.6	0.2	3.2	3.7	4.9
Public Market Indices					
<i>Equity Indices</i>					
MSCI ACWI	19.8	6.4	-0.8	8.6	4.5
Russell 3000	16.3	-6.4	-5.1	1.6	0.7
NASDAQ	15.7	-2.6	-3.5	1.4	-3.0
NAREIT	33.3	-28.4	-12.4	1.4	9.5
Dow Jones Industrial Average	15.3	-7.8	-3.6	1.7	1.6
MSCI EAFE	19.5	3.8	-3.1	6.6	3.0
MSCI EMF	21.0	19.4	8.3	17.7	11.2
<i>Fixed Income Indices</i>					
LB Government Bond	2.0	6.7	6.8	5.2	6.2
CG World Bond Index (unhedged to USD)	6.2	13.8	9.4	6.6	6.7

Sources: Cambridge Associates and State Street

¹ Total Return: average annual compound return (dividend or interest plus capital appreciation or depreciation)

² Provided by Cambridge Associates on a quarter lag.

³ New strategies reflecting data starting 7/1/2008.

INVESTED FUNDS (IF)

For the Quarter ending September 30, 2009

Total Return¹ (%)

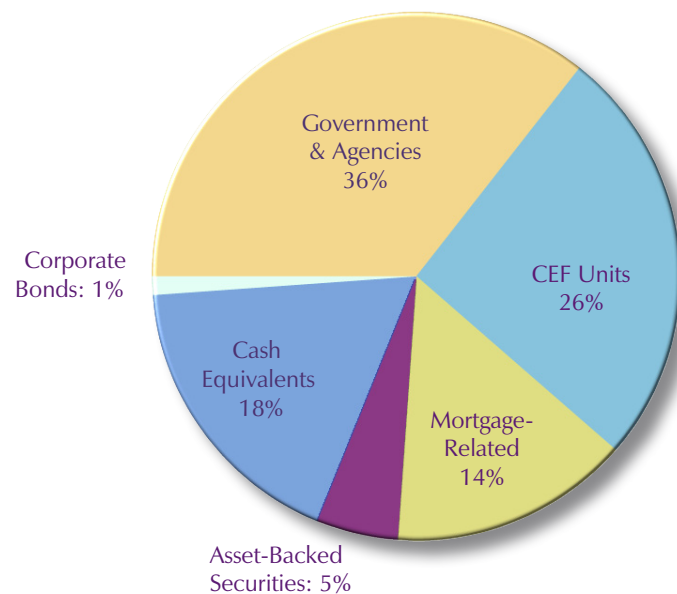
	1 st Qtr FY 2010	1-Year	5-Year	10-Year
Cash	0.3	2.6	4.0	4.7
Citi 2 Yr Treasury	0.9	4.4	4.3	4.7
Liquidity	1.2	5.1	4.1	5.4
LB Intermediate Govt Bond	1.6	6.3	4.9	5.7
IF excluding CEF units	1.0	4.5	4.1	5.2
Weighted Benchmark	1.4	5.6	4.7	5.4
IF including CEF units	2.8	0.9	4.9	5.5
Weighted Benchmark	3.6	3.8	5.7	5.6

¹ Average Annual Compound Return

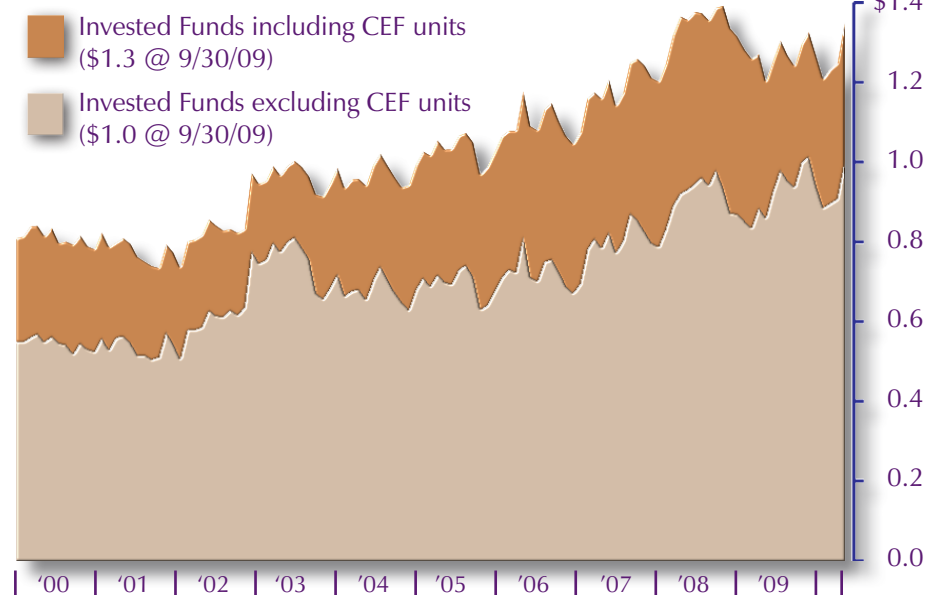
Fund Allocation by Pool (\$ in Millions)

	Fund Allocation		Range	Duration	
				Actual	Maximum
Cash Pool	\$331	24%	10%–40%	0.4	3.0 yrs
Liquidity Pool	670	50%	30%–60%	3.8	4.3 yrs
Total Cash & Liq. Pool	\$1,001	74%			
CEF Units held by IF		26%	15%–40%		
Total Invested Funds		100%			

Mix of Investments



Market Value (\$ in Billions)



CONSOLIDATED ENDOWMENT FUND SPENDING UPDATE

For the Quarter ending September 30, 2009

Interim Policy, Approved 3/19/09

Reduce CEF distributions 25% in FY09 and another 25% in FY10.
Thereafter, hold constant until reviewed by Board of Regents (no later than 6/30/13).

Current and Projected Results of Interim Policy

	\$ = 000's		
	FY 2008	FY 2009	FY 2010
Beginning Market Value	\$2,073,519	\$2,161,438	\$1,649,159 (Actual)
Distributions ¹	\$94,314	\$75,478	\$58,800 (Estimated)
Year-Over-Year Decline	NA	-20%	-22% (Estimated)
Effective Spending Rate	4.5%	3.5%	3.6% (Estimated)
Total Return	2.0%	-23.3%	7.7% (Actual FYTD)

¹ Actual distributions are administered on a quarterly and per unit basis. New gifts are added quarterly and receive payouts at the next distribution date. Therefore, year over year declines cannot equal 25%.

Quarterly Market Values and Additions

	Value	\$ = 000's Additions	Additions as %
07/1/2008	\$2,161,438	\$34,311	1.6%
10/1/2008	\$1,901,352	\$26,187	1.4%
01/1/2010	\$1,617,610	\$20,809	1.3%
04/1/2010	\$1,515,209	\$12,194	0.8%
07/1/2010	\$1,649,159	\$11,829	0.7%
10/1/2010*	\$1,776,000	\$7,798	0.4%

* Preliminary

Per Unit Distributions FY08–FY11

	Year-Over-Year Payout Per Unit	Change
FY08 Four Quarter Total	\$4.176	NA
FY09 Four Quarter Total	\$3.132	-25%
FY10 Four Quarter Total	\$2.349	-25%
FY11 Four Quarter Total	\$2.349	0%

- FY09 per unit payouts were 25% less than FY08 payouts.
- FY10 per unit payouts will be 25% less than FY09 payouts.
- FY11 per unit payouts will equal FY10 payouts.

SUMMARY OF ACTIONS TAKEN UNDER BOARD DELEGATED AUTHORITIES

JANUARY 1, 2009 THROUGH SEPTEMBER 30, 2009 (\$ IN MILLIONS)

By the Chief Investment Officer

Public Markets

Approved	Action	Manager / Fund	Strategy	Investment (\$MM)
03/13/09	Reduction	Rainier Investment Management	Domestic Equity	-\$5.0
03/13/09	New	State Street S&P 500 Futures	Domestic Equity	\$50.0 notional
03/13/09	Reduction	Tygh Capital Management	Domestic Equity	-\$4.0
05/08/09	Termination	Chesapeake Partners	Domestic Equity	-\$23.0
08/31/09	Reduction	State Street S&P 500 Futures	Domestic Equity	\$10.0 notional
01/29/09	Termination	Brandywine	Fixed Income	-\$40.0
01/29/09	New	Wellington Management	Fixed Income	\$15.9
07/31/09	Termination	Aberdeen Asset Management	Fixed Income	-\$47.0
08/17/09	Liquidation	Wellington TIPs	Fixed Income	-\$10.0
09/18/09	New	Income Research & Management— Government/Credit	Fixed Income	\$40.0
09/18/09	New	Income Research & Management— 1–3 Year	Fixed Income	\$40.0
09/18/09	Addition	Wellington Management Workout Fund	Fixed Income	\$8.7
01/16/09	New	State Street—Currency Hedge	International Developed	\$40.0 notional
03/13/09	Reduction	Arrowstreet	International Developed	-\$10.0
03/13/09	Reduction	Axiom	International Developed	-\$10.0
03/13/09	Reduction	GMO	International Developed	-\$19.0
07/17/09	Closed Transaction	State Street—Currency Hedge	International Developed	-\$20.0 notional
07/31/09	New	Goldman Sachs—All World Swap	International Developed	\$30.0 notional
09/18/09	Termination	Liberty Square Japan Fund	International Developed	-\$6.0
01/09/09	Termination	Atlantis China	International Emerging Markets	-\$3.3
02/20/09	Redemption	Ward Ferry	International Emerging Markets	-\$2.4

SUMMARY OF ACTIONS TAKEN UNDER BOARD DELEGATED AUTHORITIES

JANUARY 1, 2009 THROUGH SEPTEMBER 30, 2009 (\$ IN MILLIONS)

By the Chief Investment Officer

Public Markets (Continued)

Approved	Action	Manager / Fund	Strategy	Investment (\$MM)
06/04/09	Transition	City of London-from comingled to separate account	International Emerging Markets	\$96.0
07/17/09	Addition	Dynamo (funding of 2nd tranche of '08 approval)	International Emerging Markets	\$10.0
09/18/09	Termination	Matternhorn Breithorn Fund	International Emerging Markets	-\$11.0
02/20/09	Liquidation	Morgan Stanley Best Ideas Fund	Real Estate	-\$8.0
07/31/09	Termination	Morgan Stanley	Invested Funds—Liquidity	-\$165.0
07/31/09	Addition	Wellington Management	Invested Funds—Liquidity	\$165.0
08/17/09	Liquidation	Wellington TIPS	Invested Funds—Liquidity	-\$54.0

UWINCO SUMMARY OF ACTIONS TAKEN UNDER BOARD DELEGATED AUTHORITIES

JANUARY 1, 2009 THROUGH SEPTEMBER 30, 2009 (\$ IN MILLIONS)

By the Chief Investment Officer

Private Markets

<u>Approved</u>	<u>Action</u>	<u>Manager / Fund</u>	<u>Strategy</u>	<u>Investment (\$MM)</u>
03/13/09	Reduction	Blackrock Relative Value Fund	Absolute Return	-\$4.4
06/30/09	Reduction	Blackrock Relative Value Fund	Absolute Return	-\$2.8
07/17/09	Reduction	Adamas Partners	Absolute Return	-\$25.0
08/07/09	Termination	Morgan Stanley Premium Partners	Absolute Return	-\$13.0
08/07/09	Addition	Regiment Capital, Ltd.	Absolute Return	\$10.0
02/12/09	Reup	TA Associates Fund XI	Non-Marketable Alternatives	\$8.0
05/15/09	New	Rimrock ABS Fund	Invested Funds—Liquidity	\$30.0

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

UW Medicine Board Annual Financial Report

For information only.

Attachment

UW Medicine Board Annual Report to the UW Board of Regents
UW Medicine Consolidated financial statements Fiscal Year Ended June 30, 2009
(unaudited)



UW MEDICINE BOARD

ANNUAL FINANCIAL REPORT TO THE UW BOARD OF REGENTS

NOVEMBER 19, 2009



EXECUTIVE SUMMARY

UW Medicine financial performance overall in FY 2009 was positive compared to budget. Total revenue for UW Medicine was \$2.5 billion in FY 2009, representing a 6% increase compared to FY 2008. The clinical programs recorded continued growth and positive financial performance. Research grant funding in UW Medicine increased by 10%. Support from the state of Washington, however, was reduced as a result of the general reduction to the University and the reductions in health care programs. The impact of the reduced funding for health care programs began in FY 2009, but will have more adverse effects in FY 2010 with an estimated reduction of \$20 million per year at Harborview and UW Medical Center. The School of Medicine (SOM) state funds were reduced by 9.5%, and SOM budgets were also impacted by the reduction in endowment payouts.

Key financial highlights for FY 2009 include:

- The balance sheet for UW Medicine's clinical programs remains stable. Cash increased, but remains below the Moody's "A" rated level. Debt ratios, however, remain exceptionally strong due to the relatively low level of debt at the medical centers. Net income from operations for the UW Medicine health system (excluding revenue in the School of Medicine) was \$57.5 million (3.3%), including post-closing adjustments.
- FY 2009 was a very challenging year for health care with the emergence of the global financial crisis and economic downturn which resulted in job losses in the Seattle King County market and a rise in the uninsured population. The UW Medicine health system was able to weather the economic crisis by focusing on rapid process improvements across the system to reduce costs, eliminate redundant services, and improve overall efficiency of services. Effective strategic planning and rapid implementation of approved initiatives increased key patient volumes and revenues. Consolidation of services reduced costs and improved efficiencies of care.

- Planned construction of new buildings based on the year 2000 Voter Approved Bond Project for seismic upgrades and bed expansion at Harborview Medical Center (HMC) was brought to completion, and the new facilities came into operation during FY 2009. The new Maleng Inpatient Building added 50 beds and 8 new operating rooms and the 14 story Ninth and Jefferson Building (NJB) was constructed and brought into operation. This new construction increased depreciation and lease costs and increased staffing and orientation costs during the initial phases of opening the Maleng Building. By the end of the fiscal year, orientation was completed, staffing levels were reduced, and patient volumes increased as a result of the added capacity. Operating expenses were managed to reduce costs. This resulted in an operating margin of \$5.4 million (0.7%) and a total income of \$12.3 million (1.7%), including post-closing adjustments, which was better than budgeted performance. The positive financial performance was achieved in the setting of a record amount of charity care (over \$150 million) in FY 2009. This represented an increase of \$30 million from FY 2008. The emergency department statistics for Harborview, presented in the following section, reflect management's efforts to dedicate the hospital resources to prioritize services to meet the needs of the most critical advanced life-support patients while working with the community to serve the needs of basic patient transports that can be cared for in any emergency department.
- UW Medical Center (UWMC) outperformed budget to a great extent in FY 2009. Revenue exceeded budget by a wide margin due to strong volumes in key service lines such as oncology and improved documentation and coding which resulted in higher case mix index and improved reimbursement for care. UWMC administration also closely managed operating expenses. The actual operating margin was \$58.4 million (7.8%), exceeding budget by \$31 million, and the total income was \$63.0 million. The level of charity care remained similar to FY 2008 at \$16 million.
- Patient Financial Services (PFS), the shared billing office for both medical centers, recorded significant reductions in days outstanding in accounts receivable, reflecting improvements in revenue cycle management. PFS and the hospital finance departments have completed a series of revenue cycle improvements to prepare for the March 2010 go-live of the new EPIC billing system for HMC, UWMC, and the Seattle Cancer Care Alliance (SCCA).
- University of Washington Physicians (UWP) cash receipts exceeded budget by \$3.7 million (2%) and were up by \$9 million over FY 2008. Cash per unit of output (relative value units or RVU's) increased. UWP reserves declined, primarily reflecting investment losses. Children's University Medical Group (CUMG) cash receipts exceeded budget by \$6.4 million (6.5%), and were up by \$5.6 million over FY 2008.
- Seattle Cancer Care Alliance (SCCA) had a very strong year financially, with total net income of \$17 million. This performance exceeded budget by \$6.2 million. The majority of the positive variance from budget is attributable to the inpatient program, where the SCCA maintained 82% occupancy of the 20 beds at UW Medical Center that are under the SCCA's license. UW Medical Center recognizes SCCA financial results using the equity method, recording one-third of the total net income as "other revenue."

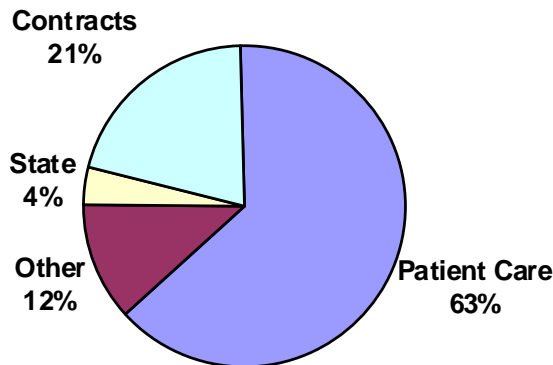
- The UW Physicians Network (UWPN) recorded an operating loss of \$6.3 million in FY 2009, \$1.8 million in excess of the budgeted loss. Part of this loss was due to mid-year unbudgeted expenses related to addition of OB/GYN physicians at the Shoreline Clinic and nursing staff at all clinics. The addition of the OB/GYN physicians was consistent with UW Medicine's strategic goal of expanding the number of routine deliveries. Total UWPN visit numbers were lower than expected, and physician recruitment costs were higher than anticipated due to a rapid recruitment plan to fill 17 FTE's in physician vacancies that occurred in FY 2008. Turnover of primary care physicians has been a recurring issue in UWPN, and we are addressing this issue by increasing the nursing support staff at each clinic and through process changes designed to improve physician satisfaction. All 17 positions were successfully filled by the end of FY 2009. We are now seeing the impact of the recruitments with increased visit numbers. Nurturing and growing our primary care programs is an important component of our overall health system strategy.
- Airlift Northwest (ALNW) had a significant positive turnaround in FY 2009. ALNW recorded a positive bottom line of \$880,000; this was substantially better than the FY 2008 loss of \$1.5 million. The positive performance was accomplished through elimination of outside contract services, implementation of process improvements, closure of a base, and control of operating expenses. These changes have not only improved the financial performance of ALNW, but also improved the morale of the staff and operational safety.
- UW Medicine research grants grew by \$50 million (10%) for UW-based research in FY 2009 compared to FY 2008.
- Total private support for UW Medicine in FY2009 was \$156.2 million, exceeding the previous year's total by \$22 million and comprising nearly half of the University's total private support for the year.
- Approximately \$450 million of total revenues are transferred between various UW Medicine entities to support the teaching, research, and patient care activities. In FY 2009, this included \$204 million from the physician practice plans (UWP and CUMG) to support School of Medicine faculty salaries, clinical department operations, and the Dean's office, \$99 million from the medical centers to SOM clinical departments to provide faculty salary and program support, \$35 million from the medical centers to the SOM to support graduate medical education, and \$23 million from the medical centers, practice plans, and SOM to support the central administrative and service functions of UW Medicine.

The consolidated financial report for UW Medicine is included as an appendix to this report.

KEY STATISTICS & RESULTS

UW Medicine revenues were \$2.5 billion in FY 2009. This represents an increase of approximately 6% compared to FY 2008. The following charts summarize the sources of financial support for UW Medicine. Over the last five years (FY 2004-2009), total UW Medicine revenue has increased at an average rate of 8% per year. These increases have occurred in the setting of a flat NIH budget and a very competitive local health care market.

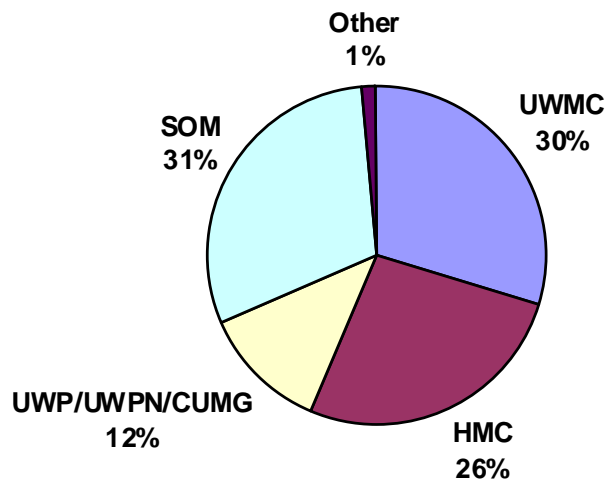
Fiscal Year 2009 – Revenue by source



Total Revenue: \$2.5 billion

(Other includes support from Wyoming, Alaska, Montana, and Idaho, revenue from endowments and gifts, and cost centers.)

Fiscal Year 2009 – Revenue by entity



Total Revenue: \$ 2.5 billion

(Other includes Airlift Northwest and the Consolidated Laundry.)

UW Medicine financial support comes predominantly from patient care revenues (63%) and research grants and contracts (21%). The following sections highlight the performance in each of these areas.

PATIENT CARE

The following table summarizes operating revenue received by UW Medicine medical centers, faculty physicians, and Airlift Northwest in FY 2008 and FY 2009. This table does not include research grants and other funds received by the School of Medicine and does not include revenue from the Seattle Cancer Care Alliance outpatient services.

UW Medicine Health System	Operating Revenue (000's)	
	2009 (unaudited)	2008 (audited)
Harborview Medical Center	\$678.5	\$634.2
UW Medical Center*	\$752.5	\$687.2
UW Physicians	\$191.1	\$182.1
UW Physicians Network	\$ 22.2	\$ 22.7
Children's University Medical Group	\$ 99.7	\$ 94.1
Airlift Northwest	\$ 31.0	\$ 29.4
Total	\$1,775.0	\$1,649.7

*Inpatient revenues for the SCCA 20 bed unit are included in the UWMC total.

Net income from UW Medicine operations for FY 2009, after adjusting for revenues counted in more than one entity (e.g., UWP billings for physicians working in UWPN), was \$57.5 million or 3.3% of operating revenue. UWMC generated \$58.4 million of net operating income, including post-closing adjustments. Harborview generated \$5.4 million of net operating income after including post-closing adjustments, and ALNW generated \$880,000 of net operating income. Operating losses occurred at UW Physicians Network (\$6.3 million). UWPN losses for primary care are consistent with experiences at other academic medical centers. UWPN has successfully built commercial payer mix this past year to 74%. The secondary and tertiary care generated by UWPN results in significant revenue at UWMC and HMC. The Harborview performance during the first seven months of the fiscal year was off budget due primarily to increased costs of training new staff (orientation time) for the opening of the Maleng Inpatient Building. Performance in the second half of the fiscal year allowed Harborview to recover from this period of high expenditures. All of the net income generated by UWP and CUMG is distributed to the School of Medicine departments, Dean's office, and Seattle Children's Hospital (for a portion of CUMG revenue).

The following tables provide benchmark comparisons for the medical centers.

Ratio/Indicator	Moody's "A"	UW Medical Center	Harborview Medical Center
Operating margin	2.2%	7.8%	0.7%
Debt to capitalization	38.1%	15.9%	1.2%
Days cash on hand	157.2	115.5	92.0
Days in A/R (net)	49.0	50.8	62.0

These comparisons reflect five important points:

- Operating margins at Harborview are affected by the high percentage of uninsured and under-insured patients served;
- Harborview provided over \$150 million of charity care in FY 2009 as measured by foregone charges – an increase of \$30 million over FY 2008;
- The Harborview debt to capitalization number reflects the capital support provided by King County through voter-approved general obligation bonds;
- Days cash on hand is below benchmark at both medical centers, again reflecting the high percentage of uninsured and under-insured patients; and
- Days in accounts receivable are being reduced as we prepare for the conversion of the hospital billing system scheduled for March 2010.

5-YEAR PERFORMANCE COMPARISON

The patient care activity of the UW Medicine health system remains strong and stable, with the exception of UWPN where physician turnover and strategic closure of one clinic in FY 08 resulted in volume declines. Growth has been limited by very high occupancy levels at both medical centers. The following tables summarize the clinical activity for the owned and managed components of UW Medicine and the SCCA.

Harborview Medical Center

Statistic	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Admissions & short stays	22,973	22,439	21,147	21,764	20,463
Patient Days	125,189	129,831	133,345	136,662	136,687
Outpatient visits	221,159	223,916	218,229	230,315	224,769
Emergency visits	79,112	81,073	76,491	68,987	65,515
Average Length of Stay	6.8 days	6.9 days	7.2 days	7.4 days	7.0 days

UW Medical Center

Statistic	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Admissions	18,086	18,120	18,866	18,993	19,322
Patient Days	118,455	114,542	115,659	115,270	133,468
Outpatient visits	352,927	333,099	327,297	324,812	333,675
Emergency Visits	35,547	32,838	27,868	29,038	27,046
Average Length of Stay	6.5 days	6.3 days	6.1 days	6.1 days	5.9 days

UW Physicians Network

Statistic	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Clinic Visits	237,732	227,929	218,561	201,645	188,148
New Patients	16,925	15,784	14,867	11,768	10,264

Seattle Cancer Care Alliance

Statistic	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Clinic Visits	38,774	44,084	43,230	48,928	54,851
Admissions	444	455	428	573	607

Inpatient admissions for the SCCA 20 bed unit at UWMC are included in the UWMC admissions total.

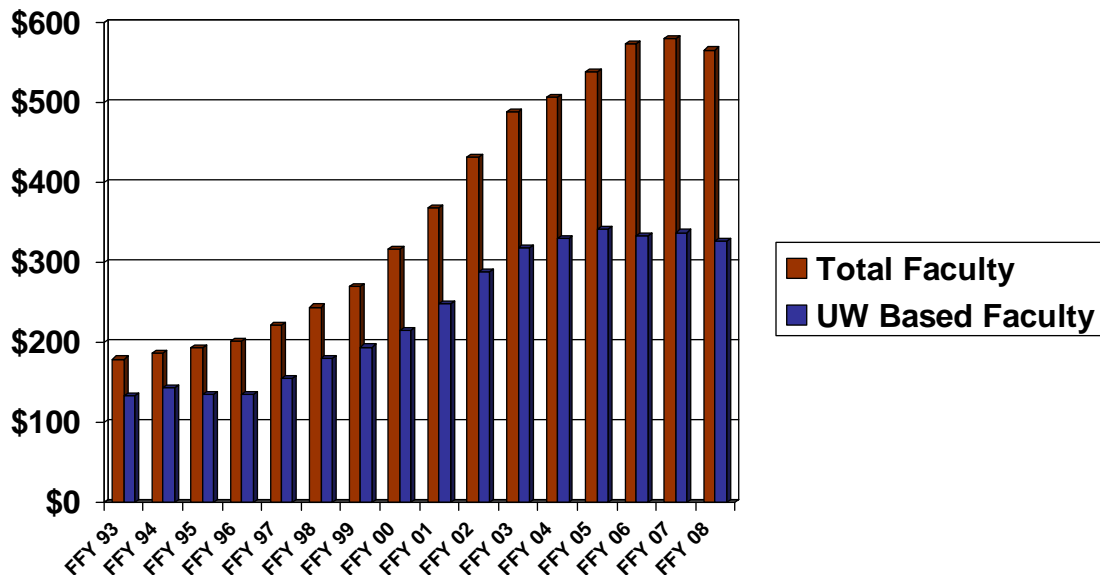
RESEARCH PROGRAMS

UW Medicine research continues to grow. UW School of Medicine grant and contract awards through the University of Washington totaled \$567 million in FY 09. This was a \$50 million (10%) increase over FY 2008. We have seen a shift in the ratio of federal to non-federal grants over the past two years. Non-federal grants represented 35% of the total SOM grants in FY 2009 compared to 28% in FY 2008 and 23% in FY 2007 and FY 2006. The following table summarizes the UW-based SOM research awards over the past four years.

	FY 2006	FY 2007	FY 2008	FY 2009	Average annual change
Federal	\$354.4	\$375.5	\$371.1	\$364.6	1%
Non-federal	\$110.1	\$118.1	\$146.2	\$203.0	23%
Total	\$464.5	\$493.7	\$517.3	\$567.5	7%

NIH awards represent the largest single source of awards received by UW Medicine faculty. The following chart tracks the growth of NIH awards to UW Medicine faculty over the past 14 federal fiscal years ending in federal fiscal year 2008. (NIH funding is on a federal fiscal year basis and comparative information is not available until several months after the close of the fiscal year on September 30.)

NIH Grant Awards to UW Medicine
(\$ in millions)



Note: Average annual growth rate: 8% for Total Faculty; 6.2% for UW-based faculty.

There were, in federal fiscal year 2008, 751 separate NIH awards to 510 UW-based SOM Principal Investigators. There are an estimated 734 regular and research faculty working on NIH research grants made to UW-based SOM faculty. In addition to NIH awards managed by the UW, School of Medicine faculty receive NIH awards that are managed by affiliated institutions (e.g., Fred Hutchinson Cancer Research Center and Seattle Children's Hospital). Total NIH awards to UW Medicine faculty in federal fiscal year 2008 were \$566.1 million, a decrease of \$13.6 million (2%) over federal fiscal year 2007. UW Medicine faculty were second in the country among all medical schools, and first among public medical schools, in NIH research funding based on FY 2008 awards. The growth in NIH funding to UW School of Medicine faculty over the past seven years has exceeded the comparable growth of the majority of our peer institutions.

-----\$ in millions-----

Institution	2002 NIH Awards	2008 NIH Awards	% change
UCLA	\$340.5	\$493.9	45.1%
Michigan	\$255.7	\$347.5	35.9%
Yale	\$253.6	\$340.5	34.3%
Univ. of Washington	\$431.5	\$566.1	31.2%
Harvard	\$957.9	\$1,228.7	28.3%
Johns Hopkins	\$372.6	\$471.9	26.7%
UCSF	\$368.7	\$457.3	24.0%
Univ. of Pennsylvania	\$431.4	\$516.2	19.7%
Washington Univ.	\$320.4	\$347.2	8.4%
Baylor	\$382.8	\$229.6	-40.0%

UW Medicine's comparative success recently in NIH funding is due to a number of factors, including the interdisciplinary breadth of our research programs, the addition of new laboratory space at South Lake Union, and the increased emphasis on 21st century science such as genomics, proteomics, regenerative medicine, and global health research.

LOOKING FORWARD – FY 2010

Several key external and internal factors will influence UW Medicine's financial performance in FY 2010. The external factors include the pace of recovery from the economic recession and the provisions of health reform legislation at the federal and state level. The internal factors include our success in implementing rapid and system wide process improvements to mitigate the impact of the state health care program budget reductions, the conversion to the new hospital billing system, and continued attainment of process improvements in our hospitals and clinics. The following paragraphs highlight several of the key activities that will mark FY 2010.

Strategic planning. UW Medicine's strategic planning effort has moved into the implementation phase. We have identified a number of immediate or "just do it" steps that we are taking to improve performance, implement new programs, and consolidate specific existing programs to reduce costs and increase efficiency, and we are developing business plans around the larger strategic initiatives. The UW Medicine Board has been involved at each step of the strategic planning process and will monitor performance over the coming year.

Northwest Hospital & Medical Center. We anticipate that Northwest Hospital will join UW Medicine in January 2010. At that time, we will begin development of a long-range strategic plan for the Northwest campus as part of our UW Medicine Strategic Planning process. This plan will explore the enhancement of cardiac, oncology, and obstetrical programs on the Northwest campus as well as the increased use of Northwest to meet the secondary care needs of UW Medicine patients. Opportunities for increased efficiency through integration of infrastructure and administrative programs will also be explored.

Harborview expansion. The “Ninth and Jefferson” building (NJB) opened at the end of FY 2009, providing a substantial increase in outpatient clinics, administrative, teaching, and research space. NJB houses several innovative programs including the new UW Medicine Eye Institute, UW Medicine Brain and Neuroscience Institute, and programs for the Department of Global Health.

UWMC expansion. UWMC broke ground on Phase I of the inpatient expansion building in August 2009. The building will house a new and expanded Neonatal Intensive Care Unit and a new oncology inpatient unit. There will also be shelved-in space for radiology and operating rooms.

South Lake Union Phase III. The University must make a decision regarding whether to exercise its option on Phase III by March 2010. The development of new research space at South Lake Union is a key step in ensuring the continued growth of UW Medicine’s research programs.

UW Medicine

Consolidated financial statements Fiscal Year Ended June 30, 2009 (unaudited)

Note: The financial statements are based on the June 30, 2009 closing figures. Post-closing adjustments are not included. An audited version of the consolidated statements will be produced as soon as the audits are completed.

UW Medicine

Listing of Entities

Clinical programs

- University of Washington Medical Center
- Harborview Medical Center
- University of Washington Physicians
- Children's University Medical Group
- UW Physicians Network
- Airlift Northwest
- Consolidated Laundry

University of Washington School of Medicine

<u>Assets:</u>	6/30/2008	6/30/2009
Cash and Investments	\$ 481,882	\$ 466,565
Other Current Assets	302,942	305,705
Property Plant and Equipment	716,208	734,674
Other Assets	86,805	114,699
Total Unrestricted Fund Assets	\$ 1,587,837	\$ 1,621,642
 <u>Liabilities and Fund Balance:</u>		
Current Liabilities	\$ 385,063	\$ 368,314
Other Liabilities	5,276	5,039
Long Term Debt (Net of Current Portion)	101,386	93,436
Fund Balance	1,096,112	1,154,852
Total Unrestricted Fund Liabilities & Fund Balances	\$ 1,587,837	\$ 1,621,642

➤ **Cash & Investments decrease \$15 million**

- HMC decrease \$37 million due to Maleng Building and equipment funds transfer
- UWMC increase \$28 million due to net income and improved cash collections
- UWP decrease \$11 million due to investment losses

➤ **Current Assets increase \$3 million**

- UWMC increase \$4 million due to increase in accounts receivable

➤ **Plant and Equipment increase \$82 million (net of retirements)**

- HMC increase \$38 million due to capital expenditures, Maleng Building, and IT investments
- UWMC increase \$42 million due to expenditures for the expansion and the Radiation Oncology projects, remodeling projects, and IT investments

➤ **Other Assets increase \$28 million**

- HMC increase \$24 million due to increase in restricted funds
- UWMC increase \$5 million due to increases in other assets

➤ **Current Liabilities decrease \$17 million**

- CUMG decrease \$3 million due to decreases in incentives payable
- HMC decrease \$9 million due to State CPE payment and reserve adjustment, and SOM department support payments
- UWMC increase \$4 million due to construction payable
- UWP decrease \$9 million due to decreases in incentives payable, CMF payable, and departments' reserves

➤ **Long term debt decrease \$8 million**

- UWMC decrease \$7 million due to bond and capital lease payments

➤ **Fund Balance increase \$59 million**

- HMC increase \$2 million due to net income
- UWMC increase \$56 million due to net income

Consolidated Statement of Revenues and Expenses
For the Fiscal Year Ended June 30, 2009
(\$ in 000's)

	<u>Actual YTD</u>	<u>Budget YTD</u>
<u>Revenue:</u>		
Patient Service Revenue	\$ 1,608,830	\$ 1,577,904
State Appropriation	16,392	16,014
Other Revenue	119,762	115,292
Total Revenues	<u>1,744,984</u>	<u>1,709,210</u>
<u>Expenses:</u>		
Salaries, Wages and Benefits	977,750	989,499
Supplies and Other Expenses	604,169	583,038
Depreciation	75,196	79,177
Interest, Insurance and Taxes	4,728	5,614
Total Expenses	<u>1,661,843</u>	<u>1,657,328</u>
Income before CMF Assessment & Departmental Distributions	83,141	51,882
Practice Plans' Nonoperating Gains (Losses)	(13,011)	-
Income after Nonoperating Gains (Losses) before Distributions	70,130	51,882
CMF Assessments & Departmental Distributions	<u>(26,921)</u>	<u>(32,666)</u>
Net Operating Income	43,209	19,216
Nonoperating Gains (Losses)	<u>15,022</u>	<u>15,862</u>
Revenues and Gains In Excess of Expense and Losses	<u>\$ 58,231</u>	<u>\$ 35,078</u>

- Income from Operations was \$43,209 actual vs. \$19,216 budget

	Actual	Budget
HMC	(2,765)	2,160
UWMC	52,326	22,214
UWPN	(6,340)	(4,588)
All Other	(387)	(1,320)

- HMC – due to unfavorable volume and case mix
- UWMC – due to favorable reimbursement resulting from improved documentation and coding
- UWPN – due to physician turnover resulting in unfavorable visits
- All Others – due to favorable ALNW expense management

- CUMG and UMP income distributed to departments and CMF

	<u>Actual</u>	<u>Budget</u>
CUMG	14,254	13,502
UWP	12,666	19,164

- Practice plan investment losses of \$13 million

- Non-Operating Gain \$15,022 actual vs. \$15,862 budget

- UWMC \$2.1 million unfavorable variance due to UWPN network requirement

Net Income	\$ 58,231
Add back depreciation	75,196
Increase in current assets	(2,763)
Decrease in current liabilities	(16,748)
Capital Expenditures	(93,662)
Increase in other assets	(27,894)
Decrease in Long Term Debt	(7,950)
Decrease in other liabilities	(237)
Transfers and other changes to fund balance	<u>509</u>
Net Change in Cash and Investments	<u>\$ (15,317)</u>

Medical Centers' Benchmark Comparisons

Ratio/Indicator	Moody's "A"	UW Medical Center	Harborview Medical Center
Net Patient Revenue	\$489	\$700	\$618
Operating Margin	2.2%	7.0%	-0.4%
Excess Margin	4.6%	7.5%	0.2%
Debt Service Coverage	4.6	8.9	30.5
Debt to Cash Flow	3.5	1.0	0.2
Debt to Capitalization	38.1%	15.9%	1.2%
Days Cash on Hand	157.2	115.5	92.0
Cash to Debt	113.9%	227.6%	2230.9%
Days in A/R (Net)	49.0	50.8	62.0

UWP Benchmark* Comparisons

Ratio/Indicator	Comparison Group	UWP
Gross Charges (\$M)	436.9	467.4
Net Collection Rate	92.3%	93.4%
Days in AR	48	38
AR > 180 days	13.4%	4.8%
Denial Rate	9.8%	8.2%
% of Net Collections within 60 days	64.4%	60.0%
Commercial payer %	45.1%	43.8%
Cost to Collections	5.3%	7.5%
Credit balances as % of AR	3.7%	2.8%
Medicaid % of payer mix	12.0%	19.7%
Medicare % of payer mix	24.6%	22.5%
Cash collected per billing FTE (\$M)	1.4	1.3
Average recovery rate of bad debt	12.1%	15.0%
Payment rate to collection agency	21.1%	23.0%

* Benchmark group is 15 similarly sized practice plans.

Definitions:

State funds: State appropriated funds are allocated to the School of Medicine by the University. Revenue is recognized to the extent of expenditures.

Off-campus facilities ICR/RCR funds: Indirect cost recovery of off-campus facilities costs (ICR) and research cost recovery (RCR). These funds are assigned to the School of Medicine by UW Provost Office, then allocated to School of Medicine departments (including the Dean's Office). These funds may be carried forward from year to year. Revenue is recognized to the extent of expenditures.

Endowment income is earnings on endowments available for spending (i.e. not re-invested in the endowment). Gifts are funds received from donors. Endowment income and gifts are used to fund School of Medicine operations, subject to donor restrictions.

Self-sustaining programs provide goods or services to other entities, either within or outside of the UW. The responsible department establishes the rates for goods and services. The rates are adjusted annually to account for over-under recoveries in the previous period. Balances at period end are primarily operating reserves and excess recoveries that will be resolved during the subsequent year rate calculation. Self-sustaining programs include resident training, WWAMI, Lab Medicine, Comparative Medicine and other department programs. Revenue is recognized when received.

Clearing/other: Clearing accounts are mainly used for transfers of funds from the practice plans to the SOM departments (e.g., fund transfers for physician salaries). The funds are credited first to the clearing account, and then an entry is processed to distribute the funds to the departments. Any balance in clearing accounts relates to timing. Agency accounts represent funds received and expended on an activity approved by the University, but the University does not provide the funds (e.g., when a faculty member is editor of a publication and incurs expenditures and reimbursement related to that activity).

Research and Training funds are funds held on account in the UW accounting system (Dean's Office as well as department accounts). The source of funds is practice plan or affiliated entity transfers to the School of Medicine. The transfers are made for expense reimbursement, or to fund School of Medicine operations.

Grant and contract revenue is recognized to the extent of current period expenditures. Grant revenues are typically expended by the end of the grant period (not necessarily the University's fiscal period). Grant revenues are credited in a method that may not match the actual spending pattern on the grant.

Endowments are the principal balance (at cost) of endowments held in the UW Central Endowment Fund (CEF), including contributions and re-invested earnings.

	FY08 <u>6/30/08</u>	FY09 <u>6/30/09</u>
Revenues	947,427	997,729
Expenditures	937,849	970,285
Revenues in excess of expenditures	9,578	27,444
Beginning fund balance	408,185	417,763
Ending fund balance	417,763	445,207
Unexpended grant and contract revenue	<u>372,601</u>	<u>426,615</u>

	<u>FY08</u> <u>6/30/08</u>	<u>FY09</u> <u>6/30/09</u>
State funds (Note 1)	71,639	75,830
Off Campus Facilities ICR/RCR (Note 2)	30,266	31,341
Endowment Income & Gifts:		
Restricted (Note 3)	33,923	29,095
Unrestricted (Note 3)	10,343	9,780
Self-Sustaining (Note 4)	113,921	121,941
Clearing & Other	63,196	67,763
Research & Training (Note 5)	88,524	108,623
Grants & Contracts (Note 6)	505,774	524,037
Endowment Principal (at cost)	29,841	29,319
Total Revenue	<u>947,427</u>	<u>997,729</u>

See notes on next page

Notes to revenue detail for the year ended 6/30/08 and 6/30/09:

Revenue for the year ended 6/30/09 increased \$50M (5%) over the prior year. The largest increases were Research and Training \$20M and Grants & Contracts \$18M. Restricted gifts decreased \$5M.

Note 1: State funds: Includes general operating funds (GOF) and designated operating funds (DOF). FY09 increased \$4M (6%) from FY08 to FY09. This is due to the timing of expenditures. State appropriation revenue is assigned at the beginning of each biennium. Spending may vary from the 1st to the 2nd year of the biennium, but total spending does not exceed the biennial appropriation. Revenues are recognized to the extent of expenditures. In general, state appropriations are spent to zero by end of biennium. University policy allows some carry-forward of unspent balances from biennium to biennium on a limited basis. In FY09, there was a .75% permanent reduction in State funds, and unspent funds will be allowed to carry forward to FY10.

Note 2: Off-campus facilities ICR/RCR: FY09 revenues increased \$1M (4%) over FY08. This is due to SLUII coming on-line in FY09. Facilities-ICR and RCR revenues are recognized to the extent of expenditures for each reporting period. University policy allows carry-forward of unspent funds to the next year. Unspent funds are rolled forward as 'available to spend' in current year, and revenue will be recognized as expenditures are made.

Note 3: Gift and Endowment Interest revenue: FY09 restricted gift revenue decreased \$5M (14%) and FY09 unrestricted gift revenue decreased \$.6M (5%) from FY08. The UW revised the endowment spending policy in FY09 which will reduce endowment earnings by 25% in FY09 from FY08 levels and an additional 25% for FY10 through FY13. This will reduce overall endowment earnings available to UWSOM for FY09 and future years.

Note 4: Self-sustaining revenue increased \$8M (7%) from FY08 to FY09 due mainly to timing of receipts. The Resident Program accounts for the majority of activity in this category. The UW accounting system is cash basis and revenue is recognized when received.

Note 5: Research & Training revenue increased \$20M (23%) from FY08 to FY09 due mainly to timing of support payments and the VPMA expense reimbursement from affiliated entities. R&T revenue includes transfers from UWP and CUMG Clinical Medicine funds and hospital support to fund spending at the UW. UW accounting system is cash basis; revenue is recognized when received.

Note 6: Grants and contract revenue increased \$18M (4%) from FY08 to FY09. Global Health and GCRC are increasing as the programs ramp up. Grant revenue is recognized to the extent of expenditures.

	FY08 <u>6/30/08</u>	FY09 <u>6/30/09</u>
Salary/benefits (Note 1)	545,005	573,488
Supplies and other exp (Note 2)	276,476	282,831
Equipment	18,319	18,581
Grants/stipends	13,998	15,798
Debt redemption	3,240	3,672
Indirect cost (Note 3)	105,078	105,116
Cost transfers (Note 4)	(24,267)	(29,201)
Total Expenditures (Note 5)	<u><u>937,849</u></u>	<u><u>970,285</u></u>

Notes:

FY09 expenditures increased \$32M (4%) over FY08.

Note 1. FY09 salary/benefits increase of \$28M (5%) included recruitment, retention and equity increases as well as benefit rate increases. Anesthesiology, Global Health and GCRC programs showed growth.

Note2: Supplies and other expense increased \$6M (2%) from year to year.

Note 3: Indirect cost: Grant revenues include a direct and indirect component. The indirect component is a percentage of direct costs (the rate varies among sponsors). Individual grants are charged indirect cost, and the expense is offset by indirect cost revenue.

Note 4: Cost transfers are mainly resident program reimbursements from affiliated entities.

Note 5: Some School of Medicine expenditures are recorded in hospital or practice plan income statements. Examples include hospital-based operations for the Department of Laboratory Medicine and resident salaries.

Comparison of Fund Balance by Source
June 30, 2008 and 2009 (\$ in 000's)

	<u>FY08</u> <u>6/30/08</u>	<u>% of</u> <u>Total</u>	<u>FY09</u> <u>6/30/09</u>	<u>% of</u> <u>Total</u>
State funds (Note 1)	0		0	
Off Campus Facilities ICR/RCR (Note 2)	0	0%	0	0%
Endowment Income & Gifts:				
Restricted (Note 3)	82,179		80,453	
Unrestricted	15,969		17,895	
Total Endowment Income & Gifts	98,148	23%	98,348	22%
Self-Sustaining (Note 4)	13,807		13,047	
Clearing & Other	(653)		914	
Research & Training (Note 5)	13,994	3%	11,112	2%
Subtotal	125,296	30%	123,421	28%
Grants & Contracts (Note 6)	0		0	
Endowment Principal (at cost) (Note 3)	292,467	70%	321,786	72%
Ending Fund Balance	<u>417,763</u>	100%	<u>445,207</u>	100%

Notes to ending fund balance as of 6/30/08 and 6/30/09:

Note 1: State appropriation revenue is assigned at the beginning of each biennium. Spending may vary from the 1st to the 2nd year of the biennium, but total spending does not exceed the biennial appropriation. In general, state appropriations are spent to zero by end of biennium. University policy allows some carry-forward of unspent balances from biennium to biennium on a limited basis. Revenues are recognized to the extent of expenditures for each reporting period.

Note 2: ICR/RCR revenues are recognized to the extent of expenditures for each reporting period. University policy allows carry-forward of unspent funds to the next year. Unspent funds are rolled forward as 'available to spend' in current year, and revenue will be recognized as expenditures are made.

Note 3: Restricted and unrestricted funds are comprised of unspent gifts, endowment operating accounts and/or loan funds.

Note 4: Main self-sustaining programs are Laboratory Medicine, Comparative Medicine, MEDEX, WWAMI, and the Resident Program. Change in ending fund balance from period to period due to timing of revenues and expenses on a cash basis, accruals are not included.

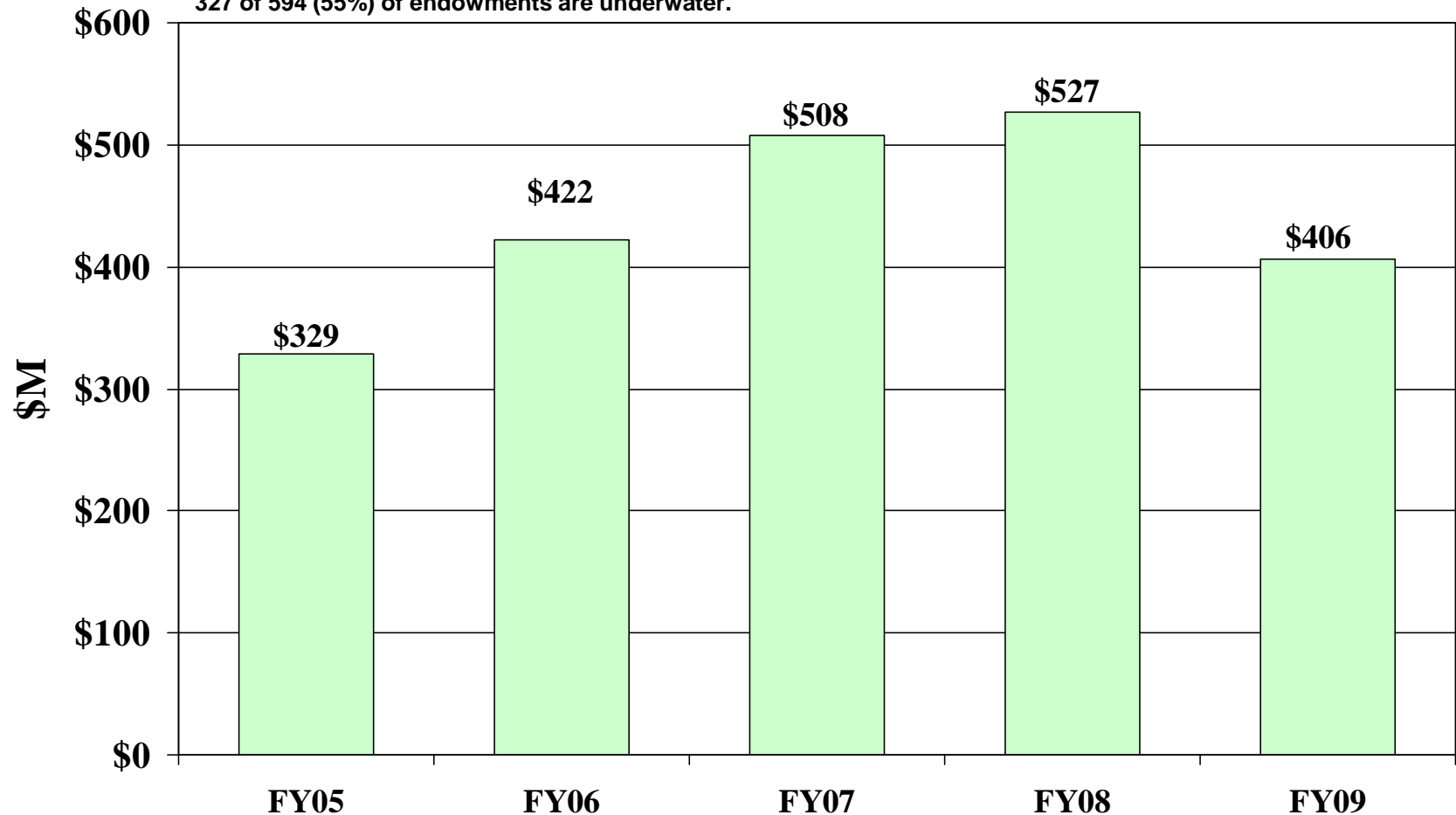
Note 5: Research and Training funds are funds held at the UW for the Dean's Office as well as department accounts. The source of funds is practice plan or affiliated entity transfers to the School of Medicine. The transfers are made for expense reimbursement or to fund School of Medicine operations. The majority of R&T funds are held at the practice plans (recorded as a liability by the practice plans) and are not included in this fund balance. The ending fund balance reflects revenues on a cash basis and does not include receivables due from the hospitals under department funding agreements. The decrease from FY08 to FY09 is a result of planned re-allocation of Dean's Office fund balance between the UW and the CMF reserve held at UWP.

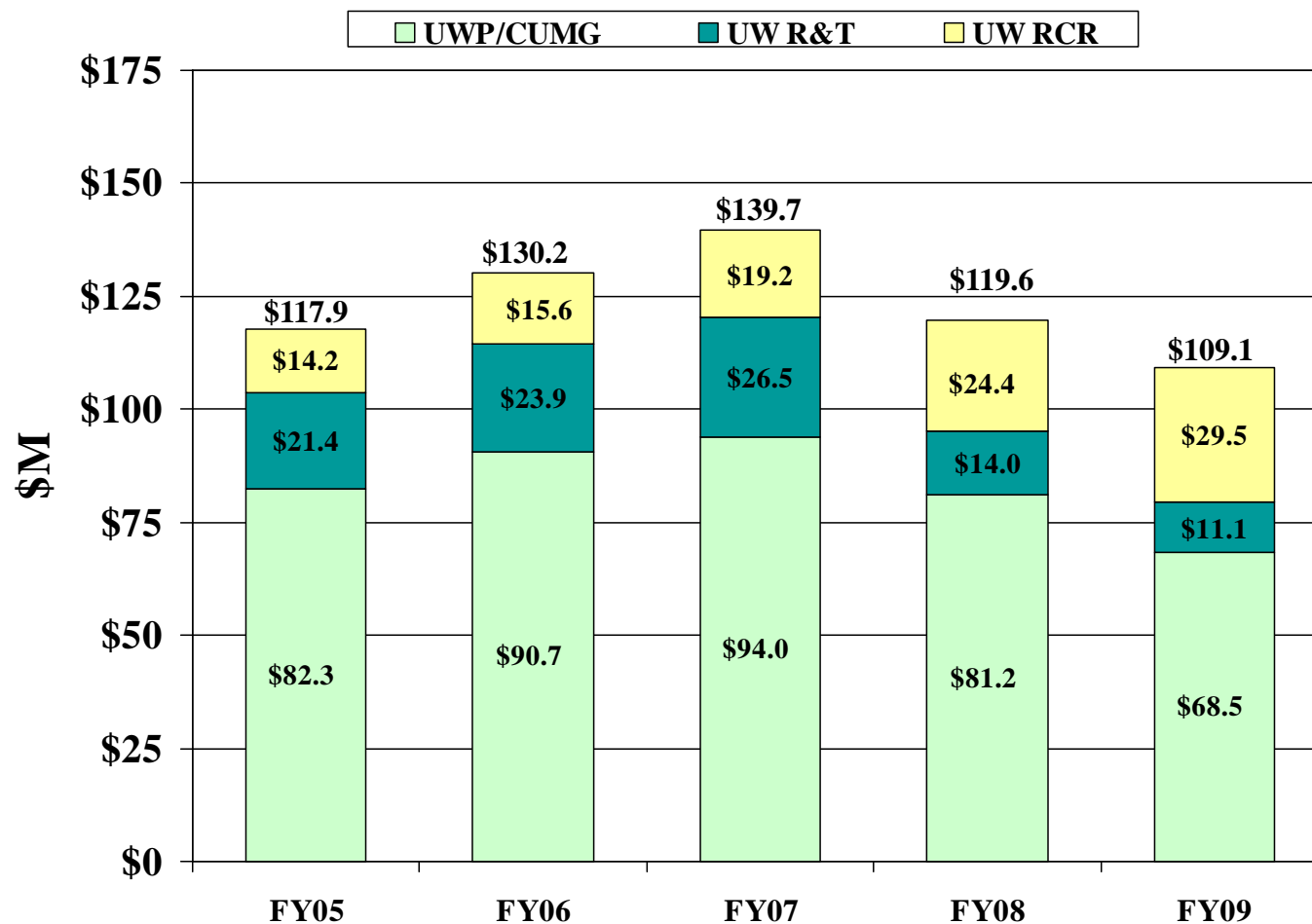
Note 6: Grant revenue is recognized to the extent of expenditures for each reporting period. As a result the ending fund balance is \$0. Unexpended grant and contract revenue is \$373M at 6/30/08 and \$427M at 6/30/09. The Global Health Department accounted for \$32M of the \$56M increase in unexpended grant and contract revenue from FY08 to FY09

Cumulative Average Growth Rate FY05-FY09 is 5.4%

Market value: \$156M of \$406M (38.5%) are under water.

327 of 594 (55%) of endowments are underwater.





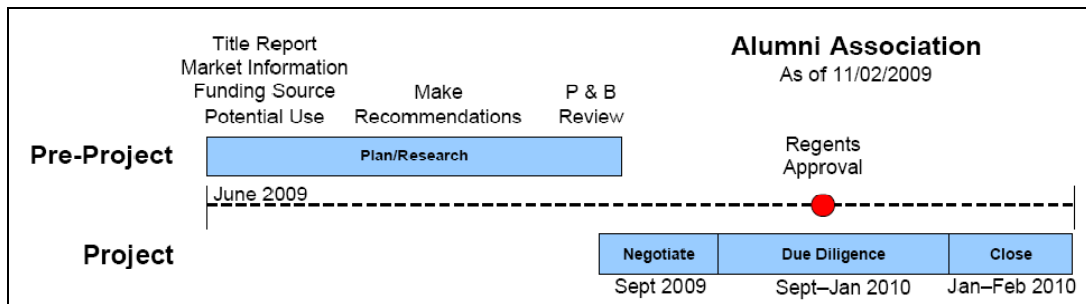
See notes on following page

Notes to R&T/RCR Reserve Balances slide:

1. UWP and CUMG reserve balances: Includes Dean's Office reserve balances, Department reserve balances and Lab Medicine payable. Excludes Hall Health payable.
2. Investment earnings/(loss) on UWP reserves were \$11.8M in FY07, (\$4.2M) in FY08 and (\$11.7M) in FY09.
3. UW R&T fund balance is mainly unspent transfers from practice plan reserves and hospital support. Includes Dean's Office and SOM Departments, excludes Hall Health R&T. Transfers from the practice plan reserves to the UW R&T accounts are made on a regular basis to fund research, training and operational activities. Balances can be carried forward from year to year, and spending can fluctuate depending on other available fund sources during the year. The decrease from FY07 to FY08 is a result of investment losses, increase in hospital A/R balances, and increase in new recruits, retention and incentives, and investment in research programs. The decrease from FY08 to FY09 is mainly investment earnings/(loss) on UWP reserves. UW accounting system is cash basis, A/R from hospitals is not recorded until received.
4. UW RCR: Prior period fund balances may change due to the biennial nature of the UW accounting system (the changes are not material). The full fiscal year allocation is posted in Q1 each year, when it is available to spend. The RCR balance declines each quarter as spending occurs. The FY09 allocation is \$37M.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Purchase of Alumni House BuildingRECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents:

1. Approve the purchase of the Alumni House property for \$1.8 million;
2. Delegate to the president or his designee the authority to execute all documents related to this transaction.

BACKGROUND:**Property Description:**

The Alumni House property, located at 1415 NE 45th Street, at the corner of NE 45th Street and 15th Avenue NE, was constructed in 1962 and consists of approximately 17,600 GSF on a site that is 7,688 SF. The building consists of 13,200 square feet of office space and 18 underground parking stalls. Current zoning is NC3-65 (Neighborhood Commercial with maximum height limit of 65 feet). The property was originally built as a faith-based student center and is currently owned by the University of Washington Alumni Association.

Purpose and Benefit:

Purchase of the Alumni House would provide additional office space at a location in close proximity to the Seattle campus. The short term use would be for occupancy by University programs, with the long term use being potential development opportunity. This property is located across the street from the campus and the 4545 building, which is currently occupied by UW Technology.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Purchase of Alumni House Building (continued p. 2)

Purchase of Real Estate:

The Purchase and Sale Agreement for the Alumni House contains the following essential business terms:

- Seller: University of Washington Alumni Association
- Purchase Price: \$1,800,000
- Closing Date: No later than February 28, 2010
- Contingencies:
 - UW approval of property condition
 - UW approval of title report
 - Board of Regents and HEC Board approval

Property Condition:

A building condition assessment has been completed and the purchase price reflects items noted in that assessment. Phase 1 environmental assessment has been completed and only minor issues were noted. Phase 2 environmental assessment may be undertaken; if so, results will be used to determine waiver of contingency on property condition. The building is not on local, state or federal historic registers.

Financing Plan:

There will be no financing on this transaction. The purchase price will be paid with UW funds at closing. Typical closing costs are expected.

Interim Management Plan:

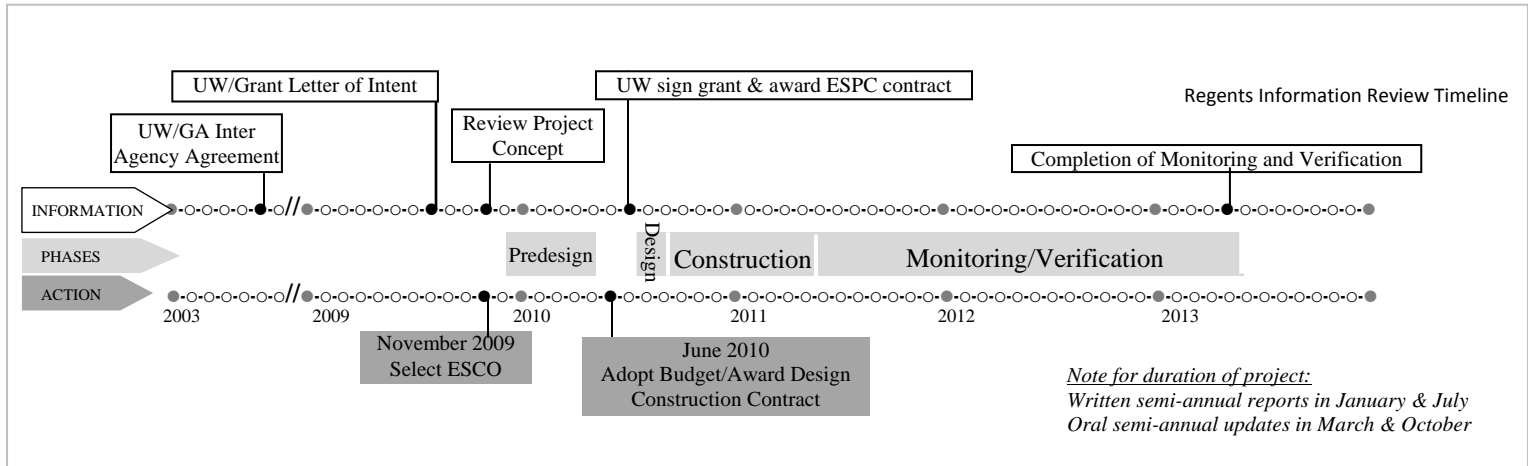
The University is currently evaluating potential occupants for this building and the Real Estate Office will manage the occupancy. The University's Facilities Services Office will handle the maintenance and operation of the building, and those costs will be factored into the occupancy costs for the tenants.

REVIEW & APPROVAL:

Purchase of the Alumni House Building has been reviewed and recommended for approval by the Senior Vice President, the Vice Provost, Planning & Budgeting, the Associate Vice President, Treasury, and the Director of Real Estate.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Smart Grid Project – Review Project Concept and Select Energy Services ContractorRECOMMENDED ACTION:

The purpose of this presentation is to provide background information about the UW's role in the Pacific Northwest Smart Grid Demonstration Project and to request approval of the use of McKinstry Essention as an Energy Services Contractor (ESCO) for the project. We will return in June 2010 at the completion of the Directed Engineering Study (DES) to present project final project scope, budget and funding plan and request approval to proceed with the project.

BACKGROUND:

This project supports a federal American Recovery and Reinvestment Act grant application to the Department of Energy (DOE) known as the "Pacific Northwest Smart Grid Demonstration Project". The Battelle Memorial Institute is the lead applicant submitting for this grant. If the grant is awarded in December 2009, the UW will be a sub-award grantee to the application and will participate as one of 13 regional "Demonstration Test Sites".

PROJECT OBJECTIVES AND SCOPE:

The Pacific Northwest Smart Grid Demonstration Project objective for the UW Smart Grid project is to create a smart micro grid for a non-utility owned electricity grid. The smart micro grid will:

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Smart Grid Project – Review Project Concept and Select Energy Services Contractor (continued p. 2)

- 1) Install meters and equipment to accumulate energy consumption from two dorms totaling at least 500 rooms and two academic or research buildings to enable active management at end uses and investigate demand response opportunities.
- 2) Standardize and modernize campus building energy management infrastructure. Upgrade existing electrical building meters to smart meters on up to 200 Seattle campus building. Tie building electric meters, 33 building management systems and 12 building lighting systems together on a common communications platform and facility manager-user interface.
- 3) Install software to demonstrate the feasibility of integrating the campus central boilers, central chillers, and electrical generators into the campus wide smart grid metering network.
- 4) Install smart grid metering technology into two UW owned 26kV substations that feed the Seattle campus.
- 5) Scope items 1 through 4 provide an integrated smart metering test site to address two critical concepts potentially limiting smart grid technology
 - a) the interface to the end users
 - b) system security, especially micro grid security.

CONTRACTING STRATEGY:

We are requesting approval to award a DES contract to McKinstry. If the DOE grant is awarded and the DES identifies a cost effective scope of work, then we will return with a request to sign a contract with McKinstry to design and construct the UW grant scope of work.

RCW Section 39.35C authorizes the UW either on its' own or through the Department of General Administration (GA) to use Energy Savings Performance Contracting (ESPC) as the preferred method to implement energy saving projects in the State.

In June 2003, the UW established an Inter-Agency Agreement with GA to utilize the ESPC program for state facilities. The GA ESPC program provides a means to install energy conservation measures in publically owned facilities with capital outlay provided through a loan secured by future energy savings. The GA maintains a register of ESCO contractors and provides assistance to state agencies in procuring ESPC services. In September, 2003 the GA advertised for an ESCO to provide ESPC services on the UW campus. McKinstry was selected for the UW ESCO contract.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Smart Grid Project – Review Project Concept and Select Energy Services Contractor (continued p. 3)

McKinstry, established in Seattle in 1960, is a full-service mechanical and electrical design and contracting firm with over 1,600 employees. McKinstry has the expertise and capability to deliver consulting, construction, and energy management services. McKinstry has successfully completed a number of projects at the UW, Seattle campus, including the Chemistry Building ESCO and UW Tower Lighting ESCO.

PROJECT SCHEDULE:

June 2003	UW and GA sign Inter Agency Agreement to perform ESPC contracts
Aug 2009	UW signs letter of intent with Battelle Memorial Institute to participate in Pacific Northwest Smart Grid Demonstration Project
Nov 2009	UW initiates DES
Dec 2009	Notification of award of Pacific Northwest Smart Grid Demonstration Project grant to Battelle Memorial Institute
May 2010	Complete DES
Jun 2010	Regent Approval of UW participation in Pacific Northwest Smart Grid Demonstration Project
Jul 2010	UW commits to participate in Pacific Northwest Smart Grid Demonstration Project
Jul 2010	UW signs ESPC contract for design and construction
Sep 2010	Construction Start
May 2011	Construction Completion
May 2013	Completion of Monitoring and Verification

PROJECT BUDGET & FUNDING:

Project funding will come from a variety of sources. The total cost of the project is projected to be \$8.945 million. While not yet finalized, funding for the project will be supplied from the following sources. The federal grant will fund \$4,472,500. SCL will contribute \$700,000 in utility rebates and in-kind services. Spirea (software vendor) will contribute \$647,000 in-kind services, McKinstry will contribute \$560,000 in in-kind services. The UW will contribute \$831,000 in in-kind services and will finance \$1,734,500 through the State Treasury Lease Purchase Program. Repayment will be provided by ESCO savings.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Smart Grid Project – Review Project Concept and Select Energy Services Contractor (continued p. 4)

UW Smart Grid Budget/Funding Breakdown			
Category	Cost	Contingency	Total
1. Project Management	TBD	TBD	TBD
2. Design	TBD	TBD	TBD
3. Construction	TBD	TBD	TBD
4. Monitoring and Verification	TBD	TBD	TBD
TOTAL	TBD	TBD	\$8.945M

PROJECT RISKS:

Dominant risks for the Smart Grid project at the grant application stage are in the formation of relationships with grant partners and partner performance after a deal is struck.

The UW quickly identified and applied for this grant in order to meet DOE deadlines. While the concept of the project is outlined in the grant application, a number of detailed grant partner relationships have to be negotiated in order to proceed if the grant is successful.

It is the University's intention to use its existing ESCO relationship with McKinstry which was set up through the GA ESPC program, to design and build the majority of the project. The UW is currently investigating whether the GA ESPC contract meets federal purchasing requirements. If the GA ESPC program does not meet the requirements, the UW is only committed to pay for the DES which is a cost of \$117,000.

The DES has not yet been conducted. The DES will specify expected energy savings and total cost of the project. The UW is counting on finding sufficient energy savings through the audit to pay the financing of the project through the State Treasury Lease Purchase Program. The energy rebates anticipated from SCL are also dependent upon the energy savings achieved after the project is installed. The UW carries the risk that the SCL program will remain the same during the design and construction period and that rebates will ultimately be funded.

After a grant award, performance of other partners to supply in-kind services may affect the total liability of the UW.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

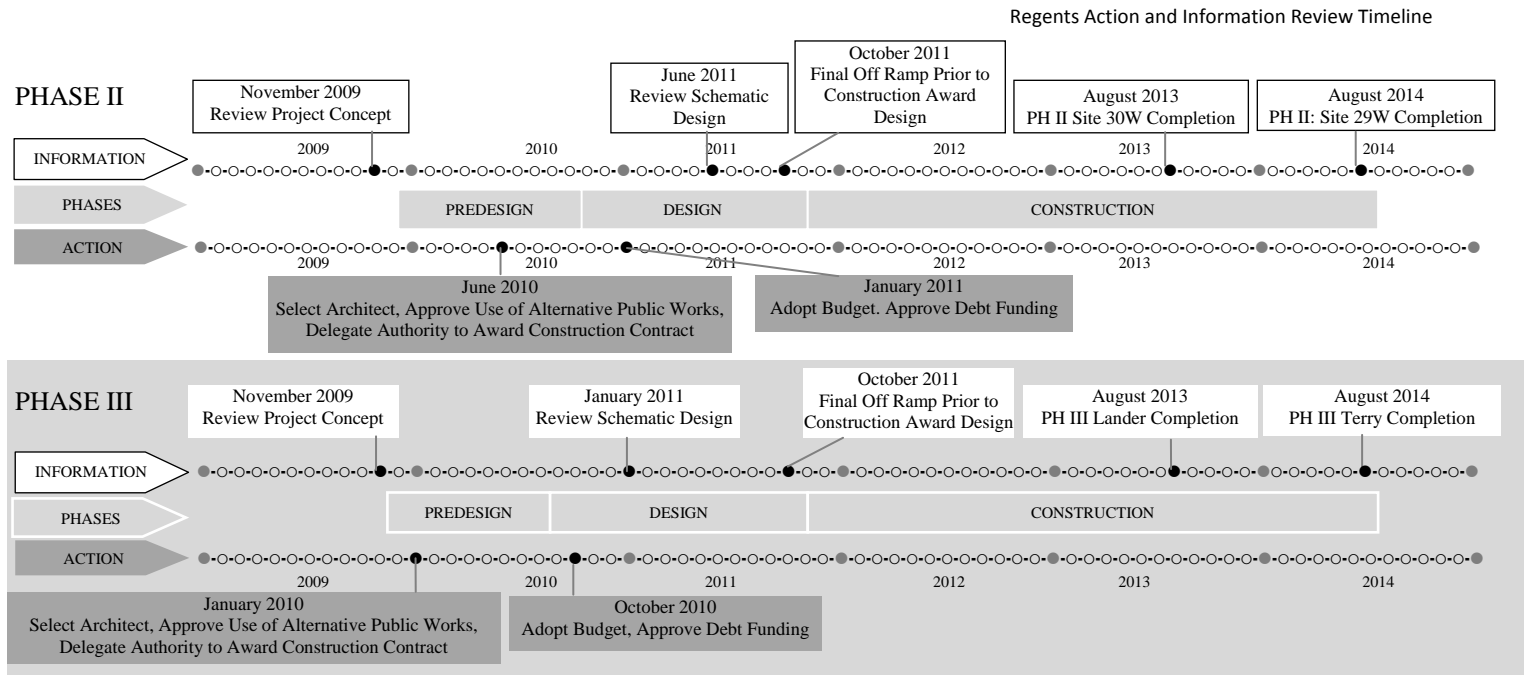
Smart Grid Project – Review Project Concept and Select Energy Services Contractor (continued p. 5)

A more detailed risk analysis will be performed during the DES and the above mentioned risks will be fully identified and addressed before the project requests full Regent approval in June 2010.

In the event that Battelle Memorial Institute is not awarded the Pacific Northwest Smart Grid Demonstration Project, the UW has included study of a much smaller project in the scope. This smaller scope would be limited to installation of electric meters, communications system and low cost energy savings measures that will be adequate to fund the DES and smaller project through a State Treasury Lease Purchase Program. If the ESCO cannot identify a smaller project that can be paid through the State Treasury Lease Program, then there will be no charge for the DES to the UW.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Housing & Food Services (HFS) Master Plan Phase II and III Update

Note for duration of project: written semi-annual reports in January & July, oral semi-annual updates in March & October

INFORMATION:

Housing and Food Services (HFS) plans to optimize the implementation of the Housing Master Plan (HMP) by accelerating the renovation schedule for existing residence halls by one year and adjusting the order in which buildings are removed from service for renovation. The revised implementation plan levels the change in the number of bed spaces from one year to the next and does not change the overall number of beds.

The differences in the revised implementation plan are shown in Attachment A, which compares the revised plan with the version incorporated in the April 2009 Phase I credit report in a timeline perspective (calendar year basis). Attachments B and C compare the revised plan with the version presented to the Board in May 2009 in a bed-count perspective (fiscal year basis).

The revised plan will not incur debt above the level outlined in the Housing Master Plan and is expected to ease financial risk by reducing the dramatic shifts in overall on-campus bed count associated with the earlier implementation plan.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Housing & Food Services (HFS) Master Plan Phase II and III Update (continued p. 2)

As with Phase I of the Housing Master Plan, HFS will work with the Treasury Office in conducting a detailed financial analysis of the revised implementation plan and incorporating project off-ramps at appropriate points in the implementation schedule for risk management purposes. Project construction will continue to be phased in and Board approval will be secured for each construction phase. HFS will also work closely with the University's Capital and Space Planning Office to ensure alignment with comprehensive institutional capital planning priorities.

Though the revised plan compresses implementation by up to two years, it does not preclude HFS from exercising existing project scheduling flexibility in response to situational adversity. In the short term, new apartment construction on sites 29 and 30 (scheduled for construction in the 2013-2014 timeframe) could be postponed, resulting in an extension of the entire Housing Master Plan for an additional one year. In the longer term, Phase IV (adding a total of 1,000 apartment-style beds beginning in 2015) could be postponed indefinitely, since these beds are not needed to support the renovation of existing residence halls. In any event, construction on Phases II and IV will be guided by demand and financial feasibility in order to avoid excess capacity in the student housing system.

FUTURE BOARD OF REGENTS ACTION

The revised implementation plan requires Board approval of architect selection, use of alternative public works (GC/CM), and delegation of authority to award the construction contract for Lander and Terry residence halls in January 2010. Renovation of Lander Hall is expected to begin in mid-2012; renovation of Terry Hall is expected to begin a year later. HFS plans to employ the services of a single architect for both projects in order to capture full financial benefit in this development activity. HFS will use existing reserves to fund the initial design phase, which is estimated to cost approximately \$1.5 million.

Project budget approval for Terry-Lander, along with a project financing plan, is currently expected to be brought before the Board in October 2010, following the completion of a detailed credit analysis to be performed jointly with the Treasury Office. The financing plan for Terry-Lander will include the identification of off-ramps for both projects and will coincide with the October 2010 reporting date for the second set of off-ramps for the Housing Master Plan's Phase I that was approved by the Board in May 2009.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Housing & Food Services (HFS) Master Plan Phase II and III Update (continued p. 3)

HFS expects to seek Board approval of architect selection, use of alternative public works (GC/CM), and delegation of authority to award the construction contract for Phase II in June 2010. Project budget approval for Phase II, along with a project financing plan, is currently expected to be brought before the Board in January 2011, again following the completion of a detailed credit analysis to be performed jointly with the Treasury Office.

Attachments:

Attachment A – HFS HMP Timeline Comparison

Attachment B – Previous Schedule from Regents May 2009 Meeting

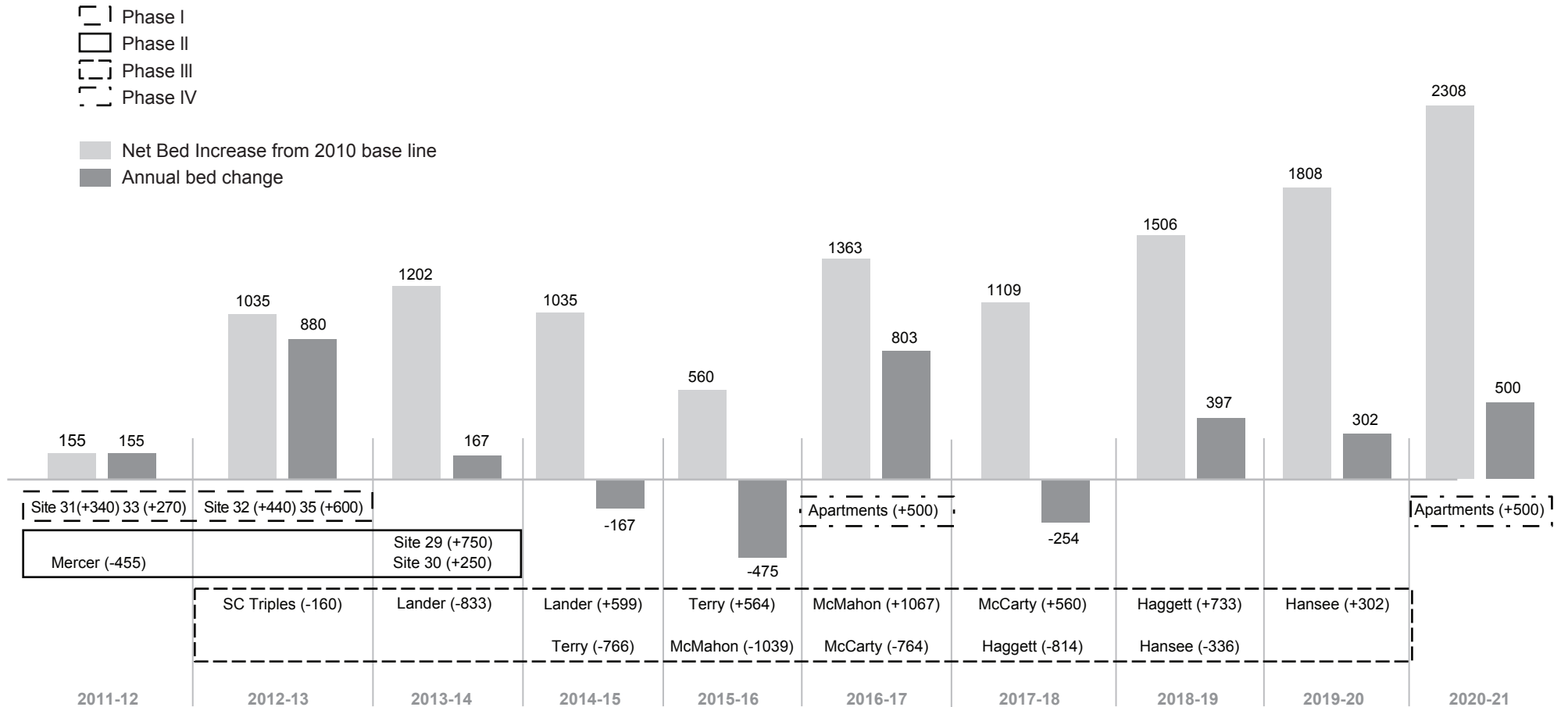
Attachment C – Proposed Schedule with Phase II Revisions

HFS HMP Timeline Comparison

<u>Project phasing in HFS Phase 1 credit report (April 2009)</u>		Apartment (31)		Residence Hall (33)		Residence Hall (32)		Residence Hall (35)		Mercer Demolition		Apartment (29)		Apartment (30)		Lander (Renov)		Terry (Renov)		McMahon (Renov)		Apartment A		McCarty (Renov)		Haggett (Renov)		Hansee (Renov)		Apartment B	
<u>Begin construction:</u>		2010	2010	2010	2010	2011	2011	2011	2011	2012	2012	2012	2012	2012	2012	2013	2013	2014	2014	2015	2015	2015	2015	2016	2016	2017	2017	2018	2018	2019	2019
<u>Phase:</u>		1	1	1	1	1	1	1	1	2	2	2	2	2	2	3	3	3	3	3	3	4	3	3	3	3	3	3	3	4	4
<u>Calendar year:</u>		2010		2010		2011		2011		2012		2012		2012		2013		2014		2015		2015		2016		2017		2018		2019	

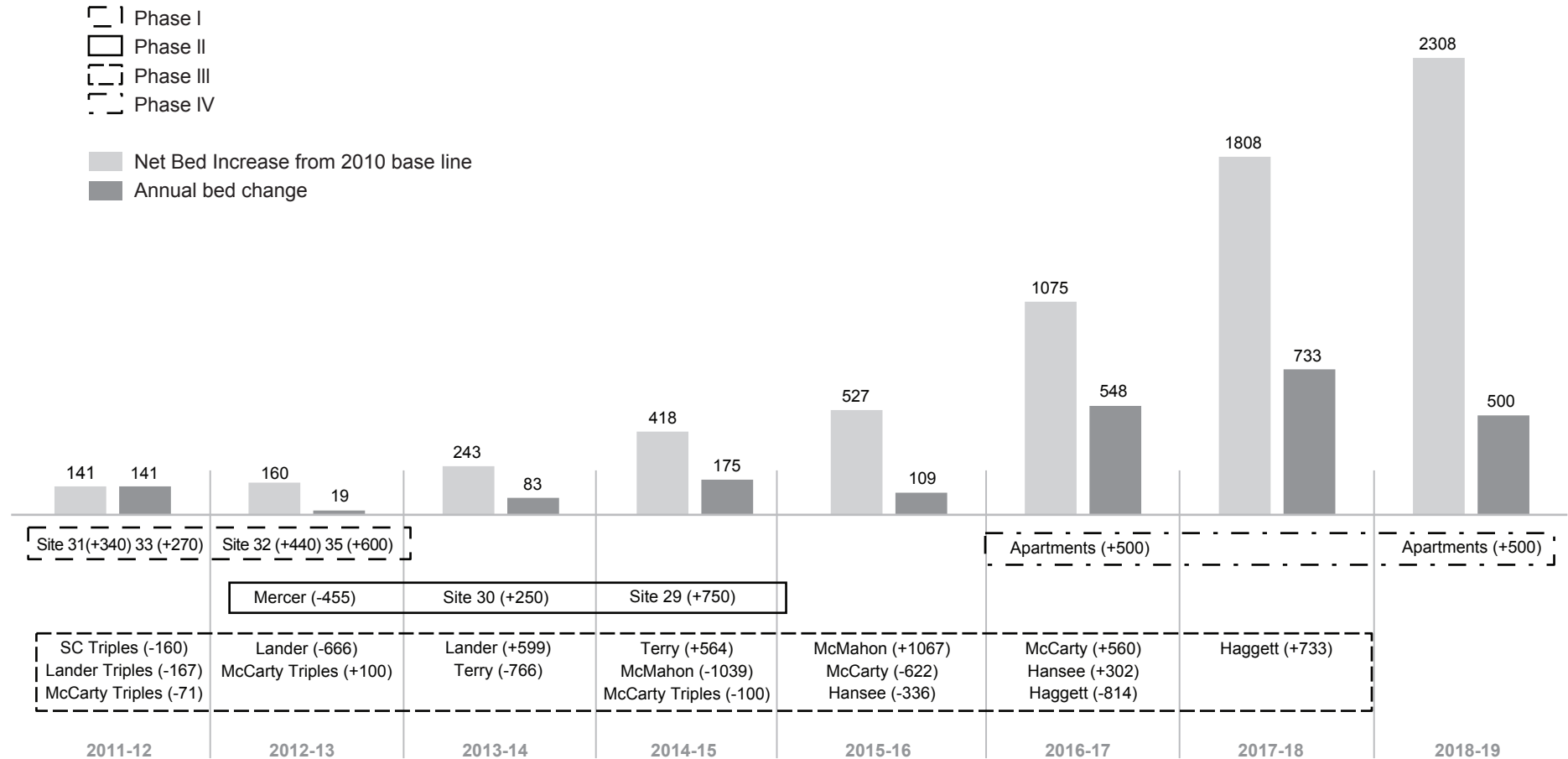
<u>Adjusted project phasing for HFS Phase 2 forward (November 2009)</u>		Apartment (31)		Residence Hall (33)		Residence Hall (32)		Residence Hall (35)		Mercer Demolition		Apartment (29)		Apartment (30)		Lander (Renov)		Terry (Renov)		McMahon (Renov)		McCarty (Renov)		Hansee (Renov)		Apartment A		Haggett (Renov)		Apartment B	
<u>Begin construction:</u>		2010	2010	2010	2010	2011	2011	2011	2011	2012	2012	2012	2012	2012	2012	2012	2013	2013	2014	2014	2015	2015	2015	2015	2016	2016	2017	2017	2017	2017	2017
<u>Phase:</u>		1	1	1	1	1	1	1	1	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3	3	3	3	3	3	4	4
<u>Calendar year:</u>		2010		2010		2011		2011		2012		2012		2012		2013		2014		2015		2015		2016		2017		2018		2019	

Previous Schedule from Regents May 2009 Meeting



Attachment B

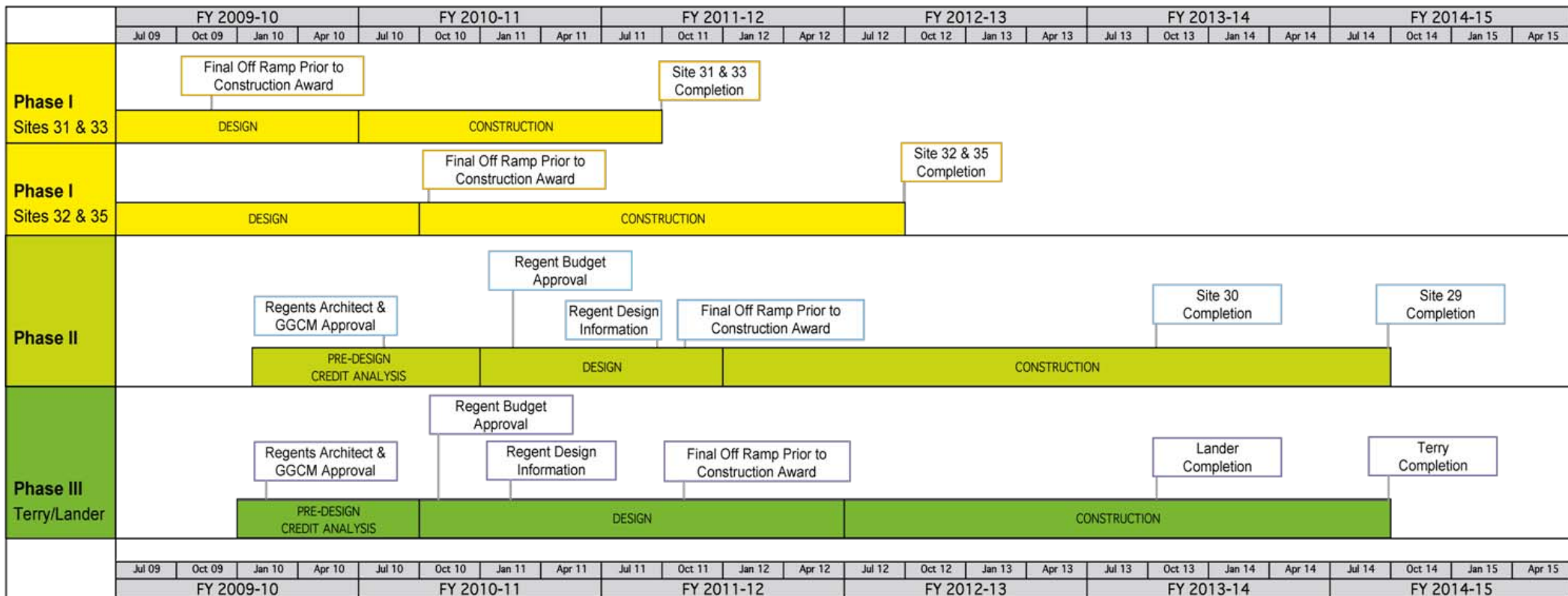
Proposed Schedule with Phase II Revisions



Attachment C

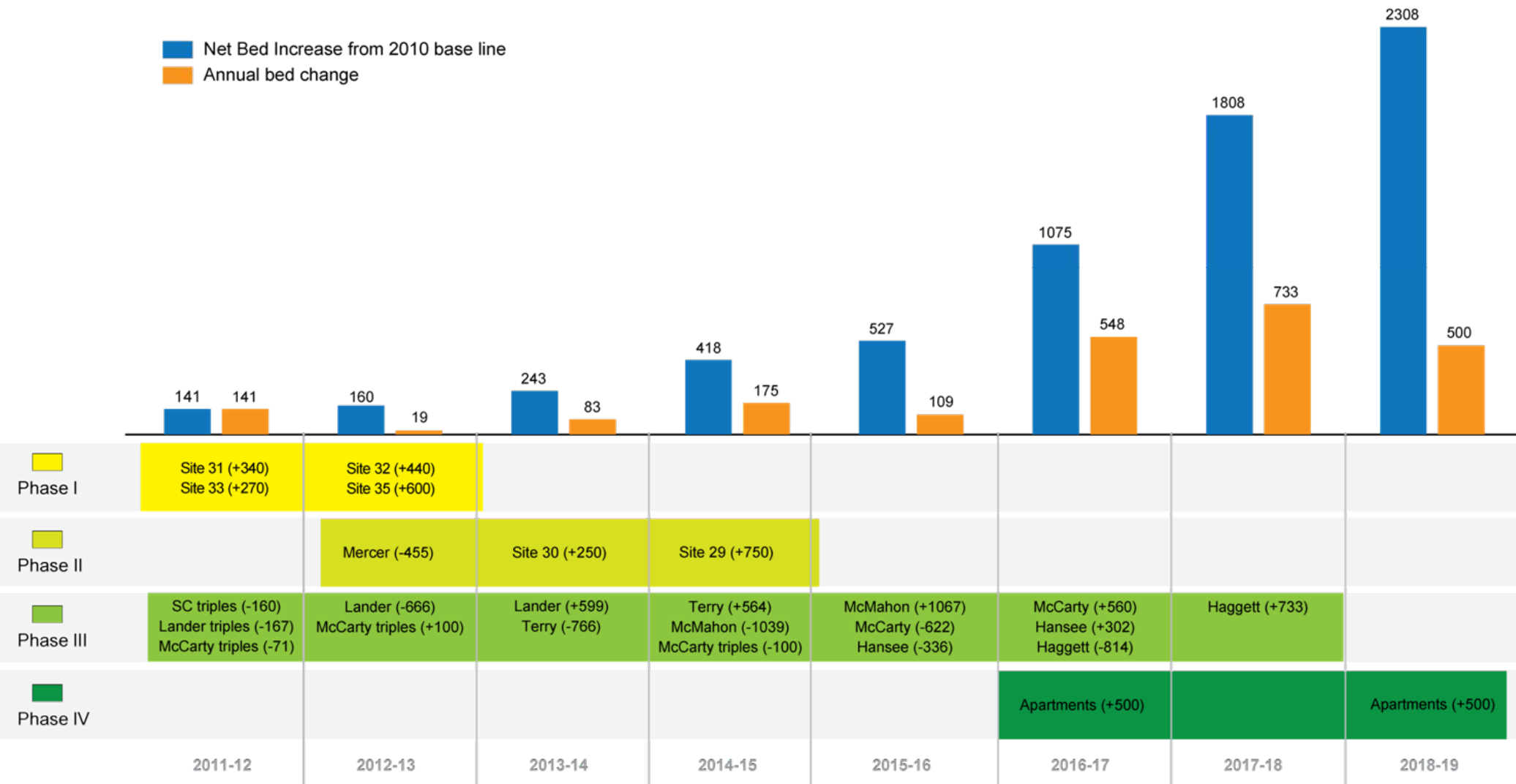


Housing Master Plan Timeline



Proposed Schedule with Phase II Revisions

■ Net Bed Increase from 2010 base line
■ Annual bed change



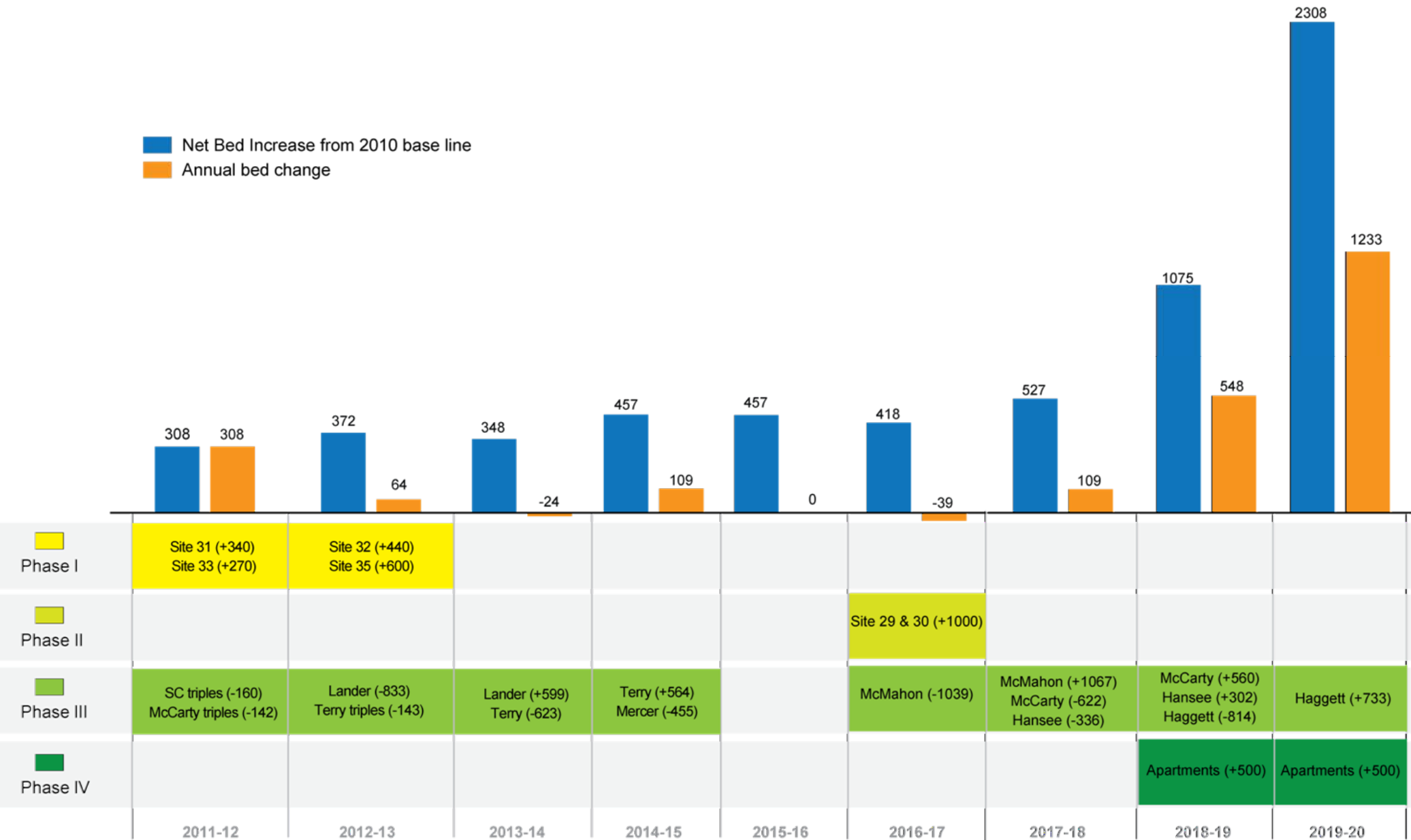
Previous Schedule from Regents May 2009 Meeting



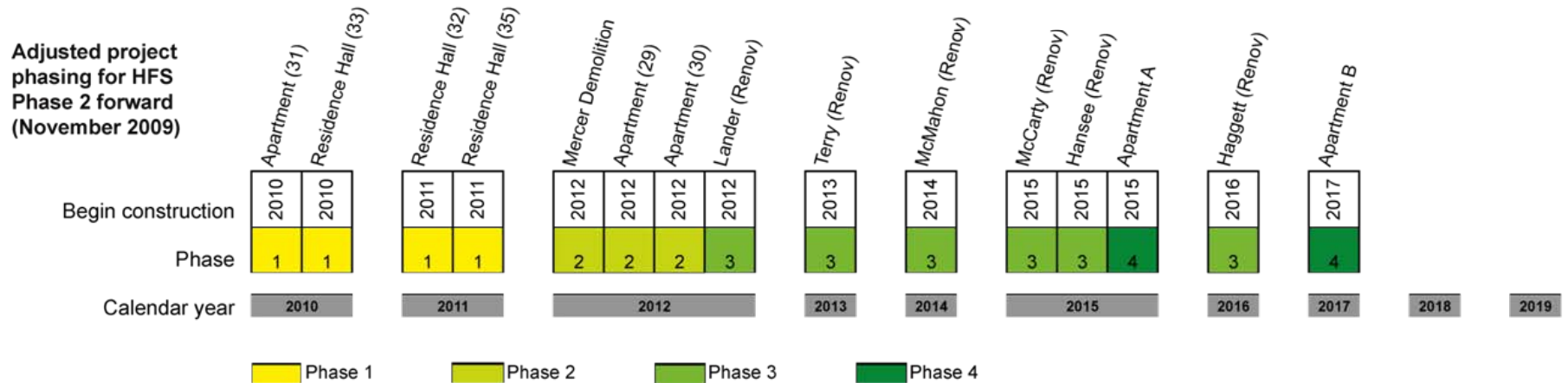
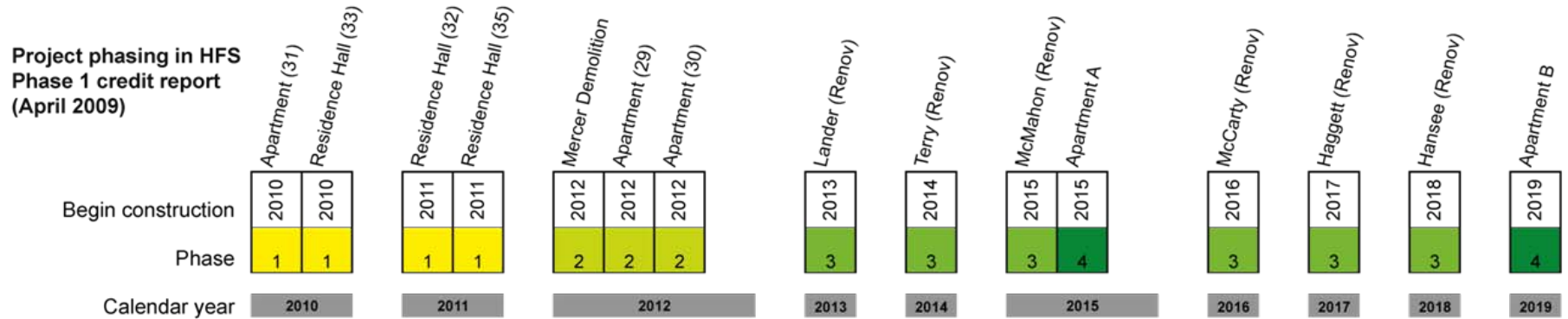
Lander in 2013 / Site 29 & 30 in 2016

Secondary Option

■ Net Bed Increase from 2010 base line
■ Annual bed change



HFS HMP Timeline for 11-09 Regents



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Internal Lending Program Quarterly Report

Attachment

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

Average
Cost of
Debt
4.6%

Internal Lending Program Quarterly Report

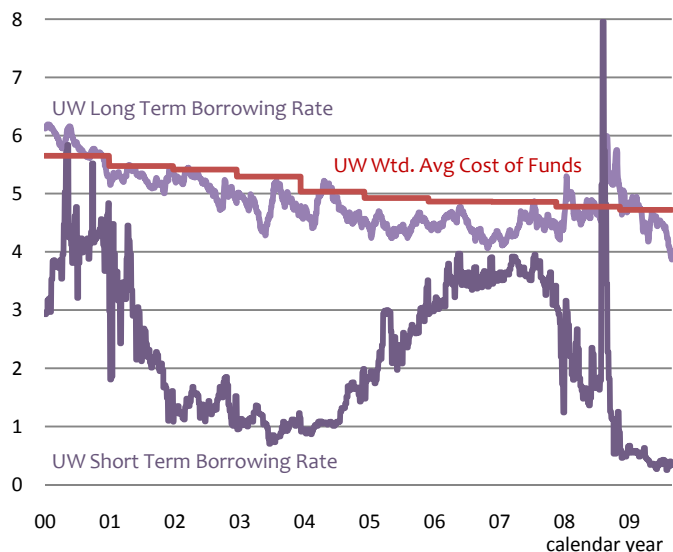
Quarter Ended September 30, 2009

(dollars in millions)

Internal
Lending
Rate
5.5%

Interest Rates

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



External Borrowing

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

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

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

Internal Lending

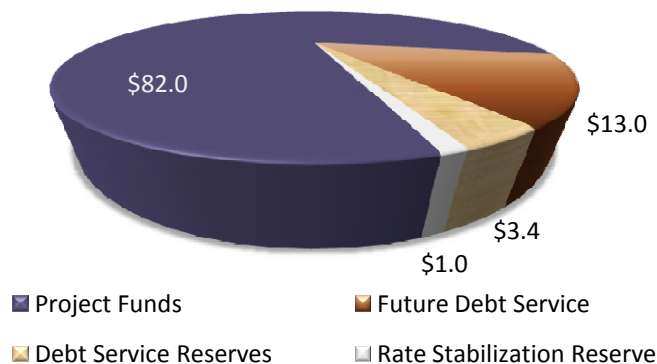
Projects approved in the prior quarter were the HUB, ECC, & Hall Health for a total of \$155 million. Of the \$26 million funded from Internal Loans, \$18 million was for UWMC expansion.

	As of 6/30/09	FY10	Total
Approved Project Budget			
Internal Loans	501	140	641
Cash	111	15	126
Total Approved Budget	612	155	767
Capital Expenditures Funded to Date			
Internal Loans	20	26	46
Cash	54	18	72
Total Funded to Date	74	44	118

Cash Position

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

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

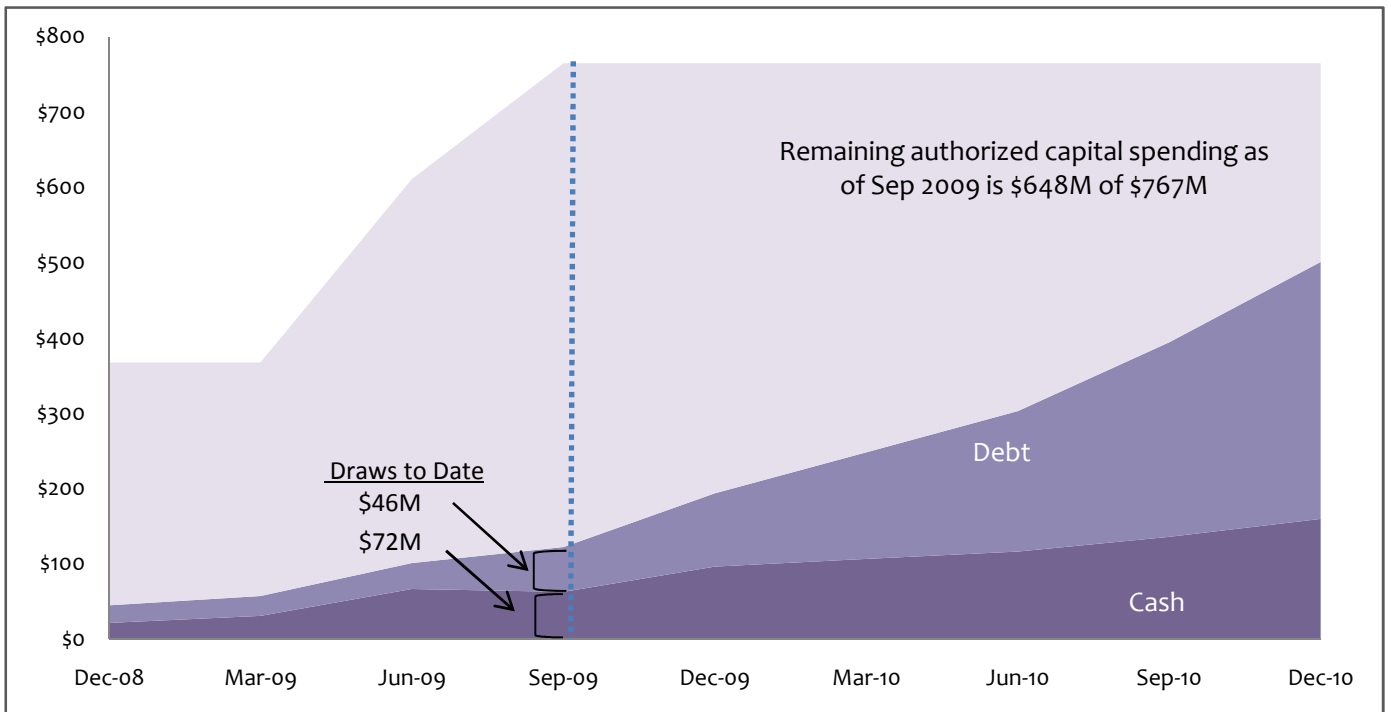


Internal Lending Program - Approved Funding

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

* Note: approved under delegated authority.

Project Funding By Source - Actual and Projected



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Capital Plan Overview

For information only. Materials will be distributed at the meeting.

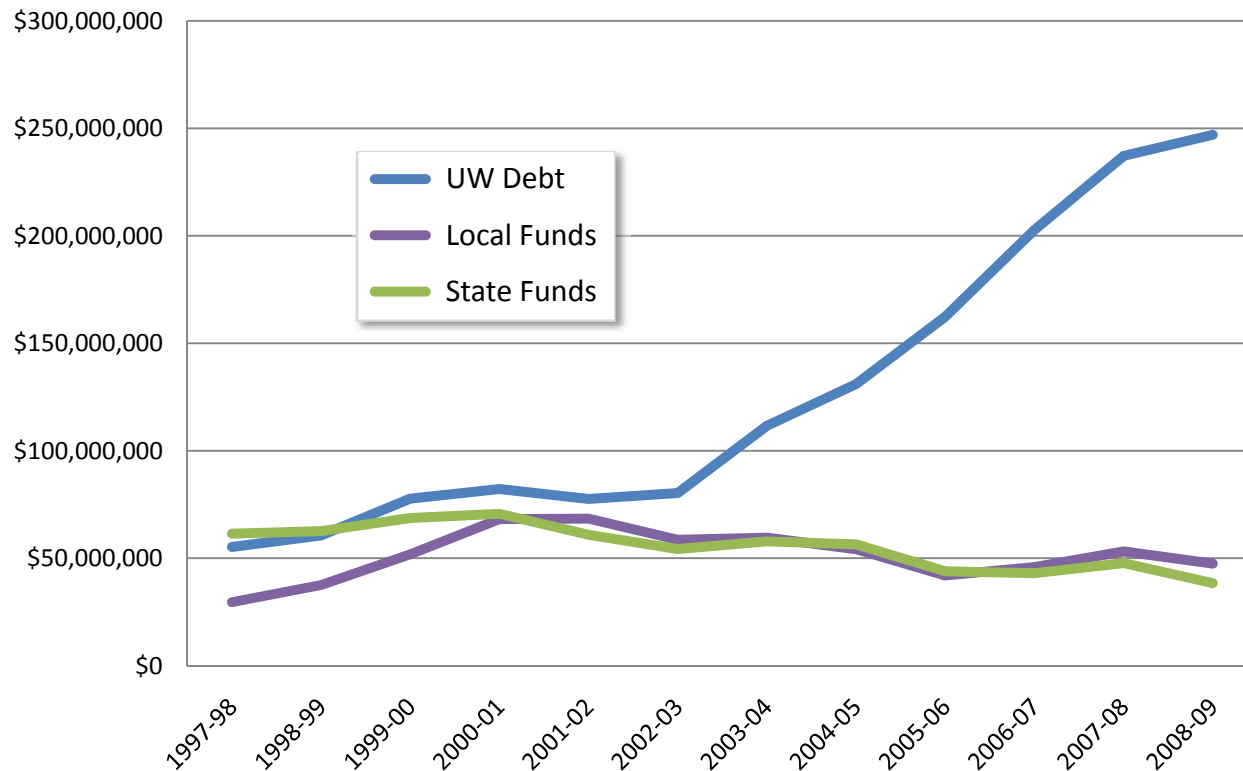
Capital Plan 2011-2021

University of Washington
Office of Planning & Budgeting

November 19, 2009 – For Discussion

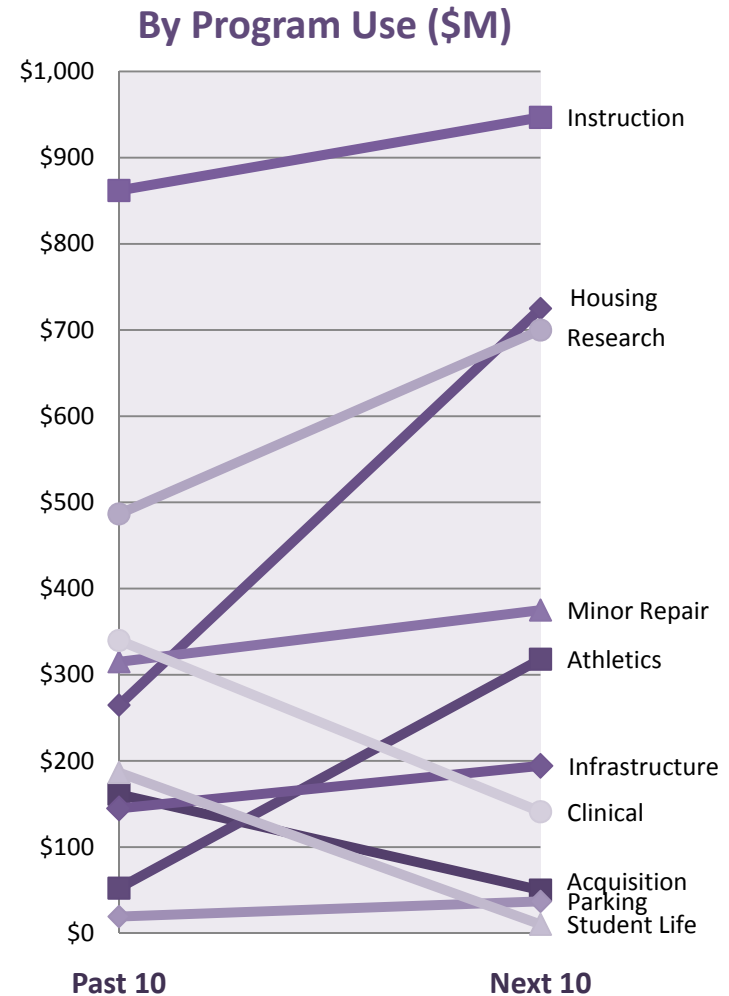
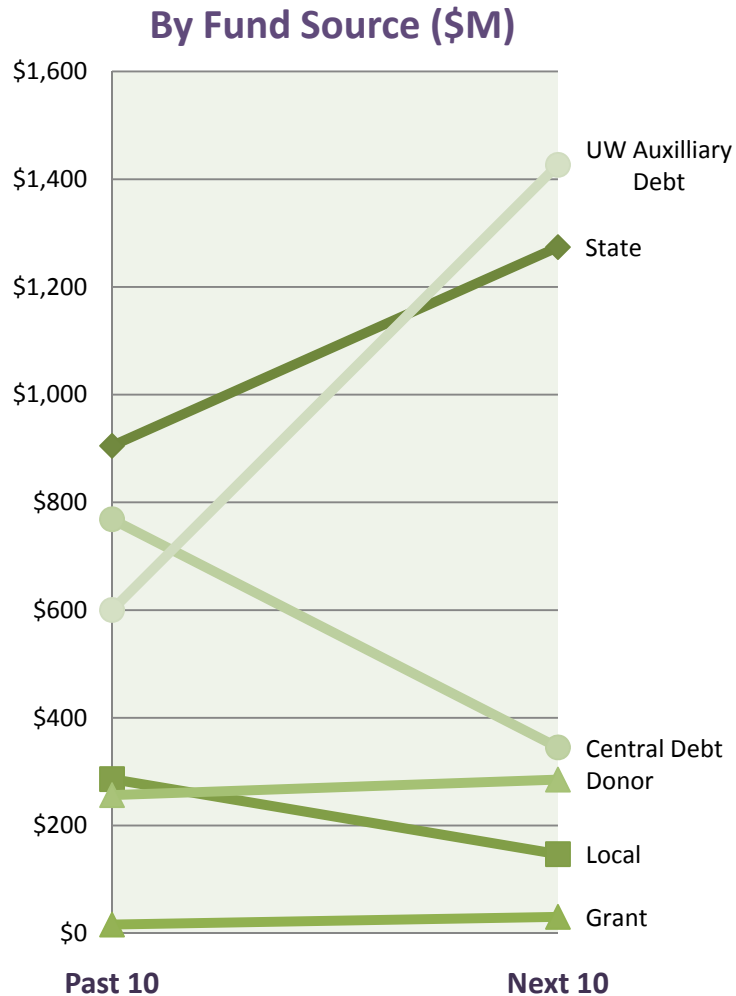
Capital Funding Trend

Moving Average – 1997 to 2009

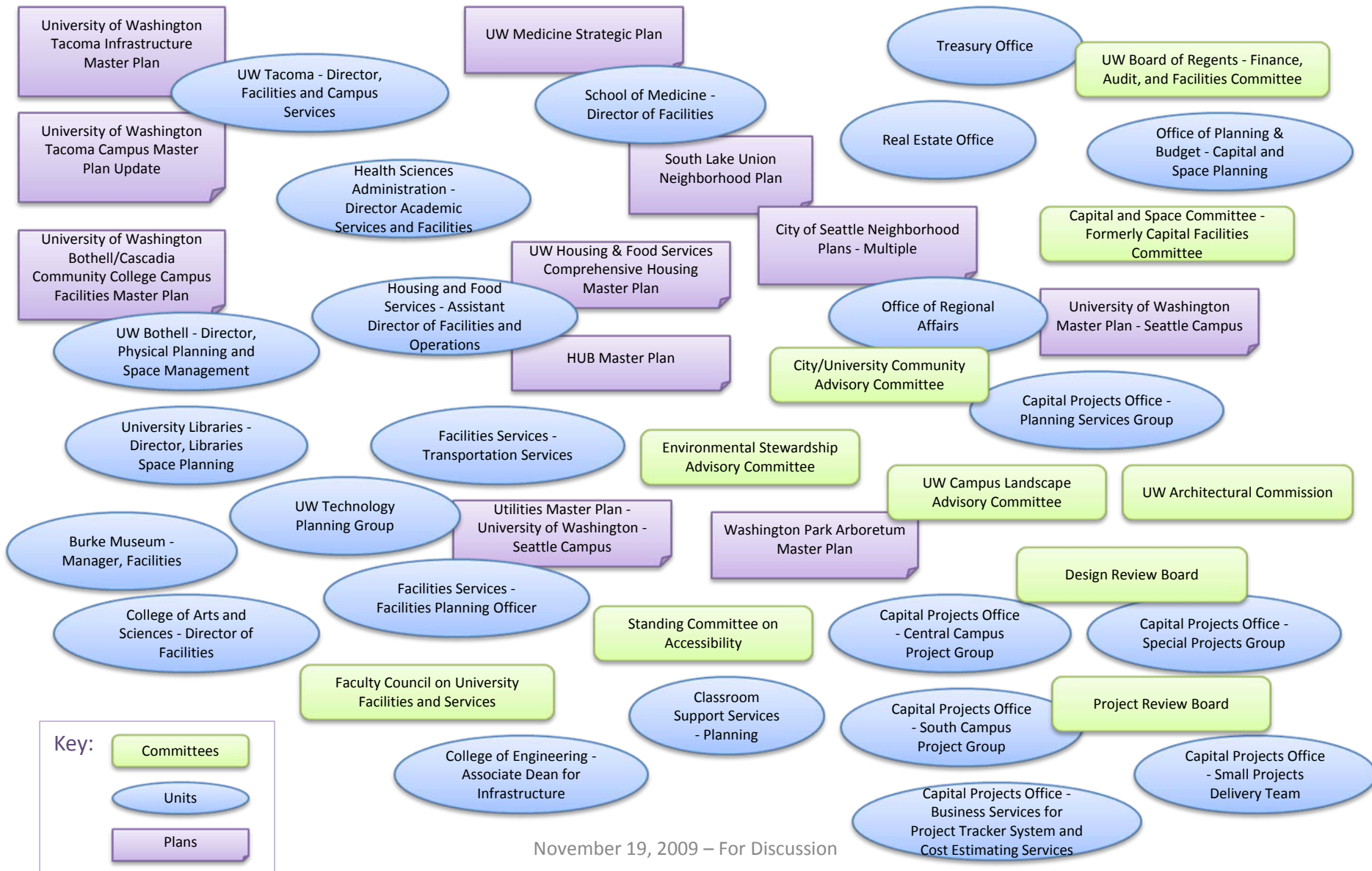


Capital Investment

\$3.6 Billion list of requested projects



Many Plans



One Capital Plan for our Future

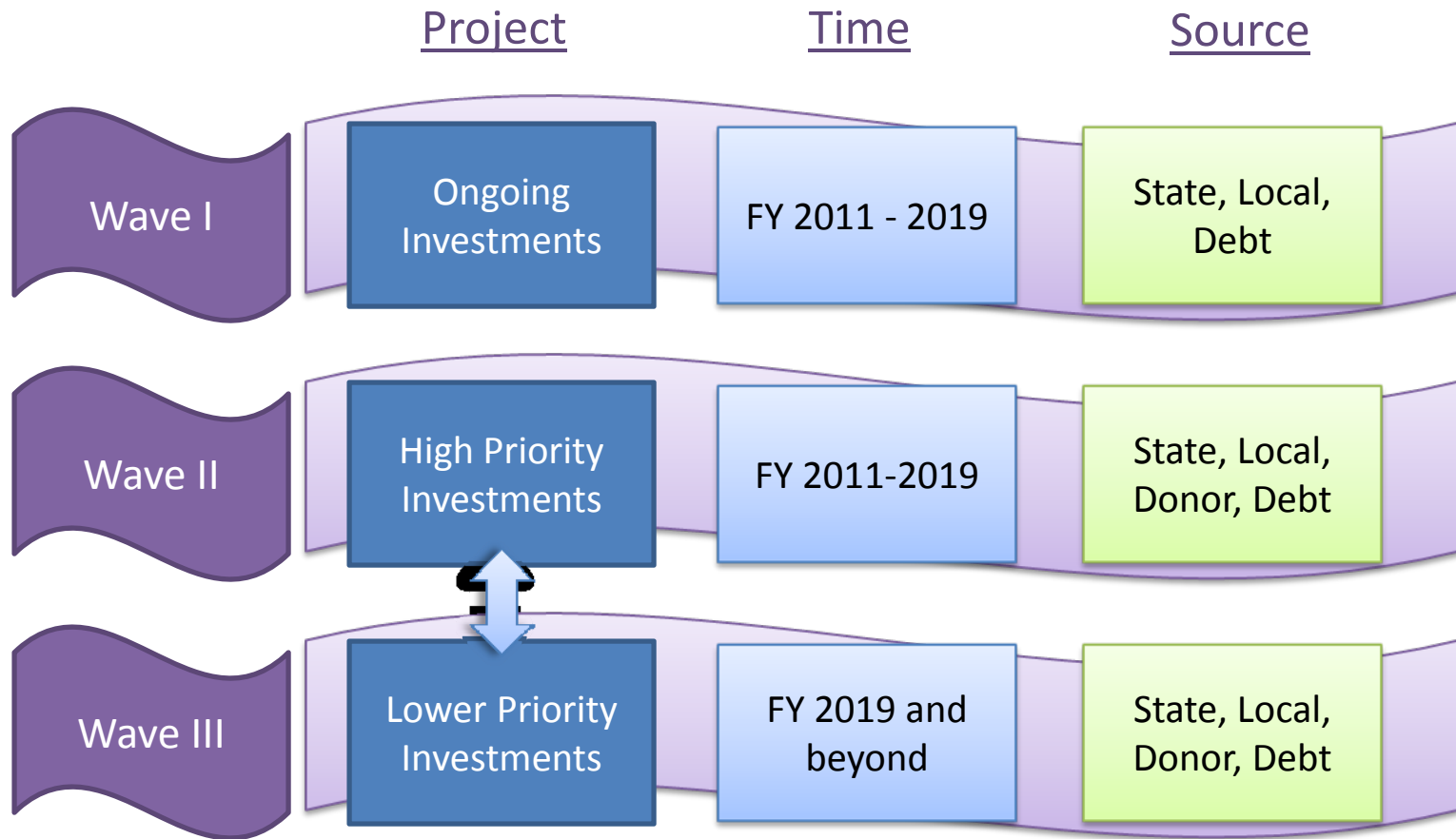
**To sustain our competitive position as a great research university –
there is no status quo.**

To energize/focus our collective strength to build our future together.

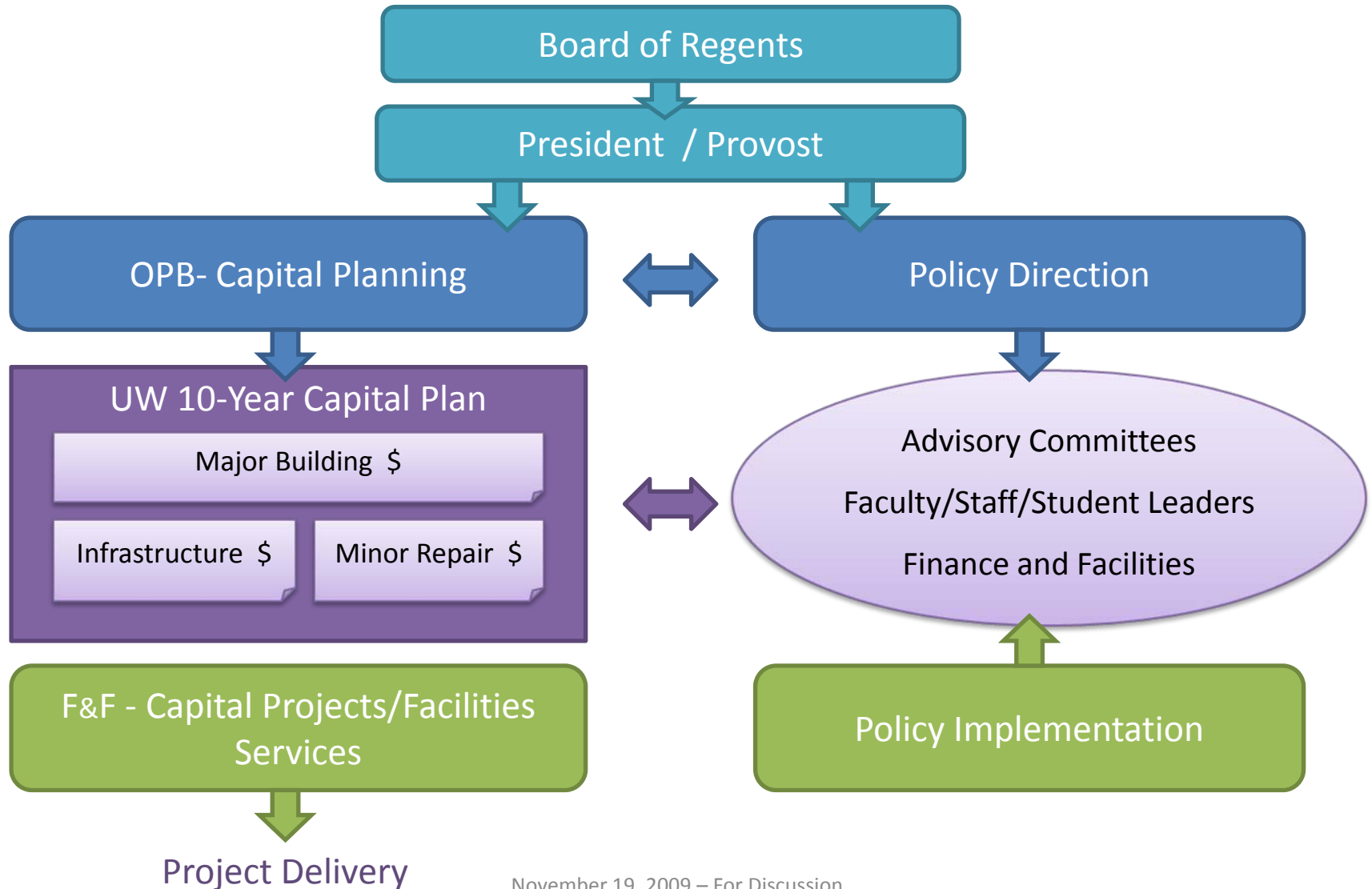
To enhance our financial viability - by achieving more with less.

**To support our mission by creating great and inspired places which
sustain our communities each day.**

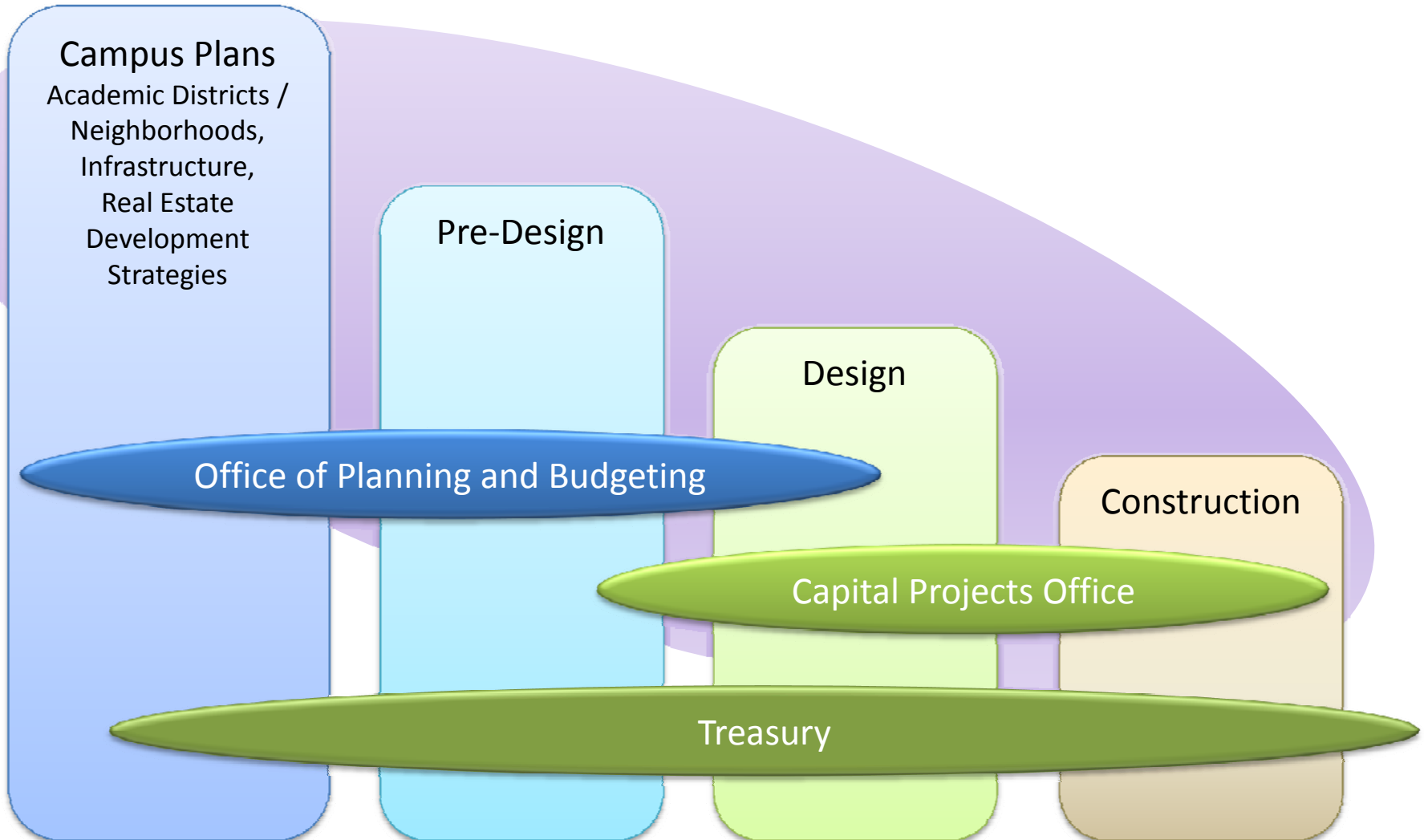
One Capital Plan



One Capital Plan



One Capital Plan



Lean Capital Plan Process

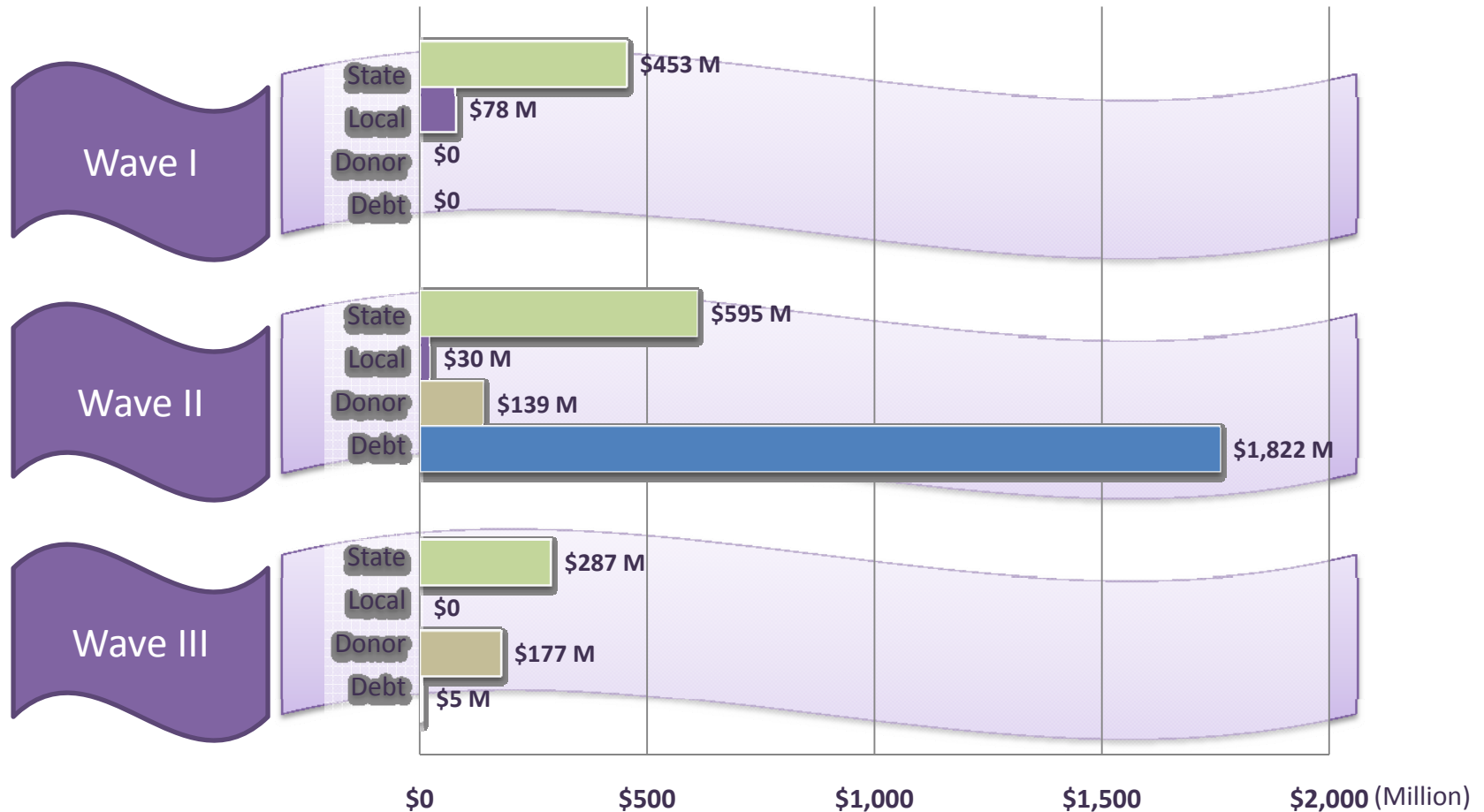
Balance great creativity at the beginning - with extreme economy in the execution.

Committees become truly advisory at early stages of work.

More concurrency and urgency; more fluid planning and design.

Office of Planning and Budgeting provides planning leadership.

Summary of Requested Projects (Potential Fund Sources - \$3.6 Billion Total)



List of Requested Projects Identified to Date

University of Washington
Office of Planning & Budgeting

November 19, 2009 – For Discussion

\$ in Thousands (,000)

Requested Projects		Potential Expenditures					Potential Capital Sources						
Project Name		Planned Thru Jun-11	FY 2011-2015	FY 2015-2019	FY 2019-2021	Total Project Projection	Cash Funds				Debt		
							State Appropriated Funds	UW Local Funds	Grant Reimburse- ment Funds	Donor Funds	Building Account (State appropriated)	Central Supported Debt	UW Auxiliary Supported Debt
Wave I	UW Health / Life Sciences Plan	-	450	-	-	450	-	450	-	-	-	-	-
	UW Seattle West Campus Eco-District Plan	-	250	-	-	250	-	250	-	-	-	-	-
	UW Seattle Master Infrastructure Plan	-	250	-	-	250	-	250	-	-	-	-	-
	UW College of Engineering Precinct Plan	-	100	-	-	100	-	100	-	-	-	-	-
	UW College of Arts & Sciences Precinct Plan	-	100	-	-	100	-	100	-	-	-	-	-
	Major Infrastructure Upgrade Projects	-	16,000	16,000	8,000	40,000	40,000	-	-	-	-	-	-
	Minor Capital Repair - Infrastructure and Program Improvements	65,000	150,000	150,000	75,000	440,000	413,000	27,000	-	-	-	-	-
	Minor Strategic Real Estate Acquisitions	-	20,000	20,000	10,000	50,000	-	50,000	-	-	-	-	-
Subtotal Wave I		65,000	187,150	186,000	93,000	531,150	453,000	78,150	-	-	-	-	-

Wave II	Anderson Hall (Restore the Core)	200	24,050	-	-	24,250	24,250	-	-	-	-	-	-
	Biological & Environmental Sciences Building	-	80,000	40,000	-	120,000	80,000	-	20,000	20,000	-	-	-
	Denny Hall (Restore the Core)	4,000	53,000	-	-	57,000	57,000	-	-	-	-	-	-
	Enterprise Information System	-	44,000	40,000	16,000	100,000	-	-	-	-	-	100,000	-
	Foster School of Business Phase 2 - Balmer Hall Replacement	4,000	42,800	-	-	46,800	4,000	-	-	-	-	42,800	-
	Global Public Health, Nursing & Pharmacy Building	-	80,000	-	-	80,000	80,000	-	-	-	-	-	-
	Gould Hall Court Addition	-	5,000	-	-	5,000	-	-	-	5,000	-	-	-
	Guthrie Hall 3rd and 4th Floor Renovation	-	8,500	-	-	8,500	8,500	-	-	-	-	-	-
	House of Knowledge	300	10,300	-	-	10,600	3,000	-	-	7,600	-	-	-
	Husky Stadium	-	300,000	-	-	300,000	-	-	-	60,000	-	-	240,000
	Lewis Hall (Restore the Core)	2,000	23,000	-	-	25,000	25,000	-	-	-	-	-	-
	MHSC 6th Floor Comparative Med (Animal Facilities Phase 2a)	-	15,000	-	-	15,000	-	-	-	-	-	15,000	-
	MHSC 6th Floor Comparative Med (Animal Facilities Phase 2b)	-	35,000	-	-	35,000	-	-	-	-	-	35,000	-
	Miller Hall (Restore the Core)	-	44,000	-	-	44,000	44,000	-	-	-	-	-	-
	Molecular Engineering Phase 1 (Shell Space Improvement)	-	13,400	-	-	13,400	-	3,000	10,400	-	-	-	-
	Molecular Engineering Phase 2	-	6,000	56,500	-	62,500	62,500	-	-	-	-	-	-
	Odegaard Library Renewal (Interdisciplinary Academic Building Phase 1?)	-	32,000	-	-	32,000	16,000	-	-	16,000	-	-	-
	Rainier Vista Triangle Garage Improvements	-	-	25,000	-	25,000	-	-	-	-	-	-	25,000
	Robinson Center for Young Scholars	-	3,750	-	-	3,750	3,750	-	-	-	-	-	-
	Sand Point Building 5 - 4th Floor (Archival Storage)	-	-	-	22,400	22,400	-	-	-	-	-	22,400	-
	Sound Transit Overpass (Pacific to Garage)	-	3,500	-	-	3,500	-	3,500	-	-	-	-	-
	South Campus Center Improvements (Placeholder)	-	5,000	-	-	5,000	-	5,000	-	-	-	-	-
	South Lake Union Phase 3.1	-	168,000	-	-	168,000	-	-	-	-	-	79,000	89,000
	South Lake Union Phase 3.2	-	19,000	105,000	-	124,000	-	-	-	-	-	88,000	36,000
	South Lake Union Phase 3.3	-	-	168,000	-	168,000	-	-	-	-	-	-	168,000
	Student Housing Phase 2 (Sites 29W, 30W)	-	120,000	-	-	120,000	-	-	-	-	-	-	120,000
	Student Housing Phase 3.1 (Lander renovation)	-	13,500	40,500	-	54,000	-	-	-	-	-	-	54,000
	Student Housing Phase 3.2 (Terry renovation)	-	-	61,000	-	61,000	-	-	-	-	-	-	61,000
	Student Housing Phase 3.3 (McMahon renovation)	-	-	90,000	-	90,000	-	-	-	-	-	-	90,000
	Student Housing Phase 3.4 (McCarty renovation)	-	-	49,500	17,000	66,500	-	-	-	-	-	-	66,500
	Student Housing Phase 3.5 (Haggett renovation)	-	-	18,000	54,000	72,000	-	-	-	-	-	-	72,000
	Student Housing Phase 3.6 (Hansee renovation)	-	-	-	51,000	51,000	-	-	-	-	-	-	51,000
	Student Housing Phase 4 (1000-1500 new beds proposed)	-	-	-	201,000	201,000	-	-	-	-	-	-	201,000
	UW Bothell Phase 3 (New Academic Building)	5,150	62,850	-	-	68,000	68,000	-	-	-	-	-	-
	UW Medicine/Northwest Affiliation Improvements	-	-	-	-	-	-	-	-	-	-	-	-
	UW Seattle Structured Parking (Placeholder)	-	-	12,000	-	12,000	-	-	-	-	-	-	12,000
	UW Tacoma Land Acquisition/Remediation	-	10,000	10,000	-	20,000	20,000	-	-	-	-	-	-
	UW Tacoma Land Acquisition - Joy & Jefferson Building- Related	2,000	-	-	-	2,000	2,000	-	-	-	-	-	-
	UW Tacoma Phase 3 - Joy, Jefferson, Infrastructure	21,850	-	-	-	21,850	-	8,150	-	-	-	7,450	6,250
	UW Tacoma Phase 4	-	8,000	72,000	-	80,000	80,000	-	-	-	-	-	-
	UW Technology - Data Network	-	10,000	7,000	-	17,000	17,000	-	-	-	-	-	-
	UWMC Expansion Phase 2	-	138,000	3,000	-	141,000	-	-	-	-	-	-	141,000
	UWPD and Transportation Services Relocation / Waterfront Open Space	-	10,500	-	-	10,500	-	10,500	-	-	-	-	-
Subtotal Wave II		39,500	1,388,150	797,500	361,400	2,586,550	595,000	30,150	30,400	108,600	50,250	345,650	1,426,500
Cummulative Totals (Wave I + II)		Potential Expenditure:				\$3,117,700	Potential Cash: \$1,295,300				Potential Debt: \$1,822,400		

Wave III	Daycare Center Expansion	-	-	-	4,500	4,500	-	-	-	-	-	4,500	-
	Eagleson Hall (Restore the Core)	-	1,000	11,000	-	12,000	12,000	-	-	-	-	-	-
	Fine Arts Center & Library	-	-	-	65,000	65,000	-	-	-	65,000	-	-	-
	Harris Hydraulics (Restore the Core)	-	2,000	12,600	-	14,600	14,600	-	-	-	-	-	-
	Health & Biosciences Library	-	-	-	93,750	93,750	-	-	-	93,750	-	-	-
	Hutchinson Hall (Restore the Core)	-	3,000	32,400	-	35,400	35,400	-	-	-	-	-	-
	Restore the Core - Future Phase	-	-	-	100,000	100,000	100,000	-	-	-	-	-	-
	Sand Point Building 9 - Housing	-	-	1,000	-	1,000	-	-	-	-	-	1,000	-
	Soccer/Baseball Stadium	-	-	18,000	-	18,000	-	-	-	18,000	-	-	-
	UW Seattle Classroom Building Phase 1	-	-	45,000	-	45,000	45,000	-	-	-	-	-	-
	UW Seattle Interdisciplinary Academic Building Phase 2	-	-	-	80,000	80,000	80,000	-	-	-	-	-	-
	Subtotal Wave III	-	6,000	120,000	343,250	469,250	287,000	-	-	176,750	-	5,500	-
Cummulative Totals (Wave I + II + III)		Potential Expenditure:				\$3,586,950	Potential Cash:			\$1,759,050	Potential Debt: \$1,827,900		

'Funded' Projects	Applied Physics Lab Tenant Improvement (Ben Hall Building)	8,700	-	-	-	8,700	-	8,700	-	-	-	-	-	-
	Ethnic Cultural Center	15,500	-	-	-	15,500	-	-	-	-	-	-	15,500	-
	Foster School of Business Phase 1 - PACCAR Hall	95,000	-	-	-	95,000	-	-	-	70,000	-	-	25,000	-
	Hall Health Primary Care Center Remodel	10,100	-	-	-	10,100	-	-	-	-	-	-	10,100	-
	HUB Renovation	128,300	-	-	-	128,300	-	3,000	-	-	-	-	125,300	-
	Institute fo Advanced Materials & Technology TI (Ben Hall Building)	6,610	-	-	-	6,610	-	-	-	-	-	-	6,610	-
	MHSC 6th Fl Comp Med and RR-wing NRPC (Animal Facilities Phase 1)	28,700	-	-	-	28,700	-	-	-	-	-	-	28,700	-
	MHSC J-Wing (J-1/J-2) Microbiology Renovation	23,600	-	-	-	23,600	-	8,000	-	-	-	-	7,800	7,800
	Molecular Engineering Phase 1	78,500	-	-	-	78,500	5,000	-	-	-	-	53,500	20,000	-
	Safe Campus (Fire Alarm / Notification System)	8,000	-	-	-	8,000	8,000	-	-	-	-	-	-	-
	Student Housing Phase 1 (Sites 31W, 32W, 33W, 35W)	162,000	-	-	-	162,000	-	-	-	-	-	-	-	162,000
	UW Tacoma Phase 3a (Joy Building)	40,150	-	-	-	40,150	40,150	-	-	-	-	-	-	-
	UW Tower Data Center	32,500	-	-	-	32,500	20,000	500	-	-	-	-	12,000	-
	UWMC Expansion Phase 1	165,500	-	-	-	165,500	-	-	-	-	-	-	-	165,500
	WA Dental Service Bdg. For Early Childhood Oral Health	19,769	-	-	-	19,769	-	13,769	-	6,000	-	-	-	-
	Subtotal 'Funded' Projects	822,929	-	-	-	822,929	73,150	33,969	-	76,000	-	53,500	251,010	335,300
Totals ('Funded' Projects)				Expenditures:	\$822,929			Cash:	\$183,119			Debt:	\$639,810	

Debt Profile

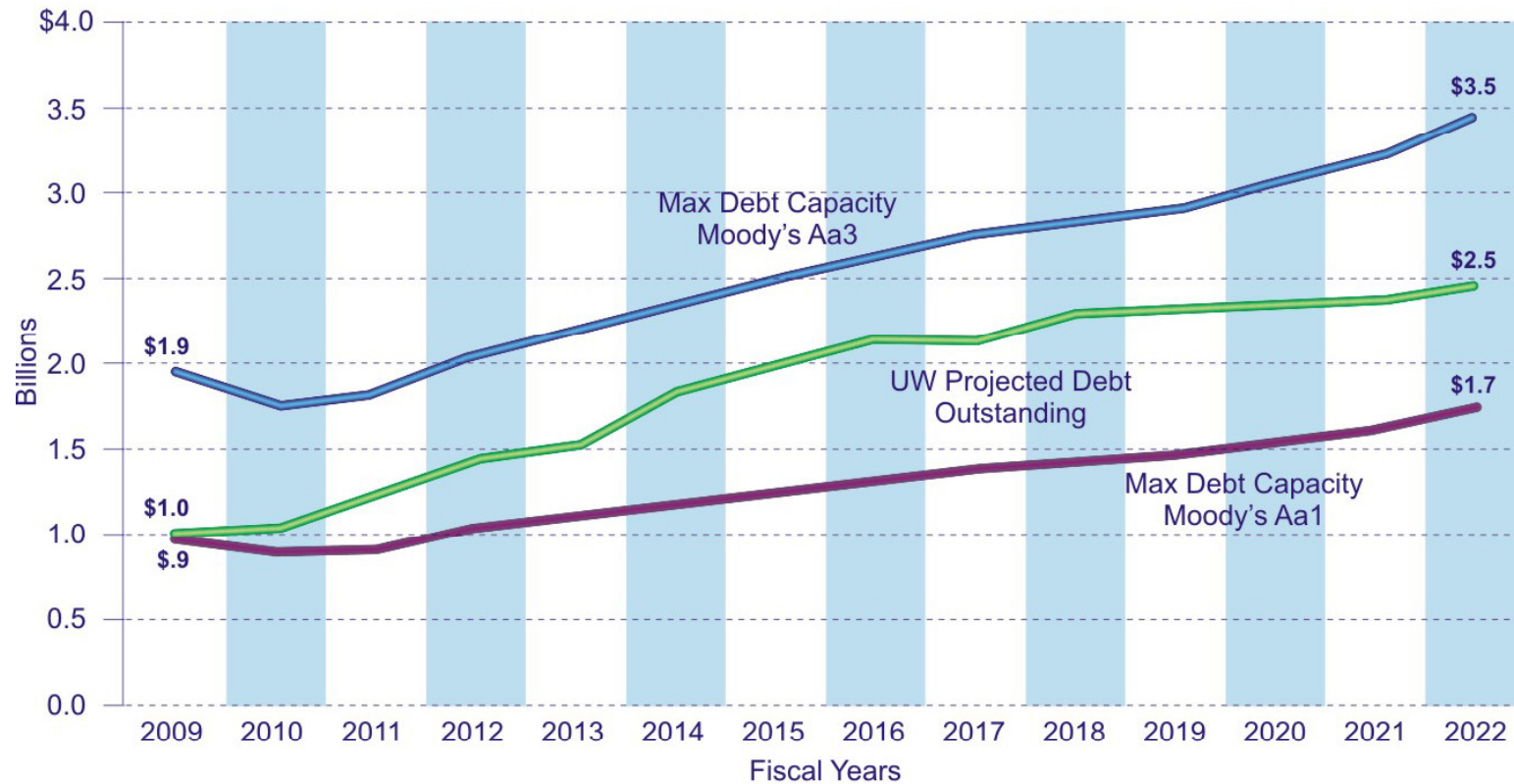
- Education Mission
 - Current Outstanding Debt - \$174M
 - Debt approved, but not funded – \$41M
 - Debt Service - \$17M
 - Retirement of Principal – average \$8M per year
- Research Mission
 - Current Outstanding Debt - \$352M
 - Debt approved, but not funded - \$106M
 - Debt Service - \$34M
 - Retirement of Principal – average \$16M per year
- Service Mission
 - Current Outstanding Debt - \$475M
 - Debt approved, but not funded - \$444M
 - Debt Service – \$42M
 - Retirement of Principal – average \$16M per year

Debt Capacity

- What is it?
 - The amount of additional debt that the balance sheet can support at a given rating level
 - Dynamic by nature, ebbs and flows as organizations and investor perceptions change
 - Implies the ability to service the additional debt
 - Determined in part by national rating agencies based on their evaluation of comparative strengths and weaknesses of borrowers.
- UW's rating today
 - Moody's Aa1, Stable / S&P AA+, Stable
 - Due to excellent market position, nation prominent research enterprise, diversified funding sources, good financial flexibility, balanced operating performance over last three years
- What is our debt capacity today?
 - Estimated \$500m to \$1bil in addition to \$1.5bil in outstanding and approved future debt assuming current AA rating.
- What could impact debt capacity and cost of debt
 - Substantial increase in debt without corresponding increase in revenues
 - Significant additional cuts in state funding without offsetting increases in tuition or expense cuts
 - Reduction in other funding sources and/or liquidity
 - Exposure to health care (patient revenues 30% to 40% of total revenues)

Debt Capacity Boundary Analysis 2009–2022

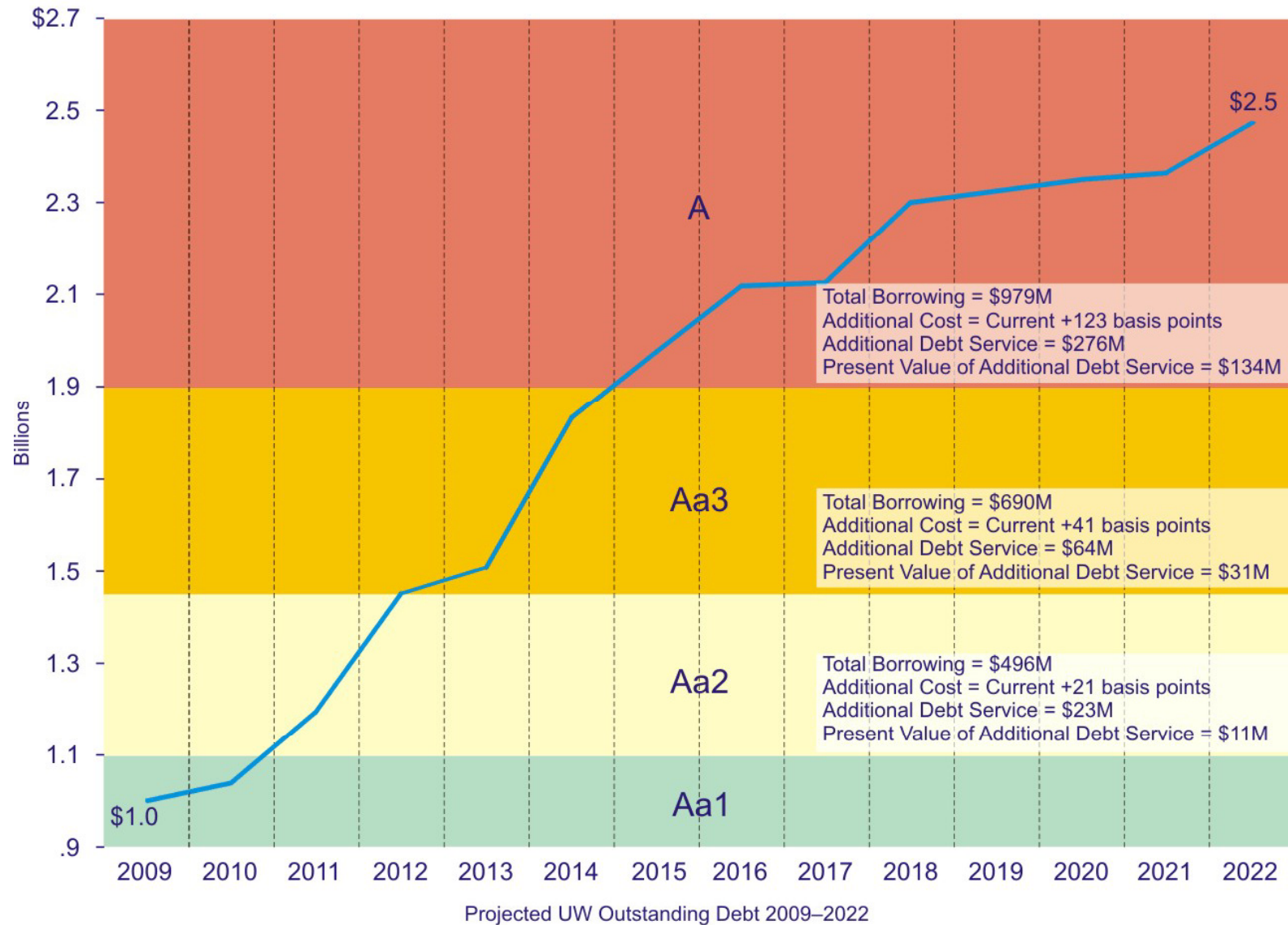
Key Ratio: Expendable Resources to Debt



Future Capital Projects by Funding Source 2009–2022 (\$=MM)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bond	\$75	\$77	\$195	\$301	\$108	\$376	\$207	\$206	\$72	\$239	\$96	\$91	87	188
State	71	32	31	81	107	199	190	140	140	67	67	82	82	100
Donor	50	55	60	107	19	17	26	25	25	14	14	38	38	94
Total	\$196	\$164	\$286	\$489	\$234	\$592	\$423	\$371	\$237	\$319	\$176	\$210	\$206	\$381

Estimated Additional Cost of Debt



- At current level of expendable resources (no growth assumed)
- Based on Moody's 2009 median "Expendable Resources to Debt"

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Advancement Return on Investment

INFORMATION:

The material presented here offers FY09 and FY 05-09 average Advancement Returns.

Attachment

Cost Per Dollar Raised for Fiscal Year 2008-2009 and 5-Year Averages

Cost Per Dollar Raised for Fiscal Year 2008-2009 and 5-Year Averages

Unit	Fiscal Year 2008-2009				5-Year Average ¹	
	Total Costs	Gifts	Grants	Total Gifts & Grants	Cost/Dollar Gifts & Grants	Cost/Dollar Gifts & Grants
Arts and Sciences	3,460,165	17,838,947	7,750,868	25,589,815	0.135	0.109
AVP Constituency Programs	376,856	-	-	-	na	na ¹
Built Environments	347,161	1,134,643	993,000	2,127,643	0.163	0.141
Business School	1,514,767	25,336,696	45,000	25,381,696	0.060	0.108
Dentistry ⁵	409,653	1,766,549	774,817	2,541,366	0.161	0.182
Education	587,740	2,422,262	1,302,694	3,724,956	0.158	0.135
Engineering	2,511,152	11,444,179	7,410,941	18,855,120	0.133	0.083
Environment	226,654	4,679,781	-	4,679,781	0.048	na ¹
Evans School of Public Affairs	324,415	612,856	2,105,947	2,718,803	0.119	0.064
Forest Resources	279,993	1,882,147	1,569,152	3,451,299	0.081	0.131
Friday Harbor Labs	116,591	1,176,725	-	1,176,725	0.099	0.177
Graduate School	344,086	1,206,635	615,206	1,821,841	0.189	na ¹
Information School	304,771	817,278	862,000	1,679,278	0.181	0.324
Intercollegiate Athletics	1,553,928	15,659,243	-	15,659,243	0.099	0.068
Law	1,009,983	2,420,941	245,000	2,665,941	0.379	0.293
Libraries	383,524	1,171,951	-	1,171,951	0.327	0.290
Minority Affairs	250,715	188,492	200,000	388,492	0.645	na ¹
Nursing	377,785	2,335,206	1,214,498	3,549,704	0.106	0.124
Ocean and Fishery Sciences	266,171	1,279,806	8,877,903	10,157,709	0.026	0.033
Other Constituencies ²	995,048	11,275,256	170,920	11,446,176	0.087	na ¹
Pharmacy	262,559	1,117,297	980,951	2,098,248	0.125	0.106
Public Health	191,038	930,802	14,562,130	15,492,932	0.012	0.020
Social Work ⁵	423,849	1,239,856	50,100	1,289,956	0.329	0.253
Student Life	392,309	2,906,525	-	2,906,525	0.135	na ¹
Undergraduate Academic Affairs	222,201	404,576	20,000	424,576	0.523	na ¹
UW Alumni Association ³	354,155	1,001,508	-	1,001,508	0.354	na ¹
UW Bothell	264,766	274,955	1,954,590	2,229,545	0.119	0.555
UW Tacoma	447,303	3,632,862	23,965	3,656,827	0.122	0.121
UW Medicine	5,251,699	32,206,835	123,983,986	156,190,821	0.034	0.041
Subtotal, Constituencies	23,451,037	148,364,809	175,713,668	324,078,477	0.072	0.072
UA Central Services ⁴	14,219,329	-	-	-	na	
TOTAL	37,670,366	148,364,809	175,713,668	324,078,477	0.116	0.113

notes

1. 5-year averages have not been calculated for units for which cost per dollar data are not applicable or previous data do not exist. Environment, Minority Affairs, Student Life and Undergraduate Academic Affairs were all new units in FY 08-09. Previous data for the Graduate school prior to FY 08-09 are not directly comparable because data for the Graduate School and University Press were combined starting in FY 08-09. Fundraising data for the UW Alumni Association were not separated from Central Services prior to FY 08-09. "Other Constituencies" is a new grouping for FY 08-09 (see note 2).
2. "Other Constituencies" is a new grouping for FY 08-09. This category includes the Report of Contributions categories: Broadcast Services (KUOW Radio and KEXP Radio), President's Funds, and Other University Support (including UWTV (Provost's Office)).
3. Starting in FY 08-09, gift and grant money raised by the UW Alumni Association, along with the associated fundraising costs, have been itemized in the constituency unit total. Other support to the UWAA from Central UA is included in UA Central Services.
4. UA Central Services includes: UA Vice President's Office, Constituency Programs Corporate & Foundation Relations, Individual Giving Programs, Advancement Services, UW Marketing (UA central funding only), Finance & Administration (including rent), UW Alumni Association (those costs not included in Constituency units subtotals, see note 3) and UW Foundation Support.
5. FY 08-09 unit cost total includes FY 07-08 values where FY 08-09 cost data were unavailable.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Annual Investment Program Review

Attachment

University of Washington Annual Investment Program Review, as of September 30, 2009, Report to the Board of Regents

UNIVERSITY OF WASHINGTON ANNUAL INVESTMENT PROGRAM REVIEW

As of September 30, 2009

REPORT TO THE BOARD OF REGENTS



TREASURER BOARD OF REGENTS
TREASURY OFFICE

Published November 2009

Investment Program

Table of Contents

Executive Summary

Executive Summary	1
FY09 Hits and Misses	2
FY09 Performance by Asset Class	3
Current Asset Class Exposures	4

Capital Markets

Four Bad Bear Markets	5
History of Bear Markets	6
Mega-Bear Quartet	7

Governance

Treasury Assets	8
Key Investment Decisions	9
Key Investment Roles	10
University of Washington Investment Committee	11

Endowment Management

Endowment Objectives	12
Program Support	13
Spending Policy	14
Long Term Return Requirement	15

Consolidated Endowment Fund Asset Allocation

CEF Asset Allocation	16
Asset Class Roles	17
Policy Asset Allocation 1990 -2010	18
University Round Table Asset Allocation Trends	19

Performance

CEF versus the Policy Benchmark	20
Policy Benchmark	21
Peer Universities' Comparison	22
Top University Endowments (by Size)	23

Portfolio Risk Modeling

Modeling Constraints	24
Efficient Frontier	25
Liability-Linked Risk Indicators	26
Risk Budgeting vs. Actual Loss	27

Invested Funds Management

Invested Funds Profile	28
Invested Funds Depositors	29
Financial Support to Campus	30
Invested Funds Asset Allocation	31
Invested Funds Performance	32

Investment Team

Investment Team Performance Objective	33
Investment Team Evolution	34
Investment Team Focus	35
Implementation Plan	36

Executive Summary

Executive Summary

Objective: Generate strong investment performance

- Outperform the CEF policy benchmark by 125 basis points per annum over rolling 3 year periods.
- Add \$15 million per annum above policy benchmark or \$90 million over 5 years after compounding.
- Achieve performance that consistently ranks within the second quartile relative to the 50 largest college and university endowments.

Results

Fiscal Years	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>5 Years</u>
CEF Return	12.5%	17.8%	23.3%	2.0%	-23.3%	5.0%
Policy Benchmark	<u>11.6%</u>	<u>16.1%</u>	<u>19.1%</u>	<u>0.9%</u>	<u>-16.9%</u>	<u>5.3%</u>
Excess Returns	.91%	1.61%	4.2%	1.1%	(6.4%)	(.3%)
Contribution (MM)	\$12	\$26	\$79	\$24	(\$111)	\$30*
Peer Quartile Ranking	3rd	1st	2nd	2nd	4th	2nd

2010 Plan

- Expand globally competitive research process.
- Maintain focus overseas with an emphasis on Asia.
- Focus on risk management.

* Cumulative

FY 2009 Hits and Misses

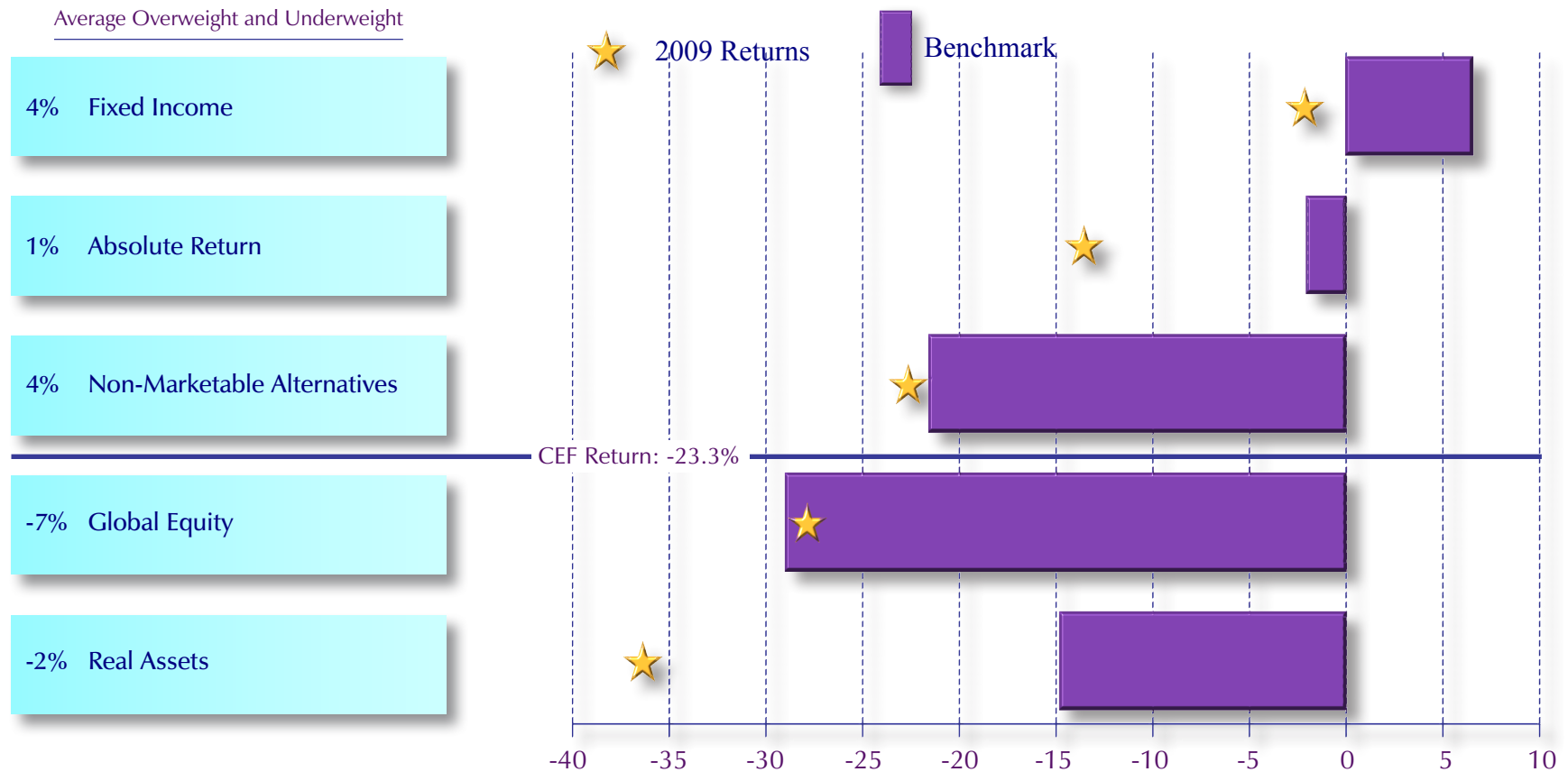
Positives

- Defensive positioning of the portfolio
- International equity manager performance
- Manager upgrades
- TIPS purchase
- Strong liquidity throughout market crisis

Negatives

- Leveraged strategies (real assets and absolute return)
- Spread product in fixed income
- Non-dollar currency exposure
- Cash drag vs policy benchmark
- Securities lending program

FY 2009 Performance by Asset Class



- Asset classes were revised as of July 1, 2008.
- Global Equity was only asset strategy exceeding its benchmark.
- New asset class of Absolute Return and significantly revised Real Assets were the largest under performers.

CEF Asset Class Exposures

As of 9/30/09

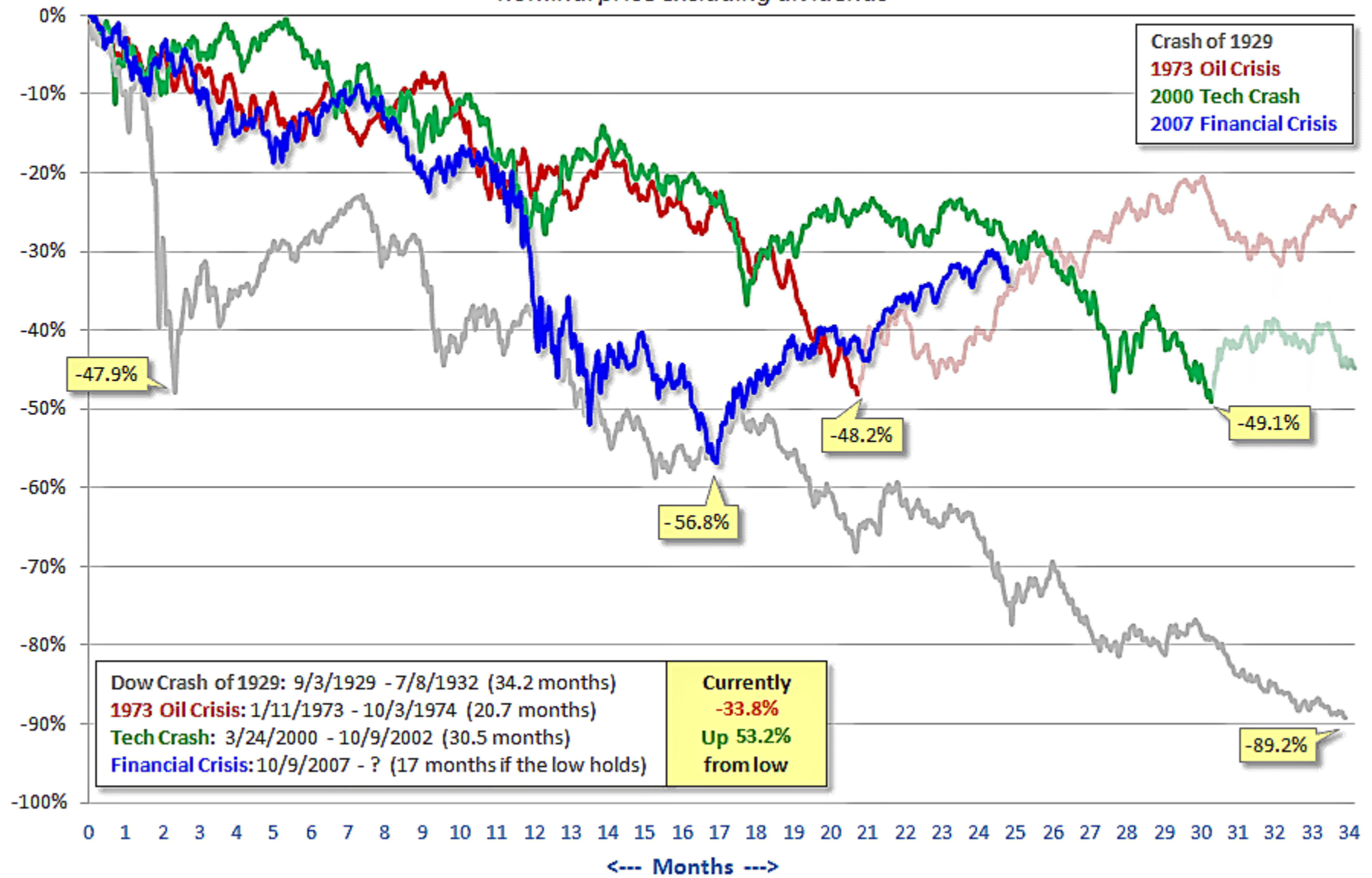
	Role in Portfolio	Exposure 09/30/09 ¹	Policy Target	Policy Range	Over/Under Target
Non-Marketable Alternatives					
Venture Capital	Enhanced Returns, Diversification	15%	12%	5%–25%	3%
Private Equity					
Global Equity					
Emerging Markets	Growth, Diversification	13%	13%	5%–35%	0%
Developed International Equity	Growth, Diversification	14%	16%	5%–35%	-2%
U.S. Equity	Growth	13%	15%	5%–35%	-2%
	TOTAL EQUITY FUND	55%	56%		-1%
Real Assets					
Private Real Estate	Growth, Diversification				
Public Real Estate	Growth, Diversification	10%	15%	5%–25%	-5%
Natural Resources	Diversification, Inflation Hedge				
	TOTAL REAL ASSETS	10%	15%		-5%
Absolute Return					
Absolute Return	Downside Protection, Diversification	20%	18%	5%–25%	2%
	TOTAL ABSOLUTE RETURN	20%	18%		2%
Fixed Income					
Bonds	Diversification, Deflation Hedge	5%	11%	5%–35%	4%
Cash	Diversification, Deflation Hedge	10%			
	TOTAL FIXED INCOME	15%	11%		4%
		100%	100%		

Capital Markets

Four Bad Bear Markets

Dow in 1929-1932; S&P 500 in 1973-74, 2000-02, 2007-09

nominal price excluding dividends



Source: dshort.com

History of Bear Markets

A Historical Perspective of Market Corrections & Bear Markets: Timeframes for the Recovery of Losses

	<u>Bear Market Total Months</u>	<u>Total Decline ¹</u>	<u>First Year After Decline</u>	<u>Months to Break Even ²</u>
Sep 1929–Jun 1932	34	-83.4%	162.9%	185
Nov 1948–May 1949	7	-10.0%	42.4%	11
Jan 1953–Aug 1953	8	-8.7%	35.0%	13
Aug 1957–Dec 1957	5	-15.0%	43.4%	11
Jan 1960–Oct 1960	10	-8.4%	32.6%	12
Jan 1962–Jun 1962	6	-22.3%	31.2%	13
Feb 1966–Sep 1966	8	-15.6%	30.6%	14
Dec 1968–Jun 1970	19	-29.3%	41.8%	26
Jan 1973–Sep 1974	21	-42.6%	38.1%	29
Jan 1977–Feb 1978	14	-14.3%	16.6%	19
Dec 1980–Jul 1982	20	-16.5%	59.3%	23
Sep 1987–Nov 1987	3	-29.6%	23.3%	17
Jun 1990–Oct 1990	5	-14.8%	33.4%	9
Jul 1998–Aug 1998	2	-15.4%	39.8%	5
Apr 2000–Sep 2002	30	-43.8%	24.4%	79
Avg w/1929–1932 Period	13	-24.6%	43.7%	31
Avg w/o 1929–1932 Period	11	-20.5%	35.1%	20
Nov 2007–Mar 2009	17	-56.7%	N/A	NA

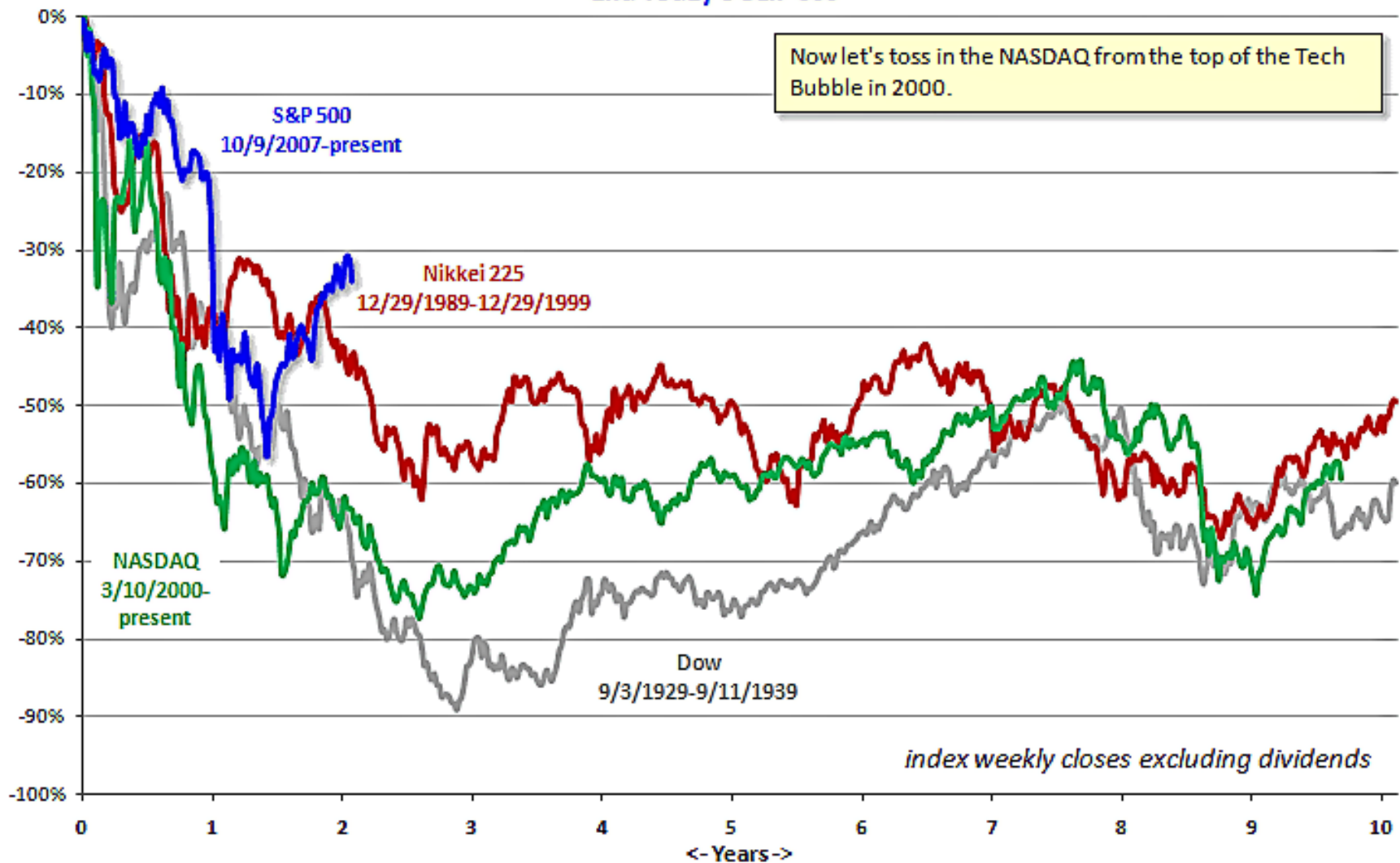
¹ S&P 500 Index ² As of October 31, 2009

Source: Ibbotson

Mega-Bear Quartet

The Dow Crash of 1929 and Great Depression

**The Nikkei 225 Collapse in 1989, The NASDAQ post Tech Bubble
and Today's S&P 500**



Source: dshort.com

Governance

Treasury Assets¹ as of 9/30/09—\$3.1 Billion

Dollars in Millions



Endowment & Similar Funds

Endowment Funds	\$1,429
Operating Funds	347
Consolidated Endowment Fund	1,776
Life Income Trusts	72
Outside Trusts	46
Non-CEF Endowments	18
Permanent Fund ⁶	29
	<u>\$1,941</u>

Operating & Reserve Funds

Invested Funds ^{2,3}	\$1,001
Bond Retirement Fund ⁴	19
Building Fund ⁴	18
Debt Service Reserve Funds ⁵	12
Bond Proceeds ⁷	82
	<u>\$1,132</u>

1. Includes assets whose management falls under the auspices of the Finance & Audit Committee of the Board of Regents. Excludes Metro Tract and Forest Trust Lands. All dollar amounts are expressed in millions and represent market values.
2. The Invested Funds holds Consolidated Endowment Fund units valued at \$347. To avoid double counting, the dollars are included only in the CEF totals.
3. In June 2002, the Board of Regents authorized the establishment of a captive insurance company, Portage Bay Insurance(PBI). The previous insurance vehicle, the Self Insurance Revolving Fund (SIRF), will close after existing claims are resolved. Current balances: PBI \$74.4 & SIRF \$2.9.
4. General obligation bond reserve fund on deposit with the state of Washington.
5. Required reserve funds for locally issued bonds (TSB Properties \$1.1, Twenty Fifth Ave Prop \$2.4, 2004 Parking \$1.4, 2002 Housing & Dining \$1.5, 2004 Housing & Dining \$0.6, Roosevelt 1 \$2.3 and Roosevelt 2 \$2.0 & Commodore Duchess \$0.6)
6. Proceeds from sale of land grants and subsequent investment returns on deposit with the state of Washington.
7. Construction project funds which have not yet been disbursed.

Key Investment Decisions

INVESTMENT POLICY	STRATEGY	INVESTMENT MANAGEMENT	ASSESSMENT
Spending policy	Active / passive	Manager identification	Performance measurement
Return requirements	Internal/external management	Manager due diligence	Risk management
Long-term asset allocation	Diversification	Manager appointment	Policy evaluation
Risk preference	Portfolio structure	Manager guidelines	
Constraints	Market timing	Manager monitoring	
	Rebalancing	Manager termination	
	Derivative usage		
<ul style="list-style-type: none"> Established and approved by the Board of Regents. 	<ul style="list-style-type: none"> Implemented by the Chief Investment Officer. 	<ul style="list-style-type: none"> Implemented by the Chief Investment Officer. 	<ul style="list-style-type: none"> Provided by the Chief Investment Officer. Overseen by the Finance, Audit and Facilities Committee of the Board of Regents.
Advised by UWINCO			

Key Investment Roles

BOARD OF REGENTS	UNIVERSITY OF WASHINGTON INVESTMENT COMMITTEE (UWINCO)	CHIEF INVESTMENT OFFICER (CIO)
Sets investment policy <ul style="list-style-type: none"> • Spending rate • Strategic asset allocation • Delegations Appoints investment officers/advisors <ul style="list-style-type: none"> • Chief Investment Officer • UWINCO Members • Investment Consultants (FAF) Reviews results <ul style="list-style-type: none"> • Investment program oversight / accountability 	Advises the CIO <ul style="list-style-type: none"> • Investment planning • Asset allocation • Manager identification • Market trends Advises the Board of Regents <ul style="list-style-type: none"> • Investment program oversight 	Implements investment program <ul style="list-style-type: none"> • Day to day investment program management • Tactical asset allocation • Manager appointments / terminations • Risk management • Research Monitors results <ul style="list-style-type: none"> • Performance reporting

University of Washington Investment Committee (UWINCO)¹

Role: Advisory committee established by the Board of Regents in 2001

Purpose: To advise the Board of Regents and the President on matters relating to the management of the University's investment program. This includes but is not limited to overall asset allocation, performance goals, new investment strategies, strategy implementation, manager identification, due diligence and valuation policy.

Membership: No more than ten (10) members of which one or two shall be selected from the Board of Regents.

Appointment: Individual members appointed by the Board of Regents.

Term: Minimum three (3) consecutive years, renewable.

Criteria for Membership: Investment expertise in specialized markets (private equity, hedge funds, real assets, international markets); access to desirable managers/funds; strategic focus; commitment to the University of Washington.

UWINCO Chair: Designated by the Chair of the Board of Regents.

Meeting Frequency: Quarterly

Regent Members: Jeff Brotman (Chair), Fred Kiga

Non-Regent Members: David Bonderman, Bryan White, Michael Larson, Mary Pugh

¹ The Board of Regents adopted the UWINCO "Statement of Principles" in September 2009 which addresses the administrative functions of the Committee.

Endowment Management

Endowment Objectives

An endowment is a permanent fund established through private gift funds to support the program specified by the donor. The Consolidated Endowment Fund consists of over 3,000 individual endowments which are commingled for investment purposes. A portion of the return generated each year is used to support current year programs with distributions made quarterly.

Primary Objective

To preserve the purchasing power of each endowed gift over time.

This objective drives the discussion on spending policy, return requirements, long-term asset allocation and risk tolerance.

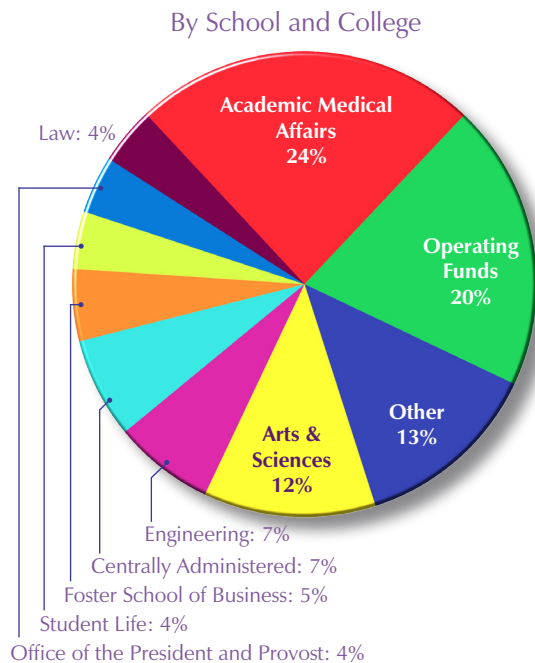
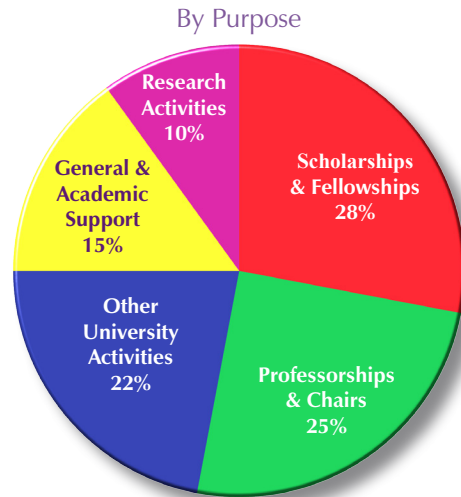
Secondary Objective

To provide a steady stream of income to support individual programs.

This objective influences the spending formula used in calculating the income distribution.

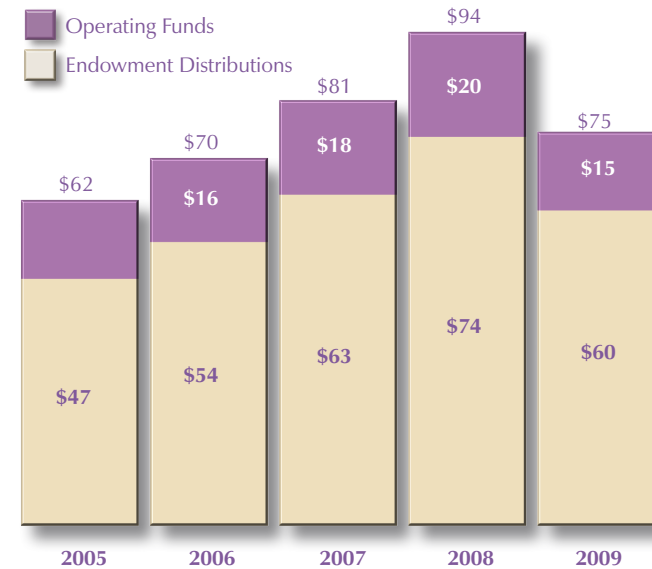
Program Support

Endowed Program Support¹
as of 6/30/09



¹ Includes operating funds invested in the CEF.

Endowed Distributions
\$ = Millions



Fiscal Years	Annual UW Revenues	Endowment Distributions	%
2005	\$3,025	\$62	2.0%
2006	\$3,455	\$70	2.0%
2007	\$3,666	\$81	2.2%
2008	\$3,447	\$94	2.7%
2009	NA	\$75	NA

Spending Policy

Spending Policy: Set by the Board of Regents.

Interim Spending Rate: Per unit distributions to endowed programs will be decreased by 25% annually in FY '09 and FY '10 after which per unit distributions will be held constant at the FY '10 level. This interim policy went into effect in March 2009 and will be revisited by the Board of Regents no later than June 30, 2013 to determine the appropriate next steps.

Long Term Spending Rate: Spend 5% of the average market value of the CEF for the previous three years.

Frequency: Distributions are administered on a quarterly basis.

Policy Changes: Changes to the spending policy require approval of the Board of Regents.

Administrative Fees: A 1.0% annual administrative fee is charged against the endowment: 0.8% to the Advancement Office and 0.2% to the Treasury Office.

Long Term Nominal Return Requirement

Total Nominal Return*
Required to Meet the Long Term Spending Target

Endowment Distributions	5.0%	Policy Spending Rate
Development Office	0.8%	} Administrative Fees
Treasury Office	0.2%	
Expected Inflation	<u>3.0%</u>	Consumer Price Index
Total Nominal Return Required <u>9.0%</u>		

* Return is assumed net of investment fees (manager, consulting, custodial and legal) of approximately 50 b.p.

Required Nominal Return Matrix

<i>Spending Rate plus Administrative Fees</i>						
	3.0%	4.0%	5.0%	6.0%	7.0%	
1.0%	4.0%	5.0%	6.0%	7.0%	8.0%	
2.0%	5.0%	6.0%	7.0%	8.0%	9.0%	
3.0%	6.0%	7.0%	8.0%	9.0%	10.0%	
4.0%	7.0%	8.0%	9.0%	10.0%	11.0%	
5.0%	8.0%	9.0%	10.0%	11.0%	12.0%	
6.0%	9.0%	10.0%	11.0%	12.0%	13.0%	
7.0%	10.0%	11.0%	12.0%	13.0%	14.0%	
8.0%	11.0%	12.0%	13.0%	14.0%	15.0%	

Inflation

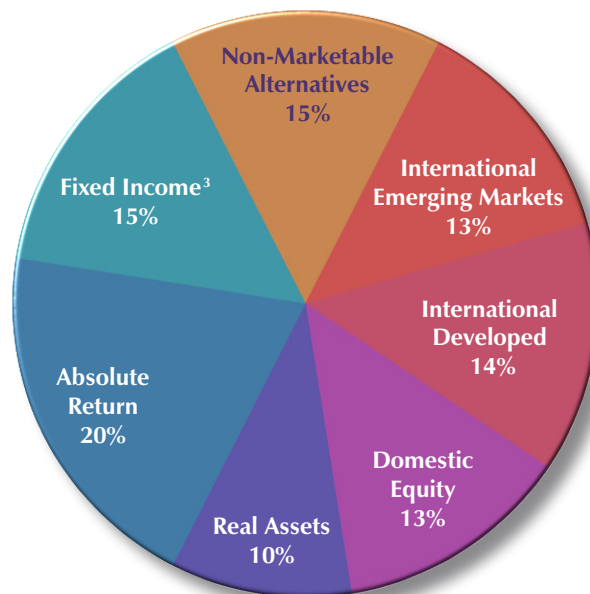


Long Term spending plus inflation rate estimate

CEF Asset Allocation

Asset Allocation as of September 30, 2009

Consolidated Endowment Fund ¹—\$1,776 MM



Dollars in Millions					
Current Allocation ²				Policy Target	Policy Range
Global Equity	Non-Marketable Alternatives	\$252	15%	12%	5%–25%
	International Emerging Markets	237	13%	13%	5%–35%
	International Developed Markets	249	14%	16%	5%–35%
	Domestic Equity	235	13%	15%	5%–35%
	Equity Fund	<u>\$973</u>	<u>55%</u>	<u>56%</u>	<u>45%–75%</u>
	Real Assets Fund	\$177	10%	15%	5%–25%
	Absolute Return	366	20%	18%	5%–25%
	Fixed Income Fund ³	260	15%	11%	5%–35%
Total Consolidated Endowment Fund		<u>\$1,776</u>	<u>100%</u>		

¹ International exposure: 38%; net foreign currency exposure: 37%.

² Current exposure percentage may not add to 100% due to rounding.

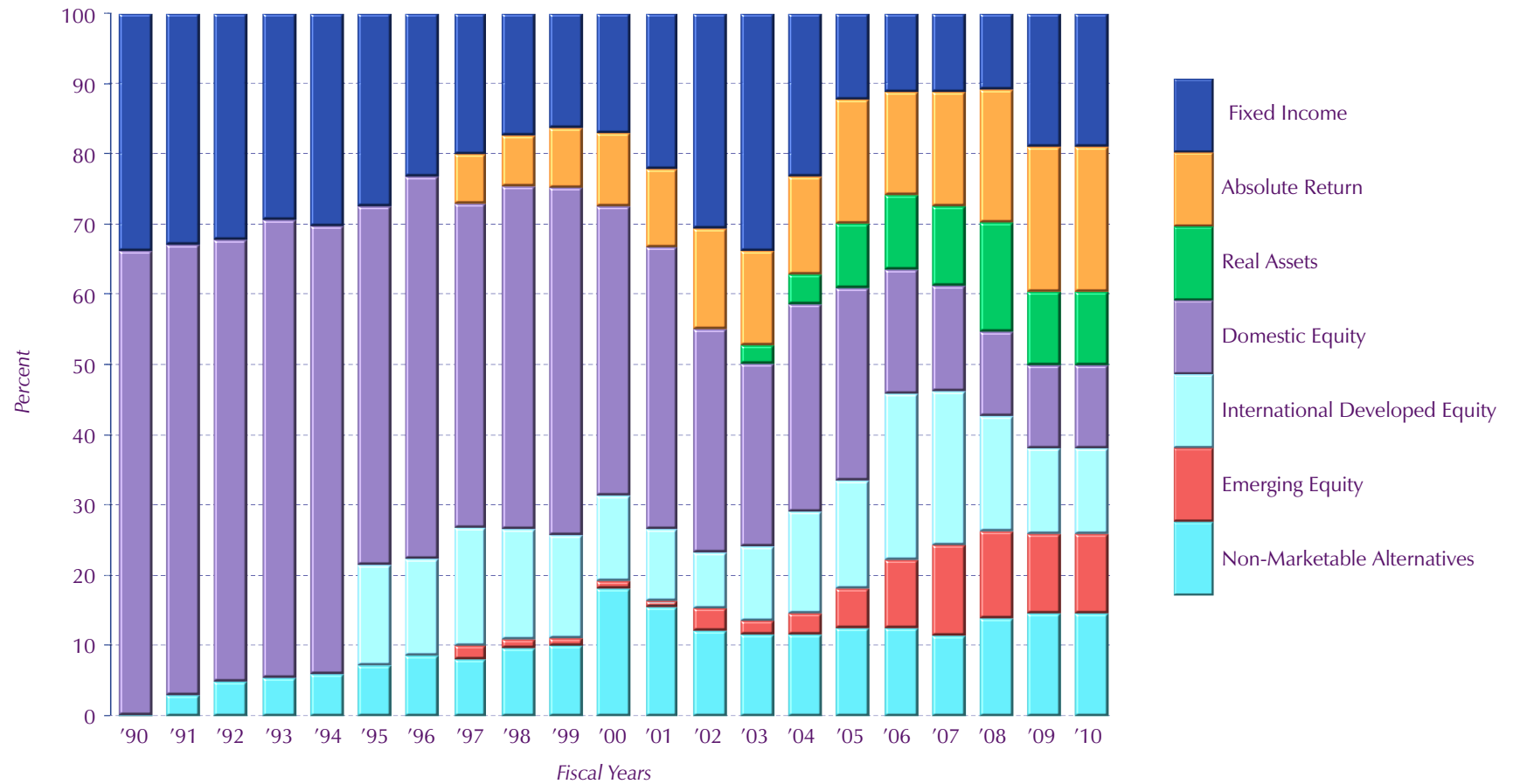
³ Includes allocation to cash.

Asset Class Roles

• Non-marketable Alternatives	Enhanced Returns
• Global Equity	High Returns
• Domestic Equity	
• International Equity	
• Emerging Markets	
• Real Assets	High Returns / Inflation Hedge
• Absolute Return	Downside Protection
• Fixed Income	Deflation Protection
• Other	High Returns / Opportunistic

Diversification among and within strategies is a powerful form of risk management

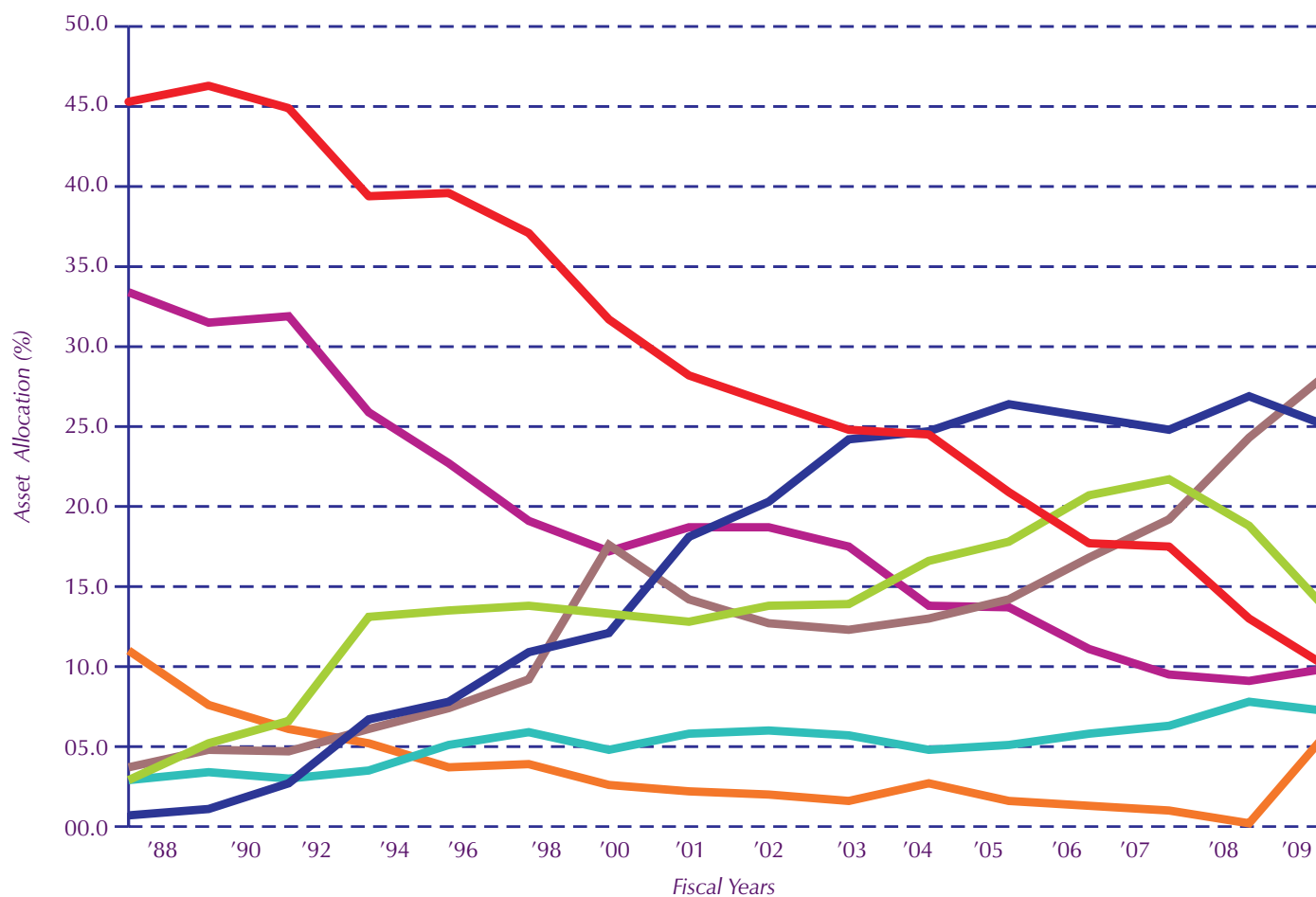
Policy Asset Allocation 1990–2010



- The trend over the past 20 years was towards greater diversification and a higher allocation to equities. Risk adjusted returns, as measured by the Sharpe ratio, improve as portfolios become more diversified.

University Round Table Asset Allocation Trends¹

6/30/88–6/30/09



	'88	'90	'92	'94	'96	'98	'00	'01	'02	'03	'04	'05	'06	'07	'08	'09	
US Equity	45.3	46.3	44.9	39.4	39.6	37.1	31.7	28.2	26.5	24.8	24.5	20.9	17.7	17.5	13.0	9.9	
Global ex US Equity	2.9	5.2	6.6	13.1	13.5	13.8	13.3	12.8	13.8	13.9	16.6	17.8	20.7	21.7	18.8	13.4	
Marketable Alternatives	0.7	1.1	2.7	6.7	7.8	10.9	12.1	18.1	20.3	24.2	24.7	26.4	26.6	24.8	26.9	25.0	
Non-Marketable Alternatives	3.7	4.8	4.7	6.1	7.4	9.2	17.6	14.2	12.7	12.3	13.0	14.2	16.8	19.2	24.3	28.4	
Total Bonds	33.4	31.5	31.9	25.9	22.7	19.1	17.2	18.7	18.7	17.5	13.8	13.7	11.1	9.5	9.1	9.9	
Equity Real Estate	2.9	3.4	3.0	3.5	5.1	5.9	4.8	5.8	6.0	5.7	4.8	5.1	5.8	6.3	7.8	7.2	
Cash	2.9	3.4	3.0	3.5	5.1	5.9	4.8	5.8	6.0	5.7	4.8	5.1	5.8	6.3	7.8	7.2	
	11.0	7.6	6.1	5.2	3.7	3.9	2.6	2.2	2.0	1.6	2.7	1.6	1.3	1.0	0.2	6.0	

¹Source: Cambridge Associates

Performance

Performance to Policy Benchmark

		Periods ending 09/30/09			
		<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>
RETURN	Total CEF Return	-7.1%	6.3%	6.3%	9.9%
	Weighted Policy Benchmark ¹	<u>-1.2%</u>	<u>7.0%</u>	<u>5.4%</u>	<u>10.0%</u>
	Over/Under Policy Benchmark	<u>-5.9%</u>	<u>-0.7%</u>	<u>0.9%</u>	<u>-0.1%</u>
RISK	CEF Sharpe Ratio ²	-0.5	0.3	0.3	0.6
	Policy Benchmark Sharpe Ratio	-0.1	0.4	0.2	0.6

The devastating impact of the 4th quarter of 2008 is reflected in the absolute loss and relative underperformance of the CEF in the one year returns. Five and ten year returns dropped to low single digits. Only the fifteen year results reflect a return level sufficient to meet the long term spending requirements of the CEF.

¹ The weighted policy benchmark is a representative blend of market indices which reflect the strategic asset allocation of the CEF.

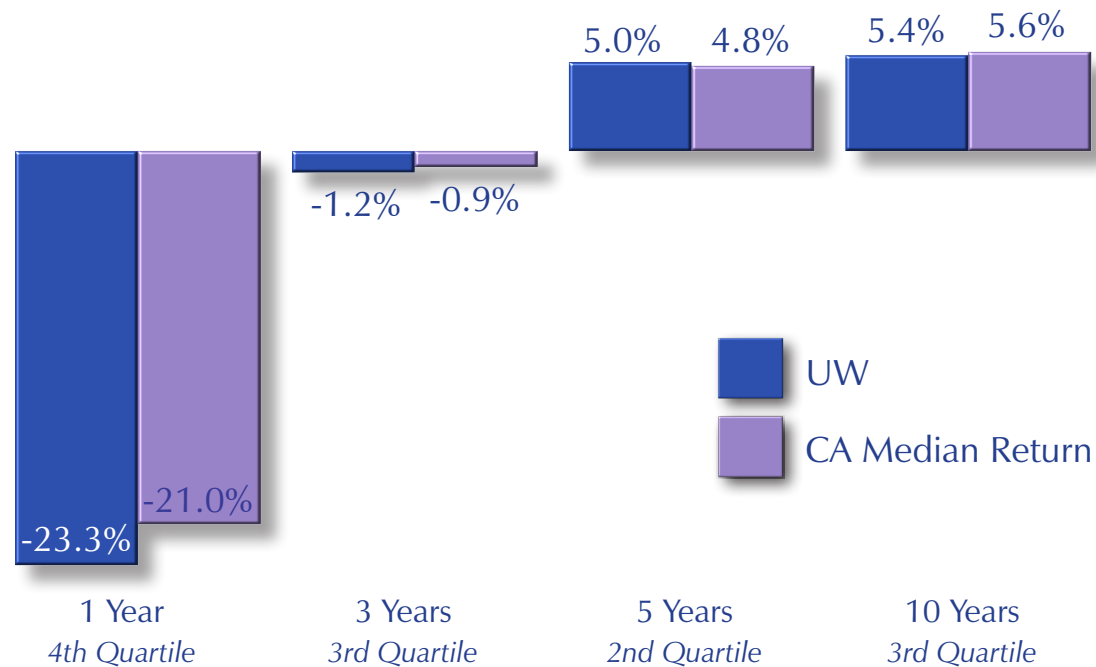
² The higher the Sharpe ratio, the better the fund's historical risk-adjusted performance. The Sharpe ratio is calculated using standard deviation and excess return over the risk-free rate to determine reward per unit of risk.

Policy Benchmark

Investment Strategy		Strategic Policy Target	Policy Benchmark
Global Equity	Non-Marketable Alternatives	12%	60% CA Private Equity & 40% CA Venture Capital
	Emerging Market	13%	MSCI ACWI
	International Equity	16%	MSCI ACWI
	Domestic Equity	15%	MSCI ACWI
Real Assets		15%	50% NCREIF + 30% CA Oil and Gas + 10% NAREIT + 10% GSCI
Absolute Return		18%	20% MSCI ACWI + 80% (3-Month T-Bill + 4%)
Fixed Income		11%	Barclays Capital US Government Bond

Peer University Comparison

Cambridge Associates¹ Top 50 Universe Performance For Periods Ending 6/30/09



The CEF underperformed the median University in the Cambridge Associates College and University Top 50 Investment Pool in all but the 5 year period shown above.

¹ Cambridge Associates College and University Investment Pool Top 50 (by Investment Pool Market Value)

Top 50 Colleges and Universities By Market Pool

Compiled by Cambridge Associates as of 6/30/09

Amherst College	Stanford University
Boston College	Swarthmore College
Boston University	The George Washington University
Brown University	UCLA Foundation
California Institute of Technology	UNC Management Company Inc.
Carnegie Mellon University	University of Arkansas Foundation
Case Western Reserve University	University of California
Columbia University	University of Chicago
Cornell University	University of Delaware
Dartmouth College	University of Illinois Foundation
DUMAC, LLC	University of Michigan
Emory University	University of Notre Dame
Georgia Tech Foundation Inc.	University of Pennsylvania
Johns Hopkins University	University of Pittsburgh
Lehigh University	University of Rochester
Michigan State University	University of Southern California
MIT Investment Management Company	University of Texas System
New York University	University of Toronto
Northwestern University	University of Virginia Investment Management Co.
Pennsylvania State University	Vanderbilt University
Pomona College	Washington University in St. Louis
Princeton University	Wellesley College
Purdue University	Williams College
Rice University	Yale University
Southern Methodist University	Yeshiva University

Portfolio Risk Modeling

Modeling Constraints

Proposed Policy Range Constraints

Non-Marketable Alternatives	5%–25%
Emerging Markets	5%–35%
International Equity	5%–35%
Domestic Equity	5%–35%
Real Assets	5%–25%
Absolute Return	5%–25%
Fixed Income	5%–35%

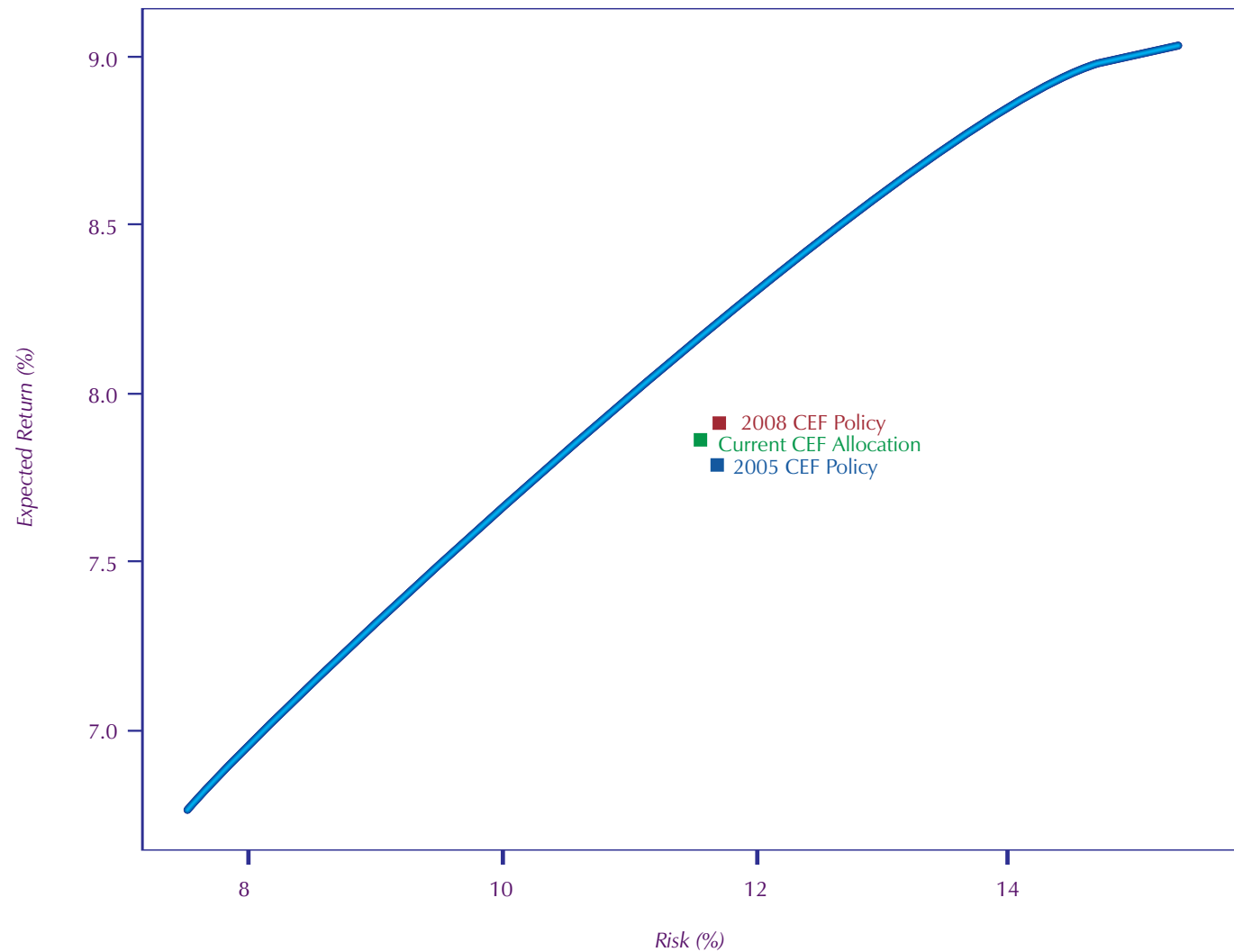
Liquidity Constraint

$$\text{ABS} + \text{RAS} + \text{NAS} < 60\%$$

Rationale for Constraints

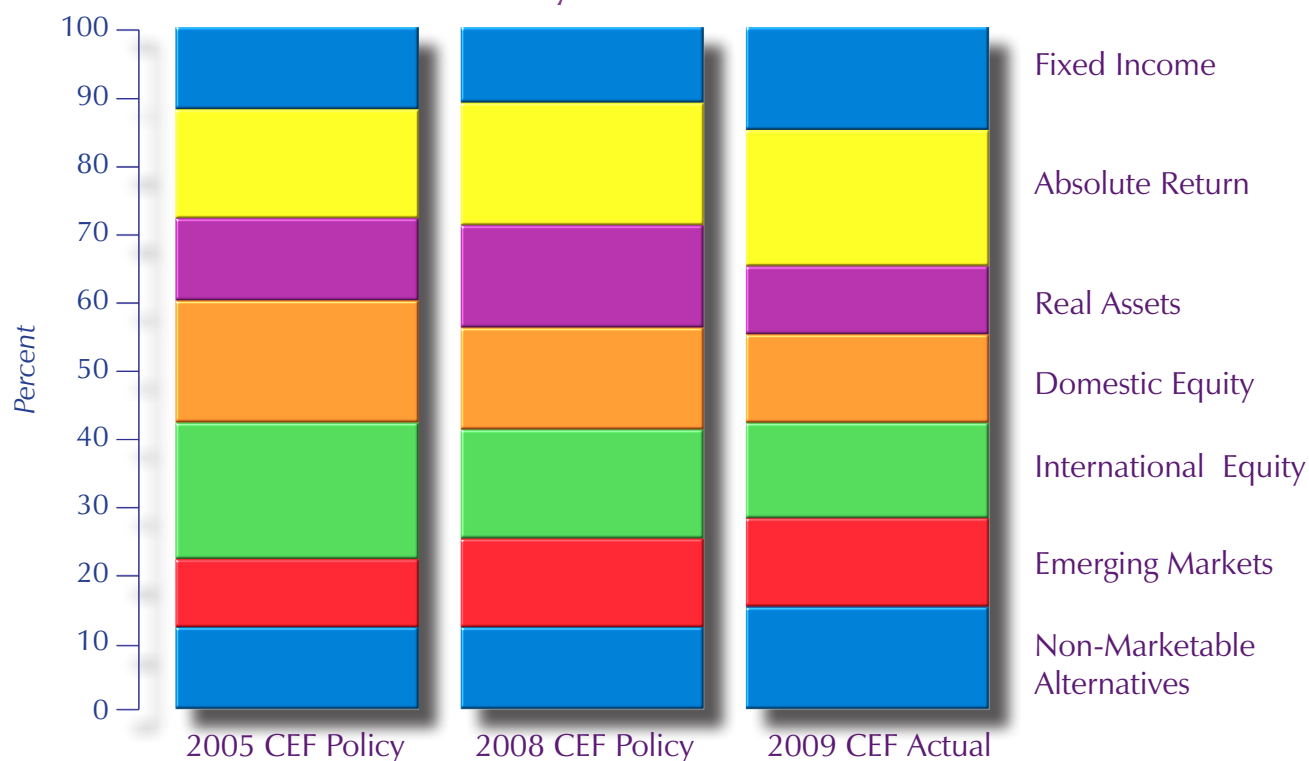
1. Ability to implement
2. Sufficient liquidity for spending
3. Forecasting error

Efficient Frontier



Between 2005 and 2008, changes to the policy portfolio improved the expected long term return at a comparable level of risk. Coming out of the market crisis, the current CEF portfolio is structured at lower risk and return levels relative to the policy benchmark.

Liability-Linked Risk Indicators



Portfolio Returns	7.8%	7.9%	7.9%
Volatility	12.0%	12.0%	11.7%
CVAR (quarterly)	11.1%	10.9%	10.5%

6% Spending

Spending Risk ¹	48%	46%	47%
Impairment Risk ²	64%	61%	62%

5% Spending

Spending Risk ¹	39%	38%	38%
Impairment Risk ²	38%	34%	35%

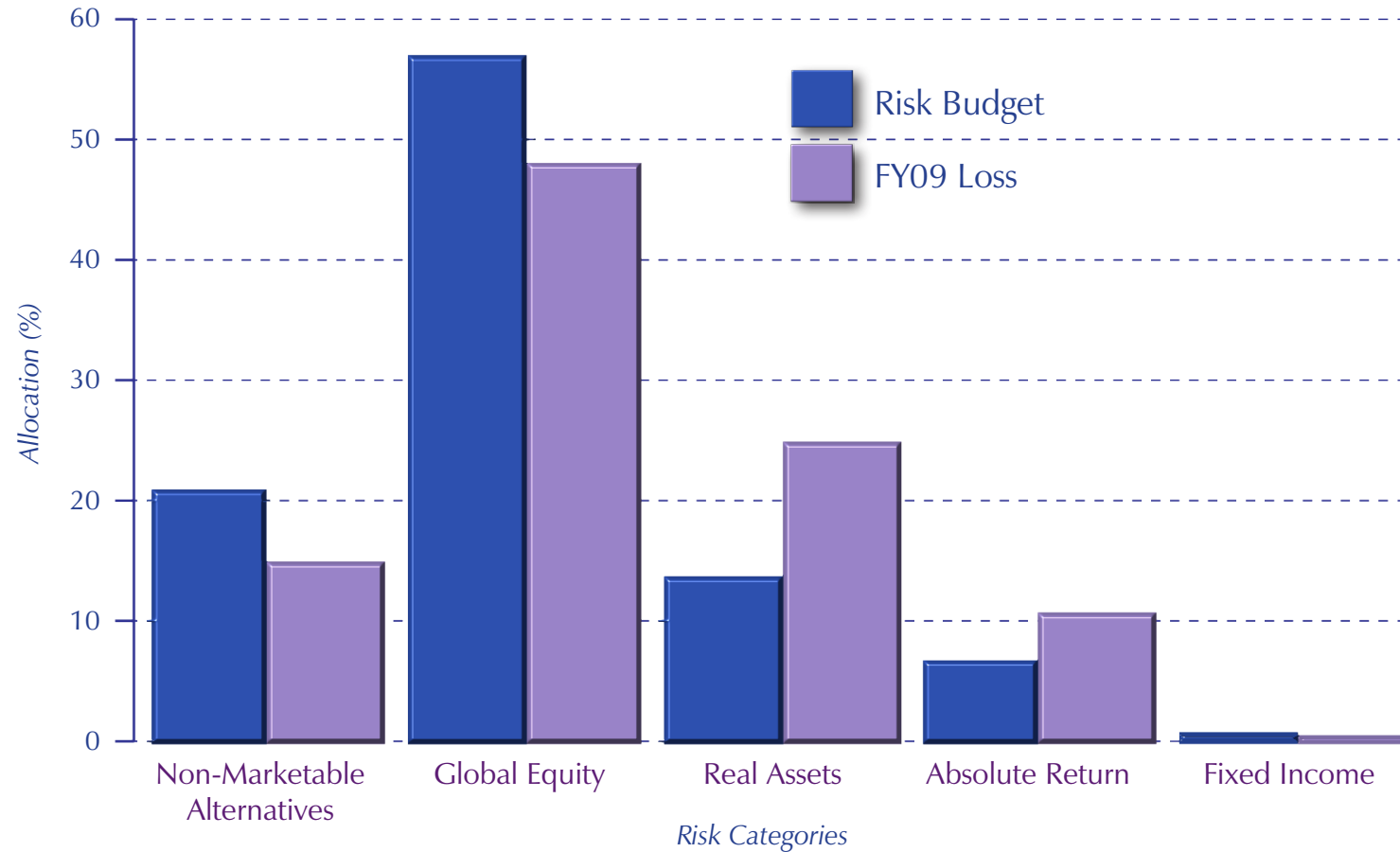
4% Spending

Spending Risk ¹	31%	30%	31%
Impairment Risk ²	17%	14%	15%

¹ **Spending Risk:** Spending disruption risk is the likelihood of a real spending reduction of 10% over any 5-year period.

² **Impairment Risk:** Purchasing power impairment risk is the likelihood of losing half of the purchasing power of the endowment through capital depreciation over a 50-year time horizon.

Risk Budgeting vs. Actual Loss



The -56% plunge in the S&P500 between October 2007 and March 2009 is the worst decline in value since the 1930's. The UW's risk model suggests the CEF will experience this magnitude of loss once in 90 years. The UW's asset allocation models are conservative and take into account extreme downside market events.

Invested Funds Management

Invested Funds Profile

Description: The operating funds of the University

Size: \$1.3 billion

Financial Objectives: To meet the day-to-day financial obligations of the University as they come due
To support University initiatives and programs

Investment Objectives: To achieve investment returns above those of money market instruments

Composition: Institutional funds (32%) and funds on deposit by campus departments (68%)

Depositor Time Frame: Short to limited-term

University Guarantees: Access to funds on demand
Principal guaranteed

Invested Funds Depositors

Average Balances for the Year Ended 6/30/09 (Cost Basis: \$ = 000's)

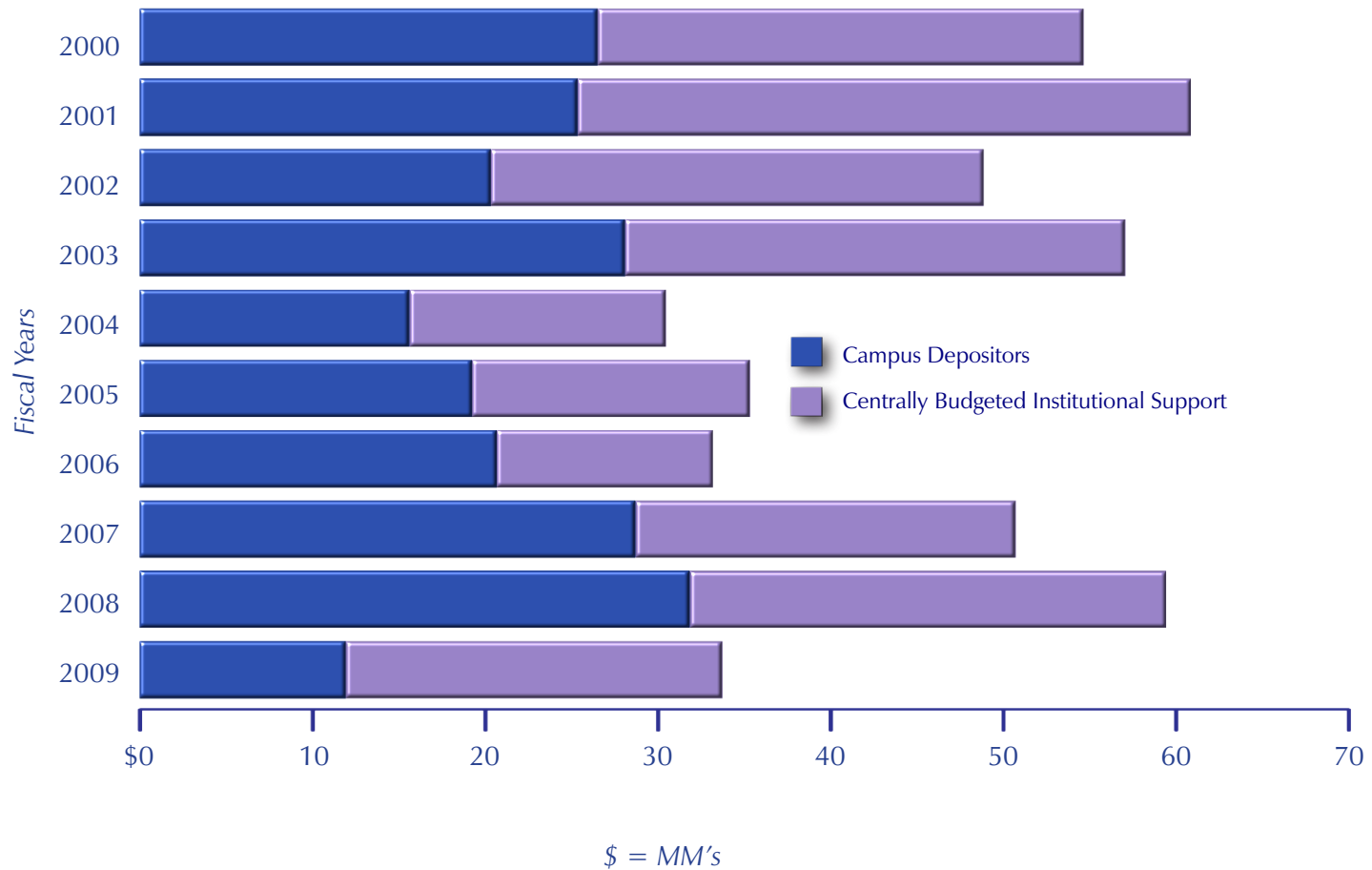
Institutional Funds			Campus Depositor Funds ¹		
DOF/GOF/Other	\$334,728	26.4%	UW Medicine ²	\$309,865	24.4%
Reserves	<u>73,193</u>	<u>5.8%</u>	Insurance Funds	\$77,103	6.1%
			Grants and Contracts	\$53,484	4.2%
			Business	\$48,492	3.8%
			Office of Research	\$46,387	3.7%
			Engineering	\$36,335	2.9%
			Arts & Sciences	\$36,138	2.8%
			Housing & Dining	\$26,051	2.1%
			Parking	\$11,539	0.9%
			Student Fac. & Fees	\$11,830	0.9%
			Intercollegiate Athletics	\$4,264	0.3%
			All Other Departments	<u>\$211,893</u>	<u>16.7%</u>
	<u>\$407,921</u>	<u>32.2%</u>		<u>\$873,381</u>	<u>68.8%</u>

¹ Includes gifts, private grants, royalty funds, and auxiliary reserves.

² UW Medicine includes hospital reserves of \$172,328.

Financial Support to Campus

2000–2009 Invested Funds Distributions

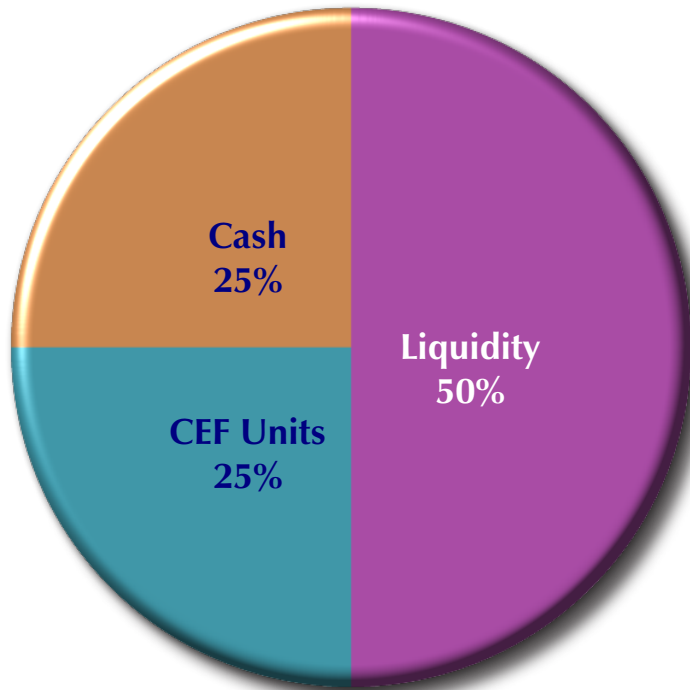


Income distributions from the Invested Funds provide an important source of financial support to the campus community. Over the past ten fiscal years (FY '00–FY '09), \$477 million net of fees was distributed. Approximately half of this distribution was issued directly to campus depositors and the other half allocated centrally through the budget process. Distributions are made annually at the end of each fiscal year.

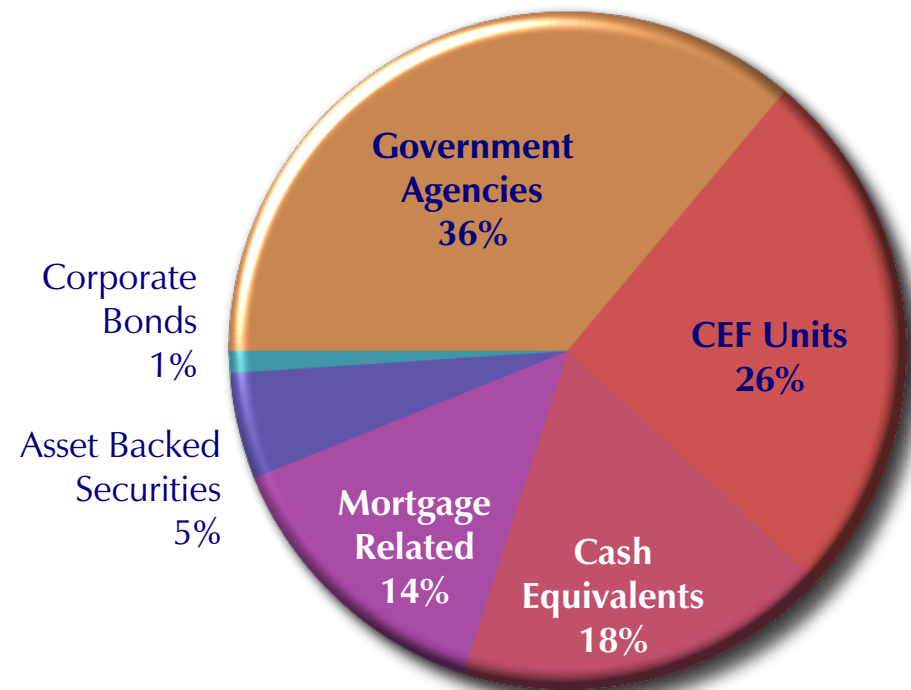
Invested Funds Asset Allocation

As of 9/30/09 (\$=MM)

By Pool



By Asset



Fund Composition

	Fund Allocation		Range	Duration		Guidelines
				Actual	Maximum	
Cash Pool	\$331	24%	10%–40%	0.4	3.0 yrs	• Average quality of “AA”
Liquidity Pool	\$671	50%	30%–60%	3.8	4.3 yrs	• Average quality of “AA” (at least 25% invested in US Gov’t and its agencies)
Total Cash & Liquidity Pool	\$1,001	74%				
CEF Units held by IF	\$347	26%	15%–40%			
Total Invested Funds	\$1,348					

Invested Funds Performance

Total Return¹ (%) as of 09/30/09

	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>
IF excluding CEF units	4.5%	4.1%	5.2%	5.9%
Weighted Policy Benchmark	6.1%	4.8%	5.4%	5.8%
IF including CEF units	0.9%	4.9%	5.5%	7.0%
Weighted Benchmark	3.8%	5.7%	5.6%	7.1%

¹ *Average Annual Compound Return*

The inclusion of CEF exposure in the IF portfolio hurt performance in FY09. Over the long term, however, CEF exposure improved the performance of the IF by over 1% per annum.

Investment Team

Investment Team Performance Objective

Objective: Generate Strong Investment Performance

- Outperform the CEF policy benchmark by 125 basis points per annum over rolling three year periods

*“Investment performance is our top priority
within the risk constraints of the University.”*

Investment Team Evolution

	8 Years Ago	Today
GOVERNANCE	<ul style="list-style-type: none"> Decision-making committee of the Board of Regents with broad oversight of the University's finances 	<ul style="list-style-type: none"> Advisory committee (UWINCO) focused solely on the invested programs of the University.
STRATEGY	<ul style="list-style-type: none"> Diverse range of asset classes—domestic focus 	<ul style="list-style-type: none"> Diverse range of asset classes—global focus
	<ul style="list-style-type: none"> Active participation in alternative asset investments 	<ul style="list-style-type: none"> Active participation in alternative asset investments
	<ul style="list-style-type: none"> Focus on asset allocation 	<ul style="list-style-type: none"> Focus on market opportunity
	<ul style="list-style-type: none"> External investment managers 	<ul style="list-style-type: none"> External investment managers
	<ul style="list-style-type: none"> Outsourced risk management and asset allocation modeling 	<ul style="list-style-type: none"> Proprietary risk and asset allocation models (Partnership with UW's Computational Finance)
STAFFING	<ul style="list-style-type: none"> Outsourced manager research and due diligence 	<ul style="list-style-type: none"> Extensive internal manager research and due diligence—domestically and abroad
	<ul style="list-style-type: none"> Treasurer with broad fiscal and administrative responsibilities 	<ul style="list-style-type: none"> Dedicated Chief Investment Officer with delegated decision-making authority
	<ul style="list-style-type: none"> Small staff (3-4) of generalist finance professionals with responsibilities extending beyond investments 	<ul style="list-style-type: none"> Moderate sized staff (8–9) of investment professionals focused solely on investments
	<ul style="list-style-type: none"> Compensation within the University's structure 	<ul style="list-style-type: none"> Competitive performance based compensation
	<ul style="list-style-type: none"> Reliance on consultants as an extension of staff 	<ul style="list-style-type: none"> Targeted use of consultants

Investment Team Focus

Portfolio

- Focus on global opportunities
- Build self-directed securities portfolio
- Initiative process to improve management of Invested Funds portfolio

Risk

- Expand back office due diligence capabilities
- Refine approach to liquidity risk management
- Expand usage of derivatives to control risk

Research

- Explore analytics of custodial and other performance systems
- Deepen proprietary research function
- Expand interaction with academic community

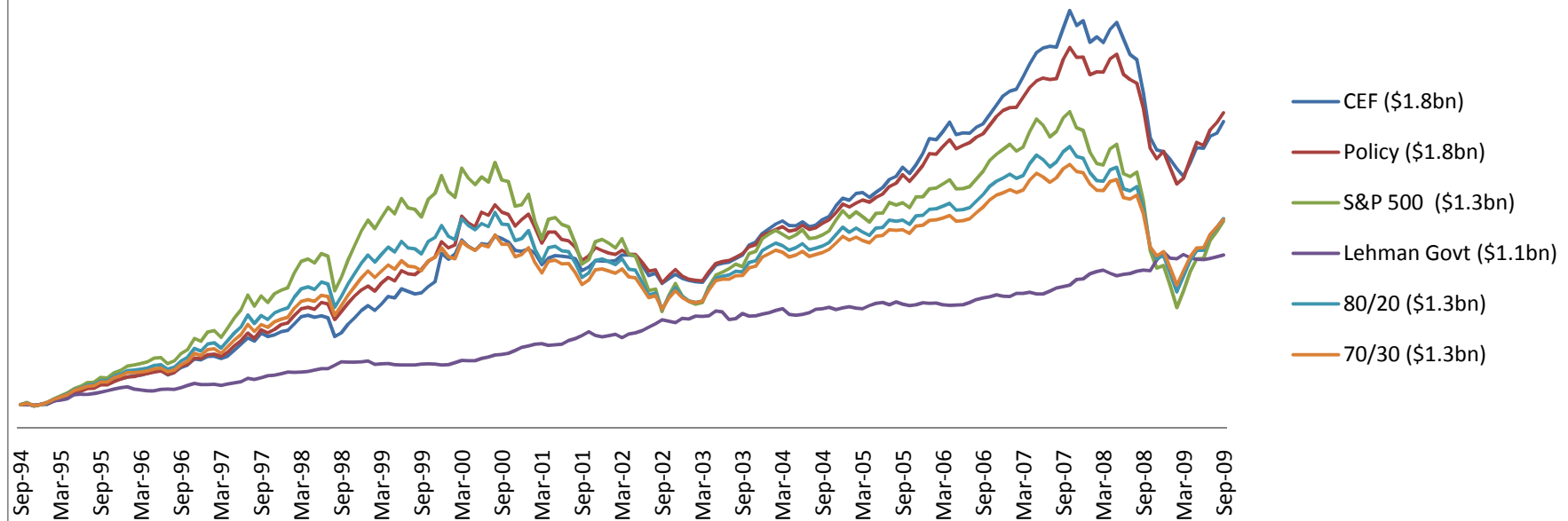
Organization

- Develop internal execution capability
- Research best practices in endowment management
- Hire Chief Operations Officer

Implementation Plan



Comparative Growth of Endowment (Endowment \$277mn as of Oct'94)



<u>AACR</u>	<u>CEF</u>	<u>Policy</u>	<u>S&P 500</u>	<u>LB Govt</u>	<u>80/20</u>	<u>70/30</u>
1-year	-7.1%	-1.2%	-6.9%	6.7%	-3.6%	-2.1%
3-year	0.2%	1.9%	-5.4%	6.8%	-2.8%	-1.5%
5-year	6.2%	7.0%	1.0%	5.2%	2.1%	2.6%
10-year	6.3%	5.4%	-0.2%	6.2%	1.4%	2.1%
15-year	9.9%	10.0%	7.6%	6.7%	7.7%	7.7%

UW active management added \$500mn over the last 15 years.

Note: AACR is Average Annual Compound Return. 80/20 refers to 80% S&P 500 and 20% Lehman Govt. 70/30 refers to 70% S&P500 and 30% Lehman Govt.

Data as of 9/30/2009

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Consolidated Endowment Fund Investment Pool

For information only.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

UW Budget Overview

For information only.