



**September 10, 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

**WEDNESDAY, SEPTEMBER 16, 2009**

<b>6:00 p.m.</b>	<b>Hill-Crest</b>	<b>DINNER FOR REGENTS AND OTHER GUESTS</b>
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**THURSDAY, SEPTEMBER 17, 2009**

<b>9:00 a.m.</b>	<b>UW Tower</b> Board Room, 22 <sup>nd</sup> Floor	<b>REGULAR MEETING OF BOARD OF REGENTS</b>
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*The following times are approximate.  
Committees will meet concurrently.*

<b>9:05 to noon</b>	<b>UW Tower</b> Board Room, 22 <sup>nd</sup> Floor	<b>FINANCE, AUDIT AND FACILITIES COMMITTEE:</b> Regents Blake (Chr), Brotman, Jewell, Kiga, Simon
<b>11:15 a.m. to noon</b>	<b>UW Tower</b> Magnolia Room, 22 <sup>nd</sup> Floor	<b>ACADEMIC &amp; STUDENT AFFAIRS COMMITTEE:</b> Regents Simon (Chr), Barer, Gates, Golden, Proctor
<b>Noon to 12:15 p.m.</b>		<b>BREAK</b>
<b>12:15 to 3:30 p.m.</b>	<b>UW Tower</b> Board Room, 22 <sup>nd</sup> Floor	<b>REGULAR MEETING OF BOARD OF REGENTS</b>
<b>3:30 to 5:00 p.m.</b>	<b>Physics Astronomy Building</b> Room B356A	<b>REGENTS VISIT TO SITE OF FACULTY RESEARCH</b>

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## AGENDA

### BOARD OF REGENTS University of Washington

September 17, 2009  
9:00 a.m.  
UW Tower  
Board Room, 22<sup>nd</sup> Floor

(Item No.)

#### I. CALL TO ORDER

Adjourn to committee meetings.  
The regular meeting of the Board of Regents will reconvene at approximately 12:15 p.m.

#### II. ROLL CALL: Assistant Secretary Kelly Keith

#### III. CONFIRM AGENDA

#### IV. REPORT OF THE CHAIR OF THE BOARD OF REGENTS: Regent Cole

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

Supplemental Budget (Information only) UP-1  
**Paul Jenny**, Vice Provost, Planning and Budgeting

Establishment of UW Advisory Committee on Real Estate (Action) UP-2  
**Jeff Brotman**, Chair, Special Committee on the Future of the Metropolitan Tract

Faculty Presentation – “Dirt: The Erosion of Civilizations” (Information only) UP-3  
**David Montgomery**, Professor, Department of Earth and Space Sciences, College of the Environment

#### EXECUTIVE SESSION

(To discuss with legal counsel representing the University, litigation or potential litigation to which the University is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequences to the University.)

**VI. CONSENT AGENDA**

Approval of Minutes of Special Meeting of July 15, 2009

Approval of Minutes of Meeting of July 16, 2009

Approval of Minutes of Special Meeting of August 19, 2009

University of Washington Medicine Board Bylaws Changes A-2

Grant and Contract Awards – June and July, 2009 F-1

Architectural Commission Membership Appointments F-2

Appointment of Insurance Broker of Record F-3

On-Call Medical Master Term Agreement – Select Architect F-4

House of Knowledge – Select Architect and Delegate Authority to Award a Design Contract F-9

Adoption of University of Washington Investment Committee Statement of Principles F-12

University of Washington Investment Committee Member Appointment F-13

Exception to Invested Funds Investment Policy F-14

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

Academic and Administrative Appointments (**ACTION**) A-1

Climate Action Plan (Information only) A-3

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

Report of Contributions – June and July, 2009 (Information only) F-5

Actions Taken Under Delegated Authority (Information only) F-6

Metropolitan Tract Performance Report for the Quarter Ended June 30, 2009 (Information only) F-7

Enterprise Risk Management (Information only) F-8

Ocean Observatory Initiative Regional Scale Nodes Primary Infrastructure – Review Project Concept (Information only) F-10

Investment Performance Report, Fourth Quarter Fiscal Year 2009 (Information only) F-11

Advancement Fiscal Year End Results (Information only) F-15

**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. ELECTION OF OFFICERS OF THE BOARD OF REGENTS (Per Bylaws)**

Chair  
Vice Chair  
Secretary  
Assistant Secretary  
Treasurer

**X. ELECTION OF MEMBERS OF THE EXECUTIVE COMMITTEE (Per Bylaws)**

**XI. DATE FOR NEXT REGULAR MEETING:** Thursday, October 15, 2009 at the UW Tower

**XII. ADJOURNMENT**





**UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS**

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

**September 17, 2009  
9:05 a.m. to noon  
UW Tower  
Board Room, 22<sup>nd</sup> Floor**

- |    |   |                    |     |
|----|---|--------------------|-----|
| 1. | <b>Grant and Contract Awards Summary – June and July, 2009</b><br>Phyllis M. Wise, Provost and Executive Vice President   | <b>ACTION</b>      | F-1 |
| 2. | <b>Architectural Commission Membership Appointments</b><br>Richard Chapman, Associate Vice President, Capital Projects Office   | <b>ACTION</b>      | F-2 |
| 3. | <b>Appointment of Insurance Broker of Record</b><br>Elizabeth Cherry, Executive Director, Risk Management   | <b>ACTION</b>      | F-3 |
| 4. | <b>On-Call Medical Master Term Agreement – Select Architect</b><br>Richard Chapman  | <b>ACTION</b>      | F-4 |
| 5. | <b>Report of Contributions – June and July, 2009</b><br>Walter G. Dryfoos, Associate Vice President, Advancement Services<br>Connie Kravas, Vice President, University Advancement  | <b>INFORMATION</b> | F-5 |
| 6. | <b>Actions Taken Under Delegated Authority</b><br>Richard Chapman   | <b>INFORMATION</b> | F-6 |
| 7. | <b>Metropolitan Tract Performance Report for the Quarter Ended June 30, 2009</b><br>Jeannette Henderson, Director, Real Estate Office<br>Lisa Stewart, Principal, Urbis Partners, LLC<br>V'Ella Warren, Senior Vice President and Treasurer, Board of Regents | <b>INFORMATION</b> | F-7 |
| 8. | <b>Enterprise Risk Management</b><br>V'Ella Warren<br>Ana Mari Cauce, Dean, College of Arts and Sciences<br>Doug Breckel, Associate Vice President, Treasury Office<br>Paul Jenny, Vice Provost, Planning and Budgeting                                       | <b>INFORMATION</b> | F-8 |
| 9. | <b>House of Knowledge – Select Architect and Delegate Authority to Award a Design Contract</b><br>Richard Chapman<br>John Palewicz, Director, Capital Projects Central, Capital Projects Office   | <b>ACTION</b>      | F-9 |

10. **Ocean Observatory Initiative Regional Scale Nodes Primary Infrastructure – Review Project Concept** **INFORMATION** F-10  
Arthur Nowell, Dean, College of Ocean and Fishery Sciences  
Pete Barletto, Director, Regional Cabled Observatory, Oceanography  
Richard Chapman
11. **Executive Session**  
(to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price)
12. **Executive Session**  
(to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price)
13. **Executive Session**  
(to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price)
14. **Investment Performance Report, Fourth Quarter Fiscal Year 2009** **INFORMATION** F-11  
Keith Ferguson, Chief Investment Officer  
Doug Breckel
15. **Adoption of University of Washington Investment Committee Statement of Principles** **ACTION** F-12  
Keith Ferguson
16. **University of Washington Investment Committee Member Appointment** **ACTION** F-13  
Keith Ferguson
17. **Exception to Invested Funds Investment Policy** **ACTION** F-14  
Keith Ferguson  
Doug Breckel
18. **Advancement Fiscal Year End Results** **INFORMATION** F-15  
Walter G. Dryfoos  
Connie Kravas
19. **Other Business**



**UNIVERSITY OF WASHINGTON  
BOARD OF REGENTS**

**Academic and Student Affairs Committee**  
Regents Simon (Chair), Barer, Gates, Golden, Proctor

**September 17, 2009  
11:15 a.m. to noon  
UW Tower  
Magnolia Room, 22<sup>nd</sup> Floor**

- |    |  |                        |
|----|--|------------------------|
| 1. | <b>Academic and Administrative Appointments</b><br>Phyllis M. Wise, Provost and Executive Vice President   | <b>ACTION</b> A-1      |
| 2. | <b>University of Washington Medicine Board Bylaws Changes</b><br>Paul G Ramsey, CEO, UW Medicine and Dean of the School of Medicine                    | <b>ACTION</b> A-2      |
| 3. | <b>Climate Action Plan</b><br>Sandra O. Archibald, Dean, Evans School of Public Affairs and Chair, Environmental Stewardship Advisory Committee (ESAC) | <b>INFORMATION</b> A-3 |
| 4. | <b>Other Business</b>  |                        |

# **MINUTES**

## **BOARD OF REGENTS University of Washington**

**September 17, 2009**

The Board of Regents held its regular meeting on Thursday, September 17, 2009, beginning at 9:00 a.m. in the Board Room of the UW Tower. The notice of the meeting was appropriately provided to the public and the media.

### **CALL TO ORDER**

The Chair of the Board, Regent Craig Cole, directed the Regents to adjourn into meetings of the Finance, Audit, and Facilities and Academic and Student Affairs Committees.

The Regular Meeting of the Board re-convened at 12:15 p.m.

### **ROLL CALL**

Assistant Secretary Keith called the roll: Present were Regents Craig Cole (presiding), Stan Barer, Kristianne Blake, Jeff Brotman, Bill Gates, Ben Golden, Fred Kiga, Connie Proctor, Herb Simon; Dr. Emmert, Dr. Wise, Ms. Warren, Ms. Goldblatt; ex-officio representatives: Professor Balick, Mr. Mensing, Mr. Faleschini, Mr. Pasatiempo.

Absent: Regent Jewell

### **CONFIRM AGENDA**

The agenda was confirmed as presented.

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

Regent Cole welcomed Ben Golden to his first Regular Meeting of the Board. Regent Golden was appointed to the Board by Governor Gregoire on August 3, 2009.

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

#### **Supplemental Budget** (Information only) (Agenda no. UP-1)

Paul Jenny, Vice Provost, Planning and Budgeting, presented information regarding the University's supplemental budget request to the state of Washington. The budget will be presented to the Regents for approval at the October meeting. Vice Provost Jenny said even with economic recovery, he expects significant budget challenges for the state in fiscal year 2011, and in the 2011-13 biennium.

President Emmert commented on the challenge presented by the fundamental financial model underpinning the University's finances. The state budget returned the University to 1999 levels of funding. The University will continue to pursue resources from the state, but needs to look at a variety of solutions to the current operational model. Administration will strive to identify potential solutions to provide the capacity to control costs and ways to gain more flexibility on revenue streams.

Questions and discussion followed.

See Attachment UP-1.

**Establishment of UW Advisory Committee on Real Estate** (Action) (Agenda no. UP-2)

Regent Jeff Brotman, Chair of the Special Committee on the Future of the Metropolitan Tract, told the Regents dealing with the University's real estate assets has become increasingly complex. Therefore it makes sense to establish an advisory committee for real estate similar to UWINCO (which advises the endowment and financial investments of the University). Regent Brotman introduced the Statement of Principles for the committee. Potential committee members will be active in the specific areas about which the University seeks advice.

Questions and discussion followed Regent Brotman's presentation.

**MOTION:** Upon the recommendation of the Chair of the Board and the motion made by Regent Blake, seconded by Regent Simon, the Board voted to approve the Establishment of the UW Advisory Committee on Real Estate (ACRE). The Regents agreed the Statement of Principles would be amended to make the terms of Committee members renewable by the Board of Regents, rather than by the Chair of the Board of Regents.

See Attachment UP-2.

**EXECUTIVE SESSION**

Regent Cole announced the Board would hold a thirty-minute executive session to discuss with legal counsel representing the University, litigation or potential litigation to which the University is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the University.

Following the executive session the Board reconvened in open session to take the following action:

**University of Washington and Northwest Hospital & Medical Center Affiliation** (Action) (Agenda no. UP-4)

Dr. Paul G. Ramsey, CEO, UW Medicine and Dean of the School of Medicine, described the proposal to affiliate UW Medicine and Northwest Hospital & Medical Center. Dr. Ramsey commended UW Medicine Board Member, Shan Mullin, for his work on the affiliation project. Dr. Ramsey reported the UW Medicine Board voted on Monday, September 14, to recommend the Regents move forward on this project, and the NW Hospital Board voted unanimously in support of the affiliation at its meeting on Tuesday, September 15.

Questions and discussion followed.

**MOTION:** Upon the recommendation of the Chair of the Board and the motion made by Regent Simon, seconded by Regent Proctor, the Board voted to approve the University of Washington and Northwest Hospital & Medical Center Affiliation.

The President, the CEO of UW Medicine/Executive Vice President for Medical Affairs, and the UW Medicine Board recommend that the Board of Regents:

1. approve the further affiliation of Northwest Hospital & Medical Center with the University of Washington through the University of Washington's sole membership in the nonprofit corporation to be known as UW Medicine/Northwest, which corporation shall be organized exclusively to carry out charitable, scientific or educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code; and
2. authorize the President to delegate to the CEO of UW Medicine/Executive Vice President for Medical Affairs, with the review and advice of the UW Medicine Board and the UW Senior Vice President, authority to execute on behalf of the University the documents necessary to implement the affiliation, provided those agreements are consistent with the general terms as stated in the Preliminary Agreement, which has been endorsed by the Health Resources Northwest Board, the Northwest Hospital & Medical Center Board, and the UW Medicine Board. The final documentation shall be subject to approval by the Finance, Audit and Facilities Committee of the Board of Regents.

See Attachment UP-4.

**Faculty Presentation – “Dirt: The Erosion of Civilizations”** (Information only)  
(Agenda no. UP-3)

David Montgomery, Professor, Department of Earth and Space Sciences, College of the Environment, provided a synopsis of his research to the Regents. Professor Montgomery gave each Regent and ex officio representative an autographed copy of his book, “Dirt: The Erosion of Civilizations.”

Questions and discussion followed.

See Attachment UP-3.

## **CONSENT AGENDA**

Regent Cole noted there were twelve items for approval on the consent agenda.

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

**Minutes for the Special Meeting of July 15, 2009**

**Minutes for the Meeting of July 16, 2009**

**Minutes for the Special Meeting of August 19, 2009**

**University of Washington Medicine Board Bylaws Changes** (Agenda no. A-2)

It was the recommendation of the President that the Board of Regents adopt the proposed amendments to the Bylaws of the University of Washington Medicine Board.

See Attachment A-2.

**Grant and Contract Awards – June and July, 2009** (Agenda no. F-1)

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 June, in the total amount of \$203,944,000, and for the month of July, 2009, in the total amount of \$139,092,200.

See Attachment F-1.

**Architectural Commission Membership Appointments** (Agenda no. F-2)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to re-appoint Stephen Kieran to the University of Washington Architectural Commission, commencing immediately and ending in October 2013; and to appoint student representative, Ted Wegrich, to the University of Washington Architectural Commission, commencing immediately and ending in June 2010.

See Attachment F-2.

**Appointment of Insurance Broker of Record** (Agenda no. F-3)

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents appoint Parker, Smith & Feek as Insurance Broker of Record for the student insurance plans, effective Sept. 17, 2009 until Dec. 1, 2011, subject to satisfactory performance.

See Attachment F-3.

**On-Call Medical Master Term Agreement – Select Architect** (Agenda no. F-4)

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to award an on-call medical master term agreement to ZGF, subject to successful negotiation of the architectural and professional services agreement.

In the event of an unsuccessful negotiation with the selected firm, it is requested that authority be delegated to open negotiations with ARC Architects, Seattle, WA, the firm recommended as second alternate.

See Attachment F-4.

**House of Knowledge – Select Architect and Delegate Authority to Award a Design Contract** (Agenda no. F-9)

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to award a design contract for the House of Knowledge Project with the firm of Jones & Jones Architects, Landscape Architects, and Planners, subject to successful negotiation of an architectural agreement.

See Attachment F-9.

**Adoption of University of Washington Investment Committee Statement of Principles** (Agenda no. F-12)

It is the recommendation of the Finance, Audit and Facilities Committee and the University of Washington Investment Committee (UWINCO) that the Board of Regents adopt the UWINCO Statement of Principles.

See Attachment F-12.

**University of Washington Investment Committee Member Appointment** (Agenda no. F-13)

It is the recommendation of the administration and the Finance, Audit and Facilities Committee (FAF) that the Board of Regents appoint Bryan White to the advisory University of Washington Investment Committee (UWINCO). The appointment would commence immediately for a period of three years ending October 2012, renewable by the Board of Regents.

See Attachment F-13.

**Amendment to Invested Funds Investment Policy** (Agenda no. F-14)



September 17, 2009

It is the recommendation of the Finance, Audit and Facilities Committee and the University of Washington Investment Committee (UWINCO) that the Board of Regents reduce the current requirement that fifty percent of the Liquidity Pool be invested in the obligations of the U.S. Government and its agencies to twenty-five percent. The recommended change will improve the risk/return profile of the Invested Funds.

See Attachment F-14.

## STANDING COMMITTEES

### **ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Simon, Chair**

At the request of Regent Simon, Provost Wise highlighted appointments where an administrator, professorship, dean or chair was included. President Emmert mentioned the permanent appointment of Randy Hodgins as Vice President for External Affairs, and commended his work.

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

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

See Attachment A-1.

### **Climate Action Plan** (Agenda no. A-3) (Information only)

Regent Simon reported Regents received a report from Sandra Archibald, Dean of the Evans School of Public Affairs, on the University's Climate Action Plan. Dean Archibald is the Chair of the Environmental Stewardship Advisory Committee (ESAC). She described the University's effort to reduce its carbon footprint and achieve environmental neutrality in its operations. The UW has tracked greenhouse gas emissions since 2000 and has successfully reduced this measure through efficiencies and incentives in the operations of facilities and transportation. All three campuses have a role in the mission of environmental sustainability. Regent Simon said the University is taking a leadership role in climate action.

See Attachment A-3.

### **FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Blake, Chair**

### **Report of Contributions – June and July, 2009** (Agenda no. F-5) (Information only)

The total amount of gifts received in June, 2009, was \$45,356,345; the total year-to-date was \$324,078,477. The total amount of gifts received in July, 2009, was \$33,859,631.

See Attachment F-5.

**Actions Taken Under Delegated Authority** (Agenda no. F-6) (Information only)

See Attachment F-6.

**Metropolitan Tract Performance Report for the Quarter Ended June 30, 2009**  
(Agenda no. F-7) (Information only)

See Attachment F-7.

**Enterprise Risk Management** (Agenda no. F-8) (Information only)

Regent Blake praised the presentation on Enterprise Risk Management (ERM) and said the University of Washington is in the forefront of implementing Enterprise Risk Management, and serves as a positive national example for its work in this area. The presentation described the use of ERM techniques to evaluate the risks and benefits of individual projects, and to look at the impact on a University-wide basis. Enterprise Risk Management enables the University to evaluate internal and external risks to the institution. Regent Blake said Paul Jenny and Doug Breckel gave the committee an example of evaluating risk related to long-term financial downturn for possible mitigation and actions. The committee heard about how different risks interact and compound each other. Risks are evaluated in the context of the University's strategic plan.

See Attachment F-8.

**Ocean Observatory Initiative Regional Scale Nodes Primary Infrastructure – Review Project Concept** (Agenda no. F-10) (Information only)

Regents received an update on this project (also known as Neptune). An action item to approve construction will be presented to the Regents at their October meeting.

See Attachment F-10

**Investment Performance Report, Fourth Quarter Fiscal Year 2009** (Agenda no. F-11) (Information only)

Regent Blake reported various investment items were brought before the Regents, including the Fourth Quarter Investment Performance Report. The University's investments were down 23% for the year. Regents heard about the performance of the University's invested funds. Performance of these funds was dragged down by investment in the Consolidated Endowment Fund; otherwise the funds are performing relatively well. Regent Blake reported the Regents adopted a statement of principles for UWINCO, the University of Washington Investment Committee, appointed a new member to the Committee, and approved an amendment to the invested funds policy. The current policy required the Liquidity Reserve Fund to invest a minimum of 50% of its funds in government securities. The amended policy lowers the requirement to 25%. UWINCO recommended this change be implemented due to the increased risk associated a high concentration in treasury obligations at this time in the market cycle.

See Attachment F-11.

**Advancement Fiscal Year End Results** (Agenda no. F-15) (Information only)

Regent Blake said Advancement staff reported favorable year-end results. The University had one of the highest levels of fundraising ever. Regent Blake noted the number of donors was down from last year's high watermark. The University received a higher percentage of donations from donors who were not affiliated with the University. It reflects positively on the University when people in community support it financially. Regent Blake commented there is more potential for fundraising from alumni. Regent Gates said private grants are included in the fundraising totals, the University received a large number of private grants in the past year, and this may skew the percentages. Contributions continue to be positive in July and August.

See Attachment F-15.

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

**Faculty Senate Chair:** Professor Bruce Balick

Regent Cole welcomed Bruce Balick, the Faculty Senate Chair for 2009-10. Professor Balick noted his prepared remarks are included in the Regents' packets.

Professor Balick said he recognized the critical role of faculty, administration, and the Regents in sharing governance, and recognized collaboration at all levels. He said communication is needed to make shared governance work, and this is his highest responsibility.

Professor Balick praised Dean Sandra Archibald and Chester McCorkle's book, "Management and Leadership in Higher Education."

He told the Regents faculty will be discussing Activity Based Budgeting (ABB) over the next year.

He looks forward to the Regents' upcoming visit to the Department of Astronomy following the Board meeting.

**ASUW President:** Mr. Tim Mensing

Mr. Mensing told the Regents the ASUW Board is organizing a "Crime Summit," scheduled for October 14, emphasizing safety on campus.

Mensing noted the academic year will kick-off with Dawg Daze events from September 27 through October 3, and that ASUW officers will hold an orientation during which they will work on their goals for the year. ASUW's preliminary goals are: safety, community, crafting a unified message for funding and budget cuts, and helping students start their careers following graduation.

Mr. Mensing said, on behalf of ASUW, they wish to discuss issues collaboratively.

**GPSS President:** Mr. Jake Faleschini

Mr. Faleschini told the Regents GPSS officers are introducing themselves to graduate students at orientations across campus.

Faleschini reminded the Regents of a GPSS project published by Not for Tourists. He showed the Regents a guide to Seattle, with a 50-page section on the UW written by students, for students, and distributed copies of the *GPSS Guide to Life* to the Regents.

GPSS will hold the third Annual GPSS Summit on Friday, October 30. Regents are invited. The conference will feature panels on state funding and activity-based budgeting. The SAGE (Student Advocates for Graduate Education) conference, to be held October 31 to November 1, will include student leaders from the top ten public universities across the country.

**Alumni Association President:** Mr. Eddie Pasatiempo

Mr. Pasatiempo told the Regents the UWAA Board recently held a retreat where they focused on team-building. Three guiding principles came out of this retreat:

- 1) Ensure viability of the Alumni Association;
- 2) Ignite possibilities to do things in new and different ways; and
- 3) Create alignment to achieve the first two goals.

The UW Alumni Association Board recently held its first ever joint meeting with the UW Foundation Board. The purpose of this joint meeting was to identify potential areas for collaboration, and explore how to work together.

Mr. Pasatiempo said the UWAA's Legislative Advocacy Committee is stepping up its efforts to communicate the University's agenda. The UWAA Board is seeking the assistance of attorneys to form the committee in compliance with laws and regulations.

To promote Alumni Association Life Memberships, Mr. Pasatiempo introduced the "one-to-life" program offering a free year of membership to those who agree to convert to life membership. He offered Regents memberships to give to people interested in Alumni Association membership.

## **ELECTION OF OFFICERS OF THE BOARD OF REGENTS:**

Regent Cole announced that according to the Bylaws of the Board of Regents, officers of the Board are to be elected at the regular September meeting each year. Upon the motion made by Regent Proctor, seconded by Regent Golden, the vote was cast to elect Herb Simon as Chair and Kristianne Blake as Vice Chair of the Board of Regents, and for the incumbents in the other offices of the Board to be re-elected.

### **Officers of the Board for 2009-10**

<b>Chair:</b>	<b>Herb Simon</b>
<b>Vice Chair:</b>	<b>Kristianne Blake</b>
<b>Treasurer:</b>	<b>V'Ella Warren</b>
<b>Secretary:</b>	<b>Joan Goldblatt</b>
<b>Assistant Secretary:</b>	<b>Kelly Keith</b>

Following the elections Regent Cole passed the gavel to Regent Simon.

Regent Simon thanked Regent Cole for his service as Chair. Regent Simon said he was honored by the opportunity to serve as Chair. He commented on the uniqueness of the Board of Regents, which is a Board appointed by the Governor rather than from within. The Governor makes appointments based on cultural, geographic, and ideological differences. The Board of Regents is unique and contributes to the greatness of the University of Washington. Regent Simon thanked the members of the University's administration for their leadership, acknowledged the energy the Regents receive from the students, and emphasized the importance of collaboration with faculty.

In the coming year, Regent Simon said he looks forward to receiving sage advice from other Board members.

Regent Simon thanked Regent Cole again for his service over the past year and cited his passion and commitment. During the past difficult year Regent Cole spent numerous hours in Olympia on behalf of the University. He possesses a valuable knowledge of the legislative process and acquaintance with legislators. He dealt with internal issues with passion and enthusiasm.

Regent Simon presented Regent Cole with an engraved gavel and a group photo of the Board of Regents. Regent Cole said it had been an honor to serve as Board Chair.

## **ELECTION OF MEMBERS OF THE EXECUTIVE COMMITTEE**

The Bylaws require members of the Executive Committee be elected at the annual September meeting of the Board. Regent Simon recommended all Board members serve as members of the Executive Committee. Upon the motion made by Regent Cole, seconded by Regent Brotman, a unanimous vote was cast to elect the following members:

**Herb Simon, Chairman, ex officio**  
**Stanley H. Barer**  
**Jeffrey H. Brotman**  
**Kristianne Blake**  
**Craig W. Cole**  
**William H. Gates**  
**Ben Golden**  
**Sally Jewell**  
**Frederick C. Kiga**  
**Constance L. Proctor**

Regent Simon will announce the committee assignments soon, and officially announce them at the next meeting of the Board.

## **DATE FOR NEXT MEETING**

The next regular meeting of the Board of Regents will be held on Thursday, October 15, 2009, at the UW Tower.

## **ADJOURNMENT**

The regular meeting was adjourned at 3:15 p.m.



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Joan Goldblatt  
Secretary of the Board of Regents

*Minutes approved at the meeting of the Board on October 15, 2009*

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

*Attachment*

Personnel Recommendations

## **ADMINISTRATION**

### **ADMINISTRATIVE APPOINTMENTS**

#### **HODGINS, RANDY**

(BA, 1979, UNIVERSITY OF WASHINGTON; MA, 1983, UNIVERSITY OF WASHINGTON) TO BE VICE PRESIDENT FOR EXTERNAL AFFAIRS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, MR. HODGINS WAS THE INTERIM VICE PRESIDENT OF EXTERNAL AFFAIRS AND DIRECTOR OF STATE RELATIONS.)

## **COLLEGE OF ARTS AND SCIENCES**

### DANCE PROGRAM

#### **ADMINISTRATIVE APPOINTMENTS**

#### **COOPER, ELIZABETH**

(BA, 1987, YALE UNIVERSITY; MA, 1997, UNIVERSITY OF WASHINGTON) TO BE DIRECTOR OF DANCE, EFFECTIVE 7/1/2009. (MS. COOPER WILL CONTINUE AS ASSOCIATE PROFESSOR IN THE SAME PROGRAM.)

### DEPARTMENT OF APPLIED MATHEMATICS

#### **ENDOWED APPOINTMENTS**

#### **LEVEQUE, RANDALL J.**

(BA, 1977, UNIVERSITY OF CALIFORNIA (SAN DIEGO); PHD, 1982, STANFORD UNIVERSITY) TO BE HOLDER OF THE FOUNDERS TERM PROFESSORSHIP OF APPLIED MATHEMATICS, EFFECTIVE 9/16/2009. (PROFESSOR LEVEQUE WILL CONTINUE AS PROFESSOR OF APPLIED MATHEMATICS AND ADJUNCT PROFESSOR OF MATHEMATICS.)

### DEPARTMENT OF BIOLOGY

#### **NEW APPOINTMENTS**

#### **SUMMERS, ADAM P.**

(BA, 1986, SWARTHMORE COLLEGE; MS, 1992, NEW YORK UNIVERSITY; PHD, 1999, UNIVERSITY OF MASSACHUSETTS) TO BE ASSOCIATE PROFESSOR OF BIOLOGY AND ASSOCIATE PROFESSOR OF AQUATIC AND FISHERY SCIENCES AT A SALARY RATE OF \$92,997 OVER NINE MONTHS, EFFECTIVE 9/16/2009. (DR. SUMMERS IS CURRENTLY AN ASSOCIATE PROFESSOR OF ECOLOGY AND EVOLUTIONARY BIOLOGY AND BIOMEDICAL ENGINEERING BIOLOGY AT THE UNIVERSITY OF CALIFORNIA, IRVINE.)

### DEPARTMENT OF ECONOMICS

#### **ENDOWED APPOINTMENTS**

#### **BARZEL, YORAM**

(BA, 1953, HEBREW UNIVERSITY (ISRAEL); MA, 1956, HEBREW UNIVERSITY (ISRAEL); PHD, 1961, UNIVERSITY OF CHICAGO) TO BE HOLDER OF THE CHARLES R. NELSON ENDOWED PROFESSORSHIP IN ECONOMICS, EFFECTIVE 9/16/2009. (PROFESSOR BARZEL WILL CONTINUE AS PROFESSOR OF ECONOMICS.)

#### **HALVORSEN, ROBERT**

(BBA, 1963, UNIVERSITY OF MICHIGAN; MBA, 1965, HARVARD UNIVERSITY; MPA, 1968, HARVARD UNIVERSITY; PHD, 1973, HARVARD UNIVERSITY) TO BE HOLDER OF THE PAUL F. GLASER ENDOWED PROFESSORSHIP IN ECONOMICS, EFFECTIVE 9/16/2009. (PROFESSOR HALVORSEN WILL CONTINUE AS PROFESSOR AND CHAIR OF ECONOMICS.)



## DEPARTMENT OF GERMANICS

### **ENDOWED APPOINTMENTS**

#### **BROWN, JANE**

(BA, 1965, RADCLIFFE; MPhil, 1969, YALE UNIVERSITY; PHD, 1971, YALE UNIVERSITY) TO BE HOLDER OF THE JEFF HANAUER DISTINGUISHED PROFESSORSHIP IN WESTERN CIVILIZATION, EFFECTIVE 7/1/2009. (PROFESSOR BROWN WILL CONTINUE AS PROFESSOR OF GERMANICS AND PROFESSOR OF COMPARATIVE LITERATURE.)

## DEPARTMENT OF HISTORY

### **ENDOWED APPOINTMENTS**

#### **THOMAS, CAROL**

(BA, 1960, CARLETON COLLEGE; MA, 1961, NORTHWESTERN UNIVERSITY; PHD, 1965, NORTHWESTERN UNIVERSITY) TO BE HOLDER OF THE DR. NICK AND NANCY VIDALAKIS FAMILY ENDOWED PROFESSORSHIP OF CULTURE, EXCELLENCE AND SPIRITUALITY IN HELLENIC STUDIES, EFFECTIVE 9/1/2009. (PROFESSOR THOMAS WILL CONTINUE AS PROFESSOR OF HISTORY.)

## **MICHAEL G. FOSTER SCHOOL OF BUSINESS**

## DEPARTMENT OF MANAGEMENT AND ORGANIZATION

### **NEW APPOINTMENTS**

#### **BERN, DORRIT**

(BS, 1972, UNIVERSITY OF WASHINGTON) TO BE VISITING PROFESSOR OF MANAGEMENT AND ORGANIZATION AND HOLDER OF THE EDWARD V. FRITZKY ENDOWED VISITING CHAIR IN LEADERSHIP OVER NINE MONTHS, EFFECTIVE 7/1/2009.

## **COLLEGE OF ENGINEERING**

## DEPARTMENT OF CHEMICAL ENGINEERING

### **ADMINISTRATIVE APPOINTMENTS**

#### **SCHWARTZ, DANIEL**

(BS, 1983, UNIVERSITY OF MINNESOTA; MS, 1985, UNIVERSITY OF CALIFORNIA (DAVIS); PHD, 1989, UNIVERSITY OF CALIFORNIA (DAVIS)) TO BE CHAIR OF CHEMICAL ENGINEERING, EFFECTIVE 9/16/2009. (DR. SCHWARTZ WILL CONTINUE AS PROFESSOR OF CHEMICAL ENGINEERING AND ADJUNCT PROFESSOR OF MATERIALS SCIENCE AND ENGINEERING.)

### **NEW APPOINTMENTS**

#### **PFAENDTNER, WALTER**

(BS, 2001, GEORGIA INSTITUTE OF TECHNOLOGY; PHD, 2007, NORTHWESTERN UNIVERSITY) TO BE ASSISTANT PROFESSOR OF CHEMICAL ENGINEERING AT A SALARY RATE OF \$83,997 OVER NINE MONTHS, EFFECTIVE 9/16/2009.

## DEPARTMENT OF CIVIL AND ENVIRONMENTAL ENGINEERING

### **NEW APPOINTMENTS**

#### **CHEN, CYNTHIA**

(BA, 1992, NANKAI UNIVERSITY (CHINA); MS, 1995, NEW JERSEY INSTITUTE OF TECHNOLOGY; PHD, 2001, UNIVERSITY OF CALIFORNIA (DAVIS)) TO BE ASSOCIATE PROFESSOR OF CIVIL AND ENVIRONMENTAL ENGINEERING AT A SALARY RATE OF \$90,000 OVER NINE MONTHS, EFFECTIVE 9/16/2009. (PRIOR TO THIS APPOINTMENT, DR. CHEN WAS AN ASSISTANT PROFESSOR AT CITY COLLEGE OF NEW YORK.)

## DEPARTMENT OF COMPUTER SCIENCE AND ENGINEERING

### **NEW APPOINTMENTS**

#### **ANUP, RAO**

(BS, 2002, GEORGIA INSTITUTE OF TECHNOLOGY; PHD, 2007, UNIVERSITY OF TEXAS (AUSTIN)) TO BE ASSISTANT PROFESSOR OF COMPUTER SCIENCE AND ENGINEERING AT A SALARY RATE OF \$94,005 OVER NINE MONTHS, EFFECTIVE 1/1/2010.

## **COLLEGE OF OCEAN AND FISHERY SCIENCES**

### SCHOOL OF OCEANOGRAPHY

#### **NEW APPOINTMENTS**

#### **WATERS, RAECHEL**

(BSC, 1994, UNIVERSITY COLLEGE OF NORTH WALES (UK); PHD, 2003, FLINDERS UNIVERSITY (AUSTRALIA)) TO BE RESEARCH ASSISTANT PROFESSOR OF OCEANOGRAPHY AT A SALARY RATE OF \$88,752 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. WATERS WAS A RESEARCH ASSOCIATE IN THE SAME SCHOOL.)

## **COLLEGE OF THE ENVIRONMENT**

### FOREST RESOURCES

#### **NEW APPOINTMENTS**

#### **ALVARADO-CELESTIN, ERNESTO**

(BS, 1980, AUTONOMOUS UNIVERSITY OF BARCELONA; MS, 1986, AUTONOMOUS UNIVERSITY OF BARCELONA; PHD, 1992, UNIVERSITY OF WASHINGTON) TO BE RESEARCH ASSOCIATE PROFESSOR OF FOREST RESOURCES AT A SALARY RATE OF \$98,400 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. ALVARADO-CELESTIN WAS A RESEARCH SCIENTIST IN THE SAME DEPARTMENT.)

## **SCHOOL OF DENTISTRY**

### DEPARTMENT OF ENDODONTICS

#### **NEW APPOINTMENTS**

#### **PARANJPE, AVINA**

(BDentS, 2000, UNIVERSITY OF MUMBAI (INDIA); MS, 2004, UNIVERSITY OF CALIFORNIA (LOS ANGELES); PHD, 2007, UNIVERSITY OF CALIFORNIA (LOS ANGELES); MSD, 2009, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR OF ENDODONTICS AT A SALARY RATE OF \$100,008 OVER TWELVE MONTHS, EFFECTIVE 10/1/2009.

### DEPARTMENT OF ORAL MEDICINE

#### **NEW APPOINTMENTS**

#### **EPSTEIN, JOEL**

(DMD, 1976, UNIVERSITY OF SASKATCHEWAN (CANADA); MSD, 1979, UNIVERSITY OF WASHINGTON) TO BE VISITING PROFESSOR OF ORAL MEDICINE WITHOUT SALARY FROM THE UNIVERSITY, EFFECTIVE 9/1/2009. (DR. EPSTEIN IS CURRENTLY A PROFESSOR OF ORAL MEDICINE AT THE UNIVERSITY OF ILLINOIS, CHICAGO.)

## **SCHOOL OF MEDICINE**

### **DEPARTMENT OF ANESTHESIOLOGY AND PAIN MEDICINE**

#### **NEW APPOINTMENTS**

##### **JENSE, RYAN**

(BS, 1998, ST. JOHNS UNIVERSITY (MINNESOTA); MD, 2002, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE, PART-TIME, OF ANESTHESIOLOGY AND PAIN MEDICINE AT A SALARY RATE OF \$62,791 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. JENSE WAS A CLINICAL INSTRUCTOR IN THE SAME DEPARTMENT.)

### **DEPARTMENT OF FAMILY MEDICINE**

#### **NEW APPOINTMENTS**

##### **KEERBS, AMANDA**

(BS, 1991, UNIVERSITY OF CALIFORNIA (LOS ANGELES); MD, 1997, UNIVERSITY OF CALIFORNIA (LOS ANGELES)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF FAMILY MEDICINE AT A SALARY RATE OF \$137,688 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. KEERBS WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

##### **OSBORN, JUSTIN**

(BS, 1985, EASTERN MENNONITE COLLEGE; MD, 1989, UNIVERSITY OF VIRGINIA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF FAMILY MEDICINE AT A SALARY RATE OF \$116,064 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. OSBORN WAS A CLINICAL ASSOCIATE PROFESSOR IN THE SAME DEPARTMENT.)

##### **RAETZ, JACQUELINE**

(BS, 1996, YALE UNIVERSITY; MD, 2001, DUKE UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE, PART-TIME, OF FAMILY MEDICINE AT A SALARY RATE OF \$98,654 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. RAETZ WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

### **DEPARTMENT OF GLOBAL HEALTH**

#### **NEW APPOINTMENTS**

##### **RAJARATNAM, JULIA**

(BA, 1997, MACALESTER COLLEGE; PHD, 2007, JOHNS HOPKINS UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF GLOBAL HEALTH AT A SALARY RATE OF \$91,080 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. RAJARATNAM WAS A RESEARCH SCIENTIST IN THE SAME DEPARTMENT.)

##### **RAO, DEEPA**

(BA, 1995, UNIVERSITY OF CHICAGO; MA, 1996, UNIVERSITY OF CHICAGO; PHD, 2004, ILLINOIS INSTITUTE OF TECHNOLOGY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF GLOBAL HEALTH – MEDICINE AND ASSISTANT PROFESSOR WITHOUT TENURE OF GLOBAL HEALTH – PUBLIC HEALTH AT A SALARY RATE OF \$90,000 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. RAO WAS A RESEARCH ASSISTANT PROFESSOR AT NORTHWESTERN UNIVERSITY.)

DEPARTMENT OF IMMUNOLOGY

**ADMINISTRATIVE APPOINTMENTS**

**GOVERMAN, JOAN**

(BA, 1975, BRANDEIS UNIVERSITY; PHD, 1981, UNIVERSITY OF CALIFORNIA (LOS ANGELES)) TO BE ACTING CHAIR OF IMMUNOLOGY, EFFECTIVE 8/1/2009. (DR. GOVERMAN WILL REMAIN AS PROFESSOR OF IMMUNOLOGY AND ADJUNCT PROFESSOR OF GENOME SCIENCES.)

DEPARTMENT OF LABORATORY MEDICINE

**NEW APPOINTMENTS**

**BANKSON, DANIEL**

(BSCE, 1978, UNIVERSITY OF BRITISH COLUMBIA (CANADA); MS, 1982, MASSACHUSETTS INSTITUTE OF TECHNOLOGY; PHD, 1985, MASSACHUSETTS INSTITUTE OF TECHNOLOGY; MBA, 2004, SEATTLE UNIVERSITY) TO BE ASSOCIATE PROFESSOR WITHOUT TENURE OF LABORATORY MEDICINE AT A SALARY RATE OF \$108,000 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BANKSON WAS A CLINICAL ASSOCIATE PROFESSOR IN THE SAME DEPARTMENT.)

DEPARTMENT OF MEDICAL EDUCATION AND BIOMEDICAL INFORMATICS

**NEW APPOINTMENTS**

**ANDERSON, NICHOLAS**

(BS, 1993, EVERGREEN STATE COLLEGE; MS, 2004, OREGON HEALTH SCIENCES UNIVERSITY; PHD, 2007, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICAL EDUCATION AND BIOMEDICAL INFORMATICS AT A SALARY RATE OF \$92,004 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. ANDERSON WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

DEPARTMENT OF MEDICINE

**NEW APPOINTMENTS**

**BEST, JENNIFER**

(BA, 1995, SEATTLE PACIFIC UNIVERSITY; MD, 2000, NORTHWESTERN UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$137,304 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BEST WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**CROTHERS, KRISTINA**

(BA, 1992, YALE UNIVERSITY; MD, 1997, YALE UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$148,920 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. CROTHERS WAS AN ASSISTANT PROFESSOR OF INTERNAL MEDICINE AT YALE UNIVERSITY.)

**KIM, HYANG NINA**

(BA, 1994, HARVARD UNIVERSITY; MD, 1999, UNIVERSITY OF CALIFORNIA (SAN FRANCISCO); MS, 2005, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$119,004 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. KIM WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

**KIM, MICHAEL**

(BS, 1998, STANFORD UNIVERSITY; MD, 2002, OHIO STATE UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$132,000 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. KIM WAS A CARDIOLOGY FELLOW AT THE UNIVERSITY OF COLORADO - DENVER.)

**SHANKARAN, VEENA**

(BA, 1998, DARTMOUTH COLLEGE; MD, 2002, UNIVERSITY OF MICHIGAN) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$145,008 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. SHANKARAN WAS A HEMATOLOGY FELLOW AT NORTHWESTERN UNIVERSITY.)

**STEKLER, JOANNE**

(BA, 1992, WILLIAMS COLLEGE; MD, 1997, DUKE UNIVERSITY; MPH, 2004, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$123,000 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. STEKLER WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**VAN HEE, VICTOR**

(BA, 1997, CREIGHTON UNIVERSITY; MD, 2002, UNIVERSITY OF KANSAS; MPH, 2007, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AND ASSISTANT PROFESSOR WITHOUT TENURE OF ENVIRONMENTAL AND OCCUPATIONAL HEALTH SCIENCES AT A SALARY RATE OF \$115,020 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. VAN HEE WAS AN ACTING INSTRUCTOR IN THE DEPARTMENT OF MEDICINE.)

**WESTON, BRIAN**

(BS, 1992, TUFTS UNIVERSITY; MBBCh, 1999, ROYAL COLLEGE OF SURGEONS (IRELAND)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$219,996 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. WESTON WAS A GASTROENTEROLOGIST AT BEACON HOSPITAL IN IRELAND.)

**YU, LEI**

(BS, 1996, UNIVERSITY OF MARYLAND; MD, 2001, UNIVERSITY OF MARYLAND; MS, 2008, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF MEDICINE AT A SALARY RATE OF \$160,008 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. YU WAS A FELLOW IN THE SAME DEPARTMENT.)

**DEPARTMENT OF NEUROLOGICAL SURGERY****NEW APPOINTMENTS****UO, TAKUMA**

(BS, 1995, KYOTO UNIVERSITY (JAPAN); MS, 1997, KYOTO UNIVERSITY (JAPAN); PHD, 2001, KYOTO UNIVERSITY (JAPAN)) TO BE RESEARCH ASSISTANT PROFESSOR OF NEUROLOGICAL SURGERY AT A SALARY RATE OF \$54,204 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. UO WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

**DEPARTMENT OF NEUROLOGY****NEW APPOINTMENTS****BLUME, HEIDI**

(BA, 1992, JOHNS HOPKINS UNIVERSITY; MD, 1997, HARVARD UNIVERSITY; MPH, 2005, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE, PART-TIME, OF NEUROLOGY AT A SALARY RATE OF \$112,608 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BLUME WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**NOVOTNY, EDWARD J.**

(BA, 1975, UNIVERSITY OF CALIFORNIA (IRVINE); BS, 1975, UNIVERSITY OF CALIFORNIA (IRVINE); MD, 1979, ST LOUIS UNIVERSITY) TO BE PROFESSOR WITHOUT TENURE OF NEUROLOGY PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. NOVOTNY WAS AN ASSOCIATE PROFESSOR OF PEDIATRICS AND NEUROLOGY AT YALE UNIVERSITY.)

**OAKES, PATRICIA**

(BA, 1989, UNIVERSITY OF NOTRE DAME; JD, 1992, GEORGETOWN UNIVERSITY; MD, 2002, UNIVERSITY OF MICHIGAN) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF NEUROLOGY AT A SALARY RATE OF \$136,008 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. OAKES WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

DEPARTMENT OF OTOLARYNGOLOGY - HEAD AND NECK SURGERY**NEW APPOINTMENTS****BHRANY, AMIT**

(BS, 1997, BOSTON UNIVERSITY; MD, 2001, BOSTON UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF OTOLARYNGOLOGY - HEAD AND NECK SURGERY AT A SALARY RATE OF \$86,256 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BHRANY WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

**MEYER, TANYA**

(BS, 1992, UNIVERSITY OF CALIFORNIA (LOS ANGELES); MD, 1996, UNIVERSITY OF CALIFORNIA (SAN DIEGO)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF OTOLARYNGOLOGY - HEAD AND NECK SURGERY AT A SALARY RATE OF \$99,384 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. MEYER WAS AN ASSISTANT PROFESSOR OF OTOLARYNGOLOGY AT THE UNIVERSITY OF MARYLAND.)

DEPARTMENT OF PATHOLOGY**NEW APPOINTMENTS****KEENE, CHRISTOPHER**

(BS, 1995, UNIVERSITY OF NEVADA; MD, 2005, UNIVERSITY OF MINNESOTA; PHD, 2005, UNIVERSITY OF MINNESOTA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PATHOLOGY AT A SALARY RATE OF \$72,504 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. KEENE WAS A FELLOW IN THE SAME DEPARTMENT.)

**SONNEN, JOSHUA**

(BS, 1998, UNIVERSITY OF SOUTHERN CALIFORNIA; MD, 2002, UNIVERSITY OF SOUTHERN CALIFORNIA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PATHOLOGY AT A SALARY RATE OF \$108,756 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. SONNEN WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

DEPARTMENT OF PEDIATRICS**NEW APPOINTMENTS****ASPESBERRO, FRANCOIS**

(MD, 1994, CATHOLIC UNIVERSITY OF LOUVAIN (BELGIUM)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS AT A SALARY RATE OF \$175,008 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. ASPESBERRO WAS A PHYSICIAN AT SWEDISH HOSPITAL.)

**BADARU, ANGELA**

(MBBS, 1991, UNIVERSITY OF LAGOS (NIGERIA)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE, PART-TIME, OF PEDIATRICS AT A SALARY RATE OF \$92,006 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BADARU WAS AN ACTING ASSISTANT PROFESSOR IN THE SAME DEPARTMENT.)

**BRANDLING-BENNETT, HEATHER**

(BA, 1999, DARTMOUTH COLLEGE; MD, 2004, HARVARD UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS AND ADJUNCT ASSISTANT PROFESSOR OF MEDICINE PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BRANDLING-BENNETT WAS A PEDIATRIC DERMATOLOGY FELLOW AT COLUMBIA UNIVERSITY.)

**CAMPBELL, ANGELA**

(BA, 1993, AUGUSTANA COLLEGE; MD, 1999, VANDERBILT UNIVERSITY; MPH, 2009, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. CAMPBELL WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

**GERHARDT, CHRISTINA**

(BS, 1999, AUBURN UNIVERSITY; MD, 2003, UNIVERSITY OF ALABAMA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. GERHARDT WAS AN ENDOCRINOLOGY FELLOW AT THE UNIVERSITY OF COLORADO.)

**GROW, HELENE MOLLIE GREVES**

(BA, 1997, DARTMOUTH COLLEGE; MD, 2003, UNIVERSITY OF PENNSYLVANIA; MPH, 2008, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS AT A SALARY RATE OF \$118,008 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. GROW WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**HAYWARD, KRISTEN**

(BS, 1996, DUKE UNIVERSITY; MD, 2001, UNIVERSITY OF CALIFORNIA (SAN FRANCISCO); MS, 2009, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 8/15/2009. (PRIOR TO THIS APPOINTMENT, DR. HAYWARD WAS A FELLOW IN THE SAME DEPARTMENT.)

**LEARY, SARAH**

(BS, 1996, DUKE UNIVERSITY; MD, 2001, UNIVERSITY OF TENNESSEE) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. LEARY WAS AN ASSISTANT PROFESSOR OF PEDIATRICS AT GEORGE WASHINGTON UNIVERSITY.)

**LYTLE, LESLIE**

(BS, 1976, PENNSYLVANIA STATE UNIVERSITY; MS, 1979, PURDUE UNIVERSITY; PHD, 1988, UNIVERSITY OF MICHIGAN) TO BE PROFESSOR WITHOUT TENURE OF PEDIATRICS AT A SALARY RATE OF \$185,004 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. LYTLE WAS A PROFESSOR OF EPIDEMIOLOGY AND COMMUNITY HEALTH AT THE UNIVERSITY OF MINNESOTA.)

**OUKKA, MOHAMED**

(MS, 1991, UNIVERSITY OF PARIS (FRANCE); PHD, 1996, UNIVERSITY OF PARIS (FRANCE)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS AND ADJUNCT ASSISTANT PROFESSOR OF IMMUNOLOGY AT A SALARY RATE OF \$125,004 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. OUKKA WAS AN ASSISTANT PROFESSOR OF NEUROLOGY AT HARVARD MEDICAL SCHOOL.)

**RUDDY, JENNIFER**

(BS, 1999, OHIO STATE UNIVERSITY; MD, 2003, OHIO STATE UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PEDIATRICS PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. RUDDY WAS A PEDIATRIC PULMONOLOGY FELLOW AT CASE WESTERN RESERVE UNIVERSITY.)

**WELSH, JOHN**

(BA, 1983, BUCKNELL UNIVERSITY; MA, 1986, UNIVERSITY OF IOWA; PHD, 1990, UNIVERSITY OF IOWA) TO BE PROFESSOR WITHOUT TENURE OF PEDIATRICS AT A SALARY RATE OF \$185,004 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. WELSH WAS A PROFESSOR OF PHARMACOLOGY AND PHYSIOLOGY AT DREXEL UNIVERSITY COLLEGE OF MEDICINE.)

**DEPARTMENT OF PSYCHIATRY AND BEHAVIORAL SCIENCES****NEW APPOINTMENTS****BENTLEY, SUSAN**

(BA, 1983, WEST VIRGINIA UNIVERSITY; DO, 1988, WEST VIRGINIA SCHOOL OF OSTEOPATHIC MED) TO BE ASSISTANT PROFESSOR WITHOUT TENURE, PART-TIME, OF PSYCHIATRY AND BEHAVIORAL SCIENCES AT A SALARY RATE OF \$130,604 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BENTLEY WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**FERGUSON, LAURA**

(BS, 1987, WASHINGTON STATE UNIVERSITY; MD, 1998, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PSYCHIATRY AND BEHAVIORAL SCIENCES PAID DIRECT BY VETERANS AFFAIRS PUGET SOUND HEALTH CARE SYSTEM EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. FERGUSON WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**LI, ELLEN**

(BS, 1994, UNIVERSITY OF TEXAS (AUSTIN); MD, 1998, UNIVERSITY OF TEXAS (GALVESTON)) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PSYCHIATRY AND BEHAVIORAL SCIENCES PAID DIRECT BY VETERANS AFFAIRS PUGET SOUND HEALTH CARE SYSTEM EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. LI WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**MICHAEL, SCOTT**

(BS, 1992, SANTA CLARA UNIVERSITY; PHD, 2002, UNIVERSITY OF KANSAS) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PSYCHIATRY AND BEHAVIORAL SCIENCES PAID DIRECT BY VETERANS AFFAIRS PUGET SOUND HEALTH CARE SYSTEM EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. MICHAEL WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**NJOROGE, WANJIKU**

(BA, 1994, COLUMBIA UNIVERSITY; MD, 1999, BAYLOR COLLEGE OF MEDICINE) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF PSYCHIATRY AND BEHAVIORAL SCIENCES AT A SALARY RATE OF \$151,008 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. NJOROGE WAS AN ATTENDING PSYCHIATRIST AT CHILDREN'S HOSPITAL - PHILADELPHIA.)

**ROMM, SHARON**

(BA, 1966, NEW YORK UNIVERSITY; MD, 1972, BOSTON UNIVERSITY) TO BE ASSOCIATE PROFESSOR WITHOUT TENURE OF PSYCHIATRY AND BEHAVIORAL SCIENCES AT A SALARY RATE OF \$164,172 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. ROMM WAS A CLINICAL ASSOCIATE PROFESSOR - SALARIED IN THE SAME DEPARTMENT.)

**DEPARTMENT OF RADIOLOGY****NEW APPOINTMENTS****CHAPMAN, TERESA**

(BA, 1994, UNIVERSITY OF COLORADO (BOULDER); MD, 2000, WASHINGTON UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF RADIOLOGY PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. CHAPMAN WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)



**HA, ALICE**

(BS, 1995, UNIVERSITY OF CALIFORNIA (LOS ANGELES); MD, 2003, UNIVERSITY OF PENNSYLVANIA; MS, 2003, UNIVERSITY OF PENNSYLVANIA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF RADIOLOGY AT A SALARY RATE OF \$104,004 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. HA WAS A MUSCULOSKELETAL RADIOLOGY FELLOW AT THE UNIVERSITY OF PENNSYLVANIA.)

**KICKSA, GREGORY**

(BS, 1994, UNIVERSITY OF CHICAGO; MD, 2003, YESHIVA UNIVERSITY; PHD, 2003, YESHIVA UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF RADIOLOGY AT A SALARY RATE OF \$104,004 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. KICKSA WAS AN IMAGING FELLOW AT THE UNIVERSITY OF PENNSYLVANIA.)

**VO, NGHIA**

(BA, 1995, CALIFORNIA STATE UNIVERSITY, FULLERTON; MD, 1999, MEDICAL COLLEGE OF WISCONSIN) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF RADIOLOGY PAID DIRECT BY SEATTLE CHILDREN'S EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. VO WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**DEPARTMENT OF REHABILITATION MEDICINE****NEW APPOINTMENTS****HAFNER, BRIAN**

(BS, 1996, OKLAHOMA STATE UNIVERSITY; PHD, 2003, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF REHABILITATION MEDICINE AT A SALARY RATE OF \$90,000 OVER TWELVE MONTHS, EFFECTIVE 9/1/2009. (PRIOR TO THIS APPOINTMENT, DR. HAFNER WAS AN ACTING ASSISTANT PROFESSOR - TEMPORARY IN THE SAME DEPARTMENT.)

**HOLDEFER, ROBERT**

(BA, 1979, DRAKE UNIVERSITY; MA, 1985, SOUTHERN ILLINOIS UNIVERSITY; PHD, 1985, SOUTHERN ILLINOIS UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF REHABILITATION MEDICINE AT A SALARY RATE OF \$84,000 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. HOLDEFER WAS AN ADJUNCT PROFESSOR OF ELECTRICAL ENGINEERING AND COMPUTER SCIENCE AT THE MILWAUKEE SCHOOL OF ENGINEERING.)

**DEPARTMENT OF SURGERY****NEW APPOINTMENTS****BACKHUS, LEAH**

(BA, 1995, STANFORD UNIVERSITY; MD, 2000, UNIVERSITY OF SOUTHERN CALIFORNIA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF SURGERY PAID DIRECT BY VETERANS AFFAIRS PUGET SOUND HEALTH CARE SYSTEM EFFECTIVE 8/2/2009. (PRIOR TO THIS APPOINTMENT, DR. BACKHUS WAS A CHIEF RESIDENT OF CARDIOTHORACIC SURGERY AT THE UNIVERSITY OF SOUTHERN CALIFORNIA.)

**HALLDORSON, JEFFREY**

(BS, 1988, MICHIGAN STATE UNIVERSITY; MD, 1992, UNIVERSITY OF MICHIGAN) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF SURGERY AT A SALARY RATE OF \$102,504 OVER TWELVE MONTHS, EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. HALLDORSON WAS A CLINICAL ASSISTANT PROFESSOR IN THE SAME DEPARTMENT.)

**PILLARISETTY, VENU**

(BS, 1994, UNIVERSITY OF MICHIGAN; MD, 1999, COLUMBIA UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF SURGERY AT A SALARY RATE OF \$92,496 OVER TWELVE MONTHS, EFFECTIVE 8/15/2009. (PRIOR TO THIS APPOINTMENT, DR. PILLARISETTY WAS A SURGICAL ONCOLOGY FELLOW AT MEMORIAL SLOAN KETTERING CANCER CENTER.)

**VAN EATON, ERIK**

(BS, 1992, OREGON STATE UNIVERSITY; BS, 1996, UNIVERSITY OF WASHINGTON; MD, 2001, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF SURGERY AT A SALARY RATE OF \$195,000 OVER TWELVE MONTHS, EFFECTIVE 8/15/2009. (PRIOR TO THIS APPOINTMENT, DR. VAN EATON WAS A FELLOW IN THE SAME DEPARTMENT.)

**DEPARTMENT OF UROLOGY****NEW APPOINTMENTS****GORE, JOHN**

(BS, 1997, UNIVERSITY OF MINNESOTA; MD, 2001, BAYLOR COLLEGE OF MEDICINE) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF UROLOGY AT A SALARY RATE OF \$108,000 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. GORE WAS A CLINICAL INSTRUCTOR AT UCLA MEDICAL CENTER.)

**HARPER, JONATHAN**

(BA, 1996, UNIVERSITY OF CALIFORNIA (SANTA CRUZ); MD, 2003, UNIVERSITY OF OKLAHOMA) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF UROLOGY AT A SALARY RATE OF \$108,000 OVER TWELVE MONTHS, EFFECTIVE 8/17/2009. (PRIOR TO THIS APPOINTMENT, DR. HARPER WAS A CLINICAL INSTRUCTOR OF UROLOGY AT THE UNIVERSITY OF CALIFORNIA, LOS ANGELES MEDICAL CENTER.)

**WRIGHT, JONATHAN**

(BA, 1996, BOSTON COLLEGE; MD, 2001, UNIVERSITY OF WASHINGTON; MS, 2005, UNIVERSITY OF WASHINGTON) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF UROLOGY AT A SALARY RATE OF \$55,872 OVER TWELVE MONTHS, EFFECTIVE 8/1/2009. (PRIOR TO THIS APPOINTMENT, DR. WRIGHT WAS AN ACTING INSTRUCTOR IN THE SAME DEPARTMENT.)

**SCHOOL OF NURSING****DEPARTMENT OF FAMILY AND CHILD NURSING****ADMINISTRATIVE APPOINTMENTS****BRANDT, PATRICIA**

(BS, 1966, MARQUETTE UNIVERSITY; MS, 1968, UNIVERSITY OF COLORADO (BOULDER)) TO BE ACTING CHAIR OF FAMILY AND CHILD NURSING, EFFECTIVE 6/16/2009. (DR. BRANDT WILL CONTINUE AS PROFESSOR OF FAMILY AND CHILD NURSING.)

## **SCHOOL OF PUBLIC HEALTH**

### **DEPARTMENT OF BIostatISTICS**

#### **ENDOWED APPOINTMENTS**

##### **SHEPPARD, ELIZABETH (LIANNE) A.**

(BA, 1979, JOHNS HOPKINS UNIVERSITY; MSc, 1985, JOHNS HOPKINS UNIVERSITY; PHD, 1992, UNIVERSITY OF WASHINGTON) TO BE HOLDER OF THE GENTECH ENDOWED PROFESSORSHIP IN BIOSTATISTICS, EFFECTIVE 7/1/2009. (DR. SHEPPARD WILL CONTINUE AS PROFESSOR WITHOUT TENURE OF BIOSTATISTICS AND PROFESSOR WITHOUT TENURE OF ENVIRONMENTAL AND OCCUPATIONAL HEALTH SCIENCES.)

#### **NEW APPOINTMENTS**

##### **PARK, TAESUNG**

(BA, 1984, SEOUL NATIONAL UNIVERSITY (KOREA); MS, 1986, SEOUL NATIONAL UNIVERSITY (KOREA); PHD, 1990, UNIVERSITY OF MICHIGAN) TO BE VISITING PROFESSOR OF BIOSTATISTICS AT A SALARY RATE OF \$36,000 OVER NINE MONTHS, EFFECTIVE 9/16/2009. (DR. PARK IS CURRENTLY PROFESSOR AND CHAIR OF STATISTICS AT SEOUL NATIONAL UNIVERSITY.)

##### **SZPIRO, ADAM A.**

(BA, 1993, UNIVERSITY OF CALIFORNIA (SAN DIEGO); PHD, 1999, BROWN UNIVERSITY) TO BE ASSISTANT PROFESSOR WITHOUT TENURE OF BIOSTATISTICS AT A SALARY RATE OF \$110,004 OVER TWELVE MONTHS, EFFECTIVE 9/16/2009. (PRIOR TO THIS APPOINTMENT DR. SZPIRO WAS A SENIOR FELLOW IN THE SAME DEPARTMENT.)

### **DEPARTMENT OF EPIDEMIOLOGY**

#### **NEW APPOINTMENTS**

##### **BHATTI, PARVEEN**

(BSC, 1998, UNIVERSITY OF BRITISH COLUMBIA (CANADA); MSc, 2000, UNIVERSITY OF BRITISH COLUMBIA (CANADA); PHD, 2006, UNIVERSITY OF WASHINGTON) TO BE RESEARCH ASSISTANT PROFESSOR OF EPIDEMIOLOGY PAID DIRECT BY FRED HUTCHINSON CANCER RESEARCH CENTER EFFECTIVE 7/1/2009. (PRIOR TO THIS APPOINTMENT, DR. BHATTI WAS AN ASSISTANT MEMBER AT FRED HUTCHINSON CANCER RESEARCH CENTER.)

## A. Academic and Student Affairs Committee

University of Washington Medicine Board Bylaws Changes

## RECOMMENDED ACTION:

It is the recommendation of the President that the Board of Regents adopt the following amendments to the Bylaws of the University of Washington Medicine Board.

## BACKGROUND:

Amend Article IV, Section 4.5.2, Finance and Audit Committee Composition, and Article V, Section 5.2.2, Joint Conference Committee Composition, Section 5.3.2, Finance Committee Composition, and Section 5.4.2, Facilities Committee Composition. This amendment clarifies that the Board may appoint non-Board members to serve on the Finance and Audit Committee, Joint Conference Committee, Finance Committee, and Facilities Committee. The current wording is passive on the issue of non-Board members. This amendment is requested to ensure that the membership includes a broad range of expertise and experience. It also identifies the non-voting members of the UWMC-specific Finance and Facilities committees.

Amend Article V, Section 5.2.5, Expedited Medical Staff Credentialing and Privileging. This amendment clarifies the number of UW Medicine Board members of the Joint Conference Committee that must be present and voting to make actions on privileges valid. This brings the bylaws into full compliance with The Joint Commission requirements.

The proposed revisions to the UW Medicine Board bylaws are in bold as follows:

## Section 4.5 Finance and Audit Committee

4.5.1 Purpose. The Finance and Audit Committee shall be responsible for reviewing the financial results, plans and audits of UW Medicine and its component organizations for the purpose of assessing the overall financial risks and capacities of UW Medicine and the congruity of the financial management, plans, and objectives of UW Medicine.

4.5.2 Composition. The voting members of the Finance and Audit Committee shall consist of at least four Board members, including the chairperson of the Committee as appointed by the Chair of the UW Medicine Board, the Chair of the UWMC Committees of the Board, the CEO/EVPMA/Dean, one additional Board member appointed by the Board Chair, **and up to three community members**

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### University of Washington Medicine Board Bylaws Changes (continued p. 2)

**who are not members of the Board, all as appointed annually by the chairperson of the Board in consultation with the Chair of the Board of Regents, the President and the CEO/EVPMA/Dean.**

4.5.3 Meetings. The Finance and Audit Committee shall meet at the call of the Chair person, but not less than quarterly.

4.5.4 Quorum. A majority of the voting members of the committee shall constitute a quorum.

## **ARTICLE V**

### **UNIVERSITY OF WASHINGTON MEDICAL CENTER COMMITTEES**

#### Section 5.1. University of Washington Medical Center Committees

The Board shall approve the appointment of a Joint Conference Committee, a Finance Committee, a Facilities Committee and such other committees as it shall from time to time deem advisable for the governance of the UWMC.

#### Section 5.2. Joint Conference Committee

5.2.1. Purpose. The Joint Conference Committee shall serve as an advisory committee to the Board by providing a forum in which representatives of the Board, medical staff and UWMC administration, shall jointly consider UWMC policy matters governing medical practice and review quality assurance reports.

5.2.2. Composition. The voting members of the Joint Conference Committee shall consist of at least three Board members appointed annually by the chairperson of the Board, one of whom shall serve as the chairperson of this Joint Conference Committee, the chairperson of the Board or his/her designate, the Clinical Operations Officer/VPMA, the UWMC Medical Director, the UWMC Executive Director, the Chief of Staff, one member of the medical staff nominated by the Medical Staff Administrative Committee for a one-year period, **and up to three community members who are not members of the Board, all as appointed annually by the chairperson of the Board in consultation with the Chair of the Board of Regents, the President and the CEO/EVPMA/Dean.** Non-voting members of the committee are the Chief Nursing Officer; three

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### University of Washington Medicine Board Bylaws Changes (continued p. 3)

faculty from clinical departments of the School of Medicine appointed by the CEO/EVPMA/Dean for one year; one member of the Housestaff Association designated by its president; and the CEO/EVPMA/Dean or his/her designee.

5.2.3. Meetings. The Joint Conference Committee shall meet at the call of the chairperson, but not less than quarterly.

5.2.4. Quorum. A majority of the voting members of the committee shall constitute a quorum.

5.2.5. Expedited Medical Staff Credentialing and Privileging. The Joint Conference Committee shall have delegated authority from the Board to render final decisions regarding expedited approval of medical staff initial appointments, reappointments, additions to privileges, and voluntary modifications to clinical privileges. **At least two Board members of the Joint Conference Committee must vote for Committee actions on privileges to be valid.** The Joint Conference Committee shall present its final decisions taken under the expedited approval process to the Board for information purposes.

5.2.6. Clinical Services. The Joint Conference Committee shall have the delegated authority from the Board to appoint the chief of each clinical service. Appointment shall be made consistent with the provisions of section 8.9 below. The Joint Conference Committee shall recommend to the UW Medicine Board the establishment of any new clinical services. Recommendations shall be made consistent with the provisions of section 8.9 below. Approval of new clinical services shall remain with the UW Medicine Board.

#### Section 5.3. Finance Committee

5.3.1. Purpose. The Finance Committee shall be responsible for advising the Board on financial matters as they relate to the UWMC and its shared services, including reviewing the annual audit, annual budgets, and monthly financial reports. The Finance Committee shall be responsible for reviewing and approving the UWMC Audit Policy and ensuring that the policy complies with the Sarbanes Oxley principles adopted by the UW Medicine Board. The Finance Committee shall also review programs, long-range financial plans, budget plans and proposals for rate-setting revenues, before they are submitted to the Board for final action.

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### University of Washington Medicine Board Bylaws Changes (continued p. 4)

**5.3.2. Composition.** The voting members of the Finance Committee shall consist of at least three Board members appointed annually by the chairperson of the Board, one of whom shall be chairperson of the Finance Committee, the Clinical Operations Officer/VPMA, the UWMC Executive Director, the UWMC Medical Director, **and up to three community members who are not members of the Board, all as appointed annually by the chairperson of the Board in consultation with the Chair of the Board of Regents, the President and the CEO/EVPMA/Dean. Non-voting members of the committee are the Chief Nursing Officer; the Chief of Staff; three faculty from clinical departments of the School of Medicine appointed by the CEO/EVPMA/Dean for one year; one member of the Housestaff Association designated by its president; and the CEO/EVPMA/Dean or his/her designee.**

**5.3.3. Meetings.** The Finance Committee shall meet at the call of the chairperson, but not less than quarterly.

**5.3.4. Quorum.** A majority of the voting members of the committee shall constitute a quorum.

#### **Section 5.4. Facilities Committee**

**5.4.1. Purpose.** The Facilities Committee shall have general supervision over and shall make recommendations to the Board concerning the program plans for UWMC and the physical use and status of the facilities to house the UWMC and its shared services.

**5.4.2. Composition.** The voting members of the Facilities Committee shall consist of at least three Board members appointed annually by the chairperson of the Board, one of whom shall be chairperson of the Facilities Committee, the Clinical Operations Officer/VPMA, the UWMC Executive Director, the UWMC Medical Director, **and up to three community members who are not members of the Board, all as appointed annually by the chairperson of the Board in consultation with the Chair of the Board of Regents, the President and the CEO/EVPMA/Dean. Non-voting members of the committee are the Chief Nursing Officer; the Chief of Staff; three faculty from clinical departments of the School of Medicine appointed by the CEO/EVPMA/Dean for one year; one member of the Housestaff Association designated by its president; the Health Sciences Facilities Officer; and the CEO/EVPMA/Dean or his/her designee.**

## VII. STANDING COMMITTEES

### A. Academic and Student Affairs Committee

#### University of Washington Medicine Board Bylaws Changes (continued p. 5)

5.4.3. Meetings. The Facilities Committee shall meet at the call of the chairperson, but not less than quarterly.

5.4.4. Quorum. A majority of the voting members of the committee shall constitute a quorum.

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VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Climate Action Plan

For information only.

*Attachment*

University of Washington Climate Action Plan, September 2009



UNIVERSITY *of* WASHINGTON

# Climate Action Plan



September 2009



## UNIVERSITY OF WASHINGTON

OFFICE OF THE PRESIDENT

Mark A. Emmert, President

September 3, 2009

### American College & University Presidents' Climate Commitment Signatories

Dear Colleagues:

The University of Washington's (UW's) Climate Action Plan is a compilation of ideas and strategies from across our three campuses in Seattle, Bothell, and Tacoma. It is, in essence, a plan to plan. Our report describes what we hope to do in the next 20 years and beyond to control the UW's input to the atmosphere and, at the same time, to inform and prepare succeeding generations of citizens to make personal and community changes that reduce our carbon footprint. Accordingly, we are very pleased to submit our plan as a response to the climate challenge set by the ACUPCC.

Our plan is the product of the collaboration of more than 100 students, faculty, and administrators who engaged in work teams under the oversight of our Environmental Stewardship and Sustainability Advisory Board. These dedicated community members unleashed their imaginations, observations, and understandings to help the UW's leadership to chart a path forward. The possibilities for action described in the report are both inspiring and challenging. We have much work to do to explore strategies, assess their potential and priority, and create an implementation plan.

Here at the UW, we have a huge advantage in the broad community interest, creativity, and talents found across each of our campuses and affiliates. This makes our plan an excellent and collaborative opportunity to achieve our climate goals while enhancing our academic mission.

We are excited about the future ahead, even within this challenging economic time. Working across our University of Washington community to achieve climate neutrality is a challenging and rewarding effort and will transform us.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Mark A. Emmert".

Mark A. Emmert  
President

**To: American College and University Presidents Climate Commitment Colleagues**

As a campus of the University of Washington, the UW Tacoma has worked collaboratively with the Seattle and Bothell campuses to develop the attached Climate Action Plan (CAP). As noted by President Emmert, this plan to plan provides an important roadmap for the Tacoma campus as we strive to achieve our climate goals while meeting the higher educational needs of the South Puget Sound region.

The University of Washington Tacoma is excited to take a leadership role in supporting sustainability and environmental stewardship in the region we serve. Our campus recognizes that we are uniquely positioned as a growing campus to be at the forefront of innovative projects that can demonstrate our commitment to the goals of climate neutrality.

UW Tacoma recently completed an update to the campus master plan and adopted in its guiding principles the conservation of the environment by promoting stewardship and becoming a model and learning laboratory of sustainability. In conjunction with the master plan, an infrastructure master plan was developed with a focus on identifying sustainable strategies for energy, carbon and water. The master plan integrates many of these strategies such as filtering stormwater with rain gardens and developing sustainability guidelines for buildings.

As each campus of the UW develops its implementation plan, the Tacoma campus will track and report its accomplishments individually on the ACUPCC site.

We are privileged to submit this plan in response to the climate challenge set by the ACUPCC and look forward to working with our university and community partners to help make our world a better place.



**Patricia Spakes**  
Chancellor  
University of Washington Tacoma



September 2, 2009

Dear American College and University Presidents' Climate Commitment Colleagues,

The *University of Washington Climate Action Plan* (Plan) signed by the President of the University of Washington and the Chancellors of UW Bothell and UW Tacoma is a first step toward setting and achieving greenhouse gas emissions reduction targets and setting strategies for academic engagement in climate change as required by the American College and University Presidents' Climate Commitment. The Plan outlines the strategies to be undertaken and explored by the UW with the intention to become climate-neutral. UW Bothell staff and faculty participated in the development of this plan through all the academic and administrative sub-teams and are enthusiastic endorsers of this Plan.

As a campus, we continue to contribute to environmental research, education and community outreach. Sustainability is one of seven priorities of UW Bothell's 21<sup>st</sup> Century Campus Initiative and resonates with the aspirations of the UW Bothell community. In 2009, the campus Sustainability Plan emerged as a signature initiative outlining the environmental and human sustainability strategies to be embraced and carried forward.

UW Bothell has a number of successes that are incorporated into the Plan. We see a constant increase in programs to reduce commuting emissions. Our approach to curriculum development infuses sustainability principles and practices across our curriculum to help us generate the kind of new programs and courses that will make us distinctive. Our year-long "Growing Sustainability" project has involved faculty and staff and received funding from the Washington Center and the Russell Family Foundation. Our campus has relatively new construction and features modern infrastructure making our campus a candidate for an electronic dashboard system to baseline energy and water use to identify energy conservation opportunities.

We have a strong commitment to reducing greenhouse gas emissions and striving to become climate-neutral. Our efforts will be in concert with our faculty, staff, students, the UW and community at large. We look forward to continuing these efforts and achieving greater success.

Sincerely,

A handwritten signature in black ink that reads 'Kenyon S. Chan'. The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Kenyon S. Chan  
Chancellor  
University of Washington Bothell

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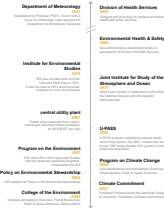


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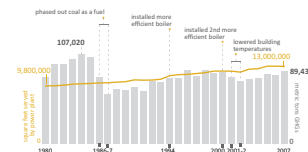


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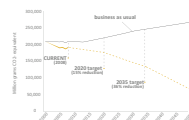


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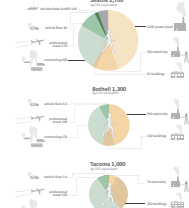


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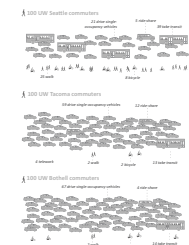


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## **Glossary**

<b>CO<sub>2</sub></b>	carbon dioxide
<b>CO<sub>2</sub>-equivalent</b>	the equivalent mass of CO <sub>2</sub> required to have the same global warming effect as an identified mass of any other greenhouse gas
<b>CO<sub>2</sub>e</b>	CO <sub>2</sub> -equivalent
<b>ESAC</b>	University of Washington Environmental Stewardship Advisory Committee
<b>GHG</b>	greenhouse gas – the two that are most abundant in the UW inventory are CO <sub>2</sub> and methane; 1 unit of methane has the global warming potential of 21 units of CO <sub>2</sub>
<b>LEED</b>	Leadership in Energy and Environmental Design, a certification program of the U.S. Green Building Council
<b>Mitigation</b>	when applied to climate change, means reduction of GHGs
<b>Offset</b>	a reduction of GHGs attributable to a particular project that can be sold to a party other than the owner of the project
<b>OPB</b>	the UW Office of Planning and Budgeting
<b>Submetering</b>	measuring electric, steam or other energy use on a building-by-building basis, even when energy is supplied by a central utility plant
<b>University Advancement</b>	the fundraising arm of the UW administration
<b>UWESS</b>	the UW Environmental Stewardship and Sustainability Office
<b>Virtualization</b>	the practice of executing computing processes that normally require different pieces of equipment on a single piece of equipment, or enabling a computing process that normally requires a specific piece of equipment to operate on multiple pieces of equipment



## 1 Introduction



### 1.1 The UW Climate Action Plan

The UW Climate Action Plan describes commitments being made by the University of Washington (the University, UW) to meet its obligations under the American College & University Presidents' Climate Commitment (ACUPCC). Those obligations include intent to achieve a climate-neutral university having no net greenhouse gas (GHG) emissions. The UW Climate Action Plan (the Plan) sets out broad strategies that will guide us toward that ambitious goal and identifies the actions that can fulfill each of those strategies. Analysis of the financial, environmental and social aspects of the actions will be necessary for prioritization of implementation. This Plan establishes the first steps, identifying the framework strategies and providing a number of proposed actions. The proposed actions will be expanded upon, evaluated and prioritized over the next year, with a detailed Implementation Document produced by September 2010.


The core of our effort is to expand the UW's already rich history of environmental research, education and community outreach. We will build upon our unique capabilities as a world leader in climate research by developing innovative, groundbreaking efforts in interdisciplinary approaches to climate change. We will build on a long history of environmental education to add curriculum development on climate change and integrate our educational efforts with research. We will build upon our reputation for providing talent and knowledge to the Pacific Northwest by preparing the next generations of UW graduates to confront future climate issues with experience and innovation. These are the strategies that will be described in Chapter 2, *Strategies for Academic Engagement in Climate Change*.

The UW's talented, committed and resourceful community is extensive, and we expect to break new ground in bringing the academic and administrative sides of our university together to act in concert to meet the goals of the Climate Action Plan. With a population of roughly 70,000 students, staff and faculty throughout its three campuses, the UW has the size and complexity of a small city. It can function as a research center and test bed for GHG goal-setting, reduction technologies and administrative processes that can be expanded upon by communities and other large organizations in Washington State. Chapter 4, *Strategies for*

*Reducing University Emissions*, details some of the strategies that will lead our community in mitigating GHG emissions.

The UW will reduce GHG emissions to meet or exceed the goals passed by the Washington State Legislature in April of 2009, requiring Washington state agencies to reduce emissions 15% below 2005 levels by 2020, and 36% below 2005 levels by 2035. Climate neutrality is not specified in the state mandate. The UW, hoping to achieve neutrality by 2050, is unable to set this as the firm target date since the technologies necessary to meet it, and the federal and international policies that can support GHG neutrality, are still emerging. Indeed, accelerated, interdisciplinary work at the University will play an important role in guiding the very developments that will make GHG neutrality possible.

## 1.2 Climate Action and the UW Vision



The UW Climate Action Plan builds on the University of Washington's Vision Statement, which highlights seven characteristics that make the UW "Uniquely Washington": We strive to be **World Leaders in Research** on several fronts with the science of climate change, on the impacts of climate change, on climate policy and on greenhouse gas mitigation. Through the integrative College of the Environment, we will foster an **Academic Community** that rallies around the multidisciplinary challenges of climate change. Careful attention to the effects of climate on the Pacific Northwest **Celebrates Place**, and **Being Public** means we work with Washington's citizens to manage those effects wisely. In addition to managing the effects, we as **World Citizens** work actively to combat global climate change by bringing our **Spirit of Innovation** to mitigation technologies. Finally, the **UW Standard of Excellence** calls for recruiting the best faculty and staff, pursuing academic excellence and holding ourselves to the highest standard of ethics.

Our Vision Statement is augmented by five goals known as the Grand Challenges, all of which are addressed by the Climate Action Plan:

1. **Attract a diverse and excellent student body and provide a rich learning experience.** The Climate Action Plan connects the UW student experience to the intricate web of relationships required for successful stewardship. The UW educational experience is concretely linked to research and community action, both on and off campus.

2. **Attract and retain an outstanding and diverse faculty and staff to enhance educational quality, research strength and prominent leadership.** The Climate Action Plan boldly places the UW in a leadership position within many research fields and academic disciplines, and should attract visionary faculty and staff. The Plan explicitly calls for supporting new, interdisciplinary faculty positions.
3. **Strengthen interdisciplinary research and scholarship to tackle “grand challenge” problems that will benefit society and stimulate economic development.** Tackling the demands of climate change mitigation and adaptation is quickly evolving to be one of the grand challenges of this century.
4. **Expand the reach of the UW from our community and region across the world to enhance global competitiveness of our students and the region.** Highlighting and expanding the UW’s research on global climate change ties our education to the world, while our location in a major Pacific Rim port city reminds us of the tangible implications for trade in climate-related technologies.
5. **Maintain and build infrastructure and facilities to insure the highest level of integrity, compliance and stewardship.** The Climate Action Plan requires integration of UW’s physical infrastructure with academic and administrative priorities and policies to identify and make the required trade-offs to create an effective and self-perpetuating path forward.

### **1.3 History of Climate Action at the University of Washington**

The University of Washington has a long history of environment-related teaching, climate-related research, environmental stewardship and energy and resource conservation.

Figure 1 - Climate Action History at the UW



### 1.3.1 Climate Research and Curriculum

#### Department of Meteorology

1947

The University of Washington has a long history with climate research, beginning in the 1940s with establishment of a climate-focused Department of Meteorology by Professor Phil Church. Today, climate research at the University of Washington is anchored in a triad of organizations: the Joint Institute for Study of the

#### Joint Institute for Study of the Atmosphere and Ocean

1977

Atmosphere and Ocean formed in collaboration with the National Oceanic and

**Climate Impacts Group**  
1992

**Program on  
Climate Change**  
2000

Atmospheric Administration, the Climate Impacts Group focusing on climate impacts in the Pacific Northwest and the Program on Climate Change (PCC). PCC, in particular, offers a stage for interdisciplinary climate research through collaboration between the Atmospheric Sciences, Oceanography and Earth & Space Sciences departments, as well as a point of focus for climate science teaching.

**Institute for  
Environmental Studies**  
1973

The UW has a rich history of teaching environmental stewardship across a broad array of academic programs. This capacity was first formalized in the Institute for Environmental Studies in 1973. In October 1995 President Richard McCormick appointed the Task Force on Environmental Education, which eventually led to integration of the University of Washington's environment-related curricula under the Program on the Environment (POE); in autumn quarter 1998 the UW admitted the first students to the BA program in Environmental Studies.

**Program on the  
Environment**  
1997

Today, the University of Washington offers a diverse collection of academic programs that focus on environmental policy, climate change and sustainability. In 2009, the University offers over 500 individual courses on its three campuses that focus on or directly relate to climate change and sustainability. Most of the environment-related undergraduate degree programs, including POE's environmental studies program, offer minors that allow students to explore environmental issues while pursuing majors in other fields.

Finally, independent study and Capstone projects connect the learning experience with climate action. POE, the Environmental Management Certificate Program and the Restoration Ecology Network have supported student projects leading, for example, to an analysis of the potential for mitigating GHGs from the Montlake Landfill, recommendations for climate-friendly investing of the UW's endowment, and a sustainability plan for UW Bothell.

### *1.3.2 Environmental Awareness and Stewardship*

**Division of Health  
Services**  
1947

Institutional action on environmental health and safety dates back to 1947 when the Chair of the Department of Preventive Medicine and Public Health, School of Medicine, recommended the establishment of a Division of Health Services charged with providing on-campus environmental health and safety services. Throughout the 1950s and into the 1960s the University added staff and programs in sanitation, occupational safety, radiation safety, fire safety, waste man-

agement and pollution control. All these entities coalesced into our current Department of Environmental Health and Safety (EH&S) in 1966.

**Environmental Health  
& Safety**  
1966

During the 1970s and into the early 1980s environmental and health and safety regulations at the federal and state level increased significantly with the Resource Conservation & Recovery Act (RCRA), Toxic Substances Control Act (TSCA), the National Environmental Policy Act (NEPA) and the State of Washington's State Environmental Policy Act (SEPA). EH&S programs grew to meet the challenges of these new regulations.



*Environmental Stewardship  
Advisory Committee logo*

In July 2004, the University issued the Environmental Stewardship and Sustainability statement, declaring: "The University is committed to practicing and promoting environmental stewardship while conducting its teaching, research, and service missions as well as its facility operations in all of its locations." An Environmental Stewardship Advisory Committee (ESAC) was chartered by the Provost and the Executive Vice President; it includes faculty, staff and students from all three campuses and has responsibility for recommending environmental action and developing policy. ESAC coordinated the first GHG emissions inventory, sponsored student capstone projects, recommended new strategies to promote stewardship and sustainability and was the catalyst for many administrative changes.

In March 2007, the University of Washington became a charter member of the Leadership Circle of the American College & University Presidents' Climate Commitment. The commitment involves all three UW campuses. Chancellors at both UW Bothell and UW Tacoma signed the commitment, along with UW President Mark A. Emmert.

In August 2008, based on ESAC's recommendation to the Senior Vice President, the UW office of Environmental Stewardship and Sustainability (UWESS) was created to coordinate and support UW activities and information related to sustainability. UWESS is part of the Strategy Management group, under Finance and Facilities.

The University's institutional focus on stewardship is complemented by strong student involvement, as evidenced by over one dozen student organizations that are active on environmental issues. Students, staff and faculty frequently collaborate on University-wide efforts surrounding environmental stewardship; re-

cent examples include the 2009 *Focus the Nation* climate change teach-in, *What is Sustainability? An Exploratory Symposium* at UW Bothell in 2009 and the 2009 *South Sound Sustainability Summit* at UW Tacoma.

Reaching beyond its own walls, the University of Washington works together with governments, corporations, nonprofits and other academic institutions in the Pacific Northwest and elsewhere. It is a founding member of the Seattle Climate Partnership, which commits many of Seattle's employers to reduce emissions and contributes to meeting the city's community-wide GHG reduction goals. The University hosts many events open to the public, with appeal ranging from families to specialized professional audiences. These events include exhibits at the Burke Museum of Natural History and Culture, educational events at the UW Botanic Gardens, the annual Polar Science Weekend in partnership with the Pacific Science Center, the recent international conference on microplastics in the marine environment at UW Tacoma and the UW School of Law Climate Change Conference on Law, Economics and Impacts.

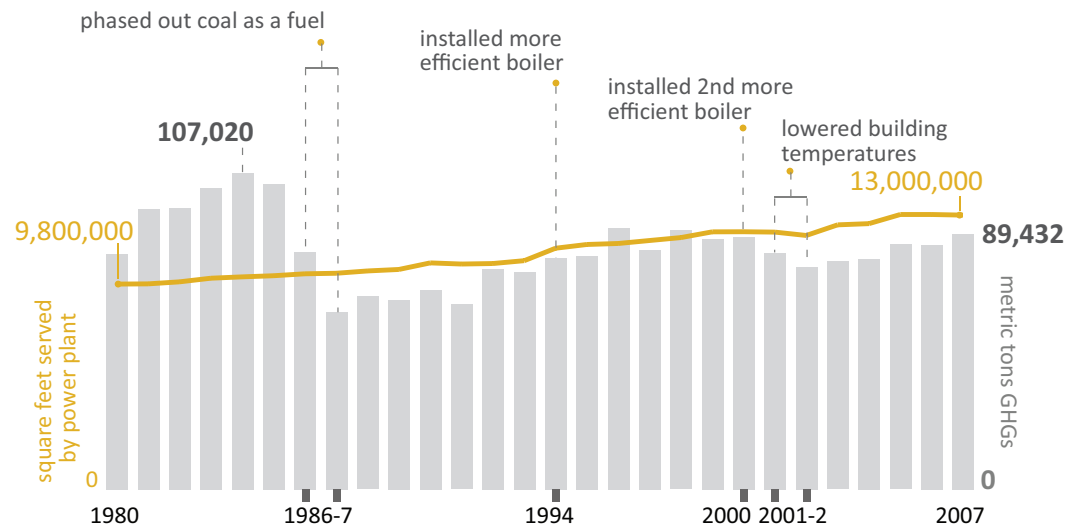
The University's continued attention to environmental stewardship has been recognized with the Sustainable Endowment Institute's highest awarded grade (A-) on the College Sustainability Report Card in both 2008 and 2009.

### 1.3.3 Early Actions Reducing Emissions

central utility plant  
1987

The most important driver of GHG reductions at the UW is energy use. The University of Washington has pursued energy efficiency aggressively for a long time. In 1987 the Seattle Campus' central utility plant began burning natural gas instead of coal, improving local air quality and simultaneously reducing GHG emissions by about 40,000 metric tons CO<sub>2</sub>-equivalent ("metric tons") per year. Since that time, high-efficiency boilers have been installed to reduce fuel consumption even further. The effects on UW GHG emissions have been dramatic, as shown in Figure 2.

Figure 2 – Emissions and building size



Since the 1980s the UW has managed to keep GHG emissions from the Seattle campus' central utility plant in check on a per-square-foot basis, thanks to efficiency measures taken both at the plant (the supply side) and at the buildings (the demand side). The gold line shows the increasing square footage served by the Seattle campus' central utility plant, while the grey bars indicate the GHGs emitted in the course of serving that floor area.

Recent capital improvement projects have improved the average efficiency of UW structures through participation in the U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) program. UW properties currently include three Gold, three Silver and one Certified LEED-rated buildings, with 22 additional projects in the design, construction or post-construction stages pending certification. Modern integrated design processes such as these new projects have resulted in an average of 30% energy savings (relative to American Society of Heating, Refrigerating and Air-Conditioning Engineers requirements current at the time of certification) at a 2% increase in initial capital construction cost.

Recent efficiency improvements to the Seattle campus' data center resulted in over 450 kW of reduced electric demand, or a 26% reduction in energy usage throughout the entire building within which the center is housed. Meanwhile, consolidation and virtualization of computing resources is reducing campus-wide energy demand from computing even further. By using virtualization technology, UW Educational Outreach (UWEO) has reduced its number of servers by 20%, with a net savings of nearly 160,000 kW/Hr/Year of electricity from server

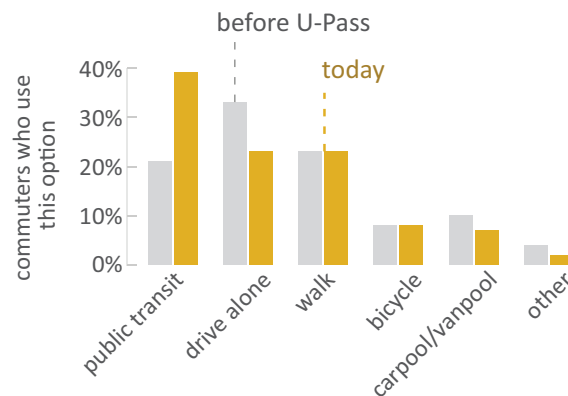


operation and cooling, avoiding 95 tons of carbon production per year. At the completion of their rebuild project, nearly 80% energy savings will be achieved, avoiding 475 tons of carbon production per year.

### U-PASS 1991

Our students, staff and faculty are enabled to choose energy-efficient commuting modes by our award winning U-PASS program created in 1991. U-PASS encompasses an unlimited right-to-ride transit pass covering six Puget Sound transit agencies, discounted carpool parking, vanpool subsidies, walking and biking programs, merchant discounts including car sharing discounts, plus emergency rides home and discounted occasional use parking for faculty and staff.

Figure 3 - Effect of U-Pass on commuting



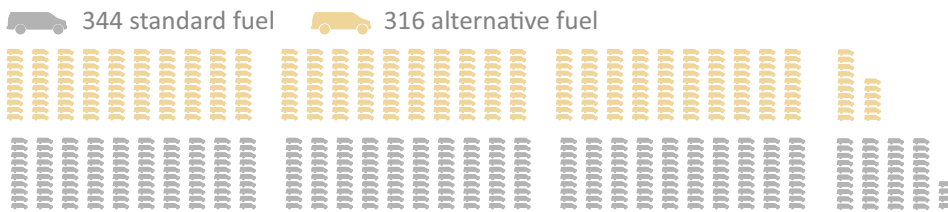
U-PASS has supported a significant shift of commuters from private cars to transit: Today 39% of commutes to the Seattle campus are made by bus, and 30% of trips are by foot or bicycle – producing zero GHG emissions. We heavily promote bicycle commuting through widespread access to bicycle facilities and three team-based bicycle commute campaigns each year. Despite a 24% growth in the employee and student population between 1990 (the year before the launch of U-PASS) and 2007, there were fewer vehicle trips to campus per day in 2007 than in any of the previous 24 years. On the Bothell campus, a rideshare email subscriber list implemented jointly with the adjacent Cascadia Community College provides an additional mechanism for reducing commuting emissions.

Professional air travel involves substantial GHG emissions but plays a vital role in research, teaching, and administrative activities at UW. The University has a modest but expanding set of videoconferencing facilities which already provides an alternative to some of the functions of long-distance travel. To make a significant impact on air travel, the use of videoconferencing would have to grow enormously and this, in turn, entails a host of technical and cultural challenges. We propose that the University embrace these challenges and thereby play a leadership role in developing a more sustainable form of global-scale communi-

cation. At the same time, we recognize that many functions of long distance travel (e.g. field research, face-to-face meetings at conferences, recruitment visits for prospective students and faculty) cannot be replaced by videoconferencing and will therefore have to be addressed via carbon offsets.

Of the University's vehicle fleet, (316 light, medium duty and heavy duty vehicles out of 660 total) 48% are alternative fuel vehicles such as flex-fuel, biodiesel, hybrid, plug-in hybrid electric and all-electric vehicles; our fueling infrastructure currently offers a B20 biodiesel blend and is positioned to offer B100 and E85 when

Figure 4 - Alternative fuel vehicles



the emerging market products are made reliably available. Efforts to reduce the fleet will also be explored

## 2 Strategies for Academic Engagement in Climate Change

This chapter presents a set of initial strategies the UW will explore to leverage its strengths as an *academic* institution to make a significant contribution to climate stewardship. Research, teaching and outreach are all components of discovery, the heart of the University. We educate a diverse student body to become responsible global citizens and engage these students in addressing climate-action and environmentally-sustainable issues through guided research and academic inquiry.

College of the Environment  
2009

A landmark initiative in the UW's academic engagement with the environment is the new College of the Environment, opening Fall 2009 just as the Climate Action Plan is being released. The new college brings together a critical mass of academic units and interdisciplinary scholars to lead in the development of strategic plans for curriculum enhancements; for innovative research into science, technology, and public policy; and for effective outreach initiatives. This opens vast but as yet unfocussed opportunities for detailing and expanding the strategies in this chapter of the Climate Action Plan. New ideas will be spawned as the incipient College incorporates more academic science units, builds affiliations with

other departments and individual faculty members, hires its first permanent dean and opens internal discussion about its mission and strategic plans. Expert and thoughtful planning for climate research in the sciences and technology will emerge from leadership within the College of the Environment by the end of 2010; this Climate Action Plan considers only complementary issues.

## **2.1 Research**

Research is at the heart of inquiry and discovery at the UW, attracting some \$1.2 billion in grant funding as of 2007, one-third of the University's total budget. We firmly believe that engaging our students, graduate and undergraduate alike, in climate and environmental research will support and inform their engagement as active citizens during their campus years and beyond. Our goals for climate-related research, in all schools/colleges engaged in environmental work, are:

- continue the UW's position as one of the leading universities in research on climate science and climate impacts;
- guide our students on all three campuses into a rich matrix of environmental scholarship opportunities that excite them;
- spread environmental research and scholarship beyond its traditional campus boundaries in science and technology; and
- link the academic and administrative communities in joint projects that are likely to contribute directly to UW's climate goals in this report.

To achieve these goals we will interconnect and expand our multi-campus, multidisciplinary research activities, and remove structural impediments that hinder coordination. Undergraduate students will be provided with research opportunities across our campuses through venues that allow them to discover and connect. We will also make a special effort to support young research faculty, particularly in economic, social and technical facets of climate studies, who enter colleges or departments that have little or no prior engagement in these areas of research. UW's professional degree offerings can be expanded to fill the region's growing need for environmental stewardship and leadership.

The Environmental Institute, soon to form within the College of the Environment, is designed to engage the entire UW community in environmentally-related research. The Environmental Institute will be a central hub for combin-

ing scholarship in the core sciences and technologies present within the UW, with academic disciplines such as business, economics, law, ethics, political science, public policy, built environments and public health and with administrative areas such as Facilities Services, Environmental Health and Safety and UW Technology. As a benefit, many of our scientific and technical research programs can be enriched with social, business and policy dimensions that unite students and faculty from across the campus(es) in common purpose and teamwork. Once again, what we offer here will be greatly expanded upon by work within the new College.

### 2.1.1 **Strategy:** Foster Undergraduate Participation in Environmental Research

The University and the Puget Sound region offer an array of research opportunities to UW students. Undergraduate students from every discipline and campus, most of whom are facing an institution of the UW's size and complexity for the first time in their lives, must have guidance to find meaningful research and off-campus internship opportunities.

Access is just one part of the student engagement process. Financial support of undergraduate environmental research requires on-going funding of research efforts outside the formal curriculum and during the summer. Support needs to be made available at UW Seattle, UW Bothell and UW Tacoma. These endowments can be targets for University Advancement.

**Proposed Actions:** Each strategy in the Climate Action Plan will be followed with a brief list of Proposed Actions that are intended as a seed and inspiration for the complete analysis of options we will publish in 2010. The Proposed Actions also provide a more concrete anchor for visualizing how each strategy might be implemented. For this strategy, Proposed Actions include: Create a web-based clearinghouse for current environmental research opportunities in the sciences, engineering, public health and the social sciences; include in the clearinghouse descriptions of exemplary recent student accomplishments, and provide clear explanations of how to pursue opportunities; and make undergraduate research scholarships available on all campuses.



*environmental research*

### 2.1.2 **Strategy:** Support Junior Faculty in New Areas of Environmental Scholarship



Profound change occurs across generations. Hence junior faculty are essential for building new research foci across each campus. They are also the key to establishing UW's national reputation in environmental scholarship. Senior level leadership will be needed to ensure that new faculty hired for environmental scholarship have the opportunity to develop into nationally recognized scholars, especially in academic units for which environmental scholarship is novel.

Additionally, young faculty must be mentored expertly and evaluated using clear and sensible criteria. One concern is that many young faculty entering departments with little prior engagement in environmental scholarship may need support from elsewhere if they have a cross-disciplinary interest in environmental topics. They will need seed support for their research, peer acceptance and fair evaluation for such activities, encouragement by strategic plans in their units and mentoring that cuts across departments on all three campuses. The UW's professional programs, for example in Business, Public Affairs, Public Health and Forest Resources, have significant experience with interdisciplinary hiring and promotion criteria that can be tapped.

**Proposed Actions:** Develop a high-level, tri-campus strategy for hiring, support, promotion and tenure and merit criteria of new faculty with environmental scholarship focus. Develop a pool of expert research peers across the globe for assisting with decisions of promotion and tenure.

### 2.1.3 **Strategy:** Expand Environmental Foci to UW's Professional Degree Programs



UW's professional programs, for example public policy, law and business, have had profound impacts on the economic and social vitality of our region. These professional degree programs will need to assume new and, in some cases, unfamiliar roles in developing community leaders with environmental specializations. We have already seen sustainable business practices and environmental law incorporated into professional training, but a fast-growing concern about climate change will create new demands for professional training, perhaps in GHG allowance accounting and trading, international climate policy and ethics or municipal climate policy development.

The Evans School of Public Affairs is ranked in the top five environmental and resource policy and management programs in the U.S. It has already taken significant steps through concurrent degree programs with the School of Forest Resources and other schools, through hiring of new faculty with environmental expertise and through its 40-year focus on Environmental Policy and Management. The College of Built Environments is also expanding its environmental focus through some of its new professional course offerings. Similar efforts in other departments could reach deeply into other areas of regional life.

**Proposed Actions:** Develop both strategic priorities and implementation plans for high-quality environmental professional degree programs or courses in relevant schools and colleges.



*academic-administrative  
collaboration*

#### **2.1.4 Strategy:** *Foster Collaborations between Academic and Administrative Activities*

The administrative strategies described in Chapter 4 are also research opportunities for students and, in many cases, faculty. As one example, some of the technology shifts for the Seattle campus central utility plant described in Section 4.1.4 are engineering research projects significant enough to support Ph.D. dissertations. Smaller projects, such as better bicycle and pedestrian access to campus or fostering new technologies in buildings and office practices, can easily engage teams of undergraduates. A coordinating infrastructure that closes the gap between administrative and academic activities on the campus is desirable.

**Proposed Actions:** Develop an approach to link the UW environmentally focused academic units with administrative units to provide research opportunities for students and faculty.

## **2.2 Curriculum**

The new College of the Environment initially will begin as an academic community of nationally-renowned natural science departments (Atmospheric Sciences, Forest Resources, Earth & Space Sciences and Marine Affairs) on the Seattle campus. Within each are large and established multi-disciplinary research programs and centers (*e.g.*, Joint Institute for the Study of the Atmosphere and the Oceans, Climate Impacts Group and the Bio-Resource Science and Engineering interest group). The College will also include the interdisciplinary Program on

the Environment, connecting the College to biology, statistics, and policy studies at UW Bothell and nearly 30 other departments and programs across the tri-campus system.

The member units will retain their innovative disciplinary teaching programs while new interdisciplinary undergraduate and graduate degree programs are created to foster understanding. Meanwhile, the Tacoma Campus is in the process of expanding its offerings further by adding a Bachelor of Science in Environmental Engineering, a Bachelor of Arts in Sustainable Urban Development and a Master of Science in Environmental Science and Engineering.

Spanning both Curriculum (this section) and Outreach and Engagement (Section 2.3), University of Washington Educational Outreach offers another important platform for Climate Action Plan academic efforts. Educational Outreach administers continuing education programs and online learning for working adults, including a growing number of environment and sustainability certificate programs such as Environmental Law and Regulation and Wetland Science and Management. Educational Outreach has also established two national partnerships that focus on sustainability: *Action, Sustainability and Growth*, which has created two programs and will soon launch a green human resources certificate program; and *R1edu*, developing and offering short courses about sustainability at the UW, the University of Wisconsin, the University of Toronto and UC Irvine.

### 2.2.1 **Strategy:** *Develop Environmental Literacy*

All students across the University should have the opportunity to learn about the environmental challenges that face modern society and their potential consequences. Potential topic areas include environmental systems, climate change, sustainable practices, human welfare, social implications, policy implications and economic implications.

**Proposed Action:** Develop environmental literacy courses at the College of the Environment that all students may take as part of their general education requirements.





*Environmental education  
across domains*

### **2.2.2 Strategy:** Enhance Interdisciplinary Environmental Instruction

The College of the Environment plans to create two new units focused on human dimensions and technology and engineering to provide opportunities for faculty members from diverse disciplines, such as social science, law, public policy and engineering, to come together to create interdisciplinary environmental courses and academic programs. In addition, students from across campus will be able to earn interdisciplinary minors to complement their major programs of study. Discussions need to be initiated with other Colleges to create mechanisms to allow individual faculty members to participate in this interdisciplinary endeavor. **Proposed Actions:** Establish interdisciplinary units or centers at the College of the Environment. Offer joint appointments allowing faculty to retain a relationship with their existing department while joining an interdisciplinary unit.



*Collaborative  
environmental education*

### **2.2.3 Strategy:** Explore the Boundaries between Disciplines

Understanding the environmental challenges and opportunities for mitigating the effects of human activity will require an exploration of the boundaries between the many disciplines represented in the College of the Environment and across the University. Not only is research needed, but students need to have an opportunity for this exploration in their curriculum. Individual courses need to be created that are collaboratively taught by members of the various disciplines.

**Proposed Action:** Develop courses at the College of the Environment that are collaboratively taught by faculty members from multiple disciplines; these courses will focus on exploring the relationships among the various disciplines and the boundary space between them.

## **2.3 Outreach and Engagement**

The university already disseminates a tremendous amount of information on its environmental and sustainability research, education and operational programs through websites, newsletters, annual reports, news articles, posters and administrative communications (e.g., President's Town Hall). Specific, existing resources that are available to communicate messages associated with the Climate Action Plan include:



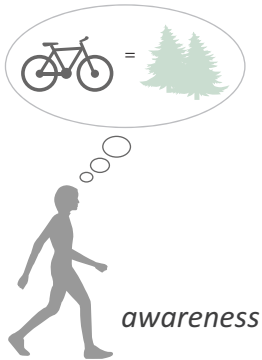
- Websites for UW Environmental Stewardship & Sustainability Office, relevant academic programs (e.g., College of the Environment), and for UW Marketing
- e-communications;
- Online calendar and weekly listserv of environmentally-related events (both on- and off-campus);
- Competitions and peer challenges;
- Sustainability toolkits for departments, instructors and K–12 teachers;
- The university daily newspaper, *UW Daily*, and faculty/staff magazine, *University Week*;
- Departmental newsletters;
- News and Information releases;
- Educational posters in residence halls, dining facilities and offices;
- The university newsletter for campus neighbors, *Front Porch*;
- The UW Botanic Gardens website, an important interface to the larger Seattle community

When implementing specific communications tactics, special attention should be paid to ensuring that they themselves are environmentally responsible.

There are two communities that need to be engaged when implementing the UW's Climate Action Plan: first, the broad community of UW stakeholders who make individual and collective decisions that determine the university's GHG footprint; and second, external constituents of the university who have an interest in how we operate. The former requires us to develop strategies to engage the entire UW community (e.g., administrators, staff, faculty, students, alumni, trustees and legislators) so that there is broad buy-in and support for goals of the Climate Action Plan. These strategies will support the implementation of the Plan and dramatically increase the probability of success. The latter will require us to consider what key messages will be important to share with the public and our partners to make sure they are aware of the UW's participation in and progress toward implementing the Climate Action Plan.

Three primary goals will be critical in developing a comprehensive communications strategy that supports the UW's Climate Action Plan. The communications

strategy will need to build toward: Awareness, Positive Attitude and Positive Action.

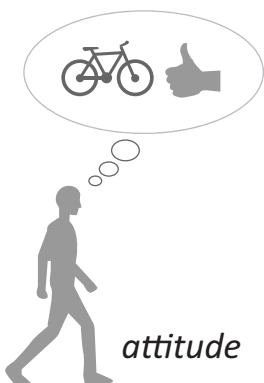


### 2.3.1 **Strategy:** Awareness

Success of the Climate Action Plan is dependent in part on creating a broader understanding of the science and policy behind the goals of ACUPCC, as well as the actions being taken by UW. The information must be transparent, easily accessible and specifically geared toward a variety of audiences. Because immediate, local threats are generally perceived as more salient and of greater urgency than global problems, messages should highlight current and potential local and regional climate change impacts. Yet it is important to openly acknowledge uncertainties in the likelihood and severity of potential impacts, exhibiting an appropriate respect for scientific uncertainty and maintaining the University's role as a credible source of objective information.

Concern for the climate should be a topic of everyday life at the UW, with daily reminders like climate-related purchasing standards (7.4.3) and highly visible Web placement keeping the topic in view. Encouraging individual and department-level reporting also keeps climate impacts in constant view. Finally, the University needs to make its endorsement of the Climate Action Plan clear by proactively distributing the information to its constituents, in particular packaging it for easy use by the media and other organizations that would be interested in the actions being taken by the University to mitigate its GHG footprint.

**Proposed Actions:** Distribute press kits. Establish department- and individual-level reporting tools. Include informational pieces on climate change and mitigation efforts in the UWESS web portal. Develop a sustainability walking tour (with an online component) to highlight specific university efforts. Incorporate sustainability information into undergraduate orientation and new faculty and staff orientation.



### 2.3.2 **Strategy:** Positive Attitude

Even though a broad understanding of environmental science and policy will be critical to making long-term changes in the UW's GHG footprint, it will not be sufficient. A recent study from Yale University showed that although 92% of Americans know about the issue, it remains a low priority relative to other issues

and lacks urgency. There is a significant gap between the percentage of people with an awareness of climate change and those taking action to solve the problem, and it is principally due to the ineffectiveness of typical climate change communication strategies. The intent is to foster an attitude that motivates people and helps people participate in the University's commitment to the Climate Action Plan. Thus, the communications surrounding these efforts must create a sense of teamwork in the UW community by instilling the notion that, combined with the efforts of their colleagues, students and friends, an individual can have a larger impact. These messages will need to evoke hope and encouragement to enable action and avoid provoking guilt or fear.

**Proposed Actions:** Share examples of 1) concrete actions initiated by both individuals and administrative policy; 2) quantitative improvement in the University's GHG emissions; 3) opportunities for individuals to gradually integrate new habits into their every-day routine; and 4) actions that have multiple positive benefits. Prizes and awards can also be significant motivators (*e.g.*, Ride in the Rain).



### 2.3.3 **Strategy:** Positive Action

An understanding of climate science and policy and a positive attitude do not necessarily translate into a change of behavior towards positive action. In order to stimulate behavioral change, it is necessary to create both incentives and a sense of urgency or desire to act at the personal level. In order to bridge the awareness/action gap, it is essential that we develop communication strategies that are capable of fostering personal behavior change.

Beyond simply creating the desire to act, specific strategies for meaningful action must also be provided. It will be effective to highlight opportunities that are likely to be acted upon by many different constituents, such as opportunities that are convenient, save money, are comfortable or are otherwise desirable. Information about actions already taken at the UW that are replicable provides accessible examples. Even information about what did not work at the UW could help individuals direct their actions toward effective actions.

**Proposed Actions:** Demonstrate commitment by leading by example. Disseminate information that promotes participation (contact info, opportunities to re-

spond and guidelines for participation); showcase personal stories and provide information on GHG reduction and other metrics.

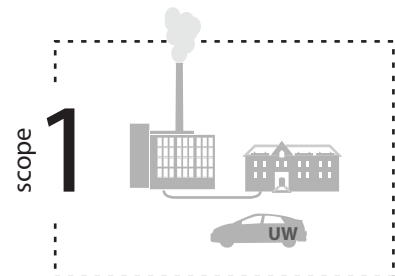
### 3 University Greenhouse Gas Emissions and Emission Targets

The University of Washington has been tracking annual GHG emissions since 2005. The UW has also calculated emissions for its GHG management baseline year, 2000.

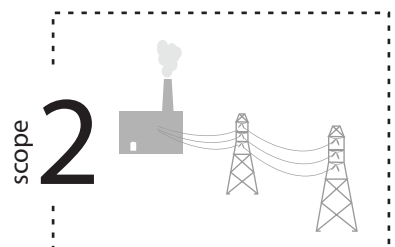
The UW GHG inventory accounts emissions from all equipment and property owned by the University of Washington. This includes three campuses located in Seattle, Bothell and Tacoma, Washington. The inventory also includes minor facilities scattered throughout the state. The Seattle campus supports about 94% of the UW's total headcount of nearly 70,000 students, staff and faculty, and therefore dominates the GHG inventory.

The inventory follows the Implementation Guide published by ACUPCC and the *GHG Protocol* published by the World Business Council for Sustainable Development/World Resources Institute. The *GHG Protocol* prescribes that emissions be reported in three different categories, or "Scopes":

**Scope 1 – Direct Emissions**, includes emissions that originate from real estate and equipment owned by the University. On-site natural gas heating and vehicle fleets are examples.



**Scope 2 – Energy Imports**, includes emissions from power plants that generate the electricity purchased by the University.



**Scope 3 – Other Emissions**, includes any sources of emissions that are not included in Scope 1 or 2, for which the University wishes to take responsibility. An example is emissions from vehicles used by commuting students, faculty and staff.

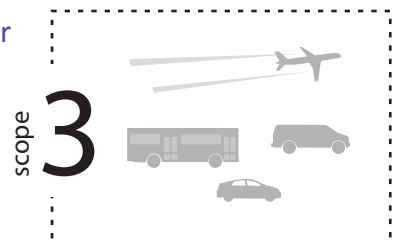


Figure 5 – Emission history by source. Emissions from major sources at the University of Washington, 2000 through 2008. Emissions from each source are shown separately, and the sources are labeled with their *GHG Protocol* Scopes. Actual inventories have been conducted for the years 2000, 2005, 2006, 2007 and 2008. The inventories for the years 2001, 2002, 2003 and 2004 are estimates interpolated between the years 2000 and 2005.

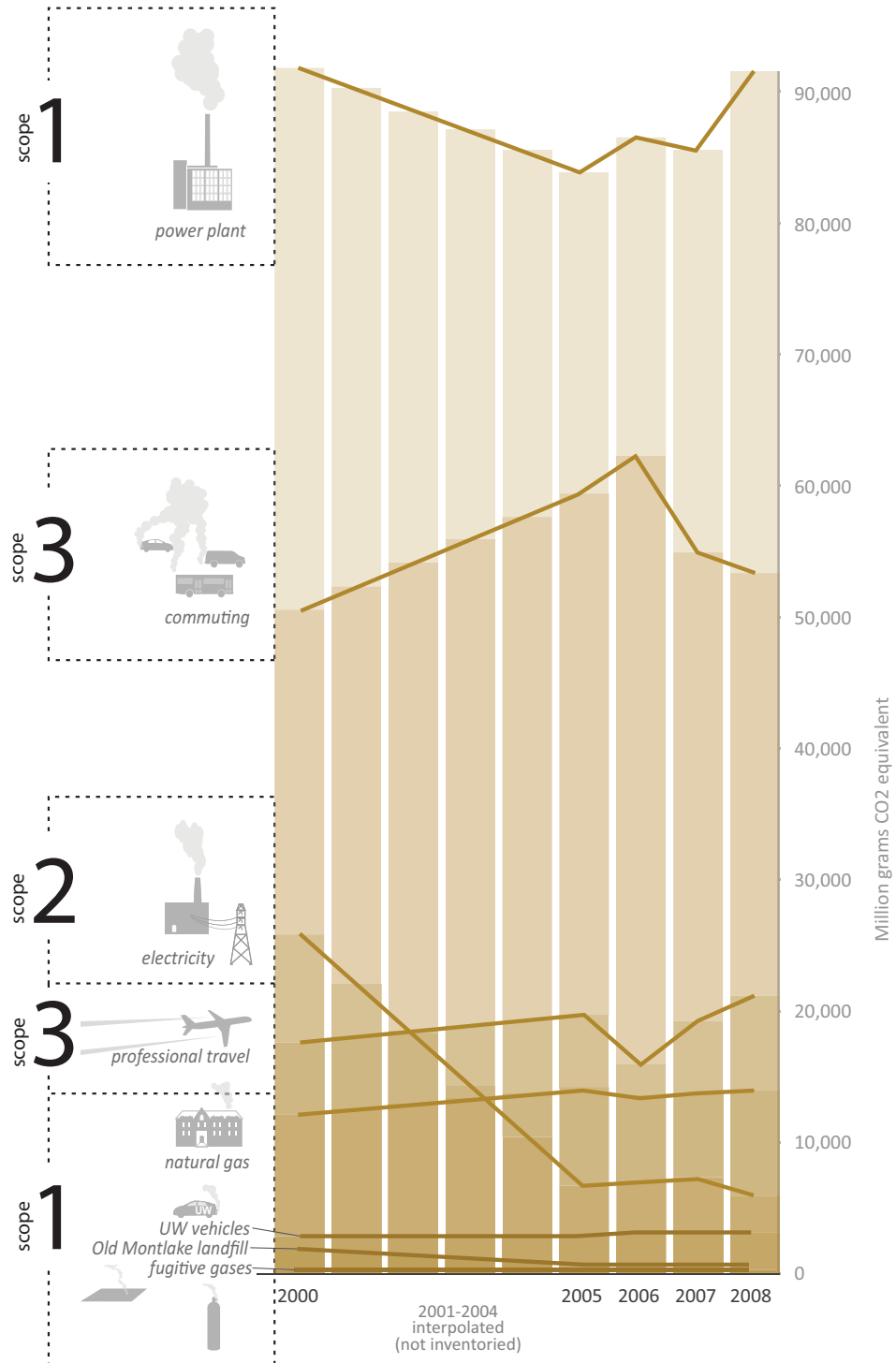
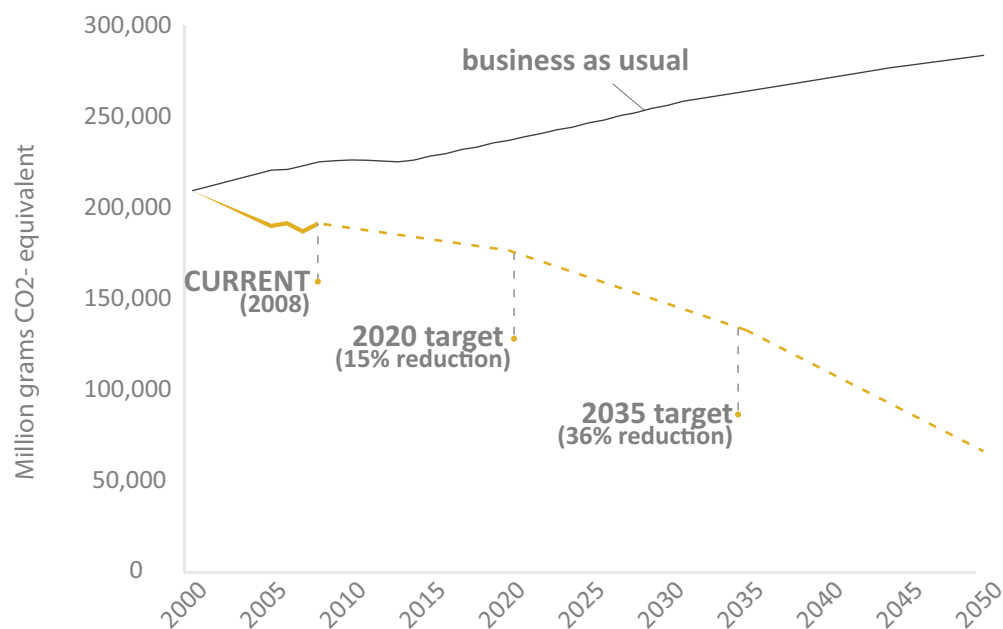


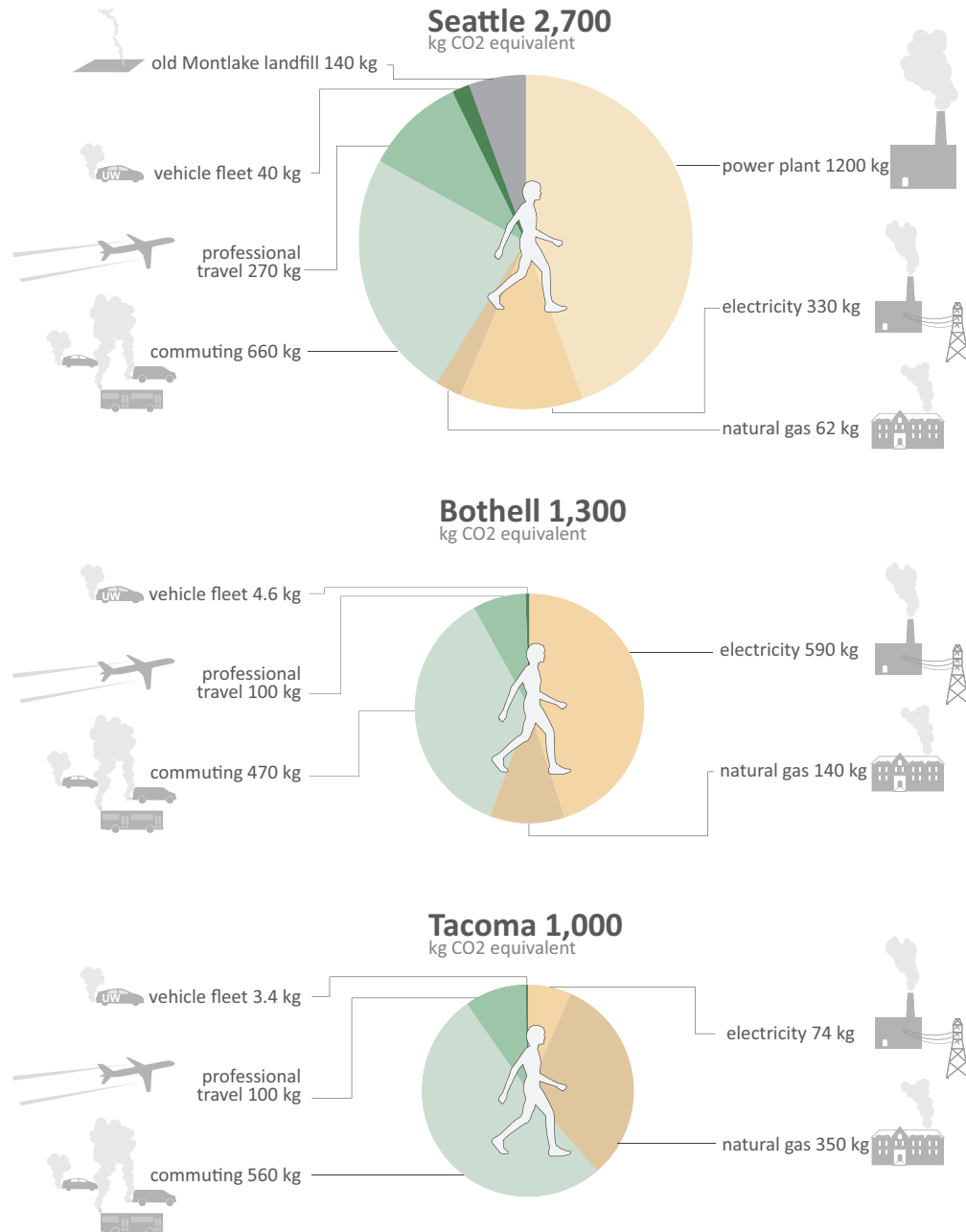
Figure 5 shows that within each scope, different categories of sources show different trends in their emissions from 2005 through 2008, and relative to 2000. For example, Scope 1 emissions from the central utility plant dropped below their baseline levels after 2000, but have been climbing since 2005. Scope 2 emissions dropped steeply after 2000, driven primarily by policy changes at Seattle City Light, the electricity supplier for the Seattle Campus. Scope 3 emissions attributable to students, staff and faculty commuting are above the baseline, but show a decreasing trend. 6 shows the total emissions in the inventory – the solid gold line shows actual emissions from 2000 to 2008, and the dotted gold line shows the trajectory we expect to follow in meeting our GHG targets.

**Figure 6 – “Business as usual” projection.** The grey, “business as usual” line estimates the path emissions would have taken from 2000 to 2050, absent any policy or behavior changes since 2000. The solid yellow line shows actual emissions from 2000 to 2008. The dashed yellow line indicates the path emissions are expected to take from 2009 to 2050, with implementation of the Climate Action Plan.



The UW’s total emissions have fallen substantially from the baseline year (2000) to the latest inventory year (2008). The early reduction is driven in part by Seattle City Light’s commitment, as of 2005, to provide zero GHG emission electricity. It has also been driven by an aggressive energy conservation plan on the Seattle campus, keeping building energy use constant, despite increasing campus population and floor space (see Figure 2).

**Figure 7 – Per-capita emissions by campus.** The area of each pie chart is equal to the campus emissions divided by the total number of students, staff and faculty affiliated with the campus. Not to be confused with total emissions, for which the Seattle campus would dwarf the other two. Numbers printed on each wedge indicate the area of the wedge, in kilograms of CO<sub>2</sub>-equivalent. All values are rounded to two significant digits.



Comparing the University's three campuses yields some interesting information about how GHG emissions are generated. Since the campuses are different in

size, we can compare them only by generating estimates of per-capita emissions, dividing the gross campus emissions by the total number of students, staff and faculty associated with that campus. Figure 7 shows that employees and students on the Seattle campus are associated with the largest GHG “footprint,” and Tacoma with the smallest.

Approximately 1,200 kg of the 1,500 kg Scope 1 emissions per Seattle capita are attributed to the central utility plant, which provides steam to heat the campus. The Scope 1 emissions at the other two campuses are due primarily to combusting natural gas for heating buildings, but at a smaller scale than performed at the Seattle campus’ central utility plant. Scope 2 emissions at the Bothell Campus are higher because the utility that supplies electricity to the Bothell Campus (Puget Sound Energy) has a much larger share of coal in its energy mix than Seattle City Light and Tacoma Power, which serve the other two campuses. The combined Scope 1 and Scope 2 per-capita emissions at the Seattle Campus are significantly higher than at the Bothell Campus or Tacoma Campus. There are several reasons, including the high number research facilities, a Medical Center and significant on-campus student housing located at the Seattle Campus. The Seattle Campus’ larger load of Scope 3 emissions is related to the higher proportion of employees to students at this campus related to its research focus and medical center operations. Students generally live much closer to campus and have a smaller commuting footprint than staff or faculty. Furthermore, the greater presence of research staff on the Seattle campus means there is a larger amount of professional travel per capita.

The State of Washington has set GHG reduction targets for state government by law (engrossed second substitute senate bill 5560 of the 61<sup>st</sup> Legislature, 2009). The law requires:

- By 2020, reduce emissions 15% below 2005 levels;
- By 2035, reduce emissions 36% below 2005 levels;
- By 2050, reduce emissions the greater of:
  - 57.5% below 2005 levels, or
  - 70% below business-as-usual levels projected for 2050.

The legislation does not specify a methodology for determining the projection necessary for determining a 2050 target.



With this Climate Action Plan, the University of Washington adopts, as a minimum, these reduction targets legislated for state government. In addition, the University of Washington hereby states its intention to achieve zero GHG emissions by, or as soon after 2050 as technology will allow.

#### 4 Strategies for Reducing University Emissions

The University of Washington plans to reduce GHGs through an integrated strategy combining three approaches:



1. Most preferably, students, staff and faculty will adjust behaviors to increase energy efficiency and reduce emissions. Education, incentives, policies and standards, and possibly pricing signals will be deployed to affect behaviors. Approximately 20% of the necessary reductions through 2035 are planned to be achieved through behavior change.



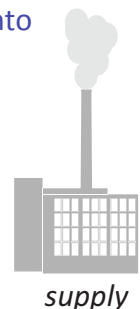
2. Secondly, technology will be deployed to reduce energy consumption, to acquire energy from less GHG-intensive sources or to reduce direct emissions of gasses. We expect that, on intermediate time horizons, technology can provide about 60% of the UW reduction goal.



3. Where behavioral or technological options do not exist, the University can purchase and retire allowances issued in GHG regulatory systems, or purchase open-market GHG offsets, to induce reductions outside of the UW campus and community. It is our ambition to limit this approach's contribution to the UW reduction plan to 20% or less by 2035.

Besides viewing GHG mitigation strategies through this lens, strategies can also be divided into categories depending on the institutional system or sector they address. In Sections 4.1 through 4.5 below, strategies are divided into these five categories:

1. Campus Energy Supply includes strategies that address the large infrastructures that supply energy to the buildings and equipment on the UW campuses;
2. Campus Energy Demand includes strategies that address the demand for energy from buildings and equipment;



3. Computing strategies address demand for energy from data centers and from distributed computing resources;



4. Commuting strategies address emissions associated with student's, faculty's and staff's daily commutes to UW campuses and facilities; included in our scope of responsibility and

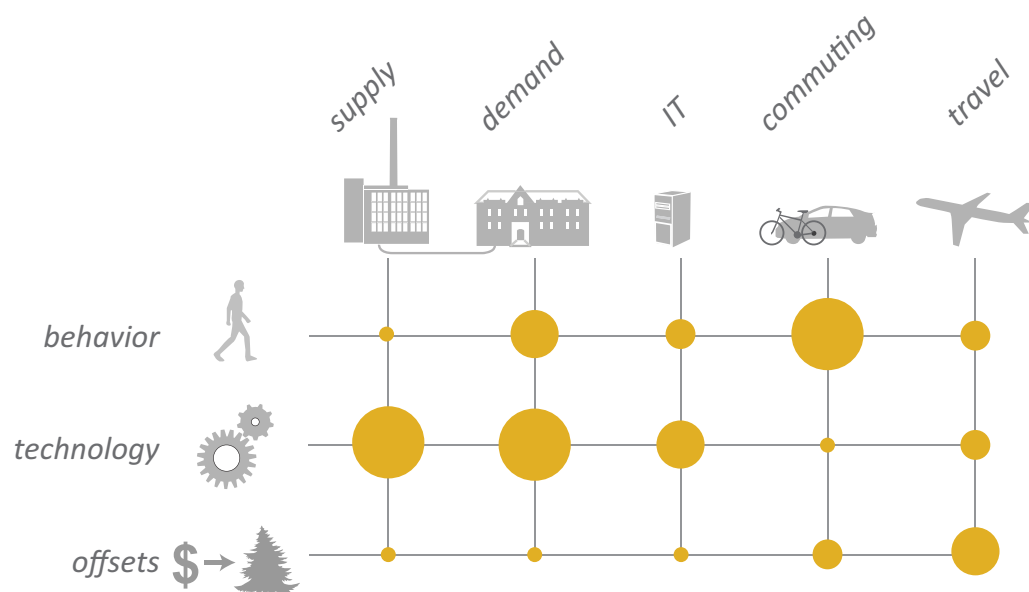


5. Professional Travel strategies provide opportunities to address emissions from air travel to academic conferences and other meetings, and from use of the UW vehicle fleet.



Combining the categories with the approaches results in a simple 5x3 matrix that is a convenient way to classify the GHG mitigation strategies developed in the UW Climate Action Plan, see Figure 8.

Figure 8 – Strategies vs. emission sources. Five different emissions categories, each of which can be approached with three different methods. Each category is more or less amenable to behavior vs. technology approaches; while offsets, the method of last resort, can be applied with equal ease to any category. The sizes of the circles at each grid intersection indicate the anticipated, relative contributions of behavior, technology and offsets to each emission category. In practice, the relative contributions will be determined in the Implementation Document, and may be strongly affected by a cap-and-trade plan such as that described in Section 6.2.1



Within each of the five emission categories, it is our intent to achieve the greatest amount of reduction possible through the behavioral approach first. However, each category has a different amount of room for cost-effective change through behavior, and what cannot be achieved through that approach will be attacked with technology instead. Finally, if technology is not up to the task of meeting our emission reduction goals, the UW will search for high-quality offsets to make up the difference. Unlike the behavioral or technological approaches, offsets are equally applicable to all five categories.

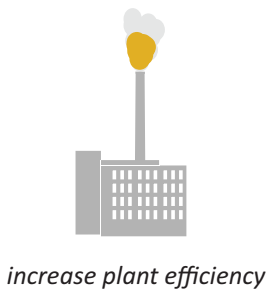
#### **4.1 Campus Energy Supply**

Most of the University of Washington's Scope 1 and Scope 2 emissions are attributed to fossil fuels burned for heating, processing steam and electricity in our built environments. The majority of these GHG emissions from Scope 1 occur at the Seattle Campus central utility plant, which burns natural gas to produce steam for heating campus buildings, uses electricity to chill water for cooling and generates a small amount of electricity supplementing electricity received from the grid.

Grid electricity at the Seattle campus is provided by Seattle City Light and is GHG neutral. Most of Seattle City Light's electricity is produced from hydropower or other GHG neutral sources, and the utility purchases and retires GHG offsets each year to cover any remaining power derived from fossil fuels. Even though Seattle City Light intends to meet future demand with renewable energy, the UW still aspires to reduce Seattle campus electricity purchases to minimize the offset burden on Seattle City Light.

Electricity at the Tacoma campus, like that at the Seattle campus, consists primarily of hydropower but includes some fossil-fueled resources; however, Tacoma Power does not purchase offsets on behalf of its customers like the Seattle utility.

Each building at the Bothell campus is heated with its own natural gas-fired boiler system, but cooling is supplied by a central plant that generates chilled water with electricity. The Bothell campus utility is Puget Sound Energy; about 47% of its resources are fossil-fueled, so the GHG penalty of electricity use at the Bothell campus is much higher than the other two campuses.



#### 4.1.1 **Strategy:** Central Utility Plant Efficiency

Generating steam by combusting natural gas in the Seattle campus' central utility plant is the University's largest single source of greenhouse gas emissions. The steam, as well as chilled water, is delivered to the various buildings on campus through a distribution network including more than ten miles of steam pipes in underground utility tunnels. Opportunities for reducing emissions from the plant can be divided into those affecting the plant itself and those affecting the distribution infrastructure.

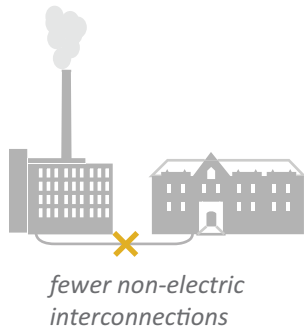
At the plant, some efficiency gain might be achieved with no equipment investment at all, representing our preference for behavioral change over new technology – in this case the behavior change is one of administrative practices. By revising the central utility plant operating procedures to favor the most efficient boilers, the UW can minimize the practice of banking “stand-by boilers” for guaranteeing reliable service.

Turning to technology, numerous vintage, high-horsepower electric motors that drive pumps used for circulating cooling water, condensing water and boiler feed water can be replaced with modern, more efficient electric motors. Another more capital-intensive improvement would be to recover waste heat from the flue gas system, and use the recovered energy to heat buildings in close proximity to the plant.

In the distribution network, heat is lost as steam travels through the pipes, and improvement to the thermal insulation surrounding the pipes would reduce heat loss and the demand on the central utility plant. Some energy is also lost to occasional steam leaks; implementing a preventive maintenance program would reduce the frequency of the leaks, once again appealing to behavioral approaches. In the chilled water distribution system, new pressure-independent control (PIC) valves could improve hydraulic pumping efficiency.

**Proposed Actions:** Accelerate adoption of a steam leak maintenance program. Accelerate revisions to boiler operating procedures. Immediately begin design of electric motor replacements and PIC valves. Launch engineering study of thermal piping insulation improvements and feasibility study of flue gas heat recovery.

#### 4.1.2 **Strategy:** Discourage Non-Electric Interconnections



Unless a major technology shift occurs at the central utility plant (Section 4.1.4), creating a new connection to the plant induces additional combustion of GHG-intensive fossil fuels. When new or renovated buildings are heated electrically, the associated GHG emissions will be much lower than if heated with a steam interconnection. Though the new electricity demand can be satisfied with a GHG-neutral source, the demand should still be minimized by utilizing the most efficient electric heating technology, for example ground-source heat pumps or sewer heat recovery systems.

The GHG reduction achieved will be somewhat dependent on the building site; sites located further from the central utility plant or requiring new extensions to the distribution system, would experience greater thermal losses in distribution, and should be preferred candidates for electric-only interconnections that do not demand central utility plant steam or chilled water.

**Proposed Actions:** On the Seattle campus, implement a moratorium on new central utility plant interconnections. Apply electric-powered, low-GHG and high-efficiency heating and cooling methods.



#### 4.1.3 **Strategy:** Measure and Monitor Building Performance

This strategy does not reduce GHGs directly; rather, it provides data enabling reductions in the Campus Energy Demand category, 4.2 below. Measuring and monitoring building performance is a technological strategy that enables multiple behavioral strategies.

The quantities of natural gas, oil and electricity consumed at the Seattle Campus central utility plant are carefully measured, recorded and tracked. However, the distribution of steam and chilled water, and redistribution of electricity, to the various buildings supported by the central utility plant is not universally measured. In this strategy, the UW will install automatic, networked metering of all buildings to allow for near-real-time, online monitoring of all energy use. An on-line “electronic dashboard” could provide immediate behavioral feedback directly to building users, but perhaps even more valuable would be the ability to create an online energy database of all buildings on all campuses. For each building, the database could identify total natural gas, electricity, steam and

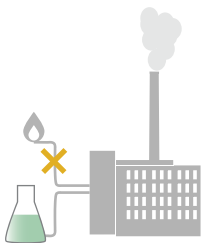
chilled water consumed over time, together with corresponding estimates of greenhouse gases generated. The database could be used for setting building-by-building energy use goals driving behavioral changes and targeting buildings in need of additional, technology-based approaches.

The Bothell campus consists of relatively new construction and features modern metering infrastructure, making it a candidate for early implementation of an electronic dashboard system, perhaps as a test bed for the much larger project of monitoring the Seattle campus.

**Proposed Actions:** Create baseline energy and water use information for all buildings on all three campuses. Provide additional metering with online capabilities as appropriate. Monitor building performance and use information to identify energy conservation opportunities.

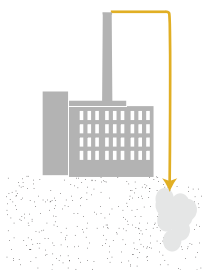
#### 4.1.4 **Strategy:** Central Energy Supply Technology Shift

While Strategy 4.1.1 offers some modest to moderate reductions to fuel consumption at the Seattle campus central utility plant, much larger changes in GHG-intensive fuel consumption can be achieved with capital-intensive projects that would function as part of a long-term strategy. In some of the strategies, system efficiency considerations might suggest that the UW build a combined heat and power plant large enough to generate all of the campus' electric needs, perhaps making the UW a net exporter of electricity, heat or both. Candidate projects include:



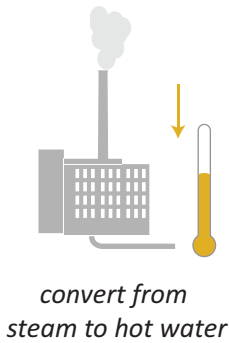
*switch to renewable fuels*

- Switching to renewable energy. An example of this would be replacing the natural gas fired boilers with electric boilers contractually coupled to a new source of renewable electricity. Alternatively, the natural gas could be replaced with a liquid or gaseous fuel produced from renewable resources (*i.e.*, bio-fuel), though this solution requires a cautious evaluation of the true life-cycle GHG savings of the bio-fuel.

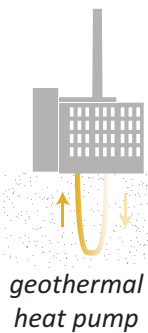


*capture and store carbon*

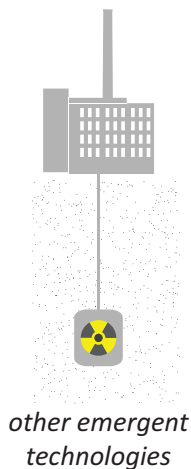
- Carbon capture and storage. This approach involves separating CO<sub>2</sub> from the central utility plant's exhaust stream and injecting it in a geological reservoir for permanent storage or (less likely) converting it to a solid form such as calcium carbonate.



- Conversion of central heating system from steam to hot water. The central plant currently produces high pressure, high temperature steam for distribution to the campus. This approach allows more energy to be delivered per pound of water, thereby reducing the size of piping needed in the steam distribution system. However, the higher temperature steam results in higher thermal losses in the distribution system, and reduces opportunities for low-level heat recovery. A potential solution would be to convert the central plant to a hot water heating system, or install regional hot water heating systems throughout campus.



- Geothermal heat pumps. The need to combust fuel could be greatly reduced or eliminated by installing closed-loop heat pump technology to extract heating energy from the ground; this would work particularly well in conjunction with conversion to a hot water system as described above.



- Other emergent technologies. New GHG neutral technologies are being developed and commercialized which may have future application at the central utility plant. One such technology under commercial development is a small-scale nuclear battery reactor design, which has its core buried and encased deep underground. Other technologies with possible application for the central utility plant could emerge in future years.

At the Tacoma campus, centralized heating serves the eastern half of the campus. The development and extension of a central plant that would service future growth in the western half of the campus and, perhaps, tie into existing facilities is a preferred option. The size and high growth potential of UW Tacoma makes it an excellent candidate for testing new technology and tracking its effectiveness. UW Tacoma's 2008 Infrastructure Master Plan proposes that such an expansion to the central utility be deployed using geothermal technology.

#### 4.1.5 **Strategy:** Site-specific energy resources

For each building, on each campus, there may be solar, wind or geothermal resources that can contribute to the facility's energy mix. Opportunities that should be evaluated under this strategy include:



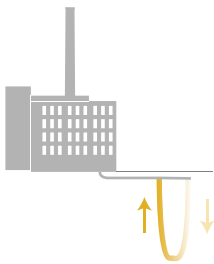
solar panels



wind turbines



landfill  
methane



deep lake chilling

- Solar thermal or solar photovoltaic opportunities exist on all of the UW campuses, with the opportunity varying from building to building depending on architecture and site geography. The integrated design techniques that will be used for new projects (Section 4.2.2) will enable these technologies more fully.
- Wind resources are extremely limited on the three UW campuses, but the UW could, in principle, develop its own wind plant at a remote site, in collaboration with local utilities for management and for electric transmission.
- A portion of the Seattle campus is located on the old Montlake Landfill, which was closed in 1966. It continues to generate methane, a potent greenhouse gas. It may be possible to combust this methane for supplemental energy generation, though there is significant doubt that the quantity is sufficient. If combustion is possible, since the methane is currently released to the atmosphere and the combustion product would be a much lower-potency greenhouse gas (carbon dioxide), this action could result in *negative* GHG emissions.
- The Seattle campus is located adjacent to Lake Washington—a large, deep lake. The campus could potentially be cooled with an open-loop geothermal system in which cold water is pumped from the depths of the lake, used to cool campus buildings in place of mechanical chillers and then returned to the lake. Evaluating this action would require a thorough and costly environmental assessment, but initial indications are that the very small increase in temperature might, if anything, be beneficial to fish migration.

## 4.2 Campus Energy Demand



demand-side

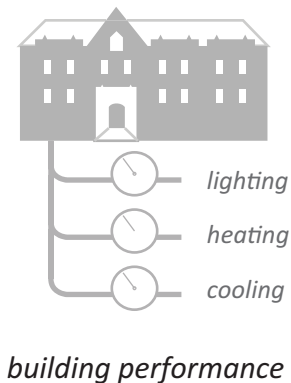
This category covers the strategies for reducing energy demand by current and future University of Washington buildings and the equipment within them. Buildings and equipment dedicated to information technology are treated separately in Section 4.3.

Buildings can be designed, built or renovated to use far less operational energy per square foot, while maintaining high quality, health and comfort. While there are usually additional initial costs, energy efficient buildings cost less over the life of the building, reduce the total cost of ownership, reduce energy and operational costs and significantly reduce GHG emissions.



But in addition to the new (and old) technologies realized with efficient building design, reducing campus energy demand is equally a behavioral measure, requiring development of new policies, well-organized implementation, incentives and building occupant training.

#### 4.2.1 **Strategy:** Require High Performance Building Standards



UW buildings are currently built to either local jurisdiction standards or the Washington State Energy Code, which while more stringent than some energy codes, does not currently invoke the reductions in energy necessary to stabilize the climate. For state-funded buildings, the UW is also required to design, construct and operate to the LEED Silver level. For self-funded or private/public partnerships the UW has unofficially adopted a LEED standard for all new buildings and major renovations. LEED is not itself an energy efficiency standard, though it does include metrics for achieving energy use reduction in buildings, and much more can be achieved in reducing energy demands of new and renovated buildings.

This strategy consists of adopting a quantitative, energy-focused design goal for UW's new construction and major renovations. If feasible, the goal should be based on an existing program external to the UW such as the Architecture 2030 Challenge, the Living Building Challenge or the Commercial Buildings Initiative.

- The Architecture 2030 Challenge requires new buildings to use 50% less energy than a similar building in a similar climate through 2010; after 2010 new buildings are required to be built to achieve an additional 10% reduction in energy use every 5 years, until new buildings are GHG neutral, as of 2030.
- The Living Building Challenge is stewarded by the Cascadia Region Green Building Council and is intended specifically as an extension of LEED. It requires buildings to generate all energy from onsite, renewable resources on a net annual basis, but it does not establish a progressive timeline for achieving the design standard.
- The Commercial Buildings Initiative was launched in the Energy Independence and Security Act of 2007, and sets goals for the penetration of net zero energy buildings (NZEBS) into the U.S. buildings stock, such that all new construction is NZEB by 2030, half of the gross stock is NZEB by 2040 and all commercial buildings are NZEB by 2050.

**Proposed Actions:** Select and require high performance energy efficiency requirements for all capital projects, and establish a timeline for penetration of the standard throughout the UW campus.

#### 4.2.2 **Strategy:** Optimize Building Energy Efficiency with Integrated Design

Although current UW standard project delivery processes foster some multidisciplinary building design integration, more extensive collaboration, especially earlier in the process, is needed to achieve further energy efficiency goals. An integrated process, or "whole building" design process, includes the active and continuing participation of users, code officials, building technologists, cost consultants, civil engineers, mechanical and electrical engineers, structural engineers, specifications specialists and consultants from many specialized fields. The best buildings result from active, consistent, organized collaboration among all players.

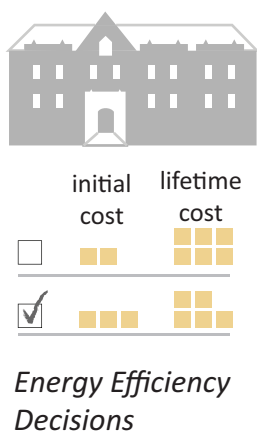
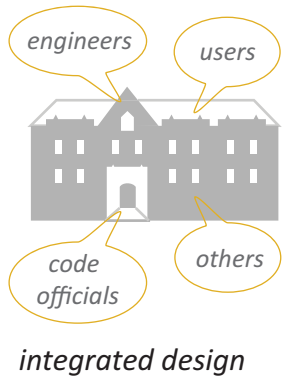
Integrated design teams are able to apply a broad array of techniques supporting energy efficiency, among them established energy reduction design practices (Section 4.2.4), the use of on-site renewable energy (4.1.5), energy use monitoring (4.1.3) and launching effective operating procedures (7.4).

**Proposed Actions:** Implement a formal, integrated design process as the standard for all Capital Projects Office and Facilities Services capital projects. Update language in design contracts, including cash flow expectations, to better support the collaborative needs of integrated design.

#### 4.2.3 **Strategy:** Make Informed Energy Efficiency Decisions

Two tools available for making more informed energy efficiency decisions are life cycle cost analysis (LCCA) and energy modeling. Using either tool well implies energy planning over the expected life of the building, with capital budgets and operational budgets considered simultaneously.

LCCA is used to evaluate the lifetime cost of ownership, and identify the best actions. Inputs to the analysis for a given action are total capital cost, anticipated life of the relevant systems, total operational costs including utilities and staff, total maintenance costs and total replacement costs. With this information LCCA permits campus planners to identify payback and return on investment



(ROI) for building systems. Like integrated design, LCCA benefits from systems thinking in which changes to one system may reduce demands on another. For example, insulation added to the building envelope means mechanical systems can be smaller. Thus, LCCA is best applied to bundled systems to maximize synergy.

Currently, the State of Washington only requires an LCCA of building energy systems for state-funded projects over 25,000 square feet. Energy modeling of buildings complements LCCA by identifying the most energy efficient building systems during the design phase. Modeling allows for optimizing and integrating systems like building orientation, window size and location, building envelope characteristics, heating and cooling systems and provides the most comprehensive and accurate possible set of inputs for LCCA.

**Proposed Actions:** Implement LCCA policy for all large building projects. Identify appropriate energy modeling methodologies for all large capital projects, and encode in policy.



*conservation projects*

<input checked="" type="checkbox"/>	_____
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#### 4.2.4 **Strategy:** Increase Energy Conservation Projects

Of all the campus buildings we expect to be in use in 2050, over 70% already exist. A comprehensive plan is needed to significantly expand energy conservation in existing buildings. Strategy 4.1.3, Measure and Monitor Building Performance, provides the energy monitoring and auditing capability that is a prerequisite to identifying the most efficacious conservation opportunities. Beginning July 2010, building energy usage for each reporting public facility at the University must be entered into the U.S. EPA's Energy Star Target Finder tool; buildings not meeting state expectations will be targeted for energy audits followed by energy LCCA to identify the most desirable improvements to building performance.

Past conservation projects have focused primarily on efficient lighting and mechanical system upgrades; we expect that an increased level of attention to conservation will result in a shift of focus, perhaps with building envelope renovation projects coming to the fore. Building envelope projects focus on reducing winter heat loss by improving thermal barriers, and they do not always need to require an entire building renovation. Laboratories are the most energy intensive type of building on campus and should likewise be a high first target for conservation projects. The 2008 Tacoma campus Infrastructure Master Plan already

identifies a host of potential conservation projects, and it could serve as an inspiration for the other two campuses.

The University owns seven downtown Seattle buildings on the former site of its original campus, the “Metropolitan Tract,” that are included in our GHG inventory. The buildings serve no academic function, but are leased and managed by Unico Properties. The University will work cooperatively with Unico to implement many of the innovations deployed on campus to these buildings.

Because conservation projects reduce energy costs, some may qualify for utility rebate funding, adding an extra financial incentive.

**Proposed Actions:** Review the current system for identifying, prioritizing and funding energy conservation projects to identify obstacles for effective expansion. Improve metering to identify opportunities and monitor progress. Add incentives that apply some of the funds saved by energy reductions to expanded personnel, training and equipment that support further energy reductions.

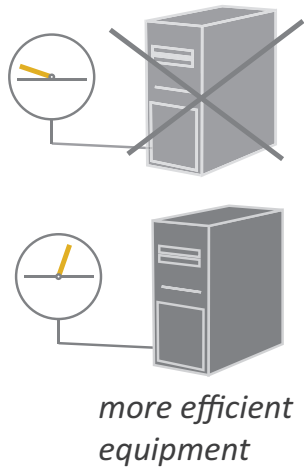
#### 4.3 Information Technology



#### information technology

According to the U.S. EPA’s August, 2007 Report to Congress on server and data center efficiency, power-hungry data centers in the U.S. consume the annual output of 15 average-sized power plants. However, data centers represent only a fraction of the total energy consumption from information processing. For every server in the UW’s data center, there can be 10 times as many departmental and rack servers distributed across the campus, and there can be from 50 to over 250 end-user computers. On any given day, more than 95,000 computing devices are connected to the UW network. The average active, powered-on desktop computer consumes 100 to 300 watts of electricity. Much of the electricity that comes through the power cord of the computer is turned into heat and power conversion waste through the power supply.

Thus, the problem is actually greater than the growth in power consumption by the data center itself. Green computing initiatives at the UW can be divided into those that affect the central data center and those that affect computing at a distributed level, campus-wide.

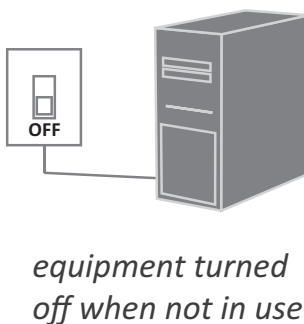


#### 4.3.1 **Strategy:** Buy Green

The environmental impact of computing equipment is primarily (though not only) associated with its energy consumption during use. Hence, purchasing policies for computing equipment should include the costs and implications for energy use as important criteria. In some cases, favoring particular technologies can have a significant impact. Laptop computers are more efficient than desktops, and when purchased with docking stations offer the same look and feel as the desktop PC. Flat LCD screens consume less power than CRTs, and reduce the lead and mercury contamination associated with discarded CRT monitors. Within each technology, the U.S. EPA's Energy Star rating offers a simple and meaningful distinction to equipment that meets reasonable energy efficiency standards. In addition to the Energy Star rating, many manufacturers have obtained EPEAT (Electronic Product Environmental Assessment Tool) registration for their products by adopting a set of green manufacturing standards. By including an EPEAT Gold registration as a prerequisite for purchasing, the University could ensure that clean manufacturing standards have been followed for the equipment purchased.

**Proposed Actions:** Explore costs and benefits of adopting a UW policy that meets faculty and staff research, teaching and administrative needs for purchasing computer hardware that reduces energy use. Where possible, require the Energy Star rating and EPEAT Gold registration goal for all computes, including workstation quality laptop computers, docking stations, standard monitors and standard keyboards. Replace CRT monitors with LCD monitors and configure systems with aggressive power management or install power saving software to accomplish the same goal.

#### 4.3.2 **Strategy:** Exercise Power Management



Power management technology enables systems to automatically turn off components, such as monitors and hard drives, after set periods of inactivity. In addition, a system may hibernate, turning off nearly all components and greatly reducing the system's electricity usage.

Ideally, when a computer is not needed by its owner, it should either be in a low power state or doing research calculations by participating in distributed computing for the benefit of science, for example by installing and running the Ber-

keley Open Infrastructure for Network Computing (BOINC). Distributed computing for science introduces an energy efficiency dilemma that has not yet been resolved; setting future UW policy will require a deeper understanding of appropriate computing infrastructures and their energy demands.

**Proposed Actions:** Activate automatic sleep and hibernation on workstation computers. When patch/update procedures permit, shut down workstation computers at night if not running BOINC. Where possible, provide power strips that sense the power of a control device to automatically turn off all the related peripheral equipment when the control device is turned off. Provide economic incentives for departments to manage power via installing monitoring and reporting technology.



*more efficient  
heat dissipation*

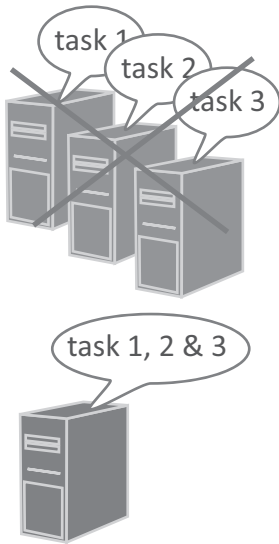
#### 4.3.3 **Strategy:** Increase Data Center Efficiency

As with workstation computing equipment, purchasing choices for data centers should be made with energy efficiency in mind, using the Energy Star rating and EPEAT registration as standards where applicable.

Data centers have large energy demands for ventilation and air conditioning, and careful attention to HVAC systems can reduce their demand on the campus energy system. In particular, installing an economizer that cools the data center with outside (rather than re-circulated) air or air-cooled water may result in significant energy savings. This equipment has already been installed in the University's primary data center. There may also be opportunities to recover and reuse waste energy, as is already done at the University's 4545 Building, but many of these opportunities are still unknown and require study.

Measurement and tracking of energy use by each piece of computing equipment can also enable adjustments for efficiency by directing more demand to the underutilized equipment, and obviating the need for other machines. In some cases, equipment can be adjusted to meet low demand. The collective energy consumption by all the computing equipment in a data center can be divided by the gross energy consumption of the data center to calculate power utilization effectiveness, "PUE," an important metric describing the data center's performance as a whole.

**Proposed Actions:** Examine the costs and benefits of replacing non-rated server equipment with Energy Star equipment. Conduct research projects to identify best practices. Install HVAC economizer equipment and controls. Study opportunities for waste energy recovery. Install building management and inventory control systems to monitor, track and trend energy use by all equipment and match demand accordingly.



*reduce number  
of computers*

#### 4.3.4 **Strategy:** Consolidation and Virtualization

One option is to consolidate as much computing power as practical in data centers, rather than have them located in non-technical spaces. Data centers are special facilities designed to be secure, reliable and efficient locations to support the continuous operation of computer equipment. Data centers are designed to handle the cooling needs of computing equipment in the most efficient way possible and reduce HVAC demands on buildings designed for housing people rather than machines. Consolidation provides several other benefits as well, including reduction in energy costs, longer life for equipment (since it is in well-managed environmental conditions), removal of fire hazards from occupied buildings and increased opportunity for virtualization.

Virtualization is the practice of executing computing processes that normally require different pieces of equipment on a single piece of equipment, or enabling a computing process that normally requires a specific piece of equipment to operate on multiple pieces of equipment. Virtualization gives data center managers more ability to match demand and supply of computing resources, and hence the capacity to run much more efficient computing for the University than is possible with a distributed system.

**Proposed Actions:** Explore new computing technologies and develop appropriate approaches and policies given emerging opportunities. Collaborate with faculty and staff to migrate distributed computing resources to data centers where appropriate. Remove financial incentives for departments to place servers in locations that are not designed to support computer equipment. Expand capacity for virtualization.

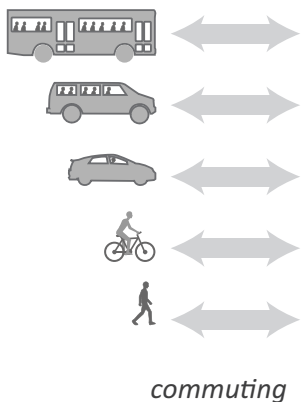
#### 4.3.5 **Strategy:** Utilize Cloud Computing

In cloud computing, commodity IT services (*e.g.*, email, document processing), which are customarily provided at desktop computers or in local data centers, are delivered over the internet instead. Cloud computing offers the same benefits of virtualization described above, but on an even larger scale. Cloud computing vendors (in particular, Microsoft, Google and Amazon) have enormous economy of scale in their data centers, and have been pioneers in improving data center power efficiency.

Enabled by advances in Internet technology and deployment, commodity IT services are now widely available as network-accessible web services, as are IT infrastructure components such as storage and compute clusters. Although this marketplace is young, and pricing varies from "free" to "high," the expectation is that high-scale providers using power-optimized data center designs and best-possible power contracts will inevitably be able to offer savings over servers provisioned locally in high-cost real estate, with no tax or power cost advantages.

There will continue to be growing pressure on local data center resources; therefore, we can and should take advantage of these new cloud opportunities to both reduce overall GHG footprint and save precious local datacenter resources for those systems that must remain local.

**Proposed Actions:** Aggressively explore opportunities for using cloud services rather than servers provisioned locally in our own data centers when the cloud services are compatible with the university's functionality, policy and cost objectives. This would include applications such as email and other collaboration tools, as well as "infrastructure as a service."



#### 4.4 **Commuting**

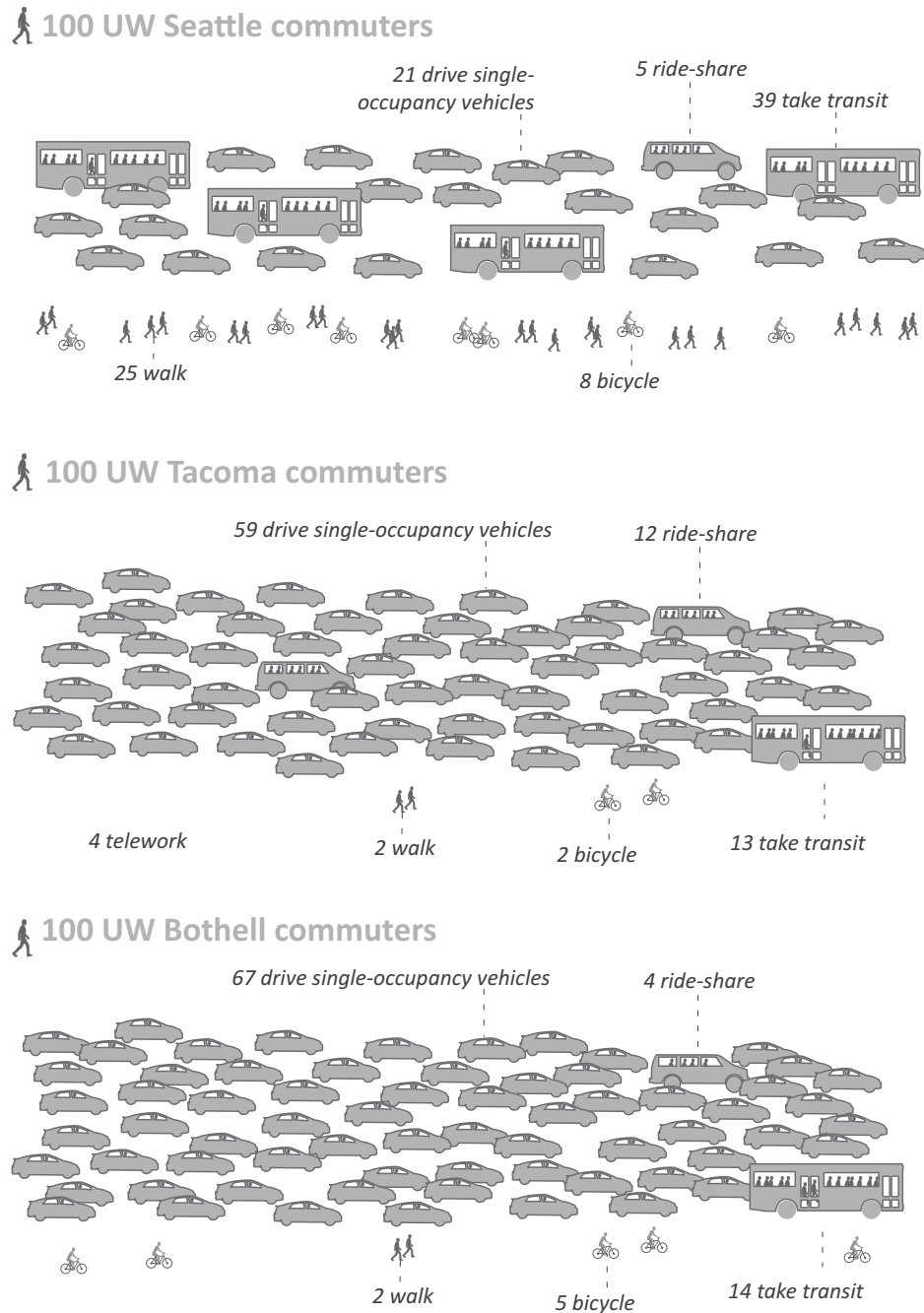
The University of Washington's three urban campuses, with plentiful transportation options, are well situated to minimize drive-alone commuting.

At the Seattle campus, decades of transportation management mean only 21% of commute trips are drive-alone: the easily achievable changes in behavior have already been accomplished. The challenge ahead will be to increase the use of non-motorized transportation and reduce the emissions from motorized trans-



portation, including transit. Both the Bothell and the Seattle campus are served by the Burke-Gilman Trail, a bicycle artery for the greater Seattle area.

Figure 9 – Commuting profiles by campus



At the University of Washington Tacoma, effective transportation demand strategies have been in place for a short time, and progress has already been made. Since 2006, the drive-alone rate for employees has been reduced by 18%.

Commute trip reduction has been expanded to students for the first time this academic year and a Student Transportation Coordinator was hired for this work. Figure 6 dramatizes the payoff the UW has gained at the Seattle campus from its long history of commuting management and the gains still to be made at the Tacoma and Bothell campuses.

Students, faculty and staff using public transit to commute to UW campuses are often using the more densely populated, urban bus routes, so that their per-passenger emissions are likely lower than the bus system average used to calculate the UW Inventory. In the future, commuting strategies and actions could be refined to maximize GHG impact by using an improved inventory process that accounts for the passenger densities of the buses used by University commuters.

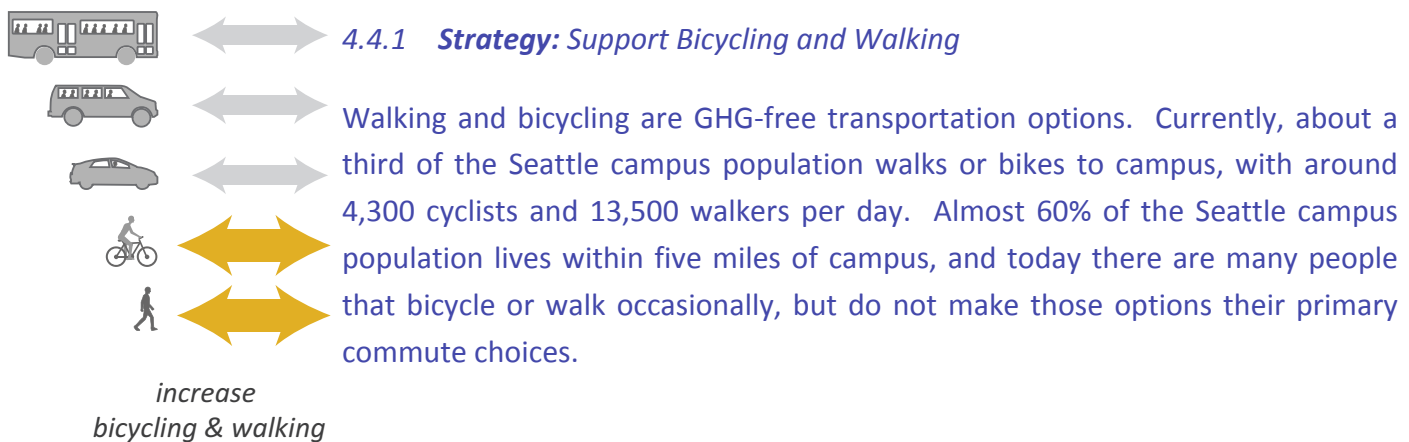
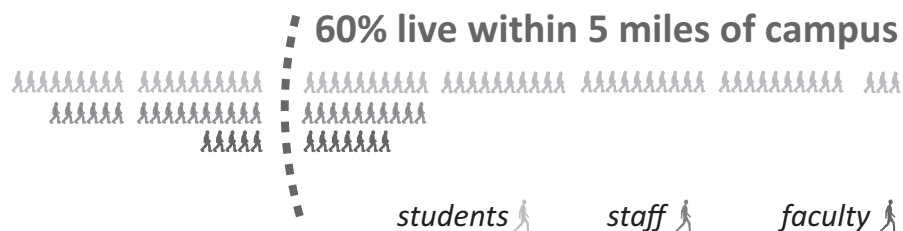


Figure 10 - Proximity to campus



A secure and dry place to store one's bicycle is one of the key needs of cyclists. Today, the roughly 600 bicycle lockers on the Seattle campus supply less than half of the demand for secure parking. The provision of secure parking and improved campus safety is a key factor within the University's direct control; providing enough supply to meet demand will eliminate a significant barrier to bicycle commuting.

Other strategies to support bicycling and walking include building design policies to provide bicycle-friendly infrastructure, showers and clothes locker facilities. Beyond the optimization of on-campus facilities, partnerships and investments are needed to improve pedestrian and bicycle infrastructure in the neighborhoods surrounding the campus. Incentives can also be provided to students, staff and faculty such as offering a membership club for walkers and bikers with commuter benefits. Finally, education campaigns can be conducted to help the University community understand how to walk and bicycle safely and look out for the safety of walkers and bicyclists when using other transportation modes.

At UW Bothell, the Burke-Gilman Trail and the Sammamish River Trail both provide regional connections for bicyclists and pedestrians, but additional infrastructure is needed to support bicycling and walking, including additional showers and lockers in new buildings, additional bicycle racks at new building entrances and secure bicycle areas in parking garages.

Infrastructure and programs to support bicycling and walking are needed at the Tacoma campus. There are currently no covered bike shelters, though the first may be installed by this summer. Showers and clothes lockers are scattered across the campus but are not well known.

**Proposed Actions:** Construct sufficient secure bicycle parking spaces to meet demand, and improve campus safety generally. Explore options and adopt policies for building and campus design that support walking and bicycling.



#### 4.4.2 **Strategy:** Increase Student, Faculty, and Staff Housing near Campus



Much can be done to encourage bicycling and walking by people who already live near campus. However, to have a large and lasting shift towards reducing commuting emissions, more students, staff and faculty must live within walking and bicycling distance of campus.

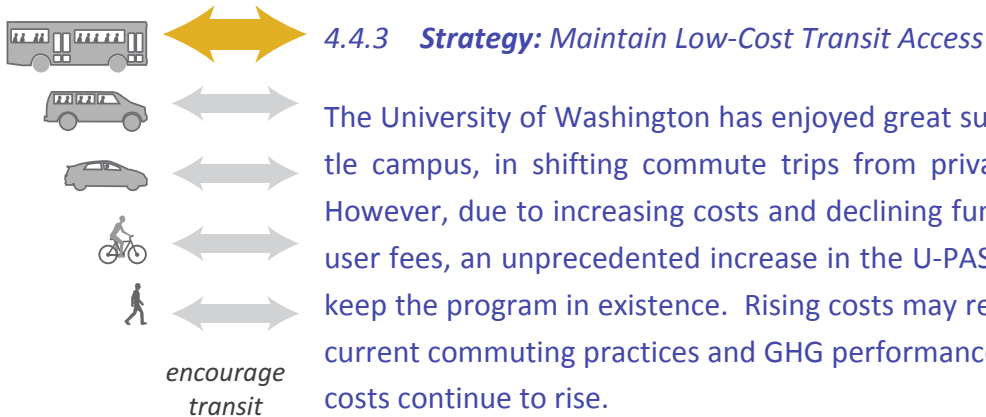


UW Bothell is working to provide student, faculty and staff housing in close proximity to campus. At the Seattle campus, planning for the addition of a substantial amount of student housing is well on its way. Looking longer-term, strategies should be developed to encourage staff and faculty to live near campus. Staff and faculty tend to live farther from campus, as they have differing housing needs. Affordability, high quality schooling and day care and the perception of

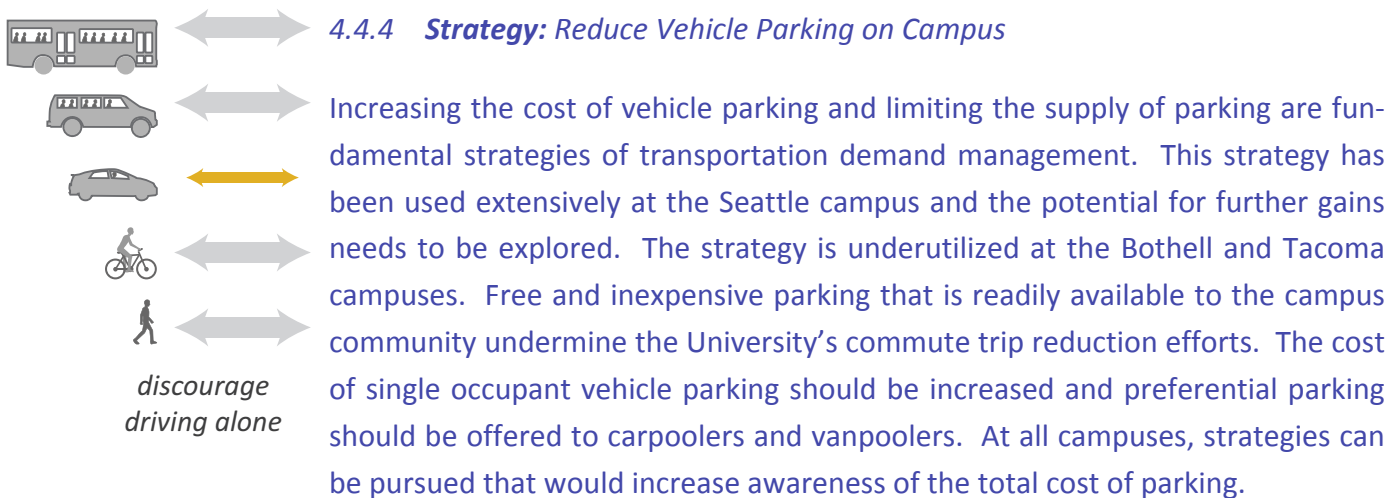
decrease  
commute distance

safety and quality of life in the neighborhoods surrounding the University are all important factors in increasing the number of staff, faculty and students living near the University.

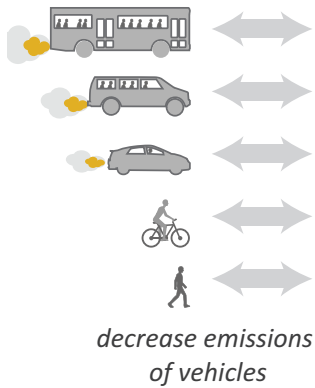
**Proposed Actions:** Explore how to attract faculty and staff to live near campus and advance the construction of new student residence halls that are energy efficient.



**Proposed Action:** Develop and implement a new funding model for the U-PASS program that leverages its wide-ranging benefits to the University and the region, and keeps user fees low.



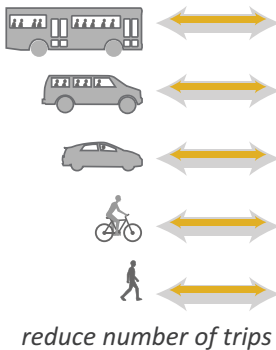
**Proposed Actions:** Explore the impact of increasing the cost of parking and identify improved opportunities for other commute options.



#### 4.4.5 **Strategy:** Increase Vehicle Fuel-Efficiency

There will always be some portion of the campus population that commutes using motorized transportation. Promoting transit and ridesharing over single-occupant vehicle travel will help reduce emissions. For example, UW Bothell is making progress in increasing carpool permits and U-PASS sales. However, on the Seattle campus many of the gains from this strategy have already been achieved. The next step is to reduce the emissions from the vehicles themselves. The University could provide incentives to employees to purchase zero- or low-emissions vehicles and help employees access incentives offered by the federal government and others. The University could also work with local transit providers to support their efforts to reduce transit vehicle emissions.

**Proposed Actions:** Research and identify low- and zero-emission vehicle purchase incentives from outside sources and consider developing a program to promote them on campus. Increase the level of investment the University is willing to make to reduce vehicle emissions by greening the commute fleet, including public transit.



#### 4.4.6 **Strategy:** Encourage Telework and Distance Education

The emissions from any potential commute trip can be avoided if the work can be completed without the need to make the trip. Telework and distance education offer options to reduce commute emissions and do not depend on a short commute distance. Increasing the use of telework and distance education requires improved infrastructure, development and adoption of policies and changes in institutional culture. Increases in telework will need to be carefully considered in light of the academic and teaching missions. In addition, it is important to include community building in all telework and distance education initiatives to ensure that students, staff and faculty feel connected to and invested in the University.

**Proposed Actions:** Develop a comprehensive University-wide effort to provide staff, faculty and students with the tools, resources and knowledge needed to maximize the use of telework and distance education.



#### 4.5 Professional Travel

Professional travel is associated with administrative business, scholarly research, conferences, visitors and speakers, intercollegiate athletics and recruitment of graduate students, faculty and staff. UW faculty, students and staff travel using a combination of modes, with the vast bulk of emissions arising from retail air tickets and a smaller portion associated with rented and UW fleet road vehicles. Hence, the Professional Travel category includes a combination of Scope 3 and Scope 1 emissions. Travel that occurs at an individual's personal expense (*e.g.*, trips to and from Seattle by students living in other states) is not included.

Figure 11 - Air travel expenditures



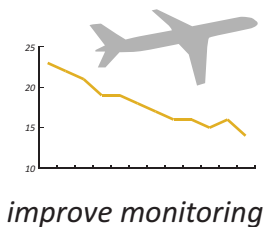
Air travel expenditures at UW increased 37% over the past three years from \$18.7 million in 2005 to \$25.6 million in 2008. While these costs are accurately known, the miles and associated emissions are much less certain. This is because air-travel miles are not directly monitored at UW. Instead, air-travel miles are estimated from expenditures using a constant conversion factor (\$0.25/mile). Whether this conversion factor applies to the mix of air-travel costs actually incurred at UW is unknown. Moreover, the true conversion factor undoubtedly varies from year-to-year such that using a constant value could either hide or exaggerate trends in emissions.

Unlike ground transportation, significant GHG reductions from changes to aircraft technology are unlikely in the immediate future. In the long term, there is potential for fueling aircraft with low-GHG bio-fuels or deploying high-speed rail powered by renewable electricity. While the UW has little influence on the fuel efficiency of aircraft, it can participate in research and take action to affect behavior, for example, reducing miles traveled.

Air travel plays a vital role in UW's mission to be a global university and in the culture of academia. UW scholars conduct research around the world and gather regularly at conferences where ideas are exchanged and collaborations are formed. The face-to-face interactions at such conferences, including informal discussions in hallways and at meals, can be crucial to professional success.

Many of these functions would be difficult or impossible to achieve with videoconferencing – the most viable alternative to air travel. Nevertheless, videoconferencing is already being used at UW to replace some of the functions of long-distance travel and, as the technology improves and cultural practices evolve to make use of them, it is reasonable to expect that it will become a strong substitute for travel. This transition carries benefits beyond the reduction of GHG emissions. For example, videoconferencing is more flexible than air travel in many respects: It facilitates participation by larger numbers of people, and it is far less expensive in terms of both dollars and time.

Given the above factors, the UW's overall strategy for reducing emissions from air travel is to work vigorously to develop videoconferencing while preserving access to air travel for the many functions that it alone can fulfill. Remaining air travel emissions might be mitigated by the purchase of GHG offsets.



#### 4.5.1 **Strategy:** Improve Monitoring of Air Travel Emissions

A program to reduce air travel emissions cannot proceed without accurate monitoring of year-to-year changes. The cost-based method currently used alternately exaggerates and hides real trends in air travel miles depending on fluctuations in airfare. Two improvements are possible.

One improvement is to obtain a more accurate, time-sensitive, cost-to-mileage conversion factor. For any given trip, the cost-per-passenger-mile can be obtained from the cost and destination information on the travel voucher. We propose that annual averages of this conversion factor be estimated by randomly sampling a small portion of UW travel vouchers from each year. (This work has already begun as a Summer 2009 research project by students in ENVIR 235, *Introduction to Environmental Economics*, taught by Dr. Yoram K. Bauman.)

A second step toward improving accuracy would be to record all air travel destinations in a central database with a coded system that allows automated calculation of trip length. Accurate estimates would require recording transfers (layovers) and final destinations. The cost of creating such a system needs to be explored vis-a-vis the benefits.

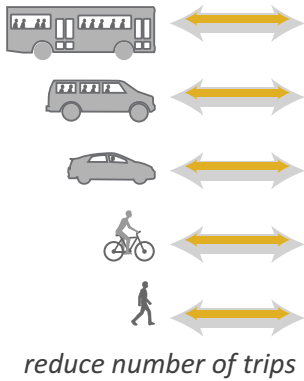
**Proposed Actions:** Sample and calculate cost-of-mileage annually. Enhance UW eTravel system to calculate travel mileage from the entry of coded destination information.

#### 4.5.2 **Strategy:** *Develop Videoconferencing as an Attractive Alternative to Air Travel*

Videoconferencing represents an increasingly viable means of achieving many of the academic and organizational goals of long-distance travel, although it will never replace the need to conduct research on location or substitute for some in-person collaboration. Compared with air travel, it incurs almost no GHG emissions and is much cheaper. UW already has a small number of videoconferencing facilities that are being used in a variety of ways that both enhance education and reduce the need for long-distance travel. Examples are meetings that include members from all three campuses, guest lectures for UW classes, guest lectures delivered by UW faculty for other universities, classroom discussions with students or experts in other countries and Master's and Ph.D. exams where one committee member resides at another institution.

Expanding the use of videoconferencing to the point where it is a satisfactory substitute for air travel is a challenging goal and will evolve as technology improves. Classroom and conference-room facilities require capital investment and trained staff. Smaller scale approaches (e.g., personal computers and webcams) are useful for many purposes, but still require appropriate hardware, software, training and support. There is a need for standardized communication protocols, and appropriate cultural norms need to be developed as well. We envision UW students, staff and faculty playing leadership roles in meeting these challenges. Indeed, these challenges speak to several elements of the UW's vision statement aspiring toward a global reach for UW (see Section 1.2).

**Proposed Actions:** Promote the improvement and expanded use of videoconferencing facilities at UW. Work with peers and associations to develop standardized videoconferencing protocols. Consider hosting an all-remote conference as a way for UW to help make videoconferencing a normal and accepted academic and administrative practice.







*encourage use of  
efficient UW vehicles*

#### 4.5.3 **Strategy:** Favor Alternate-Fuel Vehicles in UW Fleet Services

UW Fleet Services has an automated UCAR car share program that provides the UW community various models of alternative fuel fleet vehicles at several locations throughout the campuses. University employees and students are able to rent, pick up and drop off Fleet Services vehicles 24/7 via an online web reservation and automated key manager system.

In 2008, UW employees travelled close to three million miles in employee-owned vehicles while on University business. Promoting use of Fleet vehicles in lieu of personal vehicles will ensure that vehicles used to conduct University business meet emission reduction goals. Accelerating long-term changes in employee driving behavior will also require changes in UW policies and practices with regard to personal mileage reporting and reimbursements. One possibility is to cap the reimbursement for personal vehicle use at a UCAR-equivalent rate so that personal vehicle use is only financially commensurate when the vehicle is at least as energy-efficient as a UCAR.

**Proposed Actions:** Complete greening of UW vehicle fleet. Develop appropriate caps on personal mileage reimbursement rates. Replace program- or department-owned vehicles with UCAR participation where possible.

## 5 Looking Beyond the Inventory

The strategies in this Climate Action Plan for reducing campus emissions (Chapter 4) are crafted around the concrete and limited exercise of reducing the UW GHG inventory. At the same time, the Plan makes an effort to embrace climate action on a holistic level by considering our academic efforts equally important to the straightforward GHG mitigation. In that spirit, the UW should strive to endorse behaviors that reduce GHG emissions elsewhere in the state, U.S. or globally, even if those reductions are indirect and not formally reported in the Inventory.

Land use decisions have impacts on commuting (4.4), campus energy demand (4.2) and other factors affecting the inventory, but they also affect carbon sequestration and emissions of the potent greenhouse gas nitrous oxide. Food choices on campus have GHG repercussions all over the world. The stewardship

of products and waste streams can avoid significant GHG emissions induced by product manufacture and disposal.

### 5.1 Land Use

We strive to envision the whole campus landscape as an ecologically sustainable urban system that satisfies University functions while promoting healthy aquatic and terrestrial ecosystems. Landscape should be viewed as more than an aesthetic amenity. Understanding the campus ecology and the vulnerability of certain ecosystems relative to new construction will help UW design, build, restore, maintain and manage the built environment more knowledgeably and preserve and enhance our ecosystem services.

Leveraging the stewardship of campus ecology to create synergies between the built environment and academic research and teaching will optimize the conditions for education and learning over time. The hands-on knowledge and understanding that would be gained, if fully integrated into our academic programs, can be expanded to regional and global scales.

Finally, land use and real estate decisions for all University locations should consider business travel and commute patterns with the intent of minimizing transportation since this is one of the largest sectors of climate impact. One potential tool for doing this is to assign real estate market value to all land on the UW campuses, ensuring that the use “pays for” the value. In some cases, this could be interpreted literally; for example, the value of land allocated for parking purposes could be added to the cost of parking permits. Any land use decisions should be incorporated with the UW’s master plan.

**Proposed Actions:** Create guidelines based on best practices that support a comprehensive understanding of sustainable land use planning. Determine how to best to include these guidelines in the decision making process for real estate and capital projects. Following a suitable period of pilot testing, translate guidelines in policies.

### 5.2 Food and Composting

UW Food Services has already taken extraordinary steps to reduce waste and hence GHG emissions, beginning with a conscious choice to follow a retail busi-



ness model for residential dining facilities. Milk, eggs, bread and bakery, coffee, potato products, soups and the majority of Food Services' freshly packaged sandwiches, salads, sushi and other fresh packaged meals are produced locally. Food Services currently provides meatless alternatives to customers and will increase these options based on student demand.

Food Services has front-of-the-house and back-of-the-house composting programs to collect and transport all food waste, coffee grounds and other compostable waste to Cedar Grove Composting, a local facility at which these wastes are converted to compost and other products. All used cooking oils are picked up by a local company to be converted to clean-burning biodiesel, which is then sold to customers in the Puget Sound region. An operational logistics plan and associated agreements with vendors reduce the frequency of deliveries and other food service-related vehicle traffic on campus.

**Proposed Actions:** Continue to source more local and sustainable foods. Increase availability of compostable service ware for department-organized events. Increase coordination among Recycling, Solid Waste and Housing and Food Services offices to ensure appropriate receptacles and post-event pick up for functions catered by Housing and Food Services. Capture pre-consumer waste streams from large food preparation facilities at the UW Medical Center and Harborview Medical Center.

### 5.3 Reduce, Reuse, Recycle

Housing & Food Services (HFS) spends 27 percent of its total budget on local and organic foods, including cage-free eggs and hormone- and antibiotic-free beef and milk. Confinement-free beef and sustainably harvested seafood are also purchased. Fair trade coffee, chocolate and beverages are available. HFS manages the composting program within its residence halls and dining facilities and includes compostable dishware.



The U.S. EPA has demonstrated that significant GHG benefits accrue from increasing recycling rates; recycling simultaneously avoids landfill methane and avoids additional GHG emissions associated with extraction and processing of new raw materials. UW Recycling & Solid Waste manages the campus-wide organics recycling program, which includes composting of landscape waste, wood debris, and food waste. Recycling efforts on the Seattle campus also include an

extensive fiber recycling program (paper, cardboard); mixed containers recycling program (cans & bottles, tubs/jars/jugs, single-stream); construction and demolition recycling (construction debris, concrete, and asphalt); and special waste recycling (electronics, florescent lighting, electronic media). The Seattle campus diverted more than 54 percent of its waste stream from landfill from July 1, 2008, to June 30, 2009, with a goal to divert 60% by 2012.

Ideally, recycling waste items would be easier and more expedient than discarding them as garbage; as a minimum standard, recycling should be no more difficult than disposing of items as garbage. Perhaps the most significant factor in achieving this standard is the immediate availability of recycling receptacles and relative scarcity of garbage receptacles. It is the UW's position that no garbage receptacle should be placed without a visually adjacent receptacle for recyclables.

UW is also attempting to increase awareness of the waste that is thrown away, often without a second thought, in small desk-side containers. Reassigning the collection of the desk-side bins from custodial staff to the "owner" of each bin would provide a direct incentive to minimize desk-side waste disposal and favor recycling or waste reduction.

The UW also engages the reuse approach. The UW's surplus property program has been very successful in diverting large amounts of electronics, furniture, vehicles, equipment and other items from the University waste stream. In fiscal year 2007, more than 400 tons of goods were diverted through surplus sales, with revenues fully funding the surplus program and returning dollars to University departments when high-value items were sold. Items resold for use on-campus have the added benefit of reducing the UW's climate impact on both the disposal and purchasing fronts. Continued growth in throughput for the UW's surplus store and auctions has the potential to further expand diversion through reuse both on and off-campus.

**Proposed Actions:** Migrate desk-side waste collection to self-service disposal. Expand break room/office/kitchen recycling programs. Replace stand-alone waste bins with recycling bin-sets in common areas, classrooms and conference rooms as appropriate to the space. Increase visibility and density of recycling bins at athletic events. Expand reuse services for low-value high volume items like office supplies, including virtual storefront and delivery services to parallel e-

procurement. Expand reuse marketing to the non-profit sector and small businesses.

## 6 Strategies for Financing the Climate Action Plan

### 6.1 Funding Mechanisms

Funding is a core challenge of realizing the Climate Action Plan goals, especially in today's financial climate. Fortunately, many GHG reduction strategies will pay back the investment costs over time. New funding and tracking mechanisms are needed to verify cost savings and recycle a portion of those savings into further initiatives and projects.

The institutional culture to evaluate, fund and verify the costs and GHG reductions of strategies recommended in the Climate Action Plan is only partially in place. Achieving the Climate Action Plan goals will require operational and accounting changes that ripple through all departments. New organizational relationships are necessary that allow for more effective collaboration and integration across traditional organizational boundaries. Extensive and robust processes that measure total life cycle costs and GHG impacts are needed to guide decision makers.

Possible Climate Action Plan funding strategies are discussed below. Not every funding strategy is appropriate for every academic or emissions reduction strategy. In practice, the academic and reduction strategies need to be carefully coupled with each other in a way that is aligned with institutional goals and values.

#### 6.1.1 **Strategy:** Create a Revolving Climate Action Plan Loan Fund



*revolving loan fund*

A revolving loan fund is an effective way to initiate and sustain key components of the Climate Action Plan. A successful revolving loan fund will require initial capitalization, strategic loans, effective cost tracking and verification to confirm projected cost saving and GHG reduction benefits are realized. The Loan Fund would provide capital for high performance, energy efficient campus design, operations, maintenance, and occupant behavior projects. Basic project eligibility guidelines would require reduction of the University's environmental impact and have a payback period of one to fifteen years.

The model is simple: The Loan Fund provides the up-front capital. Applicant units agree to repay the fund via savings achieved with project-related reductions in utility consumption, waste generation or operating costs. This formula allows units to upgrade the efficiency, comfort and functionality of their facilities without incurring any capital costs. By virtue of structuring the support in the form of loans, the fund will be replenished and thus exist in perpetuity.

**Proposed Actions:** Establish revolving loan fund and determine terms and expected payback criteria.

### 6.1.2 **Strategy:** Alternative Options for Capitalizing Climate Actions

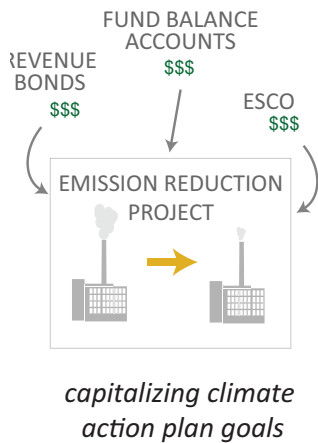
Climate Action Plan initiatives that demonstrate an appropriate rate of return based on lower utility costs over time could be capitalized with general revenue bonds or University fund balance accounts. Capital for energy reduction projects can also be provided through energy services companies (ESCO). The University has already accomplished many ESCO projects and has capitalized an energy reduction project at the 4545 Building (a leased property adjacent to the Seattle campus) by issuing general revenue bonds.

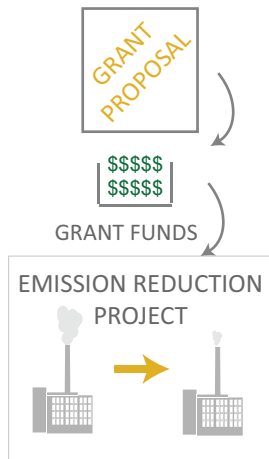
**Proposed Actions:** Review current ESCO and related programs to determine how to best expand and support these efforts. Establish more rigorous verification standards to support a higher level of investment.

### 6.1.3 **Strategy:** Improve the UW's Utility Rebate Process

The University has a long and successful history of working with local utilities on projects with quick payback periods and relatively simple engineering needs. However, accessing future rebates will require more sophisticated engineering analysis and a higher level of system integration. Restructuring internal roles and responsibilities of staff and improving the knowledge base is needed to maximize rebate opportunities.

**Proposed Actions:** Meet with utilities to explore expanded rebate programs.



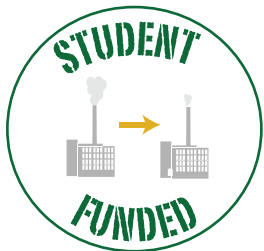


*pursue grants*

#### 6.1.4 **Strategy:** Pursue Grants that Reduce GHG Emissions in Building Projects

At the UW, individuals pursue grant funding for their specific research with demonstrated success, but as an institution the UW has shown much less proclivity to pursue federal, state or other grants that fund sustainability or energy efficiency goals. An area of specific interest is grants for implementing Climate Action Plan goals associated with building projects. Pursuing grants that support building projects requires unique expertise and close coordination with between the Capital Projects office, Office of Research and OPB. Increasing our success with obtaining grants requires charging an office with coordinating responsibility.

**Proposed Actions:** Pursue grants that can contribute funds for reducing GHG emissions in building projects.



*student green fee*

#### 6.1.5 **Strategy:** Establish a Student Green Fee

Many institutions have successfully implemented a student-funded green fee. These initiatives have generally come from students and initial conversations suggest significant student support. The Evergreen State College currently charges a \$1.00/credit clean energy fee and Western Washington University assesses \$0.70/credit-hour, to a maximum of \$7.00. As an example, a \$5.00/quarter fee assessed to each undergraduate and graduate student would generate about \$700,000 annually to support Climate Action Plan initiatives. Student fees also create an effective mechanism to integrate students into the decision making process, raising the visibility and educational dimensions of the overall program. Students will need to organize this effort and gain approval through a student body election.

**Proposed Action:** Create process to establish a Student Green Fee



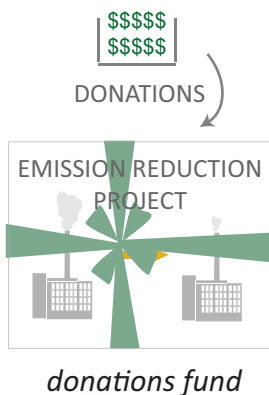
*faculty and staff green fund*

#### 6.1.6 **Strategy:** Establish a Faculty and Staff Green Fund

When faculty and staff contribute directly to the goals of the Climate Action Plan, not only do they feel invested in helping the University achieve ambitious climate action goals, but they also gain a sense of parity and shared commitment, side-by-side with students. The success of this funding option will relate directly to how this group believes the funding is being utilized. A powerful way

to connect faculty and staff to the wider Climate Action Plan efforts is through Green Committees patterned after the University Health and Safety Committee or Diversity Council structure that would help identify options and drive behavior change in schools, colleges and administrative units.

**Proposed Actions:** Create an internal donations strategy and process to collect and distribute funds for UW projects; create a UW Green Advisory Committee.



#### 6.1.7 **Strategy:** Develop an Integrated Donations Strategy

Moving to a low-GHG economy is swiftly emerging as the defining issue of our time. Donors will want to support the UW's efforts especially if they see the institution taking a leadership role. Many donors will want to see how their contributions are helping educate students, faculty and staff in new ways of thinking and problem solving around the issue of climate change. We need to assess and address the opportunities and challenges associated with approaching donors for the Climate Action Plan initiatives when they may also want to direct their philanthropic dollars to other important University priorities. Involving University Advancement throughout this process is essential to ensure clear messaging and a comprehensive, integrated approach. Donations could be directed and distributed in numerous ways that should be explored (*e.g.*, through a 501(c) organization, an energy business or by donating to a line item associated with GHG reduction).

**Proposed Action:** Create plan to integrate academic, research and operational fundraising goals (including roles and decision making) and distribution of funds.

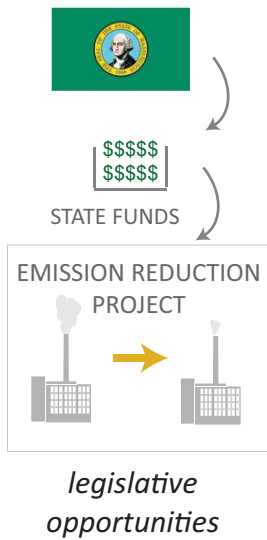


#### 6.1.8 **Strategy:** Improve Green Branding and Marketing

A good marketing plan will be the foundation of many of the fund raising efforts. Being a leader in climate action planning and implementation has significant marketing and branding value that should not be overlooked. Money flows not just to good projects, but also to good projects that are visible and easily understood by the larger public. The UW already ranks at the top in comparison to our peer institutions on sustainability issues. Protecting the environment is a core value of the institution and continuing to build this reputation, supported by a good marketing program, is key to gaining the financial support for this effort.



**Proposed Actions:** Improve UW green marketing and branding efforts.



#### 6.1.9 **Strategy:** Pursue Short and Long-Term Legislative Opportunities

Since GHG mitigation is a growing national and state priority, government funding of energy efficiency, alternative energy and other GHG-reducing programs is expected to grow. Improved internal coordination and presentation of UW as an exemplary leader among state agencies could result in increased University success in securing funding from the state. A long-term legislative plan will allow the University to take a more proactive role in the relationship we have with the federal and state government on this issue. A key legislative goal of the UW is gaining more flexibility from the state to shift funds from building operations budgets to capital budgets; the ability to increase project capital budgets through energy savings in operations is an important tool in achieving Climate Action Plan goals.

**Proposed Actions:** Discuss and identify state and federal legislative opportunities.

## 6.2 Participation in GHG Markets



#### 6.2.1 **Strategy:** A Cap-and-Trade Plan for UW

The cap-and-trade mechanism developed for international, national and regional GHG reduction regimes could be deployed at a small scale within the University. A cap-and-trade system for an academic institution like the UW:

- Is innovative and cutting-edge;
- Allows the UW community to find the lowest-cost mitigation pathway in an organic way over time;
- Ensures direct involvement by all students, staff and faculty;
- Is itself an academically interesting project, with especially relevant angles for the Evans School and the Foster School of Business and the Economics department;
- Responds automatically to future GHG legislation at the federal and state levels through reduced allowance pricing; and

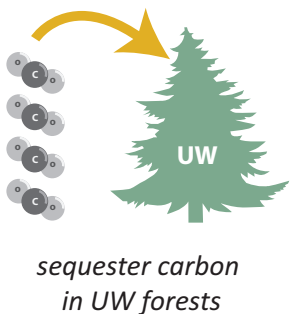
- Answers the Plan's financing needs with a single mechanism.

The University would need to set year-by-year allowance quantities based on the GHG targets described in Chapter 3, set rules for allowance banking and trading and determine a fair method for distributing those allowances each year. If all or some of the allowances are distributed through an auction, then the auction revenues can be deposited in a Climate Fund providing capital, research funds or other major expenses associated with implementing the Climate Action Plan; paying for the administration of the cap-and-trade system itself; or subsidizing the cost of allowances where justified.

Deciding exactly how UW units participate in the allowance market and from which budgets they are to pay for allowances will be a non-trivial exercise. This is especially true for allowances that cover emissions from building energy demand. A cap-and-trade system would also require increased precision in the UW Inventory so that each party's allowance needs are clear and accurate. Commuting would need to be closely monitored with an expanded, annual U-PASS survey; professional travel distances would need to be explicitly recorded for every trip; and campus energy demand would need to be sub-metered building-by-building.

Though the initial negotiation of a cap-and-trade system is daunting, the ultimate cost to the participating parties is surprisingly low. Take for example a particularly GHG-intensive UW commuter driving alone in a 20 mpg car, 20 miles round trip, and 250 days per year. At a typical allowance price of \$20/metric ton, the price of emissions is only a little over \$4 per month, or \$50 per year.

**Proposed Actions:** Research, plan and articulate the cap and trade plan.



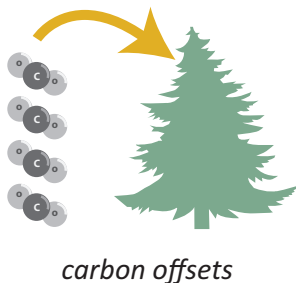
#### 6.2.2 **Strategy:** UW Internal Offset Generation and Sales

Land managed by the UW's School of Forest Resources can sequester carbon by maintaining forests in uncut habitat reserves or through the continuous production of wood products. The 4,300 acres Pack Forest and other forested lands owned by the University provide an opportunity for the University of Washington to measure and verify GHG offsets. The offsets can be retained by the University to offset its own inventory, or they can be sold to other parties to fund the Climate Action Plan.

The measurement of carbon sequestration and monetization of the associated GHG reduction are active research areas of the Center for Sustainable Forestry at Pack Forest. Preliminary research indicates that up to 142,000 metric tons of carbon could be sequestered in UW forests over the next 45 years if left unharvested. It is important to note that this estimate is based on a number of assumptions regarding growth rates, pickling rates, risk of forest fires and the carbon sequestration due to harvested wood displacing steel and/or concrete building materials. Many of these assumptions are topics of debate, so widely accepted forestry carbon accounting methodologies are still in development.

Current programs in the School of Forest Resources are funded through revenues generated by the sustainable management of these forests and will need to be considered carefully. Additional funds for the UW are generated from the management of 87,000 acres of trust lands in Washington state, most of them forested. Though these are under formal control of Washington's Department of Natural Resources, they can in principle be managed for carbon offset generation as well.

**Proposed Action:** Formulate a policy for internal offsets and allowances.



### 6.2.3 **Strategy:** Purchase of External Offsets or Allowances

GHG offsets can be purchased to induce GHG reductions outside the University if the behavior and technological approaches described in the Plan are insufficient to make the UW GHG-neutral. It is imperative that only verified offsets submitted to a reputable GHG registry be used to meet the UW's mitigation goals. In lieu of offsets, the UW may wish to purchase and retire allowances issued by a regulated GHG regime such as the Regional Greenhouse Gas Initiative or the European Union Emission Trading Scheme. Retired allowances are a less controversial form of external emission reductions.

**Proposed Action:** Formulate a policy for purchase of external offsets or allowances.

## 7 Climate Policy Development and Implementation

This Climate Action Plan is a survey of ideas, most of which still need to be thoroughly researched for feasibility, and then realized as a prioritized series of ac-

tions. During the coming year we will nurture support from the academic, administrative and student communities and identify the most promising funding mechanisms (6). Priorities will need to be set, and reset, as new technologies emerge and the economy recovers. In this chapter we describe a flexible framework of guidelines for creating the priorities, policies and plans that will allow the Plan to unfold in a changing technological and economic environment.

## 7.1 Setting the Leadership and Decision Making Framework

Many of our strategies cannot be implemented without fostering collaboration among faculty, staff and students, and among offices, departments and units on all the three campuses. The President, Provost and Senior Vice President will need to proactively bring together the decision makers and participants needed to implement the Plan. Staff and faculty of the UW will need to be open to building the new relationships that result. Collaboration on research projects has tremendous potential and coordination and communication will be keys to success.



*role for ESAC in  
implementing the plan*

The Environmental Stewardship Advisory Committee (ESAC) has been the keystone of the UW's environmental stewardship efforts and is needed to move the Climate Action Plan forward. However, it is time to consider a new governance approach. One possible structure would have ESAC recommending policies and priorities and overseeing progress while a new Environmental Stewardship Leadership and Policy Committee, comprised of senior administrative and academic leaders (including the ESAC chair), would meet together to adopt policies, establish priorities and identify funding sources. Based on these decisions, Climate Action Teams that include faculty, staff and students would perform detailed planning and implementation. The UWESS office would have operational responsibilities including coordinating and communicating activities internally and externally; identifying where policies are needed and taking them forward to ESAC and the Leadership Team for consideration; monitoring, measuring and reporting operational and strategic progress; and managing the action teams. UWESS would also provide staff support to ESAC and the Leadership Team.

**Proposed Action:** Create and adopt a revised governance structure for ESAC, CAP implementation and UWESS office

## 7.2 Moving from Strategies to Actions

Each strategy in this Climate Action Plan is an abstract idea that can only be realized once a set of prioritized actions make it concrete. In each strategy section the concluding Proposed Actions offer an intuitive glimpse into what those actions might be, but the formal processes of identification followed by prioritization will occupy the coming year.

### 7.2.1 *Identifying and Prioritizing the Actions*

For each category of strategies, a small team of experienced staff and faculty with relevant experience will brainstorm possible actions relevant to each strategy in the category. The team will begin with actions already compiled in the process of creating the Climate Action Plan. Each action list will be sorted into “clear” and “obstructed” groups. All actions in the “clear” group will be subject to life-cycle cost analysis (LCCA) and also to an assessment of life-cycle GHG reduction. In this way, each action can be characterized by a single number representing cost-effectiveness in, say, metric tons reduced per dollar spent, allowing prioritization. Finally, the list prioritized by this quantitative metric will be adjusted by an appropriate team that unites the category experts with UW administrators who can place each action in the appropriate context of all University operations.

In the “obstructed” group, the same category experts plus a team of administrators will flag a subset of actions for feasibility studies and set a schedule for those studies.

**Proposed Action:** Prioritize actions based on level of difficulty, cost, GHG impact and other criteria to be determined

### 7.2.2 *Reporting the Results*

The final sets of prioritized actions will be reported in a new Climate Action Plan Implementation Document by September 2010. The Implementation Document will set out cost-effectiveness thresholds describing which actions in the “clear” group are to be pursued and will lay out a firm timeline for completing each action. Actions in the “obstructed” group flagged for further study will also be reported with a firm timeline for study and a draft timeline for implementation.

**Proposed Actions:** Develop CAP implementation plan and reporting document.

### 7.3 Climate Action Plan Administration

To coordinate CAP implementation; coordinate activities and participants from UW Seattle, Bothell and Tacoma; and support the governance structure, a well-established UWESS office will be needed. Regular communications, developing metrics and reporting tools and responding to the myriad of inquiries and requests is time intensive. Temporary financial support will be needed until the funding strategies are in place and decisions are made about ongoing funding for this effort.

**Proposed Action:** Create temporary and permanent funding model to support CAP implementation and UWESS office.

### 7.4 Making Climate Action the Everyday

In conjunction with the focused outreach efforts described in Section 2.3, climate action should be incorporated into the University's commonplace administrative procedures and daily habits, embedding it in the University culture.

#### 7.4.1 Nurture Involvement

Engaging faculty, students and administration to work collaboratively creates partnerships where learning, research and administrative schedules overlap in new ways and allow each group's work to encourage the other to think about climate action when they might not otherwise. UW staff may need substantial support for implementing climate actions so the Plan provides a rich motivation for creating undergraduate internships and work-study opportunities that bridge the academic and administrative. UW faculty and staff in the position of mentoring those students will take ownership and pride in their work on environmental stewardship.

Recognizing the UW as a laboratory for climate actions that can be applied elsewhere (1.1) makes every UW employee a powerful climate action information conduit to their personal household, neighborhood, church, and so forth. On-campus collaboration will inspire off-campus collaboration.



*The UW as a laboratory  
for climate action*

**Proposed Action:** Create a faculty/staff/student collaboration plan to improve the UW's climate impact.

#### 7.4.2 General Office Guidelines and Policy

The UW is committed to environmental stewardship in our offices, as well as in our business practices. The UW will guide office staff through a “pledge” and proactive communications in conscious and responsible use of heating and air conditioning, waste disposal and recycling, lighting, information technology, purchase of goods and services, printing and copying. Training and continued outreach to staff, faculty and student workers will be essential to increasing awareness, developing routine practices and eventually reducing the individual worker GHG footprint.

For staff and faculty, training and education in the wise use of resources can be delivered at the office and facility level using UWESS staff, Green Committees and Building Coordinators as a focal point for providing ongoing education in energy and water conservation and other sustainable practices. Creating UW-wide workshops and celebrations of special events like Earth Day will build awareness and a broader sense of ownership.

**Proposed Action:** Create guidelines and education/outreach program for faculty/staff/students.

#### 7.4.3 Purchasing Policy

Procurement Services is committed to purchasing practices that promote the purchase and use of environmentally and socially responsible products, support reduced packaging, allow low-impact disposal and reduce or consolidate the delivery of goods to the UW. We particularly encourage the purchase of products that are made with post-consumer recycled content and/or bio-based products, are recyclable and are energy efficient.

In our commitment to support the purchase and use of such products, sustainability requirements will be included in all University-wide contract solicitations. We will also develop a proactive communication plan to educate individuals and departments in environmentally preferable purchasing practices when quality, performance and price are comparable to alternatives.



By including sustainability criteria in purchasing decisions we will not only put climate awareness into this everyday activity, but we will also be affecting GHGs in the manufacturing and waste disposal chains, making good on our claim to look beyond the inventory.

**Proposed Action:** Finalize purchasing guidelines and communicate them to UW community.

## 8 Tracking Progress

After the adoption of the Climate Action Plan and determination of the leadership framework to oversee implementation, progress will need to be tracked both for internal use and for ACUPCC every two years. The following items should be included:

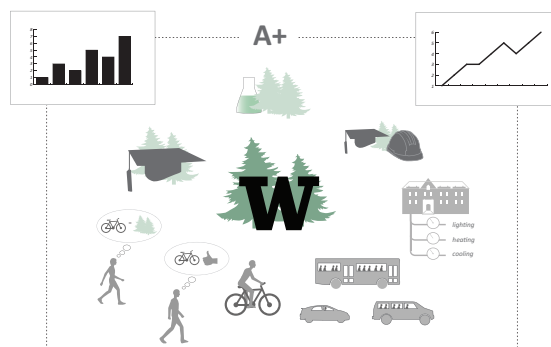
- Engage Students, faculty and staff engagement with these efforts (research, teaching, internships, committee/group memberships);
- Lists of projects underway and their purpose;
- Operational metrics that will broadly cover areas of energy conservation and savings (including building submetering of water, electricity, steam and gas consumption on all three campuses);
- Additional GHG reporting on a source-by-source intensity basis, *e.g.*,
  - gross GHGs/square-foot (per campus)
  - gross GHGs/capita (per campus)
  - commuting mode-miles (per campus and other sites)
  - professional travel mode-miles
  - miles saved using video conferencing
  - carbon stored on all UW-owned land
  - passenger density on UW-serving bus routes (to improve accuracy of commuting emissions tracking)



- Qualitative metrics that will broadly cover opinions about UW's efforts and progress (surveys, anecdotal information);
- Metrics that show the progress in engaging our students and faculty in new and ongoing Climate Action Plan-related programs;
- Metrics that illustrate progress in interdisciplinary and shared administrative-academic projects;
- Metrics showing outreach to local businesses and technical organizations, especially those that offer opportunities and internships for our students;
- Metrics that track annual institutional investments in new research opportunities for undergraduates and graduates on all three campuses;
- Awards and recognition gained by UW for its effort; and
- Financial tracking (funding identified, use of resources, impact).

We will create dashboard-format metrics to track and report CAP progress internally and externally.

The impacts of the Climate Action Plan on the UW will extend far beyond quantitative metrics. As the new College of the Environment integrates approaches to climate change across disciplines, and as ESAC and UWESS bring together the administrative and academic arms of the UW community, our united action around climate change will work to strengthen the UW not just as a center of excellence on climate research and mitigation, but as a university.



## **Acknowledgements**

In January 2009, under the auspices of the UW Environmental Stewardship Advisory Committee (ESAC), a Climate Action Planning Oversight Team was formed to coordinate the drafting of a UW Climate Action Plan. This document is the first step toward achieving greenhouse gas emissions reduction targets by the University of Washington and its community, as required by the American College & University Presidents' Climate Commitment. UW President Mark Emmert is a charter signatory and leadership circle member.

The UW Climate Action Plan sets out broad strategies to be explored by the UW that will guide us toward the ambitious goal of becoming climate neutral and identifies the actions that can fulfill each of those strategies. This plan lays the groundwork for a concrete Implementation Plan to follow in 2010.

This Plan was created through the efforts of over 100 faculty, students and staff on all three UW campuses. An oversight team (Sandra Archibald, Evans School of Public Affairs; John Chapman, Facilities Services; Bruce Balick, Astronomy and Faculty Senate Chair; John Schaufelberger, College of Built Environments; Denis Martynowych, Planning and Budgeting; JR Fulton, Housing and Food Services; Stephanie Harrington, College of the Environment; Josh Kavanagh, Transportation Services; Elise Davis, Strategy Management; Ruth Johnston, Finance & Facilities; and Roel Hammerschlag, Stockholm Environment Institute U.S.) coordinated activities, discussed strategies and communicated across the teams. Several sub-teams were created to develop the Plan. The academic sub-teams were led by Bruce Balick, research; John Schaufelberger, curriculum; and Stephanie Harrington, outreach. The administrative sub-teams were led by John Chapman, campus energy supply; JR Fulton, campus energy demand; Steve Ashurst (UW Technology), information technology; Celeste Gilman (Transportation Services), commuting; and Tad Anderson (Atmospheric Sciences), professional travel. Denis Martynowych (Planning and Budgeting) led the financing team and Ruth Johnston (Finance & Facilities) led the Climate Policy Development and Implementation sub-team. Roel Hammerschlag served as the technical writer, Elise Davis served as project manager, Marilyn Ostergren (Ph.D. candidate, Information School) developed the accompanying graphics and undergraduate student support was provided by Jerid Paige and Aubrey Batchelor.

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee**Grant and Contract Awards Summary – June and July, 2009RECOMMENDED ACTION:

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

*Attachment*

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

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# **Grant and Contract Awards Summary**

**to**

**The Board of Regents**

**of the**

**University of Washington**

**for**

**June 2009**

**Office of Research**

**Office of Sponsored Programs**

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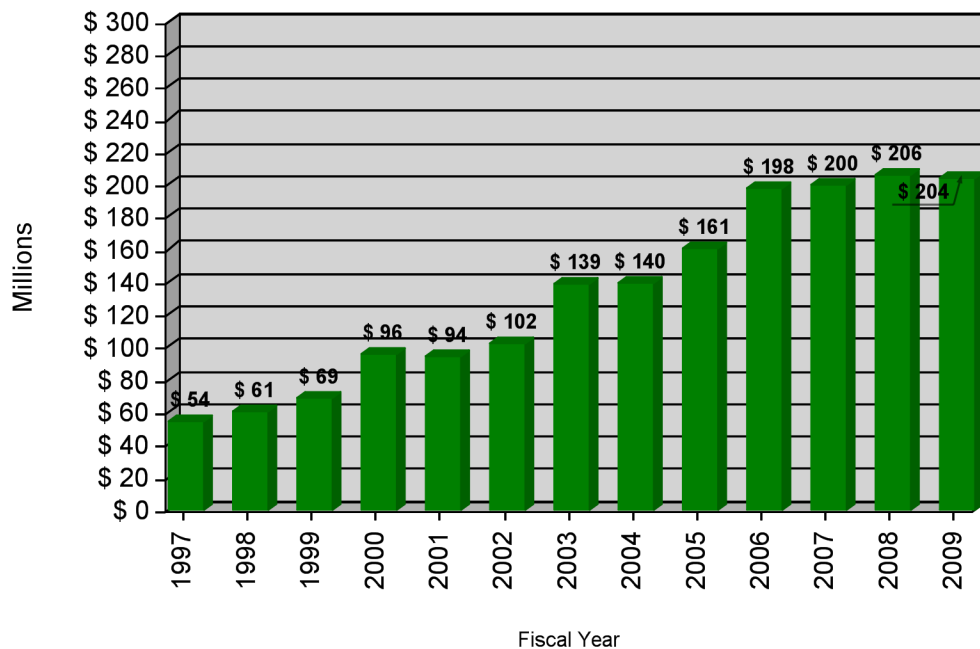
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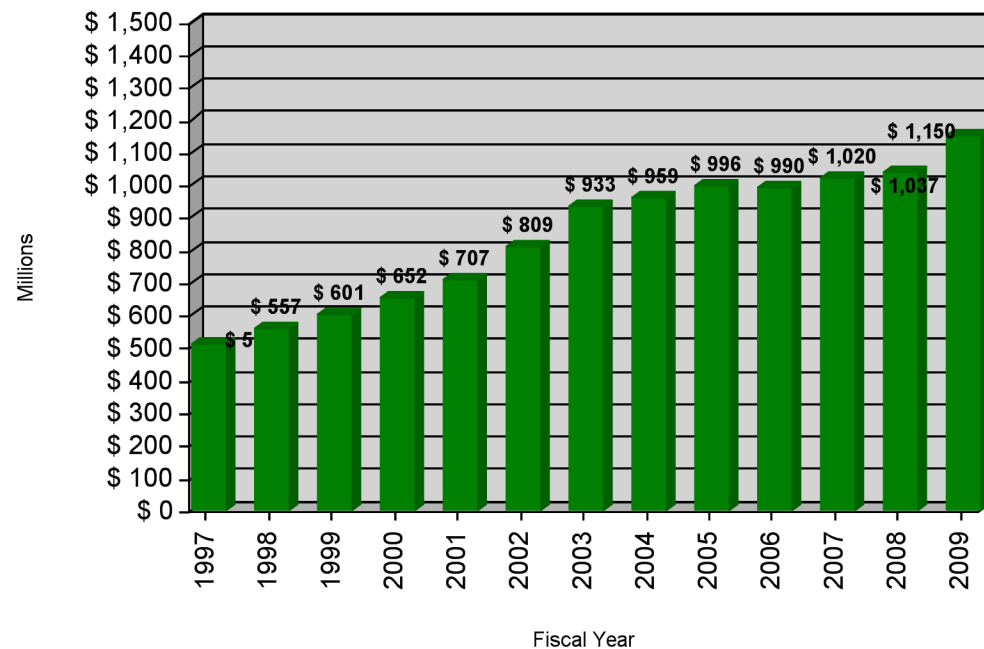
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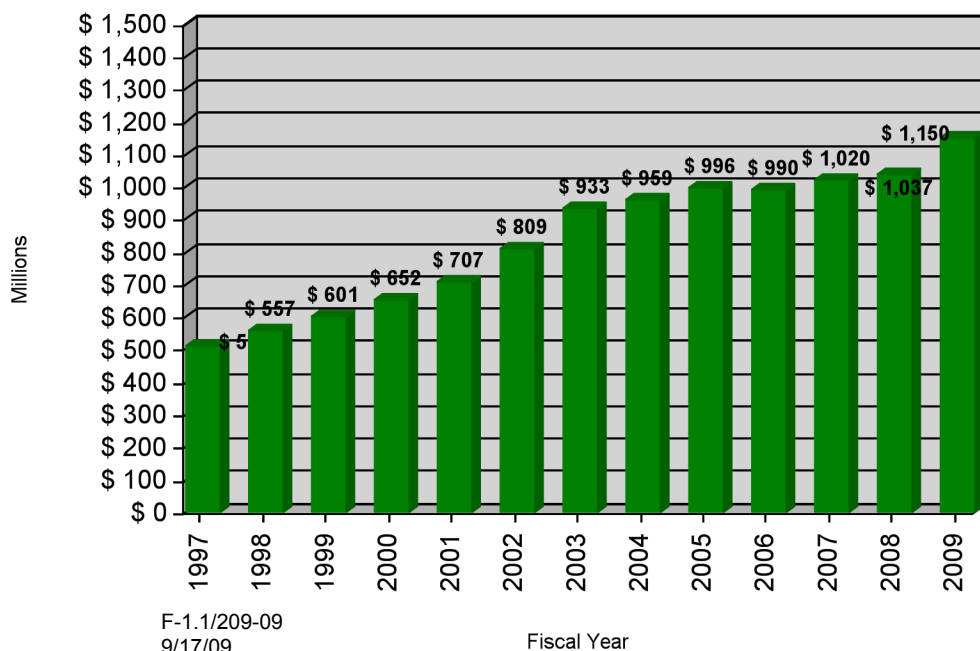
**June Only**  
Comparison of Grant & Contract Awards



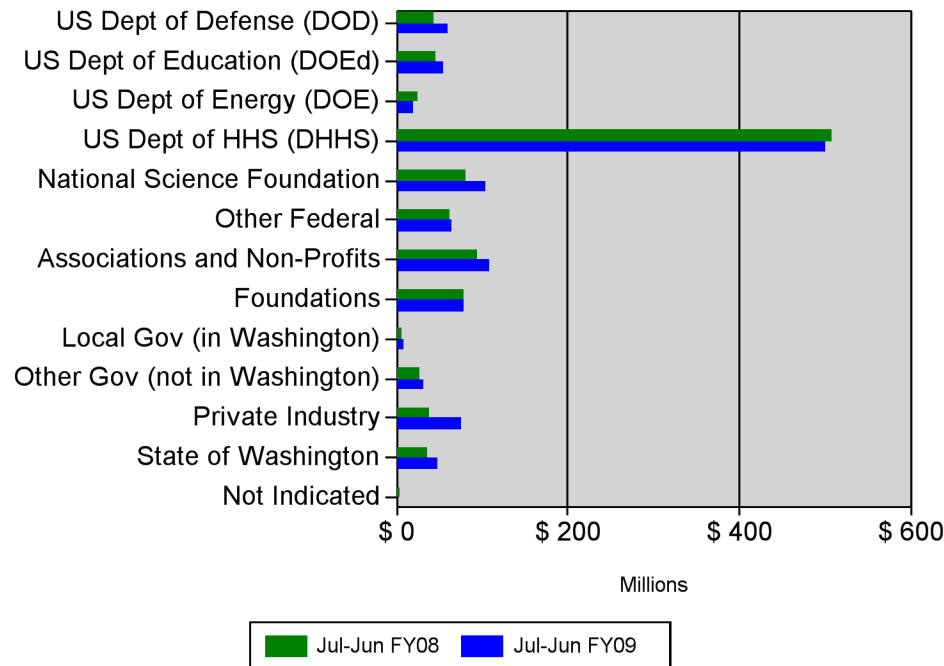
**Fiscal Year to Date**  
Comparison of Grant & Contract Awards



**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 2008-2009**

<b>Month</b>	<b>RESEARCH AND OTHER</b>		<b>TRAINING</b>		<b>Total Grants and Contracts</b>
	<b>Federal</b>	<b>Non-Federal</b>	<b>Federal</b>	<b>Non-Federal</b>	
July	\$ 86,111,310	\$ 16,220,680	\$ 9,776,757	\$ 3,001,990	\$ 115,110,700
August	\$ 59,011,790	\$ 22,463,880	\$ 7,944,685	\$ 1,036,159	\$ 90,456,520
September	\$ 105,344,800	\$ 20,082,260	\$ 9,282,558	\$ 1,091,509	\$ 135,801,100
October	\$ 63,252,340	\$ 52,224,910	\$ 6,130,011	\$ 2,279,804	\$ 123,887,100
November	\$ 22,820,940	\$ 33,654,000	\$ 1,145,695	\$ 2,762,181	\$ 60,382,820
December	\$ 34,707,560	\$ 22,962,860	\$ 102,730	\$ 979,880	\$ 58,753,020
January	\$ 30,733,770	\$ 31,658,590	\$ 1,314,516	\$ 909,721	\$ 64,616,590
February	\$ 38,494,480	\$ 16,935,800	\$ 1,170,230	\$ 1,320,559	\$ 57,921,060
March	\$ 34,910,240	\$ 17,936,900	\$ 3,185,760	\$ 102,937	\$ 56,135,840
April	\$ 56,275,350	\$ 20,132,500	\$ 11,124,150	\$ 571,993	\$ 88,104,000
May	\$ 63,575,830	\$ 22,755,640	\$ 7,798,797	\$ 779,967	\$ 94,910,240
June	\$ 135,311,400	\$ 50,393,120	\$ 9,500,487	\$ 8,738,903	\$ 203,944,000
<b>FY09 to Date</b>	<b>\$730,549,843</b>	<b>\$327,421,155</b>	<b>\$68,476,373</b>	<b>\$23,575,603</b>	<b>\$1,150,022,975</b>
<b>FY08 to Date</b>	<b>\$655,853,584</b>	<b>\$251,720,089</b>	<b>\$103,675,606</b>	<b>\$25,930,966</b>	<b>\$1,037,180,245</b>
<b>Over (Under) Previous Year</b>	<b>\$74,696,259</b>	<b>\$75,701,067</b>	<b>(\$35,199,233)</b>	<b>(\$2,355,362)</b>	<b>\$112,842,730</b>

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

## Comparison of Grant and Contract Awards by Agency

Fiscal Years 2007-2008 and 2008-2009

Agency	FY08	FY09
US Department of Defense (DOD)	\$ 44,022,228	\$ 58,198,589
US Department of Education (DOEd)	\$ 44,565,739	\$ 53,505,461
US Department of Energy (DOE)	\$ 23,435,374	\$ 19,855,431
US Department of Health and Human Services (DHHS)	\$ 506,091,478	\$ 500,163,308
National Science Foundation (NSF)	\$ 80,999,822	\$ 102,533,649
Other Federal	\$ 60,414,549	\$ 64,769,778
<b>Subtotal for Federal :</b>	<b>\$ 759,529,190</b>	<b>\$ 799,026,216</b>
Associations and Non-Profits	\$ 94,683,031	\$ 109,223,161
Foundations	\$ 76,800,793	\$ 78,820,154
Local Government (in Washington)	\$ 6,739,238	\$ 7,305,260
Other Government (not in Washington)	\$ 26,739,910	\$ 31,876,126
Private Industry	\$ 37,231,492	\$ 76,300,717
State of Washington	\$ 35,456,591	\$ 47,471,341
Not Indicated	\$ 14,776	\$ 0
<b>Subtotal for Non-Federal :</b>	<b>\$ 277,665,831</b>	<b>\$ 350,996,759</b>
<b>Grand Total :</b>	<b>\$ 1,037,195,021</b>	<b>\$ 1,150,022,975</b>
 <b>Amount of Increase (Decrease) :</b>		<b>\$ 112,827,954</b>
<b>Percent of Increase (Decrease) :</b>		<b>10.9 %</b>

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



**Comparison of Grant and Contract Awards by School/College**

**Fiscal Years 2007-2008 and 2008-2009**

<b>School/College</b>		<b>FY08</b>	<b>FY09</b>
<b>Upper Campus</b>			
	Architecture and Urban Planning	\$ 997,831	\$ 1,981,265
	Arts and Sciences	\$ 90,964,276	\$ 107,104,623
	College of the Environment		\$ 1,287,303
	Computing & Communications	\$ 30,000	
	Director of Libraries	\$ 2,054,839	\$ 8,846,832
	Education	\$ 8,610,455	\$ 11,634,152
	Educational Outreach	\$ 287,668	\$ 96,400
	Engineering	\$ 75,096,662	\$ 83,204,750
	Evans School of Public Affairs	\$ 4,288,966	\$ 3,771,717
	Executive Vice President	\$ 208,000	\$ 1,782,305
	Forest Resources	\$ 5,801,137	\$ 8,923,635
	Foster School of Business	\$ 740,458	\$ 924,182
	Graduate School	\$ 1,808,653	\$ 7,975,832
	Information School	\$ 5,573,549	\$ 5,641,313
	Law	\$ 409,734	\$ 3,060,946
	Ocean and Fishery Sciences	\$ 100,243,746	\$ 86,165,470
	Office of Research	\$ 18,633,875	\$ 18,073,725
	Provost	\$ 200,000	\$ 112,947
	Social Work	\$ 16,773,527	\$ 22,293,327
	Undergraduate Education	\$ 363,372	\$ 272,265
	VP Educational Partnerships	\$ 43,745	\$ 30,000
	VP Minority Affairs	\$ 7,138,112	\$ 7,061,919
	VP Student Affairs	\$ 299,444	
	VP Student Life	\$ 25,954,377	\$ 30,052,902
	<b>Subtotal :</b>	<b>\$ 366,522,425</b>	<b>\$ 410,297,808</b>
<b>Health Sciences</b>			
	Dentistry	\$ 12,390,820	\$ 11,471,603
	Medicine	\$ 522,330,186	\$ 580,037,917
	Nursing	\$ 16,085,771	\$ 14,049,598
	Pharmacy	\$ 8,399,533	\$ 9,524,597
	Public Health	\$ 79,499,584	\$ 75,342,855
	<b>Subtotal :</b>	<b>\$ 638,705,894</b>	<b>\$ 690,426,570</b>
<b>Special Programs</b>			
	Alcohol and Drug Abuse Institute	\$ 4,940,461	\$ 3,102,860
	CHDD Administration	\$ 7,596,760	\$ 6,438,439
	Regional Primate Center	\$ 17,006,272	\$ 34,016,318
	<b>Subtotal :</b>	<b>\$ 29,543,493</b>	<b>\$ 43,557,617</b>

School/College		FY08	FY09
<b>Other UW Campuses</b>	Bothell	\$ 1,495,868	\$ 5,179,721
	Tacoma	\$ 322,285	\$ 561,258
<b>Subtotal :</b>		<b>\$ 1,818,153</b>	<b>\$ 5,740,979</b>
<b>Not Indicated</b> Not Indicated		\$ 605,055	
<b>Subtotal :</b>		<b>\$ 605,055</b>	
<b>Grand Total :</b>		<b>\$ 1,037,195,021</b>	<b>\$ 1,150,022,975</b>

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

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**Summary of Grant Awards****Fiscal Year 2008-2009***Excluding private awards from Foundations, Industry, Associations and Others*

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<b>Month</b>	<b>RESEARCH AND OTHER</b>		<b>TRAINING</b>		<b>Total Grants</b>
	<b>Federal</b>	<b>Non-Federal</b>	<b>Federal</b>	<b>Non-Federal</b>	
July	\$ 84,699,550	\$ 3,384,315	\$ 9,776,757	\$ 226,080	\$ 98,086,700
August	\$ 53,590,660	\$ 5,137,674	\$ 7,914,685	\$ 0	\$ 66,643,020
September	\$ 90,787,430	\$ 3,932,069	\$ 9,263,558	\$ 164,451	\$ 104,147,500
October	\$ 57,813,560	\$ 8,630,334	\$ 6,130,011	\$ 155,787	\$ 72,729,690
November	\$ 17,799,160	\$ 976,483	\$ 1,145,695	\$ 606,373	\$ 20,527,710
December	\$ 24,735,870	\$ 4,139,161	\$ 102,730	\$ 193,486	\$ 29,171,250
January	\$ 28,362,900	\$ 12,267,870	\$ 1,290,516	\$ 680,002	\$ 42,601,290
February	\$ 34,430,480	\$ 2,029,226	\$ 1,170,230	\$ 750,000	\$ 38,379,940
March	\$ 32,394,290	\$ 1,603,792	\$ 3,185,760	\$ 0	\$ 37,183,840
April	\$ 55,444,090	\$ 1,766,909	\$ 11,124,150	\$ 34,525	\$ 68,369,670
May	\$ 60,902,770	\$ 831,133	\$ 5,862,178	\$ 604,808	\$ 68,200,890
June	\$ 131,767,200	\$ 3,773,964	\$ 9,500,487	\$ 4,858,100	\$ 149,899,800
<b>Year to Date</b>	<b>\$ 672,728,000</b>	<b>\$ 48,472,930</b>	<b>\$ 66,466,750</b>	<b>\$ 8,273,612</b>	<b>\$ 795,941,300</b>

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

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**Summary of Grant Awards****Fiscal Year 2008-2009***Private awards from Foundations, Industry, Associations and Others*

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<b>Month</b>	<b>RESEARCH AND OTHER</b>	<b>TRAINING</b>	<b>Total Grants</b>
July	\$ 6,878,668	\$ 512,428	\$ 7,391,096
August	\$ 12,186,370	\$ 397,418	\$ 12,583,790
September	\$ 10,608,120	\$ 83,395	\$ 10,691,510
October	\$ 34,771,180	\$ 440,967	\$ 35,212,150
November	\$ 24,972,490	\$ 1,185,445	\$ 26,157,940
December	\$ 8,611,615	\$ 64,676	\$ 8,676,291
January	\$ 15,142,940	\$ 95,814	\$ 15,238,760
February	\$ 10,627,290	\$ 12,376	\$ 10,639,660
March	\$ 9,320,921	\$ 0	\$ 9,320,921
April	\$ 11,163,840	\$ 39,291	\$ 11,203,130
May	\$ 13,297,320	\$ 58,891	\$ 13,356,210
June	\$ 13,386,000	\$ 1,099,804	\$ 14,485,800
<b>Year to Date</b>	<b>\$ 170,966,800</b>	<b>\$ 3,990,505</b>	<b>\$ 174,957,200</b>

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

Summary of Contract Awards					
Fiscal Year 2008-2009					
Month	RESEARCH AND OTHER		TRAINING		Total Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 1,411,756	\$ 5,957,698	\$ 0	\$ 2,263,482	\$ 9,632,936
August	\$ 5,421,129	\$ 5,139,839	\$ 30,000	\$ 638,741	\$ 11,229,710
September	\$ 14,557,370	\$ 5,542,074	\$ 19,000	\$ 843,663	\$ 20,962,110
October	\$ 5,438,786	\$ 8,823,394	\$ 0	\$ 1,683,050	\$ 15,945,230
November	\$ 5,021,777	\$ 7,705,027	\$ 0	\$ 970,363	\$ 13,697,170
December	\$ 9,971,688	\$ 10,212,080	\$ 0	\$ 721,718	\$ 20,905,490
January	\$ 2,370,864	\$ 4,247,778	\$ 24,000	\$ 133,905	\$ 6,776,547
February	\$ 4,063,997	\$ 4,279,290	\$ 0	\$ 558,183	\$ 8,901,470
March	\$ 2,515,948	\$ 7,012,189	\$ 0	\$ 102,937	\$ 9,631,074
April	\$ 831,263	\$ 7,201,759	\$ 0	\$ 498,177	\$ 8,531,199
May	\$ 2,673,062	\$ 8,627,191	\$ 1,936,619	\$ 116,268	\$ 13,353,140
June	\$ 3,544,190	\$ 33,233,160	\$ 0	\$ 2,780,999	\$ 39,558,350
<b>Year to Date</b>	<b>\$ 57,821,830</b>	<b>\$ 107,981,500</b>	<b>\$ 2,009,619</b>	<b>\$ 11,311,490</b>	<b>\$ 179,124,400</b>

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

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

**June 2009**

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

**Office of Research  
Office of Sponsored Programs**

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# Detail of Public Grant Awards

## Federal

### US Department of Education (DOEd)

#### Office of Federal Student Aid (FSA)

To:	Sharon K. Lewis, Director STUDENT FINANCIAL AID	\$ 24,704,000
For:	Pell Grant	
Eff:	7/1/2008	Classified: No
To:	Sharon K. Lewis, Director STUDENT FINANCIAL AID	\$ 2,137,664
For:	Supplemental Educational Opportunity Grant Program	
Eff:	7/1/2008	Classified: No
To:	Sharon K. Lewis, Director STUDENT FINANCIAL AID	\$ 1,622,000
For:	Federal Work Study	
Eff:	7/1/2008	Classified: No
To:	Sharon K. Lewis, Director STUDENT FINANCIAL AID	\$ 1,589,238
For:	State Work Study	
Eff:	7/1/2008	Classified: No
<b>Total for Office of Federal Student Aid (FSA):</b>		<b>\$ 30,052,902</b>
<b>Total for US Department of Education (DOEd):</b>		<b>\$ 30,052,902</b>

### US Department of Health and Human Services (DHHS)

#### National Institute for Occupational Safety and Health (NIOSH)

To:	Richard A. Fenske, Professor Department of Environmental and Occupational Health Sciences	\$ 1,387,207
For:	Pacific Northwest Agricultural Safety and Health Center	
Eff:	9/30/2009	Classified: No
<b>Total for National Institute for Occupational Safety and Health (NIOSH):</b>		<b>\$ 1,387,207</b>

#### National Institutes of Health (NIH)

To:	Deborah A Nickerson, Professor Department of Genome Sciences	\$ 2,056,829
For:	SeattleSeq	
Eff:	7/1/2009	Classified: No
To:	Bruce M. Psaty, Professor Department of Medicine	\$ 1,295,541
For:	CHS Events Follow-Up Study	
Eff:	7/1/2009	Classified: No
To:	David Kimelman, Professor Department of Biochemistry	\$ 1,111,631
For:	Training in Molecular and Cellular Biology	
Eff:	7/1/2009	Classified: No
To:	Timothy De Rouen, Professor Dental Public Health Sciences	\$ 1,000,001
For:	Network Chair for the Pacific Northwest DPBRN	
Eff:	4/1/2009	Classified: No
To:	Peter M Milgrom, Professor Dental Public Health Sciences	\$ 1,055,142

# Detail of Public Grant Awards

## Federal

### US Department of Health and Human Services (DHHS)

#### National Institutes of Health (NIH)

For:	Northwest/Alaska/Hawaii Center to Reduce Oral Health Disparities	
Eff:	6/1/2009	Classified: No
To:	Alan Chait, Professor Department of Medicine	\$ 2,226,221
For:	Pathobiology of Macrovascular Disease in Diabetes	
Eff:	6/1/2009	Classified: No
To:	King K. Holmes, Chair Global Health	\$ 3,238,058
For:	University of Washington Center for AIDS Research	
Eff:	6/1/2009	Classified: No
To:	John D Hawkins, Professor School of Social Work	\$ 1,855,074
For:	The Community Youth Development Study: A Test of Communities That Care	
Eff:	7/1/2009	Classified: No

#### National Center for Research Resources (NCRR)

To:	Sidney D Nelson, Dean Dean of Pharmacy	\$ 12,958,274
For:	Washington National Primate Research Center FY48	
Eff:	5/1/2009	Classified: No
<i>Total for National Center for Research Resources (NCRR):</i>		<i>\$ 12,958,274</i>

#### National Heart, Lung, and Blood Institute (NHLBI)

To:	Elizabeth Brown, Research Assistant Professor Department of Biostatistics	\$ 1,001,183
For:	CVD and Metabolic Complications of HIV/AIDS Data Coordinating Center	
Eff:	7/1/2009	Classified: No
<i>Total for National Heart, Lung, and Blood Institute (NHLBI):</i>		<i>\$ 1,001,183</i>

#### National Institute of Child Health and Human Development (NICHD)

To:	G Stanley Mc Knight, Professor Department of Pharmacology	\$ 1,492,764
For:	U54 Clinical and Basic Studies in Male Reproduction	
Eff:	4/1/2009	Classified: No
<i>Total for National Institute of Child Health and Human Development (NICHD):</i>		<i>\$ 1,492,764</i>

#### National Institute on Drug Abuse (NIDA)

To:	Richard Catalano, Professor School of Social Work	\$ 1,171,466
For:	Reducing Risk & Enhancing Protective Factors in Children	
Eff:	7/1/2009	Classified: No
<i>Total for National Institute on Drug Abuse (NIDA):</i>		<i>\$ 1,171,466</i>

<b>Total for National Institutes of Health (NIH):</b>	<b>\$ 30,462,184</b>
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<b>Total for US Department of Health and Human Services (DHHS):</b>	<b>\$ 31,849,391</b>
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## Detail of Public Grant Awards

### Federal

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#### Other Federal

##### Environmental Protection Agency (EPA)

To: Joel D. Kaufman, Professor \$ 3,139,338  
Department of Environmental and Occupational Health Sciences  
For: Prospective Study of Atherosclerosis, Clinical Cardiovascular  
Disease, and Long-Term Exposure to Ambient Particulate Matter  
and Other Air Pollutants in a Multi-Ethnic Cohort  
Eff: 8/1/2004 Classified: No

**Total for Environmental Protection Agency (EPA): \$ 3,139,338**

##### US Department of Transportation

To: Nancy Nihan, Director \$ 2,085,000  
Civil and Environmental Engineering  
For: TransNow Center Plan for Fiscal Year 2009-2010 (July1, 2009-June  
30,2010)  
Eff: 10/1/2006 Classified: No

**Total for US Department of Transportation: \$ 2,085,000**

**Total for Other Federal: \$ 5,224,338**

**Total for Federal: \$ 67,126,631**

### State of Washington

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##### Washington State Department of Social and Health Services (DSHS)

To: Edwina Uehara, Dean \$ 4,365,507  
School of Social Work  
For: Child Welfare Training and Advancement Program 09-10  
Eff: 7/1/2009 Classified: No

**Total for Washington State Department of Social and Health Services (DSHS): \$ 4,365,507**

**Total for State of Washington: \$ 4,365,507**

**Total Public Grants: \$ 71,492,138**

## Detail of Contract Awards

### Federal

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#### US Department of Defense (DOD)

##### US Navy

To: Jan Newton, Apl-principal Oceanographer \$ 1,120,000  
Applied Physics Laboratory  
For: Hood Canal Low Dissolved Oxygen Program - Integrated  
Assessment and Modeling (HCDOP-IAM) Study  
Eff: 2/18/2005 Classified: No

**Total for US Navy:** \$ 1,120,000

**Total for US Department of Defense (DOD):** \$ 1,120,000

**Total for Federal:** \$ 1,120,000

### Associations and Non-Profits

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#### George Washington University

To: Santica M. Marcovina, Research Professor \$ 1,048,908  
Department of Medicine  
For: STOPP-T2D Central Biochemistry  
Eff: 3/1/2009 Classified: No

**Total for George Washington University:** \$ 1,048,908

**Total for Associations and Non-Profits:** \$ 1,048,908

### Private Industry

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#### Oncogenex

To: Evan Y Yu, Asst Professor \$ 1,517,984  
Department of Medicine  
For: Copy of A Phase I Study Evaluating A Second Generation Antisense  
Oligonucleotide (OGX-427) That Inhibits Heat Shock Protein 27  
Eff: 5/17/2007 Classified: No

**Total for Oncogenex:** \$ 1,517,984

#### Vestergaard Frandsen Group SA

To: Judd L. Walson, Acting Instructor \$ 1,236,736  
Department of Medicine  
For: Effect of insecticide-treated bednets and a simple water filtration  
device on HIV-1 disease progression  
Eff: 6/2/2009 Classified: No

**Total for Vestergaard Frandsen Group SA:** \$ 1,236,736

#### Wyeth Pharmaceuticals

To: Dorothy Patton, Professor \$ 3,921,901  
Department of Obstetrics and Gynecology  
For: Safety and Efficacy of Chlamydia Vaccine Candidates  
Eff: 6/9/2009 Classified: No

**Total for Wyeth Pharmaceuticals:** \$ 3,921,901

**Total for Private Industry:** \$ 6,676,621

### State of Washington

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#### Washington State Department of Social and Health Services (DSHS)

F-1.1/2009-09 To: Jon Mc Clellan, Professor \$ 2,188,615  
9/17/09

## Detail of Contract Awards

### State of Washington

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#### Washington State Department of Social and Health Services (DSHS)

Department of Psychiatry

For: Child Study and Treatment Center 2009-2011

Eff: 7/1/2009

Classified: No

**Total for Washington State Department of Social and Health Services (DSHS):** **\$ 2,188,615**

**Total for State of Washington:** **\$ 2,188,615**

**Total Contracts:** **\$ 11,034,144**

**Grand Total for all Awards** **\$ 82,526,282**

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# **Grant and Contract Awards Summary**

**to**

**The Board of Regents**

**of the**

**University of Washington**

**for**

**July 2009**

**Office of Research**

**Office of Sponsored Programs**

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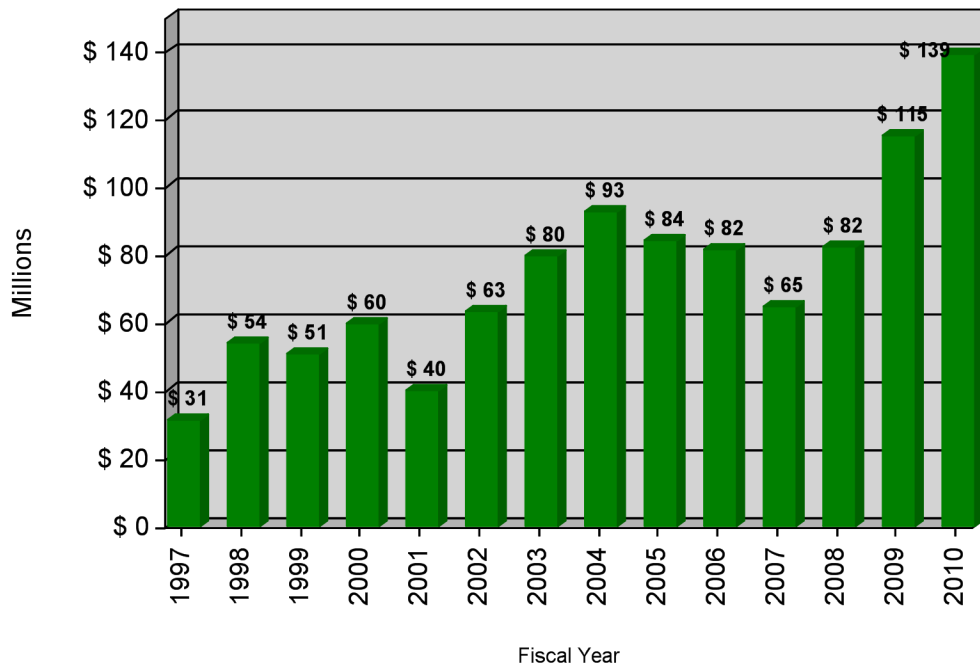
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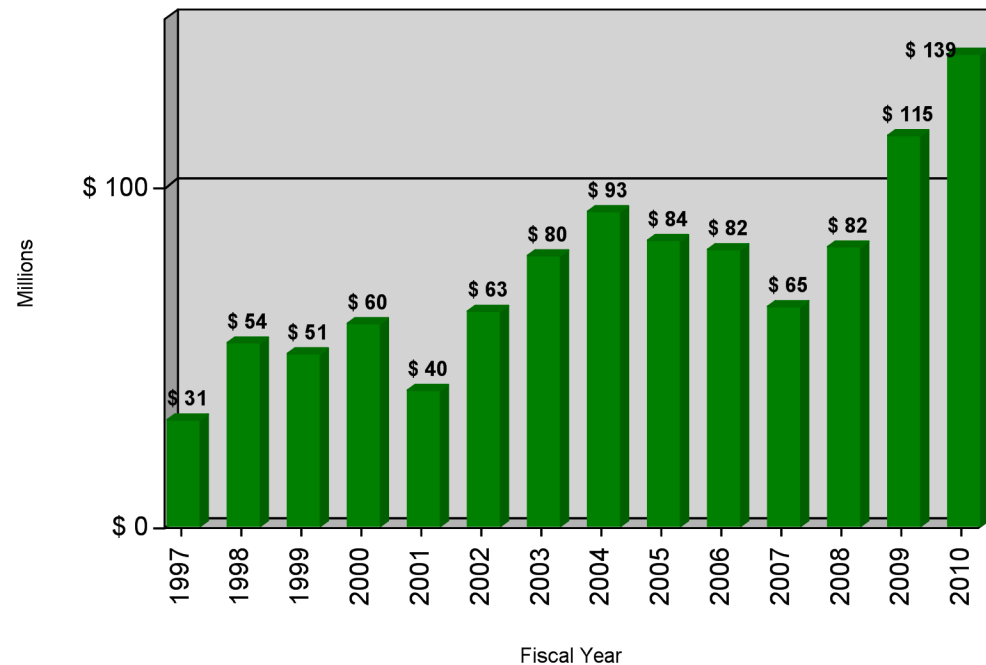
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Report of Grant & Contract Awards over \$1,000,000	11

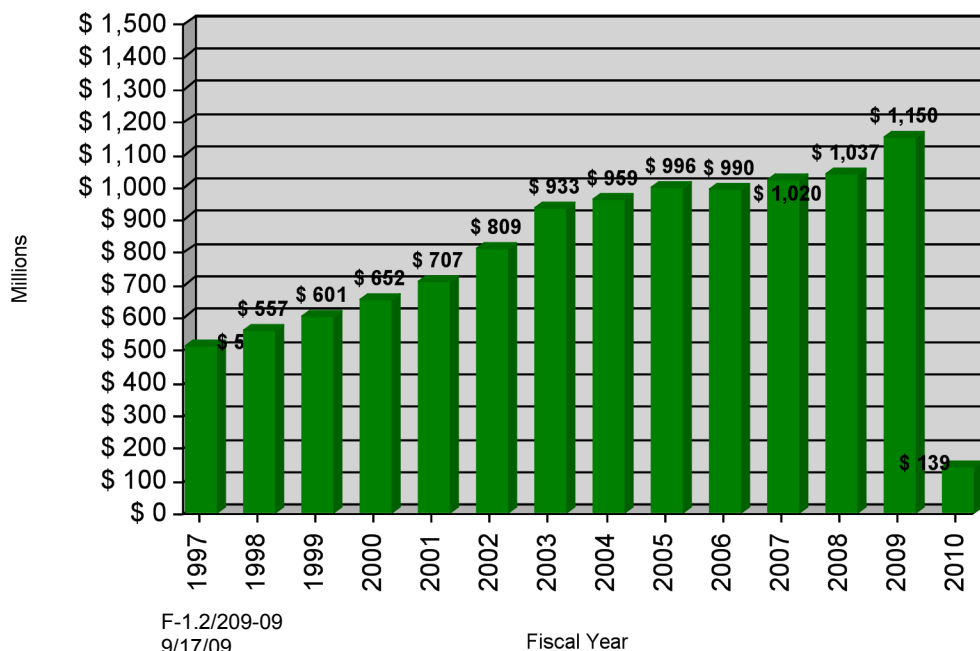
**July Only**  
**Comparison of Grant & Contract Awards**



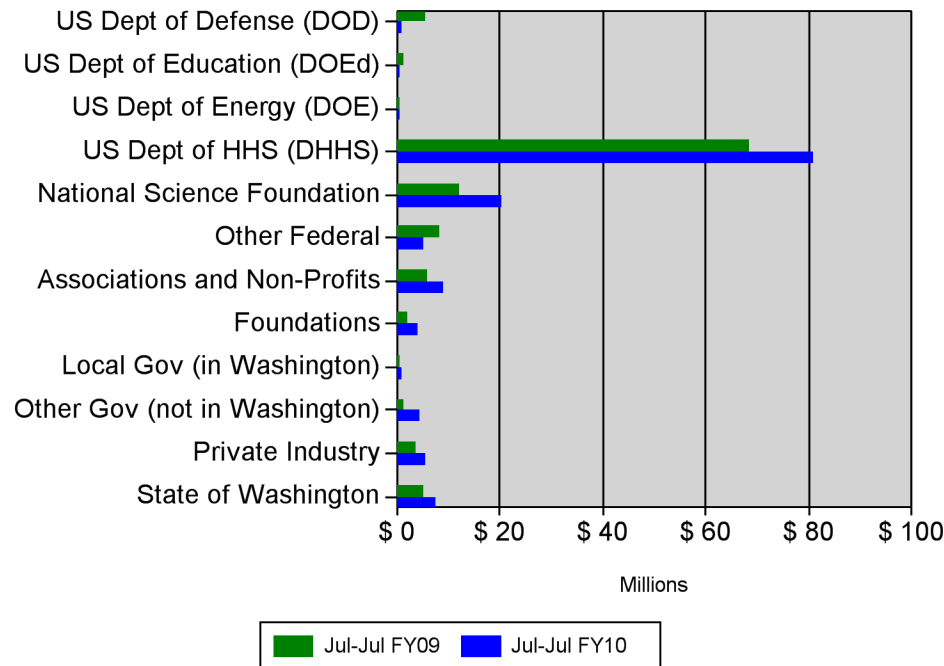
**Fiscal Year to Date**  
**Comparison of Grant & Contract Awards**



**Complete Fiscal Year**  
**Comparison of Grant & Contract Awards**



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



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

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<b>Month</b>	<b>RESEARCH AND OTHER</b>		<b>TRAINING</b>		<b>Total Grants and Contracts</b>
	<b>Federal</b>	<b>Non-Federal</b>	<b>Federal</b>	<b>Non-Federal</b>	
July	\$ 92,953,080	\$ 29,204,080	\$ 15,030,890	\$ 1,904,177	\$ 139,092,200
<hr/>					
<b>FY10 to Date</b>	<b>\$92,953,080</b>	<b>\$29,204,083</b>	<b>\$15,030,892</b>	<b>\$1,904,177</b>	<b>\$139,092,232</b>
<hr/>					
<b>FY09 to Date</b>	<b>\$86,111,310</b>	<b>\$16,220,681</b>	<b>\$9,776,757</b>	<b>\$3,001,990</b>	<b>\$115,110,738</b>
<hr/>					
<b>Over (Under) Previous Year</b>	<b>\$6,841,770</b>	<b>\$12,983,403</b>	<b>\$5,254,135</b>	<b>(\$1,097,813)</b>	<b>\$23,981,494</b>

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

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**Comparison of Grant and Contract Awards by Agency**

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**Fiscal Years 2008-2009 and 2009-2010**

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<b>Agency</b>	<b>Jul-Jul FY09</b>	<b>Jul-Jul FY10</b>
US Department of Defense (DOD)	\$ 5,772,109	\$ 883,943
US Department of Education (DOEd)	\$ 1,286,346	\$ 42,627
US Department of Energy (DOE)	\$ 11,745	\$ 403,734
US Department of Health and Human Services (DHHS)	\$ 68,387,982	\$ 81,001,685
National Science Foundation (NSF)	\$ 12,303,197	\$ 20,508,410
Other Federal	\$ 8,126,688	\$ 5,143,573
<b>Subtotal for Federal :</b>	<b>\$ 95,888,067</b>	<b>\$ 107,983,972</b>
Associations and Non-Profits	\$ 6,113,861	\$ 8,905,221
Foundations	\$ 2,272,843	\$ 3,887,861
Local Government (in Washington)	\$ 559,985	\$ 772,749
Other Government (not in Washington)	\$ 1,180,887	\$ 4,298,266
Private Industry	\$ 3,848,851	\$ 5,543,732
State of Washington	\$ 5,246,244	\$ 7,700,431
<b>Subtotal for Non-Federal :</b>	<b>\$ 19,222,670</b>	<b>\$ 31,108,260</b>
<b>Grand Total :</b>	<b>\$ 115,110,738</b>	<b>\$ 139,092,232</b>
<b>Amount of Increase (Decrease) :</b>		<b>\$ 23,981,494</b>
<b>Percent of Increase (Decrease) :</b>		<b>20.8 %</b>

*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**

<b>School/College</b>		<b>Jul-Jul FY09</b>	<b>Jul-Jul FY10</b>
<b>Upper Campus</b>			
	Architecture and Urban Planning	\$ 227,321	\$ 6,500
	Arts and Sciences	\$ 9,971,460	\$ 14,656,169
	College of the Environment		\$ 1,599,719
	Education	\$ 1,434,447	\$ 747,833
	Educational Outreach	\$ 39,001	
	Engineering	\$ 7,122,503	\$ 12,500,309
	Evans School of Public Affairs	\$ 285,000	\$ 170,979
	Executive Vice President	\$ 621,238	
	Forest Resources	\$ 1,523,273	\$ 179,600
	Foster School of Business	\$ 95,000	\$ 908,084
	Graduate School	\$ 674,303	\$ 803,555
	Information School		\$ 202,872
	Ocean and Fishery Sciences	\$ 6,607,452	\$ 5,490,715
	Office of Research	\$ 4,007,431	\$ 4,377,186
	Social Work	\$ 3,894,606	\$ 2,162,572
	VP Minority Affairs		\$ 552,778
	VP Student Affairs		\$ 280,137
	<b>Subtotal :</b>	<b>\$ 36,503,034</b>	<b>\$ 44,639,008</b>
<b>Health Sciences</b>			
	Dentistry	\$ 1,846,558	\$ 1,682,941
	Medicine	\$ 54,974,604	\$ 71,017,280
	Nursing	\$ 4,086,006	\$ 5,662,592
	Pharmacy	\$ 924,871	\$ 1,101,977
	Public Health	\$ 2,891,542	\$ 10,564,530
	<b>Subtotal :</b>	<b>\$ 64,723,581</b>	<b>\$ 90,029,320</b>
<b>Special Programs</b>			
	Alcohol and Drug Abuse Institute	\$ 145,630	\$ 45,000
	CHDD Administration	\$ 854,817	\$ 3,833,105
	Regional Primate Center	\$ 12,585,373	\$ 222,803
	<b>Subtotal :</b>	<b>\$ 13,585,820</b>	<b>\$ 4,100,908</b>
<b>Other UW Campuses</b>			
	Bothell	\$ 298,302	\$ 321,996
	Tacoma		\$ 1,000
	<b>Subtotal :</b>	<b>\$ 298,302</b>	<b>\$ 322,996</b>
	<b>Grand Total :</b>	<b>\$ 115,110,738</b>	<b>\$ 139,092,232</b>

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

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<b>Month</b>	<b>RESEARCH AND OTHER</b>		<b>TRAINING</b>		<b>Total Grants</b>
	<b>Federal</b>	<b>Non-Federal</b>	<b>Federal</b>	<b>Non-Federal</b>	
July	\$ 91,428,820	\$ 4,713,717	\$ 15,030,890	\$ 955,270	\$ 112,128,700
<b>Year to Date</b>	<b>\$ 91,428,820</b>	<b>\$ 4,713,717</b>	<b>\$ 15,030,890</b>	<b>\$ 955,270</b>	<b>\$ 112,128,700</b>

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

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

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<b>Month</b>	<b>RESEARCH AND OTHER</b>	<b>TRAINING</b>	<b>Total Grants</b>
July	\$ 12,916,300	\$ 64,396	\$ 12,980,690
<b>Year to Date</b>	<b>\$ 12,916,300</b>	<b>\$ 64,396</b>	<b>\$ 12,980,690</b>

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

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

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<b>Month</b>	<b>RESEARCH AND OTHER</b>		<b>TRAINING</b>	<b>Total Contracts</b>
	<b>Federal</b>	<b>Non-Federal</b>	<b>Non-Federal</b>	
July	\$ 1,524,264	\$ 11,574,070	\$ 884,511	\$ 13,982,840
<b>Year to Date</b>	<b>\$ 1,524,264</b>	<b>\$ 11,574,070</b>	<b>\$ 884,511</b>	<b>\$ 13,982,840</b>

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

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

**July 2009**

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

**Office of Research  
Office of Sponsored Programs**

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# Detail of Public Grant Awards

## Federal

### US Department of Health and Human Services (DHHS)

#### Centers for Disease Control and Prevention (CDC)

To:	Noah S. Seixas, Professor	\$ 1,200,502
	Department of Environmental and Occupational Health Sciences	
For:	Education and Research Center	
Eff:	7/1/2009	Classified: No

<b>Total for Centers for Disease Control and Prevention (CDC):</b>	<b>\$ 1,200,502</b>
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#### National Institutes of Health (NIH)

To:	Bruce M. Psaty, Professor	\$ 1,676,225
	Department of Medicine	
For:	Genome-wide case-only study of antihypertensive drug-gene interactions	
Eff:	7/1/2009	Classified: No

To:	Peter Roy-Byrne, Professor	\$ 1,029,868
	Department of Psychiatry	
For:	Brief Intervention in Primary Care for Problem Drug Use and Abuse	
Eff:	7/1/2009	Classified: No

To:	Buddy Ratner, Professor	\$ 2,083,596
	Bioengineering	
For:	Engineered Cardiac Morphogenesis: Stem Cells and Scaffolds	
Eff:	6/1/2009	Classified: No

To:	John A Stamatoyannopoulos, Assistant Professor	\$ 2,641,867
	Department of Genome Sciences	
For:	A Comprehensive catalog of human DNaseI hypersensitive sites	
Eff:	7/1/2009	Classified: No

To:	John A Stamatoyannopoulos, Assistant Professor	\$ 1,200,000
	Department of Genome Sciences	
For:	Northwest Reference Epigenome Mapping Center	
Eff:	7/10/2009	Classified: No

To:	Walter A Kukull, Director	\$ 3,468,842
	Department of Epidemiology	
For:	National Alzheimer's Coordinating Center	
Eff:	7/15/2009	Classified: No

#### National Institute of Child Health and Human Development (NICHD)

To:	Michael J Guralnick, Director	\$ 1,649,656
	CHDD Administration	
For:	Intellectual and Developmental Disabilities Research Centers	
Eff:	7/27/2009	Classified: No

<i>Total for National Institute of Child Health and Human Development (NICHD):</i>	<i>\$ 1,649,656</i>
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#### National Institute of General Medical Sciences (NIGMS)

To:	Lawrence A Loeb, Professor	\$ 1,276,304
	Department of Pathology	
For:	Medical Scientist Training Program	
Eff:	7/1/2009	Classified: No

To:	Carl A. Blau, Professor	\$ 1,956,536
	Department of Medicine	

# Detail of Public Grant Awards

## Federal

### US Department of Health and Human Services (DHHS)

#### National Institutes of Health (NIH)

##### *National Institute of General Medical Sciences (NIGMS)*

For: Self Renewal and Differentiation of Human Embryonic Stem Cells

Eff: 8/1/2009 Classified: No

*Total for National Institute of General Medical Sciences (NIGMS):* \$ 3,232,840

##### *National Institute on Drug Abuse (NIDA)*

To: Michael Katze, Professor \$ 1,819,228  
Department of Microbiology

For: Functional Genomics and HCV-Associated Liver Disease

Eff: 7/1/2009 Classified: No

*Total for National Institute on Drug Abuse (NIDA):* \$ 1,819,228

**Total for National Institutes of Health (NIH):** \$ 18,802,122

**Total for US Department of Health and Human Services (DHHS):** \$ 20,002,624

### National Science Foundation (NSF)

#### National Science Foundation (NSF)

To: James Burton Dorsey, Director \$ 1,453,422  
Other Engineering Programs

For: Washington MESA Community College Program (WA-MCCP)

Eff: 7/1/2009 Classified: No

To: Rebecca A Woodgate, Apl-senior Oceanographer \$ 1,224,449  
Applied Physics Laboratory

For: Collaborative Research: An Ocean Observing System for the Bering Strait, the Pacific Gateway to the Arctic – an integral part of the Arctic Observing Network

Eff: 9/1/2009 Classified: No

To: Henry J Lubatti, Professor \$ 2,710,000  
Department of Physics

For: Elementary Particle Physics Using High Energy Colliders

Eff: 5/1/2009 Classified: No

To: Peter H. Kahn, Associate Professor \$ 1,264,424  
Department of Psychology

For: HCC: Medium: Social and Moral Relationships With Personified Robots

Eff: 9/1/2009 Classified: No

**Total for National Science Foundation (NSF):** \$ 6,652,295

**Total for National Science Foundation (NSF):** \$ 6,652,295

### Other Federal

#### National Oceanic and Atmospheric Administration (NOAA)

To: David L. Martin, Apl-principal Oceanographer \$ 1,500,000  
Applied Physics Laboratory

For: Enhancing the Regional Coastal Ocean Observing Systems (RCOOS) of NANOOS

Eff: 10/1/2007 Classified: No

**Total for National Oceanic and Atmospheric Administration (NOAA):** \$ 1,500,000

## Detail of Public Grant Awards

### Federal

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#### Other Federal

Total for Other Federal:	\$ 1,500,000
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Total for Federal:	\$ 28,154,919
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Total Public Grants:	\$ 28,154,919
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## Detail of Private Grant Awards

### Associations and Non-Profits

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#### Joint Oceanographic Institutions, Inc.

To: John R. Delaney, Professor \$ 1,121,987  
School of Oceanography

For: The University of Washington's Application to Become the  
Implementing Organization for the Regional Cabled Observatory  
Eff: 3/30/2007 Classified: No

**Total for Joint Oceanographic Institutions, Inc.:** \$ 1,121,987

**Total for Associations and Non-Profits:** \$ 1,121,987

**Total Private Grants:** \$ 1,121,987

# State of Washington

<b>Grand Total for all Awards</b>	<b>\$ 32,564,674</b>
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## VII. STANDING COMMITTEES

## B. Finance, Audit and Facilities Committee

Architectural Commission Membership AppointmentsRECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to re-appoint Stephen Kieran to the University of Washington Architectural Commission, commencing immediately and ending in October 2013; and to appoint student representative, Ted Wegrich, to the University of Washington Architectural Commission, commencing immediately and ending in June 2010.

BACKGROUND:

The revised (2002) "Statement of Organization and Function" of the University of Washington Architectural Commission provides that the membership of the Commission include eleven members, four of whom are professional members who shall be registered architects, landscape architects, or qualified city planners; and one of whom is a student member jointly recommended by the President of the Associated Students of the University of Washington (ASUW) and Graduate and Professional Student Senate (GPSS).

Stephen Kieran is a partner at KieranTimberlake, an internationally recognized architecture firm noted for its commitment to research, innovation and invention. The firm has received over one hundred design citations including the 2008 Architecture Firm Award, the highest honor bestowed on a firm by the American Institute of Architects.

Mr. Kieran received his B.A. degree from Yale University, and his M.Arch degree from the University of Pennsylvania. He is a recipient of the Rome Prize.

Kieran and his partner James Timberlake were inaugural recipients of the prestigious Benjamin Latrobe Fellowship for architectural design research from the AIA College of Fellows. They have co-authored *Manual, The Architecture of KieranTimberlake, refabricating ARCHITECTURE*, which examines how manufacturing methodologies are poised to transform building construction, and *Loblolly House: Elements of a New Architecture*, a case study of a single building which chronicles a new, more efficient way of constructing offsite through the use of building information modeling and integrated component assemblies.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Architectural Commission Membership Appointments (continued p. 2)

Mr. Kieran leads a design research studio at the University of Pennsylvania's School of Design, and has taught at the University of Washington, Yale University, the University of Michigan, and Princeton University.

Notable projects include Loblolly House in Taylors Island, MD, the Stewart Middle School, Sidwell Friends School in Washington, DC, the Sculpture Building and School of Art Gallery at Yale University, and Cellophane House, an off-site fabricated dwelling commissioned by The Museum of Modern Art.

ASUW and GPSS have recommended that Ted Wegrich be appointed as student member for the 2009-2010 year. Mr. Wegrich obtained his Bachelor of Arts in Architectural Studies in June 2009, and will complete his Bachelor of Science in Construction Management in June 2010. He also studied abroad at the University of Washington Rome Center, Rome, Italy, Fall 2008-Winter 2009.

The other current members of the Commission are:

Vacant – Architectural Advisor

Daniel S. Friedman – (Chair) Dean, College of Architecture and Urban Planning

Linda Jewell – Freeman & Jewell (Term expires 10/11)

Cathy Simon – Perkins+Will (Term expires 10/10)

Norman Pfeiffer – Pfeiffer Partners (Term expires 10/12)

John Schaufelberger – Faculty Member

*ex officio:*

Richard Chapman – Associate Vice President, Capital Projects Office

Dale Cole – Chair, Campus Landscape Advisory Committee

V'Ella Warren – Senior Vice President

#### REVIEW AND APPROVALS

This recommendation has been reviewed and approved by the Chair of the Architectural Commission.

**VII. STANDING COMMITTEES****B. Finance, Audit & Facilities Committee**Appointment of Insurance Broker of RecordRECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents appoint Parker, Smith & Feek as Insurance Broker of Record for the student insurance plans, effective Sept. 17, 2009 until Dec. 1, 2011, subject to satisfactory performance.

BACKGROUND:

The University uses insurance brokers to obtain the optimal insurance coverage from worldwide insurance carriers and to consult on risk management and insurance matters. The firm of Parker, Smith and Feek has gradually earned the majority of the University's insurance brokerage business, being appointed in 1991 for builders' risk coverage, in 1996 for property coverage and in 2005 for casualty coverage. The services and expertise of the firm have fully satisfied the University's diverse requirements.

Brokerage of the voluntary student health insurance program and the University-funded Graduate Assistant Insurance Plan was handled by Johnson & Higgins, which was acquired by Marsh in 1998. Marsh's sister company Mercer holds the current appointment for the student plans. That appointment is scheduled to expire December 1, 2011.

Diane Skeels, the University's lead consultant at Johnson & Higgins, and later Mercer, for over 20 years, left Mercer in December 2008 and joined Parker, Smith & Feek as a Vice President. Mercer assigned lead consultant duties to a student benefits specialist in Los Angeles. Soon thereafter, Dianne King, our account manager at Mercer for six years, joined Parker, Smith & Feek as well. For these reasons, a competitive search was conducted for student benefits brokerage services this summer.

Four firms responded to the Request for Proposals: Parker, Smith & Feek, Mercer, AON and Willis. All were invited to interviews with a University panel including the Executive Director, Risk Management; the Director of Risk Financing, Risk Management; the Executive Director of Benefits and WorkLife, Human Resources; and the Director of Administrative Services, Student Life. The interview panel focused not only on student benefit insurance brokerage expertise but also on corporate integrity, alignment of interests, compensation flexibility and corporate ownership and governance.

## VII. STANDING COMMITTEES

### B. Finance, Audit & Facilities Committee

#### Appointment of Insurance Broker of Record (continued p. 2)

Parker, Smith & Feek is the most qualified firm. It is a privately owned, regional brokerage firm with offices in Bellevue and Anchorage. Founded in 1937, it currently employs 179 staff. Long recognized for its expertise in construction insurance, it has strategically expanded into the real estate, high tech and healthcare insurance areas. Benefits brokerage currently represents 15% of its revenue and it has all the analytical and communications capacities, in-house or contracted, required to serve the student plans. Given the University's lengthy experience with the firm, and Ms. Skeels' and Ms. King's recent association, the administration is confident that this appointment is both appropriate and timely.

**VII. STANDING COMMITTEES****B. Finance, Audit and Facilities Committee****On-Call Medical Master Term Agreement – Select Architect****RECOMMENDED ACTION:**

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to award an on-call medical master term agreement to ZGF, subject to successful negotiation of the architectural and professional services agreement. This architectural agreement was advertised, anticipating the option of awarding one or more master term agreements, dependent on work load. The first contract was awarded to NBBJ in July. Upon receipt of four new projects for Harborview Medical Center estimated at \$5.7M and unanticipated work for University of Washington Medical Center, the Capital Projects Office is recommending the award of a second contract.

In the event of an unsuccessful negotiation with the selected firm, it is requested that authority be delegated to open negotiations with ARC Architects, Seattle, WA, the firm recommended as second alternate.

**BACKGROUND:**

The Capital Projects Office intends to select architectural firms for an-call Master Term Agreement for various medical projects located at University of Washington Medical Center (UWMC) and Harborview Medical Center (HMC). As individual projects arise, the parties will negotiate the scope of work and fee and formalize it in a project authorization. Project authorizations under the Master Term Agreement will be executed prior to the expiration of the Master Term Agreement and will be limited to those with a total project budget (including design, construction, contingency and other costs) of less than \$4 million.

The Master Term Agreement will have a total project value of \$10 million (for the aggregate value of all projects) and will be for an initial one-year period with an option to extend the Agreement for two additional one-year periods (for a maximum of three years). The medical centers operate on fiscal yearly budget cycles that would coincide with this master term agreement. If the consultant performs well on work awarded during the first one-year period, then it is the intention of the Capital Projects Office to continue architectural services with the same consultant for a subsequent one-year period. The one year contract period was selected due to the weak construction climate. This gives the option of renegotiating design fees after one year. It is anticipated that working with a consultant with successful recent experience in the design and delivery of projects

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### On-Call Medical Master Term Agreement – Select Architect (continued p. 2)

for the University of Washington may result in the production of better design documents in a more timely fashion. It also assures that planning work initiated at the latter end of the first one-year period can be executed by the same consultant in the second one-year period.

In February 2009, the Capital Projects Office advertised for firms interested in providing on-call architectural services. Eighteen firms responded to the Request for Qualifications, and four firms were interviewed on April 2, 2009. It is the interview team's recommendation that ZGF be awarded the second term agreement for on-call medical architectural services.

ZGF has a local presence in healthcare, including Seattle Cancer Care Alliance, Overlake Hospital Medical Center, Children's Hospital and Regional Medical Center, and Good Samaritan Hospital in Puyallup. ZGF has experience working with the UW on the Molecular Engineering Interdisciplinary Academic Building and the UWMC Eye Clinic. They have been in business in Seattle for over 40 years, and have offices in Seattle, Portland, Los Angeles, Washington D.C. and New York.



VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

**UW**

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**Report of  
Contributions**

University of Washington  
University of Washington Foundation

June and July, 2009

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UNIVERSITY OF WASHINGTON

All Areas

# REPORT OF CONTRIBUTIONS

June 2009

REPORT BY: UNIVERSITY ADVANCEMENT, ADVANCEMENT SERVICES, INFORMATION MANAGEMENT

## ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month				Year to Date			
	Gifts	Grants	Total	Donors <sup>1</sup>	Gifts	Grants	Total	Donors
UW Medicine	\$3,131,020	\$26,184,606	\$29,315,626	2,753	\$32,206,835	\$123,983,986	\$156,190,821	16,799
Arts and Sciences	\$493,915	\$1,493,704	\$1,987,619	1,234	\$17,838,947	\$7,750,868	\$25,589,815	14,817
Broadcast Services	\$890,238	\$0	\$890,238	930	\$4,427,717	\$0	\$4,427,717	16,191
Built Environments	\$55,602	\$0	\$55,602	72	\$1,134,643	\$993,000	\$2,127,643	1,341
Business School	\$2,376,141	\$0	\$2,376,141	357	\$25,336,696	\$45,000	\$25,381,696	4,210
Dentistry	\$106,510	\$26,357	\$132,867	241	\$1,766,549	\$774,817	\$2,541,366	1,584
Education	\$54,230	\$300,000	\$354,230	198	\$2,422,262	\$1,302,694	\$3,724,956	1,667
Engineering	\$979,479	\$270,866	\$1,250,345	268	\$11,444,179	\$7,410,941	\$18,855,120	4,260
Environment	\$8,688	\$0	\$8,688	2	\$4,679,781	\$0	\$4,679,781	27
Evans School of Public Affairs	\$15,482	\$183,680	\$199,162	85	\$612,856	\$2,105,947	\$2,718,803	480
Forest Resources	\$60,973	\$7,967	\$68,940	93	\$1,882,147	\$1,569,152	\$3,451,299	1,096
Graduate School	\$6,091	\$46,335	\$52,426	26	\$987,416	\$615,206	\$1,602,622	324
Friday Harbor Labs	\$12,525	\$0	\$12,525	35	\$1,176,725	\$0	\$1,176,725	393
Information School	\$18,902	\$0	\$18,902	51	\$817,278	\$862,000	\$1,679,278	609
Intercollegiate Athletics	\$4,104,950	\$0	\$4,104,950	19,826	\$15,659,243	\$0	\$15,659,243	23,317
Law	\$90,460	\$0	\$90,460	196	\$2,420,941	\$245,000	\$2,665,941	1,935
Libraries	\$243,712	\$0	\$243,712	504	\$1,171,951	\$0	\$1,171,951	5,280
Minority Affairs	\$17,154	\$0	\$17,154	168	\$188,492	\$200,000	\$388,492	511
Nursing	\$231,266	\$132,287	\$363,553	160	\$2,335,206	\$1,214,498	\$3,549,704	1,678
Ocean and Fishery Sciences	\$6,463	\$539,584	\$546,047	87	\$1,279,806	\$8,877,903	\$10,157,709	740
Pharmacy	\$19,282	\$379,000	\$398,282	79	\$1,117,297	\$980,951	\$2,098,248	1,034
President's Funds	\$90,634	\$0	\$90,634	128	\$5,761,734	\$0	\$5,761,734	1,691
Public Health	\$177,252	\$430,818	\$608,070	151	\$930,802	\$14,562,130	\$15,492,932	792
Social Work	\$5,700	\$0	\$5,700	45	\$1,239,856	\$50,100	\$1,289,956	700
Student Affairs	\$229,378	\$0	\$229,378	259	\$2,906,525	\$0	\$2,906,525	3,000
Undergraduate Academic Affairs	\$6,805	\$0	\$6,805	32	\$404,576	\$20,000	\$424,576	353
University Press	\$13,075	\$0	\$13,075	14	\$219,219	\$0	\$219,219	167
UW Alumni Association	\$92,456	\$0	\$92,456	1,848	\$1,001,508	\$0	\$1,001,508	19,763
UW Bothell	\$14,793	\$0	\$14,793	71	\$274,955	\$1,954,590	\$2,229,545	592
UW Tacoma	\$1,776,323	\$0	\$1,776,323	147	\$3,632,862	\$23,965	\$3,656,827	792
Other University Support	\$31,642	\$0	\$31,642	161	\$1,085,805	\$170,920	\$1,256,725	1,832
<b>Total</b>	<b>\$15,361,141</b>	<b>\$29,995,204</b>	<b>\$45,356,345</b>	<b>29,003</b>	<b>\$148,364,809</b>	<b>\$175,713,667</b>	<b>\$324,078,477</b>	<b>109,083</b>

## MONTHLY HIGHLIGHTS

The UW received \$45.36M in total private voluntary support (\$15.36M in gifts and \$30.00M in grants) in the current month.

An additional \$9,964,248 from 30,150 non-cross referenced , donors was raised by KUOW during Fiscal Year 2009. (Source: KUOW statement (unaudited) July 9, 2009)

Areas including UW Medicine, Business School, Education, Environment, Forest Resources, Graduate School, Minority Affairs, Nursing, Public Health, Student Affairs, Undergraduate Academic Affairs and UW Bothell are ahead of last year's year-to-date totals.

<sup>1</sup> 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.

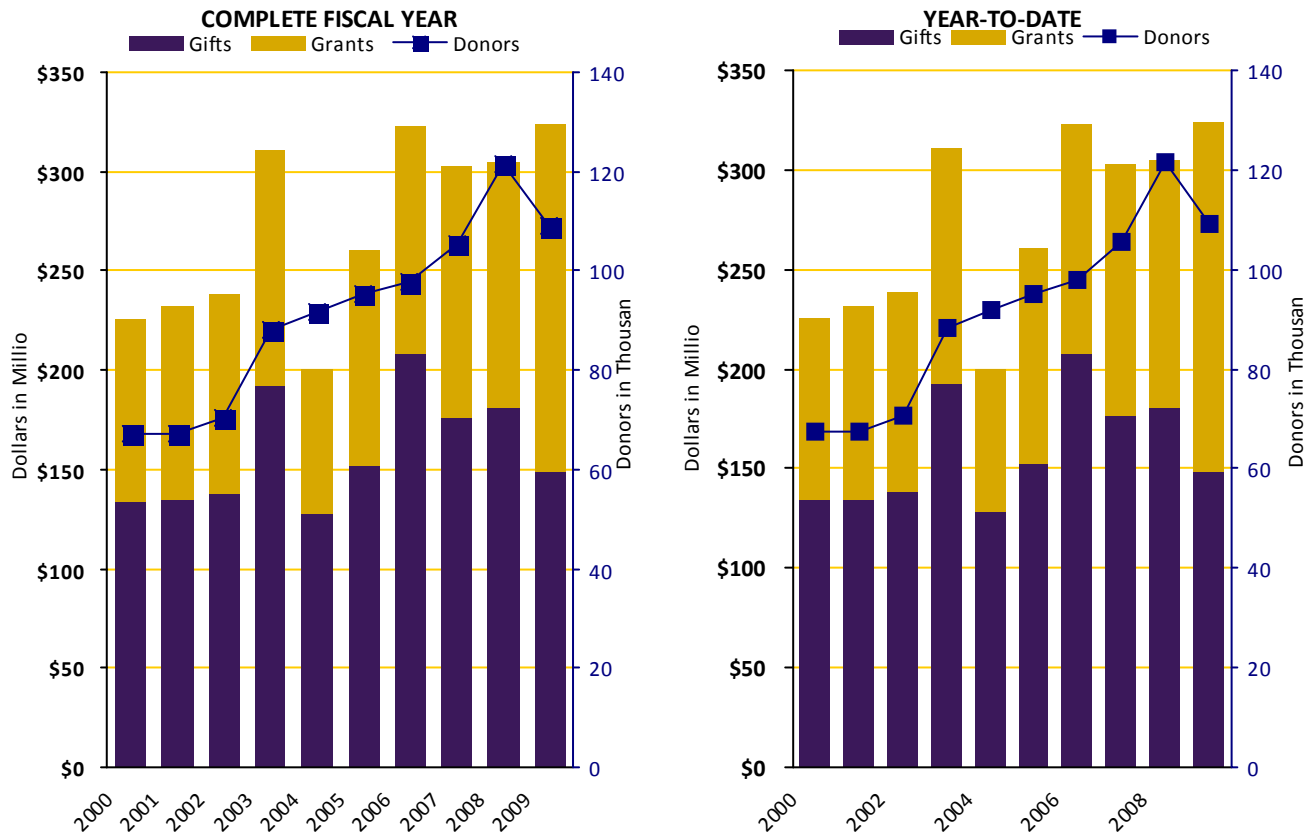
Source: University Advancement, Information Management Report # devrpts\_s09071

## 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	\$29,315,626	2,753	\$156,190,821	16,799	\$128,084,404	18,602	\$128,084,404	18,602
Arts and Sciences	\$1,987,619	1,234	\$25,589,815	14,817	\$36,159,265	15,040	\$36,159,265	15,040
Broadcast Services	\$890,238	930	\$4,427,717	16,191	\$12,124,630	21,710	\$12,124,630	21,710
Built Environments	\$55,602	72	\$2,127,643	1,341	\$2,552,681	1,467	\$2,552,681	1,467
Business School	\$2,376,141	357	\$25,381,696	4,210	\$13,215,754	4,667	\$13,215,754	4,667
Dentistry	\$132,867	241	\$2,541,366	1,584	\$3,479,430	1,340	\$3,479,430	1,340
Education	\$354,230	198	\$3,724,956	1,667	\$2,778,307	1,637	\$2,778,307	1,637
Engineering	\$1,250,345	268	\$18,855,120	4,260	\$22,826,602	4,653	\$22,826,602	4,653
Environment	\$8,688	2	\$4,679,781	27	\$0	0	\$0	0
Evans School of Public Affairs	\$199,162	85	\$2,718,803	480	\$3,350,952	493	\$3,350,952	493
Forest Resources	\$68,940	93	\$3,451,299	1,096	\$2,552,419	1,151	\$2,552,419	1,151
Graduate School	\$52,426	26	\$1,602,622	324	\$1,209,442	551	\$1,209,442	551
Friday Harbor Labs	\$12,525	35	\$1,176,725	393	\$5,535,910	454	\$553,591	454
Information School	\$18,902	51	\$1,679,278	609	\$3,893,390	639	\$3,893,390	639
Intercollegiate Athletics	\$4,104,950	19,826	\$15,659,243	23,317	\$20,268,275	25,073	\$20,268,275	25,073
Law	\$90,460	196	\$2,665,941	1,935	\$2,865,343	2,166	\$2,865,343	2,166
Libraries	\$243,712	504	\$1,171,951	5,280	\$1,599,016	4,714	\$1,599,016	4,714
Minority Affairs	\$17,154	168	\$388,492	511	\$0	0	\$0	0
Nursing	\$363,553	160	\$3,549,704	1,678	\$3,155,721	1,775	\$3,155,721	1,775
Ocean and Fishery Sciences	\$546,047	87	\$10,157,709	740	\$12,310,301	829	\$12,310,301	829
Pharmacy	\$398,282	79	\$2,098,248	1,034	\$3,038,164	1,127	\$3,038,164	1,127
President's Funds	\$90,634	128	\$5,761,734	1,691	\$961,234	2,240	\$961,234	2,240
Public Health	\$608,070	151	\$15,492,932	792	\$9,774,188	732	\$9,774,188	732
Social Work	\$5,700	45	\$1,289,956	700	\$1,633,711	895	\$1,633,711	895
Student Affairs	\$229,378	259	\$2,906,525	3,000	\$0	0	\$0	0
Undergraduate Academic Affairs	\$6,805	32	\$424,576	353	\$0	0	\$0	0
University Press	\$13,075	14	\$219,219	167	\$414,094	293	\$414,094	293
UW Alumni Association	\$92,456	1,848	\$1,001,508	19,763	\$1,146,912	21,851	\$1,146,912	21,851
UW Bothell	\$14,793	71	\$2,229,545	592	\$302,577	795	\$302,577	795
UW Tacoma	\$1,776,323	147	\$3,656,827	792	\$4,420,119	967	\$4,420,119	967
Other University Support	\$31,642	161	\$1,256,725	1,832	\$3,767,536	2,434	\$3,767,536	2,434
<b>Total<sup>1</sup></b>	<b>\$45,356,345</b>	<b>29,003</b>	<b>\$324,078,477</b>	<b>109,083</b>	<b>\$304,959,657</b>	<b>121,447</b>	<b>\$304,959,657</b>	<b>121,447</b>

<sup>1</sup> 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
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$148,364,809	\$175,713,667	\$324,078,477	109,083
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$180,735,444	\$124,224,214	\$304,959,657	121,447
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$176,490,215	\$126,399,369	\$302,889,584	105,353
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$207,744,231	\$115,261,186	\$323,005,417	97,876
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$151,969,925	\$108,802,371	\$260,772,296	95,227
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$128,174,367	\$71,603,323	\$199,777,690	91,903
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$192,573,183	\$118,677,722	\$311,250,905	88,259
2001-2002	\$137,959,340	\$100,820,547	\$238,779,887	70,560	\$137,959,340	\$100,820,547	\$238,779,887	70,560
2000-2001	\$134,797,642	\$97,112,979	\$231,910,621	67,307	\$134,797,642	\$97,112,979	\$231,910,621	67,307
1999-2000	\$134,037,997	\$91,536,165	\$225,574,162	67,351	\$134,037,997	\$91,536,165	\$225,574,162	67,351

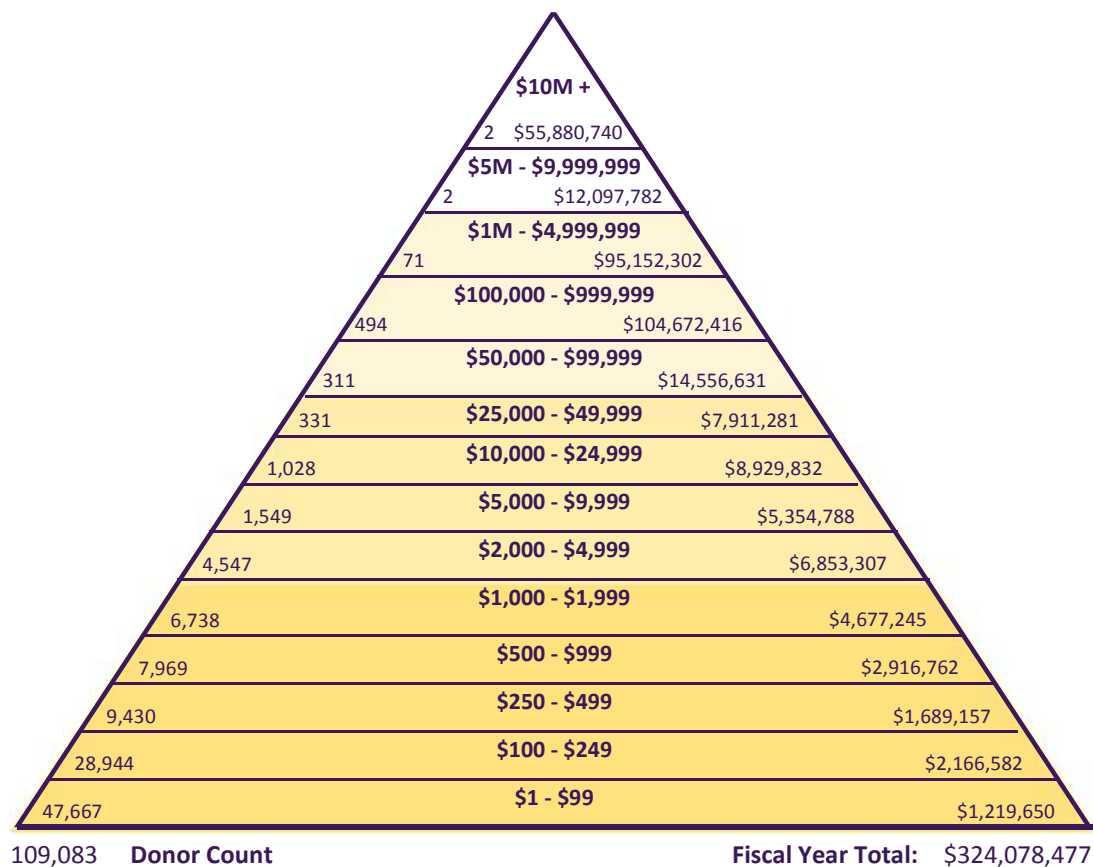
## ANNUAL FUNDING THEME PROGRESS

Theme	Year to Date		
	Current Use	Endowment	Total
Student Support	\$9,009,518	\$17,993,710	\$27,003,228
Faculty Support	\$6,616,626	\$13,692,653	\$20,309,278
Program Support for Faculty and Students	\$206,574,672	\$19,378,950	\$225,953,622
Capital	\$20,700,079	\$1,719	\$20,701,798
Excellence Funds	\$27,500,292	\$2,610,259	\$30,110,551
<b>Total</b>	<b>\$270,401,187</b>	<b>\$53,677,290</b>	<b>\$324,078,477</b>

## DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors	Total	Donors	Total
Alumni	49,981	\$40,529,614	55,089	\$57,153,097	55,089	\$57,153,097
Corporations	3,029	\$79,017,981	3,255	\$61,590,177	3,255	\$61,590,177
Family Foundations	173	\$15,996,206	172	\$13,349,493	172	\$13,349,493
Foundations	427	\$83,293,447	431	\$75,371,489	431	\$75,371,489
Non-Alumni	54,849	\$41,916,304	61,914	\$40,209,915	61,914	\$40,209,915
Organizations	624	\$63,324,926	586	\$57,285,487	586	\$57,285,487
<b>Total</b>	<b>109,083</b>	<b>\$324,078,477</b>	<b>121,447</b>	<b>\$304,959,657</b>	<b>121,447</b>	<b>\$304,959,657</b>

## DEVELOPMENT ACTIVITY PYRAMID



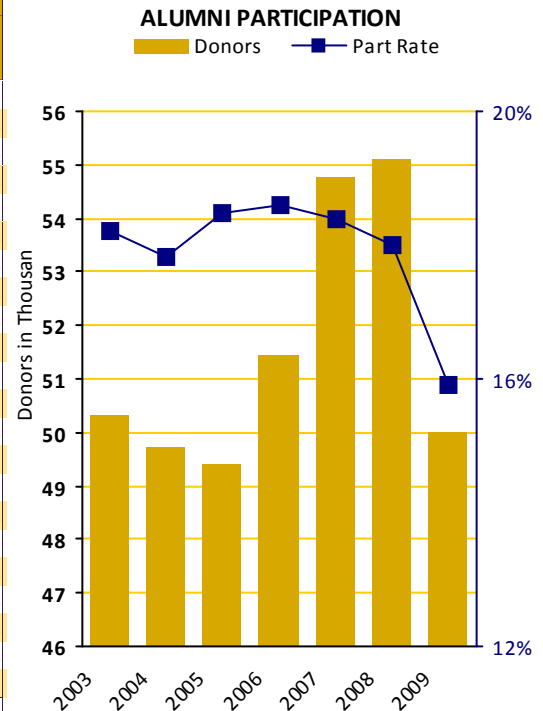
## ANNUAL PROGRESS BY GIVING LEVEL

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	\$0	\$0	\$0	\$0	\$38,609,776	\$17,270,964	\$55,880,740
\$5M - \$9,999,999	\$0	\$6,650,000	\$0	\$0	\$0	\$5,447,782	\$12,097,782
\$1M - \$4,999,999	\$10,467,585	\$10,519,384	\$9,588,543	\$28,770,405	\$19,282,361	\$16,524,024	\$95,152,302
\$100,000 - \$999,999	\$12,219,025	\$11,021,825	\$4,669,937	\$37,448,648	\$20,100,292	\$19,212,689	\$104,672,416
\$50,000 - \$99,999	\$1,943,320	\$1,843,585	\$621,062	\$4,985,902	\$2,836,805	\$2,325,957	\$14,556,631
\$25,000 - \$49,999	\$1,249,634	\$1,309,925	\$542,950	\$2,528,145	\$1,164,339	\$1,116,288	\$7,911,281
\$10,000 - \$24,999	\$2,451,907	\$1,861,015	\$359,926	\$2,546,945	\$894,158	\$815,881	\$8,929,832
\$5,000 - \$9,999	\$2,192,432	\$1,446,521	\$115,504	\$1,110,000	\$212,018	\$278,312	\$5,354,788
\$2,000 - \$4,999	\$3,295,453	\$2,308,424	\$66,551	\$844,785	\$121,129	\$216,965	\$6,853,307
\$1,000 - \$1,999	\$2,274,021	\$1,854,599	\$28,432	\$400,970	\$48,821	\$70,402	\$4,677,245
\$500 - \$999	\$1,585,900	\$1,085,138	\$2,550	\$207,539	\$12,431	\$23,204	\$2,916,762
\$250 - \$499	\$906,334	\$669,782	\$250	\$96,100	\$5,532	\$11,159	\$1,689,157
\$100 - \$249	\$1,173,324	\$915,428	\$450	\$62,947	\$4,990	\$9,442	\$2,166,582
\$1 - \$99	\$770,678	\$430,678	\$50	\$15,594	\$794	\$1,857	\$1,219,650
<b>Total</b>	<b>\$40,529,614</b>	<b>\$41,916,304</b>	<b>\$15,996,206</b>	<b>\$79,017,981</b>	<b>\$83,293,447</b>	<b>\$63,324,926</b>	<b>\$324,078,477</b>

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	0	0	0	0	1	1	2
\$5M - \$9,999,999	0	1	0	0	0	1	2
\$1M - \$4,999,999	12	17	5	18	10	9	71
\$100,000 - \$999,999	81	117	27	142	65	62	494
\$50,000 - \$99,999	64	86	12	72	41	36	311
\$25,000 - \$49,999	71	97	19	76	37	31	331
\$10,000 - \$24,999	316	390	27	180	62	53	1,028
\$5,000 - \$9,999	631	620	24	194	33	47	1,549
\$2,000 - \$4,999	2,030	2,042	23	333	42	77	4,547
\$1,000 - \$1,999	2,951	3,323	26	342	40	56	6,738
\$500 - \$999	3,690	3,850	4	361	22	42	7,969
\$250 - \$499	4,249	4,762	1	362	18	38	9,430
\$100 - \$249	12,252	16,048	4	526	35	79	28,944
\$1 - \$99	23,634	23,496	1	423	21	92	47,667
<b>Total</b>	<b>49,981</b>	<b>54,849</b>	<b>173</b>	<b>3,029</b>	<b>427</b>	<b>624</b>	<b>109,083</b>

## 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	19,109	3,576	18.71%	2,279	11.93%
Arts and Sciences	145,069	21,030	14.50%	6,553	4.52%
Business School	37,913	7,343	19.37%	2,345	6.19%
Built Environments	8,096	1,410	17.42%	576	7.11%
Dentistry	4,501	1,237	27.48%	722	16.04%
Education	18,944	3,494	18.44%	620	3.27%
Engineering	32,856	4,994	15.20%	2,374	7.23%
Evans School of Public Affairs	2,394	529	22.10%	189	7.89%
Forest Resources	4,601	713	15.50%	329	7.15%
Interdisc. Grad. Programs	1,719	261	15.18%		
Interdisc. Undergrad. Programs	247	27	10.93%		
Interschool Programs	493	74	15.01%		
Information School	4,516	932	20.64%	395	8.75%
Law	7,755	1,792	23.11%	987	12.73%
School of Nursing	8,661	1,804	20.83%	944	10.90%
Ocean & Fisheries	4,038	681	16.86%	335	8.30%
Pharmacy	3,529	895	25.36%	594	16.83%
Public Health	4,465	803	17.98%	288	6.45%
Social Work	6,428	972	15.12%	427	6.64%
UW Bothell	6,635	799	12.04%	253	3.81%
UW Tacoma	7,685	793	10.32%	305	3.97%
Unspecified	11,813	2,160	18.28%		
ALL UW TOTAL	314,219	49,981	15.91%		

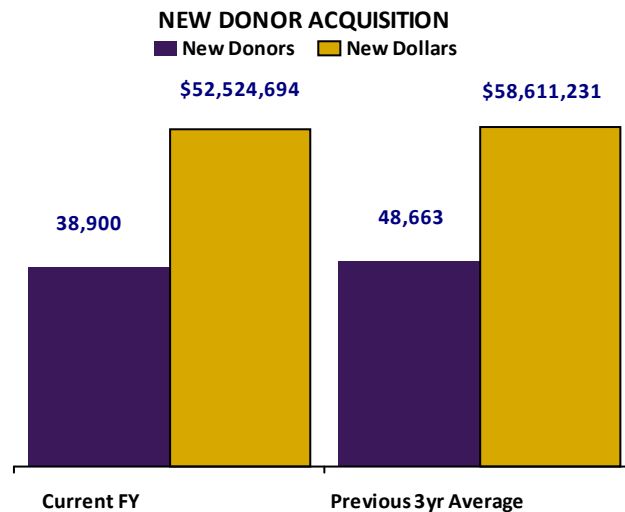


## ALUMNI PARTICIPATION BY CONSTITUENCY (PREVIOUS FISCAL YEAR)

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	PFY Final
UW Medicine	18,010	3,822	21.22%	3,822	21.22%	2,243	12.45%	2,243	12.45%
Arts and Sciences	141,595	23,047	16.28%	23,047	16.28%	5,948	4.20%	5,948	4.20%
Business School	37,430	8,231	21.99%	8,231	21.99%	2,559	6.84%	2,559	6.84%
Built Environments	7,965	1,563	19.62%	1,563	19.62%	617	7.75%	617	7.75%
Dentistry	4,579	1,215	26.53%	1,215	26.53%	627	13.69%	627	13.69%
Education	18,902	3,870	20.47%	3,870	20.47%	589	3.12%	589	3.12%
Engineering	32,393	5,569	17.19%	5,569	17.19%	2,310	7.13%	2,310	7.13%
Evans School of Public Affairs	2,329	619	26.58%	619	26.58%	190	8.16%	190	8.16%
Forest Resources	4,603	801	17.40%	801	17.40%	324	7.04%	324	7.04%
Interdisc. Grad. Programs	1,622	293	18.06%	293	18.06%				
Interdisc. Undergrad. Programs	225	22	9.78%	22	9.78%				
Interschool Programs	453	70	15.45%	70	15.45%				
Information School	4,370	1,004	22.97%	1,004	22.97%	405	9.27%	405	9.27%
Law	7,780	1,942	24.96%	1,942	24.96%	1,086	13.96%	1,086	13.96%
School of Nursing	8,598	1,980	23.03%	1,980	23.03%	1,018	11.84%	1,018	11.84%
Ocean & Fisheries	3,911	788	20.15%	788	20.15%	331	8.46%	331	8.46%
Pharmacy	3,426	997	29.10%	997	29.10%	648	18.91%	648	18.91%
Public Health	4,318	793	18.36%	793	18.36%	276	6.39%	276	6.39%
Social Work	6,404	1,105	17.25%	1,105	17.25%	496	7.75%	496	7.75%
UW Bothell	6,084	873	14.35%	873	14.35%	224	3.68%	224	3.68%
UW Tacoma	7,003	927	13.24%	927	13.24%	313	4.47%	313	4.47%
Unspecified	10,866	2,433	22.39%	2,433	22.39%				
ALL UW TOTAL	305,971	55,089	18.00%	55,089	18.00%				

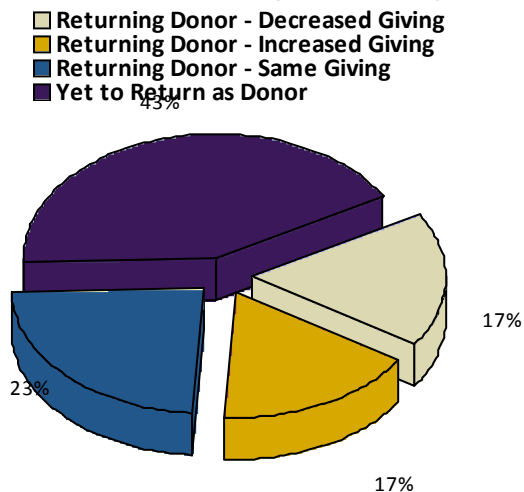


## KEY PERFORMANCE INDICATORS



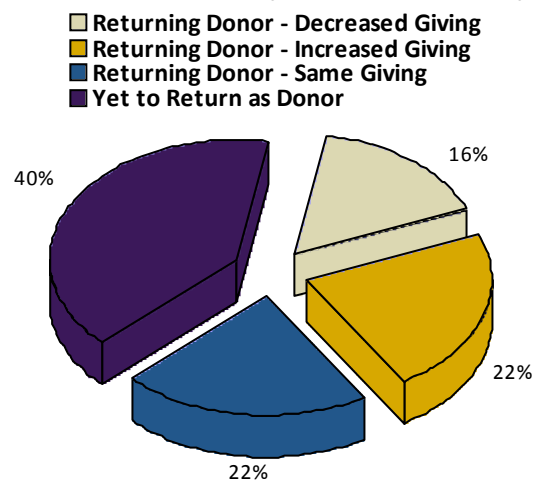
	New Donors	New Dollars
Current FY	38,900	\$52,524,694
Previous 3yr Average	48,663	\$58,611,231

### DONOR RETENTION (CURRENT FY)



	Donors	Dollars
Returning Donor - Decreased Giving	21,181	\$54,460,618
Returning Donor - Increased Giving	20,536	\$207,086,001
Returning Donor - Same Giving	28,466	\$10,007,164
Yet to Return as Donor	51,272	

### DONOR RETENTION (PREVIOUS 3YR AVG)



	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\_s09071  
 REPORT OF CONTRIBUTIONS, UNIVERSITY OF WASHINGTON June 2009

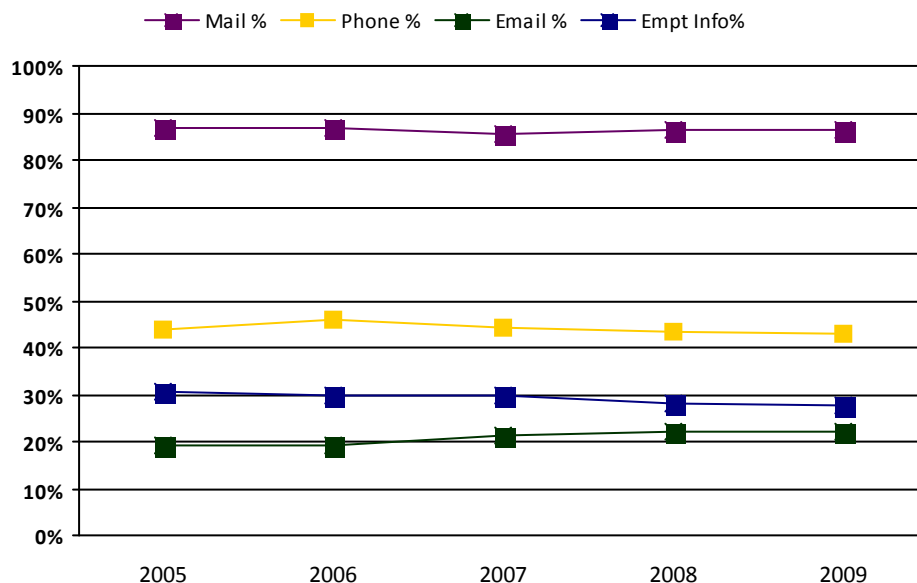
All Areas

F-5.1/209-09  
 9/17/09

## STATE OF THE DATABASE

School	Alumni	Friends	Total	Mailable	Mail %	Phonable	Phone %	Emailable	Email %	Emp Info	Emp %
UW Medicine	23,049	31,524	54,573	49,928	91.49%	29,835	54.67%	12,162	22.29%	16,950	31.06%
Arts and Sciences	181,019	16,355	197,374	165,205	83.70%	77,431	39.23%	46,384	23.50%	52,654	26.68%
Broadcast Services	0	37,182	37,182	33,758	90.79%	15,191	40.86%	4,750	12.77%	6,614	17.79%
Built Environments	9,597	1,599	11,196	9,929	88.68%	5,293	47.28%	2,755	24.61%	4,285	38.27%
Business School	47,105	3,490	50,595	42,560	84.12%	22,045	43.57%	14,772	29.20%	21,592	42.68%
Dentistry	5,112	1,457	6,569	6,071	92.42%	3,932	59.86%	1,848	28.13%	2,033	30.95%
Education	25,405	2,168	27,573	21,145	76.69%	11,345	41.15%	3,951	14.33%	7,934	28.77%
Engineering	41,356	3,587	44,943	37,011	82.35%	18,807	41.85%	10,440	23.23%	16,933	37.68%
Environment	0	3,002	3,002	2,881	95.97%	2,272	75.68%	1,048	34.91%	1,226	40.84%
Evans School of Public Affairs	2,824	469	3,293	3,065	93.08%	1,857	56.39%	1,567	47.59%	1,777	53.96%
Forest Resources	5,680	0	5,680	4,556	80.21%	2,314	40.74%	1,228	21.62%	2,251	39.63%
Graduate School	2,015	904	2,919	2,709	92.81%	1,787	61.22%	1,300	44.54%	1,359	46.56%
Information School	5,844	361	6,205	5,129	82.66%	3,260	52.54%	1,703	27.45%	2,621	42.24%
Intercollegiate Athletics	0	8,238	8,238	8,106	98.40%	6,424	77.98%	3,633	44.10%	3,380	41.03%
Law	8,958	1,550	10,508	9,520	90.60%	5,219	49.67%	4,263	40.57%	4,698	44.71%
Libraries	0	11,179	11,179	10,837	96.94%	9,338	83.53%	2,766	24.74%	2,135	19.10%
Minority Affairs	0	939	939	920	97.98%	726	77.32%	480	51.12%	527	56.12%
Nursing	10,880	1,333	12,213	10,086	82.58%	5,740	47.00%	2,694	22.06%	4,753	38.92%
Ocean and Fishery Sciences	4,960	540	5,500	4,621	84.02%	2,388	43.42%	1,229	22.35%	2,161	39.29%
Pharmacy	4,256	732	4,988	4,317	86.55%	2,520	50.52%	1,349	27.04%	2,227	44.65%
President's Funds	0	3,653	3,653	3,592	98.33%	2,934	80.32%	1,242	34.00%	1,942	53.16%
Public Health	5,221	769	5,990	5,433	90.70%	3,072	51.29%	2,377	39.68%	2,771	46.26%
Social Work	7,913	734	8,647	7,370	85.23%	3,566	41.24%	1,684	19.47%	2,915	33.71%
Student Affairs	0	8,757	8,757	8,615	98.38%	6,894	78.73%	3,202	36.57%	3,917	44.73%
Undergraduate Academic Affairs	0	989	989	962	97.27%	770	77.86%	467	47.22%	407	41.15%
University Press	0	566	566	545	96.29%	400	70.67%	209	36.93%	222	39.22%
UW Alumni Association	0	38,521	38,521	37,510	97.38%	25,192	65.40%	18,468	47.94%	15,056	39.09%
UW Bothell	7,851	826	8,677	8,100	93.35%	4,307	49.64%	3,062	35.29%	1,500	17.29%
UW Tacoma	9,138	828	9,966	9,270	93.02%	4,992	50.09%	3,125	31.36%	1,410	14.15%
Other University Support	930	5,833	6,763	6,454	95.43%	4,894	72.36%	3,122	46.16%	1,721	25.45%
Unspecified School	16,644	0	16,644	11,436	68.71%	6,386	38.37%	1,879	11.29%	3,730	22.41%
No Degree\Gift Affiliation	0	275,476	275,476	246,189	89.37%	150,203	54.52%	26,946	9.78%	48,550	17.62%
<b>Total</b>	<b>393,708</b>	<b>376,263</b>	<b>769,971</b>	<b>664,737</b>	<b>86.33%</b>	<b>363,263</b>	<b>47.18%</b>	<b>133,824</b>	<b>17.38%</b>	<b>186,330</b>	<b>24.20%</b>

## Database Trends





UNIVERSITY of WASHINGTON | *Foundation*

# Report of Contributions

All Areas

July 2009

Report By: University Advancement, Advancement Services, Information Management

## ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month				Year to Date			
	Gifts	Grants	Total	Donors <sup>1</sup>	Gifts	Grants	Total	Donors
UW Medicine	\$2,104,081	\$21,360,920	\$23,465,001	2,331	\$2,104,081	\$21,360,920	\$23,465,001	2,331
Arts and Sciences	\$957,359	\$908,514	\$1,865,873	1,053	\$957,359	\$908,514	\$1,865,873	1,053
Broadcast Services	\$113,297	\$0	\$113,297	273	\$113,297	\$0	\$113,297	273
Built Environments	\$9,522	\$2,500	\$12,022	39	\$9,522	\$2,500	\$12,022	39
Business School	\$433,658	\$0	\$433,658	199	\$433,658	\$0	\$433,658	199
Dentistry	\$43,216	\$0	\$43,216	99	\$43,216	\$0	\$43,216	99
Education	\$217,706	\$455,827	\$673,533	384	\$217,706	\$455,827	\$673,533	384
Engineering	\$1,280,155	\$405,436	\$1,685,591	153	\$1,280,155	\$405,436	\$1,685,591	153
Environment	\$199,532	\$9,967	\$209,499	81	\$199,532	\$9,967	\$209,499	81
Evans School of Public Affairs	\$21,370	\$0	\$21,370	33	\$21,370	\$0	\$21,370	33
Forest Resources	\$0	\$0	\$0	0	\$0	\$0	\$0	0
Graduate School	\$65,992	\$0	\$65,992	24	\$65,992	\$0	\$65,992	24
Information School	\$19,184	\$75,000	\$94,184	33	\$19,184	\$75,000	\$94,184	33
Intercollegiate Athletics	\$1,887,844	\$0	\$1,887,844	1,878	\$1,887,844	\$0	\$1,887,844	1,878
Law	\$28,741	\$0	\$28,741	100	\$28,741	\$0	\$28,741	100
Libraries	\$45,866	\$0	\$45,866	674	\$45,866	\$0	\$45,866	674
Minority Affairs	\$4,556	\$0	\$4,556	127	\$4,556	\$0	\$4,556	127
Nursing	\$217,990	\$0	\$217,990	78	\$217,990	\$0	\$217,990	78
Ocean and Fishery Sciences	\$14,147	\$1,660,031	\$1,674,178	41	\$14,147	\$1,660,031	\$1,674,178	41
Pharmacy	\$163,263	\$185,100	\$348,363	52	\$163,263	\$185,100	\$348,363	52
President's Funds	\$55,760	\$0	\$55,760	50	\$55,760	\$0	\$55,760	50
Public Health	\$17,762	\$243,257	\$261,019	113	\$17,762	\$243,257	\$261,019	113
Social Work	\$1,336	\$0	\$1,336	14	\$1,336	\$0	\$1,336	14
Student Affairs	\$155,160	\$0	\$155,160	142	\$155,160	\$0	\$155,160	142
Undergraduate Academic Affairs	\$22,405	\$0	\$22,405	82	\$22,405	\$0	\$22,405	82
University Press	\$11,750	\$0	\$11,750	13	\$11,750	\$0	\$11,750	13
UW Alumni Association	\$70,655	\$0	\$70,655	1,546	\$70,655	\$0	\$70,655	1,546
UW Bothell	\$46,345	\$0	\$46,345	69	\$46,345	\$0	\$46,345	69
UW Tacoma	\$93,083	\$0	\$93,083	146	\$93,083	\$0	\$93,083	146
Other University Support	\$25,010	\$226,331	\$251,341	153	\$25,010	\$226,331	\$251,341	153
<b>Total</b>	<b>\$8,326,748</b>	<b>\$25,532,883</b>	<b>\$33,859,631</b>	<b>9,585</b>	<b>\$8,326,748</b>	<b>\$25,532,883</b>	<b>\$33,859,631</b>	<b>9,585</b>

## MONTHLY HIGHLIGHTS

The UW received \$33.86M in total private voluntary support (\$8.33M in gifts and \$25.53M in grants) in the current month.

Areas including UW Medicine, Arts and Sciences, Built Environments, Education, Engineering, Graduate School, Intercollegiate Athletics, Ocean and Fishery Sciences, Pharmacy, UW Bothell and UW Tacoma are ahead of last year's year-to-date totals.

<sup>1</sup> 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.

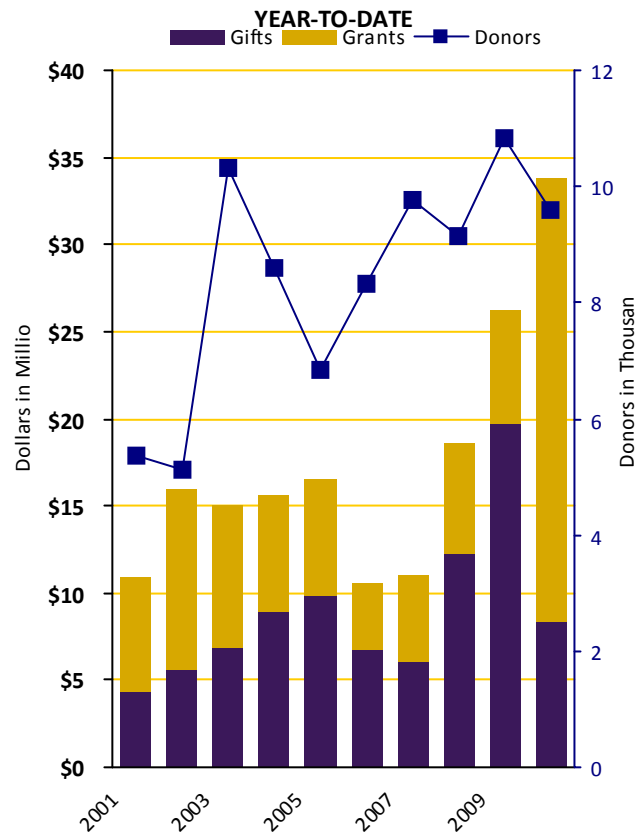
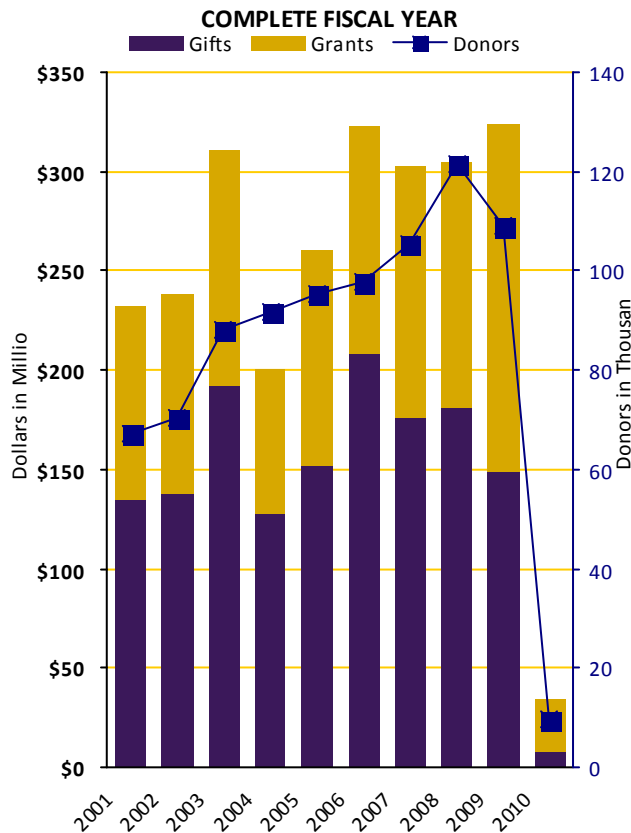


## DEVELOPMENT SUMMARY BY CONSTITUENCY

School	Current Month		Year to Date		Prior Year to Date		Prior Year Total	
	Total	Donors	Total	Donors	Total	Donors	Total	Donors
UW Medicine	\$23,465,001	2,331	\$23,465,001	2,331	\$7,469,672	2,103	\$156,190,821	16,799
Arts and Sciences	\$1,865,873	1,053	\$1,865,873	1,053	\$828,447	1,020	\$25,589,815	14,817
Broadcast Services	\$113,297	273	\$113,297	273	\$198,980	1,019	\$4,427,717	16,191
Built Environments	\$12,022	39	\$12,022	39	\$5,977	30	\$2,127,643	1,341
Business School	\$433,658	199	\$433,658	199	\$6,986,874	194	\$25,381,696	4,210
Dentistry	\$43,216	99	\$43,216	99	\$101,875	110	\$2,541,366	1,584
Education	\$673,533	384	\$673,533	384	\$210,034	178	\$3,724,956	1,667
Engineering	\$1,685,591	153	\$1,685,591	153	\$1,339,088	209	\$18,855,120	4,260
Environment	\$209,499	81	\$209,499	81	\$4,309,994	3	\$4,679,781	27
Evans School of Public Affairs	\$21,370	33	\$21,370	33	\$326,681	55	\$2,718,803	480
Forest Resources	\$0	0	\$0	0	\$134,284	28	\$3,451,299	1,096
Graduate School	\$65,992	24	\$65,992	24	\$810	21	\$1,602,622	324
Information School	\$94,184	33	\$94,184	33	\$174,210	36	\$1,679,278	609
Intercollegiate Athletics	\$1,887,844	1,878	\$1,887,844	1,878	\$1,883,337	2,392	\$15,659,243	23,317
Law	\$28,741	100	\$28,741	100	\$185,506	76	\$2,665,941	1,935
Libraries	\$45,866	674	\$45,866	674	\$138,865	500	\$1,171,951	5,280
Minority Affairs	\$4,556	127	\$4,556	127	\$9,313	114	\$388,492	511
Nursing	\$217,990	78	\$217,990	78	\$419,513	116	\$3,549,704	1,678
Ocean and Fishery Sciences	\$1,674,178	41	\$1,674,178	41	\$283,580	79	\$10,157,709	740
Pharmacy	\$348,363	52	\$348,363	52	\$241,602	62	\$2,098,248	1,034
President's Funds	\$55,760	50	\$55,760	50	\$26,032	144	\$5,761,734	1,691
Public Health	\$261,019	113	\$261,019	113	\$365,726	90	\$15,492,932	792
Social Work	\$1,336	14	\$1,336	14	\$12,870	32	\$1,289,956	700
Student Affairs	\$155,160	142	\$155,160	142	\$190,814	203	\$2,906,525	3,000
Undergraduate Academic Affairs	\$22,405	82	\$22,405	82	\$26,869	57	\$424,576	353
University Press	\$11,750	13	\$11,750	13	\$57,479	18	\$219,219	167
UW Alumni Association	\$70,655	1,546	\$70,655	1,546	\$85,959	1,724	\$1,001,508	19,763
UW Bothell	\$46,345	69	\$46,345	69	\$21,250	64	\$2,229,545	592
UW Tacoma	\$93,083	146	\$93,083	146	\$56,477	104	\$3,656,827	792
Other University Support	\$251,341	153	\$251,341	153	\$183,456	643	\$2,433,450	2,220
<b>Total <sup>1</sup></b>	<b>\$33,859,631</b>	<b>9,585</b>	<b>\$33,859,631</b>	<b>9,585</b>	<b>\$26,275,572</b>	<b>10,830</b>	<b>\$324,078,477</b>	<b>109,083</b>

<sup>1</sup> 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	\$8,326,748	\$25,532,883	\$33,859,631	9,585	\$8,326,748	\$25,532,883	\$33,859,631	9,585
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$19,758,240	\$6,517,332	\$26,275,572	10,830
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$12,303,834	\$6,270,004	\$18,573,838	9,144
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$6,104,593	\$4,871,560	\$10,976,153	9,761
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$6,786,483	\$3,717,811	\$10,504,294	8,309
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$9,875,987	\$6,685,340	\$16,561,327	6,859
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$8,901,929	\$6,715,497	\$15,617,426	8,609
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$6,831,294	\$8,171,344	\$15,002,638	10,320
2001-2002	\$137,959,340	\$100,820,547	\$238,779,887	70,560	\$5,624,131	\$10,295,482	\$15,919,613	5,117
2000-2001	\$134,797,642	\$97,112,979	\$231,910,621	67,307	\$4,369,463	\$6,476,390	\$10,845,853	5,358

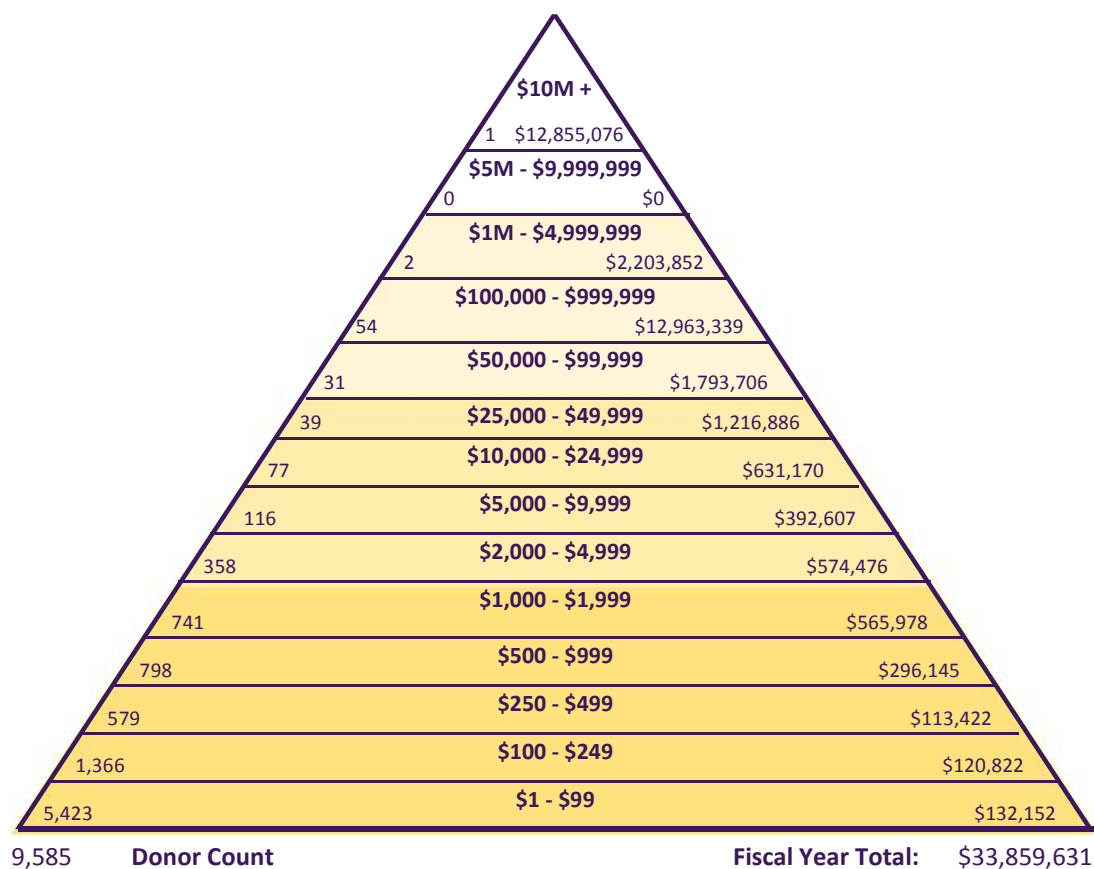
## ANNUAL FUNDING THEME PROGRESS

Theme	Year to Date		
	Current Use	Endowment	Total
Student Support	\$462,390	\$630,389	\$1,092,779
Faculty Support	\$1,673,100	\$249,491	\$1,922,592
Program Support for Faculty and Students	\$27,266,884	\$572,454	\$27,839,338
Capital	\$148,505	\$0	\$148,505
Excellence Funds	\$2,849,407	\$7,011	\$2,856,418
<b>Total</b>	<b>\$32,400,286</b>	<b>\$1,459,345</b>	<b>\$33,859,631</b>

## DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors	Total	Donors	Total
Alumni	4,933	\$2,038,258	5,527	\$6,290,714	49,981	\$40,529,614
Corporations	225	\$6,033,863	285	\$4,108,244	3,029	\$79,017,981
Family Foundations	19	\$730,617	21	\$1,305,246	173	\$15,996,206
Foundations	61	\$17,246,055	76	\$3,020,736	427	\$83,293,447
Non-Alumni	4,273	\$1,626,904	4,847	\$7,432,013	54,849	\$41,916,304
Organizations	74	\$6,183,933	78	\$4,118,619	624	\$63,324,926
<b>Total</b>	<b>9,585</b>	<b>\$33,859,631</b>	<b>10,834</b>	<b>\$26,275,572</b>	<b>109,083</b>	<b>\$324,078,477</b>

## DEVELOPMENT ACTIVITY PYRAMID



## ANNUAL PROGRESS BY GIVING LEVEL

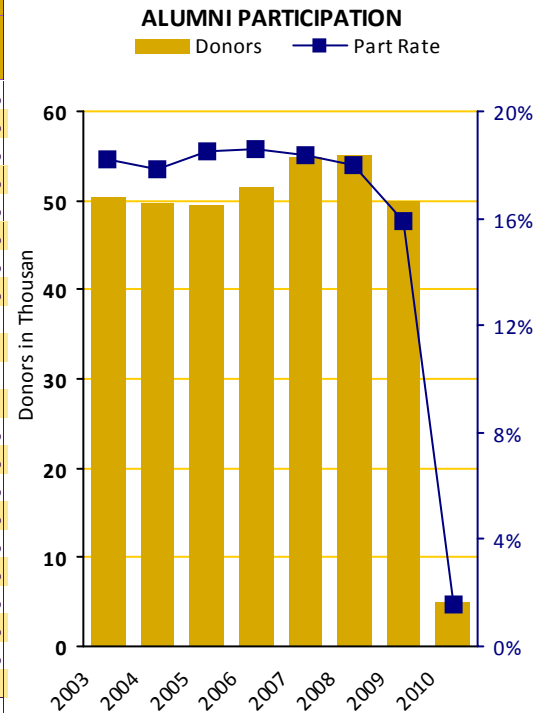
Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	\$0	\$0	\$0	\$0	\$12,855,076	\$0	\$12,855,076
\$5M - \$9,999,999	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$1M - \$4,999,999	\$0	\$0	\$0	\$0	\$0	\$2,203,852	\$2,203,852
\$100,000 - \$999,999	\$601,120	\$359,180	\$455,000	\$4,787,149	\$3,589,952	\$3,170,938	\$12,963,339
\$50,000 - \$99,999	\$142,737	\$132,554	\$100,000	\$591,699	\$532,335	\$294,381	\$1,793,706
\$25,000 - \$49,999	\$108,227	\$184,167	\$119,731	\$263,295	\$165,025	\$376,440	\$1,216,886
\$10,000 - \$24,999	\$112,920	\$168,115	\$40,000	\$189,860	\$51,444	\$68,832	\$631,170
\$5,000 - \$9,999	\$125,213	\$120,437	\$11,000	\$77,093	\$34,360	\$24,503	\$392,607
\$2,000 - \$4,999	\$285,419	\$183,709	\$0	\$62,902	\$9,800	\$32,645	\$574,476
\$1,000 - \$1,999	\$312,578	\$205,962	\$4,686	\$32,188	\$3,125	\$7,440	\$565,978
\$500 - \$999	\$142,868	\$127,223	\$0	\$19,003	\$3,540	\$3,511	\$296,145
\$250 - \$499	\$61,954	\$44,026	\$0	\$5,685	\$840	\$918	\$113,422
\$100 - \$249	\$63,924	\$52,310	\$200	\$3,755	\$348	\$285	\$120,822
\$1 - \$99	\$81,298	\$49,220	\$0	\$1,234	\$211	\$189	\$132,152
<b>Total</b>	<b>\$2,038,258</b>	<b>\$1,626,904</b>	<b>\$730,617</b>	<b>\$6,033,863</b>	<b>\$17,246,055</b>	<b>\$6,183,933</b>	<b>\$33,859,631</b>

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	0	0
\$1M - \$4,999,999	0	0	0	0	0	2	2
\$100,000 - \$999,999	3	7	3	18	12	11	54
\$50,000 - \$99,999	2	7	2	8	8	4	31
\$25,000 - \$49,999	3	10	3	7	6	10	39
\$10,000 - \$24,999	15	33	3	14	6	6	77
\$5,000 - \$9,999	42	49	2	13	6	4	116
\$2,000 - \$4,999	182	140	1	20	4	11	358
\$1,000 - \$1,999	378	326	3	25	3	6	741
\$500 - \$999	345	408	0	34	5	6	798
\$250 - \$499	288	265	0	21	2	3	579
\$100 - \$249	664	667	2	27	3	3	1,366
\$1 - \$99	3,011	2,361	0	38	5	8	5,423
<b>Total</b>	<b>4,933</b>	<b>4,273</b>	<b>19</b>	<b>225</b>	<b>61</b>	<b>74</b>	<b>9,585</b>



## ALUMNI PARTICIPATION BY CONSTITUENCY (CURRENT FISCAL YEAR)

Area	Solicitable	To UW		To Unit	
		Year to Date	Part Rate	Year to Date	Part Rate
Donors				Donors	Part Rate
UW Medicine	19,127	426	2.23%	242	1.27%
Arts and Sciences	146,824	2,344	1.60%	887	0.60%
Business School	38,262	693	1.81%	124	0.32%
Built Environments	8,184	114	1.39%	15	0.18%
Dentistry	4,540	118	2.60%	52	1.15%
Education	18,841	326	1.73%	21	0.11%
Engineering	32,965	362	1.10%	53	0.16%
Evans School of Public Affairs	2,496	57	2.28%	8	0.32%
Forest Resources	4,612	31	0.67%		
Interdisc. Grad. Programs	1,817	43	2.37%		
Interdisc. Undergrad. Programs	258	4	1.55%		
Interschool Programs	520	11	2.12%		
Information School	4,614	88	1.91%	14	0.30%
Law	7,905	173	2.19%	58	0.73%
School of Nursing	8,644	175	2.02%	32	0.37%
Ocean & Fisheries	4,076	48	1.18%	13	0.32%
Pharmacy	3,547	62	1.75%	20	0.56%
Public Health	4,580	113	2.47%	19	0.41%
Social Work	6,522	117	1.79%	6	0.09%
UW Bothell	6,995	121	1.73%	5	0.07%
UW Tacoma	8,050	109	1.35%	29	0.36%
Unspecified	11,600	204	1.76%		
ALL UW TOTAL	317,522	4,933	1.55%		



## 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	378	1.98%	3,576	18.71%	197	1.03%	2,279	11.93%
Arts and Sciences	145,069	2,471	1.70%	21,030	14.50%	411	0.28%	6,553	4.52%
Business School	37,913	772	2.04%	7,343	19.37%	86	0.23%	2,345	6.19%
Built Environments	8,096	123	1.52%	1,410	17.42%	13	0.16%	576	7.11%
Dentistry	4,501	136	3.02%	1,237	27.48%	51	1.13%	722	16.04%
Education	18,944	354	1.87%	3,494	18.44%	35	0.18%	620	3.27%
Engineering	32,856	401	1.22%	4,994	15.20%	73	0.22%	2,374	7.23%
Evans School of Public Affairs	2,394	70	2.92%	529	22.10%	13	0.54%	189	7.89%
Forest Resources	4,601	49	1.06%	713	15.50%	6	0.13%	329	7.15%
Interdisc. Grad. Programs	1,719	38	2.21%	261	15.18%				
Interdisc. Undergrad. Programs	247	6	2.43%	27	10.93%				
Interschool Programs	493	9	1.83%	74	15.01%				
Information School	4,516	99	2.19%	932	20.64%	14	0.31%	395	8.75%
Law	7,755	139	1.79%	1,792	23.11%	34	0.44%	987	12.73%
School of Nursing	8,661	202	2.33%	1,804	20.83%	42	0.48%	944	10.90%
Ocean & Fisheries	4,038	57	1.41%	681	16.86%	20	0.50%	335	8.30%
Pharmacy	3,529	72	2.04%	895	25.36%	28	0.79%	594	16.83%
Public Health	4,465	105	2.35%	803	17.98%	18	0.40%	288	6.45%
Social Work	6,428	120	1.87%	972	15.12%	17	0.26%	427	6.64%
UW Bothell	6,635	106	1.60%	799	12.04%	15	0.23%	253	3.81%
UW Tacoma	7,685	93	1.21%	793	10.32%	29	0.38%	305	3.97%
Unspecified	11,813	201	1.70%	2,160	18.28%				
ALL UW TOTAL	314,219	5,225	1.66%	49,981	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 <sup>1</sup>	Member Donors	Alumni Giving	
				Members	Non Members
UW Medicine	19,127	1,991	150	7.53%	1.37%
Arts and Sciences	146,824	19,579	800	4.09%	0.73%
Business School	38,262	7,441	334	4.49%	0.61%
Built Environments	8,184	1,167	36	3.08%	0.60%
Dentistry	4,540	1,034	73	7.06%	0.71%
Education	18,841	3,149	137	4.35%	0.68%
Engineering	32,965	4,664	118	2.53%	0.43%
Evans School of Public Affairs	2,496	318	16	5.03%	1.38%
Forest Resources	4,612	667	17	2.55%	0.18%
Interdisc. Grad. Programs	1,817	173	9	5.20%	1.52%
Interdisc. Undergrad. Progra	258	24	1	4.17%	1.28%
Interschool Programs	520	52	2	3.85%	1.07%
Information School	4,614	802	31	3.87%	0.94%
Law	7,905	1,103	80	7.25%	0.90%
School of Nursing	8,644	1,399	53	3.79%	1.20%
Ocean & Fisheries	4,076	488	16	3.28%	0.45%
Pharmacy	3,547	652	27	4.14%	0.76%
Public Health	4,580	437	30	6.86%	1.71%
Social Work	6,522	642	33	5.14%	1.05%
UW Bothell	6,995	746	18	2.41%	0.86%
UW Tacoma	8,050	798	24	3.01%	0.58%
Unspecified	11,600	2,550	113	4.43%	0.53%
Non-Alumni		8,453	1,079	12.76%	
Total	317,522	55,520	3,015	5.43%	0.73%

## Alumni Demographics

The median age of a UWAA member is 56.

All 50 States and Washington D.C. are represented in the UWAA membership.

UWAA members live in 33 foreign countries.

## 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

## Activity Participation - Rolling 3 Year Total

School <sup>2</sup>	Previous Total	Current Total
UW Medicine		2,876
Arts and Science		8,837
Business School		4,142
Built Environments		746
Dentistry		1,669
Education		1,386
Engineering		1,801
Evans School of Public Affairs		440
Forest Resources		425
Graduate School		245
Interdisc. Grad. Programs		13
Interschool Programs		20
Information School		545
Law		1,404
Libraries		657
School of Nursing		654
Ocean & Fisheries		280
Pharmacy		320
Public Health		412
Social Work		565
UW Bothell		446
UW Tacoma		289
Unspecified		83

## Top 10 Membership by Class Year

Class Year	Participation
2009	13.58%
2008	7.71%
1959	6.39%
1957	5.98%
1961	5.81%
1956	5.73%
1958	5.57%
1952	5.44%
1962	5.40%
1954	5.38%

Class Year	Population
2009	1,074
2008	827
2007	532
2006	468
2005	467
2004	420
1972	363
1977	354
1981	340
1973	338
2003	338

<sup>1</sup> Members include paid Annual Member, Lifetime Members, and TPC Level Donors

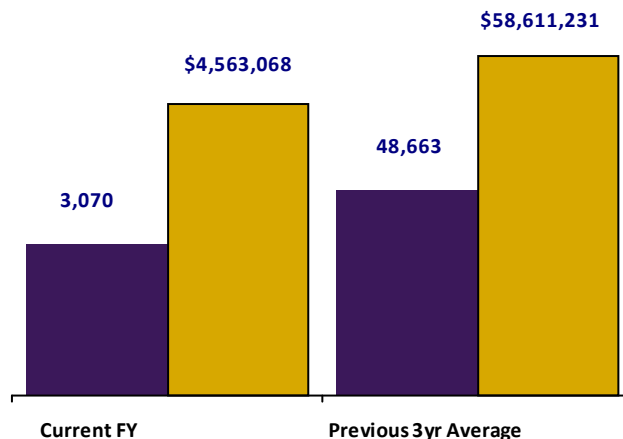
<sup>2</sup> Activity is based on positive RSVP, host, speaker, or participant at a unit event.

Source: University Advancement, Information Management Report # devrpts\_s09081

## KEY PERFORMANCE INDICATORS

### NEW DONOR ACQUISITION

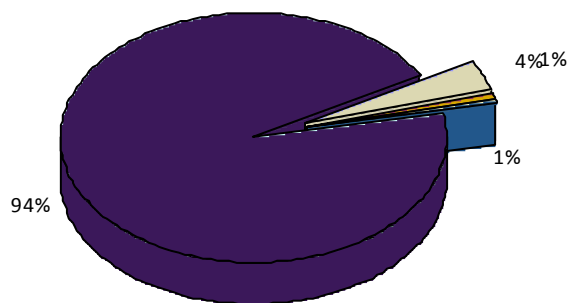
■ New Donors ■ New Dollars



	New Donors	New Dollars
Current FY	3,070	\$4,563,068
Previous 3yr Average	48,663	\$58,611,231

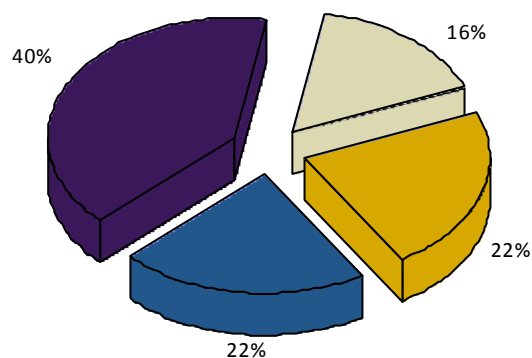
### DONOR RETENTION (CURRENT FY)

■ Returning Donor - Decreased Giving  
■ Returning Donor - Increased Giving  
■ Returning Donor - Same Giving  
■ Yet to Return as Donor



### DONOR RETENTION (PREVIOUS 3YR AVG)

■ Returning Donor - Decreased Giving  
■ Returning Donor - Increased Giving  
■ Returning Donor - Same Giving  
■ Yet to Return as Donor



	Donors	Dollars
Returning Donor - Decreased Giving	4,765	\$23,362,988
Returning Donor - Increased Giving	926	\$5,279,031
Returning Donor - Same Giving	824	\$654,544
Yet to Return as Donor	114,926	

	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\_s09081

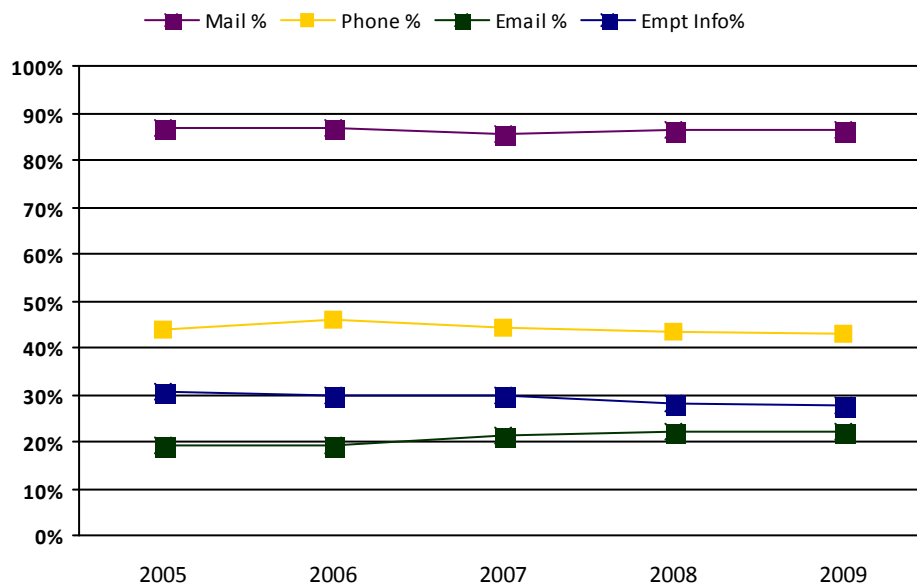
REPORT OF CONTRIBUTIONS, UNIVERSITY OF WASHINGTON July 2009

All Areas

## STATE OF THE DATABASE

School	Alumni	Friends	Total	Mailable	Mail %	Phonable	Phone %	Emailable	Email %	Emp Info	Emp %
UW Medicine	23,049	31,524	54,573	49,928	91.49%	29,835	54.67%	12,162	22.29%	16,950	31.06%
Arts and Sciences	181,019	16,355	197,374	165,205	83.70%	77,431	39.23%	46,384	23.50%	52,654	26.68%
Broadcast Services	0	37,182	37,182	33,758	90.79%	15,191	40.86%	4,750	12.77%	6,614	17.79%
Built Environments	9,597	1,599	11,196	9,929	88.68%	5,293	47.28%	2,755	24.61%	4,285	38.27%
Business School	47,105	3,490	50,595	42,560	84.12%	22,045	43.57%	14,772	29.20%	21,592	42.68%
Dentistry	5,112	1,457	6,569	6,071	92.42%	3,932	59.86%	1,848	28.13%	2,033	30.95%
Education	25,405	2,168	27,573	21,145	76.69%	11,345	41.15%	3,951	14.33%	7,934	28.77%
Engineering	41,356	3,587	44,943	37,011	82.35%	18,807	41.85%	10,440	23.23%	16,933	37.68%
Environment	0	3,002	3,002	2,881	95.97%	2,272	75.68%	1,048	34.91%	1,226	40.84%
Evans School of Public Affairs	2,824	469	3,293	3,065	93.08%	1,857	56.39%	1,567	47.59%	1,777	53.96%
Forest Resources	5,680	0	5,680	4,556	80.21%	2,314	40.74%	1,228	21.62%	2,251	39.63%
Graduate School	2,015	904	2,919	2,709	92.81%	1,787	61.22%	1,300	44.54%	1,359	46.56%
Information School	5,844	361	6,205	5,129	82.66%	3,260	52.54%	1,703	27.45%	2,621	42.24%
Intercollegiate Athletics	0	8,238	8,238	8,106	98.40%	6,424	77.98%	3,633	44.10%	3,380	41.03%
Law	8,958	1,550	10,508	9,520	90.60%	5,219	49.67%	4,263	40.57%	4,698	44.71%
Libraries	0	11,179	11,179	10,837	96.94%	9,338	83.53%	2,766	24.74%	2,135	19.10%
Minority Affairs	0	939	939	920	97.98%	726	77.32%	480	51.12%	527	56.12%
Nursing	10,880	1,333	12,213	10,086	82.58%	5,740	47.00%	2,694	22.06%	4,753	38.92%
Ocean and Fishery Sciences	4,960	540	5,500	4,621	84.02%	2,388	43.42%	1,229	22.35%	2,161	39.29%
Pharmacy	4,256	732	4,988	4,317	86.55%	2,520	50.52%	1,349	27.04%	2,227	44.65%
President's Funds	0	3,653	3,653	3,592	98.33%	2,934	80.32%	1,242	34.00%	1,942	53.16%
Public Health	5,221	769	5,990	5,433	90.70%	3,072	51.29%	2,377	39.68%	2,771	46.26%
Social Work	7,913	734	8,647	7,370	85.23%	3,566	41.24%	1,684	19.47%	2,915	33.71%
Student Affairs	0	8,757	8,757	8,615	98.38%	6,894	78.73%	3,202	36.57%	3,917	44.73%
Undergraduate Academic Affairs	0	989	989	962	97.27%	770	77.86%	467	47.22%	407	41.15%
University Press	0	566	566	545	96.29%	400	70.67%	209	36.93%	222	39.22%
UW Alumni Association	0	38,521	38,521	37,510	97.38%	25,192	65.40%	18,468	47.94%	15,056	39.09%
UW Bothell	7,851	826	8,677	8,100	93.35%	4,307	49.64%	3,062	35.29%	1,500	17.29%
UW Tacoma	9,138	828	9,966	9,270	93.02%	4,992	50.09%	3,125	31.36%	1,410	14.15%
Other University Support	930	5,833	6,763	6,454	95.43%	4,894	72.36%	3,122	46.16%	1,721	25.45%
Unspecified School	16,644	0	16,644	11,436	68.71%	6,386	38.37%	1,879	11.29%	3,730	22.41%
No Degree\Gift Affiliation	0	275,476	275,476	246,189	89.37%	150,203	54.52%	26,946	9.78%	48,550	17.62%
<b>Total</b>	<b>393,708</b>	<b>376,263</b>	<b>769,971</b>	<b>664,737</b>	<b>86.33%</b>	<b>363,263</b>	<b>47.18%</b>	<b>133,824</b>	<b>17.38%</b>	<b>186,330</b>	<b>24.20%</b>

## Database Trends



**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 Executive Vice President in Executive Order No. 1, to take action for projects or contracts that exceed \$1,000,000 in value or cost but are less than \$5,000,000, the Administration may approve and execute all instruments.

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY –  
CAPITAL PROJECT BUDGETS

1. Magnuson Health Sciences Center BB-Wing 8<sup>th</sup> and 9<sup>th</sup> Floor Department of  
Rehabilitation Medicine Renovation Project No. 202525  
Action Reported: Award Construction Contract

On July 7, 2009, a construction contract was awarded to BNBuilders, Inc. of Seattle, Washington, in the amount of \$526,646.00 for the Magnuson Health Sciences Center (MHSC) BB-Wing 8<sup>th</sup> and 9<sup>th</sup> Floor Department of Rehabilitation Medicine Renovation, Project No. 202525. Twelve bids were received for this project; the highest bid was \$669,658. The budgeted construction cost was \$640,620.

BNBuilders, Inc. is a general contractor specializing in biotech, healthcare, public, education, and office commercial. BNBuilders, Inc. has successfully completed a BSL3 Lab project at the 3000 Western Building and is currently working on four other projects at the University: MHSC J1/J2-Microbiology Renovation, MHSC 4<sup>th</sup> Floor Surgery Renovation, ACC JISAO/POE/COE Move-in, and UWMC EA210 Blood Services Lab.

This project is part of a multi-phased renovation project. The master project consists of an upgrade of the Department of Rehabilitation Medicine, located on the eighth and ninth floors of the Magnuson Health Sciences Center BB-Wing, and the ninth floor of the Medical Center CC-Wing. The intent of the renovation is to create a state-of-the-art research, education and office environment for faculty, staff and students who are currently housed in outdated and inadequate facilities.

The original budget for the project was established at \$1,600,000 and reduced during the design phase to \$1,265,000 to reflect a reduction in the anticipated funding as reported in May 2009.

Consultant Services costs are proportionally higher due to the schematic design being completed based on the higher original budget and larger scope. Construction document design fees were decreased to reflect the reduction in budget, but favorable bids resulted

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 2)

in additional savings. The furniture budget has been increased due to the favorable bid results.

Construction activities began in August, 2009. Completion is anticipated in December 2009 for occupancy in early January 2010.

The project funding of \$1,265,000 is being funded from the following sources:

\$1,215,000      07-09 Biennium School of Medicine funds  
\$ 50,000      Health Sciences Facilities Maintenance funds

<b>Budget Summary</b>	<b>Current Approved Budget</b>	<b>Forecast Cost to Complete</b>
Total Consultant Services	\$182,806	\$182,466
Total Construction Cost*	\$862,211	\$747,048
Equipment and Furniture	\$87,166	\$179,512
Other Costs	\$31,209	\$ 54,366
Project Administration	\$101,608	\$101,608
<b>Total Project Budget</b>	<b>\$1,265,000</b>	<b>\$1,265,000</b>

\*Includes construction contract amount, contingencies and state sales tax.

2. Academic Computing Center (ACC) Joint Institute for the Study of the Atmosphere and Ocean (JISAO), Program on the Environment (POE), and College on the Environment (COE) Move Project No. 202572  
Action Reported: Award Construction Contract

On June 18, 2009, a construction contract was awarded to BNBuilders, Inc. of Seattle, Washington, in the amount of \$384,961 for the ACC JISAO/POE/COE move, Project No. 202572. Thirteen bids were received for this project. The highest bid was \$561,805. The budgeted construction cost was \$419,736.

BNBuilders, Inc. is a general contractor specializing in biotech, healthcare, public, education, and office commercial. BNBuilders, Inc. has successfully completed a BSL3 Lab project at the 3000 Western Building and is currently working on the four other projects at the University which include MHSC J1/J2-Microbiology Renovation, MHSC 4<sup>th</sup> Floor Surgery Renovation, HSC BB Tower 8<sup>th</sup> & 9<sup>th</sup> Floor Rehabilitation Medicine Remodel, and UWMC EA210 Blood Services Lab.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 3)

The project scope is to remodel the existing ACC Building to accommodate the new College of the Environment. The college includes JISAO, Program on the Environment, and the dean's office suite. The scope of work includes renovation to 5,115 sf of the 14,000 sf building.

Consultant services costs reflect client scope development requests and evaluation of options during the design phase, and support of early move-in of JISAO into the ACC.

Construction activities began in August, 2009. Completion is anticipated in December 2009, for occupancy in December 2010.

The project budget is established at \$1,190,330. Funding of \$1,190,386 is provided from the following sources:

\$169,286	2007-2009 biennium Central Funds
\$583,000	2007-2009 biennium Undergrad Acad. Services Program Renewal Funds
\$383,100	2007-2009 biennium Office of Research Program Renewal Funds
\$ 55,000	2007-2009 biennium College of Environment Program Renewal Funds

Budget Summary	Current Approved Budget	Forecast Cost to Complete
Total Consultant Services	\$128,794	\$152,614
Total Construction Cost*	\$631,294	\$595,154
Equipment & Furnishing	\$167,159	\$167,811
Other Costs	\$149,103	\$148,836
Project Administration	\$113,980	\$113,980
<b>Total Project Budget</b>	<b>\$1,190,330</b>	<b>\$1,178,395</b>

\* Includes construction contract amount, contingencies and state sales tax.

#### REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY – ACQUISITION OF GOODS AND SERVICES

##### 1. The UW Institute of Learning and Brain Sciences Action Reported: Purchase of a Magnetoencephalography (MEG) System

The UW Institute for Learning and Brain Sciences has purchased a magnetoencephalography (MEG) system consisting of equipment, associated electronics and a magnetically shielded room. MEG is a non-invasive, safe and noiseless tool for localizing brain activity in time and space in awake, behaving children and adults. This cutting edge equipment will be the core of the new UW

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Actions Taken Under Delegated Authority (continued p. 4)

Child Brain Imaging Center, a regional resource devoted to the understanding of brain function underlying learning in both typically developing and disordered populations. The UW MEG system will be one of only a few dozen such machines in the country.

Elekta Neuromag won the bid for the MEG system based on responses to an RFP specifying the detailed requirements for the system. The system plus 5-years of technical support was purchased for \$1,930,000 plus Washington State sales tax. UW participates in a national pricing organization that compares new quotations to recent purchases by other institutions. The pricing for this system was competitive and considered fair and reasonable.

Funding for this purchase was obtained through a grant from the Washington State Life Sciences Discovery Fund, UW and private donations.



VII. STANDING COMMITTEES

B. Finance Audit and Facilities Committee

Metropolitan Tract Performance Report for the Quarter Ended June 30, 2009

For information only.

*Attachment*

# **METROPOLITAN TRACT**

## **PERFORMANCE REPORT**

**For the Quarter Ended  
June 30, 2009**

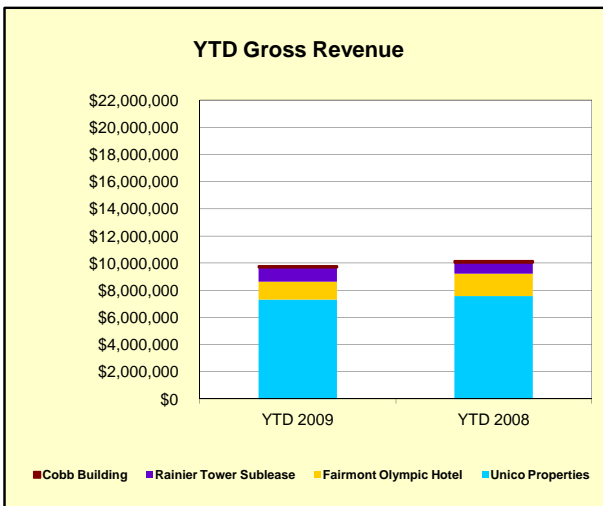
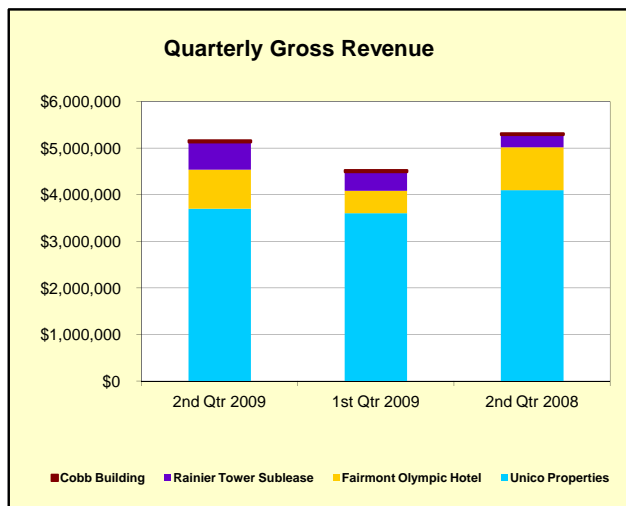


**Finance, Audit & Facilities Committee**

September 17, 2009

University of Washington Metropolitan Tract

**CONSOLIDATED METROPOLITAN TRACT PROPERTIES**  
**Quarterly Summary**  
**Quarter Ending June 30, 2009**



CURRENT QUARTER							
Gross Revenue to University	2nd Qtr 2009	Prior Qtr 1st Qtr 2009	Prior Year 2nd Qtr 2008	Change from Prior Qtr		Change from Prior Year	
				\$	%	\$	%
Unico Properties	3,697,502	3,603,914	4,097,190	93,588	2.6%	(399,688)	(9.8%)
Rainier Tower Sublease	589,329	410,209	266,874	179,120	43.7%	322,455	120.8%
Fairmont Olympic Hotel	841,680	478,344	921,853	363,336	76.0%	(80,173)	(8.7%)
Cobb Building	38,500	38,500	38,500	0	0.0%	0	0.0%
<b>TOTAL GROSS REVENUE</b>	<b>\$5,167,011</b>	<b>\$4,530,967</b>	<b>\$5,324,417</b>	<b>\$636,044</b>	<b>14.0%</b>	<b>(\$157,405)</b>	<b>(3.0%)</b>

	CALENDAR YEAR TO DATE				ANNUAL	
Gross Revenue to University	YTD 2009	YTD 2008	Change from Prior YTD		Projected 2009	Actual 2008
			\$	%		
Unico Properties	7,301,416	7,575,440	(274,025)	(3.6%)	16,261,201	14,554,378
Rainier Tower Sublease	1,075,873	821,756	254,116	30.9%	1,543,482	1,706,280
Fairmont Olympic Hotel	1,320,024	1,652,443	(332,419)	(20.1%)	3,197,140	3,587,295
Cobb Building	77,000	115,500	(38,500)	(33.3%)	154,000	154,000
<b>TOTAL GROSS REVENUE</b>	<b>\$9,774,312</b>	<b>\$10,165,139</b>	<b>(\$390,827)</b>	<b>(3.8%)</b>	<b>\$21,155,822</b>	<b>\$20,001,953</b>

12/31/08 INTERNAL VALUATION		
	YE 2008 Gross Market Value	YE 2007 Gross Market Value
Unico Managed Properties <sup>1</sup>	\$366,228,000	\$501,700,000
Fairmont Olympic Hotel	\$110,842,000	\$168,300,000
Cobb Building <sup>2</sup>	\$28,700,000	\$36,100,000
<b>TOTAL</b>	<b>\$505,770,000</b>	<b>\$706,100,000</b>

<sup>1</sup> Includes the Rainier Tower Sublease

<sup>2</sup> Represents UW's land value; not improvements

## **CONSOLIDATED METROPOLITAN TRACT PROPERTIES**

### **Quarterly Summary**

**Quarter Ending June 30, 2009**

#### **CONSOLIDATED METROPOLITAN TRACT SUMMARY**

The Metropolitan Tract generated \$5.1M of rent revenue for the University during the second quarter of 2009. When compared to the previous quarter, this is a 14% increase caused by better than expected sales at The Fairmont Olympic Hotel during April and May.

#### **UNICO PROPERTIES**

The second quarter's gross revenue from the Unico Properties was up 2.6% from the first quarter of 2009, generating just under \$3.7M. Office and Retail both saw an increase in revenue. Parking showed no change from first quarter due to it being a fixed revenue amount. This quarter to quarter increase is due primarily to a tenant's lease cancellation fee. Compared to the year-ago quarter, there was a decline of 9.8% with all contributors showing a loss in revenue. The slow economy has factored significantly into the sales seen by the retail sector. Year-to-date rent results also show a 3.6% decline over 2008.

#### **COBB BUILDING**

The variance in the Cobb Building rent is simply a timing issue where rent was received after the close of the month's books. There is no actual variance.

#### **RAINIER TOWER SUBLEASE**

The Rainier Tower Sublease generated \$589,329 in operating cash flow during the second quarter. The year to date increase from 2008 to 2009 can be attributed to additional expenses in 2008 related to the land valuation increase in the lease as well as scheduled rent increases in the subleases.

#### **FAIRMONT OLYMPIC HOTEL**

The second quarter of 2009 saw an increase of 76% over first quarter with a yield of \$841,680 to the University. Despite the much needed boost in sales, the hotel saw a revenue decrease of 8.7% when compared to 2008. The significant change in revenue during the second quarter is due in large part to the Spring/Summer seasonal increase expected in the hotel industry as well as the especially dismal first quarter. The revenue increase is also helped through the slight economic upturn being seen in the region.

Westmont has approached the University to consider a lease extension. The loan on the hotel matures in December of 2009 and absent an extension, Westmont is concerned that they may not be able to replace the financing. When coupled with the extremely tight lending markets, the remaining 30 year term is seen as a significant impediment to re-financing.

#### **INTERNAL VALUATION**

The numbers presented represent the overall value of the real estate as estimated by Heitman and Urbis Partners as of 12/31/08, but do not account for the leasehold encumbrances.

#### **MARKET UPDATE**

##### **OFFICE MARKET**

The Seattle office market continues to show the signs of a weakened economy. The amount of unoccupied space continues to climb, with the major submarkets seeing vacancy rates above 14%. Several buildings opened during the second quarter of 2009, releasing over 1.8M square feet of space into the market. Microsoft filled a significant portion of that with their move into 1.1M square feet at The Bravern in Bellevue. The West 8th and 7th & Madison buildings also opened, with very little of their space pre-leased. Thanks to Microsoft, the region saw over 200,000 square feet of positive absorption for the second quarter, but this is predicted to be the last quarter seeing this kind of increase for a very long time. Rental rates continue to drop, with Class A space going for about \$32.00 per square foot. Despite the amount of available space and the continual drop in rental rates, local businesses are still very cautious about expansion.

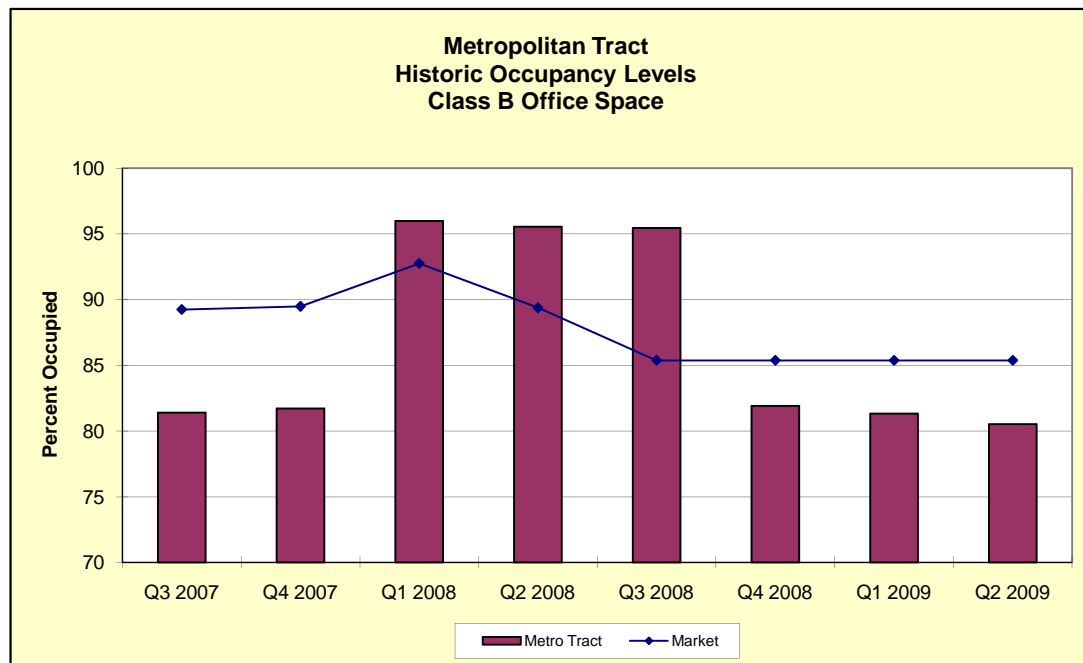
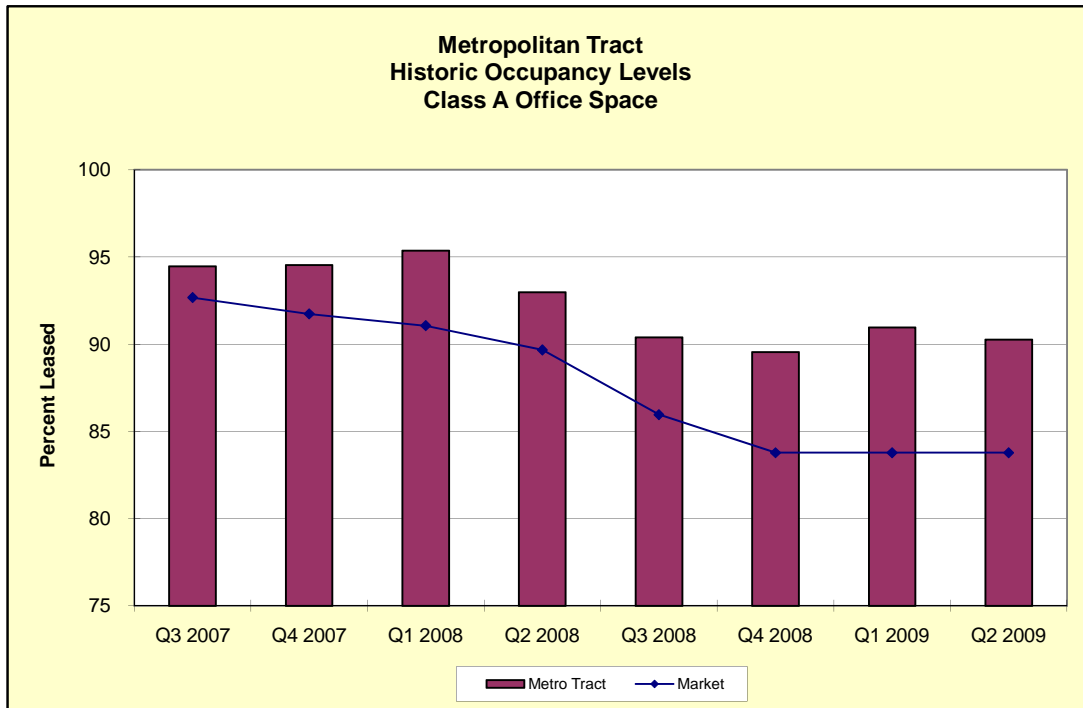
##### **HOTEL MARKET**

The summer months typically signal the start of travel season, allowing the industry to see an increase in activity across all sectors. With the economy still stabilizing, would-be travelers are saving every penny they earn and few are spending any extras on vacations. The new trend has been to encourage a stay-cation, with travel happening within miles of home to save on cost. Despite this twist on the expected getaway, places close to the Seattle area are still seeing lower than hoped for bookings. No part of the industry has remained safe from the declining financial effects. The tourist industry continues to be creative though, looking for new ways to attract business. The development side of the hotel industry has also suffered greatly. The Four Seasons Hotel and Olive 8 Hotel both opened to less than projected bookings at the end of 2008/early 2009. There are currently two mixed use projects that include hotels under construction; Alaska Building - Marriot at 2nd & Cherry and Hyatt Place Seattle at 6th & Denny. The only new hotel currently being planned for construction is a 42-story structure at 3rd Avenue & Virginia Street. Being developed by Tarragon Development it will hold 421 apartment units and 40 hotel units as well as ground level retail and underground parking.

University of Washington Metropolitan Tract

**OFFICE BUILDING OCCUPANCY COMPARISON CHARTS**

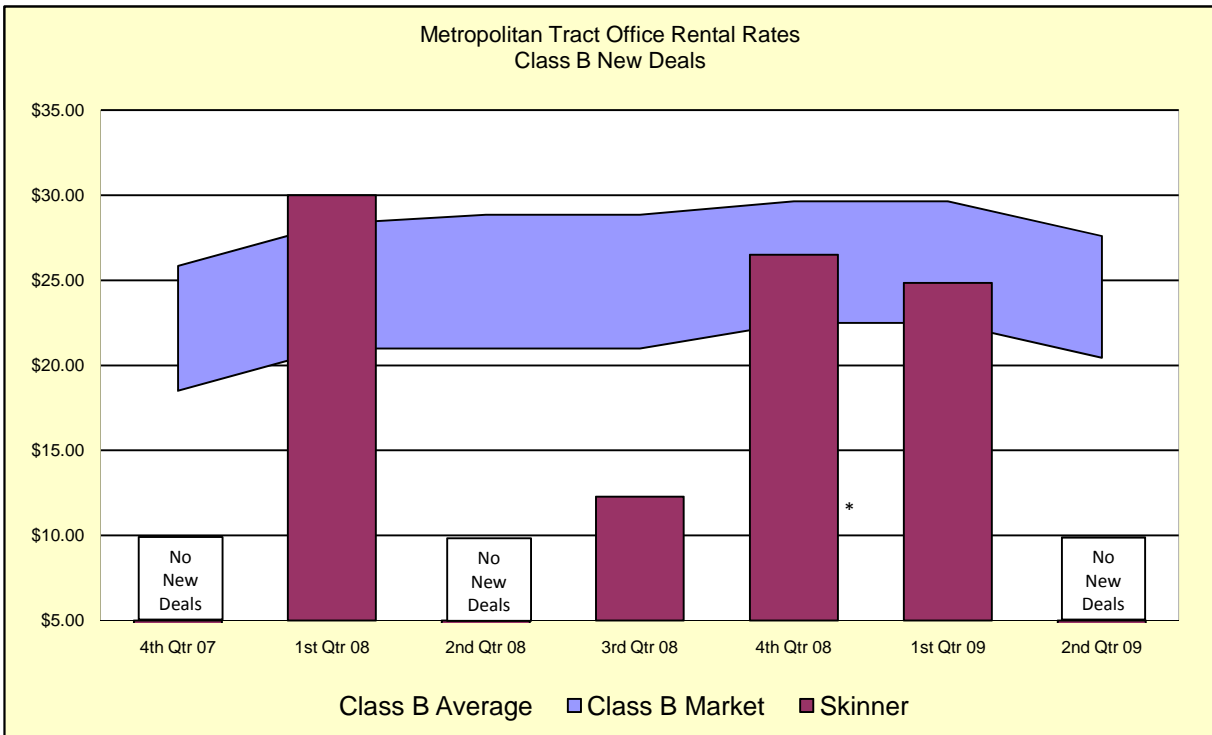
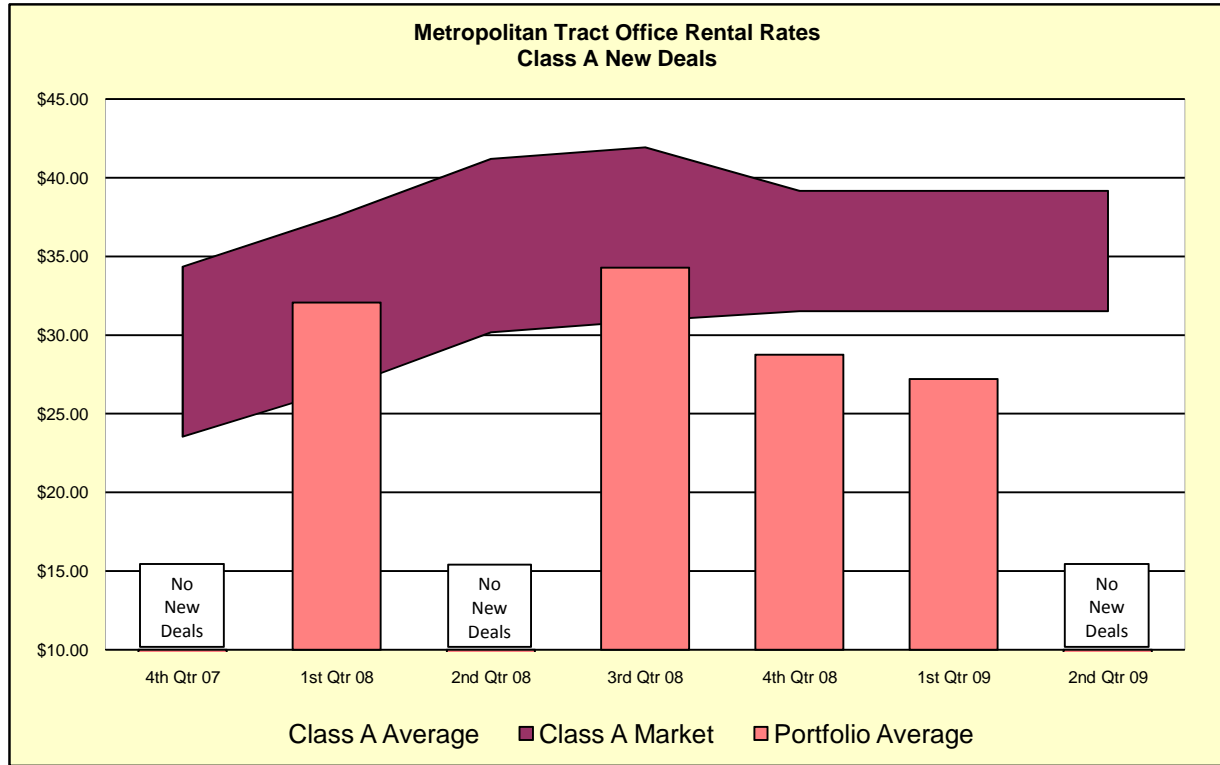
Last Eight Quarters  
Quarter Ending June 30, 2009



**OFFICE BUILDING RENTAL RATE COMPARISON**

Last Seven Quarters

Quarter Ending June 30, 2009

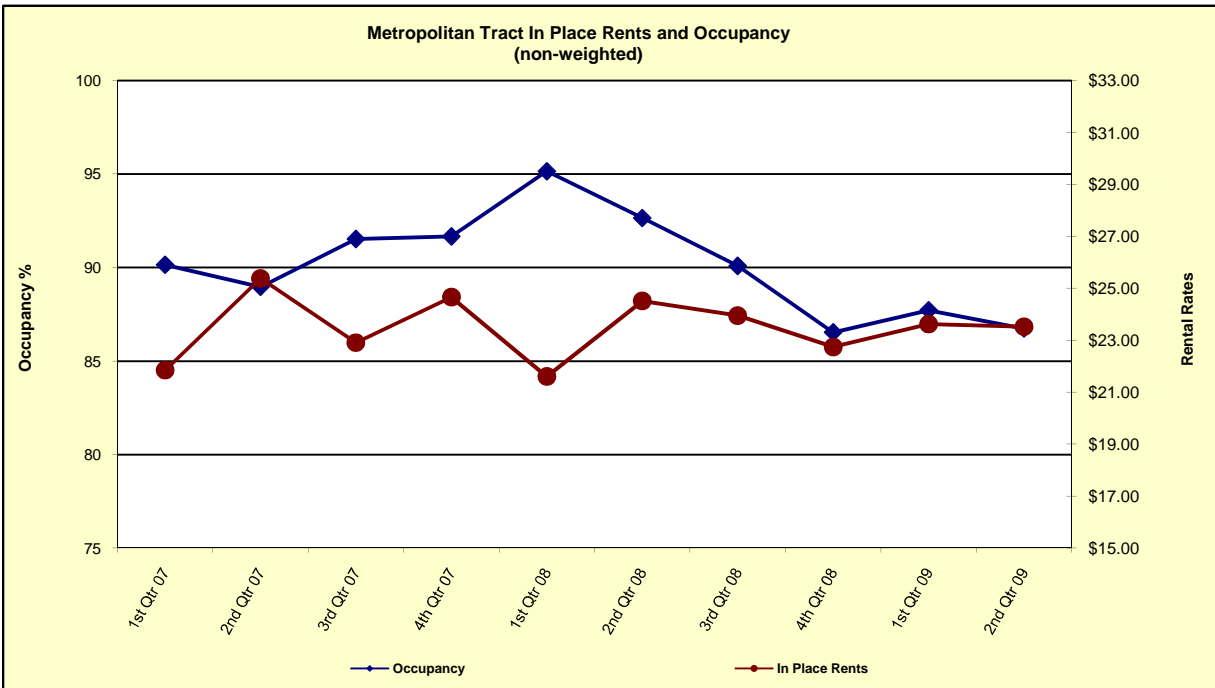


\* Completed deal for basement portion of 5th Avenue Theater

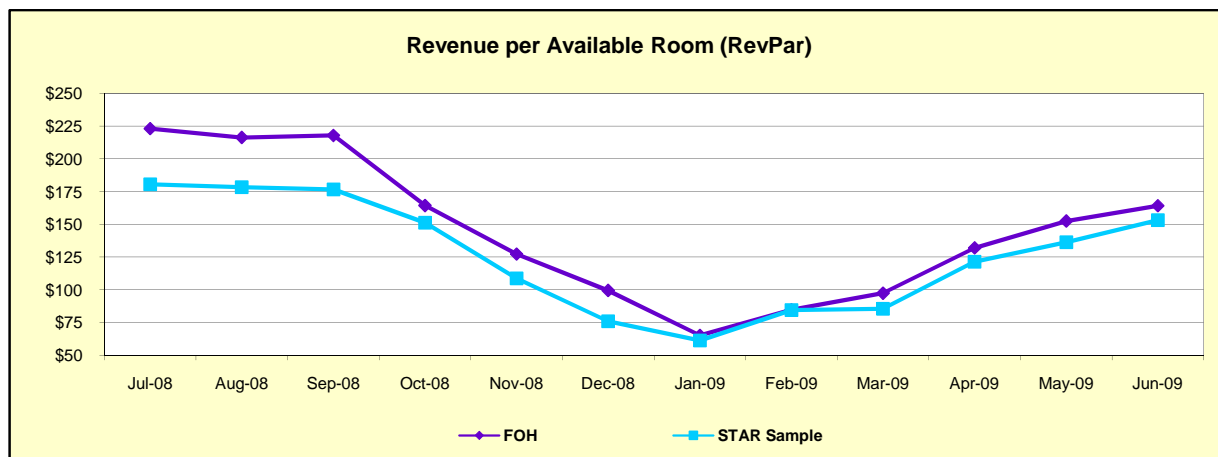
**OFFICE BUILDING RENTAL RATE COMPARISON**

Last 3 Years

Quarter Ending June 30, 2009

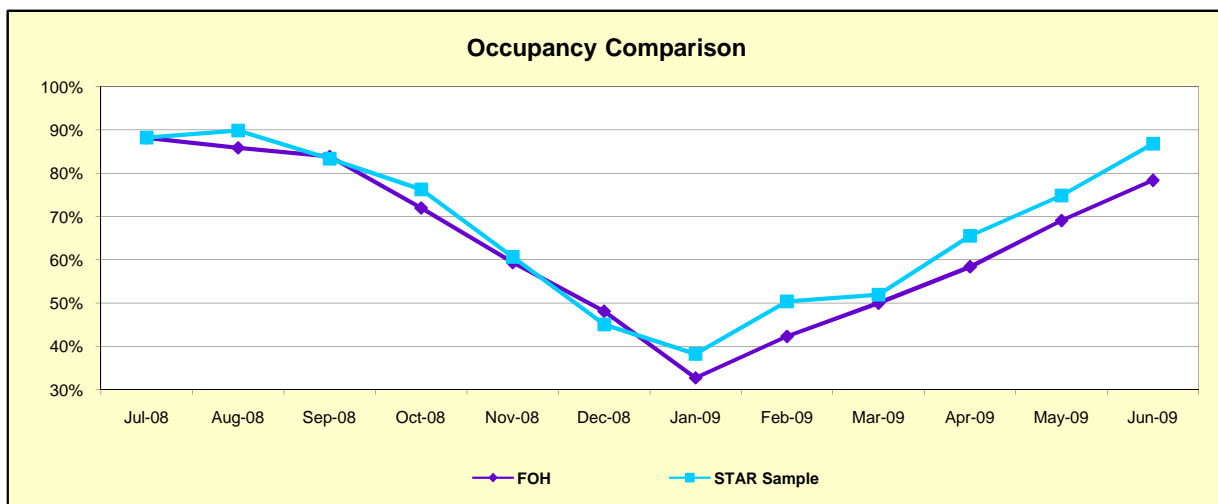


**FAIRMONT OLYMPIC HOTEL MARKET COMPARISONS**  
**Twelve Months Ended June 30, 2008**



RevPar 12-months Average	Jun-09	Jun-08	Change from Prior Year \$
FOH	\$145.43	\$160.51	(\$15.08)
STAR Sample Avg <1>	\$126.15	\$139.60	(\$13.45)

RevPar Current Month Ended	Jun-09	Jun-08	Change from Prior Year %
FOH	\$164.21	\$210.26	(\$46.05)
STAR Sample Avg <1>	\$153.09	\$173.00	(\$19.91)



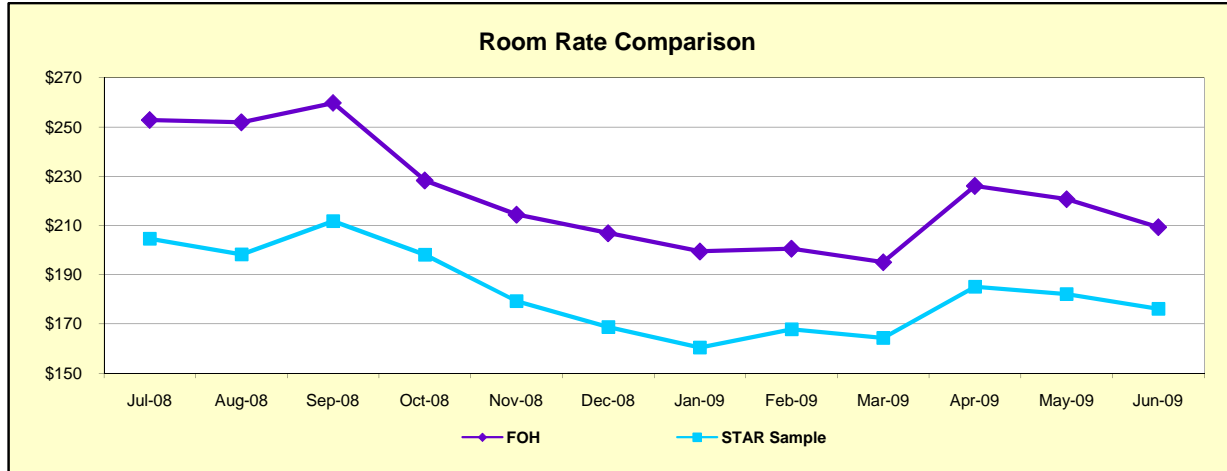
Occupancy 12-months Average	Jun-09	Jun-08	Change from Prior Year %
FOH	64.0%	68.7%	(4.7%)
STAR Sample Avg <1>	67.7%	71.5%	(3.9%)

Occupancy Current Month Ended	Jun-09	Jun-08	Change from Prior Year %
FOH	78.4%	84.8%	(6.4%)
STAR Sample Avg <1>	86.9%	85.0%	1.9%

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



**FAIRMONT OLYMPIC HOTEL MARKET COMPARISONS**  
**Twelve Months Ended June 30, 2008**



Average Daily Rate 12-months Average	Jun-09	Jun-08	Change from Prior Year \$
FOH	\$222.11	\$232.65	(\$10.55)
STAR Sample Avg <1>	\$183.02	\$193.52	(\$10.50)

Average Daily Rate Month Ended	Jun-09	Jun-08	Change from Prior Year \$
FOH	\$209.34	\$247.82	(\$38.48)
STAR Sample Avg <1>	\$176.13	\$203.47	(\$27.34)

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

**VII. STANDING COMMITTEES****B. Finance, Audit & Facilities Committee**Enterprise Risk ManagementINFORMATION:

Today's presentation will be a discussion about the University of Washington's activities related to Enterprise Risk Management ("ERM") and the role of the President's Advisory Committee on ERM. To queue up this presentation, we are providing you with the UW's 2008 ERM Annual Report and a recent report from the Association of Governing Boards of Universities and Colleges ("AGB") entitled "The State of Enterprise Risk Management at Colleges and Universities Today."

In the AGB report appendix, example 1 on page 25 is a chart adapted from one published in the UW's 2008 ERM Annual Report and shows an Occupational Health and Safety Risk Summary Picture of top risks. Example 2 on page 26 cites Pollution Risks and is excerpted from *Enterprise Risk Management Tools for Self Assessment*, a step-by-step guide created by the University of Washington.

*Attachments*

1. University of Washington 2008 Enterprise Risk Management Annual Report
2. "The State of Enterprise Risk Management at Colleges and Universities Today"
3. ERM Presentation
4. UW ARRA Newsletter: *UW Responds to American Recovery and Reinvestment Act*

# 2008 Annual Report



## University of Washington ENTERPRISE RISK MANAGEMENT

# University of Washington – Enterprise Risk Management

## University of Washington Memorandum

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Date: November 2008

To: President Mark Emmert

From: President's Advisory Committee on Enterprise Risk Management

Re: UW Enterprise Risk Management 2008 Annual Report

We are pleased to provide you with a report on the University's enterprise risk management accomplishments for 2007-08. An Executive Summary is provided, which highlights the phases of development our program has gone through, noting how these parallel what has happened nationally with enterprise risk management programs. Senior leadership, campus compliance officers, and teams from key departments have continued to engage in identifying top risks and determining what actions to take to improve our risk profile, be it compliance, financial, operational, or strategic.

Follow up with risk assessments completed in 2007 demonstrates how risk owners have taken responsibility to pursue possible risk mitigation plans in their respective areas, enabling us to create a scorecard to track further progress on all assessments as they are completed.

2009 plans call for broadening our base, by refocusing the Compliance Council on financial and operational risks in addition to its regulatory ones. The President's Advisory Committee has begun discussions of key strategic risks for the institution, and this will continue as we think about the mega-risks that can impact the University's long term success.

Thank you for your continuing interest and support for this work.

## *In Recognition and Appreciation*

Two of our colleagues who recently retired after many years of service to the University of Washington provided exceptional leadership in establishing our Enterprise Risk Management program.

Maureen Rhea – Executive Director of Internal Audit

Maureen was instrumental in formation of ERM and especially the Compliance Council. She led the Council as facilitator its first two years, establishing a forum where compliance experts from throughout the University could discuss issues of importance and share ways to improve institutional preparation and response to external requirements.

Karen VanDusen – Director of Environmental Health and Safety

Karen and her team see “risk management” as a core function in all the services they provide to campus clients. Karen set a record for participation on risk assessment teams, including serving as team leader on numerous occasions. She demonstrated how risk assessment could be used to help her management team identify its strategic priorities for the biennium, and has advocated the ERM approach and process both on campus and off.

Many thanks to both Maureen and Karen for their outstanding work on behalf of the UW and Enterprise Risk Management.

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## I. Introduction

With this second annual report on UW's enterprise risk management (ERM) program and accomplishments, it is a good time to reflect on the development of our program and compare it to the evolution of the industry.

The Compliance Phase A decade ago, the concept of managing risk in a formal, consistent, enterprise-wide manner was not widely applied in the business sector, and in higher education, it was scarcely discussed. The stunning 2001 collapse of Enron and the speedy passage of the Sarbanes-Oxley Act a year later was the impetus for the first phase of ERM. Boards of directors viewed ERM as a good way to organize an entity's compliance program and to identify the most significant weaknesses in financial controls. Here at UW in 2001, we were having some experiences of our own with compliance failures, some of which were quite costly, while others negatively impacted our reputation among our students, alumni and other stakeholders.

The Governance Phase By 2004, the attorneys general of several states were conducting investigations and filing lawsuits alleging excessive CEO pay, business conflicts of interest and consumer fraud. Various consultants and associations published models for risk assessment and treatment, some emphasizing top-down leadership and others promoting grassroots approaches. During this time, ERM emerged from being primarily a compliance-focused tool and became a systematic way to inform boards of directors about the financial, operational and strategic risks which could prevent an organization from achieving its objectives.

Around this time, several UW offices began to review the ERM literature and surveyed applications of the practice in higher education. In April of 2005, our new President, Mark Emmert formally charged V'Ella Warren, then-Vice President for Financial Management, and David Hodge, then-Dean of the College of Arts and Sciences, to identify best practices for managing regulatory affairs at the institutional level by using efficient and effective management techniques. We began a series of campus discussions with academic and administrative leaders about the management of risk across UW and recognized that a new layer of enforcement bureaucracy would not be accepted by the campuses; our model had to support the decentralized, entrepreneurial nature of our organization. A root cause analysis also informed us that our tendency to operate in information silos was at the heart of many of our compliance problems, and that the senior leadership did not receive truly comprehensive risk information.

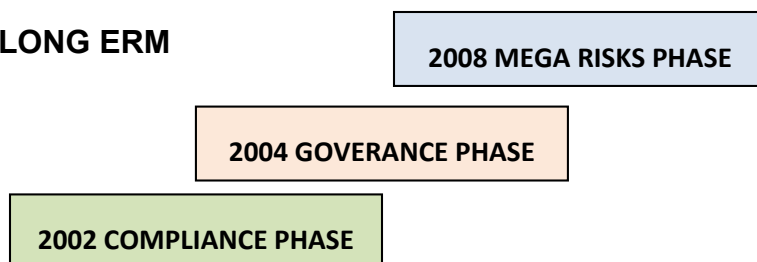
Further research into ERM models led to a decision to adopt a holistic approach which would integrate broad evaluation of risk and opportunity into enterprise-wide decision-making. Although not groundbreaking theoretically, we developed a practical and interactive model in which the results of methodical risk assessments would be discussed by a Compliance Council and a President's Advisory Committee on Enterprise Risk Management. The President chartered this model in the fall of 2006 and the processes began.

In the first years, a majority of the risk assessments and discussions were dedicated to reducing the institution's liability and raising the community's awareness of risk. Several important mitigation initiatives were funded as a result of this work. As the tools were refined, we realized the value of using them to assess various business opportunities.

The Mega-Risk Phase In 2008, ERM is again evolving, with an expanded focus on the mega-risks outside the control of any entity. The impacts of recession, the uncertainties of the global marketplace, energy shocks, demographic changes, technology vulnerabilities and many other uncontrollable elements are now among the variables an entity must consider in devising its risk strategy. Rapid assessment of the risks impacting various business models is a critical element of ERM in large companies today.

UW has also begun using ERM tools in new ways: to evaluate alternative methods of financing our mission-critical operations, such as patient care facilities; to streamline and organize our units' daily operations to strategically reduce risk; and to identify emerging mega-risks that will affect us in direct proportion to our preparedness to meet them. Agility is becoming the most valuable aspect of UW's ERM program as it continues to evolve.

## STEPS ALONG ERM



This year's reports highlights key accomplishments as ERM has grown throughout the University. A self-assessment toolkit is being shared with interested departments, to walk them through identifying top risks in their own operations and programs. UW's Chief Information Security Officer has taken risk assessments further, adapting the techniques to produce quarterly performance measures of security activities. Follow up on prior years' assessments has improved reporting metrics and enhanced documentation of controls for identified risks.

Recommendations for 2009 include raising the perspective to think about how mega-risks, such as extended financial crisis, may impact UW's ability to achieve its strategic goals. Improving resiliency in the University's operations is an exciting new challenge for the ERM processes. We will be using the ERM structure to address one of the institutional recommendations concerning the UW Technology business model. And our ERM program will be used in underwriting discussions with the financial rating agencies to help us maintain our credit rating. ERM continues to grow and be involved with new aspects of the University.



## II. In Their Own Words

With two years of experience with our enterprise risk management program, we asked members of the President's Advisory Committee and others to share their thoughts on what ERM means to them.

*"I think that the ERM process has been of great assistance in using a common metric and process to identify and address risks across a wide spectrum of the campus. Without this process/metric, it would be easier to overlook specific risks or to just attempt to deal with the risk that is in the forefront without a careful analysis of the whole picture. Also, it is easier to compare risks across a wide variety of units. In all, I think this continues to be an important and fruitful process."*

**Cathryn Booth-LaForce**, Professor, Family and Child Nursing, and Chair of Faculty Council on Research

*"As an ex officio member of the Compliance Council, [I started the year expressing that] 'compliance' was not necessarily a good word for faculty members; indeed, when I recently mentioned the culture of compliance to a colleague of mine, she said, 'that's terrible!' What lies behind such reactions, I think, is the high value faculty accord to personal autonomy. . . . The notion of a culture of compliance sounds like yet another extension of impersonal, corporate control, shrinking the arena of self-expression in favor of discipline and conformity."*

*". . . Having served on this Council now for nearly a year, I'm happy to report that you don't strike me as an especially grim group. . . . Indeed, I'm very impressed by the acumen and professionalism of the staff and administrators who are themselves coping with externally imposed—and enforced!—regulations. Over the last ten months, I've come to understand that you're not here to get in our way, but to make it possible for us faculty legally to conduct the work we came here to do. . . . It's equally important, however, for you to understand what it's like for faculty who are mostly just trying to make things happen so their work can go forward. . . ."*

*"To faculty, it can appear that somebody somewhere has made a rule that's making our lives crazy, no explanation is forthcoming, and nobody cares. I know that's not how we want it to be, and that compliance officers and staff are themselves struggling with difficult issues not of their making. . . . To put it positively: the main*

*point of these valedictory comments is that I've come to understand your situation, and I hope you understand ours. I hope that working together, we can try to spread such understanding further, so that we can make compliance—or whatever term you choose—less threatening to faculty and frustrating to staff.”*

**David Lovell**, Research Associate Professor, Psychosocial and Community Health, and 2007-08 Vice Chair, Faculty Senate



*“I think the ERM project has been very valuable. ERM is not a hard science, but it does bring a rational new discipline to identifying, weighing, and choosing among the categories of risks that inevitably face the institution. Without this rigor, it is easy to lose sight of the full range of risks and the tradeoffs involved in reducing the risks. The ERM process enables managers to assay substantial risk exposures with a common set of tools and to harmonize the standards and expectations for minimizing - and sometimes tolerating -- the downside of our activities.*

*“I think the goal in the coming year should be to increase the volume of programs and projects to which ERM protocols are applied. More complex, inter-departmental activities can be examined centrally while more individual departments can apply ERM techniques to review of matters that are managed entirely at their internal level.”*

**Jack Johnson**, Senior Assistant Attorney General

### III. 2009 Recommended Goals and Directions

ERM continues to build on an established base of processes and tools for identifying, assessing, mitigating, and monitoring significant risks. Potential areas of beneficial activity for the coming year are outlined below, referencing the **original seven recommendations** from 2006.

- A. Consider what external “mega-risks” may impact UW’s ability to achieve its strategic goals. As noted in the Introduction to this year’s report, uncontrollable elements such as recession, energy shocks and demographic changes are variables that every entity must consider in devising its risk strategy. We propose to use a mega-risks model (on next page) to engage the PACERM in discussions of how such risks may impact the University’s ability to achieve its five strategic goals. This will contribute to the original recommendation of:

**Recommendation 1. Integrate key risks into the decision-making deliberations of senior leaders and Regents.**

- B. New Charter for the Compliance-Operations-Finance (COFi) Council. A review of the University’s ERM efforts identified a need for the Council to go beyond a focus on compliance. The review concluded that the Council should expand its scope to include financial and operational risks. In August 2008 the Compliance Council name was changed to the Compliance, Operations, and Finance (COFi) Council to reflect this new focus. Goals for 2009 include:

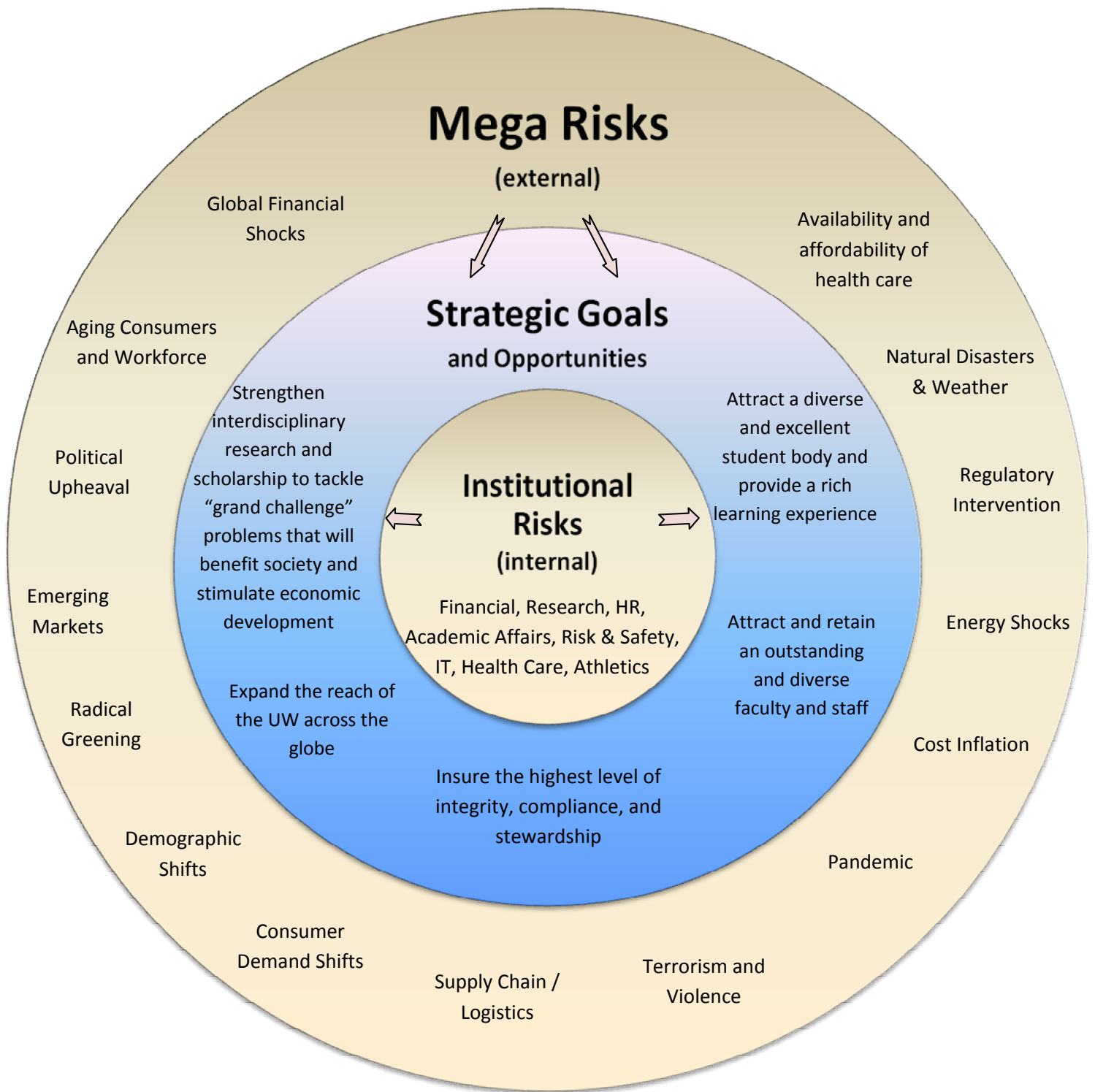
- Implement an anonymous reporting line and compliance web-site.
- Develop metrics for measuring and reporting achievements.
- Provide an open forum for identifying and assessing emerging risks.
- Continue to enhance and strengthen our culture of compliance.

This change in focus will address three of the original recommendations:

**Recommendation 2. Create an integrated, institution-wide approach to compliance which is consistent with best practice.**

**Recommendation 4. Create a safe way for interested parties to report problems.**

**Recommendation 5. Minimize surprises by identifying emerging compliance and risk issues.**



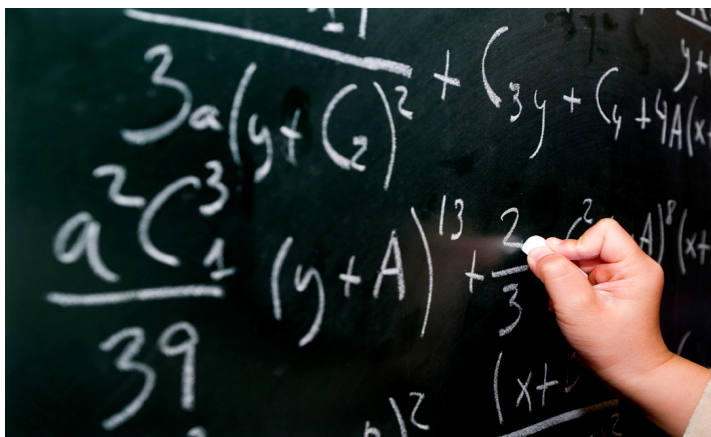
- C. Continue to build the ERM program with the Office of Risk Management. ERM webpages will be enhanced. The self-assessment toolkit will be widely distributed and departments supported in their use of it. We will continue to follow up with risk owners on the progress they make with mitigation plans, and expand the monitoring to include all of the completed comprehensive assessments. Using the model developed by CISO for its own performance metrics, we will develop an institutional level version that summarizes progress on all the key risk indicators. This addresses two more of the original recommendations:

**Recommendation 3. Ensure that good information is available for campus community.**

**Recommendation 7. Check progress on compliance and risk initiatives.**

- D. New audit leadership. The coming year will see the start of a new Executive Director for Audits, who will bring a new perspective on the use of enterprise risk management in identifying and assessing key institutional risks. That person will facilitate the COFi Council, and provide crucial guidance for our ERM program. This addresses another of the original recommendations:

**Recommendation 6. Maintain strong audit team with ability to proactively identify problems and collaboratively recommend solutions to appropriate decision-makers.**



## IV. 2008 Accomplishments

The original seven recommendations from the Collaborative Risk Management Final Report (February 13, 2006) form the outline of what has been accomplished this year.

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### **1. Integrate key risks into the decision-making deliberations of senior leaders and Regents.**

#### *Senior Leadership Engaged in ERM Priorities and Recommendations*

The President's Advisory Committee on Enterprise Risk Management (PACERM) continued its role of identifying top risk areas for comprehensive assessments. Follow up on key risk from last year, Safety of Students, demonstrated the effort that has gone into this important topic. Open discussion of emerging risks brought forward new ideas, including a priority for the coming year to look at the risk of failing to recruit and retain top talent.

#### *Compliance Updates for Board of Regents*

UW Medicine and the Department of Intercollegiate Athletics presented annual reports on their compliance programs, and ongoing efforts to minimize risks and address current issues.

#### *UW Medicine Patient Safety Initiatives Update*

UW Medicine-Harborview Medical Center (HMC), UW Medical Center (UWMC), UW Physicians Neighborhood Clinics (UWPN) and UW Physicians (UWP) continue to focus on Patient Safety and Quality of Care as the top priority, with several major steps towards accelerating the quality agenda that include:

- ✚ Meetings with the National Leapfrog group, implementation of Leapfrog standards for quality and safety which are built on Institute of Medicine and IHI goals, and overall improvement of the publically reported Leapfrog scores for both medical centers-HMC and UWMC.
- ✚ Commissioned the University HealthSystem Consortium (UHC) to complete a focused assessment of the patient safety and quality program that included interviews with staff, physicians, management and Board members. The medical centers are utilizing the summary findings to develop the FY 09 work plan for improvement.
- ✚ Participated in the centers for Medicaid/Medicare Services (CMS) publically reported measurements (HCAHPS score) of patient satisfaction with quality of care received.
- ✚ Funded and implemented additional training modules for graduate medical education resident training to increase the quality and safety of procedures.
- ✚ Engaged in UW Medicine Board and Harborview Board level discussion to define and develop Patient Safety and Quality of Care metrics for Board review.

### *FY2009 Investments in Integrity/Compliance/Stewardship*

Institutional investments in areas that have been included in ERM reviews include: \$1.19 million for research administration support [staffing in Sponsored Programs, Human Subjects review boards, Grant and Contract Accounting, and Environmental Health and Safety compliance monitoring]; \$1.8 million in administrative support [SAFE hotline, staffing in Human Resources, Internal Audit, and Information Management]; and \$3 million in administrative computing systems.

### *New Focus on Financial Risks*

Recognizing that ERM needs to expand beyond a focus on compliance, a proposal has been developed for PACERM approval to recharter the Compliance Council with an expanded scope to include financial and operational risks as well as compliance, to better respond to the full spectrum of risks and opportunities.

## **2. Create an integrated, institution-wide approach to compliance which is consistent with best practice.**

Compliance Council continued to build networks and understanding among institutional compliance officers. Conversations included identification of UW affiliates, termed “orbiting orgs”, being all the related entities who may affect University risk exposure in various ways. Differences in responsibilities between audit and a compliance office illustrated how the roles are different, yet related. See the full Compliance Council report beginning on page 26.

In 2007, the Council produced the first institutional compliance risk map. During this year, more than a third of Council members provided further information about their existing procedures, training, monitoring, and other controls which address their specific compliance risks. This information fills in the institutional Risk Register, documenting the efforts to achieve compliance.

The Office of the Chief Information Security Officer (CISO) took these efforts a step further, using risk identification and assessment as a basis for creating a program performance scorecard; this work is described beginning on page 28.

## **3. Ensure that good information is available for campus community.**

ERM’s standard processes for risk identification and assessment, using common rating scales for likelihood and impact, have been incorporated into a “self-assessment toolkit” with the intent of encouraging departments and units throughout the University to apply ERM to their own operations. The toolkit is discussed beginning on page 32, and the complete toolkit booklet is provided as an attachment to this report.

The ERM program has been assigned within the Office of Risk Management, which itself is now part of the Treasury Office. ERM webpages are available through the Risk Management website.

#### **4. Create a safe way for interested parties to report problems.**

##### *UW SafeCampus Update*

The Violence Prevention and Response Program, introduced in 2007, received permanent funding and is now staffed with a team experienced in violence prevention, victim advocacy and program management. Three SAFE phone lines operate 24 hours a day, seven days a week, serving the Seattle, Bothell and Tacoma campuses. Phone response staff helps callers clarify their concerns, identify immediate risk mitigation steps, connect callers with University or community resources, and arrange for follow-up as needed.

A SafeCampus public information campaign has been developed (for launch September 2008) to raise awareness of how violence can enter and affect our community, and of the University's policies and programs designed to prevent and respond to threats of violence. The campaign will center on publicizing violence prevention and response resources, policies, and training opportunities on the Seattle, Tacoma and Bothell campuses.

Other program developments, including the volume of services provided, are outlined in a progress report SafeCampus Progress Report/January 2008-August 2008 (see illustration #1 on page 16).

##### *Development of UW Reporting Line*

Additional work on determining how to establish an anonymous reporting line at UW included: meeting with two peer institutions to discuss how their reporting lines work; meeting with a few providers of reporting line services to understand the range of possibilities for this service; and discussions led by Internal Audit with senior leaders to identify questions they may have in how a reporting line may be implemented at UW.

#### **5. Minimize surprises by identifying emerging compliance and risk issues.**

Comprehensive risk statements were completed for the following priority topics:

- Occupational Health and Safety – Campus experts assessed general exposures, protection and training, systematic factors and costs that can impact the health and safety of faculty and staff.
- Privacy – Patient privacy officers identified and assessed key risks around the use and handling of confidential patient information.
- Cash Handling – Follow up to a state audit review, the assessment team looked at areas of potential loss for both central and campus units that handle and deposit cash.



- Animal Research Facilities Alternatives – Accreditation requirements determine the spaces suitable for conducting animal research; as pressures grow for such space, alternative investment options were considered for meeting the top risks.
- Southeast Campus Construction Impacts – The Sound Transit project is moving towards start of construction; this team brought together departments whose members and visitors/patients will be affected to identify key mitigation planning efforts.
- Cloud Computing Alternatives – Opportunities exist to use computing capacity and storage at large organizations, such as Google, to provide services for campus users at little or no cost; however, such remote and independently operated sites raise compliance concerns for privacy of student records, and ability to produce records when legally required to do so; this assessment looks at several alternatives which can be used to address those risks.

The top risk Summary Pictures for these assessments follow this report (see illustrations 2 to 7, beginning on page 18).

As noted above with the new focus on financial risks, the Compliance Council charter is proposed to add financial and operational risks. PACERM will enhance its strategic perspective, with discussions of “mega risks” that may impact UW; see 2009 Goals.

## **6. Maintain strong audit team with ability to proactively identify problems and collaboratively recommend solutions to appropriate decision-makers.**

The Internal Audit department was expanded from 9 to 15 audit staff. Audit teams were restructured and additional auditors were hired with expertise in research compliance and information technology. A separate audit team was established and responsibility for performing audits of UW Medicine was transferred to Internal Audit.

## **7. Check progress on compliance and risk initiatives.**

ERM followed up on progress by risk owners from the 2007 assessments, as to how they are addressing top risks. A format was developed to relate the original risk level with an updated risk level based on any mitigation in the past year. This model also identifies gaps between what the ideal risk level will be when mitigations are complete versus what the current level of risk is—a way for risk owners to think about priorities as they continue to manage their top risk areas. The progress reports are discussed further beginning on page 24.

## Validation Ratings

The following factors are considered in validating the level of analysis and risk ratings (likelihood and impact) for each completed risk summary picture (for reference with the risk summary pictures on pages 18 to 22).

	Basic Level	Intermediate Level	Advanced Level
<b>Quantitative Analysis</b>	Minimal data  Quantification of selected few risks, typically compliance or financial	Review of some UW data  Quantification of multiple risks, including operational risks	Analysis of UW data such a loss claims, EHS incident reports  Continuous feedback/ assessment of data
<b>Qualitative Analysis</b>	Reliance on people for information: opinion poll, anecdotes, case studies of UW experiences	More complete collection, review of UW experience  Review past audit reports  Consideration of peer/ industry best practices	Documented evidence of UW multi-year trends  Significant analysis/ comparison of UW with others, such as peer or industry studies
<b>Team Expertise</b>	UW team with general knowledge of risk area and requirements for compliance, financial, operations, and strategic	UW team with expert knowledge and experience in risk area	UW experts and outside expertise/analysis
<b>Other Factors</b>	Risk transfer: - Commercial insurance, self-insurance ; or - Contract requirements	Regulatory examinations and other periodic, formal external reviews or accreditation	Actuarial analysis  Financial analysis/ UW Treasury

**Progress Report | January 2008 – August 2008**

**RESOURCES**

- Permanent funding established for the Violence Prevention and Response Program (VPRP).
- Recruited and trained VPRP staff with expertise in violence prevention, victim advocacy and program management.
- UW Police Department appointed new victim advocate position responsible for assisting crime victims and their families, and witnesses through the process of physical, emotional and financial recovery.
- Rape Aggression Defense (RAD) Program added to UW Police Department-sponsored programs in August 2008. Enrollment open to UW community free-of-charge.
- Health & Wellness, a unit within StudentLife, established to work directly with students who may need a higher level of support and individual attention.
- UW Outdoor Alert system successfully tested after UW Technology installed 12 new Talk-a-Phone towers, which were approved by the Emergency Management Planning Committee as part of the UW's ongoing work to improve emergency communications.

**COMMUNICATIONS, OUTREACH & TRAINING**

- SafeCampus website averaged 162 visits per day.
- UW Alert registered 10,276 subscribers to receive emergency notifications by email and text messaging.
- Marketing materials and redesigned website produced for SafeCampus public information campaign starting in September 2008.
- 1372 people attended in-person training sessions (46 department-specific training sessions provided by UWPD and HR Operations; 13 campus-wide training sessions open to faculty, staff, and students; 54 safety talks/worksites security reviews conducted by UWPD)
- Violence prevention and response resources promoted at nine University events, including fairs at UW Bothell and UW Tacoma.

**POLICY**

- Implemented new legal provisions that assist victims of domestic violence, sexual assault, or stalking.
  - **Employment Leave for Victims of Domestic Violence (SHB 2602).** Employees who are or whose family members are victims of domestic violence, sexual assault, or stalking are entitled to reasonable leave to seek legal advice; find medical treatment, mental health or social services; obtain shelter; or participate in safety planning. Effective April 1, 2008.
  - **Shared Leave Sharing for Victims (SSB 6500).** Extends shared leave eligibility to employees who are victims of domestic violence, sexual assault, or stalking. Effective October 1, 2008.
- UW Police coordinated the compliance with the **Campus Safety and Security Act (SSB 6328)** by gathering information from other departments and organizing a uniform report format with other WA institutions of higher education.

**STATISTICS**

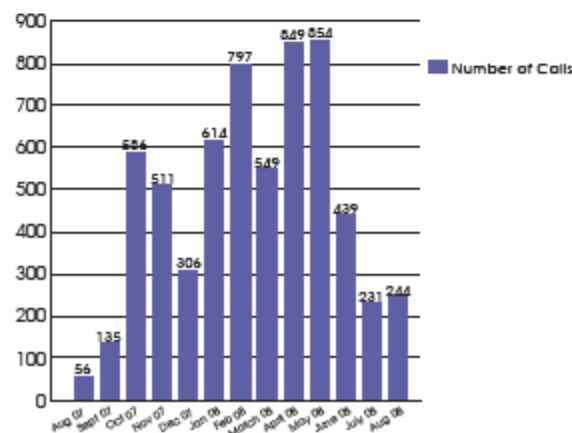
UW CareLink Utilization for individual consultations increased by 47% over the same period the previous year.

- January–June 2008: 945 individual consultations
- January–June 2007: 643 individual consultations

UWPD Crime Victim Advocacy Assisted over 35 students, faculty, and staff members. Services included:

- Enrolled three victims in the Washington State Address Confidentiality Program.
- Conducted 15 court accompaniments for victims petitioning for protective court orders.
- Assisted three victims in applying for Crime Victims Compensation.
- Facilitated the legal breaking of three apartment leases under RCW 59.18.575.

**Husky NightWalk**



Progress Report | January 2008 – August 2008

**Violence Prevention & Response Program**

- Calls to SAFE phone number reported 246 issues of concern and 45 requests for information/materials from January 2008 – August 2008.
- 58 assessments from January 2008–August 2008.

*Note: Previous Progress Reports included the number of assessments and "case reviews." In January of 2008, VPRP in cooperation with campus partners re-evaluated how calls were triaged and eliminated the category "case reviews." The new classification system follows:*

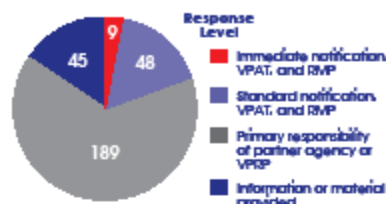
*Level 1: Violence Prevention Assessment Team (VPAT) is notified and convened as soon as possible.*

*Level 2: Issue is discussed at next scheduled VPAT meeting (VPAT meetings are held three times per week).*

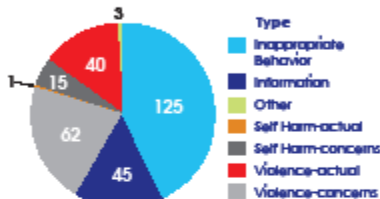
*Level 3: These situations require the same level of communication with the caller and analysis as other Response Levels. Situations assigned Response Level 3 do not have a VPAT. Instead, VPRP is responsible for monitoring and following up on required risk mitigation strategies or they are referred to other UW departments to be the lead and carry out further actions required—while keeping VPRP informed of developments.*

*Level 4: Request for information/materials or not UW jurisdiction.*

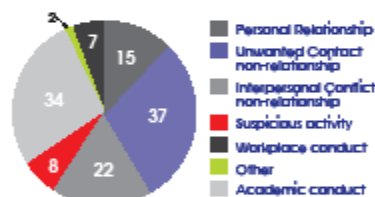
Number of Issues Reported - 291 total



Count by Issue Type - 291 total



Inappropriate Behavior Detail - 125 total



	Role of the Person Experiencing the Concern	Role of the Person Causing the Concern	Role of the Person Reporting the Issue
UW Faculty - Non Supervisor	23	11	11
UW Faculty - Supervisor	4	3	13
UW Graduate Student	1	1	0
UW Graduate Student Employee	6	3	1
UW Staff - Non Supervisor	88	42	57
UW Staff - Supervisor	23	6	83
UW Undergraduate Student	42	23	12
UW Undergraduate Student Employee	20	11	6
VPRP Partner	0	0	74
Public	4	6	2
Public (Patient)	2	24	0
Public (Personal Relationship)	3	35	8
Public (Previous UW Affiliation)	3	10	0
Unknown Identity	0	14	0
Other	2	1	2

## Occupational Health and Safety – Risk Summary Picture

### Risk Assessment Work Group:

Stan Addison, Paul Brown, Thea Brabb, Robert Carroll, David Emery, Ron Fouty, Carol Garing, Norma Jean Haulman, David Kalman, JoAnn Kauffman, Dave Leonard, Bruce Miller, Erin Ondrak, Gary Pederson, Lou Pisano, Patricia Riley, Ellen Rubin, Denis Sapiro, Shari Spung, Stephanie Steppe, Michael Welch, Melinda Young, Karen VanDusen, Karen Zaugg, David Zuckerman

TOP RISKS	Current Environment
<b>Employee protection &amp; training:</b> Inadequate personal protection, training, monitoring and emergency preparation for researchers, staff and faculty cause short and or long term safety/health hazards, injury, illness or death	
<b>General exposures:</b> Environmental releases/excess exposure to physical, chemical, biologic, ionizing and non-ionizing radioactive, and/or other workplace hazards result in faculty, staff, or student injury, illness or death	
<b>Systemic factors and strategic planning:</b> UW research practices, risks, and/or lab acquired illnesses result in negative media coverage and negative impact on UW image/fund raising/reputation	
<b>Systemic factors and strategic planning:</b> Insufficient resources to provide comprehensive oversight of workplace and research risks/practices hinders research enterprise and ability to anticipate risks to employees, students, resulting in injury or illness	
<b>General exposures:</b> Employees/students injured as a result of acts of violence	
<b>Research factors:</b> Use of infectious agents or other hazardous materials without approval, adequate controls or monitoring causes disease/illness	
<b>Long term costs:</b> Insufficient NIH safety compliance regarding biosafety and animals leads to funding loss and capital costs	
<b>Systemic factors and strategic planning:</b> Insufficient process to deliberately and systematically identify health and safety risks leads to inadequate prevention and control of risks	
<b>General exposures:</b> Work being done by contractors & other non-UW employees' causes Injuries, illnesses, exposures to UW employees/students	
<b>Decentralization of academic programs:</b> Decentralization, turnover, inexperience hinders control programs for injury prevention, particularly in <u>Academic</u> side	
<b>Long term costs:</b> Increased costs and hazards due to limited consideration of environmental health and safety construction issues (e.g., codes, standards, accreditations) in renovation or new construction of labs or other facilities	

Validation Rating: **INTERMEDIATE.** UW team with expert knowledge and multidisciplinary experience in occupational health & safety, compliance requirements and internal controls. Assessment includes knowledge of University incidents/accidents, workers' compensation experience factors, fines and other regulatory reviews.

## Patient Privacy Oversight Group – Risk Summary Picture

Illustration 3

### Risk Assessment Work Group:

Tara Adolphi, Jane Fellner, David Hays, Stephanie Jellison, Colleen Johnson, Eunice Little, Suzanne McCoy, Richard Meeks, Christopher Norton, Shelly Oosterman, Marcia Rhodes, Ellen Rubin, Bekki Sanchez, Tina Sheldon, Johanna Taylor, Addie Price, Catherine Thieman

TOP RISKS	Risk Evaluation based on:		
	Without Controls	With Controls	With New Controls "Mitigation"
<b>Verifying the Identity &amp; Authority of Individuals Requesting Access or Disclosure:</b> Inappropriate use/access of PHI			
<b>Verifying the Identity &amp; Authority of Individuals Requesting Access or Disclosure:</b> Workforce members releasing specially protected PHI			
<b>Training:</b> Workforce members, including volunteers, management & students, not completing required training			
<b>Verifying the Identity &amp; Authority of Individuals Requesting Access or Disclosure:</b> Workforce members releasing PHI outside their scope of work			
<b>Decentralized structure:</b> UW Medicine's decentralized structure results in inconsistent investigations, inconsistent sanctions, inconsistent hiring, rehiring practices, and fragmented Medical Record documentation.			
<b>Verifying the Identity &amp; Authority of Individuals Requesting Access or Disclosure:</b> Workforce members releasing PHI not for Treatment, Payment, Healthcare Operations; under an authorization by a patient; or when mandated/permitted by law			
<b>Research:</b> Accessing PHI for research without IRB approval			
<b>Access:</b> Not deactivating access to PHI in a timely manner			
<b>Access:</b> Provide PHI access outside workforce member's job duties			
<b>Fundraising &amp; Marketing:</b> Patients misperception that UW Medicine is using PHI for fundraising			
<b>Memorandums of Understanding:</b> Providing access to non-UW individuals then these individuals using and/or disclosing PHI inappropriately			
<b>Accounting Disclosures:</b> Disclosing PHI that is mandated by law without accounting for disclosure			
<b>Training:</b> Privacy, Confidentiality, and Information Security Agreement are not being signed by workforce members at job performance evaluations / re-credentialing			
<b>Access:</b> Inappropriate collection and use of social security numbers			

Rating Validation: **INTERMEDIATE.** Excellent team expertise in all aspects of privacy, compliance requirements, current UW operations and internal controls. Known frequency of privacy events, fines; experience with investigations and external regulators.

## Cash Handling – Risk Summary Picture

Risk Assessment Work Group:

William Christensen, Tess Domingo-Herrera, Jeff Follman, Evelyn Jagoring, Karen Long, Sandie Rosko, Gina Salois

TOP RISKS	Risk Evaluation based on:		
	Without Controls	With Controls	With New Controls "Mitigation"
<b>State of Washington Admin. &amp; Accounting Manual:</b> UW departments are not in compliance with cash handing policies			
<b>Revolving Funds:</b> Funds are Misappropriated			
<b>Field Advances:</b> Funds are Misappropriated			
<b>Field Advances:</b> Financial Records are Incorrect			
<b>Small Decentralized Units That Direct Deposit:</b> Funds are Misappropriated			
<b>Large Decentralized Units that Direct Deposit:</b> Financial Records are Incorrect			
<b>Central Units:</b> Funds are Misappropriated			
<b>Large Decentralized Units that Direct Deposit:</b> Funds are Misappropriated			
<b>Revolving Funds:</b> Financial Records are Incorrect			
<b>Central Units:</b> Financial Records are Incorrect			
<b>Departments who receive small amounts of cash and transmit to SFS:</b> Funds are Misappropriated			
<b>Small Decentralized Units That Direct Deposit:</b> Financial Records are Incorrect			
<b>Departments who receive small amounts of cash and transmit to SFS:</b> Financial Records are Incorrect			

Rating Validation: **INTERMEDIATE.** Excellent team expertise in all aspects of cash handling requirements, current UW operations and internal controls. Analysis of transaction volume and audit results.

## Animal Research Facilities Plan – Risk Summary Picture

Risk Assessment Work Group:

Kathryn Waddell, Dave Anderson, John Chapman, Michael Carette, Denny Liggitt, Nona Phillips, Colleen Pike, Chris Malins,  
Jill Morelli, Stephanie Steppe, Oliva Yang, Jim Angelosante

TOP RISKS	Risk Evaluation based on three options:		
	No Further Investment	Remodel & Improve	Build New & Expand
Unable to maintain AAALAC accreditation, USDA Registration and UW's Animal Assurance			
Increasing requirements for specialized research space			
Unable to recruit & retain key research faculty, staff, and graduate students			
Not competitive for new grants and contracts			
Unable to sustain and expand animal census. Reduction in animal census and procedural areas due to space constraints			
Reputation risk for competitive research edge			
Physical harm to researchers, staff and animals			
Unable to maintain adequate support for teaching and research mission			
Investment costs increase due to construction inflation and/or interest rates increase, increasing the cost of borrowing			
Require additional University financial support			
Competing construction projects for South Campus space			

Rating Validation: **BASIC.** A first effort to identify risks associated with funding future Animal Research Facilities. Analysis of three options based on a team of campus experts with extensive knowledge and experience in risk areas.



## SE Campus Impacts from Construction Projects – Risk Summary Picture

### Risk Assessment Work Group:

Jim Angelosante, Natalie Bankson, Alex Berezow, Andy Casillas, Jeff Compher, Peter Dewey, Theresa Doherty, Chip Lydum, Ralph Robinson, Daniel Schwartz, Helen Shawcroft, Stephanie Steppe, Chuck Treser

TOP RISKS	CURRENT Environment- Controls-Plans
<b>Interrelated Projects:</b> Project delays and cost increases for other UW construction, due to competition for trucks, labor, and roadways from Sound Transit project, and others.	
<b>Street Traffic:</b> Emergency vehicles, public transportation, shuttles, other UW operations disrupted due to traffic congestion.	
<b>Revenues:</b> Decline in revenues for UWMC Dentistry Athletics Waterfront Activities Ctr visits, rentals, reserv	
<b>Parking:</b> UW, UWMC, Dentistry, ICA visitors, faculty, staff, students and/or patients encounter greater challenges in finding parking.	
<b>Health and safety:</b> Increases in jaywalking, pedestrian/bicyclist injuries and near misses.	
<b>Health and Safety:</b> Concern for appropriate, nearby evacuation and assembly surface space (game days, large events, disaster planning and preparedness).	
<b>Financial impacts:</b> Increased UW operating costs (e.g. devote existing staff or hire new staff to coordinate for project impacts)	

Validation Rating: **INTERMEDIATE.** Good representation of units and programs to be impacted during construction. Excellent team expertise in all aspects of current UW operations, and majority of assessment team members knowledgeable about UW transit plans and impacts through participation in prior committees and meetings. Significant financial impact analysis by major units (UWMC, Athletics, Parking). Participation by UW Project Manager to provide information about plans and agreement terms.

## Google “Cloud Application” – Risk Summary Picture

Risk Assessment Work Group:

TOP RISKS	Option #1 – Current business operating environment	Option #2 – Current business operating environment with additional funding for strategic security initiatives	Option #3 – Risk associated by adding authorized cloud computing (incl Option 2) with standard contract and SAS 70 controls	Option #4 – Risk associated by adding authorized cloud computing (incl Option 3) and negotiated contract with additional security controls
<b>Large data caches with confidential data</b> (databases and large data files) >100k individuals or >\$250k loss [note these risks are similar for individual data caches/smaller databases and loss; impact somewhat lower for unnecessary breach notification/costs]				
Unnecessary breach notification, associated costs and reputational loss				
Data collection by nation states				
Theft of data by organized crime				
Risk ratings improve compared to current environment under options 3 and 4 for following: <ul style="list-style-type: none"> <li>- Failure to meet data control requirements of state/federal regulations and contract obligations</li> <li>- Sanctions by regulators for compliance failures</li> <li>- Liability of civil action for loss of data</li> <li>- Loss of data integrity</li> <li>- Loss of access to data</li> </ul>				
<b>Federal Rules of Civil Procedure</b> (FRCP) – includes email and documents: Risk ratings improve compared to current environment under options 2, 3 and 4 for all identified risks: <ul style="list-style-type: none"> <li>- Failure to respond to court request in a timely manner</li> <li>- Failure to be able to freeze records</li> <li>- Failure to provide all related data</li> <li>- Failure to demonstrate reasonable operational practices (due care)</li> </ul>				
<b>Data classified as public and restricted</b> (email and information sharing tools): Risk ratings improve compared to current environment under options 2, 3 and 4 for all identified risks: <ul style="list-style-type: none"> <li>- Failure to meet data management compliance requirements (WA data retention rules, IRS related data)</li> <li>- Failure to provide enforcement for codes of conduct (appropriate use)</li> <li>- Failure to protect intellectual property interests</li> <li>- Data collection by nation states, or theft of data by organized crime</li> </ul>				

## v. Progress Report on 2007 Assessments

One of the accomplishments during the first year of enterprise risk management was to produce the University's first Institutional Risk Map, illustrating the top compliance, operations, financial and strategic risks. These risks were identified through comprehensive assessments of risk topics identified by PACERM as priorities for 2007.

As part of each assessment, the evaluation teams identified potential mitigations which they believed would reduce the institution's exposure in specific risk areas. During this second year of ERM work, each risk owner was asked to provide an update on mitigations that have been taken or put in place. Based on their assessment of those mitigations, and on any changes in their environment and in their programs or operations, the risk owners were asked for their judgment on the current likelihood and impact of each of the 2007 key risk statements.

The comparison of changes in risk exposure on these key risks is illustrated below.

<b>Compliance Risks</b>	2007	2008
Post-Award Financial Admin		
Post-Award Financial Admin		
Global Support		
Post-Award Financial Admin		
Asbestos		
Asbestos		
Student Safety		
Pollution		
Student Safety		
Pollution		

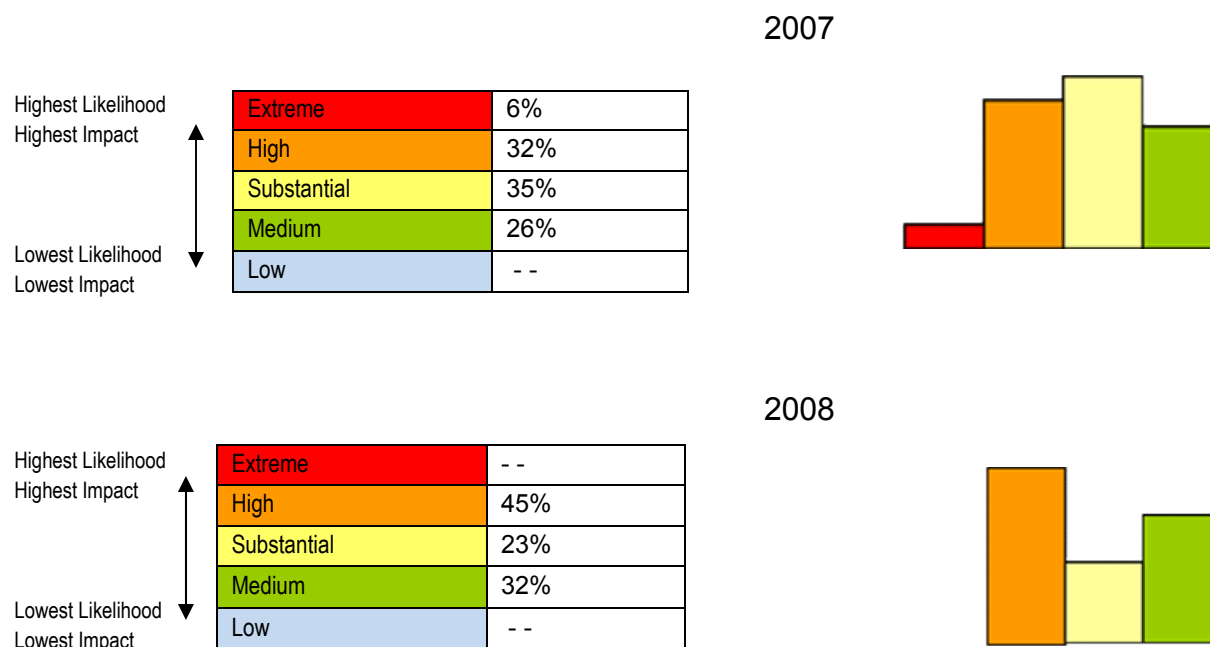
<b>Operations Risks</b>	2007	2008
Student Safety		
IT Security		
IT Security		
IT Security		
Global Support		
Student Safety		
Asbestos		
Global Support		
Global Support		
Pollution		
Pollution		

<b>Financial Risks</b>	2007	2008
Post-Award Financial Admin		
Post-Award Financial Admin		
IT Security		
Global Support		
Pollution		

<b>Strategic Risks</b>	2007	2008
Student Safety		
IT Security		
IT Security		
Pollution		
Global Support		

A number of risk areas, notably Student Safety and Post-Award Financial Administration, were able to somewhat reduce the highest risks through efforts in the

past year. Another view of how overall institutional risks in these categories has been reduced is shown below.



The ERM program will continue to assist risk owners who perform annual mitigation reviews and assessment updates. A goal for the coming year is to develop an institutional risk scoreboard along the lines of the one that is discussed in the section of this report on CISO Risk Assessment and Scoreboard.

## **vi. UW Compliance Council 2008 Annual Report**

Since 2006 the University of Washington has engaged in an Enterprise Risk Management program. As part of that program, the Compliance Council represents the University's strategy for creating a more comprehensive institutional risk perspective without sacrificing existing organizational structures. It is the formal mechanism for convening representatives from each significant institutional compliance area.

The Council is organized under the umbrella of the President's Advisory Committee on Enterprise Risk Management (PACERM). The Council includes 25 members representing 19 different compliance areas within the University. Meetings are facilitated by the Executive Director of Internal Audit, and were held seven times over the past year.

A Steering Committee is responsible for directing the work of the Council, making recommendations to PACERM on the Council's work plan, and acting as the subject matter expert/liaison for risk assessments or projects. The Committee members include representatives from the key UW-wide compliance areas of research, patient care, human resources, business services, IT security, risk management, and internal audit.

### **2008 Compliance Council Goals and Accomplishments**

During the past year the work of the Council was focused around four key goals.

#### **1. Enhance and strengthen our culture of compliance.**

The Council was introduced to the culture of compliance pyramid. The pyramid identifies the key elements that make up a model compliance program and helps provide an understanding and awareness of how to achieve our goal of an on-going "culture of compliance".

There are a variety of organizations that are closely affiliated with the University, or which the University is a member of such as the UW Alumni Association, Husky Fever, or Seattle Cancer Care Alliance. The Council explored the relationship of these organizations to the University and obtained an understanding of the types of risk that they represent to the University.

In an effort to enhance Council members' knowledge of compliance, Council meetings included presentations on the UW research enterprise, a comparison of academic healthcare compliance programs to the internal audit function, business continuity and essential services, the state ethics law, and use of the Enterprise Risk Management toolkit for risk identification and assessment.

#### **2. Provide employees with a safe place to raise compliance and ethics concerns by implementing an anonymous reporting line.**

The purpose and reason for implementing an anonymous compliance and ethics reporting line at the University was discussed with the Council. This information was shared with key faculty, administrators, and staff throughout the University to obtain their input and any concerns that may need to be addressed.

In February, a special meeting was held to provide Council members with the opportunity to learn about the compliance and ethics reporting lines at Michigan and Ohio State Universities. Presentations were made by the Directors of Internal Audit on how their reporting lines were structured, the implementation process, and lessons learned.

Work has begun on drafting the guiding principles and standard operating procedures for the anonymous reporting line. This project will continue on into 2009.

**3. Support compliance training and outreach by launching a compliance website.**

In 2007 the Steering Committee agreed on a format for the website. During 2008 a University wide survey was completed to identify what areas/departments are currently handling what types of compliance issues or complaints. This information will provide the basis for developing a useful and informative web-site.

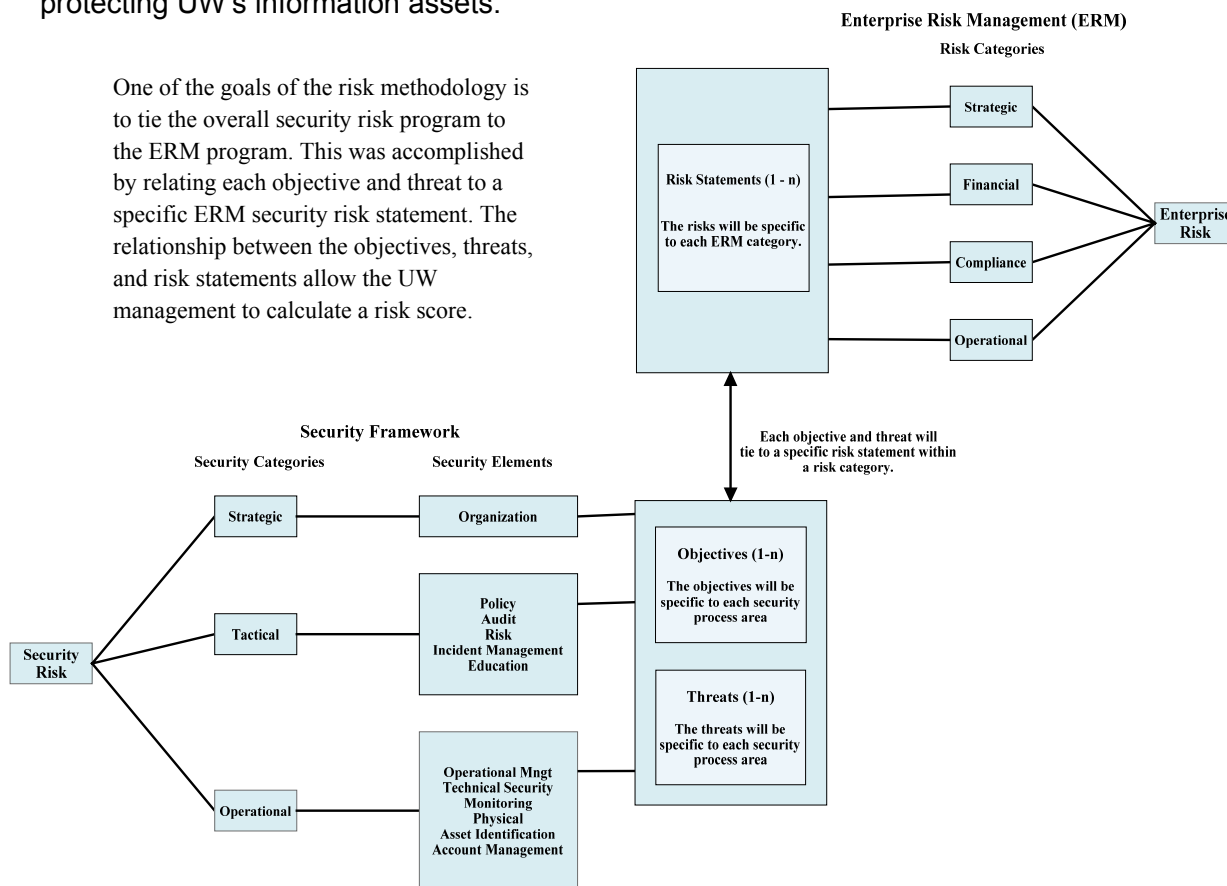
**4. Focus on providing an open forum for identifying and assessing emerging risks.**

Council meetings provided a supportive forum for discussing and vetting emerging compliance issues. Members discussed evolving issues in the areas of sponsored research, health and safety, human resource management, IT security, public information requests, and changes to the state whistleblower regulations.

The Steering Committee's planning for 2009 Council activities led to development of a recommendation to expand the Council beyond a focus on compliance, by adding operational and financial risk considerations to the Council's work. A revised Council charter has been developed and will be submitted to the PACERM for its endorsement.

## vii. UW's Office of the Chief Information Security Officer Takes Risk Identification and Assessment to New Levels

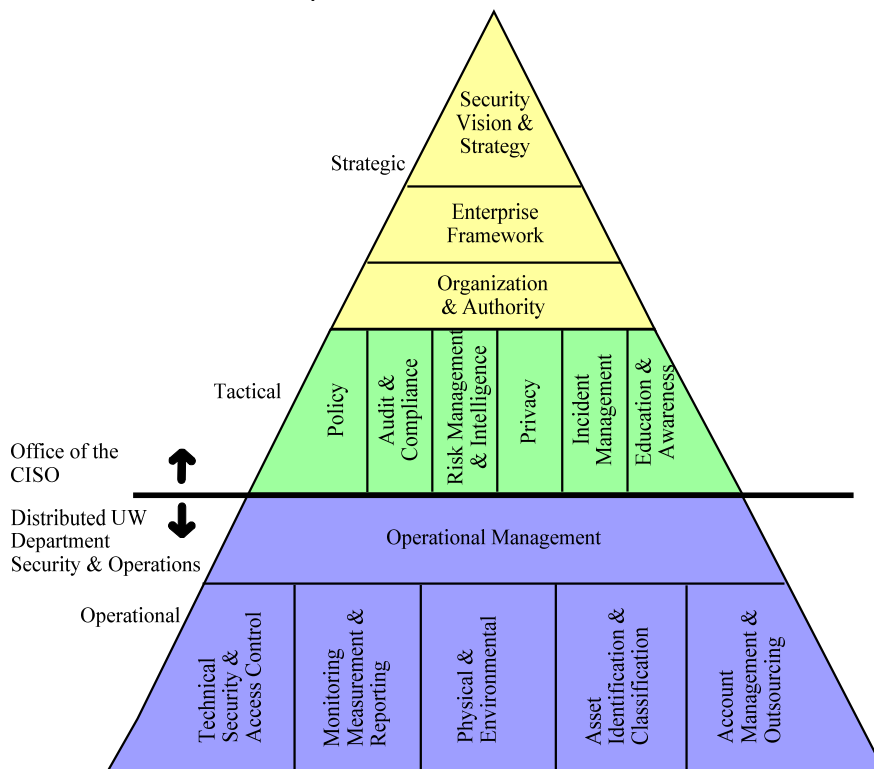
UW's Office of the Chief Information Security Officer (CISO) has embraced ERM and risk assessments as a valuable process for identifying and gauging the degree of threats for information technology. The Office of the CISO participated in the Compliance Council's compliance risk map and led a comprehensive assessment of information security risks. The top risks from the assessment helped establish the priorities to direct additional resources for protecting UW's information assets.



The Office of the CISO has taken the ERM process further: *“A fundamental accomplishment was the development and adoption of the Office of the CISO risk management tools and scorecard. The tools provide a valuable focus on our performance and resource expense. More importantly, publishing our scorecard provides a widely acceptable medium for UW management to understand how the Office of the CISO is addressing information security challenges. The strategic plan and security elements are based on risk tools and provide an effective compass.”* (September 2008 Office of the CISO Quarterly Risk and Scorecard Report)

This model of developing a comprehensive scorecard for all the applicable risks will be used as a basis for developing standard reporting in all of UW's major risk areas. We commend CISO for this excellent work.

The scorecard is based on Strategic Security Elements, responsibility for which is split between the Office of the CISO and UW departments.



Each Strategic Security Element is evaluated quarterly for:

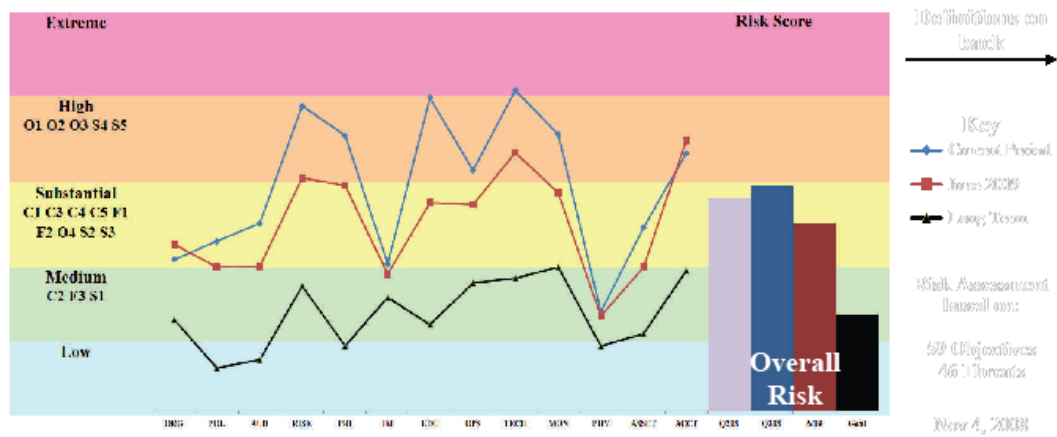
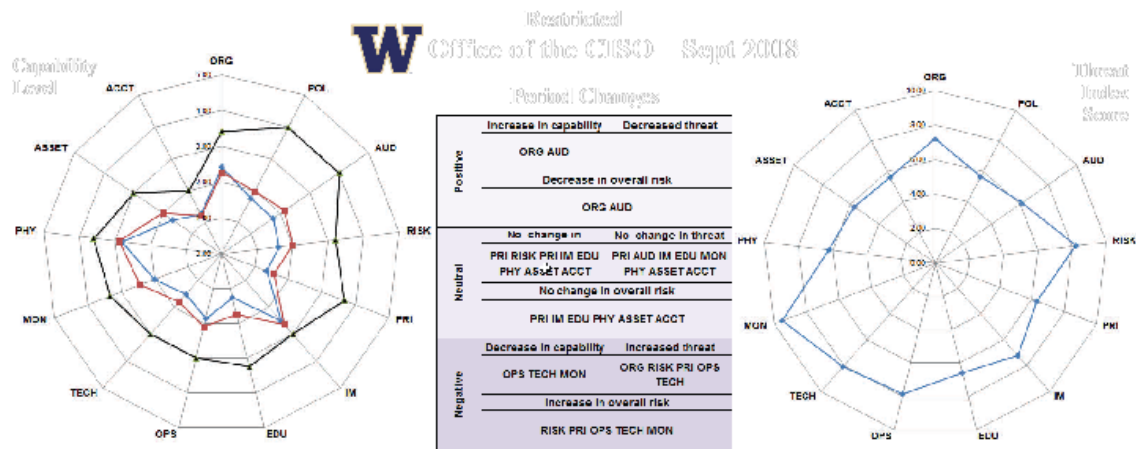
**Capability Level:** level of capability the organization has reached in developing its comprehensive security program for each security element. Capability level is five point scale.

**Threat Index Score:** Based on likelihood, impact and confidentiality-integrity-availability (CIA) relationship. Impact determined by damage caused to the asset or organization by vulnerability exploitation calculated by adding the likelihood score, impact score, and one point for each CIA relationship to the threat.

**Risk Score:** Represents overall risk in each element, calculated by formula:  $\text{Threat Index Score} \div \text{Capability Level}$

Both Capability Level and Threat Index Score are plotted on the following “radar” diagrams, and Capability is assessed at the current level, what is expected to achieve this fiscal year with available resources, and the long term goal. The Risk Score for each Security Element is plotted on the following graph along with the ERM Risk Categories. The graph also shows the overall risk for the last and current reporting period, end of fiscal year, and long term goal.





### Security Framework Categories

<b>ORG</b>	Organization & Authority
<b>POL</b>	Policy
<b>AUD</b>	Audit & Compliance
<b>RISK</b>	Risk Management & Intelligence
<b>PRI</b>	Privacy
<b>IM</b>	Incident Management
<b>EDU</b>	Education & Awareness
<b>OPS</b>	Operational Management
<b>TECH</b>	Technical Security & Access Control
<b>MON</b>	Monitoring, Measurement, & Reporting
<b>PHY</b>	Physical & Environmental Security
<b>ASSET</b>	Asset Identification & Classification
<b>ACCT</b>	Account Management & Outsourcing

### ERM Risk Statements

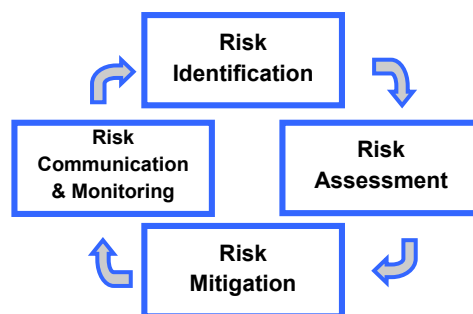
<b>C1</b>	Failure to meet diverse, contradictory, or unmanageable compliance requirements
<b>C2</b>	Sanctions and limits on business
<b>C3</b>	Reputation loss or competitive disadvantage due to failures related to voluntary or obligatory compliance
<b>C4</b>	Loss of merchant accounts
<b>C5</b>	Criminal liabilities
<b>F1</b>	Regulatory sanctions, fines, judgments, and settlements
<b>F2</b>	UW failures created financial loss
<b>F3</b>	Vendor or business partner failures create financial loss
<b>O1</b>	Loss, disruption or unauthorized use of computing resources
<b>O2</b>	Loss, degradation or unauthorized access of network/telecommunication resources
<b>O3</b>	Destruction, corruption, loss, or theft of information
<b>O4</b>	Theft, destruction, or unauthorized access to facilities or assets
<b>S1</b>	Unnecessary financial costs
<b>S2</b>	Unable to correct high risk incidents or behavior upon notice
<b>S3</b>	Loss of competitive advantage
<b>S4</b>	Missed legal and regulatory interests
<b>S5</b>	Missed business opportunities

## vii. ERM Self-Assessment Toolkit

The first year of UW's enterprise risk management (ERM) program developed and refined a number of processes and tools used in conducting comprehensive risk assessments. As we gained experience with more and diverse evaluation teams, it became clear that with some guidance, the ERM process could be used by individuals and departments to conduct their own risk assessments.

Andrew Faris, ERM Analyst, pulled together these materials and created a four-step self-assessment manual based on a standard risk management process.


### Risk Management Process



The toolkit starts by asking users to think about the ERM development model, and understand the levels of outcomes, activities, risk and control optimization that are possible. Users are encouraged to begin with a “Basic” assessment that will increase risk awareness and education among those who participate. Examples from prior comprehensive assessments are provided to illustrate how each of the steps can be done.

**Step 1 – Risk Identification:** Think about risks in the areas of Compliance, Financial, Operational, and Strategic. Risk identification means writing risk statements that are specific as to the nature of potential loss of harm, and that focus on root causes.

**Step 2 – Risk Assessment:** Users choose the level of assessment they wish to conduct, based on the types of qualitative and quantitative information and analysis, and the level of expertise they have available to participate. UW's standard scales for rating likelihood and impact of each risk statement are used to convert each risk into a level from “extreme” to “low” and produce a prioritized list of department risks.

Highest Likelihood Highest Impact  Lowest Likelihood Lowest Impact		Legend	Meaning
		Extreme	Significant capability loss and the achievement of objectives is unlikely
		High	Significantly degrades the achievement of objectives or capability
		Substantial	Will degrade the achievement of objectives or capability
		Medium	May degrade achievement of some objectives or capability
		Low	Little or no impact on the achievement of objectives or capability

Users need to document what controls—such as policies and procedures, education and training, oversight, monitoring and audits—are currently in place, since these form the basis for the risk ratings.

**Step 3 – Risk Mitigation:** Users think about their top risks from the assessment step, and in light of current controls, what options can be considered to mitigate (i.e. to prevent a loss from occurring) the top risks. Mitigation is a forward looking activity that typically addresses four classic risk management options: avoid, reduce, transfer, or assume the risks. This results in a mitigation plan to manage or reduce risk to an acceptable level, identifying who is responsible and how results will be communicated.

**Step 4 – Risk Communication and Monitoring:** A risk assessment will be of little value if it sits on a shelf and there is no follow up to the risks identified (unless all the assessed risks are “low” in which case the user may want to consider if they are **over-**controlling their risks). Communicating and monitoring ensures that risks, controls, and mitigation plans are transparent and relevant for the department. Depending on the risks assessed, actual progress on mitigation plans may become part of the organization’s performance measurement, management and reporting systems.

The ERM self-assessment toolkit is printed as a manual (copy available), and our goal is to share the self-assessment toolkit widely throughout the University, and with others in higher education. As users gain experience doing their own risk assessments, we look forward to sharing their results in future ERM reports.



# The State of Enterprise Risk Management at Colleges and Universities Today

For more than 80 years, the Association of Governing Boards of Universities and Colleges (AGB) has had one mission: to strengthen and protect this country's unique form of institutional governance through its research, services, and advocacy. Serving more than 1,200 member boards and 35,000 individuals, AGB is the only national organization providing university and college presidents, board chairs, trustees, and board professionals of both public and private institutions with resources that enhance their effectiveness. In accordance with its mission, AGB has developed programs and services that strengthen the partnership between the president and governing board; provide guidance to regents and trustees; identify issues that affect tomorrow's decision making; and foster cooperation among all constituencies in higher education.

United Educators (UE) is a licensed insurance company owned and governed by more than 1,150 member colleges, universities, independent schools, public school districts, public school insurance pools, and related organizations throughout the United States. UE was created to be "Education's Own Insurance Company" in 1987 on the recommendation of a national task force organized by the National Association of College and University Business Officers. UE's mandate is to provide long-term, stable alternatives to the cyclical unavailability and erratic pricing of commercial liability insurance. UE understands the special nature of education and is committed to reducing the overall cost of risk for its policyholders. UE members benefit from tailored coverages as well as value-added, education-specific services in claims and risk management. UE is Rated A (Excellent) by A.M. Best.

This publication is intended to inform discussion and aid in enterprise risk management for higher education. It is not intended as a substitute for legal advice or counsel.

Additional resources on this topic can be found in United Educator's [Risk Management Library](#) and in [Essentials of Risk Management](#), part of AGB's Board Basics series.

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## Enterprise Risk Management: Best Practices for Boards, Presidents, and Chancellors

In private industry, boards and chief executives routinely consider risk in strategic planning, but a new survey by the Association of Governing Boards and United Educators reveals that higher education is lagging behind in this important fiduciary responsibility. (A detailed summary of the survey results is available at [www.agb.org/research](http://www.agb.org/research) and at [www.ue.org](http://www.ue.org).) Key survey findings include:

- Sixty percent of respondents said their institutions do not use comprehensive, strategic risk assessment to identify major risks to mission success.
- Fewer than half of the respondents said they “mostly agree” with the statement, “Board members and senior administrators actively engage in discussions regarding institutional risks.”
- Five percent of respondents said their institutions have exemplary practices for management of major risks to mission success.

College presidents\* and boards should collaborate in developing and overseeing a system for evaluating campus risks at the strategic level. Specific ways in which the board and president can support risk assessment are recommended in the following Best Practices and Action Steps.

### Best Practices

**1. Define risk broadly.** Traditionally, institutions focused on financial risks covered by insurance. Current thinking defines “risk” as any impediment to accomplishing institutional goals. In a 2000 report, the National Association of College and Business Officers (NACUBO) discussed the “new language of risk” and identified five types of risk: strategic, financial, operational, compliance, and reputational.

**2. Recognize both the opportunities and downsides of risk.** Many colleges focus only on the downsides of risk. In addition, they should weigh risks against potential rewards. All successful organizations take risks, and the most promising opportunities often involve heightened risk.

**3. Develop a culture of evaluating and identifying risk at multiple levels.** Presidents and board members rarely see the first warnings of risk. Institutions need to identify and assess risks regularly at multiple levels so that the most critical ones filter up to top decision-makers.

**4. Look at the total cost of risk.** Risk is not just about dollars and cents. Institutions must consider all the consequences of risk. For example, in a lawsuit over denial of tenure, there are litigation costs, but there are also non-monetary costs such as lost productivity, distraction from mission, and negative publicity.

**5. Boards and presidents should collaborate.** They need to engage in candid discussions at the strategic level. By working together, presidents and boards can fulfill their shared responsibility for ensuring the success of the mission and stability of the institution.

\* The term “president” includes both presidents and chancellors of higher education institutions.



### Action Steps

- 1. Develop a disciplined process to consider risk in strategic discussions.** Most institutions monitor risk on an ad-hoc basis. Institutions need a disciplined process to ensure that mission-critical risks are elevated from the operational level to strategic discussions of institutional goals. For policy decisions, boards need to ensure that comprehensive risk assessment has occurred.
- 2. Designate an owner of the risk identification process.** Risk identification is the first step of risk evaluation. To ensure the process moves forward, institutions should designate an administrator to oversee risk identification by every department throughout the institution. The right person will vary by institution and could be the president, chief financial officer, risk manager, chief auditor, or general counsel.
- 3. Require all top administrators to prioritize risk.** Once identified, risks should be prioritized based on probability of occurrence and severity of impact.
- 4. Sift through the prioritized risks to decide which ones warrant attention at the highest level.** Boards and presidents need to monitor those risks that could interfere with strategic goals of the institution and establish tolerances for each risk. They should limit the number of risks monitored so that top risks receive sufficient discussion.
- 5. Require annual written reports on each high-priority risk being monitored.** Annual written reports ensure that administrators stay focused. In addition, they allow boards and presidents to monitor progress in managing key risks.
- 6. Re-assess priority risks at the board level at least once a year.** An institution's environment is constantly changing. At least once a year, the board and president need to determine which risks are emerging, and which ones can come off the priority list.
- 7. Look for blind spots.** At least once a year, boards and presidents need to ask, what downside risks are we leaving out, and what opportunities are we missing? Imagine the unimaginable—a flood that closes your campus for a year, a student killing more than 30 classmates, a 20 percent drop in the stock market in one week. All of these “unimaginable” events have occurred.
- 8. Move risk identification deeper into the institution each year.** Many serious risks are first spotted by employees without fancy titles. Who at an institution would first know that campus buildings are developing mold problems, a donor database has security flaws, or a student is becoming dangerous to others?
- 9. Keep repeating the process.** Risk management is not a one-time endeavor. Boards and presidents need a dynamic approach to protect the institution from mission-critical risks and take advantage of emerging opportunities. Most institutions focus on downside risks in the beginning and then move to opportunities as their risk-management processes become more advanced.

# Worksheet for Oversight of Systematic Risk Assessment

## Overview

This worksheet is designed to help boards, presidents\*, and other higher education leaders begin the process of systematic risk assessment by determining which areas of potential risk are the most urgent. After deciding which risk areas need immediate attention, the board and president should delegate those areas to subject matter experts to identify specific risks that require top-level attention. During the first years of the process, a college should focus on downside risks, gradually expanding the number of risk areas assessed. After the process becomes institutionalized and more advanced, an institution can begin to focus on upside risks and opportunities.

## Contents of the Worksheet

The worksheet contains approximately 80 risk areas in four categories: operational, financial, compliance, and board governance. The worksheet is not comprehensive. It serves as a starting point by compiling risk areas drawn from assessments performed by numerous colleges and universities. Within each category, the worksheet contains space for institutions to add risk areas unique to their institutions.

## Instructions for Using the Worksheet

The president and the board, through appropriate board committees, should review each of the areas in the checklist and assign them one of four urgency ratings in the middle column:

- 1 – Risk area needs immediate assessment
- 2 – Risk area to assess over the mid-term
- 3 – Risk area to assess over the long-term
- NA – Risk area not applicable to the institution

In deciding which risk areas to assess first, boards and presidents should consider the following questions:

- Which areas worry you most?
- Which areas have generated problems that could have been prevented?
- Which areas have caused problems for peer institutions?
- Which areas have the greatest potential for mitigation?
- In which areas do you or the institution lack sufficient information to make an informed assessment?

An institution should not assess more than 15 risk areas in the first year. Many systematic risk management efforts have stalled or failed because institutions attempted too much in the beginning. The president, after consulting with top administrators, should delegate responsibility for each urgent risk area

\* The term “president” includes both presidents and chancellors for the purposes of this worksheet.

to a subject-area expert on campus and list that person in the column on the right. If the institution lacks expertise in an important risk area, it has discovered a serious information gap that must be filled either by hiring someone with the necessary skills or retaining an outside consultant.

The subject area experts, perhaps assisted by teams, should assign a priority ranking to the most critical risks in each area, based on probability of occurrence and severity of impact and determine which risks warrant elevated attention. The appendix contains three examples of analysis that subject area experts could perform. The first two examples were developed by the University of Washington and focus on risk identification. The final example, developed by United Educators, illustrates both risk identification and a basic method for risk prioritization. The examples show that there are multiple ways to achieve the same objective. Institutions should choose a method that best fits their needs and resources.

The final steps are for the board and president to review the highest priority risks identified by subject area experts, decide which risks pose the greatest threats to the institution's strategic goals, and develop a procedure for monitoring efforts to mitigate them. For the most serious risks, the board should receive a written update at least once a year.

## Operational Risk Areas

<u>Facilities</u>	<u>Urgency Rating</u>				<u>Person to Assess</u> (If rated "1")
	<u>1</u>	<u>2</u>	<u>3</u>	<u>NA</u>	
<u>Accessibility</u>					
<u>Auto/Fleet</u>					
<u>Disaster preparedness</u>					
<u>Maintenance and condition</u>					
<u>Outsourcing</u>					
<u>Pollution</u>					
<u>Safety</u>					
<u>Security</u>					
<u>Transportation</u>					

### Additional Facilities Risk Areas:

_____	_____
_____	_____

**Academic Affairs**

	Urgency Rating				Person to Assess (If rated “1”)
	1	2	3	NA	
<u>Academic freedom</u>					
<u>Academic quality</u>					
<u>Accreditation</u>					
<u>Joint programs</u>					
<u>Distance learning</u>					
<u>Faculty conflict of interest</u>					
<u>Graduation rates/ student learning outcomes</u>					
<u>Grievance procedures</u>					
<u>Promotion and tenure</u>					
<u>Recruitment/competition</u>					

**Additional Academic Affairs Risk Areas:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**External Relations**

**Urgency Rating**

**Person to Assess  
(If rated “1”)**

	1	2	3	NA	
<u>Alumni relations</u>					
<u>Community relations</u>					
<u>Compliance with donor intent</u>					
<u>Crisis communications plan</u>					
<u>Sale of donated property</u>					
<u>Gift acceptance policies</u>					
<u>Naming policies</u>					
<u>Officer codes of conduct</u>					
<u>Relationships with vendors</u>					

**Additional External Relations Risk Areas:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Human Resources**

**Urgency Rating**

**Person to Assess  
(If rated “1”)**

	1	2	3	NA	
<u>Affirmative action</u>					
<u>Background checks</u>					
<u>Benefits</u>					
<u>Code of conduct</u>					
<u>Employee handbook</u>					
<u>Employee retention</u>					
<u>Executive succession</u>					
<u>Grievance procedure</u>					
<u>Harassment prevention</u>					
<u>Labor relations</u>					
<u>Non-discrimination</u>					
<u>Performance evaluation</u>					
<u>Sexual molestation prevention</u>					
<u>Termination procedures</u>					
<u>Workplace safety</u>					

**Additional Human Resources Risk Areas:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Information Technology**

**Urgency Rating**

**Person to Assess  
(If rated “1”)**

	1	2	3	NA	
<u>Back-up procedures</u>					
<u>Communications systems</u>					
<u>Cyber liability</u>					
<u>Data protection</u>					
<u>End-user training</u>					
<u>Incident response</u>					
<u>Network integrity</u>					
<u>Privacy</u>					
<u>Security</u>					
<u>Staffing and support</u>					
<u>System capacity</u>					

**Additional Information Technology Risk Areas:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

<u>Research</u>	Urgency Rating				Person to Assess (If rated “1”)
	1	2	3	NA	
<u>Accounting</u>					
<u>Animal research</u>					
<u>Clinical research</u>					
<u>Environmental and lab safety</u>					
<u>Hazardous materials</u>					
<u>Human subjects</u>					
<u>Lab safety</u>					
<u>Patenting</u>					
<u>Security</u>					
<u>Technology Transfer</u>					

**Additional Research Risk Areas:**

<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>



**Student Affairs**

**Urgency Rating**

**Person to Assess  
(If rated “1”)**

	1	2	3	NA	
<u>Academic standards</u>					
<u>Admissions/retention</u>					
<u>Alcohol and drug policies</u>					
<u>Athletics</u>					
<u>Code of conduct</u>					
<u>Crime on campus</u>					
<u>Diversity</u>					
<u>Experiential programs</u>					
<u>Financial aid</u>					
<u>Fraternities and sororities</u>					
<u>Free speech</u>					
<u>International students</u>					
<u>Privacy</u>					
<u>Student debt</u>					
<u>Study abroad</u>					

**Additional Student Affairs Risk Areas:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Financial Risk Areas**

	Urgency Rating				Person to Assess (If rated “1”)
	1	2	3	NA	
Auditor independence					
Budget					
Cash management					
Conflict of interest					
Contracting and purchasing					
Cost management					
Depletion of endowment principal					
Enrollment trends					
Financial aid					
Financial exigency plan					
Fundraising					
High-risk investments					
Insurance					
Investment oversight					
Long-term debt					
Reserve fund					
Tuition dependency					

**Additional Financial Risk Areas:**

_____	_____
_____	_____
_____	_____

**Compliance Risk Areas**

	Urgency Rating				Person to Assess (If rated “1”)
	1	2	3	NA	
<u>Animal research</u>					
<u>Athletics</u>					
<u>Clinical research</u>					
<u>Copyright and “fair use”</u>					
<u>Environmental</u>					
<u>Government grants</u>					
<u>Higher Education Act</u>					
<u>HR/employment</u>					
<u>Intellectual property rights</u>					
<u>Privacy</u>					
<u>Record retention and destruction</u>					
<u>Taxes</u>					
<u>Whistleblower policy</u>					

**Additional Compliance Risk Areas:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Board Governance Risk Areas**

	Urgency Rating				Person to Assess (If rated “1”)
	1	2	3	NA	
Board member independence					
Board performance assessment					
CEO compensation and assessment					
Conflict of interest oversight					
Governance policies					
IRS Form 990					
Participation					

**Additional Board Governance Risk Areas**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

## Survey on Enterprise Risk Management: Summary of Key Findings

- Forty-one percent of respondents “mostly agreed” that risk management is a priority at their institution.
- Twenty-three percent of respondents (and 29 percent of trustees) “mostly agreed” that their governing board monitors institutional risk through regular, formal reports from the administrator who is assigned responsibility.
- A majority (60.1 percent) of respondents reported that their institutions do not identify major risks to institutional mission success through comprehensive, strategic risk assessments.
- Fewer than half of respondents (41.7 percent) reported frequent or routine monitoring of “political or reputational” risks which pose serious threats for colleges and universities.
- Half of respondents (50.8 percent) reported that board members and senior administrators at their institutions evaluated major risks identified by strategic risk assessment only on an as-needed basis.
- The survey responses of presidents were consistently more optimistic than those of chief financial officers (CFOs), who are most frequently delegated risk-management responsibilities.
- While the survey results suggest there is considerable room for improvement in risk-management practices, only 11.4 percent of respondents rated their own institution’s risk-management performance as lower than average.

### Results

This survey was jointly conducted by the Association of Governing Boards of Universities and Colleges (AGB) and United Educators (UE) and reports data on attitudes, practices, and policies regarding enterprise risk management<sup>1</sup> among American colleges and universities. The survey was completed by more than 600 respondents between June 11 and 25, 2008. The population was generally representative of American higher education with greater participation of four-year private institutions and lesser participation of two-year public institutions; 77.2 percent were private colleges and universities, and 22.8 percent were public. Respondents included contacts and members of both AGB and UE and in descending order of frequency, presidents<sup>2</sup>, CFOs, trustees, chief academic officers, risk managers, and general counsels. The profile of the most common respondent was a president or CFO of a private, baccalaureate institution with 1,000 to 4,999 (FTE) students and annual expenditures between \$25 and \$99 million.

This paper shares some of the results; a detailed summary of text responses can be found at [www.agb.org/research](http://www.agb.org/research) and [www.ue.org](http://www.ue.org).

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1. The terms “enterprise risk management” and “institutional risk management” are used synonymously in this document.

2. The term “president” includes both presidents and chancellors of institutions of higher education.

## Survey Population and Respondents

Survey Respondents and Response Rate	
Total Surveys Sent	4,192
Responded	606
Opted Out or Undeliverable	223
Response Rate (606/3,969)	15.3%

### I serve in the following position at the institution:

Answer Options	Response Percent	Response Count
President	24.5%	120
Chief financial officer	24.3%	119
Governing board member	17.2%	84
Provost/VP academic affairs	13.7%	67
Risk manager	13.7%	67
Other	8.6%	42
General counsel	6.5%	32
answered question		489*
skipped question		117

\*multiple responses were allowed

### The institution(s) I serve is/are:

Answer Options	Response Percent	Response Count
Baccalaureate	46.2%	234
Master's	44.8%	227
Doctoral	25.8%	131
Associate	9.3%	47
Specialized	5.5%	28
System	5.5%	28
Other	4.3%	22
answered question		507*
skipped question		99

\*multiple responses were allowed

## The institution(s) I serve is/are:

Answer Options	Response Percent	Response Count
Private	77.2%	396
Public	22.8%	117
answered question		513
skipped question		93

## The total number of full-time equivalent (FTE) students enrolled is:

Answer Options	Response Percent	Response Count
0 to 999	15.5%	80
1,000 to 4,999	53.4%	275
5,000 to 9,999	12.6%	65
10,000 to 24,999	9.7%	50
25,000 or more	8.7%	45
answered question		515
skipped question		91

## The total annual expenditures for the institution I serve total:

Answer Options	Response Percent	Response Count
Under \$25 million	18.7%	95
\$25 to 99 million	45.6%	232
\$100 to 499 million	24.4%	124
\$500 to 999 million	4.5%	23
Over \$1 billion	6.9%	35
answered question		509
skipped question		97

## Part I: Attitude Toward Institutional Risk

Fewer than half of respondents “mostly agreed” that their institution’s risk tolerance is understood (46.6 percent) and guides decision making (43.8 percent). Even fewer (40.7 percent) “mostly agreed” that risk management is a priority at their institution (Q1). Those who “mostly agree” with each of the statements typically came from private, doctoral institutions with 10,000 to 24,999 (FTE) students and \$500 to \$999 million in assets. More presidents (57.1 percent) than general counsels (41.7 percent) or risk managers (35.8 percent) “mostly agreed” with each of these statements.

Almost as many respondents answered “somewhat agree” to each part of the three-part question about attitudes towards risk: 39.5 percent “somewhat agreed” that risk tolerance is understood, 40.9 percent “somewhat agreed” that it guides decision making and 40.7 percent “somewhat agreed” that risk management is a priority at their institutions. While a positive response, “somewhat agree” is not a very strong foundation for understanding and using information about risk in decision making.

### Q1. Please rate your level of agreement with the following statements:

Answer Options	Mostly agree (1)	Somewhat agree (2)	No opinion (3)	Somewhat disagree (4)	Mostly disagree (5)	Rating Average	Response Count
The institution's appetite and tolerance for risk are understood and are a part of the institution's decision-making culture.	274 (46.6%)	232 (39.5%)	12 (2.0%)	58 (9.9%)	12 (2.0%)	1.81	588
The institution's risk tolerance guides strategic and operational decisions.	256 (43.8%)	239 (40.9%)	20 (3.4%)	59 (10.1%)	10 (1.7%)	1.85	584
As a philosophical matter, oversight of institutional risk management is a priority at my institution.	237 (40.7%)	231 (39.6%)	32 (5.5%)	65 (11.1%)	18 (3.1%)	1.96	583
answered question							591
skipped question							15

## Part II: Strategies to Manage Risk and Protect the Institution

Of the respondents, 42.6 percent “mostly agreed” and 41.6 percent “somewhat agreed” that board members and senior administrators at their institutions actively engage in discussions regarding institutional risks (Q2); presidents (56 percent) were much more likely to “mostly agree” with this statement than risk managers (30.3 percent). Looking at institutional assets, the largest segment to “mostly agree” (52.9 percent) were respondents at institutions with the largest assets (over \$1 billion).

For two-thirds of all institutions, discussion and consideration of institutional risks occur primarily in finance committee meetings (67.1 percent) and audit committee meetings (63.2 percent) (Q3). However, for institutions with over \$500 million in assets these discussions occur more often in meetings of the audit committee (90.9 percent for assets \$500 to \$999 million and 82.4 percent for assets over \$1 billion). This may indicate that institutions with larger assets tend to follow the recommended practice of establishing a separate audit committee. According to the 2008 AGB survey on the state of higher education governance, 38.8 percent of public and 59.4 percent of private institutions reported that the board had a separate audit committee. This represented a substantial increase from 2004 when 23 percent of public institutions (40 percent of systems) and 38.6 percent of private institutions reportedly had a separate audit committee (*2004 AGB Survey on Policies, Practices and Composition of Governing Boards*).

Larger research universities are also more likely to identify risks to the success of this mission through comprehensive, strategic risk assessments (Q4). Although fewer than 40 percent of all institutions employ such an assessment, that number increased to 53.4 percent among institutions with over \$500 million in assets. Most institutions (89.9 percent) that have conducted a comprehensive risk assessment have done so in the past two years (Q5).

Fewer than a quarter of respondents (23.6 percent) “mostly agreed” that board members and senior administrators use monitoring activities to determine the effectiveness of institutional risk management activities (Q8). A majority (60.1 percent) of respondents reported that their institutions do not identify



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major risks to institutional mission success through comprehensive, strategic risk assessments (Q4). And half of respondents (50.8 percent) reported that board members and senior administrators at their institutions evaluated major risks identified by strategic risk assessment only “as needed” (Q6).

**Q2. Please rate your level of agreement with the following statement:**

Answer Options	Mostly agree (1)	Somewhat agree (2)	No opinion (3)	Somewhat disagree (4)	Mostly disagree (5)	Rating Average	Response Count
Board members and senior administrators actively engage in discussions regarding institutional risks.	229 (42.6%)	224 (41.6%)	14 (2.6%)	57 (10.6%)	14 (2.6%)	1.89	538
answered question							538
skipped question							68

**Q3. Discussion and consideration of institutional risks occur primarily in (check all that apply):**

Answer Options	Response Percent	Response Count
Full board meeting	46.8%	240
Audit committee meeting	63.2%	324
Finance committee meeting	67.1%	344
None of the above	9.6%	49
Other	37%	190
answered question		513
skipped question		93

**Q4. Major risks to success of your institution’s mission are identified through comprehensive, strategic risk assessments.**

Answer Options	Response Percent	Response Count
Yes	39.9%	216
No (skip to question 6)	60.1%	325
answered question		541
skipped question		65

Q5. If you answered “yes” to the previous question, when was the most recent comprehensive risk assessment conducted?

Answer Options	Response Percent	Response Count
Less than 1 year ago	61.9%	135
1-2 years ago	28.0%	61
3-4 years ago	7.3%	16
5 or more years ago	2.8%	6
answered question		218
skipped question		388

Q6. Board members and senior administrators regularly evaluate major risks identified by the strategic risk assessment (check all that apply):

Answer Options	Response Percent	Response Count
Every board meeting	8.6%	45
Every year	24.4%	128
Every other year	3.1%	16
As needed	50.8%	266
None of the above	13.7%	72
Other	10.7%	56
answered question		524
skipped question		82

#### Q8. Please rate your level of agreement with the following statements:

Answer Options	Mostly agree (1)	Somewhat agree (2)	No opinion (3)	Somewhat disagree (4)	Mostly disagree (5)	Rating Average	Response Count
Board members and senior administrators regularly consider and assess the likelihood and impact of expected and unexpected events.	173 (32.1%)	244 (45.3%)	26 (4.8%)	82 (15.2%)	14 (2.6%)	2.11	539
In responding to major risks to mission success, board members and senior administrators consider strategies such as: risk avoidance, risk mitigation, risk sharing, and risk acceptance.	175 (32.5%)	231 (42.9%)	37 (6.9%)	74 (13.8%)	21 (3.9%)	2.14	538
Board members and senior administrators identify activities needed to ensure that institutional controls for major risks are in place.	217 (40.3%)	224 (41.6%)	32 (5.9%)	53 (9.8%)	13 (2.4%)	1.93	539
Board members and senior administrators use monitoring activities to determine the effectiveness of institutional risk management activities.	126 (23.6%)	224 (41.9%)	47 (8.8%)	115 (21.5%)	22 (4.1%)	2.41	534
answered question							540
skipped question							66

### Part III: Policies and Procedures

Fewer than one-third of respondents “mostly agreed” (29.7 percent) and just over one-third “somewhat agreed” (34.7 percent) that their institutions capture their risk management philosophy in policy statements, oral and written communications, and decision making (Q9). Looking at the combined responses for “mostly agree” and “somewhat agree,” we find that institutions with over \$1 billion in assets are significantly more likely to agree (79.5 percent) compared with those with less than \$25 million in assets (56.4 percent).

Financial risks received the most attention among risks typically discussed during board meetings; 81.2 percent of respondents reported discussing financial risks either “frequently” or “routinely” (Q10). “Legal and regulatory” risks received slightly less attention. Also, fewer than half of respondents (41.7 percent) reported frequent or routine monitoring of “political or reputational” risks, which pose serious threats for colleges and universities.

Half of respondents (49.7 percent) reported that their governing board or president has assigned primary responsibility for institutional risk management to their institution’s chief financial officer (Q11). When responses were examined by respondent role, approximately half of the trustees (50.6 percent) identified the president as the person to whom the responsibility for risk management was primarily delegated, while 43.2 percent of presidents reported that the duty fell to the chief financial officer. It’s interesting to note that presidents’ survey responses were consistently more optimistic than CFOs, to whom the responsibility for risk management was most frequently delegated.

Respondents reported that boards were not routinely monitoring or sufficiently informed about institutional risk. Only 22.8 percent of all participants (and 28.6 percent of trustees) “mostly agreed” that their governing board monitors institutional risk through regular, formal reports from the administrator assigned responsibility (Q12); an additional 30.4 percent “somewhat agreed.” Moreover, only 42.6 percent of respondents “mostly agreed” that they are provided enough information about institutional risks to meet their legal and fiduciary responsibilities; an additional 32.7 percent “somewhat agreed.” The percentage of those who “mostly agreed” that they are provided with enough information about institutional risks varied by position: 53.3 percent of general counsels, 50.4 percent of presidents, 41.2 percent of chief financial officers, 40.5 percent of board members, 36.4 percent of provosts or vice presidents of academic affairs, and 31.7 percent of risk managers.

Lastly, while the survey results suggest there is room for improvement, only 11.4 percent of respondents reported that their own institution’s performance on risk management was less than average (Q14).

## Q9. Please rate your level of agreement with the following statement:

Answer Options	Mostly agree (1)	Somewhat agree (2)	No opinion (3)	Somewhat disagree (4)	Mostly disagree (5)	Rating Average	Response Count
The institution’s risk management philosophy is captured in policy statements, oral and written communications, and decision making.	153 (29.7%)	179 (34.7%)	36 (7.0%)	108 (20.9%)	40 (7.8%)	2.42	516
answered question							516
skipped question							90

## Q10. How often are the following risks typically discussed during board meetings?

Answer Options	Never (1)	Rarely (2)	Occasionally (3)	Frequently (4)	Routinely (5)	Rating Average	Response Count
Operational	4 (0.8%)	65 (12.8%)	192 (37.9%)	161 (31.8%)	84 (16.6%)	3.51	506
Legal and regulatory	5 (1.0%)	42 (8.3%)	197 (35.4%)	174 (34.5%)	105 (20.8%)	3.66	505
Financial	2 (0.4%)	14 (2.8%)	79 (15.6%)	203 (40.1%)	208 (41.1%)	4.19	506
Political and reputational	6 (1.3%)	72 (15.2%)	198 (41.9%)	137 (29.0%)	60 (12.7%)	3.37	473
answered question							540
skipped question							66

**Q11. To whom has the governing board (or president) assigned primary responsibility for institutional risk management?**

Answer Options	Response Percent	Response Count
President	32.1%	150
Financial officer	49.7%	232
Provost/VP academic affairs	0.4%	2
Chief legal counsel	6.6%	31
Chief compliance/audit officer	4.1%	19
Chief risk officer	7.1%	33
Other	14.8%	69
answered question		467*
skipped question		139

\*multiple responses were allowed

**Q12. Please rate your level of agreement with the following statements:**

Answer Options	Mostly agree (1)	Somewhat agree (2)	No opinion (3)	Somewhat disagree (4)	Mostly disagree (5)	Rating Average	Response Count
The governing board monitors institutional risk through regular, formal reports by the administrator assigned responsibility for institutional risk management.	118 (22.8%)	157 (30.4%)	45 (8.7%)	125 (24.2%)	72 (13.9%)	2.76	517
In my role as a governing board member or senior administrator, I am provided enough information about institutional risks to meet my legal and fiduciary responsibilities.	216 (42.6%)	166 (32.7%)	56 (11.0%)	56 (11.0%)	13 (2.6%)	1.98	507
answered question							517
skipped question							89

**Q14. Overall, how would you rate your institution's approach to, and management of, major risks to mission success?**

Answer Options	Response Percent	Response Count
Exemplary	5.0%	26
Above Average	43.6%	225
Average	39.9%	206
Below Average	9.7%	50
Poor	1.7%	9
answered question		516
skipped question		90

## Recommendations

### Attitude Toward Institutional Risk

- An institution's appetite and tolerance for risk needs to be understood and part of the institution's decision-making culture.
- An institution's risk tolerance ought to guide strategic and operational decisions.
- Fewer than half of respondents "mostly agreed" that their institutions adhere to these attitudes. An interest in improving risk management and leadership from the president and board are needed for practices to change.
- A comprehensive risk assessment presents an excellent opportunity to educate and raise awareness about risk management. An inclusive process is needed to produce the best results.

### Strategies to Manage Risk and Protect the Institution

- Board members and senior administrators should actively engage in discussions regarding institutional risks; 42.6 percent of respondents "mostly agreed" they were doing so. Discussion and consideration of institutional risks take place most often in finance and audit committee meetings, not with the full board. Good practice suggests that all committees and the full board assume responsibilities for discussing and considering risk.
- Institutions ought to identify major risks to the success of their missions through periodic comprehensive, strategic-risk assessments. However, the majority (60.1 percent) of respondents don't follow this practice. Instead of evaluating risks on an ad-hoc basis prompted by a campus incident, an audit, or in the aftermath of another institution's tragedy, such as the shootings at Virginia Tech's—events commonly cited by respondents—evaluating risks through routine strategic assessment should be protocol. But simply having a policy isn't enough, either. The institution must use the information about risks in decision-making to be effective.
- In summary, board members and senior administrators should:
  - regularly consider and assess the likelihood and impact of expected and unexpected events—comprehensively assess risk and consider risk in making decisions;
  - consider strategies such as risk avoidance, risk mitigation, risk sharing, and risk acceptance in responding to major risks to mission success;
  - identify activities needed to ensure that institutional controls for major risks are in place; and
  - use monitoring activities to determine the effectiveness of institutional risk-management activities.

## Policies and Procedures

- Institutions with a sound risk-management philosophy should capture it in policy statements, oral and written communications, and decision making. These institutions will also keep in mind that financial risks are not the only type. Operational, legal and regulatory, and political and reputational risks are also significant and merit routine discussion at board meetings.
- Governing boards at institutions with good policies and procedures should monitor institutional risk management through regular, formal reports by the administrator assigned responsibility. As such, governing board members and senior administrators ought to be informed about institutional risks and the efforts being taken to manage, mitigate, and insure the institution against such risks to meet their legal and fiduciary responsibilities.

## Appendix:

# Sample Risk Assessments by Campus Experts

### Example 1: Occupational Health and Safety – Risk Summary Picture

TOP RISKS
<b>General exposures:</b> <ul style="list-style-type: none"><li>• Employees/students injured as a result of acts of violence</li><li>• Environmental releases/excess exposure to physical, chemical, biological, ionizing and non-ionizing radioactive, and/or other workplace hazards result in faculty, staff, or student injury, illness or death</li><li>• Work being done by contractors and other non-university employees causes Injuries, illnesses, exposures to UW employees/students</li></ul>
<b>Decentralization of academic programs:</b> Decentralization, turnover, inexperience hinders control programs for injury prevention
<b>Employee protection &amp; training:</b> Inadequate personal protection, training, monitoring, and emergency preparation for researchers, staff, and faculty cause short- and or long-term safety/health hazards, injury, illness or death
<b>Long term costs:</b> <ul style="list-style-type: none"><li>• Increased costs and hazards due to limited consideration of environmental health and safety construction issues (e.g., codes, standards, accreditations) in renovation or new construction of labs or other facilities</li><li>• Insufficient NIH safety compliance regarding biosafety and animals leads to funding loss and capital costs</li></ul>
<b>Research factors:</b> Use of infectious agents or other hazardous materials without approval, adequate controls or monitoring causes disease/illness
<b>Systemic factors and strategic planning:</b> <ul style="list-style-type: none"><li>• Insufficient resources to provide comprehensive oversight of workplace and research risks/practices hinders research enterprise and ability to anticipate risks to employees, and students, resulting in injury or illness</li><li>• Insufficient process to deliberately and systematically identify health and safety risks leads to inadequate prevention and control of risks</li><li>• Research practices, risks, and/or lab-acquired illnesses result in negative media coverage and negative impact on image/fundraising/reputation</li></ul>

Notes: This chart is adapted from one published in the University of Washington's 2008 Enterprise Risk Management Annual Report. The chart in the report lists members of the risk-assessment work group at the top and has the categories in a different order.

Example 2: Pollution Risks

	Risk Areas	Risk Statements
Compliance Risk	<ul style="list-style-type: none"> <li>Air quality (fires/smoke, toxins, second-hand smoke, fume hood exhaust, N<sub>2</sub>O, ethylene oxide, diesel generators, odor, greenhouse gases, carbon dioxide, methane, paint spray booth emissions, outdoor spraying)</li> <li>Indoor air quality (odor, asbestos-containing materials, mold, radon, cleaning chemicals)</li> </ul>	<ol style="list-style-type: none"> <li>Air Quality: Air emissions exceed Air Operating Permit (AOP) limits</li> <li>Indoor Air Quality: Dust contamination during construction, renovation, remodels or construction</li> <li>Indoor Air Quality: Employee and/or public exposure to indoor contaminants or odors that cause acute or chronic health effects</li> </ol>
	<ul style="list-style-type: none"> <li>Chemical use (storage, spills, waste management, pesticide use)</li> </ul>	<ol style="list-style-type: none"> <li>Chemical Use: Chemicals are stored or managed improperly and result in accidental release</li> </ol>
	<ul style="list-style-type: none"> <li>Contaminated soil and properties (purchasing, cleanup, selling, disposal, people factors)</li> </ul>	<ol style="list-style-type: none"> <li>Contaminated soils/properties: Improper disposal of contaminated soils from construction and remediation projects</li> </ol>
Financial Risk	<ul style="list-style-type: none"> <li>Capital development and building maintenance</li> <li>Citations, fines, and lawsuits</li> <li>Electronic equipment, computers, battery use (disposal)</li> <li>Property purchasing practices</li> </ul>	<ol style="list-style-type: none"> <li>Lawsuits: Damage and injury claims for exposure to hazardous materials or pollution generated by university</li> <li>Electronic equipment/computers/batteries: Large waste stream with little or no disposal options (e.g., use of leading edge or new equipment/chemicals/construction materials)</li> </ol>
Operations Risk	<ul style="list-style-type: none"> <li>Permits and licenses</li> <li>Security</li> <li>Shipping and transportation of hazardous materials</li> <li>Work space</li> </ul>	<ol style="list-style-type: none"> <li>Permits and licenses: Revocation of radioactive materials license</li> <li>Security: Unauthorized access or use of restricted materials</li> <li>Shipping and transportation of hazardous materials: Public exposure to hazardous materials and agents during transit</li> </ol>
Strategic Risk	<ul style="list-style-type: none"> <li>Investing in sustainable business practices and partnerships</li> </ul>	<ol style="list-style-type: none"> <li>Sustainable business practices and partnerships: Liaison with wrong business partner</li> </ol>

Note: This chart is excerpted from *Enterprise Risk Management Tools for Self Assessment*, an excellent step-by-step guide created by the University of Washington that can be accessed at [www.ue.org/documents/University of Washington\\_ERM Self-Assessment Tools.pdf](http://www.ue.org/documents/University_of_Washington_ERM_Self-Assessment_Tools.pdf)



Example 3: Faculty and Staff Background Checks

Risk	Probability (1 to 5)	Severity (1 to 5)	Priority Rating (1 to 5)	Elevated Attention? (Y or N)
Employee with unsupervised access to children is sex offender.	2	5	3.5	N
Job applicants using false identities.	3	2	2.5	N
Job applicants misrepresenting academic credentials.	4	2	3	N
Employee handling significant funds has history of credit fraud.	3	3	3	N
Users of campus vehicles have poor driving records.	3	4	3.5	N
Campus police officers have criminal records.	1	4	2.5	N
Researchers handling select agents have criminal records.	1	5	3	N
Employee with master key access to buildings is convicted felon.	2	4	3	N
No procedure for handling negative info learned in checks.	2	4	3	N
Employees promoted into sensitive positions not checked.	2	4	3	N
No follow-up checks of existing employees.	5	3	4	Y
Existing employees in critical positions resistant to checks.	4	4	4	Y

Notes: This table was developed by United Educators and is a compilation of procedures used at many colleges. The “priority rating” in column 4 is the average of columns 2 and 3. A priority rating of “4” or higher merits elevated attention.

## Resources on Enterprise Risk for Colleges and Universities

### *Nine Easy Steps to Consider Risk in Budget Reductions*

<http://accounting.ucdavis.edu/>

The budget reduction analysis tool developed by the University of California at Davis provides managers with a framework for considering risk when making budget cutting decisions. In “9 Easy Steps” managers are able to compare the benefits and risks of the options they identified to meet their budget reduction goals. Since budget reductions will most often result in reducing the number of personnel, the framework also provides a guide for best assigning responsibilities among the remaining staff.

### *Creating a Risk Conscious Climate, by Rick Whitfield*

<http://usfweb2.usf.edu/uac/documents/RiskManagementArticle.pdf>

This article by the former vice president for audit and compliance at the University of Pennsylvania (now executive vice president and treasurer at Pace University) analyzes how risk management can affect strategic planning in higher education. In addition, the article explores lessons that colleges and universities can learn about risk from the corporate world.

### *Developing a Strategy to Manage Enterprisewide Risk in Higher Education*

[http://www.nacubo.org/documents/business\\_topics/enterprisewide\\_risk.pdf](http://www.nacubo.org/documents/business_topics/enterprisewide_risk.pdf)

This joint publication by the National Association of College and University Business Officers (NACUBO) and the consulting firm PriceWaterhouseCoopers was one of the first to examine changing conceptions of risk in higher education. The publication is divided into four sections: the definition of risk; the drivers of risk; implementing a risk management plan; and advancing the risk-management agenda further.

### *Enterprise Risk Management Tools for Self Assessment*

[www.ue.org/documents/University\\_of\\_Washington\\_ERM\\_Self-Assessment\\_Tools.pdf](http://www.ue.org/documents/University_of_Washington_ERM_Self-Assessment_Tools.pdf)

This guide created by the University of Washington provides step-by-step instructions in plain English on how to identify, assess, and mitigate risks. It includes numerous examples and provides guidance on how to conduct the process at either a basic, intermediate, or advanced level.

### *ERM in Higher Education*

[http://www.urmia.org/library/docs/reports/URMIA\\_ERM\\_White\\_Paper.pdf](http://www.urmia.org/library/docs/reports/URMIA_ERM_White_Paper.pdf)

This white paper published by the University Risk Management and Insurance Association (URMIA) provides an excellent introduction for colleges to enterprise risk management (ERM). It explains how to implement ERM on a campus and includes four cases studies of institutions that have adopted ERM.

### *Measuring the Total Cost of Risk*

[https://www.urmia.org/library/docs/WhitePapers/TCOR\\_WhitePaper\\_20081114.pdf](https://www.urmia.org/library/docs/WhitePapers/TCOR_WhitePaper_20081114.pdf)

This advanced URMIA white paper is primarily aimed at risk managers who want to quantify the total costs of specific risks. It contains a suggested methodology and a hypothetical case study to illustrate how the methodology works.

### *Meeting the Challenge of Enterprise Risk Management in Higher Education*

[http://www.nacubo.org/documents/business\\_topics/NACUBOriskmgmtWeb.pdf](http://www.nacubo.org/documents/business_topics/NACUBOriskmgmtWeb.pdf)

This white paper arose out of a summit of higher education leaders hosted by NACUBO and the Association of Governing Boards (AGB). It describes the components of ERM, how to implement it, and the roles of the board and specific campus administrators in the process.

### *Texas A&M – List of Risks*

<http://universityrisk.tamu.edu/AssessmentTool.aspx>

Texas A&M University has made public its spreadsheets listing risks commonly found in nine functional areas of the institution. A tenth spreadsheet serves as an index file to guide users to the appropriate Excel workbook and tab.

### *University of Minnesota Heat Maps*

<http://www1.umn.edu/audit/HeatMapSummary.html>

The University of Minnesota has made public its “heat maps,” which evaluate risks in various categories based on the probability of the risk occurring and the severity of its impact.



University of Washington

# ENTERPRISE RISK MANAGEMENT (ERM)

Presentation to the Board of Regents

September 17, 2009

by

V'Ella Warren

and

Ana Mari Cauce

Senior Vice President

Dean, College of Arts and Sciences

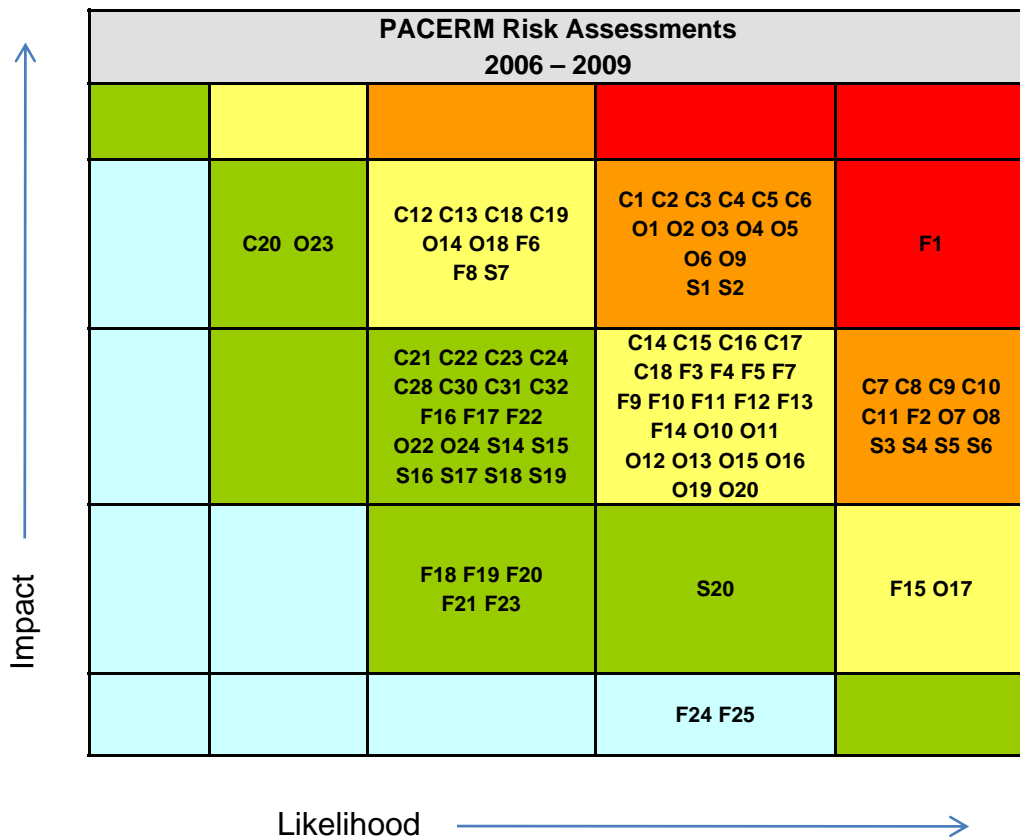
# UW Enterprise Risk Management Accomplishments – Summary

- 16 Comprehensive risk assessments – experts in risk topic identify and rate likelihood and impact of compliance, operations, finance, and strategic risks and controls
- 5 Business case/alternatives assessments – compare degree of risk under several scenarios; primarily to assess impact from different levels of resource investment, such as a facility project
- 1 Toolkit of ERM processes, summarized for units to use in conducting their own self-assessments

Expanded tools and processes to consider “**opportunity**” as well as risk in assessment topics, for example what can be done within existing resources to improve UW’s ability to recruit and retain top faculty

Refocused ERM efforts: **President’s Advisory Committee on ERM** with a strategic view, considering external “**mega-risks**” and Expanded **Compliance Council** to add **Operations and Finance** risk considerations to broadly assess internal controls

## Institution-wide Risk Map



Risk Level				
insignificant	Minor	Serious	Disastrous	Catastrophic

Overall 245 risks  
identified and evaluated

### Compliance Risks

- C1: Post Award Financial Admin (effort)
- C2: Post Award Financial Admin (cash mgt)

### Financial Risks

- F1: Biosafety Level-3 Labs (funding)
- F2: Post Award Financial Admin (funding)

### Operations Risks

- O1: Student Safety (student care)
- O2: IT Security (computing systems)

### Strategic Risks

- S1: Occptl Health/Safety (rsch practices)
- S2: Student Safety (partnerships, community relations)

# ERM Evolution at UW

Mega Risks Phase

Governance Phase

Compliance Phase

## Internal Control Risks

- Global Support
- Pollution / Asbestos
- Post Award Financial Admin
- Student Safety
- IT Security

- Occupational Health and Safety
- Patient Privacy
- Cash Handling
- Campus Impacts/Sound Transit
- Biosafety Labs

- Study Abroad
- UW Technology Investments
- Financial Oversight/Self-Sustaining
- International Tax

## Business Alternatives

- UWMC Credit Analysis
- Faculty Effort Cert System

- Cloud Computing
- Animal Research Facilities
- EHS Strategic Plan Update

- Housing/Food Services
- Credit Analysis

## Goals / Opportunities

- Faculty Recruit/Retain
- Extended Financial Crisis



*What external “mega-risks” may impact UW’s ability to achieve its strategic goals?*



## UW's Vision

- Attract a diverse and excellent student body, provide rich learning experience
- Attract, retain outstanding and diverse faculty and staff
- Strengthen interdisciplinary research on “grand challenge” problems
- Expand UW's reach across the globe
- Insure highest level of integrity, compliance and stewardship

MEGA RISK: **Global Financial Shocks**

What impact would an ***extended financial crisis*** have on the institution's ability to achieve its strategic goals and objectives?

# 2008 FINANCIAL CRISIS

## ASSESSING THE IMPACT OF A MEGA RISK ON UW STRATEGIC GOALS USING AN ERM APPROACH

UNIVERSITY OF WASHINGTON  
PRESENTATION TO THE BOARD OF REGENTS

SEPTEMBER 17, 2009

BY

DOUG BRECKEL

AND

PAUL JENNY

ASSOCIATE VICE PRESIDENT

VICE PROVOST

TREASURY OFFICE

PLANNING AND BUDGETING

# UW STRATEGIC GOALS vs. MEGA RISKS



## PARTICIPANTS

- PLANNING & BUDGETING
- TREASURY OFFICE
- CONTROLLER
- RESEARCH FISCAL SERVICES
- OFFICE OF RESEARCH

- UW TACOMA
- HEALTH SCIENCES
- SCHOOL OF DENTISTRY
- STUDENT LIFE
- SCHOOL OF MEDICINE

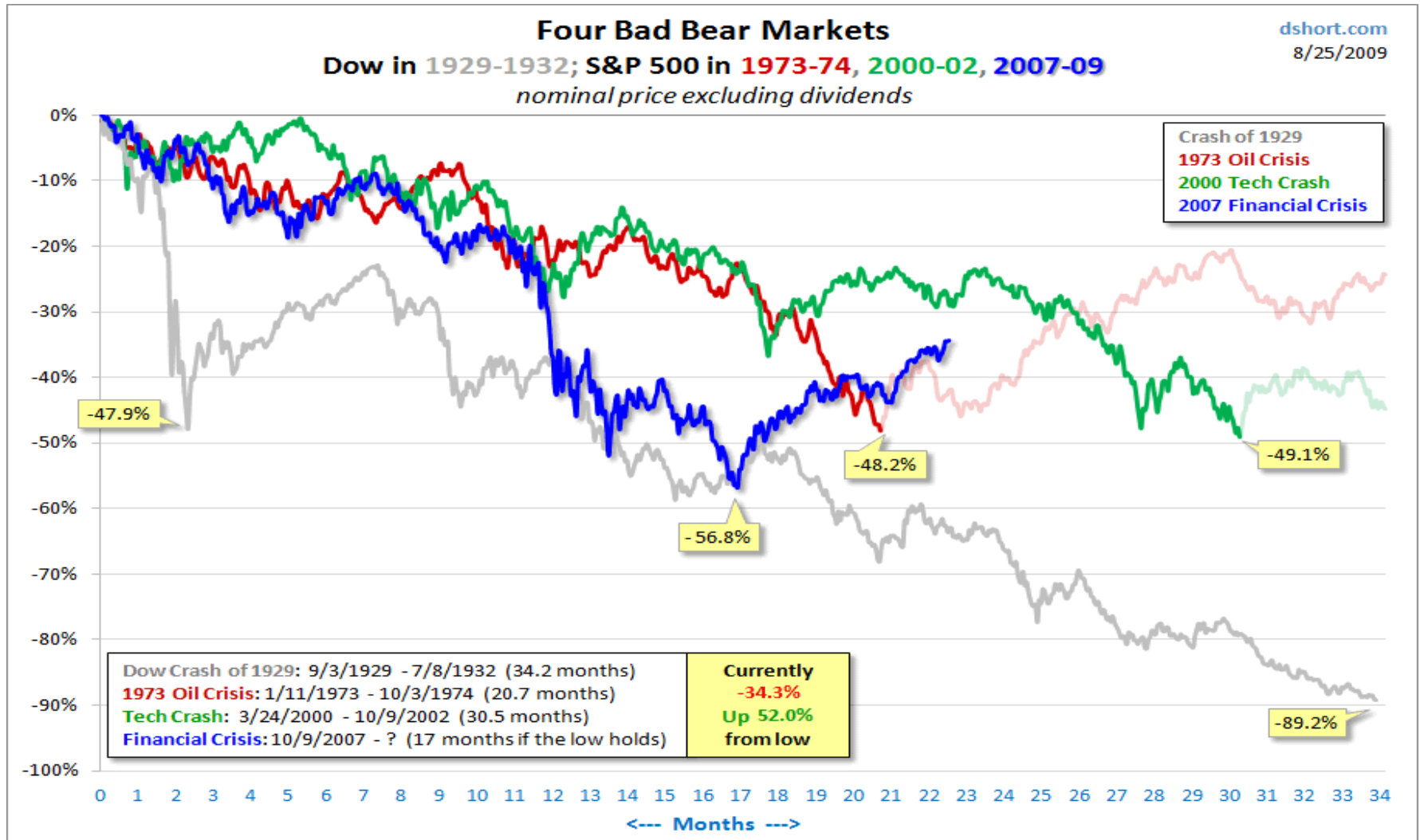
# APPROACH

- **PROBLEM:**
  - CRISIS WILL LIKELY HAVE AN ADVERSE MULTI YEAR IMPACT OF UW CASH FLOWS
- **SCOPE:**
  - IDENTIFY STRATEGIC GOALS MOST LIKELY TO ADVANCE THE UW'S MISSION
  - IDENTIFY STRATEGIC OBJECTIVES WHERE ACHIEVEMENT IS MOST AT RISK
- **PROCESS:**
  - INVOLVED SENIOR ADMINISTRATIVE AND ACADEMIC STAFF
- **RESULTS:**
  - PRESENTED RESULTS TO PRESIDENT'S ADVISORY COUNCIL ON ENTERPRISE RISK MANAGEMENT (PACERM)

# CONTEXT FOR PARTICIPANTS

- PROJECTED CASH FLOWS FY09 - FY13 CASH FLOWS FOR:
  - CORE EDUCATION (STATE FUNDS, INVESTMENT DISTRIBUTIONS, GIFTS, ICR ETC.)
  - MEDICAL ENTERPRISES (UWMC HMC, UWP/UWPN, SELLS & SERVICES)
  - OTHER AUXILIARIES (ICA, HFS, PARKING)
  - RESEARCH
- PROVIDED DATA ON PREVIOUS FINANCIAL DOWNTURNS AND RECOVERIES
- PROVIDED TOPICAL PERSPECTIVES FROM HIGHER EDUCATION FORUMS

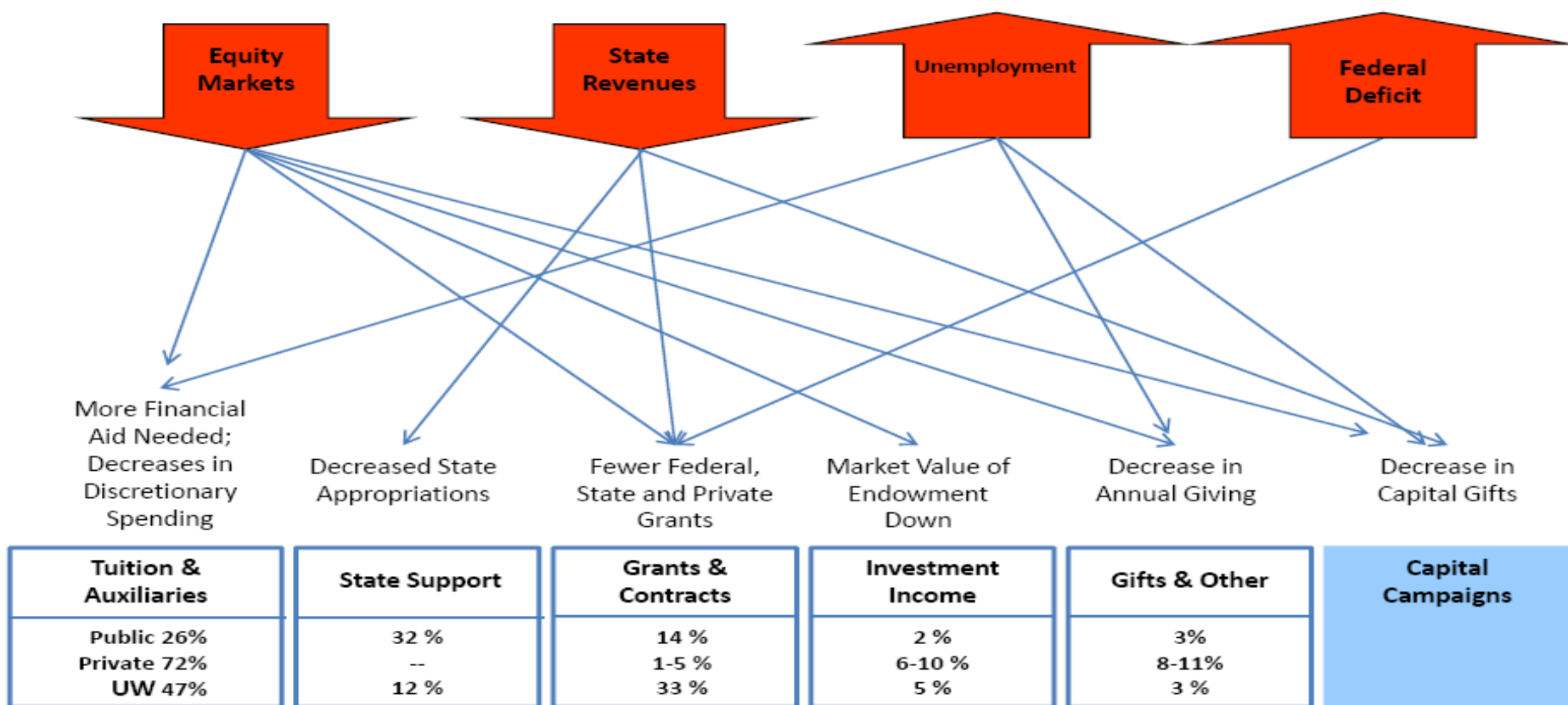
# CONTEXT FOR PARTICIPANTS



# CONTEXT FOR PARTICIPANTS

## General Impact of Current Economic Climate on Higher Ed Budgets

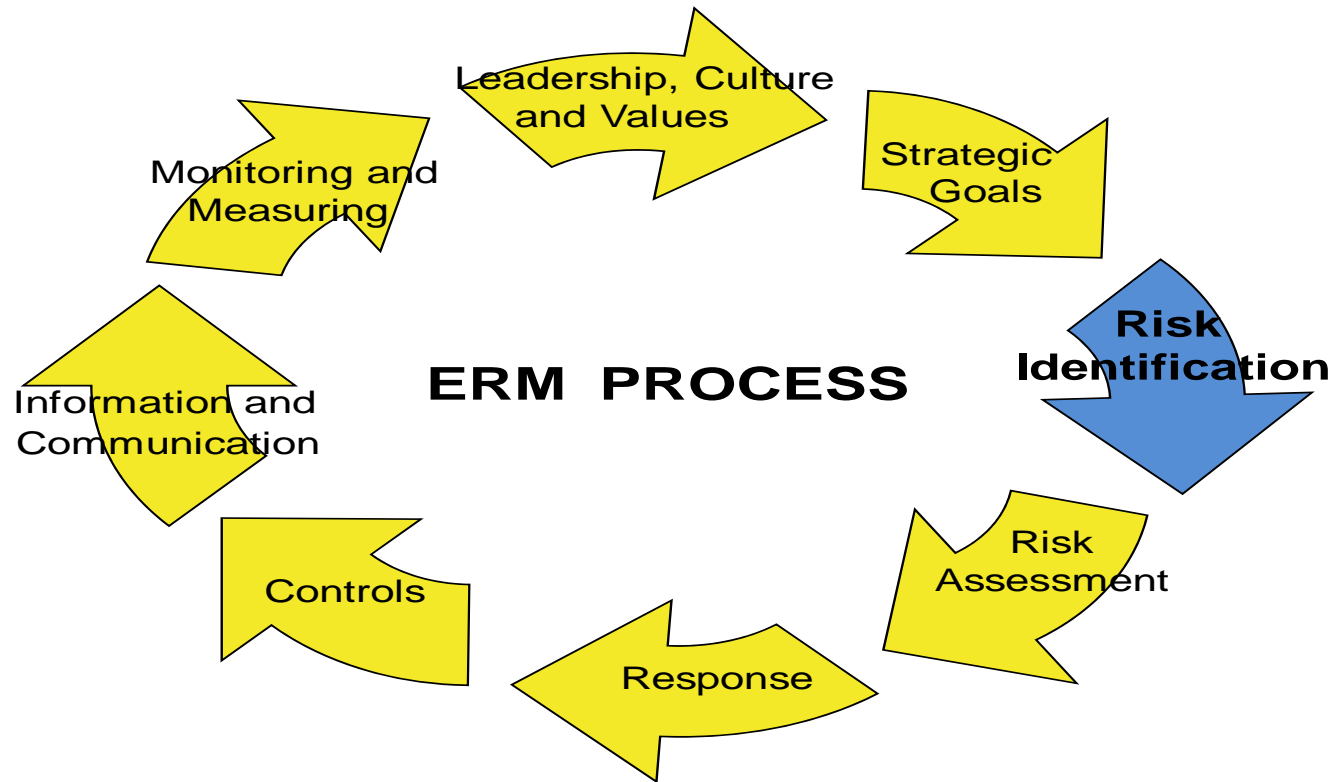
*Percentages are shown from Moody's 2007 Medians; publics on top line, privates on bottom line for small and large institutions.*



UNDERSTANDING THE INSTITUTIONAL IMPACT OF CURRENT ECONOMIC CLIMATE  
NACUBO DECEMBER 2008



# IDENTIFYING RISKS AND OPPORTUNITIES



WHAT RISKS PREVENT OR DELAY  
ACHIEVEMENT OF OBJECTIVES?

WITH EXISTING RESOURCES, OR ATTAINABLE RESOURCES, WHAT  
OPPORTUNITIES MIGHT IMPROVE OUR ABILITY TO ACHIEVE STRATEGIC  
GOALS?

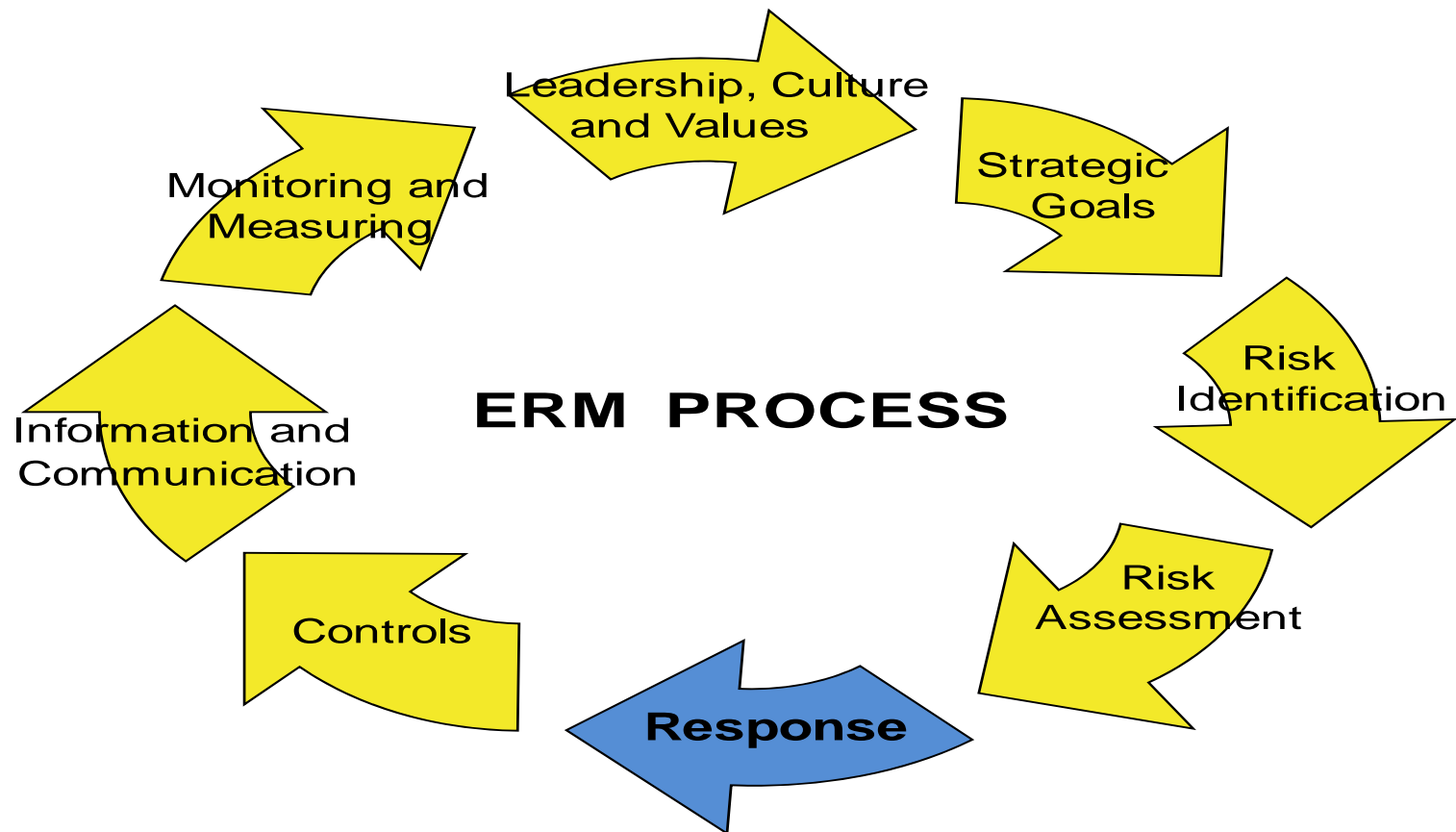
# RISKS IDENTIFIED

RISK LEVEL				
LOW	MEDIUM	SUBSTANTIAL	HIGH	EXTREME

	GOAL 1	GOAL 2	GOAL 3	GOAL 4	GOAL 5
OBJECTIVE 1					
OBJECTIVE 2	1				
OBJECTIVE 3				2	
OBJECTIVE 4					3
OBJECTIVE 5					
OBJECTIVE 6					

- GOAL 1, OBJ. 2 LEARNING ENVIRONMENT:** FEWER RESOURCES TO IMPROVE AND ENHANCE LEARNING ENVIRONMENT FOR OUR STUDENTS, SUCH AS INCREASED CLASS SIZE, FEWER TA'S, FEWER LAB OPPORTUNITIES
- GOAL 4, OBJ. 3: FACILITIES AND EQUIPMENT:** NO STATE CAPITAL FUNDS, INDIRECT COST TAPPED OUT, WHAT LITTLE EQUIPMENT AND RENOVATION MONEY THERE IS JUST A DROP IN THE BUCKET COMPARED TO OUR NEEDS
- GOAL 5, OBJECTIVE 4: CULTURE OF COMPLIANCE:** FEWER STAFF MAY BE PULLED IN TOO MANY DIRECTIONS, QUALITY SUFFERS, MISTAKES ARE MADE AND NOT CAUGHT; PLUS ADDED REQUIREMENTS WITH STIMULUS FUNDS

# RESPONSE TO OPPORTUNITIES



**MITIGATE** – USE OF DIFFERENTIAL BUDGET CUTS TO PRESERVE KEY PROGRAMS AND SUPPORT FUNCTIONS

**REDUCE** – REVIEW, PRIORITIZE AND CONSOLIDATE CAPITAL PLAN

**MONITOR** – COMPLIANCE (PACERM)

# OPPORTUNITIES IDENTIFIED

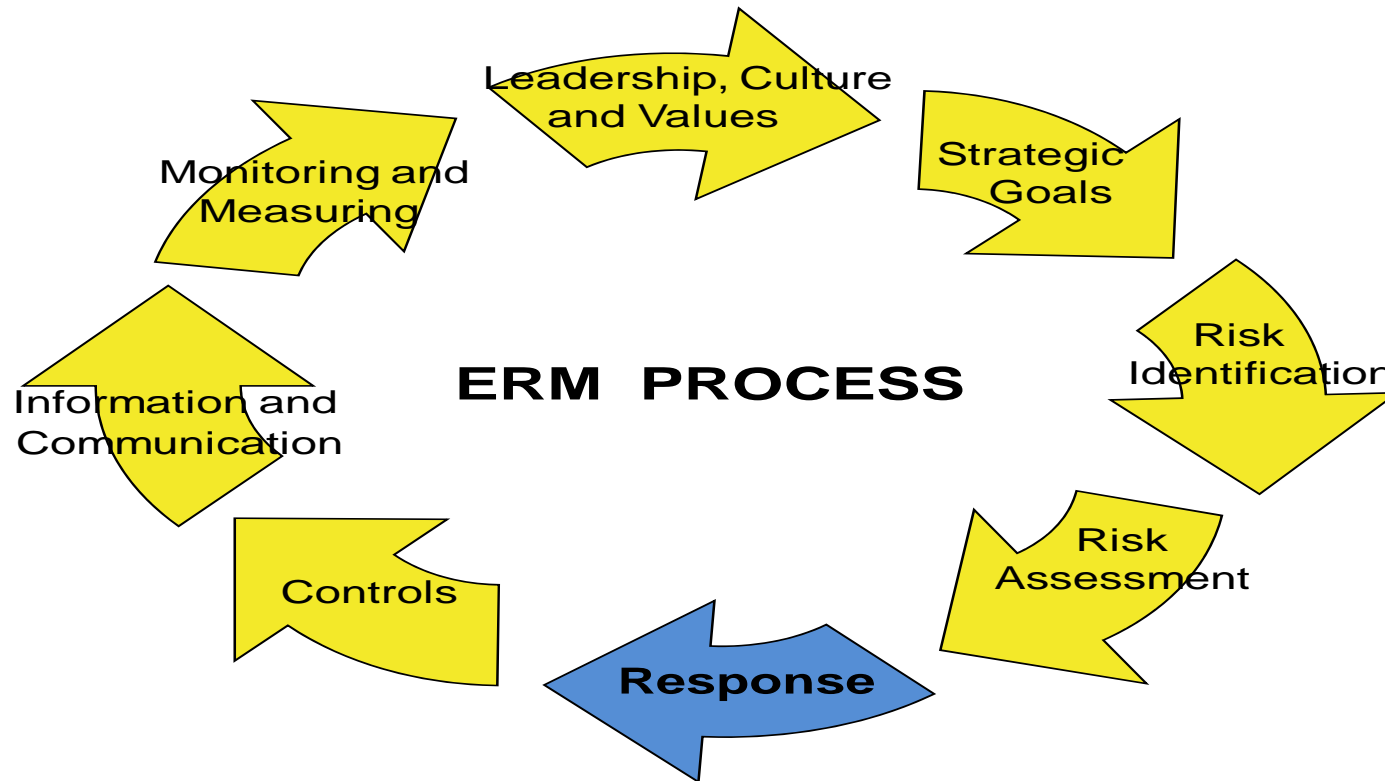
	INTERNAL SOURCES	EXTERNAL SOURCES
<b>GOAL 1</b> – ATTRACT A DIVERSE AND EXCELLENT STUDENT BODY AND PROVIDE A RICH LEARNING EXPERIENCE		
<b>GOAL 2</b> – ATTRACT AND RETAIN AN OUTSTANDING AND DIVERSE FACULTY AND STAFF		
<b>GOAL 3</b> – EXPAND THE REACH OF UW ACROSS THE GLOBE		
<b>GOAL 4</b> – STRENGTHEN INTERDISCIPLINARY RESEARCH, SCHOLARSHIP TO TACKLE "GRAND CHALLENGE" PROBLEMS TO BENEFIT SOCIETY AND STIMULATE ECONOMIC DEVELOPMENT		
<b>GOAL 5</b> – ENSURE THE HIGHEST LEVEL OF INTEGRITY, COMPLIANCE, AND STEWARDSHIP		

**EXAMPLES OF INTERNAL OPPORTUNITIES FOR GOAL 5:** TECHNOLOGICAL INNOVATION, STREAMLINING , MERGING, CONSOLIDATING PROCESSES AND PROGRAMS. PARTNERING WITH OTHERS (INTERDISCIPLINARY, PUBLIC/PRIVATE). REWARDING FINANCIAL STEWARDSHIP AT SCHOOLS AND COLLEGES, RENEGOTIATE EXISTING CONTRACTS FOR OUTSIDE SERVICES, LEASES, ETC.

**EXAMPLES OF EXTERNAL OPPORTUNITIES FOR GOAL 5:** SEEK CHANGES IN STATE REGULATIONS SUCH AS: BID LIMITS, INVEST AUTHORITY, INTERNATIONAL SERVICES, CONTRACTING OUT FOR SERVICES.

BENEFIT LEVELS				
INSIGNIFICANT	MINOR	MODERATE	MAJOR	OUTSTANDING

# RESPONSE TO OPPORTUNITIES



EXPLOIT- DEVELOP NEW BUSINESS MODEL

# UW STRATEGIC GOALS AND OBJECTIVES

UW Goal 1 – Attract a diverse and excellent student body and provide a rich learning experience	UW Goal 2 – Attract and retain an outstanding and diverse faculty and staff	UW Goal 3 – Expand the reach of UW across the globe	UW Goal 4 – Strengthen interdisciplinary research and scholarship to tackle "grand challenge" problems that will benefit society and stimulate economic development	UW Goal 5 – Ensure the highest level of integrity, compliance, and stewardship
Goal 1 Objectives	Goal 2 Objectives	Goal 3 Objectives	Goal 4 Objectives	Goal 5 Objectives
Attract a diverse student body	Provide competitive compensation for faculty and staff	Develop global educational and research programs	Pursue targeted areas of research to further our strength in areas of funding opportunity	Provide workshops to consult and inform faculty of new guidelines, rules and regulations
Improve and enhance the learning environment for our students (including access to clinical settings)	Increase the diversity of our faculty and staff	Increase the number of student and faculty study and perform scholarly work abroad	Provide the infrastructure to enable efficient communication to develop innovative and novel collaborations	Maintain and enhance information security to safeguard sensitive data
Increase the number of scholarships and amount of financial aid	Facilitate collaborations in learning and discovery	Innovate interdisciplinary programs to strengthen management of global affairs	Provide facilities and equipment to increase research capacity	Establish process and activities to manage all enterprise risks with respect to compliance, finance, operations, strategy and reputation
Prepare students for positions in a complex global environment by learning experiences abroad and service learning at home	Provide stronger support for leadership and career development in order to attract and retain the best faculty and staff	Increase partnerships with local, regional, and global industries and businesses to enhance our global competitiveness	Attract and train the most highly qualified graduate students and postdoctoral fellows	Oversee and improve UW's culture of compliance
Attract and retain the best graduate students and postdoctoral fellows from the nation's and the world's best universities				Provide means for early identification, education, and debate on risks of strategic importance
Provide undergraduate and graduate students and postdoctoral fellows career and leadership training				

## **Association of Governing Boards      and      United Educators**

2009 Report:      **The State of Enterprise Risk Management at Colleges and Universities Today**

**BEST PRACTICES** – Define risk broadly; Recognize both opportunities and downside of risk; Develop a culture that identifies and evaluates risk at multiple levels; Look at total cost of risk

**ACTION STEPS** – Develop process to consider risk in strategic discussions; Decide which prioritized risks warrant attention at highest level; Look for blind spots; Keep repeating the process

**UW's ERM** work cited as examples for risk summaries; Self-assessment toolkit “an excellent step-by-step guide”

## Questions / Discussion



## **2009 PACERM membership**

**Sandra Archibald**, Evans School of Public Affairs

**Timothy Carter**, Graduate/Professional Student Association

**Ana Mari Cauce**, Arts and Sciences

**Daniel Friedman**, College of Built Environments

**Eric Godfrey**, Student Life

**Sara Gomez**, Office of Information Management

**Mark Haselkorn**, Faculty Council on Research

**Randy Hodgins**, External Affairs

**Paul Jenny**, Planning and Budgeting

**Jack Johnson**, Attorney General's Office/UW

**Holly Jones**, Associated Students of UW

**Mindy Kornberg**, Human Resources

**Mary Lidstrom**, Office of Research

**David Lovell**, Faculty Senate

**Martha Somerman**, School of Dentistry

**Patricia Spakes**, UW-Tacoma

**Johnese Spisso**, UW Medicine

**Ed Taylor**, Undergraduate Academic Affairs

**Kathryn Waddell**, Health Sciences Administration

**V'Ella Warren**, Finance and Facilities

**Phyllis Wise**, Provost

**Scott Woodward**, Intercollegiate Athletics

## 2009 COFi membership

**Ann Anderson**, Financial Management

**James Angelosante**, Health Sciences Admin

**Kirk Bailey**, Information Security

**Bruce Balick**, Faculty Senate

**Sue Camber**, Financial Management

**Cheryl Cameron**, Academic Personnel

**Jeffrey Cheek**, Office of Research

**Elizabeth Cherry**, UW Risk Management

**Lynne Chronister**, Office of Sponsored Programs

**Sue Clausen**, UW Medicine

**Marilyn Cox**, UW-Bothell

**Walt Dryfoos**, Development

**Bruce Fergusson**, UW Medicine

**Jessie Garcia**, Human Resources

**Charlene Hansen**, Internal Audit

**Marcia Killien**, Faculty Senate

**Kay Lewis**, Student Financial Aid

**Barb McPhee**, Environmental Health and Safety

**Richard Meeks**, UW Medicine

**Todd Mildon**, University Registrar

**Karen Moe**, Human Subjects

**John Morris**, Intercollegiate Athletics

**Linda Nelson**, Arts and Sciences

**Marcia Rhodes**, Health Sciences Risk Mgt

**Nona Phillips**, Animal Welfare

**Gary Quarfoth**, Planning and Budgeting

**Bill Shirey**, Office of Information Management

### Advisors and Staff

**Barbara Benson**, Records Management

**Lori Oliver**, Attorney General's Division

**Eliza Saunders**, Public Records/Open Meetings

**Andrew Faris**, Enterprise Risk Management

**Kerry Kahl**, Enterprise Risk Management

**Tamara Young**, Internal Audit

# **UW Responds to American Recovery and Reinvestment Act (ARRA)**

September 2009

## **Funding Opportunities and Risks**

UW is among the top recipients of ARRA funds so far, with over \$64,000,000 awarded as of end of August. A total of over 1100 new proposals have been submitted, joining about 300 previously submitted proposals for consideration by federal sponsors. If awards to UW continue at this pace, we may well receive over \$250 million in sponsored research funds above the usual level of federal awards. All ARRA funds are to be awarded by federal sponsors by the end of September, and must be spent in two years.

UW may also be leading its peers in internal preparations for the added reporting requirements for ARRA awards. A collaborative effort involving the Office of Research, Finance and Facilities, and Human Resources has developed a “data mart” to simplify compliance with federal reporting. The data mart, hosted by Human Resources in its new state of the art information management platform, draws data from a variety of existing UW systems. It reduces the number of data elements that Principal Investigators must provide to only 2 out of the total of 99 required elements:

- Project activity/milestones
- Percent of project completed

## **Key Points about ARRA at UW**

- ARRA sponsored research projects are not “business as usual.” They create a new and complex set of additional reporting requirements, both to the federal sponsors and to the State of Washington.
- UW’s Principal Investigators will be responsible for ensuring that compliance risks, such as not co-mingling ARRA funded work with other existing sponsored research, are appropriately managed.
- In approving the stimulus package, Congress added more restrictions and requirements, which may increase exposure to audit findings and severe consequences for any violations of the requirements.
- The sizable increase in our research funding for the next two years requires the rapid recruitment and hiring of several hundred new staff. UW Human Resources has established hiring banks and pools of candidates to expedite the hiring process.
- UW’s preparations for supporting proposals and awards, and compliance with reporting and other ARRA requirements, is the result of extensive collaboration across the institution.

Each of these points is discussed in more detail below. UW will monitor key indicators during the two years of ARRA fund reporting, in order to track overall performance and compliance.

## **Not Business as Usual – A New Model for Reporting Creates Complexity and Risks**

Every ARRA award will have at least two new types of reports submitted, in addition to all the usual reports required for sponsored research grants and contracts:

1. UW will be required to report with more frequency and in significantly more detail to federal sponsors than on non-ARRA awards. UW Grant and Contract Accounting will act as the UW reporting coordinators working with faculty to ensure required information is entered into a newly-developed central federal system.
2. UW faces considerable reporting requirements to the State of Washington. Even though UW is receiving only a very small fraction of its overall ARRA funding directly from the State, the State’s Office of Financial Management is requiring UW to report data (yet to be defined) different from that required by federal sponsors—creating an additional reporting burden for ARRA projects.

A further set of reporting must be tracked for subcontract awards. In the case where UW is the prime recipient and is making sub-awards to other institutions, we will require those institutions to report the required data to UW. Where UW is a sub-recipient, the prime institution will determine how they want UW to report, either to them or directly to the federal system.

### **Risk at the Individual PI level**

Information via the web and email, and in-person training sessions, is being provided to Principal Investigators and department administrators. The University depends on every individual PI to ensure compliance with all terms of the ARRA awards, including:

- Spend the money and complete the work within the specified time period (usually 2yrs);
- Continue to make good progress on previously awarded non-ARRA projects;
- No co-mingling of ARRA funds with other projects/prior awards;
- Additional sub-recipient monitoring of sub-awards;
- Timely submission of quarterly data; and
- Any special requirements which the sponsoring agency may have added.

### **Severe Consequences for not Reporting Properly**

ARRA has high visibility, creating unprecedented levels of transparency. Individual projects will be audited, and the added requirements increase vulnerability to audit findings, and findings on large projects could be expanded to apply to all awards from an agency. The Recovery Act stipulates repercussions for not following the mandates including:

- Termination of awards.
- Return of funds to the sponsor both on an individual and institutional level.
- Debarment from receiving future funds, both on an individual and institutional level.
- Failure to submit reports on time will shut down awards.
- Non-compliance will be highly visible, nationally and internationally, and could impact UW's reputation and credibility.
- 

### **Human Resources Geared up for ARRA Hiring**

Human Resources has established a team of HR staff dedicated to quickly filling ARRA-funded positions. HR is creating specialized candidate banks in UWHIRES to enable candidates to submit application materials without waiting for a specific requisition to open. The candidate banks will help identify individuals with required skill sets and quickly make referrals of qualified candidates. HR has also created a new tool to help their recruiters quickly identify those candidates who have the skills that best match the needs of each position. ARRA funded positions will note the temporary period when funds are available. HR is using available data to prepare the required jobs reporting, both at the institutional level and for each ARRA project quarterly report.

### **ARRA Risk Tracking**

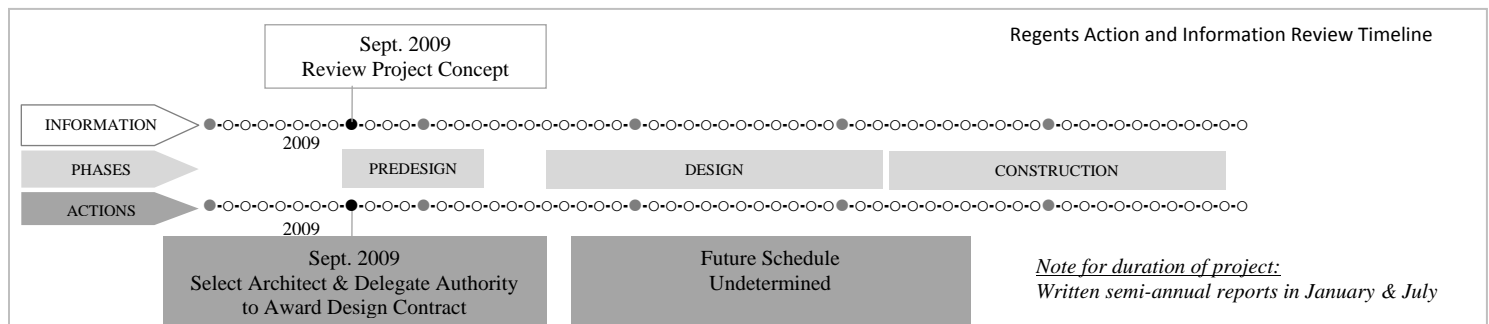
There will be regular monitoring and reporting of ARRA activities throughout the year, such as:

- UW experience submitting required reports, both federal and state (first submittal due Oct 10).
- Overall ARRA awards relative to peers.
- Extent of training and ongoing communications.
- Hiring of ARRA funded staff.
- Emerging risks, and other indicators of ARRA impacts and benefits.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### House of Knowledge – Select Architect and Delegate Authority to Award a Design Contract



#### RECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to award a design contract for the House of Knowledge Project with the firm of Jones & Jones Architects, Landscape Architects, and Planners, subject to successful negotiation of an architectural agreement.

In June 2009, the Capital Projects Office advertised for firms interested in providing architectural services. Twelve firms responded to the Request for Qualifications for this project, and three firms were interviewed by the Architectural Commission on September 14, 2009: Jones & Jones Architects, Rolluda Architects teamed with McFarland Marceau, and Alfred Waugh Architect teamed with SHKS Architects. It is the Commission's recommendation that Jones & Jones Architects, Landscape Architects, and Planners A be appointed design architect for this project. The Architectural Commission is charged with identifying the most qualified firm as well as one or two alternate qualified firms, if any, ensuring that negotiations can continue in a timely manner. No alternate was selected at this time.

Jones and Jones is a planning and design firm known for its commitment to excellence, the integration of architecture and landscape architecture, and its profound respect for the natural and cultural heritage of places and people. For more than 38 years, Jones & Jones has built a diverse practice that includes nature and interpretative centers, cultural centers, museums, and educational centers. The staff consists of 42 architects, landscape architects, and planners located in Seattle.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### House of Knowledge – Select Architect and Delegate Authority to Award a Design Contract (continued p. 2)

Jones & Jones work focuses on communities, learning places, traditional cultures, and natural environments. Native American cultural living places have been a central focus for more than 35 years. They work with Indigenous Communities in both the Northwest and throughout the west to develop landscapes, buildings and communities that express an authentic Native vision.

Recent relevant experience includes:

- National Museum of the American Indian on the Mall in Washington DC
- Agua Caliente Cultural Museum in Palm Springs, California
- Longhouse Education and Cultural Center at the Evergreen State College
- Many Nations Longhouse at the University of Oregon
- Chief Seattle Club, Seattle
- Northwest Indian Canoe House, Seattle
- Southern Ute Museum & Cultural Center
- Mercer Slough Environmental Educational Center, Bellevue

#### BACKGROUND:

In September 2007, the House of Knowledge Planning Advisory Committee was formed to create a clear vision of the project that will serve as the basis of community awareness, fundraising, design and construction and be the founding idea from which all aspects of the project will be developed. The planned facility can be described as a multi-service learning and gathering space in an educational environment. Recommendations of the committee include: a facility size of 18,000 to 20,000 square feet centrally located on campus, be designed to honor the traditional Northwest Native architectural style, and to functionally serve and support Native Students.

#### Mission Statement:

“To provide a multi-service learning and gathering space for Native American students, faculty and staff, and others of various cultures and communities to come together in a supporting and welcoming educational environment to share their knowledge and their cultures with one another.”

#### Project Goals:

- To make Native people “visible” on the UW campus.
- To offer a meeting space for UW Native students, faculty, and staff.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

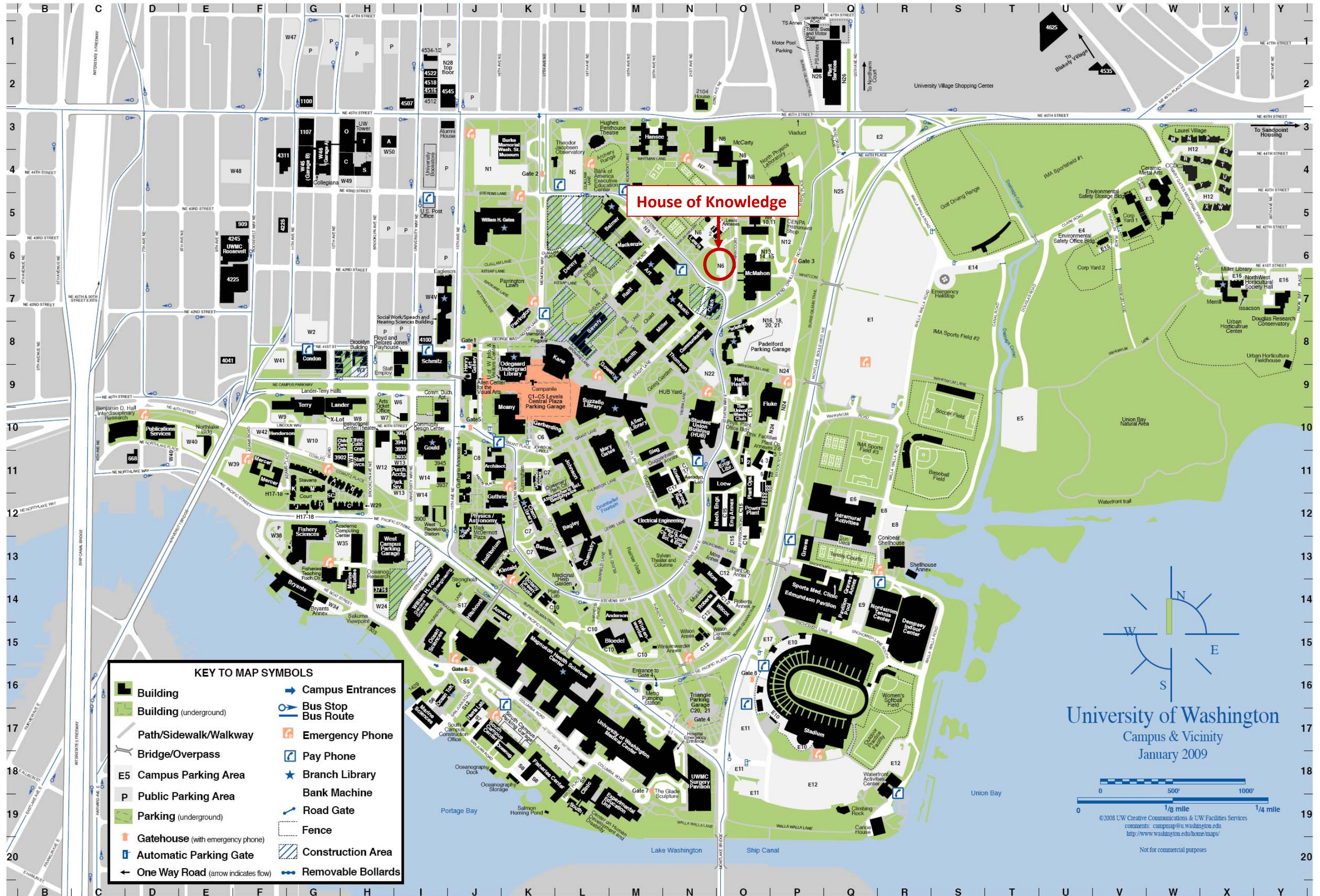
#### House of Knowledge – Select Architect and Delegate Authority to Award a Design Contract (continued p. 3)

- To visibly manifest and symbolize the importance of Native Traditions in the institutional culture.
- To share knowledge of Northwest indigenous people within the UW community and among the Tribes in the area, and the broader community.
- To enhance recruitment and retention of Native students, faculty, and staff.
- To serve Tribes with resources and access to the University community.
- To provide appropriate learning spaces for various UW courses and programs.
- To edify the community with respect to cultures and values of indigenous people.
- To enhance the campus experience for all students, faculty, staff, and visitors.

The future design and construction of the House of Knowledge Project is contingent upon receiving a combination of state, tribal, corporate, and private funding. The predesign document will be used in this fund raising effort. Funding of \$300,000 for the predesign is from State Building Construction funds.

*Attachment*  
Campus Map



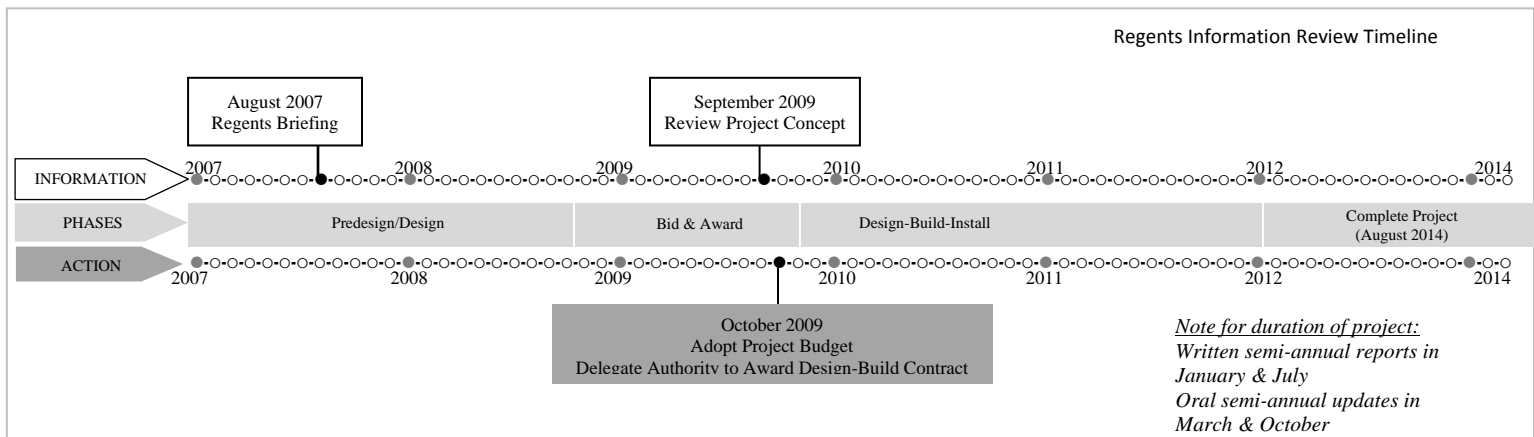


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9/17/09



## VII. STANDING COMMITTEES

## B. Finance, Audit and Facilities Committee

Ocean Observatory Initiative Regional Scale Nodes Primary Infrastructure –  
Review Project ConceptINFORMATION:

The purpose of this presentation is to provide background information about the University's role in the Ocean Observatory Initiative Regional Scale Nodes (RSN) Primary Infrastructure project. We will return in October 2009 to present the final project budget and funding plan and request authority to award a Design-Build contract for the design and construction of the RSN project.

BACKGROUND:

For over ten years, Dr. John Delaney of the University's School of Oceanography has advocated construction of a cabled ocean observatory in the northeast Pacific Ocean, which could be used to conduct transformational, multidisciplinary ocean science. Funded by the National Science Foundation (NSF) and under the direction of the Consortium for Ocean Leadership (OL), Dr. Delaney's vision will become reality as the Regional Scale Nodes project, part of a broader Ocean Observatories Initiative (OOI). In March 2007, the University of Washington was named by OL as the Implementing Organization (IO) for the RSN project. As the RSN IO, the University will develop, design and construct the RSN primary infrastructure.

NSF will fund the planned facility through its Major Research Equipment and Facilities Construction (MREFC) account. The OOI is an outgrowth of scientific planning efforts by the national and international ocean research communities over the past two decades and is motivated in part by rapidly expanding

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Ocean Observatory Initiative Regional Scale Nodes Primary Infrastructure – Review Project Concept (continued p. 2)

development of computational, robotic, communications, and sensor capabilities. The OOI program is managed through the OOI Program Office housed within OL in Washington, D.C. OL is a not-for-profit corporation of member institutions, organizations, and governmental entities involved in oceanographic sciences or related fields. OL will implement the OOI by sub-contracting to the IOs, as shown at Attachment 1. Together, the IOs will develop, construct, and operate the OOI. There is one IO for the coastal and global nodes, another for the regional nodes (UW), and one for the cyberinfrastructure that connects the nodes together into an integrated observatory. A fourth IO for building related education and public engagement infrastructure will be identified through a competitive procurement process after project initiation.

The RSN will instrument two areas of the Juan de Fuca tectonic plate in the Northeast Pacific Ocean. The Canadian government's NEPTUNE (Northeast Pacific Time-series Undersea Networked Experiments) array is currently being installed on the northern third of the same plate. Together these two systems will monitor the Juan de Fuca plate to allow the science community to conduct experiments. Permanent electro-optical seafloor cables will connect seafloor nodes at two locations and will provide power and high bandwidth for sensors, instruments, and underwater vehicles. This high power and bandwidth capability will allow experimental access from below, on the seafloor, within the water column, and across the air-sea interface.

Over the course of the last 2½ years, the University has developed a comprehensive construction plan addressing the science requirements of this innovative observatory system. The major component of the construction efforts will be the RSN Primary Infrastructure contract. The Primary Infrastructure consists of the cable, power feed, communications, and seafloor distribution nodes. As an integrated ocean network it was important to get a "turnkey" solution from a single provider encompassing transmission of both electrical power and communications bandwidth, particularly with a system design life of 30 years. Based on this key factor, the decision was made to use the Alternative Public Works Design-Build contracting methodology. Following appropriate state guidelines, a Request for Qualifications was issued and five qualified bidders proceeded to the next stage of the selection process. As a result of the selection process, the University's RSN project team has entered into negotiations with the firm of L-3 Communications MariPro, Inc. as the potential supplier. L-3 Communications MariPro, Inc. is a subsidiary of L-3 Communications Corporation, a Fortune 500 company with a diverse product portfolio used across aerospace and defense platforms in support of the Department of Defense, Department of Homeland Security and the intelligence community. L-3 Communications MariPro has specific expertise in complex cable sensor systems

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Ocean Observatory Initiative Regional Scale Nodes Primary Infrastructure – Review Project Concept (continued p. 3)

design and marine installations worldwide, including involvement in the NEPTUNE Canada project mentioned above.

Contract negotiations with L-3 Communications MariPro are ongoing. The University's contract negotiating team has included representatives from the Attorney General's Office, the Capital Projects Office, the Tax Office, the Risk Management Office, the Applied Physics Laboratory and the RSN Project Office. It is expected that the negotiations will be successfully concluded and that the BOR will be presented with the results, along with a request for authority to award the RSN Primary Infrastructure contract at its October 2009 meeting.

#### PROJECT SCHEDULE:

Mar 2007	UW selected as Regional Implementing Organization for OOI
May 2008	UW commenced OOI RSN Primary Infrastructure procurement process
Sep 2009	UW signs OOI RSN construction sub-contract with OL
Oct 2009	RSN Primary Infrastructure Design-Build Contract award
Sep 2011	Commence manufacturing
Nov 2012	Commence marine installation
Jun 2013	Primary Infrastructure construction completion
Aug 2014	Overall project completion

#### PROJECT BUDGET & FUNDING:

The total project budget for the RSN project is \$169.6M, as shown in the table below. As approved by NSF, the University will receive direct funding of \$131.0M to cover the RSN budgeted costs and OL will retain the contingency funds of \$38.6M, for release as necessary.

<b>Regional Scale Nodes Budget/Funding Breakdown</b>			
Category	Cost	Contingency	Total
1. Project Management	\$14.2M	\$0.8M	\$15.0M
2. System Engineering	\$4.3M	\$0.2M	\$4.5M
3. Sub-System Development	\$17.2M	\$4.0M	\$21.2M
4. Implementation	\$95.3M	\$33.6M	\$128.9M
<b>TOTAL</b>	<b>\$131.0M</b>	<b>\$38.6M</b>	<b>\$169.6M</b>

Within the Implementation category of the above table, the Primary Infrastructure contract represents a total of \$82M of the combined cost and contingency budget.

## VII. STANDING COMMITTEES

### B. Finance, Audit and Facilities Committee

#### Ocean Observatory Initiative Regional Scale Nodes Primary Infrastructure – Review Project Concept (continued p. 4)

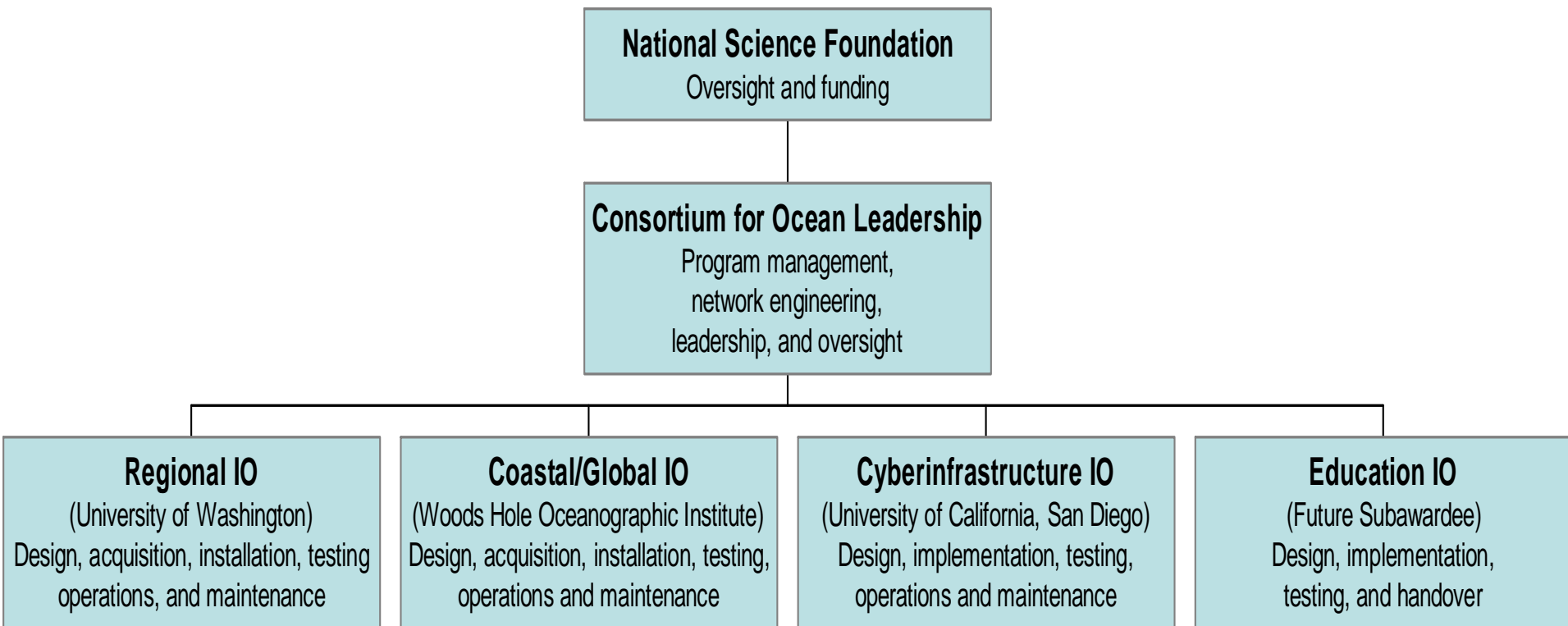
Current negotiations with the proposed contractor, L-3 Communications MariPro, have the contract valued at approximately \$76M.

#### PROJECT RISKS:

Risk assessment and mitigation has been a significant area of focus in the development of the RSN program. The Primary Infrastructure contract is a fixed price contract, with the exception of any cable armor protection up-scope required as a result of the cable route survey and any weather delays that exceed the contracted working capabilities of the specific ships. Risk associated with armor protection will be resolved within the first year of the program as a result of the cable route survey. Weather delays will remain a risk until the end of the construction program. The RSN Project Office holds a contingency within the RSN total project budget that is sufficient to cover these risks. Project risks and mitigation measures will be discussed further in the presentation to the BOR.

#### *Attachments*

Ocean Observatories Initiative Organization Structure



## Attachment 1

VII. STANDING COMMITTEES

B. Finance Audit and Facilities Committee

Investment Performance Report, Fourth Quarter Fiscal Year 2009

For information only.

*Attachment*

# UNIVERSITY OF WASHINGTON

## INVESTMENT PERFORMANCE REPORT TO THE BOARD OF REGENTS

FOURTH QUARTER FISCAL YEAR 2009

As of June 30, 2009



TREASURER BOARD OF REGENTS  
TREASURY OFFICE

*Published August 2009*

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# TREASURY ASSETS<sup>1</sup>

As of 6/30/09—2.9 Billion

Dollars in Millions



## Endowment & Similar Funds

Endowment Funds	\$1,327
Operating Funds	<u>322</u>
Consolidated Endowment Fund	1,649
Life Income Trusts	64
Outside Trusts	43
Non-CEF Endowments	18
Permanent Fund <sup>6</sup>	<u>29</u>
	<b><u>\$1,803</u></b>

## Operating & Reserve Funds

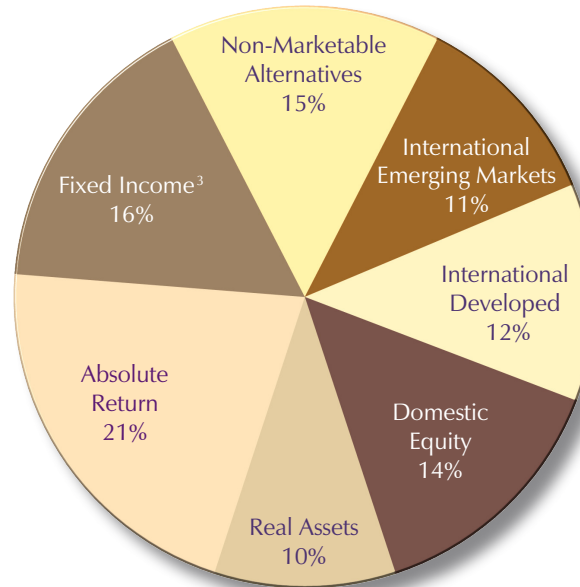
Invested Funds <sup>2,3</sup>	\$885
Bond Retirement Fund <sup>4</sup>	18
Building Fund <sup>4</sup>	25
Debt Service Reserve Funds <sup>5</sup>	12
Bond Proceeds <sup>7</sup>	<u>110</u>
	<b><u>\$1,050</u></b>

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 \$322. 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 \$70.3 & 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 June 30, 2009

Consolidated Endowment Fund <sup>1</sup>—\$1,649 MM



Dollars in Millions

	Current Allocation <sup>2</sup>		Policy Target	Policy Range
Global Equity	Non-Marketable Alternatives	\$241 15%	12%	5%–25%
	International Emerging Markets	188 11%	13%	5%–35%
	International Developed Markets	201 12%	16%	5%–35%
	Domestic Equity	235 14%	15%	5%–35%
	<b>Equity Fund</b>	<b>\$865 52%</b>	<b>56%</b>	<b>45%–75%</b>
	Real Assets Fund	\$171 10%	15%	5%–25%
	Absolute Return	341 21%	18%	5%–25%
	Fixed Income Fund <sup>3</sup>	272 16%	11%	5%–35%
	<b>Total Consolidated Endowment Fund</b>	<b>\$1,649 100%</b>		

<sup>1</sup> International exposure: 36%; net foreign currency exposure: 35%.

<sup>2</sup> Current exposure percentage may not add to 100% due to rounding.

<sup>3</sup> Includes allocation to cash.

# CONSOLIDATED ENDOWMENT FUND (CEF)

For the Quarter ending June 30, 2009

Total Returns As of 6/30/09 <sup>1</sup> (%)

	4 <sup>th</sup> Qtr FY 2009	1-Year	5-Year	10-Year
<b>Total CEF Return</b>	<b>9.2</b>	<b>-23.3</b>	<b>5.0</b>	<b>5.4</b>
Strategy Weighted Policy Benchmark	10.4	-16.9	5.3	4.5
<b>Equity Fund</b>	<b>13.0</b>	<b>-27.3</b>	<b>4.3</b>	<b>4.7</b>
Weighted Policy Benchmark	16.8	-26.2	3.3	2.9
<b>Real Assets Fund</b>	<b>0.6</b>	<b>-36.3</b>	<b>5.0</b>	<b>—</b>
Policy Benchmark	2.6	-14.8	8.0	—
<b>Absolute Return Fund</b>	<b>12.8</b>	<b>-13.6</b>	<b>—</b>	<b>—</b>
Policy Benchmark	5.2	-2.1	—	—
<b>Fixed Income Fund</b>	<b>1.2</b>	<b>-2.1</b>	<b>3.7</b>	<b>4.8</b>
Policy Benchmark (LB Govt Bond)	-2.2	6.6	5.4	6.1

<sup>1</sup> Average Annual Compound Return

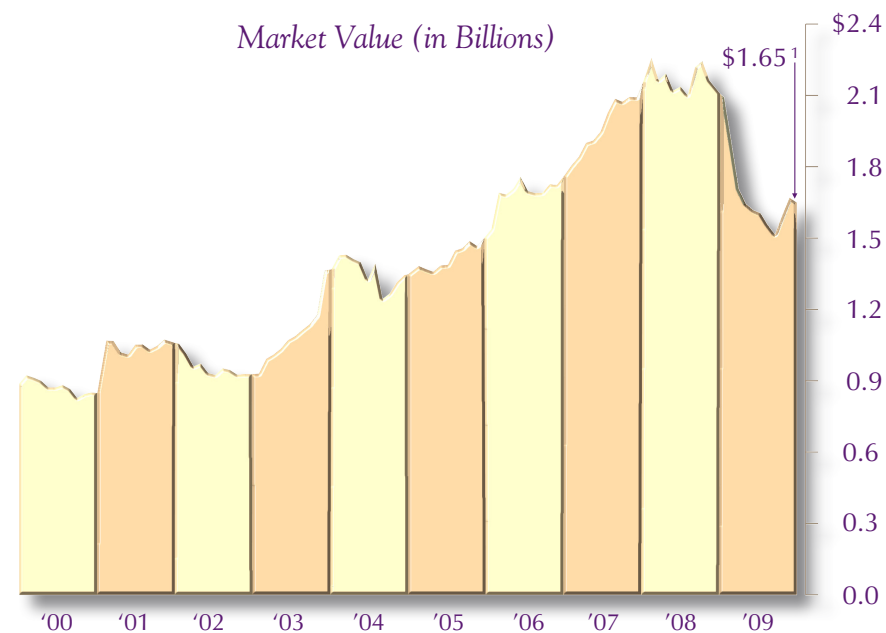
Activity (in Millions)

	FY 2009	FY 2008	FY 2007	5 Years	10 Years
<b>Beginning Balance</b>	<b>2,161</b>	<b>2,074</b>	<b>1,690</b>	<b>1,398</b>	<b>686</b>
Gifts	84	99	66	423	632
Transfers	8	8	9	58	90
<b>Total Additions</b>	<b>92</b>	<b>107</b>	<b>75</b>	<b>482</b>	<b>723</b>
Operating Funds Purchases	3	44	15	92	363
Net Investment Return	(514)	53	392	159	620
Distributions	(75)	(94)	(81)	(396)	(621)
Administrative Fees	(4)	(4)	(4)	(17)	(27)
Advancement Support	(14)	(17)	(14)	(68)	(95)
<b>Ending Balance</b>	<b>1,649</b>	<b>2,161</b>	<b>2,074</b>	<b>1,649</b>	<b>1,649</b>
Net Change	(512)	88	384	251	963

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

Data not available at press time.

Market Value (in Billions)



<sup>1</sup> Reflects inclusion of IF units in CEF starting 7/01—value without would be \$1.3

# PERFORMANCE UPDATE

Total Return<sup>1</sup> As of 6/30/09

	4 <sup>th</sup> Qtr FY '09	1 Year	3 Years	5 Years	10 Years
Consolidated Endowment Fund	9.2	-23.3	-1.2	5.0	5.4
Equity Fund	13.0	-27.3	-2.9	4.3	4.7
Non-Marketable Alternatives <sup>2</sup>	-3.2	-22.6	2.9	9.5	9.0
Global Equity <sup>3</sup>	21.2	-27.8	—	—	—
International Emerging Markets	32.6	-28.7	7.0	—	—
International Developed Markets	23.5	-26.9	-6.8	3.4	1.6
Domestic Equity	9.9	-27.5	-8.3	-1.6	1.2
Real Assets Fund	0.6	-36.3	-5.2	5.0	—
Absolute Return Fund <sup>3</sup>	12.8	-13.6	—	—	—
Fixed Income Fund	1.2	-2.1	3.4	3.7	4.8
Public Market Indices					
Equity Indices					
MSCI ACWI	27.9	-30.5	-5.4	5.0	2.9
Russell 3000	16.8	-26.6	-8.3	-1.8	-1.5
NASDAQ	20.0	-23.5	-6.9	-3.0	-4.2
NAREIT	28.9	-43.3	-18.0	-2.7	5.5
Dow Jones Industrial Average	12.0	-23.2	-6.4	-1.7	-0.4
MSCI EAFE	25.8	-31.0	-7.5	2.8	1.6
MSCI EMF	34.8	-27.8	3.3	15.1	8.5
Fixed Income Indices					
LB Government Bond	-2.2	6.6	7.3	5.4	6.1
CG World Bond Index(unhedged to USD)	3.5	4.0	7.8	6.1	6.5

Sources: Cambridge Associates and State Street

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

<sup>2</sup> Provided by Cambridge Associates on a quarter lag.

<sup>3</sup> New strategies reflecting data starting 7/1/2008.

# INVESTED FUNDS (IF)

For the Quarter ending June 30, 2009

Total Return<sup>1</sup> (%)

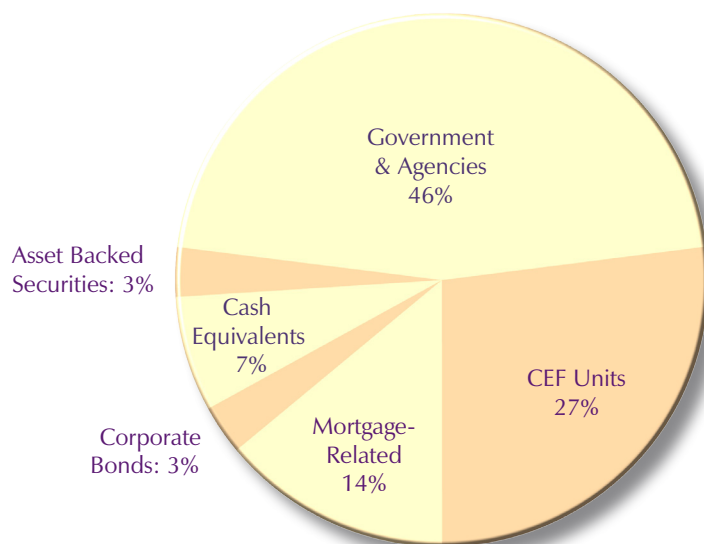
	4 <sup>th</sup> Qtr FY 2009	1-Year	5-Year	10-Year
<b>Cash</b>	<b>0.6</b>	<b>3.9</b>	<b>4.2</b>	<b>4.8</b>
Citi 2 Yr Treasury	-0.1	5.7	4.3	4.7
<b>Liquidity</b>	<b>-0.8</b>	<b>4.6</b>	<b>4.2</b>	<b>5.3</b>
LB Intermediate Govt Bond	-1.4	6.4	5.0	5.6
<b>IF excluding CEF units</b>	<b>-0.3</b>	<b>4.5</b>	<b>4.3</b>	<b>5.2</b>
Weighted Benchmark	-1.0	6.1	4.8	5.4
<b>IF including CEF units</b>	<b>1.8</b>	<b>-5.0</b>	<b>4.7</b>	<b>5.3</b>
Weighted Benchmark	1.7	-1.0	5.3	5.4

<sup>1</sup> Average Annual Compound Return

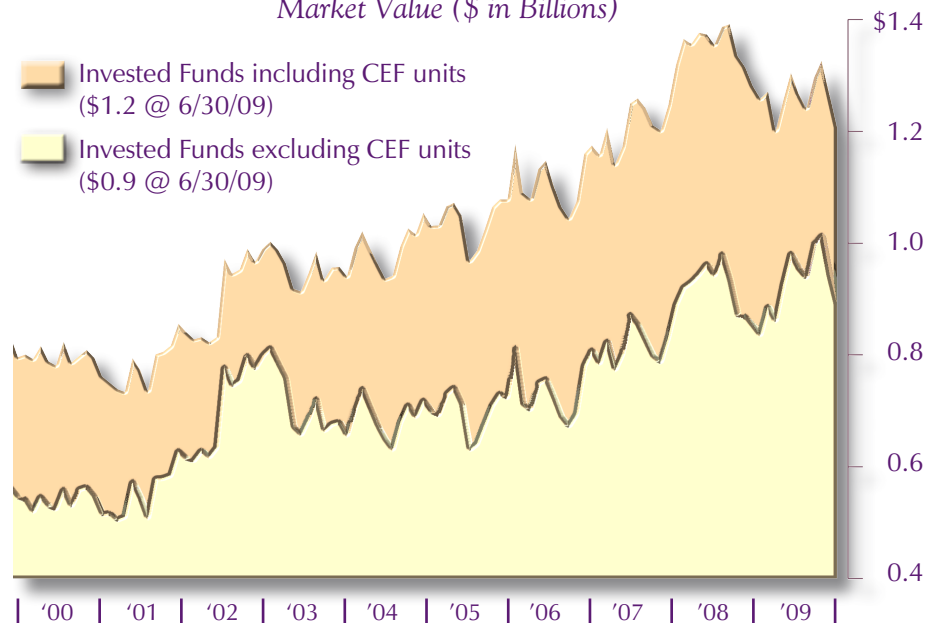
Fund Allocation by Pool (\$ in Millions)

	Fund Allocation		Range	Duration Actual Maximum	
Cash Pool	\$225	19%	10%–40%	0.5	3.0 yrs
Liquidity Pool	660	55%	30%–60%	3.5	4.3 yrs
<b>Total Cash &amp; Liq. Pool</b>	<b>\$885</b>	<b>73%</b>			
CEF Units held by IF		27%	15%–40%		
<b>Total Invested Funds</b>		<b>100%</b>			

Mix of Investments



Market Value (\$ in Billions)



# CONSOLIDATED ENDOWMENT FUND SPENDING UPDATE

For the Quarter ending June 30, 2009

## Interim Policy:

**Reduce CEF distributions 25% in FY09 and another 25% in FY10. Thereafter, hold constant until reviewed by Board of Regents (no later than June 30, 2013).**

*Interim Policy Approved March 19, 2009*

*Assumptions underlying decision*

	\$ = 000's	
	<u>FY 2009</u>	<u>FY 2010 (Est.)</u>
Beginning Market Value	\$2,161,438	\$1,593,246
Distributions	\$75,425	\$58,486

*Current and Projected Results*

*Variance from assumption*

	\$ = 000's		
	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Beginning Market Value	\$2,073,519	\$2,161,438	\$1,649,159
Distributions	\$94,314	\$75,478	\$58,628
Year-Over-Year Decline <sup>1</sup>	NA	-20%	-22%
Effective Spending Rate	4.5%	3.5%	3.6%
Total Return	2.0%	-23.0%	NA

<sup>1</sup> 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%.

## History

*Quarterly Market Values and Additions*

	<u>Value Before Additions</u>	<u>\$ = 000's Additions</u>	<u>Additions as %</u>
07/1/2008	\$2,161,438	\$34,311	1.6%
10/1/2008	\$1,901,352	\$26,187	1.4%
01/1/2009	\$1,617,610	\$20,809	1.3%
04/1/2009	\$1,515,209	\$12,194	0.8%
07/1/2009	\$1,649,159	\$14,250	0.9%

## History

*Per Unit Distributions FY08–FY11*

	\$ = 000's	
	<u>Payout Per Unit</u>	<u>Year-Over-Year Change</u>
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 payoutss.



# SUMMARY OF ACTIONS TAKEN UNDER BOARD DELEGATED AUTHORITIES

## JANUARY 1, 2009 THROUGH AUGUST 17, 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 notional)	\$10.0 collateral
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 notional)	-\$0.2 collateral
01/29/09	Termination	Brandywine	Fixed Income	-\$40.0
01/29/09	New	Wellington Management	Fixed Income	\$15.9
08/17/09	Liquidation	Wellington TIPs	Fixed Income	-\$10.0
01/16/09	New	State Street - Currency Hedge	International Developed	\$20.0
01/16/09	New	State Street - Currency Hedge	International Developed	\$20.0
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	State Street - Currency Hedge	International Developed	-\$20.0
07/31/09	Addition	Arrowstreet	International Developed	\$10.0
07/31/09	New	Goldman Sachs - All World Swap	International Developed	\$30.0
01/09/09	Termination	Atlantis China	International Emerging Markets	-\$3.3
02/20/09	Redemption	Ward Ferry	International Emerging Markets	-\$2.4
06/04/09	Transition	City of London- from comingled to separate account	International Emerging Markets	\$96.0
07/17/09	Addition	Dynamo	International Emerging Markets	\$10.0
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 AUGUST 17, 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	New	Regiment	Absolute Return	\$10.0
02/12/09	Reup	TA Associates Fund XI	Non-Marketable Alternatives	\$8.0
05/15/09	New	Rimrock ABS	Invested Funds - Liquidity	\$30.0



## VII. STANDING COMMITTEES

## B. Finance, Audit &amp; Facilities Committee

Adoption of University of Washington Investment Committee Statement of PrinciplesRECOMMENDED ACTION:

It is the recommendation of the Finance, Audit and Facilities Committee and the University of Washington Investment Committee (UWINCO) that the Board of Regents adopt the attached UWINCO Statement of Principles.

BACKGROUND:

The University of Washington Investment Committee (UWINCO) was established in May 2001 as an advisory committee to the Finance, Audit and Facilities (FAF) Committee to help oversee the investment programs of the University. A set of guidelines was established at the time to address the administrative functioning of the Committee. These guidelines are formalized in the recommended Statement of Principles with the following changes:

	Statement of Principles	Original Guidelines
Membership Term	Minimum three year term. No maximum term specified	Three years, renewable for two consecutive terms for a maximum term of nine years.
UWINCO Chair	Designated by the Chair of the Board from the UWINCO membership	FAF Chair or Regent designee
Conflict of Interest	Transactions with UWINCO members – explicitly allowed if conflict addressed through recusal process	Transactions with UWINCO members – implicitly allowed if conflict addressed through recusal process

The UWINCO Statement of Principles will be reviewed annually and updated as needed.

*Attachment*

University of Washington Investment Committee Statement of Principles

# University of Washington Investment Committee

## Statement of Principles

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University, including its investment programs. The Board of Regents delegates oversight responsibility of its investment programs to its Finance, Audit and Facilities Committee (FAF).

In recognition of the growth of the investment program in both size and complexity, the FAF Committee (then known as the Finance and Audit Committee or "FAC") established an advisory subcommittee in May 2001, the University of Washington Investment Committee ("UWINCO") to help it oversee investment programs. UWINCO is comprised of both Regent and non-Regent members. Non-Regent members are investment professionals whose expertise brings added perspective to the investment process at the University.

### **1. Membership and Terms:**

UWINCO shall consist of no more than ten (10) members to be appointed by the Board of Regents. These appointments shall be based on recommendations submitted by the Chair of the Board of Regents after consultation with the Chair of UWINCO and the President of the University and his/her designee(s).

One or two UWINCO members shall be selected from the Board of Regents. The remaining UWINCO members shall be experienced investment professionals of varying backgrounds with close ties to the University. Criteria for non-Regent membership on UWINCO shall include investment expertise in such areas as private equity, hedge funds, international markets, real estate and institutional investing; access to desirable managers; strategic focus; and commitment to the University of Washington.

Regent and non-Regent members will be asked to make a minimum commitment of three consecutive years, renewable by the Board of Regents.

### **2. Functions:**

UWINCO shall advise the Board of Regents (and/or its appropriate committee) and the President (and his/her designee) on matters relating to the management of the University's investment program. This includes, but is not limited to, the following: overall asset allocation, performance goals, new investment strategies, strategy implementation, manager identification, due diligence, and valuation policy.

### **3. Meetings:**

Regular meetings of UWINCO shall be held quarterly. Special meetings may be called by the Chair, the President (or his/her designee) at any time.

#### **4. Indemnification and Compensation:**

The University shall indemnify UWINCO members to the fullest extent permitted by law and the standing orders of the Board of Regents. UWINCO members shall not be paid for service as Committee members.

#### **5. Conflict of Interest:** Regent members of UWINCO 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 UWINCO member knows that the University is considering a transaction in which he or she has a beneficial interest, the member shall (1) alert the Senior Vice President (or successor official) 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 UWINCO advice where their participation could be influenced by financial or other considerations that would conflict or could reasonably appear to conflict with their UWINCO 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 UWINCO and the Senior Vice President who may seek the advice of the Attorney General's Office as appropriate.
- C. Committee members may engage in investment transactions with the University if the Chair of UWINCO and the Senior Vice President (who may consult with the Attorney General's Office as he/she deems appropriate) determine that the UWINCO member has not participated in the formulation or rendering of UWINCO advice to the University regarding the transaction.

#### **6. Chair and Vice Chair; Administrative Support:**

The Chair of UWINCO shall be designated by the Chair of the Board of Regents. The Chair of UWINCO 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 UWINCO has appropriate administrative support services, including secretarial assistance and record keeping.

#### **7. Communication:**

The Chair of the Committee and / or the CIO shall provide quarterly reports on the performance of the University's investment program 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 UWINCO. 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 &amp; Facilities Committee

University of Washington Investment Committee Membership AppointmentRECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit and Facilities Committee (FAF) that the Board of Regents appoint Bryan White to the advisory University of Washington Investment Committee (UWINCO). The appointment would commence immediately for a period of three years ending October 2012, renewable by the Board of Regents.

BACKGROUND:

In recognition of the growth of the University's investment program in both size and complexity, the FAF Committee (then known as the Finance and Audit Committee or "FAC") established an advisory subcommittee in May 2001, the University of Washington Investment Committee ("UWINCO"), to help it oversee investment programs. UWINCO is comprised of both Regent and non-Regent members. Non-Regent members are investment professionals whose expertise brings added perspective to the investment process at the University.

Membership and Term: Membership consists of no more than ten individuals who are appointed by the Board of Regents. One or two UWINCO members shall be selected from the Board of Regents. The remaining UWINCO members shall be experienced investment professionals of varying backgrounds with close ties to the University. Criteria for non-Regent membership on UWINCO shall include investment expertise in such areas as private equity, hedge funds, international markets, real estate and institutional investing; access to desirable managers; strategic focus; and commitment to the University of Washington. Members are asked to make a minimum commitment of three consecutive years, renewable by the Board of Regents.

Bryan White Biography: Bryan White is the Co-Head of BlackRock Alternative Advisors. Mr. White has significant portfolio management responsibilities and serves as a member of BlackRock's Capital Committee, Executive Committee, Leadership Committee and Operating Committee.

Mr. White joined BlackRock in 2007 following the acquisition of the fund of funds business of Quellos Group, LLC. He co-founded Quellos in 1994, and served as Chief Investment Officer. From 1988 to 1994, Mr. White was Portfolio Manager for International Strategies and Director of Research at Collins Associates where he managed multi-manager funds, designed Collins' research

## VII. STANDING COMMITTEES

### B. Finance, Audit & Facilities Committee

#### University of Washington Investment Committee Membership Appointment (continued p. 2)

systems and coordinated emerging manager evaluation. Before joining Collins in 1988, Mr. White was a consultant with Price Waterhouse and a sole proprietor of his own independent consulting firm.

Mr. White earned a BA degree with a concentration in mathematical economics from Pomona College in 1984 and an MBA degree, *with honors*, from the University of Chicago in 1989.

#### Current UWINCO Members:

Jeff Brotman – Regent and UWINCO Chair  
Fred Kiga – Regent  
David Bonderman (Texas Pacific Group)  
Michael Larson (BGI)  
Mary Pugh (Pugh Capital)

**VII. STANDING COMMITTEES****B. Finance, Audit & Facilities Committee**Amendment to Invested Funds Investment PolicyRECOMMENDED ACTION:

It is the recommendation of the Finance, Audit and Facilities Committee and the University of Washington Investment Committee (UWINCO) that the Board of Regents reduce the current requirement that fifty percent of the Liquidity Pool be invested in the obligations of the U.S. Government and its agencies to twenty-five percent. The recommended change will improve the risk/return profile of the Invested Funds.

BACKGROUND:

The investment policies of the University are reviewed on a continuing basis. Periodically the Board revises its policies to reflect the changing nature of the investment markets or of the underlying program itself. The recommended action involves a change in the current requirement that fifty percent of the Liquidity Pool be invested in the obligations of the U.S. Government and its agencies. The revised policy would reduce this minimum to twenty-five percent. The change allows managers to more flexibly invest among government securities, non government agencies, asset-backed securities and/or sovereign bonds.

The massive government stimulus effort in the U.S. and abroad coupled with inflation risks create the possibility of a major bear market in government bonds at some point. Our objective is to proactively provide our investment managers with the flexibility to lessen their exposure to government bonds when deemed prudent.

The recommended action has no adverse impact on the liquidity of the Invested Funds. The fundamental investment principles – including the risk/return characteristics – underlying the management of the Invested Funds will be reviewed during the annual investment program review with the Board of Regents later this year.

REVIEW AND APPROVALS

This recommendation has been reviewed and approved by the Senior Vice President and Treasurer, Board of Regents.

## VII. STANDING COMMITTEES

### B. Finance, Audit & Facilities Committee

#### Amendment to Invested Funds Investment Policy (continued p. 2)

##### *Attachments*

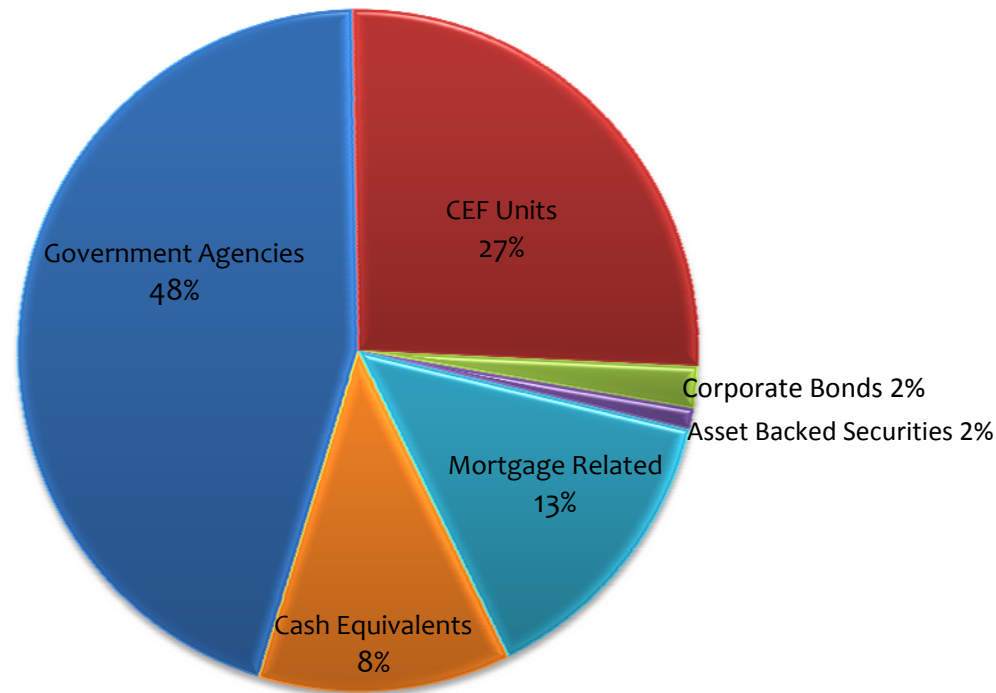
1. Invested Funds Asset Allocation
2. Invested Funds Profile
3. Invested Funds Depositors
4. Annotated Statement of Investment objectives and Policy for the Invested Funds

# ATTACHMENT 1

## INVESTED FUNDS (IF) ASSET ALLOCATION

As of July 31, 2009

(Dollars in Millions)



### Fund Composition

	Fund Allocation		Range	Duration		Guidelines
				Actual	Maximum	
Cash Pool	\$231	19%	10% - 40%	0.8	3.0 yrs	• Avg quality of "AA"
Liquidity Pool	\$665	54%	30% - 60%	3.5	4.3 yrs	• Avg quality of "A", >50% invested in US Gov't and its agencies
<b>Total Cash &amp; Liquidity Pool</b>	<b>\$896</b>	<b>73%</b>				
CEF Units held by IF	\$332	27%	15% - 40%			
<b>Total Invested Funds</b>	<b>\$1,228</b>	<b>100%</b>				



## ATTACHMENT 2

### INVESTED FUNDS PROFILE

<b>Description:</b>	The operating funds of the University
<b>Size:</b>	\$1.3 billion
<b>Financial Objectives:</b>	<p>To meet the day-to-day financial obligations of the University as they come due</p> <p>To support University initiatives and programs</p>
<b>Investment Objectives:</b>	To achieve investment returns above those of money market instruments
<b>Composition:</b>	Institutional funds (40%) and funds on deposit by campus departments (60%)
<b>Depositor Time Frame:</b>	Short to limited-term
<b>University Guarantees:</b>	<p>Access to funds on demand</p> <p>Principal guaranteed</p>

# ATTACHMENT 3

## INVESTED FUNDS DEPOSITORS

AVERAGE BALANCES FOR THE YEAR ENDED 6/30/09

(Cost Basis: Dollars in thousands)

Institutional Funds			Campus Depositor Funds <sup>1</sup>		
DOF/GOF/Other	\$334,728	26.4%	UW Medicine <sup>2</sup>	\$309,865	24.4%
Reserves	73,193	5.8%	Insurance Funds	\$77,103	6.1%
			Office of Research	\$46,387	3.7%
			Student Fac. & Fees	\$11,830	0.9%
			Grants and Contracts	\$53,484	4.2%
			Arts & Sciences	\$36,138	2.8%
			Engineering	\$36,335	2.9%
			Business	\$48,492	3.8%
			Housing & Dining	\$26,051	2.1%
			Intercollegiate Athletics	\$4,264	0.3%
			Parking	\$11,539	0.9%
			All Other Depts	\$211,893	16.7%
	<b>\$407,921</b>	<b>32.1%</b>		<b>\$873,381</b>	<b>68.8%</b>

<sup>1</sup> Includes gifts, private grants, royalty funds, and auxiliary reserves.

<sup>2</sup> UW Medicine includes hospital reserves of \$172,328.

# **UNIVERSITY OF WASHINGTON**

## **STATEMENT OF INVESTMENT OBJECTIVES AND POLICY**

### **FOR INVESTED FUNDS**

**Approved by Board of Regents May 20, 1988**

**Amended November 18, 1988; January 18, 1991; July 17, 1992; September 17, 1993;  
September 20, 1996; September 19, 1997; November 19, 1999; January 21, 2000; May 18,  
2001; June 14, 2002; November 21, 2003; January 16, 2004; July 16, 2004;  
May 19, 2005; and September 17, 2009**

### **INTRODUCTION**

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University. This statement of investment objectives and policies governs the investment management of the Invested Funds (IF). This statement is effective until modified by the Board.

The Board has delegated to its Finance, Audit and Facilities Committee (FAF) the responsibility for overseeing the investment program within the general principles enumerated herein. In May 2001, the Board approved the establishment of an advisory committee (UWINCO) consisting of both Board members and external investment professionals. In 2004, the Board approved the appointment of the University's first Chief Investment Officer (CIO) to manage the day to day activities of the investment portfolios.

#### **A. INVESTMENT OBJECTIVES**

1. The overall financial objective of the IF is to enable the University to meet its financial obligations as they come due. A secondary objective is to achieve investment returns above those of money market instruments.
2. The investment performance of the IF will be evaluated, on a risk-adjusted basis, relative to a blend of market indices that reflect the overall asset allocation of the fund.

#### **B. INVESTMENT MANAGEMENT STRUCTURE**

1. The Invested Funds will be invested primarily by external investment management firms. External investment management firms will be selected on the basis of factors including but not limited to the following: the experience of key personnel; investment philosophy; assets under management; organizational structure; performance record; investment management fees; and the firm's ethical and financial viability.

2. Funds may also be invested in bank short-term investment funds and in approved instruments managed internally by University financial personnel.

### C. PORTFOLIO COMPOSITION AND POOL ALLOCATION

1. The IF shall be divided into three pools:

#### Pool Allocation

	<u>Target</u>	<u>Policy Range</u>	<u>Global Range Within Each Pool</u>
<i>Cash Pool</i> <sup>(2,4,5,6)</sup>	20%	10-40%	0-40%
<i>Liquidity Pool</i> <sup>(3,4,5,6)</sup>	50%	30-60%	0-25%
<i>CEF Pool</i> <sup>(6,7)</sup>	30%	15-40%	-----

2. The Cash Pool will be invested in a portfolio of high quality short to intermediate-term fixed-income securities. The maximum average duration of the portfolio will be three years. The Cash Pool will have an average quality rating of “AA”.
3. The Liquidity Pool will be invested in a portfolio of high quality intermediate-term fixed-income securities with an average duration that may vary from the benchmark. The Liquidity Pool will have at least twenty-five percent of its funds invested in obligations of the U.S. Government and its agencies. The Liquidity Pool will have an average quality rating of at least “A”.
4. Global strategies may be employed in the Cash Pool and the Liquidity Pool if so specified under individual investment manager guidelines. Non-U.S. fixed-income securities will be subject to the equivalent quality and duration guidelines as domestic fixed-income securities. Pool performance will be evaluated against the domestic benchmarks specified in Paragraph D.
5. Direct and derivative investments in fixed income substitutes may be used in the Cash Pool and the Liquidity Pool to improve the aggregate risk / return profile of the IF. Pool performance will be evaluated the domestic benchmarks specified in Paragraph D.
6. Direct investments in tobacco companies are prohibited.
7. The CEF Pool will invest directly in the Consolidated Endowment Fund (CEF) through the periodic purchase and sale of CEF units. This Pool is subject to the provisions contained in the “Statement of Investment Objectives and Policy for the Consolidated Endowment Fund.

#### **D. GUIDELINES FOR THE INVESTMENT POOLS**

1. The objective of the Cash Pool will be to meet the day-to-day obligations of the University. The Cash Pool performance objective is to outperform, net of commissions and fees, the Citigroup Two-Year Treasury Index on a risk-adjusted basis. Performance will be monitored on a regular basis and evaluated over rolling three-to-five year periods.
2. The objective of the Liquidity Pool will be to provide a liquid source of funds in the event the Cash Pool is insufficient to meet the University's cash needs. The Liquidity Pool performance objective is to outperform, net of commissions and fees, the Barclays Capital US Government Intermediate Bond Index on a risk-adjusted basis. Performance will be monitored on a regular basis and evaluated over rolling three-to-five year periods.
3. The objective of the CEF Pool will be to provide a flow of financial support to University programs that will grow at least as fast as the rate of inflation (as measured by the Consumer Price Index). In addition, the CEF Pool shall provide a source of funds in the very unlikely event the Cash Pool and Liquidity Pool are insufficient to meet the University's day-to-day obligations.
4. The IF may include state funds for which there are investment limitations established by law or regulation. The University will ensure that there are sufficient legally allowable securities in the pool to collateralize the state funds position by 102 percent. State funds are defined as funds appropriated by the legislature and local funds used to offset such appropriations. This definition includes both the state general fund and the general/local fund but does not include the dedicated local fund (indirect cost recoveries) or the restricted local fund (gifts, grants and contracts). It also excludes cash balances of the University's business enterprises, annuity and life income funds, endowments, and trust funds.

#### **E. GUIDELINES FOR TRANSACTIONS**

As a general guideline that should apply to all assets managed, transactions should be entered into on the basis of best execution, which is interpreted normally to mean best-realized price. Commissions may be designated for payment of services rendered to the University in connection with investment management.

#### **F. MONITORING OF OBJECTIVES AND RESULTS**

1. All objectives and policies are in effect until modified. The Finance, Audit and Facilities Committee with advice from the Senior Vice President, the Chief Investment Officer and/or UWINCO will review these periodically for their continued appropriateness.

2. The Invested Funds portfolios will be monitored on a continual basis for consistency in investment philosophy; return relative to objectives; investment risk as measured by asset concentrations; exposure to extreme economic conditions; and market volatility. Performance will be reviewed at least annually by the Finance, Audit and Facilities Committee. Results will be evaluated over longer time frames including the inception period, running three- to five-year periods, and complete market cycles.
3. The CIO will review the individual managers as needed in order to confirm that performance expectations remain in place. In addition, portfolio activity will be reported on a regular basis to the Finance, Audit and Facilities Committee.
4. A statement of investment objectives and guidelines will be maintained for each public investment manager where the University's assets are managed in a separate account.

## **G. DELEGATIONS**

Delegations related to the management of the University's investment portfolios are as follows:

1. Board of Regents:
  - a. Approve investment policies which guide the management of the University's investment portfolios. This includes but is not limited to the strategic asset allocation, performance goals, spending and delegations.
  - b. Approve appointment and reappointment of Regent and non-Regent UWINCO members.
  - c. Approve the UWINCO "Statement of Principles" which addresses the administrative functioning of the Investment Committee.
  - d. Approve appointment of the Chief Investment Officer.
2. Chair of the Board of Regents:
  - a. Recommend members of the UWINCO for formal approval by the Board of Regents. Recommendations will be made in consultation with the Chair of UWINCO and the President of the University and his/her designee(s).
  - b. Designate the Chair of UWINCO.
  - c. Approve investment manager appointments and direct investments in situations where the CIO is unavailable or unable to do so.
3. Finance, Audit and Facilities Committee:
  - a. Oversee the University's investment programs within the broad guidelines established by the investment policies.
  - b. Appoint the University's investment consultant(s).
  - c. Review the asset allocation and strategy recommendations of the CIO and UWINCO. Recommend policy changes as appropriate to the Board of Regents.

4. Investment Committee (UWINCO):

- a. Advise the Finance, Audit and Facilities Committee, the Senior Vice President and the Chief Investment Officer on matters relating to the management of the University's investment portfolios. This includes, but is not limited to, advice on overall asset allocation, performance goals, portfolio risk, new investment strategies, strategy implementation, manager identification and due diligence.
- b. Adhere to the UWINCO "Statement of Principles."

5. Senior Vice President:

- a. Loan funds from the Invested Funds for periods up to five years to campus departments as long as such loans do not materially reduce the investment return to the Fund. No more than five percent of the IF will be loaned without consultation with the Finance, Audit and Facilities Committee.
- b. Approve the use of the CEF Pool as an alternative investment vehicle for qualifying campus units. Generally, a minimum of \$10 million in Invested Funds balances and an investment time horizon of at least three years will be required for consideration.
- c. Administer internal fees for management and administrative activities related to the Invested Funds.
- d. Approve use of professional staff bonus pool.
- e. Assume supervisory responsibility for the CIO position.
- f. Approve investment custodian appointment(s).
- g. Assume the responsibilities of the CIO when the position is vacant. The exceptions to this delegation are the appointment of investment managers and the approval of direct investments which are extended to the Chair of Board of Regents.
- h. Execute investment management agreements, limited partnership agreements, custody agreements and other investment related documents upon satisfactory completion of reviews as appropriate by the State Attorney General, outside legal counsel and the University's investment consultant. This authority is delegated to the Chief Investment Officer when the Treasurer is otherwise unavailable.

6. Chief Investment Officer:

- a. Manage the day-to-day activities of the University's investment portfolios within the broad guidelines established by the investment policies.
- b. Seek the advice of the University's investment consultant(s) and members of the UWINCO on issues related to the management of the investment portfolios. Incorporate such advice in the implementation of the investment program.

- c. Appoint new investment managers and follow-on limited partnership investments and approve direct investments. Approved investments shall fall within the policy guidelines adopted by the Board of Regents.
- d. Approve the dollar value of assets allocated to new and existing investment managers and reallocate assets among managers in accordance with long-term strategic targets.
- e. Approve individual investment manager guidelines.
- f. Monitor individual investment managers on a regular basis to ensure that performance and compliance expectations are met.
- g. Monitor aggregate portfolio risk.
- h. Approve use of derivatives to manage the aggregate portfolio risk/return profile. This includes the use of swaps, options, futures and other derivative products to adjust exposures, to equitize cash, or to rebalance across asset classes.
- i. Approve appropriate usage and timing of leveraged strategies within the IF.
- j. Terminate investment managers, including the authority to liquidate limited partnership interests or to reduce strategy exposures through other means. The Chair of the Finance, Audit and Facilities Committee and the Chair of UWINCO will be notified. This authority is typically exercised due to performance concerns, organizational changes, or structural considerations within the UW investment portfolio.
- k. Take action as appropriate in support of shareholder resolutions related to human rights in Burma.



VII. STANDING COMMITTEES

B. Finance Audit and Facilities Committee

Advancement Fiscal Year End Results

This will be an oral presentation for information only.

## V. REPORT OF THE UNIVERSITY PRESIDENT

### Supplemental Budget

This will be an oral report for information only.

## V. REPORT OF THE UNIVERSITY PRESIDENT

Establishment of UW Advisory Committee on Real EstateRECOMMENDED ACTION:

It is the recommendation of the administration that the Board of Regents establish an advisory committee to provide strategic advice on matters relating to the management of the University's commercial income producing properties and other significant real estate investments. The advisory committee, called the UW Advisory Committee on Real Estate ("ACRE"), shall be guided by the Statement of Principles adopted as part of this action.

BACKGROUND:

The Metropolitan Tract is the University's most significant income producing real estate asset. It is located in the central business district of Seattle, and is a large and complex asset for which the University has overall management responsibility. It was the site of the original campus of the University of Washington, and has been leased to private parties since the early 1900's for commercial development where income generated from the properties accrues to the University. Currently there are three long term leases for the property:

- Unico Master Lease: expires 2014 (Rainier Tower & Square, Financial Center, IBM Building, Puget Sound Plaza, & Skinner Building)
- Unico Cobb Lease: expires 2050 (Cobb Building)
- Fairmont Olympic Hotel Lease: expires 2040 (Olympic Hotel & Parking Garage)

At the April Board of Regents meeting, the Regents asked individual Board members to work with the administration to develop a recommendation regarding how best to obtain expert guidance on the future management of the Metropolitan Tract. This ad-hoc working group supports the establishment of a committee to advise the Board of Regents and President on management of the Metropolitan Tract as well as other significant real estate investments.

SCOPE AND COMPOSITION OF ADVISORY COMMITTEE:

The new advisory committee, ACRE, will initially focus on the Metropolitan Tract and provide advice on future real estate investments as requested by the President or the Board of Regents (and/or its appropriate committee).

## V. REPORT OF THE UNIVERSITY PRESIDENT

### Establishment of UW Advisory Committee on Real Estate (continued p. 2)

ACRE will provide strategic advice to the Board (and/or its appropriate committee) and the President (and/or his designee) on matters relating to the management of the Metropolitan Tract and other significant University investments in real estate assets.

ACRE will be comprised of both Regent and non-Regent members. One or two members of ACRE shall be selected from the Board of Regents. Non-Regent members will be professionals of varying backgrounds whose expertise brings added perspective to those responsible for the management of the University's real estate. The President of the University shall also be a member of the Committee. It is expected that the ad-hoc working group will continue to serve until ACRE is fully appointed and functioning.

### STATEMENT OF PRINCIPLES:

The structure and duties of ACRE are set forth in the Statement of Principles for the UW Advisory Committee on Real Estate (attachment 1). The Statement of Principles will be periodically reviewed and updated as needed. Changes will be approved by the Board of Regents. Key provisions include:

Statement of Principles	
Membership Total; Appointment	No more than 8 members; appointed by Regents
Regent Membership	1 or 2
Membership Term	3 years (renewable) Members serve at pleasure of Regents
Chair	Any member; appointed by Chair of the Board of Regents
Meeting Frequency	Regular meetings TBD and other meetings as needed
Conflict of Interest	Regent members governed by Regental policies. Members required to disclose and be recused from transactions in which they have a potential beneficial interest; transactions with members allowed if member recused

## V. REPORT OF THE UNIVERSITY PRESIDENT

### Establishment of UW Advisory Committee on Real Estate (continued p. 3)

#### FOCUS OF COMMITTEE:

Meetings of ACRE will focus on strategy and performance. This includes, but is not limited to, advice on: the real estate market, governance structure, performance goals, strategy and implementation. Experts who are not members of the Committee may be invited to attend specific meetings as may be determined by ACRE or its Chair, to provide additional guidance, advice and information.

#### APPOINTMENTS TO ACRE:

Appointments shall be based on recommendations submitted by the Chair of the Board of Regents, in consultation with the Chair of ACRE, the President of the University, and his or her designee(s).

#### CHAIR AND VICE CHAIR:

The Chair of the Board of Regents shall designate a Chair for ACRE from the committee membership. The Chair of ACRE shall designate a Vice Chair from the committee membership.

#### AUTHORITIES:

The governing authorities for exercising the University's real estate management responsibilities are set forth in the Statement of Authorities for Real Estate (attachment 2, for reference purposes only).

#### INVESTMENT POLICIES:

The Board of Regents will approve investment policies for the Metropolitan Tract, and changes thereto, based on recommendations of the Finance, Audit and Facilities Committee and with consideration of the advice of ACRE.

#### RECOMMENDATION FOR APPROVAL:

Creation of the new UW Advisory Committee on Real Estate as outlined above has been recommended by the President and the Senior Vice President. The Statement of Principles for the Advisory Committee has been reviewed by the Office of the Attorney General.

#### *Attachments*

1. Statement of Principles for UW Advisory Committee on Real Estate (for adoption)
2. Statement of Authorities for Real Estate (for reference)

## Attachment 1

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

Adopted September 17, 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. 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 members shall be selected from the Board of Regents. The President of the University shall also be a member of ACRE. The remaining 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.

**Attachment 2**  
**(for reference only)**

**University Of Washington**  
**Statement of Authorities for Real Estate**

**Introduction:**

The Board of Regents of the University of Washington is vested by statute with responsibility for the management of the properties of the University, including the Metropolitan Tract. This Statement of Authorities sets forth the governing authorities for management of the Metropolitan Tract. This statement is effective until modified by the Board.

**A. Authority**

1. **Deeds.** Deeds to the original 10-acre property, which was a gift to the State of Washington, express the donors' intent that the Metropolitan Tract be used for University purposes, and place limitations on authority by requiring that proceeds from sale<sup>1</sup> may only be used for:
  - i. Purchase land for the University
  - ii. University buildings and improvements
  - iii. Remainder invested as legislature prescribes, with interest used to maintain the University (principal may be used to construct University buildings).
2. **Statute.** By state law, with respect to the Metropolitan Tract<sup>2</sup>, the Board of Regents has certain authorities and restrictions:
  - i. **Authority to:**
    1. **Lease** land or buildings for up to 80 years
    2. **Manage**, improve, alter, operate, lease, own, and control land and buildings
    3. **Use and pledge income** from managing, operating and leasing
    4. **Borrow** funds for land and buildings, and grant deeds of trust or mortgage liens on buildings
    5. **Sell buildings** (subject to underlying leases on land)
  - ii. **Restrictions**
    1. **Cannot sell land** without legislative approval
    2. **Cannot lease** land or buildings for **over 80 years** without legislative approval
    3. **Sale or lease proceeds** to be used for (in following order)
      - (1) **Maintenance and improvements on Tract**
      - (2) Remainder **appropriated** by legislature to erect, alter, maintain, equip or furnish **University buildings** after **debt service** on certain capital projects (e.g., Law School)
    4. Activities with respect to Tract must be **"consistent with purpose" of original donors** of Tract

**B. Delegation of Authority (existing)**

**1. Board of Regents**

- i. By statute, the Board of Regents has full control of the University and its property of various kinds, except as otherwise provided by law.
- ii. Statutory authority and restrictions on control of the Metropolitan Tract are set forth above.

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<sup>1</sup> Proceeds from leasing is not addressed in deeds.

<sup>2</sup> Statutory authorities and restrictions may not apply to UW owned land adjacent to the original 10-acre Metropolitan Tract.



**2. Board of Regents Finance, Audit and Facilities Committee (UW BoR Bylaws March 17, 2005)**

- i. The Finance, Audit and Facilities Committee (FAF) reviews and makes recommendations to the Board on the ownership, management, leasing and development of the University's real property, including the Metropolitan Tract.

**3. Delegation to President (Standing Orders)**

- i. The President of the University or the President's designee is authorized to act for the Board of Regents regarding the execution and administration of instruments and the general business and financial affairs of the University which occur in the usual course of business, with a number of exceptions.
- ii. One of these exceptions is the execution of instruments relating to real property, including the Metropolitan Tract, where the anticipated cost or value to the University exceeds \$1,000,000.
- iii. Notwithstanding this dollar limit, the President or the President's designee is authorized to act for the Board of Regents regarding the execution and administration of all instruments, business affairs, and operations relating to leases of real property and modifications thereto of up to 20 years, and real property acquired through gift or devise.

**C. Special Committee on the Future of the Metropolitan Tract**

1. In April 2009, the Board of Regents created an ad hoc committee called the Special Committee on the Future of the Metropolitan Tract (SCFMT). The SCFMT is comprised of three Regents with the Chair of the Board serving as an ex-officio member.
2. The SCFMT was created to address the impending expiration of the long-term master lease with Unico Properties LLC in 2014, and other strategic matters related to the Metropolitan Tract.

**D. Contractual Relationships**

1. Leases
  - i. Unico – Master Lease (Skinner, IBM, Financial Center, Puget Sound Plaza, Rainier Tower and Square)
  - ii. Unico – Cobb Building
  - iii. Fairmont Olympic Hotel
2. Subleases
  - i. Rainier Tower Sublease – UW

## V. REPORT OF THE UNIVERSITY PRESIDENT

### Faculty Presentation: “Dirt: The Erosion of Civilizations”

For information only.



**David R. Montgomery**  
Professor, Earth and Space Sciences

Macarthur Fellow David R. Montgomery studies geomorphology, the evolution of landscapes. He graduated from Stanford University in 1984 with a B.S. in geology and from U.C. Berkeley in 1991 with a Ph.D. in geomorphology. He is a professor in the Department of Earth & Space Sciences at the University of Washington. His research interests range from the co-evolution of the Pacific salmon and the topography of the Pacific Northwest to the environmental history of Puget Sound rivers, interactions among climate, tectonics, and erosion in shaping mountain ranges, and giant glacial floods in eastern Tibet. He is the author of *Dirt: The Erosion of Civilizations* and *King of Fish: The Thousand-Year Run of Salmon*.

## V. REPORT OF THE UNIVERSITY PRESIDENT

“University of Washington and Northwest Hospital & Medical Center Affiliation – Approval”

**RECOMMENDED ACTION**

The President, the CEO of UW Medicine/Executive Vice President for Medical Affairs, and the UW Medicine Board recommend that the Board of Regents:

- 1) approve the further affiliation of Northwest Hospital & Medical Center with the University of Washington through the University of Washington’s sole membership in the nonprofit corporation to be known as UW Medicine/Northwest, which corporation shall be organized exclusively to carry out charitable, scientific or educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code; and
- 2) authorize the President to delegate to the CEO of UW Medicine/Executive Vice President for Medical Affairs, with the review and advice of the UW Medicine Board and the UW Senior Vice President, authority to execute on behalf of the University the documents necessary to implement the affiliation, provided those agreements are consistent with the general terms as stated in the Preliminary Agreement (Attachment 1), which has been endorsed by the Health Resources Northwest Board, the Northwest Hospital & Medical Center Board, and the UW Medicine Board. The final documentation shall be subject to approval by the Finance, Audit and Facilities Committee of the Board of Regents.

**BACKGROUND**

Northwest Hospital & Medical Center ("Northwest") is a tax-exempt, not-for-profit corporation that owns and operates a full-service acute care hospital located approximately five (5) miles from the University of Washington on a thirty-three (33) acre campus and an eleven (11) acre outpatient medical center located proximate to the hospital. Northwest's mission is to raise the long term health and status of the community, and Northwest is dedicated and committed to providing high-quality healthcare services to meet the needs of north Seattle/King County and south Snohomish County residents.

Health Resources Northwest ("HRN"), a not-for-profit and tax-exempt management company, is the current sole corporate member of Northwest. HRN owns selected outpatient facilities, is the sole corporate member of a number of primary care and specialty medical practices, and is part owner of a number of shared-ownership and leased medical facilities, all of which are intended to assist Northwest in accomplishing its mission.

In January 1997, the Board of Regents approved a Cooperative Program Agreement (CPA) between the UW and Northwest to establish a long-term and durable relationship to collaborate on selected patient care, clinical research, and education activities. The initial Northwest/UW cooperative patient care activity was the development of a Northwest-based UW Medicine cardiac surgery program, which has been in place since 1998. UW Medicine and Northwest

## V. REPORT OF THE UNIVERSITY PRESIDENT

“University of Washington and Northwest Hospital & Medical Center Affiliation – Approval”  
(continued p. 2)

have engaged in a number of joint program planning efforts since the inception of the CPA, including discussions regarding care of patients with cancer and neonatal and obstetrical services. These discussions led to a proposal by Northwest to consider the integration of Northwest into UW Medicine. This proposal was stimulated by three key factors:

- The existing relationship and the compatibility of the Northwest and UW Medicine missions;
- The potential to enhance existing Northwest programs and initiate new clinical, teaching, and research programs on the Northwest campus; and
- The expectation that changes in the health care financing system will make it more difficult for stand-alone community hospitals to continue to meet their mission to their community.

### **PROCESS**

UW Medicine formed a team to examine various approaches that could be taken to achieve integration, assess the feasibility of each approach, and conduct an initial due diligence review to identify any potential barriers to the integration of Northwest into UW Medicine.

### **APPROACH**

UW Medicine and Northwest agreed that the most feasible approach to integration was to maintain most of the current legal structure of Northwest and HRN and make the UW the sole corporate member of Northwest. Northwest would join UW Medicine and be renamed UW Medicine/Northwest. UW Medicine/Northwest, in turn, would become the sole corporate member of HRN. This approach would minimize the change required (e.g., employee status, medical staff structure, relationships with the wholly-owned physician practices and the joint ventures, etc.) to achieve the integration and permit UW Medicine’s efforts to be focused on program development at the Northwest campus.

### **DUE DILIGENCE**

The UW Medicine team conducted an initial review of documents and written analysis related to financial status and debt, risk management, land and buildings, physician relationships, and joint venture partnerships. We did not identify any issues in this review that would preclude continued consideration of the affiliation.

We also conducted an in-depth analysis of potential legal and regulatory risks and concluded that, with the proper safeguards, the proposed transaction would be consistent with all legal and regulatory requirements. The relevant safeguards focus on ensuring that the UW, as the sole corporate member, has appropriate control of the governance, management, and finances of Northwest. This work formed an important foundation for the development of the Preliminary Agreement (Attachment 1).

## V. REPORT OF THE UNIVERSITY PRESIDENT

“University of Washington and Northwest Hospital & Medical Center Affiliation – Approval”  
(continued p. 3)

### **KEY TERMS OF THE INTEGRATION**

The UW will become the sole corporate member of Northwest through the execution of a definitive agreement and other documents necessary to effect the new structure. No cash or other assets will be exchanged to effect this transaction. The key terms that describe the process for program integration, governance, and business structure are summarized below:

#### **Program integration**

- UW Medicine and Northwest will develop a long-range strategic plan for the Northwest campus.
- UW Medicine will explore the enhancement of cardiac, oncology and obstetrical programs at Northwest as well as the increased use of Northwest to meet the secondary care needs of UW Medicine patients – subject to the availability of capital and operating funds.
- Opportunities for increased efficiency through integration of administrative programs will also be explored.

#### **Governance**

- The Northwest Board will have thirteen (13) trustees, nine (9) of whom will be current trustees of the HRN/Northwest Board and four (4) additional trustees. All thirteen (13) will be approved by the UW from a list of proposed trustees provided by the Northwest Board.
- Two existing seats on the UW Medicine Board will be filled by members of the UW Medicine/Northwest Board.
- The UW Medicine Board will have oversight of all UW Medicine/Northwest activities, including compliance programs.
- Northwest will be the sole corporate member of HRN.

#### **Business structure**

- Northwest’s legal name will become UW Medicine/Northwest, but the hospital will continue to operate under its current business name (Northwest Hospital & Medical Center) with the addition of references to UW Medicine consistent with the policies applicable to other UW Medicine component units.
- Northwest will continue to operate under its existing hospital license and provider number.

## V. REPORT OF THE UNIVERSITY PRESIDENT

“University of Washington and Northwest Hospital & Medical Center Affiliation – Approval”  
(continued p. 4)

- Northwest will continue to operate under an open medical staff model, with UW Medicine physicians’ presence at Northwest approved by the Northwest Board and the CEO of UW Medicine.
- The employment status of Northwest employees is not anticipated to change as a result of the execution of the affiliation.
- UW Medicine/Northwest will contract with HRN to provide hospital management services under a seven year contract.
- UW Medicine will approve the operating and capital budgets for UW Medicine/Northwest and the UW Medicine/Northwest and HRN financial results will be consolidated into the UW.

UW Medicine and Northwest have agreed to an internal dispute resolution process that provides the UW Medicine/Northwest Board with a method to resolve any disputes regarding UW Medicine’s fulfillment of the express commitments made in the affiliation agreement.

**Preliminary Agreement**

**I. Recitals**

Whereas, the University of Washington ("UW"), an agency of the State of Washington, is an institution of higher education that operates an academic medical center, UW Medicine; and

Whereas, UW Medicine is a component organization of the UW, and includes the UW School of Medicine ("UW SoM"); University of Washington Medical Center ("UWMC"); Harborview Medical Center ("HMC") as managed by the UW pursuant to that certain Management and Operations Contract between the HMC Board of Trustees and the UW Board of Regents; the faculty practice plan (University of Washington Physicians ("UWP")); and UW Physicians Network ("UWPN"); and

Whereas, UW Medicine's mission is to improve the health of the public and it pursues that mission through teaching, research, and patient care programs related to the prevention, causes, and cures of disease; and

Whereas, Northwest Hospital & Medical Center ("Northwest") is a tax-exempt, not-for-profit corporation that owns and operates a full-service acute care hospital, rehabilitation unit, geropsychiatric treatment unit, outpatient, and emergency healthcare provider located approximately 5 miles from the University of Washington on a 33 acre campus; and

Whereas, Northwest's mission is to raise the long term health and status of the community, and Northwest is dedicated and committed to providing high-quality healthcare services to meet the needs of north Seattle/King County and south Snohomish County residents; and

Whereas, UW Medicine and Northwest entered a Cooperative Program Agreement dated January 1997, between the UW Board of Regents and Northwest as the owner and operator of a licensed hospital to establish a long-term and durable relationship to collaborate on selected patient care, clinical research and education activities; and

Whereas, an initial Northwest/UW Medicine cooperative patient care activity was the development of a Northwest-based cardiac surgery program; and

Whereas, Health Resources Northwest ("HRN") is a not-for-profit and tax-exempt healthcare management company that is the sole corporate member of Northwest. HRN owns selected outpatient facilities, is the sole corporate member of a number of primary care and specialty medical practices, and is part owner of a number of shared-ownership

and leased medical facilities, all of which are intended to assist Northwest in accomplishing its mission; and

Whereas, UW Medicine and Northwest share a common goal, to improve health, and the public would benefit through consolidation of business operations leading to reduction in costs, increased efficiency through shared administrative and technical support services and alignment of clinical programs;

Now, therefore, this document memorializes the key principles and expectations that will govern the relationship between UW Medicine, Northwest Hospital & Medical Center (herein "UW Medicine/Northwest"), and HRN post Affiliation. These principles are endorsed by both parties and reflect their mutual intent, with the recognition that they may need to be modified based on the results of further due diligence. This Preliminary Agreement reflects the non-binding intent of the parties. The parties will act in good faith to develop definitive agreements and other documents (i.e., a management contract) consistent with this Preliminary Agreement. When the definitive agreements and other documents have been approved and signed by the parties, the operational and managerial plans will be implemented as described in the definitive agreements. During the first five years of the Affiliation, a mediation and arbitration process will be in place to ensure that the transaction proceeds as described in the definitive agreements.

## **II. Description of the New Affiliation ("Affiliation")**

UW Medicine and Northwest have reached an agreement to expand and supersede their Cooperative Program Agreement by integrating Northwest fully into UW Medicine and renaming Northwest to "UW Medicine/Northwest." At the time agreed upon by the parties in the definitive agreements, UW will become the sole corporate member of the renamed UW Medicine/Northwest. Currently, the UW Board of Regents and the President of the UW have delegated to the Chief Executive Officer ("CEO") of UW Medicine the responsibility for overseeing, planning and coordinating the resources of the entities referred to as UW Medicine, and for negotiating, executing and maintaining extramural affiliation and operating agreements involving those entities. UW Medicine/Northwest will become one of the entities comprising UW Medicine. The Board of Regents and the President of the UW will designate the CEO of UW Medicine to serve as the legal representative of the UW as sole corporate member of UW Medicine/Northwest.

### **A. *Key Principles***

1. UW Medicine Health System. Northwest and UW Medicine intend that the UW Medicine/Northwest campus will become an integral part of the UW Medicine health system with a principal focus on clinical care, clinical teaching, clinical trials, and translational research. The integration will foster and expand Northwest's current mission of serving the healthcare needs of north King County and south Snohomish County residents. UW Medicine/Northwest, as a significant component of UW Medicine, and UW



Medicine will explore expeditiously all opportunities for revenue enhancement (e.g., increased case mix index and service offerings) and cost savings.

2. UW Medicine/Northwest Mission. UW Medicine/Northwest will maintain Northwest's commitment to its healthcare mission, as the UW Medicine/Northwest Board may modify that mission from time-to-time subject to the review and advice of the UW Medicine Board and approval of the CEO of UW Medicine. UW Medicine/Northwest assets and programs will be dedicated to supporting and expanding the healthcare, medical education, and clinical research activities of UW Medicine/Northwest and UW Medicine, subject to the review and advice of the UW Medicine Board and approval of the CEO of UW Medicine. UW Medicine is committed to preserving and enhancing current clinical programs at Northwest subject to ongoing review of these programs in the setting of evolving health care delivery systems and reimbursement patterns.
3. Long Range Strategic Planning. UW Medicine and the UW Medicine/Northwest Board and management will work diligently to develop a long-range strategic program plan for the UW Medicine/Northwest campus by July 1, 2010. The plan will reflect substantial investment in program growth on the UW Medicine/Northwest campus over the next ten years. In order to promote the appropriate and necessary UW Medicine/Northwest campus growth and development plans, the UW Medicine/Northwest Board and management will participate in UW Medicine's comprehensive and ongoing strategic program and capital planning and budgeting processes. UW Medicine agrees to focus initially on the following areas of program development to be sited on the Northwest campus:
  - a) UW Medicine will work to develop a comprehensive outpatient cancer diagnostic and treatment center on the UW Medicine/Northwest campus. UW Medicine will coordinate with the Seattle Cancer Care Alliance (SCCA) on efforts to develop outpatient cancer services and the SCCA proton therapy facility on the UW Medicine/Northwest campus.
  - b) UW Medicine is committed to developing a strong working relationship between the UW Medicine/Northwest campus and the existing UW Medicine hospitals and clinics. UW Medicine and UW Medicine/Northwest will work diligently to identify UW Medicine clinical care programs that focus on the use of the UW Medicine/Northwest campus for the provision of secondary specialty care. For example, UW Medicine expects that the UW Medicine/Northwest campus will be an appropriate site of service for secondary patient care for many patients from the UWPB clinics and other UW Medicine primary care sites. UW Medicine will work with the UW Medicine/Northwest Board to plan patient services that create the best use of resources and allow access to high quality, efficient patient care programs on the UW Medicine/Northwest campus.

- c) UW Medicine will work to develop the most comprehensive cardiac care and obstetrical care services in the Pacific Northwest by integrating the programs provided at the currently owned or managed UW Medicine sites and the UW Medicine/Northwest campus.
- 4. Expanded or New Programs. The UW Medicine/Northwest programs will be expanded and/or enhanced to develop new clinical, teaching, and clinical research programs as approved by the UW Medicine/Northwest Board, and the CEO of UW Medicine with the review and advice of the UW Medicine Board. All new programs to be located on the UW Medicine/Northwest campus will be based upon detailed business plans that are approved by the UW Medicine/Northwest Board and the CEO of UW Medicine.
- 5. Program and Capital Investments and Budget Approval. UW Medicine program and capital investments on the UW Medicine/Northwest campus will be based upon the long-range strategic program plan for the UW Medicine/Northwest campus and will be subject to the availability of the necessary capital and operating funds and approval by the UW Medicine/Northwest Board.
  - a) UW Medicine/Northwest capital and operating budgets shall be prepared annually in accordance with the UW Medicine budget calendar and process and approved by the UW Medicine/Northwest Board and subsequently submitted to the CEO of UW Medicine for review and approval.
  - b) During the first five years of the Affiliation, the budget process for UW Medicine/Northwest will follow the same general criteria in place at Northwest pre-Affiliation and will (i) preserve and enhance all of the core clinical services provided on the Northwest campus pre-Affiliation, which are listed in Exhibit A, and (ii) assure that the core clinical services offered on the UW Medicine/Northwest campus are as comprehensive as those offered by other Puget Sound area community hospitals, such as Evergreen Hospital Medical Center, Overlake Hospital Medical Center, and Valley Medical Center. Core clinical services at UW Medicine/Northwest may be changed during the first five years of the Affiliation following concurrence by the UW Medicine/Northwest Board and the CEO of UW Medicine.
  - c) Review and approval of the UW Medicine/Northwest budgets by the CEO of UW Medicine will consider the soundness of the operating budget in light of the evolving health care delivery system and health care reimbursement methodologies; the needs of north Seattle/King County and south Snohomish County residents; short term and long term strategic plans; and the history of program development at the Northwest Hospital Campus.

- d) After the first five years of the Affiliation, these same considerations will apply but the budget process will be more fully integrated with the long range strategic plans and with the program and capital investment budget approval process for UW Medicine.
- 6. Financial Statements. The UW Medicine/Northwest financial statements will be integrated into the UW Medicine consolidated financial statements and the UW financial statements. All net earnings that are generated from existing facilities and programs at UW Medicine/Northwest shall be expended at the direction of the UW Medicine/Northwest Board, consistent with approved budgets, and shall be dedicated to the support of UW Medicine/Northwest programs. Funds flow from new UW Medicine and UW Medicine/Northwest developed programs on the UW Medicine/Northwest campus, shall be distributed in accordance with the business plans approved by the UW Medicine/Northwest Board and the CEO of UW Medicine with the review and advice of the UW Medicine Board
- 7. Fundraising. All funds raised through UW and UW Medicine development efforts that are dedicated to or intended by the donor for use at UW Medicine/Northwest shall be available to the UW Medicine/Northwest Board for UW Medicine/Northwest program development.
- 8. Service Contracts. UW Medicine/Northwest, HRN, and UW Medicine will reimburse each other for the costs of services provided to one other, including any applicable overhead. In the absence of a service contract, UW Medicine/Northwest will not contribute to the general overhead costs of UW Medicine (e.g., general support for the office of the CEO of UW Medicine).
- 9. Cost Efficiencies. Subject to UW Medicine/Northwest Board approval and approval by the CEO of UW Medicine, UW Medicine and UW Medicine/Northwest will pursue opportunities to reduce costs and increase efficiency through shared administrative and technical support services as well as through alignment of clinical programs.
- 10. License and Provider Number. It is assumed that UW Medicine/Northwest will maintain its separate not-for-profit corporate identity and license as a Washington state hospital and operate using Northwest's current provider number and federal employer identification number (EIN), unless, during the due diligence review this approach is infeasible or post-Affiliation becomes disadvantageous due to evolutions in the health care delivery system or health care reimbursement methodologies.
- 11. Northwest Debt. UW Medicine/Northwest shall, subject to the approval of bondholders and/or trustees, retain responsibility for Northwest's current long-term debt. It is anticipated that the change in corporate membership will not trigger the recall of the current Northwest debt.

12. UW Medicine/Northwest Medical Staff. The UW Medicine/Northwest hospital-based and community-based medical staff will be governed by the UW Medicine/Northwest Board, under Northwest's current medical staff organization bylaws, policies, and procedures. The assignment of UW Medicine physicians to practice at UW Medicine/Northwest will be based on program plans developed in the UW Medicine/Northwest strategic plan approved by the UW Medicine/Northwest Board, the CEO of UW Medicine, with review and advice of the UW Medicine Board, or at the request of the UW Medicine/Northwest Board.
13. UW Medicine/Northwest Employees. During the first five years of the new Affiliation, it is assumed that the employment status of UW Medicine/Northwest employees will not change as a result of this transaction, i.e., UW Medicine/Northwest will continue the Northwest employment practices and policies. However, it is envisioned that as UW Medicine and UW Medicine/Northwest further integrate the clinical, education, and research programs based at the UW Medicine/Northwest campus, the employees of UW Medicine/Northwest may become UW employees.
14. HRN Management Contract. During the first five years of the new Affiliation and for the term of the Management Services Contract, whichever is longer, HRN will continue to exist as a not-for-profit corporation dedicated solely to the support of UW Medicine/Northwest. HRN will manage UW Medicine/Northwest under a new Management Services Contract approved in conjunction with the definitive agreements by the UW Medicine/Northwest Board and the CEO of UW Medicine with the review and advice of the UW Medicine Board.
  - a) The HRN hospital management team (currently, President/CEO, Vice President for Clinical Services and Chief Nursing Officer, Vice President and Chief Quality Medical Officer, Senior Vice President for Operations and Finance, and Vice President for Business Development) will be accountable to the HRN and UW Medicine/Northwest Boards and the CEO of UW Medicine for the management of UW Medicine/Northwest service contracts with HRN and/or other service contracts.
  - b) It is anticipated that HRN will retain sufficient funds to provide for normal business variations in HRN's equipment and working capital needs, including funds sufficient to support HRN's role in recruiting physicians for UW Medicine/Northwest and fund new ventures approved by the HRN and UW Medicine/Northwest Boards and the CEO of UW Medicine. Any excess revenues as determined by the HRN and the UW Medicine/Northwest Boards will be retained by HRN for the benefit of UW Medicine/Northwest or transferred to UW Medicine/Northwest. HRN net losses shall be the responsibility of HRN.

- c) HRN will be paid a management services fee for the management of UW Medicine/Northwest. The HRN management fee shall be based upon HRN's costs of providing the services, as described in the annual budget process, and reviewed and approved by the UW Medicine/Northwest Board and the CEO of UW Medicine. The Management Services Contract will also include performance criteria and expectations, it being understood that such performance criteria and expectations will take into consideration economic and other issues that will arise during the early phases of the Affiliation with UW Medicine and criteria and expectations utilized historically by the Northwest Board to evaluate management. HRN shall be reimbursed for any additional fees and services provided to UW Medicine/Northwest, based upon service contracts approved by their respective Boards.
  - d) Any material change in the scope or purpose of HRN's activities will be subject to the approval of the UW Medicine/Northwest Board and the CEO of UW Medicine with the review and advice of the UW Medicine Board.
  - e) The HRN and UW Medicine/Northwest Management Services Contract and other contracts may be terminated at the end of the first 5 year term, with an ensuing 2-year transition term during which time the Management Services Contract will remain in effect. While the Management Services Contract may be renewed at the end of its term, it is understood by all parties that this may be a one-term contract.
  - f) In the event that HRN becomes in default of the HRN and UW Medicine/Northwest Management Services Contract, as default is defined and described therein and not cured within a time frame to be described, the UW Medicine/Northwest Board and/or the CEO of UW Medicine may terminate the HRN Management Services Contract during the contract term in accordance with the terms of such Contract.
  - g) When HRN's Management Services and other contracts are terminated, by default or through non-renewal of the management services arrangements, or after five (5) years following the closing of the Affiliation, whichever is longer, HRN shall be dissolved and all HRN operations, assets, and liabilities shall become the property of UW Medicine/Northwest unless otherwise agreed between the UW Medicine/Northwest Board and the HRN Board and approved by the CEO of UW Medicine with review and advice of the UW Medicine Board. On dissolution, appropriate continuing insurance coverage will be provided for current and former officers and trustees of HRN.
15. Coordinated Quality Improvement Program. Subject to Northwest's due diligence, and agreement on financial terms and conditions, UW Medicine/Northwest clinical operations and quality improvement activities will

be integrated into the UW Medicine Coordinated Quality Improvement Program and report to the UW Medicine/Northwest Board.

16. Integrated Compliance Program Structure. All components of UW Medicine have established compliance offices that are coordinated through the Chief Compliance Officer for UW Medicine. UW Medicine/Northwest's compliance office will be integrated into the existing UW Medicine structure, including attendance and reporting to the UW Medicine Board Compliance Committee and reporting to the UW Medicine/Northwest Board.
17. Loss Prevention and Claims Management. Subject to Northwest's due diligence, and agreement on financial terms and conditions, UW Medicine/Northwest's loss prevention and claims management programs for its facilities and employees will be integrated into the UW's loss prevention and claims management programs with reporting to the UW Medicine/Northwest Board.
18. Financial Emergency. In the event that UW Medicine/Northwest experiences a Financial Emergency, as that term is defined and described in the definitive agreements between Northwest and UW Medicine, (e.g., UW Medicine/Northwest fails to meet its debt covenants and the bond trustees are initiating the bond default provisions, or UW Medicine/Northwest is experiencing significant negative cash flows that cannot be resolved in the near-term, or UW Medicine/Northwest is requesting or forecasting a need for substantial cash infusions from UW Medicine), the CEO of UW Medicine may take whatever actions are deemed appropriate and necessary to resolve the Financial Emergency, provided that (i) the action taken is not inconsistent with the terms of this Agreement and the other definitive agreements developed in connection with the Affiliation, and (ii) UW Medicine/Northwest and HRN will not be dissolved, and (iii) UW Medicine/Northwest and HRN will continue to deliver the services contemplated pursuant to this Agreement and the other definitive agreements developed in connection with the Affiliation.
19. Dissolution. In the event of UW Medicine/Northwest's dissolution, all UW Medicine/Northwest operations, assets, and liabilities shall become the property of UW. On dissolution, appropriate continuing insurance coverage will be provided for current and former officers and trustees of UW Medicine/Northwest.

### **III. Governance**

With the exception of two members of the UW Medicine/Northwest Board designated as part of the definitive agreements to serve on the UW Medicine Board and two members of the UW Medicine/Northwest Board who will serve on the HRN Board, there will be distinct membership between the UW Medicine Board, the UW Medicine/Northwest Board, and the HRN Board. Currently, the Northwest and the HRN Boards have substantially the same membership. The parties plan to divide the current Northwest and

HRN Board members between the two surviving entities (UW Medicine/Northwest and HRN). Then the full complement of UW Medicine/Northwest Board members will be created using the principles below.

**A. *UW Medicine/Northwest Board***

1. Initial Board Composition. UW Medicine/Northwest will be governed by a thirteen (13) member Board of Trustees (the "UW Medicine/Northwest Board").
  - a) The UW Medicine/Northwest Board will include nine (9) Board members remaining after the division of the pre-Affiliation Northwest and HRN Boards. These nine (9) Board members will be nominated by the Northwest Board to the CEO of UW Medicine. These nine (9) members will serve initial five (5) year terms.
  - b) In addition, the Northwest Board will nominate to the CEO of UW Medicine four (4) Board members from the northwest community with the skills necessary to serve initial three (3) year terms on the UW Medicine/Northwest Board.
  - c) The CEO of UW Medicine will act on the nominations presented with the review and advice of the UW Medicine Board.
  - d) All of the initial thirteen (13) UW Medicine/Northwest Board members will be identified in the definitive Affiliation agreements, and approval of those members by the CEO of UW Medicine will be a condition precedent to Northwest's obligation to close the Affiliation transaction.
  - e) Following completion of their terms, the initial thirteen (13) UW Medicine/Northwest Board members will be eligible to serve for two (2) additional successive three (3) year terms with the understanding that the UW Medicine/Northwest Board needs to stagger terms for continuity and succession. No Board member may serve more than three (3) successive terms.
2. Removal. The CEO of UW Medicine has the authority to remove individual UW Medicine/Northwest Board members with the review and advice of the UW Medicine Board. Any Board member considered for removal will be notified in advance and have an opportunity to meet with the UW Medicine Board and CEO of UW Medicine to discuss the proposed removal. If there is more than one Board Member considered for removal in any calendar year, the second and subsequent Board Members proposed for removal will be further considered by the UW Board of Regents, whose decision on removal shall be final. The UW Board of Regents shall take action at any meeting by two-thirds vote of the entire Board, following an opportunity for the Board

Member(s) considered for removal to be heard and to explain to the UW Board of Regents why he/she should not be removed.

3. Vacancies. During the first five (5) years of the Affiliation and as needed to replace retiring Board members or address other Board vacancies, the UW Medicine/Northwest Board will nominate Board members to the CEO of UW Medicine who will act on the nominations with the review and advice of the UW Medicine Board. If the CEO of UW Medicine does not appoint the nominees, the CEO will request additional nominations from the UW Medicine/Northwest Board. All nominations will be made in furtherance of the UW Medicine/Northwest mission, and assuring that the UW Medicine/Northwest Board remains committed to the interests of the community historically served by Northwest.
4. Process. The process for appointment and removal of Trustees will be further defined in the bylaws of UW Medicine/Northwest and will include a consultative role for the UW Medicine/Northwest Board.

#### ***B. HRN Board***

The post-Affiliation HRN Board will consist of current Board members remaining after the division of the current Northwest and HRN Boards, and two (2) such members will be members of the UW Medicine/Northwest Board designated to also serve on the HRN Board. The members of the post-Affiliation HRN Board will be nominated by the HRN and Northwest Boards and identified in the definitive Affiliation agreements. Additional HRN Board members will be appointed by the UW Medicine/Northwest Board or in such other manner as necessary to maintain HRN's IRC § 501(c)(3) tax exempt status.

#### ***C. Oversight Process of the New Affiliation***

During the first five years of the new Affiliation, if the UW Medicine/Northwest Board believes UW Medicine has defaulted on express commitments identified in the definitive agreements as subject to mediation/arbitration, the UW Medicine/Northwest Board may seek mediation of their concerns upon majority vote (i.e., 7 of the 13 board members) of the UW Medicine/Northwest Board. In-person consultation with the CEO of UW Medicine and the Executive Committee of the UW Medicine Board must occur before such a vote is taken. Such vote may only occur if this in-person consultation fails to resolve the issue. The mediation process will depend on the nature of the issue at hand and will be mutually agreed upon by representatives from the UW Medicine Board and the UW Medicine/Northwest Board.

If the mediation process fails to resolve the issues, and further in-person consultation with the CEO of UW Medicine and the Executive Committee of the UW Medicine Board also fails to resolve the issue, the UW Medicine/Northwest Board, upon majority vote, may seek arbitration of the alleged default of the definitive agreements. Such arbitration will take place in Seattle Washington with an arbitrator agreed upon by the UW Medicine Board and the UW Medicine/Northwest Board. In the event that an arbitrator cannot be



agreed upon within ten (10) business days, the arbitrator shall be designated by Judicial Dispute Resolution, L.L.C. ("JDR") based on qualifications outlined in the definitive agreements, or if JDR does not then exist, by a successor organization to be agreed upon by the parties, or if a successor organization cannot be agreed upon by the parties within ten (10) business days, by the Presiding Judge of the Superior Court of the State of Washington for King County. The arbitrator's decision will be considered to be a final and binding decision by the UW Medicine/Northwest Board, the CEO of UW Medicine, and the UW Medicine Board. The definitive agreements will include the parties' express commitment to be bound by and to comply with an arbitrator's decision so long as such decision is in compliance with state and federal law.

**IV. Post-Affiliation General Scope of Responsibilities**

The description of post-Affiliation responsibilities of UW Medicine/Northwest, HRN, and UW Medicine will be determined upon completion of due diligence.

## **EXHIBIT A**

### **CORE CLINICAL SERVICES**

#### Emergency Services

- Emergency Department (Level IV trauma site)

#### Critical Care Services

- Critical Care Team
- Intensive Care Unit/Critical Care Unit
- Special Care (Telemetry)

#### Cancer Care Services

- Medical Oncology/Infusion
- Radiation Oncology - Linear Accelerator & Gamma Knife
- Seattle Breast Center
- Women's Cancer Care of Seattle (Gyn Oncology)
- Surgical Services
- Clinical Trials

#### Maternal & Children's Health

- Childbirth Center (Level 2 Nursery)
- Obstetrics & Gynecology
- Neonatology
- Pediatrics (outpatient)
- Perinatology (contingent upon physician recruitment)
- Reproductive Endocrinology & Infertility

#### Diagnostic Imaging

- X-Ray
- CT Scan
- MRI
- EKG/EEG
- Bone Densitometry (DEXA)
- Ultrasound
- Digital Mammography (Seattle Breast Center)
- Interventional Radiology
- Nuclear Medicine
- Vascular lab

#### Laboratory

- Acute lab
- Reference Lab
- Pathology
- Outreach Laboratory

### Cardiac Care Services

- Cardiology
- Cardiovascular Surgery (UW Regional Heart Center Site) (to be discussed)
- 24-hour Cardiac Catheterization Lab
- Cardiac Rehabilitation

### Surgical Services

- Cardiothoracic Surgery
- Colorectal Surgery
- Ear/Nose/Throat Surgery
- Eye Surgery
- General Surgery
- Gynecologic Surgery
- Gynecologic Oncology Surgery
- Hand Surgery
- Neurosurgery
- Oral Surgery
- Orthopaedic Surgery
- Plastic & Reconstructive Surgery
- Podiatric Surgery
- Robotic Surgery
- Thoracic Surgery
- Urologic Surgery
- Vascular Surgery

### Other Medical Services

- Anesthesiology
- Care Management Services
- Dermatology
- Diabetes Management
- Education & Support Services
- Endocrinology
- Endoscopy
- Family Practice
- Gastroenterology
- Geropsychiatric Center
- Infectious Disease
- Inpatient Team
- Internal Medicine
- IV Team
- Nephrology
- Neurology
- Ophthalmology
- Pain Management
- Physical Medicine & Rehabilitation/Center for Medical Rehabilitation
- Preventative Health & Wellness

- Psychiatry
- Psychology
- Pulmonology
- Urology
- Respiratory Therapy
- Rheumatology
- Sleep Center
- Sports Medicine
- Stroke Program
- Wound Care Center/Hyperbaric Oxygen Therapy

## **Overview of New Affiliation**

- Northwest Hospital will join UW Medicine and become an integral part of the UW Medicine Health System
- Non-cash transaction
- Northwest Hospital to be renamed “UW Medicine/Northwest” and UW will be the sole corporate member
- Excellent fit with UW Medicine strategic plan, including enhanced access for patients needing secondary care and the opportunity to build new and expanded programs in areas such as cardiology and oncology
- Affiliation will support mission of UW Medicine and the commitment by Northwest to provide high quality health care services to their community

## **Strategic Affiliate: Northwest Hospital**

- Full-service, not-for-profit medical facility
- 281 licensed bed acute-care hospital
- Annual revenue of \$260 million
- More than 1600 employees
- 32 acre hospital campus within 5 miles of UW
- 11 acre outpatient campus
- Financially stable system with a focus on high quality, efficient primary and secondary health care services

## **Key Terms: Integration**

- NW and UW Medicine will develop a long range strategic plan for UW Medicine/Northwest
- UW Medicine commitment to explore certain areas:
  - Oncology
  - Cardiac services
  - Obstetrical services
  - Access to secondary care
- Implementation of strategic plans is subject to availability of capital and operating funds
- UW Medicine/Northwest will continue an open medical staff

## **Key Terms: Business Structure**

- UW Medicine/Northwest will operate under its existing hospital license and provider number
- UW Medicine/Northwest employees will remain NW employees for at least 7 years
- UW Medicine/Northwest will continue existing management through nonprofit Health Resources Northwest through a 7 year management contract
- UW Medicine will approve budget for UW Medicine/Northwest
- Internal dispute resolution process for certain express commitments



## **Key Terms: Governance**

- UW Med/NW Board responsible for hospital accreditation and physician credentialing
- UW Med/NW Board members appointed by CEO of UW Medicine from candidates proposed by the UW Med/NW Board with review and advice of UW Medicine Board
- UW Medicine Board adds 2 members from UW Med/NW Bd
- CEO of UW Medicine has authority to remove UW Med/NW Board member with review and advice of UW Medicine Board
- Removing more than one UW Med/NW Board member in a calendar year would require approval of UW Regents
- UW Medicine Board has oversight of all UW Med/NW activities, including compliance programs
- UW Med/NW included in UW Medicine Board reports to Regents (annual financial, compliance & governance reports)