



March 11, 2010

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, MARCH 17, 2010

**6:00 p.m. Hill-Crest DINNER FOR REGENTS
AND OTHER GUESTS**

THURSDAY, MARCH 18, 2010

**8:30 to 9:55 a.m. Tacoma Room ACADEMIC AND STUDENT AFFAIRS
GWP Building COMMITTEE: Regents Barer (Chr),
University of Washington, Gates, Golden, Harrell, Jewell
Tacoma**

**10:10 to 11:40 a.m. Tacoma Room ACADEMIC AND STUDENT AFFAIRS
COMMITTEE: Regents Barer (Chr),
Gates, Golden, Harrell, Jewell**

in Joint Session with

**FINANCE, AUDIT AND FACILITIES
COMMITTEE: Regents Blake (Chr),
Brotman, Cole, Jewell, Smith**

**11:40 a.m. to 12:40 p.m. Jane Russell Commons LUNCH
Philip Hall**

**12:40 to 2:40 p.m. Tacoma Room FINANCE, AUDIT AND FACILITIES
COMMITTEE: Regents Blake (Chr),
Brotman, Cole, Jewell, Smith**

**3:00 p.m. Tacoma Room REGULAR MEETING OF BOARD OF
REGENTS**

To request disability accommodation, contact Tacoma Disability Support Services at 253.692.4400/V or 253.692.4493/V, 253.692.4413/TTY, 253.692.4414 (FAX) e-mail dssuwt@uw.edu. The University of Washington makes every effort to honor disability accommodation requests. Requests can be responded to most effectively if received as far in advance of the event as possible, preferably at least 10 days.



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

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

March 18, 2010

8:30 to 9:55 a.m.

Tacoma Room

**Garretson Woodruff Pratt Building
University of Washington, Tacoma**

1. **Academic and Administrative Appointments** **ACTION** A-1
Phyllis M. Wise, Provost and Executive Vice President
2. **Establishment of the Graduate Certificate in South Asian Studies** **ACTION** A-2
Thomas W. Gething, Assistant Vice Provost and Assistant Dean, The Graduate School
Priti Ramamurthy, Associate Professor and Director, South Asia Center, Jackson School of International Studies
Keith Snodgrass, Associate Director, South Asia Center, Jackson School of International Studies
3. **Establishment of the Nurse Educator Tri-Campus Graduate Certificates** **ACTION** A-3
Thomas W. Gething
Mary Baroni, Professor and Director, UW Bothell Nursing Program
Sharon Fought, Associate Professor and Director, UW Tacoma Nursing Program
Cathryn Booth La-Force, Professor and Associate Dean, School of Nursing
Joane Mocerri, Assistant Professor, UW Tacoma Nursing Program
Terri Simpson, Associate Professor, School of Nursing
4. **Establishment of the Master of Geographic Information Systems** **ACTION** A-4
Thomas W. Gething
Timothy L. Nyerges, Professor, Department of Geography
5. **Appointment of University of Washington Retirement Plan Investment Consultant** **ACTION** A-5
Kathleen Dwyer, Executive Director, Benefits and Worklife

6. **Student Presentation** **INFORMATION** A-6
 - Xheni Diko**, ASUWB President
 - Elizabeth Thomas**, Associate Professor and Associate Director for Graduate Education, UW Bothell
 - Interdisciplinary Arts and Sciences Program
 - Cruz Credle**, ASUWT President

7. **Integrating Research and Undergraduate Teaching – Notes from the Field** **INFORMATION** A-7
 - John E. Banks**, Associate Professor of Biology, Interdisciplinary Arts and Sciences, UW Tacoma

8. **Other Business**



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS**

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

In Joint Session with

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

**March 18, 2010
10:10 to 11:40 a.m.**

**Tacoma Room
Garretson Woodruff Pratt Building
University of Washington, Tacoma**

1. **Voluntary Retirement Incentive (VRI) Option for Tenured Faculty Members** **ACTION** A-8
Cheryl Cameron, Vice Provost for Academic Personnel
Phyllis M. Wise, Provost and Executive Vice President
Kathleen Dwyer, Executive Director, Benefits and Worklife
2. **SR 520 Update** **INFORMATION** A-9
Theresa Doherty, Assistant Vice President for Regional Affairs, Office of Regional Affairs
3. **Legislative Report from Olympia** **INFORMATION** A-10
Margaret Shepherd, Director of State Relations, Office of External Affairs
Randy Hodgins, Vice President, Office of External Affairs
4. **2010-11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments** **ACTION** F-13
Eric Godfrey, Vice President and Vice Provost, Student Life
Pam Schreiber, Director, Housing & Food Services
5. **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.)
6. **Other Business**



**UNIVERSITY OF WASHINGTON
BOARD OF REGENTS
Finance, Audit and Facilities Committee**
Regents Blake (Chair), Brotman, Cole, Jewell, Smith

**March 18, 2010
12:40 to 2:40 p.m.
Tacoma Room
Garretson Woodruff Pratt Building
University of Washington, Tacoma**

1. **Grant and Contract Awards Summary – January, 2010** **ACTION** F-1
Phyllis M. Wise, Provost and Executive Vice President
2. **Approve Conveyance of Alleys from City of Seattle to University of Washington** **ACTION** F-2
Jeanette Henderson, Director, Real Estate Office
3. **Report of Contributions – January, 2010** **INFORMATION** F-3
Walter G. Dryfoos, Associate Vice President, Advancement Services
Connie Kravas, Vice President, University Advancement
4. **Actions Taken Under Delegated Authority** **INFORMATION** F-4
Richard Chapman, Associate Vice President, Capital Projects Office
5. **Investment Performance Report, Second Quarter Fiscal Year 2010** **INFORMATION** F-5
Keith Ferguson, Chief Investment Officer, Treasury Office
6. **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.)
7. **UW Medicine at South Lake Union Phase III Option – Approval of Exercise** **ACTION** F-6
Paul Ramsey, CEO, UW Medicine, Executive Vice President for Medical Affairs, and Dean of the School of Medicine
Ruth Mahan, Vice Dean for Administration and Finance, School of Medicine

8. **Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Exempting Funding from the Internal Lending Program** **ACTION** F-7
Chris Malins, Senior Associate Treasurer, Treasury Office
Paul Jenny, Vice Provost, Planning and Budgeting
9. **Internal Lending Program Update** **INFORMATION** F-8
V’Ella Warren, Senior Vice President and Treasurer, Board of Regents
Chris Malins
10. **Benchmarking University Advancement Performance** **INFORMATION** F-9
Walter G. Dryfoos
Connie Kravas
11. **University of Washington Investment Committee (UWINCO) Update** **INFORMATION** F-10
Keith Ferguson
12. **Metropolitan Tract Quarterly Report for the Quarter Ended December 31, 2009** **INFORMATION** F-11
Jeanette Henderson
Lisa Stewart, Principal, Urbis Partners, LLC
V’Ella Warren
13. **Advisory Committee on Real Estate (ACRE) Update** **INFORMATION** F-12
Jeanette Henderson
14. **Other Business**



**AGENDA
BOARD OF REGENTS
University of Washington**

March 18, 2010

3:00 p.m.

Tacoma Room

**Garretson Woodruff Pratt Building
University of Washington, Tacoma**

(Item No.)

I. CALL TO ORDER

II. ROLL CALL: Assistant Secretary Kelly Keith

III. CONFIRM AGENDA

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

V. REPORT OF THE UNIVERSITY PRESIDENT: Dr. Emmert

VI. CONSENT AGENDA

Approval of Minutes of Meeting of February 18, 2010

Establishment of the Graduate Certificate in South Asian Studies A-2

Establishment of the Nurse Educator Tri-Campus Graduate Certificates A-3

Establishment of the Master of Geographic Information Systems A-4

Appointment of University of Washington Retirement Plan Investment Consultant A-5

Voluntary Retirement Incentive (VRI) Option for Tenured Faculty Members A-8

Grant and Contract Awards Summary – January, 2010 F-1

Approve Conveyance of Alleys from City of Seattle to University of Washington F-2

UW Medicine at South Lake Union Phase III Option – Approval of Exercise F-6

Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Exempting Funding from the Internal Lending Program F-7

2010-11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments F-13

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

Academic and Administrative Appointments (ACTION)	A-1
Student Presentation (Information only)	A-6
Integrating Research and Undergraduate Teaching – Notes from the Field (Information only)	A-7

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

SR 520 Update (Information only)	A-9
Legislative Report from Olympia (Information only)	A-10

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

Report of Contributions – January, 2010 (Information only)	F-3
Actions Taken Under Delegated Authority (Information only)	F-4
Investment Performance Report, Second Quarter Fiscal Year 2010 (Information only)	F-5
Internal Lending Program Update (Information only)	F-8
Benchmarking University Advancement Performance (Information only)	F-9
University of Washington Investment Committee (UWINCO) Update (Information only)	F-10
Metropolitan Tract Quarterly Report for the Quarter Ended December 31, 2009 (Information only)	F-11
Advisory Committee on Real Estate (ACRE) Update (Information only)	F-12

VIII. OTHER BUSINESS

Reports from ex-officio representatives to the Board:

Faculty Senate Chair – Professor Bruce Balick

ASUW President – Mr. Tim Mensing

GPSS President – Mr. Jake Faleschini

Alumni Association President – Mr. Eddie Pasatiempo

IX. DATE FOR NEXT REGULAR MEETING: April 15, 2010**X. ADJOURNMENT**

OFFICIAL MINUTES

MINUTES

**BOARD OF REGENTS
University of Washington**

March 18, 2010

The Board of Regents held its regular meeting on Thursday, March 18, 2010, beginning at 3:00 p.m. in the Tacoma Room of the Garretson Woodruff Pratt Building at University of Washington Tacoma. The notice of the meeting was appropriately provided to the public and the media.

CALL TO ORDER

ROLL CALL

Assistant Secretary Keith called the roll: Present were Regents Simon (presiding), Barer, Blake, Gates, Golden, Harrell, Jewell, Smith; Dr. Emmert, Dr. Wise, Ms. Warren, Ms. Goldblatt; ex officio representatives: Professor Balick, Mr. Faleschini.

Absent: Regents Brotman and Cole; ex officio representatives: Mr. Mensing and Mr. Pasatiempo.

CONFIRM AGENDA

The agenda was confirmed as presented.

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

Regent Simon recommended the appointment of Regent Orin Smith to UWINCO (University of Washington Investment Committee) for a three year term.

REPORT OF THE UNIVERSITY PRESIDENT: Dr. Emmert

Presentation by Patricia Spakes, Chancellor, UW Tacoma (Agenda no. UP-1)

Dr. Emmert introduced UW Tacoma Chancellor, Patricia Spakes.

Chancellor Spakes welcomed the Regents to the Tacoma campus. She thanked the student peer mentors for their service as campus ambassadors during the meeting.

The Regents viewed a short video produced to promote the Tacoma campus.

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Chancellor Spakes updated the Regents on Tacoma campus activities since the Board met there two years ago. She highlighted campus services for student housing and health care. Student housing at Court 17 houses sixty-six students in twenty-six apartments. Franciscan Health Services will sponsor an on-campus health clinic beginning in the fall.

Commenting on student activities, Dr. Spakes reported the number of student organizations increased to thirty-three. UW Tacoma students are involved in community volunteer activity at forty-two sites in the community, and plan to travel to Bend, Oregon, to build a home with Habitat for Humanity during Alternative Spring Break.

UW Tacoma has a K-12 pipeline program called STEP. This program is similar to the Dream Project, as it provides mentoring to middle school students to start them on track to college. A program called the UWT College Readiness Program involves the adoption of Jason Lee Middle School, a Tacoma school attended by a large number of students from low income families. Students at Jason Lee receive periodic visits from UWT students. Another program, "Go to High School, Go to College" helps high school students complete the FAFSA (financial aid) form and acquaints them with the Husky Promise.

Discussing the pattern of UWT's enrollment growth, Dr. Spakes said enrollment levels have fluctuated widely over the years. The campus is attempting to manage more predictable growth for better planning with a goal of an eight to ten percent growth rate until 2017. As the rate is stabilized the plan is to maintain enrollment of 5,000 students to realize economies of scale. The current economic situation presents a challenge to the plan. Currently the campus has 3,200 students, which is the maximum number supported by the existing infrastructure.

Dr. Spakes told the Regents the diversity level of the student population is higher than that of the surrounding geographic region. For example, the region is 82% Caucasian and the undergraduate student body is made up of 57% Caucasian. For other groups the student body is at, or exceeds, regional representation for each group except Native American. UWT is working to increase the number of Native American students. They are also working on improving tribal relations, through various programs.

The curriculum at UW Tacoma offers more majors than when Chancellor Spakes last reported to the Regents. Curriculum changes respond to the goal of filling undergraduate curriculum gaps, since the original plan for the campus was to have upper division only. Freshmen and sophomores require coursework in math, science, physics, chemistry, and foreign languages as prerequisites for upper division majors. UW Tacoma also plans to expand the number of majors offered.

The campus has experienced many physical changes with new and renovated buildings. The Joy Building is being renovated, and will house classrooms, library surge space, and faculty offices. The next phase of construction will take place between Market and Fawcett Streets, and will include student housing; a student union offering recreation and wellness programs; and an energy plant. Phases four and five of the academic expansion will likely include laboratories and classrooms.

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Chancellor Spakes said she plans to work with Tacoma business and community leaders to develop a plan to continue the growth of downtown Tacoma. She said the community feels UW Tacoma is a key component to the economic development of downtown Tacoma. Together they are writing grant applications to secure private funding to establish a Center for Business Innovation on campus to work with existing businesses and link them to UW's knowledge base. The group also hopes to partner with Tacoma Public Schools to improve K-12 education.

Dr. Spakes said the current challenges UWT faces are to raise funds for current use scholarships, to fill the curricular gaps in lower division courses, and to address gaps in student services. The biggest challenge faced is meeting the community's expectations for continued growth and development.

See Attachment UP-1.

CONSENT AGENDA

Regent Simon noted there were ten items for approval on the consent agenda, and asked if any items should be removed. It was noted the Finance, Audit and Facilities Committee took no action on agenda item F-6.

UW Medicine at South Lake Union Phase III Option – Approval of Exercise

(Agenda no. F-6)

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

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

Minutes for the meeting of February 18, 2010

Establishment of the Graduate Certificate in South Asian Studies (Agenda no. A-2)

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

See Attachment A-2.

Establishment of the Nurse Educator Tri-Campus Graduate Certificates (Agenda no. A-3)

March 18, 2010

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the graduate faculty of the Nursing Programs at UW Tacoma and UW Bothell and the School of Nursing at UW Seattle to offer the Nurse Educator Tri-Campus (NET) Graduate Certificates, effective Autumn Quarter 2010. The certificate programs will have provisional status with a review to be scheduled in the 2015-2016 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

See Attachment A-3.

Establishment of the Master of Geographic Information Systems (Agenda no. A-4)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the Department of Geography to offer the Master of Geographic Information Systems degree program, effective Autumn Quarter 2010. This is a self-sustaining professional program offered in coordination with UW Educational Outreach (UWEO). The degree program will have provisional status with a review to be scheduled in the 2015-2016 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

See Attachment A-4.

Appointment of University of Washington Retirement Plan Investment Consultant
(Agenda no. A-5)

It was the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents appoint Hewitt Investment Group LLC as Investment Consultant to the University of Washington Retirement Plan and Voluntary Investment Program effective March 18, 2010 until March 31, 2015, subject to satisfactory performance.

See Attachment A-5.

Voluntary Retirement Incentive (VRI) Option for Tenured Faculty Members
(Agenda no. A-8)

The administration recommended that the Board of Regents approve the adoption of a voluntary retirement incentive (VRI) option for tenured faculty members.

The administration proposed the VRI option as an alternative retirement benefit available to all eligible tenured faculty members who elect to forego their vested right to partial reemployment upon retirement. When elected, a tax-free medical expense account, administered as a Voluntary Employee Beneficiary Association (VEBA) under rules established in the Internal Revenue Code, will be established for the payment of medical expenses after retirement.

The VRI option will be available only when the Provost announces an open election period, at which time eligible faculty members can declare their intent to retire during a

specified interval of time and elect this alternative retirement benefit. Upon retirement of a participating faculty member, a VEBA account will be established and receive a lump-sum contribution from the nine or twelve month state-funded position that is vacated by the tenured faculty member. The contribution will amount to 25% of the five year value of the state-funded 40% reemployment, except that there will be a minimum contribution of \$25,000 and a maximum contribution of \$100,000.

See Attachment A-8.

Grant and Contract Awards Summary – January, 2010 (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 January, 2010, in the total amount of \$59,249.280.

See Attachment F-1.

Approve Conveyance of Alleys from City of Seattle to University of Washington
(Agenda no. F-2)

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

1. Approve the acquisition of two alleys and related boundary adjustments located at sites 32W and 35W as part of the Student Housing Master Plan.
2. Delegate to the President or his designee the authority to execute all documents related to this transaction.

See Attachment F-2.

Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Exempting Funding from the Internal Lending Program (Agenda no. F-7)

It was the recommendation of the Administration and the Finance, Audit and Facilities Committee that the Board of Regents approve:

1. Exempting the \$53.5 million portion of the Molecular Engineering Interdisciplinary Academic Building (MEIAB) debt paid from Building Fee revenues from the Internal Lending Program; and
2. Restructuring the debt to a 26-year term, with a 3.6% interest rate, with an annual payment no greater than \$3.2 million from the Building Fee account, beginning immediately.

See Attachment F-7.

March 18, 2010

2010-11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments (Agenda no. F-13)

It was the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve the proposed 2010–11 rental and dining rates for the residence halls, single student apartments and family housing, collectively termed the Housing and Dining System, making the proposed rates effective July 1, 2010.

The proposed residence hall room and dining rates for 2010–11 represent a net increase of 5.14 percent (\$342), from \$6,654 in 2009–10 to \$6,996 in 2010–11, for those with the most common room type and typical dining plan (a double room with the Bronze dining plan). The proposed rates compare favorably with those of other higher education institutions, which were surveyed in February 2010.

See Attachment F-13.

STANDING COMMITTEES

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Barer, Chair

At the request of Regent Barer, Provost Wise highlighted appointments where an administrator, professorship, dean or chair was included. Provost Wise also highlighted the appointment of Manisha Singh, the Executive Director of the Barer Institute at UW's School of Law.

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

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

See Attachment A-1.

Student Presentation (Agenda no. A-6) (Information only)

Regent Barer said Regents received a presentation from UW Tacoma student, Cruz Credle, and UW Bothell student, Xheni Diko, along with Professor Elizabeth Thomas from UW Bothell. The presenters demonstrated that “one size doesn't fit all,” and that different experiences fit different students. He said he felt the quality and excellence of the educational experience is same across all three campuses.

See Attachment A-6.

Integrating Research and Undergraduate Teaching – Notes from the Field (Agenda no. A-7) (Information only)

See Attachment A-7.

FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Blake, Chair

Regent Blake reported that, on the Consent Agenda, Regents approved a revision to the Residence Hall rates for the next academic year. She said UW's rates are relatively low compared to its peer institutions. As Residence Hall rates rise, Regents encouraged the administration to look at students' overall costs to attend the university – including housing, fees and tuition. Regents also encouraged the administration to look at the level of services provided at residence halls to determine if they are appropriate.

Report of Contributions – January, 2010 (Agenda no. F-3) (Information only)

Regent Blake pointed out the amount of total gifts received in January, 2010, was \$19,489,568, the total for the year to date is \$174,006,455.

See Attachment F-3.

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

See Attachment F-4.

Investment Performance Report, Second Quarter Fiscal Year 2010 (Agenda no. F-5) (Information only)

See Attachment F-5.

Internal Lending Program Update (Agenda no. F-8) (Information only)

Regent Blake said the Regents received a useful background report about the internal lending program. The information in the report provided background to the Board for the upcoming item seeking authorization for additional lending authority.

See Attachment F-8.

Benchmarking University Advancement Performance (Agenda no. F-9) (Information only)

Advancement staff reported on the fundraising efforts using a rolling five-year average. Advancement continues to perform well, but results are affected by the recently completed capital campaign. One of the goals of the campaign was to increase continued giving to the University, and the results show donors maintaining their level of support.

See Attachment F-9.

University of Washington Investment Committee (UWINCO) Update (Agenda no. F-10) (Information only)

March 18, 2010

Regent Blake said Keith Ferguson provided an update on the University's investment performance. He said there is a low return environment, so the University should have modest expectations for returns in the near future. At a future meeting, the Board plans to examine the asset class allocation policy, and at a subsequent meeting the Board will look at the spending policy and how it relates to anticipated returns on the endowment funds.

See Attachment F-10.

Metropolitan Tract Quarterly Report for the Quarter Ended December 31, 2009
(Agenda no. F-11) (Information only)

Regents heard that tract occupancy levels are better than general downtown Seattle occupancy. Occupancy rates at the hotel were very low in January, 2010.

See Attachment F-11.

Advisory Committee on Real Estate (ACRE) Update (Agenda no. F-12) (Information only)

Jeannette Henderson told the Regents the Advisory Committee on Real Estate (ACRE) held its second meeting. The Committee is moving forward with plans to examine its governance structure. Regent Blake said the Committee is comprised of an engaged and enthusiastic group of participants who are well qualified to advise the University.

See Attachment F-12.

FINANCE, AUDIT AND FACILITIES COMMITTEE: Regent Blake, Chair

In joint session with

ACADEMIC AND STUDENT AFFAIRS COMMITTEE: Regent Barer, Chair

SR 520 Update (Agenda no. A-8) (Information only)

See Attachment A-9.

Legislative Report from Olympia (Agenda no. A-9) (Information only)

See Attachment A-10.

REPORTS FROM EX OFFICIO REPRESENTATIVES TO THE BOARD OF REGENTS

Faculty Senate Chair: Professor Bruce Balick

Professor Balick said he would not present a report.

ASUW President: Mr. Tim Mensing

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Mr. Mensing did not attend the meeting. In his stead, Madeleine McKenna, ASUW Vice President, provided a report from ASUW.

Ms. McKenna highlighted four ASUW activities.

- 1) The ASUW's student lobbyist was active in Olympia during the recent legislative session, advocating on behalf of the University.
- 2) Students have been working to build support to establish a Campus Sustainability Fund. Funded by an increase in the Student Activities Fee, the fund would support environmentally-oriented projects. Student volunteers have gathered over 5,500 signatures in favor of establishing the fund and have obtained endorsements from 53 student groups, along with approval from GPSS, the ASUW Senate and Board of Directors. Supporters plan to present their proposal to the Student Activities Fee Committee on March 25.
- 3) Recently ASUW sponsored the third annual "Every Body Everybody" fashion show to raise awareness about healthy body image.
- 4) Ms. McKenna updated the Regents on the status of the Husky Pride Fund. Money is raised by students, to benefit students, mainly in change jars located at campus eateries. Other sources of income to the fund are proceeds from the sale of Husky t-shirts and the GPSS-sponsored book "Not For Tourists: Guide to Seattle." The UWAA is supporting the fund with a \$1,000 annual contribution. The fund amount has been building over the past three years, has reached the endowment level of \$50,000, and will begin to distribute scholarship support and emergency grants to students.

Regent Simon thanked the student leaders for their participation in Olympia and for their cooperative nature.

GPSS President: Mr. Jake Faleschini

Mr. Faleschini reported that GPSS and ASUW have formed a selection committee to identify candidates to serve as the 2010-11 Student Regent. The Committee will forward no less than three and no more than five names to the Governor for her consideration. A link to Student Regent application information is posted on the Board of Regents website.

In anticipation of the HUB renovation beginning in June, student groups located in the HUB are starting to move to Condon Hall. The HUB will close on June 18, 2010, and reopen in September, 2012. Services currently offered in the HUB will be moved to other campus locations.

Regarding the residential housing rates proposed by HFS, and approved by the Board of Regents, Mr. Faleschini said although students are concerned about the increase in rates, they appreciate the transparent process used by HFS to determine the rates. He added that during the process students felt included and informed.

The fourth annual GPSS Summit is planned to occur in autumn of 2010. Advisory and steering committees have been formed and the Summit topic will be "The Federalization of Public Research Universities."

Regent Simon welcomed former Regent Jean-Paul Willynck to the meeting. Mr. Willynck told the Regents he is working at UW in Transportation Services on the UPass Program.

Alumni Association President: Mr. Eddie Pasatiempo

Mr. Pasatiempo did not attend the meeting. In his stead, Mr. John Harrison provided a report from the UWAA. Regent Simon introduced Mr. Harrison. He is CFO of Bruce Titus Automotive Group in Tacoma, serves on the UW Alumni Association Board of Trustees, the Milgard School of Business Advisory Board, and as Chair of the UW Tacoma Alumni Council.

Mr. Harrison welcomed the meeting attendees to Tacoma and said UWAA works extensively with Montlake, Bothell, and Tacoma campuses. Mr. Harrison represents UW Tacoma on the UWAA Board. He said there are 10,000 alumni from UWT. Mr. Harrison noted the presence of the Tacoma campus influenced many positive changes in downtown Tacoma over the past 20 years, including facility improvements, economic impact on the community, and the development of arts organizations such as the glass museum, construction of the convention center, hotels and restaurants. He concluded the campus has had a positive effect on the lives of the community.

Mr. Harrison said, working together, UWAA, UW's Office of Advancement, and the UW Tacoma Alumni Council, offer events and programs to connect the 10,000 alumni and 3,000 current students with UW Tacoma.

DATE FOR NEXT MEETING

Regent Simon announced the Board of Regents meeting scheduled for April 15, 2010, is canceled. The next regular meeting of the Board of Regents will be held on Thursday, May 13, 2010, on the Seattle campus, in the Petersen Room of the Allen Library. Committees will meet in 142 Gerberding.

ADJOURNMENT

The regular meeting was adjourned at 4:05 p.m.



Joan Goldblatt
Secretary of the Board of Regents

Approved at the meeting of the Board on May 13, 2010.

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

ADMINISTRATIVE APPOINTMENTS

College of Arts and Sciences

Department of Political Science

Mc Cann, Michael William

Acting Chair, Political Science, effective 12/16/2009

Continuing Appointments:

- Professor, Political Science
- Adjunct Professor, Law
- Adjunct Professor, Law, Societies, and Justice
- Director, Law, Societies, and Justice

Degrees:

- PhD, 1983, University of California (Berkeley)
- MA, 1976, University of California (Berkeley)
- BA, 1974, University of Florida

ENDOWED APPOINTMENTS

College of Arts and Sciences

School of Art

Berger, Paul Eric

Donald E. Petersen Endowed Professorship, effective April 1, 2010

Degrees:

- BA, 1970, University of California (Los Angeles)
- MFA, 1973, State University of New York (Buffalo)

College of Engineering

Department of Civil and Environmental Engineering

Makinia, Jacek

June 2004 Endowed Visiting Professorship, effective 5/15/2010

Degrees:

- DSC OR SCD, 2007, Technical University of Gdansk (Poland)
- PhD, 1998, Portland State University
- MSC, 1989, Technical University of Gdansk (Poland)

NEW APPOINTMENTS

Administration

Department of Naval Science

McCalden, Katherine Marie

Assistant Professor without Tenure, Naval Science, effective 6/15/2010

Prior Non-UW Appointment:

Electronic Warfare Officer, Iraq

Degree:

- BA, 2003, University of Notre Dame

Szymanski, Bruce Hart

Associate Professor without Tenure, Naval Science, effective 6/15/2011

Prior Non-UW Appointment:

Operations Division Training Officer and Electronic Warfare Section Head,
Allied Joint Force Command, Naples, Italy

Degrees:

- MBA, 1999, Benedictine College
- BS, 1987, Union College

College of Arts and Sciences

Department of Asian Languages and Literature

Cho, Heekyoung

Assistant Professor, Asian Languages and Literature, effective 9/16/2010

Degrees:

- PhD, 2009, University of Chicago
- MA, 1999, Yonsei University (Korea)
- BA, 1997, Yonsei University (Korea)

Department of Sociology

Quinn, Sarah

Acting Assistant Professor, pending Ph.D., Sociology, effective 9/16/2010

Degrees:

- PhD, Expected, 2010, University of California (Berkeley)
- MA, 2006, University of California (Berkeley)
- BA, 1998, Smith College

College of Engineering

Department of Civil and Environmental Engineering

Makinia, Jacek

Visiting Associate Professor, Civil and Environmental Engineering, effective 5/15/2010

Prior Non-UW Appointment:

Associate Professor, Civil and Environmental Engineering, Gdansk University of Technology

Degrees:

- DSC OR SCD, 2007, Technical University of Gdansk (Poland)
- PhD, 1998, Portland State University
- MSC, 1989, Technical University of Gdansk (Poland)

College of the Environment

School of Forest Resources

Koppel, Johann

Visiting Professor, Forest Resources, effective 4/15/2010

Degrees:

- PhD, 1996, Technical University of Munich (Germany)
- Diploma, 1983, Technical University of Munich (Germany)

Wu, Xin

Visiting Associate Professor, Forest Resources, effective 2/10/2010

Prior Non-UW Appointment:

Associate Professor, Research Academy for Water Resources and Development, Chang'an University

Degrees:

- PhD, 2006, Xi'An University of Technology
- MS, 1990, Hohai University
- BA, 1985, Northwestern University of Agriculture, China

School of Medicine

Department of Anesthesiology and Pain Medicine

Wang, Wang

Assistant Professor, Anesthesiology and Pain Medicine, effective 2/16/2010

Degrees:

- PhD, 2002, Peking University (China)
- MD, 1997, Beijing Medical University (China)

Department of Laboratory Medicine

Baird, Geoffrey S.

Assistant Professor without Tenure, Laboratory Medicine, effective 2/1/2010

Prior UW Appointment:

- Acting Assistant Professor, temporary, Laboratory Medicine

Degrees:

- MD, 2003, University of California (San Diego)
- PhD, 2001, University of California (San Diego)
- BS, 1995, Stanford University

Hoffman, Noah Gabriel

Assistant Professor without Tenure, Laboratory Medicine, effective 2/1/2010

Prior UW Appointment:

- Acting Assistant Professor, temporary, Laboratory Medicine

Degrees:

- MD, 2005, University of North Carolina
- PhD, 2003, University of North Carolina
- BS, 1995, University of North Carolina

Department of Medicine

Han, Chang Yeop

Research Assistant Professor, Medicine, effective 2/1/2010

Prior UW Appointment:

- Acting Instructor, Medicine

Degrees:

- PhD, 2002, Korea University (Korea)
- MS, 1995, Sungkyunkwan University (Korea)
- BS, 1993, Sungkyunkwan University (Korea)

Subramanian, Savitha

Assistant Professor without Tenure, Medicine, effective 2/1/2010

Prior UW Appointment:

- Acting Assistant Professor, temporary, Medicine

Degree:

- MBBS, 1997, Stanley Medical College (India)

Walter, Roland

Assistant Professor without Tenure, Medicine, effective 2/1/2010

Prior UW Appointment:

- Acting Instructor, Medicine

Degrees:

- PhD, 2006, University of Washington
- MD, 1996, University of Zurich (Switzerland)

Department of Neurological Surgery

Gelfenbeyn, Mikhail

Assistant Professor without Tenure, Neurological Surgery, effective 2/16/2010

Prior UW Appointment:

- Senior Fellow, Neurological Surgery

Degrees:

- PhD, 1991, Moscow State University (Russia)
- MD, 1978, Moscow State University (Russia)

Department of Pediatrics

Olson, Aaron Keith

Assistant Professor without Tenure, Pediatrics, effective 2/1/2010

Prior UW Appointment:

- Acting Assistant Professor, temporary, Pediatrics

Degrees:

- MD, 1999, University of Minnesota
- BA, 1995, Hamline University

Department of Psychiatry and Behavioral Sciences

Thielke, Stephen Michael

Assistant Professor without Tenure, Psychiatry and Behavioral Sciences, effective 2/1/2010

Prior UW Appointment:

- Acting Assistant Professor, temporary, Psychiatry and Behavioral Sciences

Degrees:

- MD, 2001, University of Washington
- MA, 1995, University of Washington
- BA, 1992, Reed College

University of Washington, Tacoma

Education Program, Tacoma

Knuth, Richard Kent

Associate Professor, Education, Tacoma, effective 9/16/2010

Prior Non-UW Appointment:

Associate Professor, Pacific Lutheran University

Degrees:

- PhD, 1983, University of Washington
- MED, 1982, University of Washington
- BA, 1975, University of Washington

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Establishment of the Graduate Certificate in South Asian StudiesRECOMMENDED ACTION

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

BACKGROUND

In November, 2009, the Graduate School Dean received a request from the graduate faculty of the South Asia Center to establish a Graduate Certificate in South Asian Studies. This certificate will be housed in the South Asia Center in the Jackson School of International Studies.

The Graduate Certificate in South Asian Studies responds to increasing demand among UW graduate and professional students for training and knowledge in the area of South Asian studies. Much of this interest is fueled by the growing prominence of South Asian countries, especially India and Pakistan, on the global scene. The curriculum will provide students with a foundation in the study of South Asian societies, politics, and cultures and is designed to enhance diverse career goals within and beyond specific area studies. The total certificate requirements encompass 16 credits of coursework.

The program will be available to matriculated graduate and professional students as well as to non-matriculated graduate students. It anticipates a total of 15 enrolled students at any given time.

The Graduate School Council met on February 4, 2010, to discuss the Graduate Certificate in South Asian Studies proposal. The Council unanimously recommended that the proposal be forwarded to the Board of Regents for review and approval.

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

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Establishment of the Nurse Educator Tri-Campus Graduate CertificatesRECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the graduate faculty of the Nursing Programs at UW Tacoma and UW Bothell and the School of Nursing at UW Seattle to offer the Nurse Educator Tri-Campus (NET) Graduate Certificates, effective Autumn Quarter 2010. The certificate programs will have provisional status with a review to be scheduled in the 2015-2016 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

BACKGROUND

In October, 2009, the Graduate School Dean received a request from the Graduate Faculty of the Nursing programs at the three University of Washington campuses to establish coordinated Nurse Educator certificates. The NET Graduate Certificate Program consists of three certificate programs that are administratively housed on each home campus for oversight with respect to recruitment, admission decisions, advisement, and evaluation of progression and completion. However, these certificate programs are coordinated across the three campuses with respect to program objectives, courses offered, minimum admission requirements, and completion requirements. This provides a cohesive, consistent, and resource-leveraged area of study for students to prepare as nurse educators across a breadth of degree programs. The total certificate requirements encompass 15 credits.

The goal of the program is to educate nurses about how to teach effectively and creatively, using innovative technology in their professional careers. Program objectives are to prepare nurses as educators who are able to: (1) teach and evaluate students or clinicians in a practice-based science; (2) develop focused expertise in selected aspects of instructional methods; (3) engage in collaborative partnerships in education; and (4) synthesize a role as a nurse educator through a mentored educator experience. The program responds to a critical shortage of nurse educators in Washington State that is coupled with an increased demand for preparing nurses and skilled healthcare workers. It will be available to postdoctoral fellows, matriculated graduate students, and post-master's students.

The Graduate School Council met on February 18, 2010, to discuss the Nurse Educator Tri-Campus Graduate Certificate proposal. The Council unanimously recommended that the proposal be forwarded to the Board of Regents for review and approval.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Establishment of the Nurse Educator Tri-Campus Graduate Certificates

(continued p. 2)

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

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Establishment of the Master of Geographic Information Systems

RECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents grant authority to the Department of Geography to offer the Master of Geographic Information Systems degree program, effective Autumn Quarter 2010. This is a self-sustaining professional program offered in coordination with UW Educational Outreach (UWEO). The degree program will have provisional status with a review to be scheduled in the 2015-2016 academic year. At such time that continuing status is granted, a ten-year review cycle would begin.

BACKGROUND

In October 2009, the Graduate School received a proposal from the graduate faculty in the Department of Geography requesting authority to offer the self-sustaining Master of Geographic Information Systems (GIS) degree program. Implementation is planned for Autumn Quarter 2010, with the program anticipating 23 degrees granted per year at maturity.

The Master of Geographic Information Systems is a 45-credit professional degree that will consist of a GIS core and a concentration in a specific subject area. The first concentration will focus on GIS and sustainability. A GIS is one of the principal information technologies in the geospatial information technology industry, one that has demonstrated steady regional, national, and international growth over the past decade. The master's program will address the interconnection among social/cultural, environmental, and economic issues, fostering insights about the balance and tradeoffs among processes and outcomes at a variety of geographic scales (local, regional, national, and global). The initial concentration will present perspectives in a multidisciplinary manner using various perspectives to address the fundamentals of sustainability. The program will be delivered through a hybrid format (in person and online) to early- and midcareer professionals who can enroll in the program either part-time or full-time.

In November, 2009, the Vice Provost and Dean of the Graduate School appointed two reviewers to evaluate the Master of GIS proposal. The reviewers both supported approval of the degree program. Each reviewer made specific recommendations on the program, to which the program provided detailed responses.

The Graduate School Council met on January 7, 2010, to discuss the Master of GIS degree proposal. The Council recommended unanimously that the proposal

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Establishment of the Master of Geographic Information Systems (continued p. 2)

be forwarded to the Higher Education Coordinating Board for review and approval. The Vice Provost and Dean of the Graduate School concurred with this recommendation.

On February 16, 2010, the Higher Education Coordinating Board Education Committee discussed the Master of GIS proposal, which was then considered by the full Higher Education Coordinating Board on March 10, 2010. The Board approved the proposal by the Department of Geography at the University of Washington to offer the Master of Geographic Information Systems.

The Vice Provost and Dean of the Graduate School, the Dean of the College of Arts & Sciences, and the Provost have reviewed and approved the recommendation. The Higher Education Coordinating Board will be informed of the Board of Regents' action on the Master of Geographic Information Systems.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Appointment of University of Washington Retirement Plan Investment ConsultantRECOMMENDED ACTION

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents appoint Hewitt Investment Group LLC as Investment Consultant to the University of Washington Retirement Plan and Voluntary Investment Program effective March 18, 2010 until March 31, 2015, subject to satisfactory performance.

BACKGROUND

The University of Washington Retirement Plan (UWRP) is authorized under RCW 28.B.10.400 et seq as the primary retirement plan for faculty, librarians and professional staff. The plan is a defined contribution plan under Internal Revenue Code (IRC) Section 403(b), with a parallel defined benefit plan under IRC Section 401(a). There are currently 12,000 participants in the plan and plan assets are approximately \$2.5 billion dollars. The plan currently offers participants 67 approved funds for investment through 3 Fund Sponsors which are Fidelity, Vanguard, and TIAA-CREF. The Voluntary Investment Program (VIP) is also operated under IRC Section 403(b), and is a supplemental retirement savings program funded solely by employee contributions.

IRC Section 403(b), which relates to retirement plans for public employers and higher education institutions, has recently been updated to provide stricter guidance to employers about their fiduciary responsibilities in regards a 403(b) retirement plan. The Regents approved changes in 2008 and 2009 which meet the new regulations and ensure that our Plan Document is in compliance with IRC.

In addition to the IRS scrutiny, the Department of Labor, which is responsible for providing employers guidance regarding fiduciary responsibility, plan administration and participant education, has strengthened their rules regarding employer oversight of investment options, specifically increasing the duty for employers to monitor the funds and Fund Sponsors available to participants in their plans.

UW Human Resources - Benefits and WorkLife Office conducted a competitive search this fall to identify an Investment Consultant for the plans. Twelve firms responded to the Request for Proposals, and four were selected for interviews: AON Consulting; Hewitt Investment Consulting; Mercer; and Multnomah Group. All were invited to interviews with a University panel including: from Human Resources, the Executive Director of Benefits and WorkLife; from UW Treasury Office, the Sr. Associate Treasurer; from UW Planning and Budgeting Office, the

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Appointment of University of Washington Retirement Plan Investment Consultant (continued p. 2)

Associate Vice Provost, Planning and Budgeting; participant representation on the review committee included a faculty member from the Faculty Council on Benefits and Retirement; a Librarian from the UW Libraries; a faculty member and Professor of Finance, UW School of Business.

Hewitt Investment Consulting is the most qualified firm. Founded in 1940, Hewitt is a leader in investment consulting and retirement administration services, with over 23,000 associates worldwide. Hewitt has over 160 higher education clients and is recognized for their expertise and leadership in the 403(b) area of retirement plan consulting. The annual cost for consulting services will be \$110,000, with costs to be paid from administrative fee sharing agreements developed with the current Fund Sponsors.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Student Presentation

This will be an oral presentation, for information only.

Bios Attached

Cruz Credle, ASUW President, UW Tacoma

Xheni Diko, ASUW President UW Bothell

Elizabeth Thomas, Associate Professor and Associate Director for Graduate
Education, UW Bothell Interdisciplinary Arts and Sciences Program



Cruz Credle
President 2009-10
ASUW Tacoma

Born in North Carolina and raised in Lakewood Washington, Cruz Credle began his college career at UW Tacoma in 2006, joining others to create the first freshman class of the campus. Since becoming a Husky Promise student, Cruz has been able to get involved with many clubs and organizations on campus, ranging from the activities board to his current role as ASUWT President. One of his biggest accomplishments within the organization has been leading an initiative to restructure the student government, to include the ASUWT Constitution and By-Laws, to better align the organization with the now four year University.

A senior now in the Milgard School of Business, Cruz is studying business management with plans to become a store director in the Albertsons Supervalu company after graduation. He has been employed with the company for six years, working part time, while enrolled at school.

With the help of his brother, Cruz has begun to develop a real estate business with the intent of renting suitable places to low income families. Cruz now owns and rents property, which he plans to expand after graduation. Cruz looks to acquire less than ideal property, in hopes of renovating these places to rent to others.

This year, Cruz is working to leave a legacy at the Tacoma campus, getting involved wherever possible. Before graduation, he wishes to strengthen the communication between the Board of Regents and ASUWT as well as contribute in developing the traditional student culture on the Tacoma campus. In his role as Student Body President, Cruz spends most of his time advocating on behalf of the student body and encouraging student involvement at UW Tacoma.

With three jobs and school, there is not much free time, but when possible, Cruz enjoys home renovation, bike riding, and relaxing in any way possible.

Xheni Diko
President 2009-10
ASUW Bothell



My name is Xheni Diko and I am serving as ASUWB President! I began my college career at the University of Washington Bothell as part of the first freshman class back in 2006 and have had an incredible experience ever since. Now in my senior year, I am majoring in the IAS program with a concentration in Global Studies and a minor in Human Rights. Looking back on the last three years, I have been able to take advantage of countless opportunities UW Bothell has provided me from serving as the Director of Student Advocacy last year to attending two Alternative Spring Break trips to competing with DEC in Anaheim, California.

Upon my graduation, I am taking a year off and applying to law school. Eventually, I would like to work for the U.S. Department of State focusing on foreign policy.



Elizabeth Thomas

Associate Professor
Associate Director for Graduate Education
Interdisciplinary Arts & Sciences Program
UW Bothell

Elizabeth Thomas, Ph.D. is Associate Professor and Associate Director for Graduate Education in the Interdisciplinary Arts and Sciences Program at the University of Washington Bothell. She completed her undergraduate work at Georgetown University and graduate work in Psychology at the University of Illinois at Urbana Champaign. At UWB, she teaches courses on research in the social sciences, community psychology, and psychology and the arts. Her research examines social and cultural contexts for learning and development, with a particular focus on the role of the arts and the potential of participatory strategies for community research and action. She recently co-edited a special issue of the *American Journal of Community Psychology*, "Imagining participatory action research in collaboration," to be published in September 2010. She also served as editor of *The Community Psychologist*, a publication of the Society for Community Research and Action, from 2006-2009.

Recent Courses Taught

BIS 343 Community Psychology
BIS 348 Cultural Psychology
BIS 434 Psychology and the Visual Arts
BIS 489 Projects in Community Psychology
BIS 490 Senior Seminar: Community-Based Program Evaluation
BPOLST 592 Qualitative Inquiry

Selected Publications

Langhout, R., & Thomas, E. (in press). Imagining participatory action research in collaboration with children: An introduction. *American Journal of Community Psychology*, 46, 1/2.

Thomas, E., & Mulvey, A. (2008). Using the arts in teaching and learning: Building student capacity for community-based work in health psychology. *Journal of Health Psychology*, 13, 2, 239-250.

Place, N., Hillyard, C., & Thomas, E. (2008). Students and teachers learning to see: Using visual images in the college classroom to enhance the social context for learning. *College Teaching*, 56, 2, 74-77.

Thomas, E., Place, N., & Hillyard, C. (2008). Students and teachers learning to see: Using visual images in the college classroom to promote student capacities and skills. *College Teaching*, 56, 1, 23-27.

Thomas, E., & Gillespie, D. (2008). Weaving together undergraduate research, assessment, and mentoring of junior faculty: The case of an interdisciplinary program. *Innovative Higher Education*, 33, 1, 29-38.

Thomas, E. (2007). Student engagement and learning in a community-based arts classroom. *Teachers College Record*, 109, 3, 770-796.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Integrating Research and Undergraduate Teaching – Notes from the Field

For information only.

**John E. Banks, Ph.D.**

Associate Professor of Biology
Interdisciplinary Arts and Sciences
University of Washington, Tacoma

Ph.D., Zoology, University of Washington, 1997

M.S., Applied Mathematics, University of Southern California, 1990

B.A., Mathematics, Pomona College, 1986

Using a mixture of field experiments and mathematical models, I have been exploring issues at the interface of agricultural ecology and conservation biology for the past two decades. I am particularly interested in how natural vegetation may be incorporated into agroecosystems in order to bolster both pest control and biological diversity. My recent work involves conducting field experiments with the help of UWT undergraduates in both temperate and tropical ecosystems, with a focus on insect biodiversity and land use/management. Courses I regularly teach include Ecology and its Applications, Introduction to Restoration Ecology, Environmental Entomology, Costa Rica Field Studies, and Tropical Ecology & Sustainability.

Integrating research & undergraduate teaching: Notes from the field

John E. Banks

University of Washington, Tacoma, Environmental Science, Interdisciplinary Arts & Sciences, Tacoma, WA



Presentation to UW Board of Regents, March 18th 2010, UW Tacoma

Research in Pac NW

Pest management, biological control, ecotoxicology
(Population models, surrogate species – insects, salmonids, etc.)



- WSU
- NC State
- Louisiana State
- Uppsala
- Oxford
- WA DNR
- NPS
- Nisqually NWR

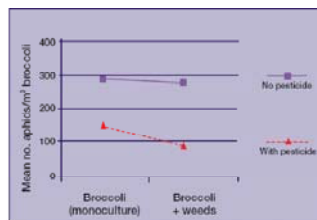
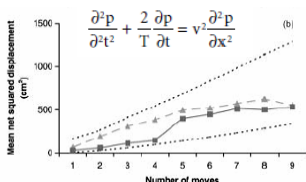


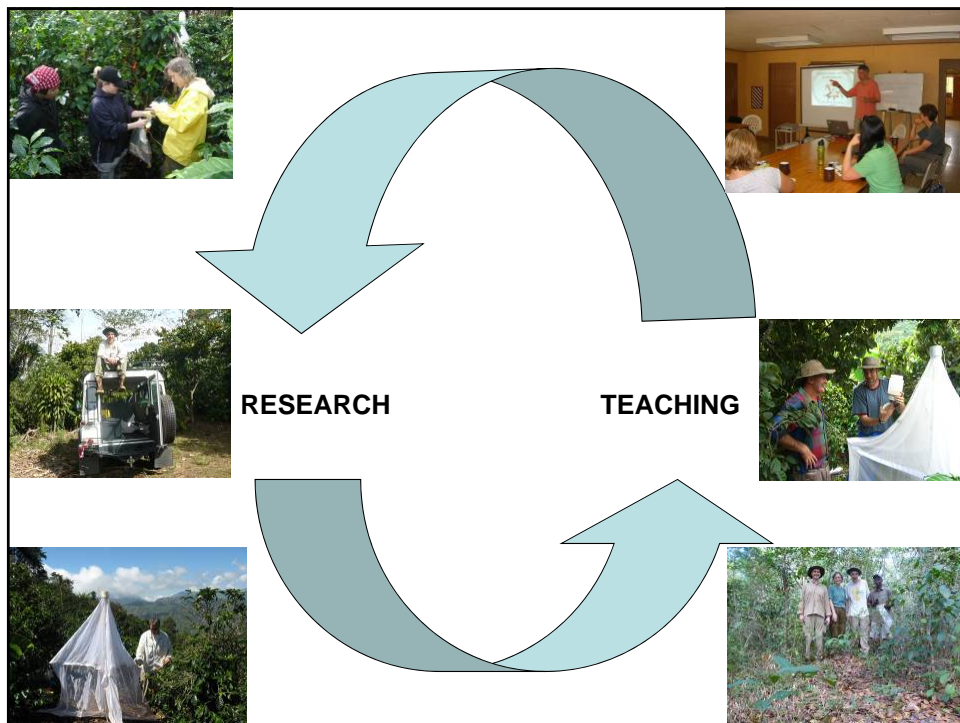
Figure 5. Aphid response to increased diversity (weedy margins) treatment 4 days after selective pesticide application (see Banks and Stark 2004 for details). Shaded lines indicate that the effects of increased vegetation diversity are stronger in conjunction with pesticide use.





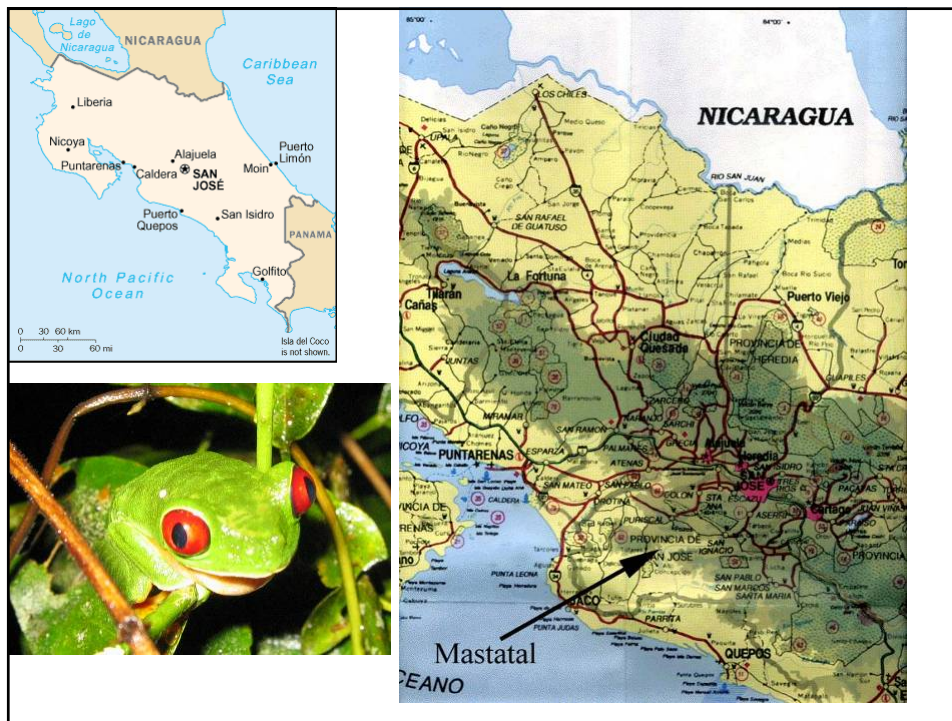
Research & Teaching

- Applied environmental problems
- Curiosity
- Skills/Knowledge



Field Ecology in the Tropics

- How can we reconcile agricultural production and conservation biology?
 - Farmland & forests (Mastatal, Costa Rica)
 - Coffee practice effects on yields, biodiversity (Tarrazú, Costa Rica)
- How do we balance conservation of biodiversity with anthropogenic development/management?
 - Birds, arthropods, & elephant disturbance (Watamu, Kenya)
 - Turtle conservation and coastal development (Watamu, Kenya)



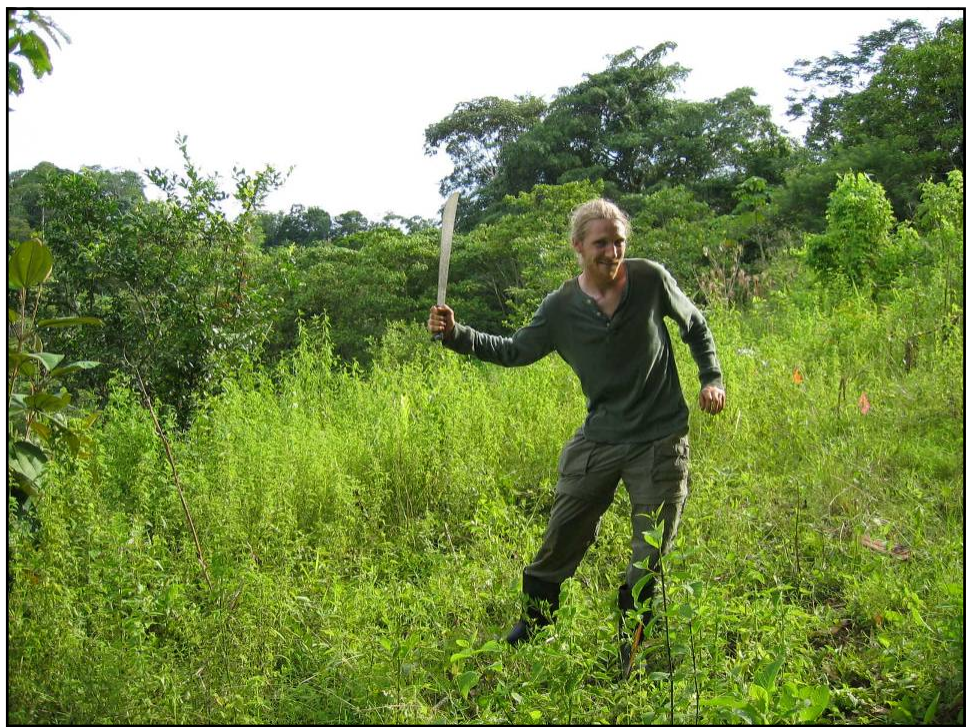
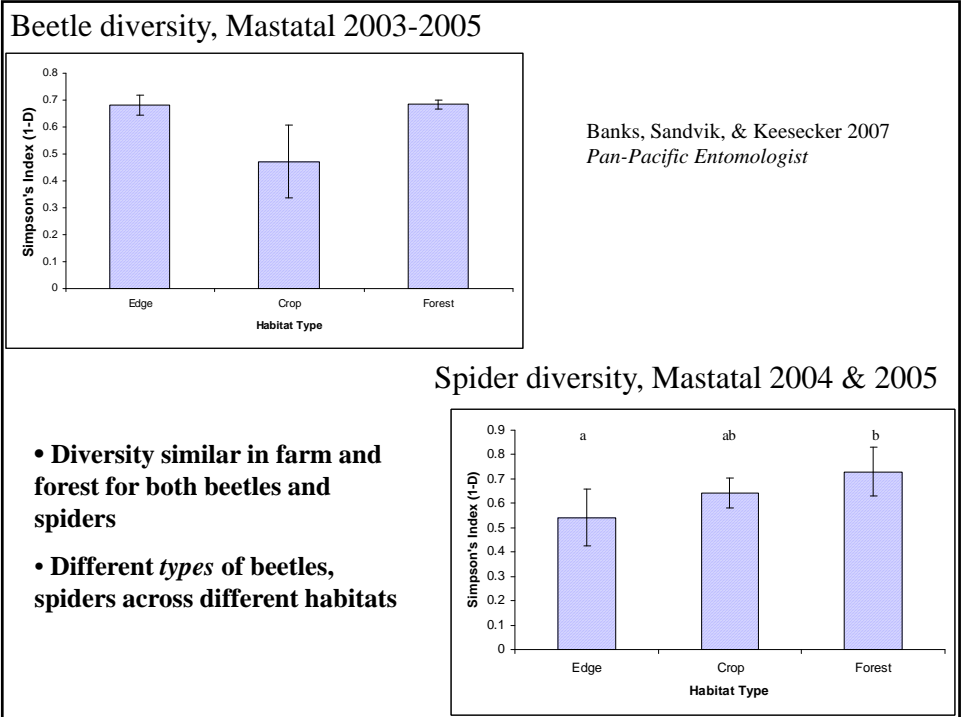




Farms and rain forest fragments:
how useful are farms for
conservation of biological
diversity?


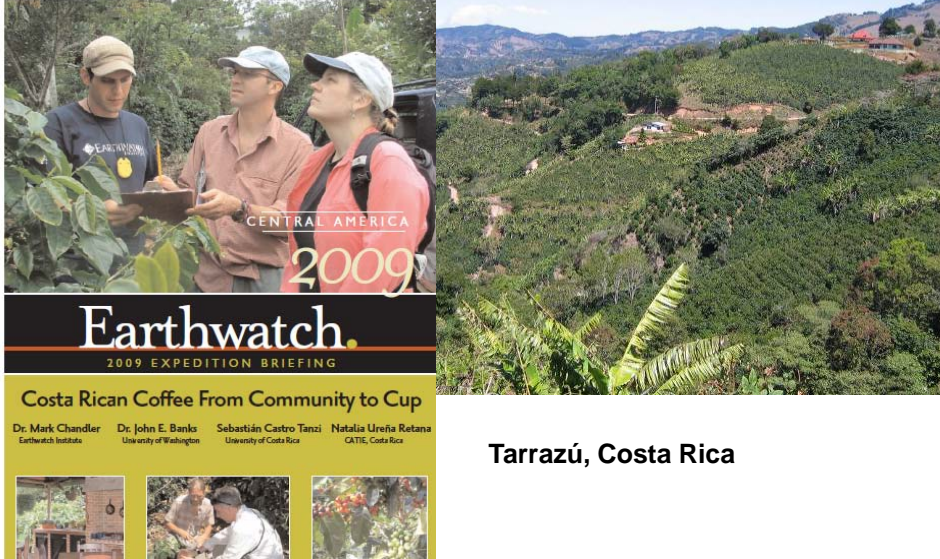
A collage of three images. The top-left image shows a wide landscape of rolling hills with patches of green forest and brownish soil, under a cloudy sky. The top-right image is a close-up of a spider with a yellow and black body and long, thin legs, positioned on its web. The bottom image shows a banana plantation with several banana plants in the foreground and a dense forest in the background.





Tropical Ecology

- How can we reconcile agricultural production and conservation biology?
 - Farmland & forests (Mastatal, Costa Rica)
 - Coffee practice effects on yields, biodiversity (Tarrazú, Costa Rica)
- How do we balance conservation of biodiversity with anthropogenic development/management?
 - Birds, arthropods, & elephant disturbance (Watamu, Kenya)
 - Turtle conservation and coastal development (Watamu, Kenya)

Earthwatch
2009 EXPEDITION BRIEFING

Costa Rican Coffee From Community to Cup

Dr. Mark Chandler
Earthwatch Institute

Dr. John E. Banks
University of Washington

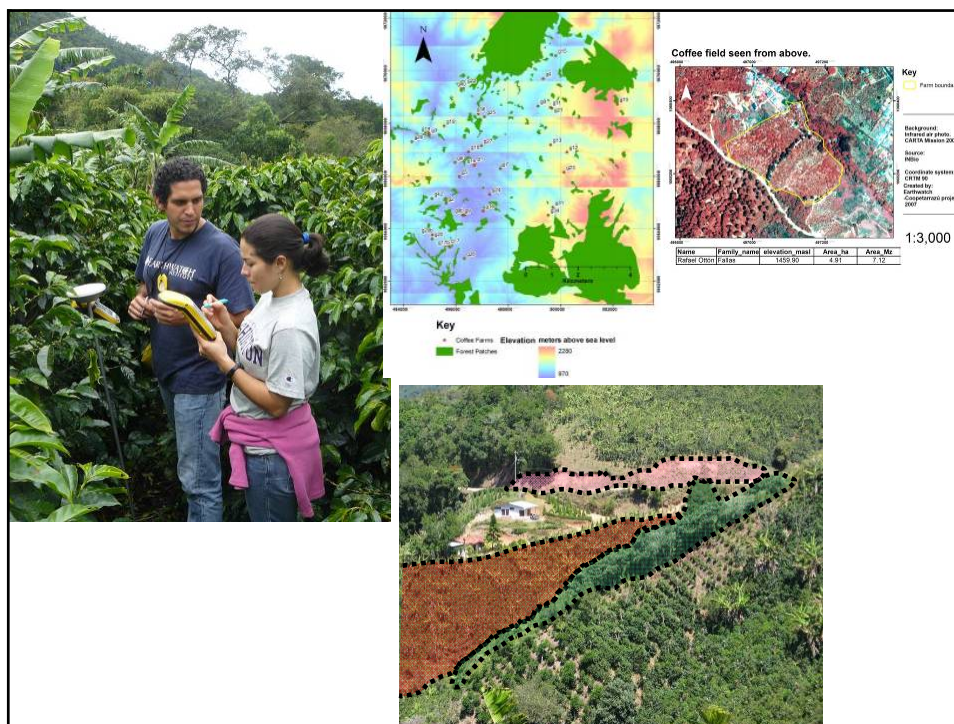
Sebastián Castro Tanzi
University of Costa Rica

Natalia Ureña Retana
CATIC, Costa Rica

Tarrazú, Costa Rica

Farmer practices & biological diversity

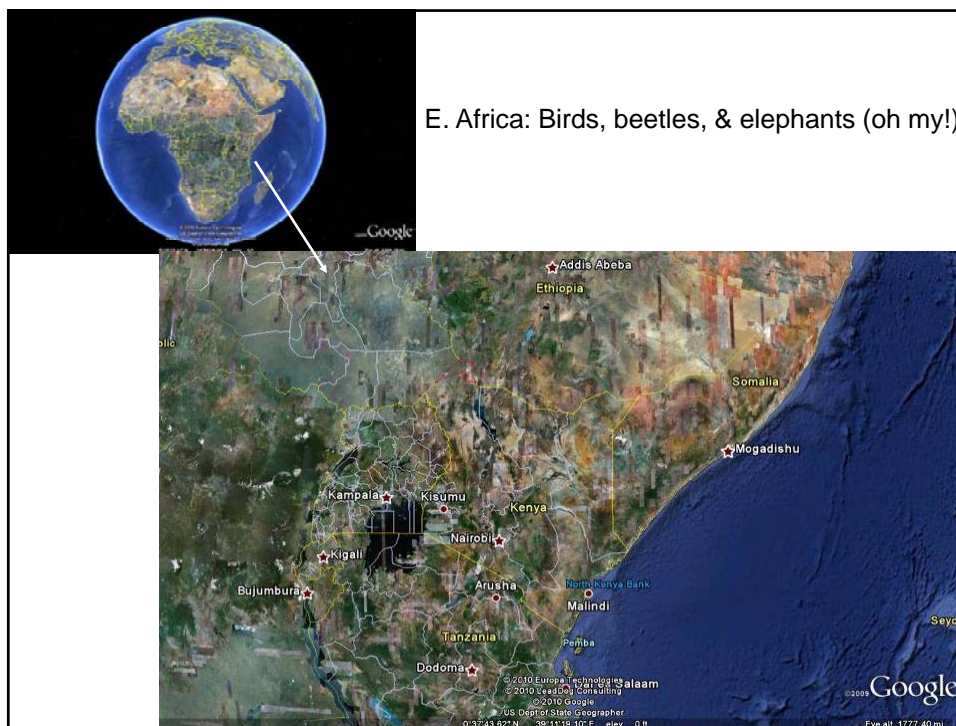




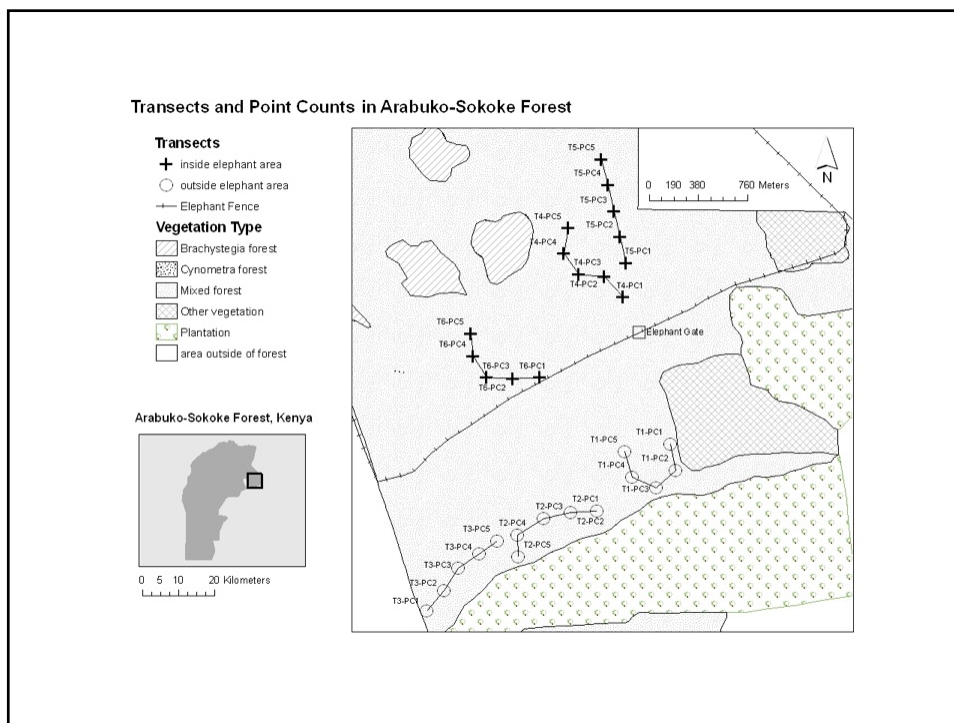
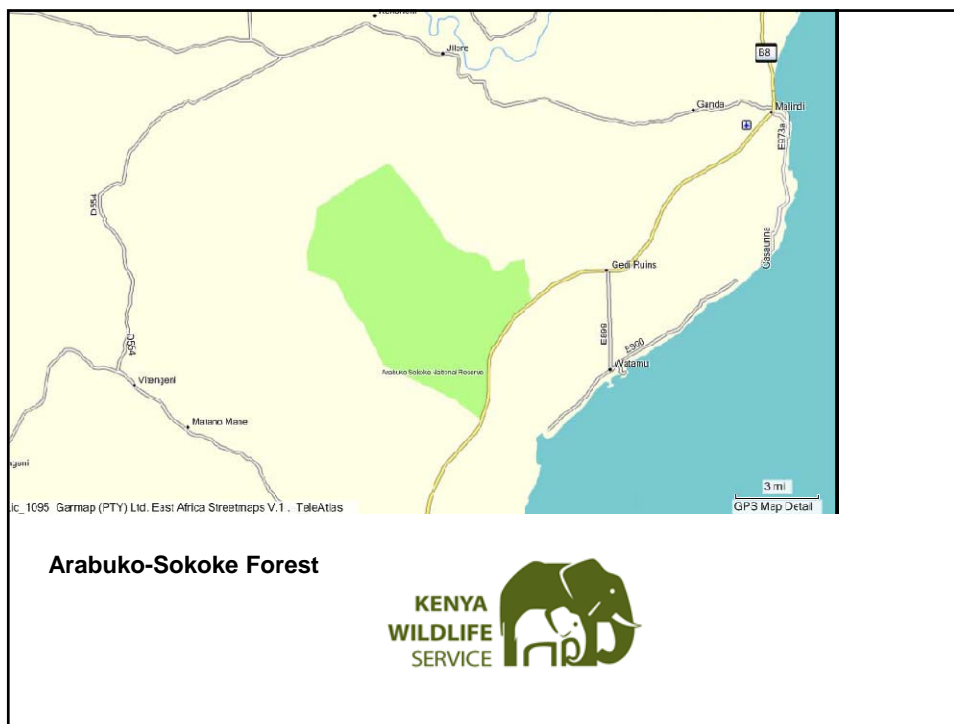


Tropical Ecology

- How can we reconcile agricultural production and conservation biology?
 - Farmland & forests (Mastatal, Costa Rica)
 - Coffee practice effects on yields, biodiversity (Tarrazú, Costa Rica)
- How do we balance conservation of biodiversity with anthropogenic development/management?
 - Birds, arthropods, & elephant disturbance (Watamu, Kenya)
 - Turtle conservation and coastal development (Watamu, Kenya)









The cascading effects of elephant presence/absence on arthropods and an Afrotropical thrush in Arabuko-Sokoke Forest, Kenya

John E. Banks^{1*}, Colin Jackson^{2,3}, Lisa M. Hamon¹, Christopher M. Thomas¹, Albert Baya² and Laban Njoroge¹

¹University of Washington, Environmental Science, Entomology and Systematics, Tacoma, WA, U.S.A., ²A Rocha Kenya, Mtwara, Kenya and ³National Museum of Kenya, Ornithology Section, Nairobi, Kenya

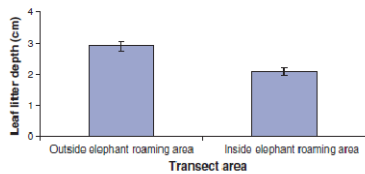


Figure 4 Comparison of leaf litter depth (cm) outside versus inside elephant roaming area. Leaf litter was higher outside the elephant area (t-test, $n = 3$, $t = -6.7$, $df = 4$, $P = 0.003$)

Less leaf litter inside elephant area

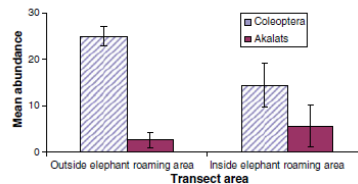


Figure 2 Comparison of abundance of Coleoptera and Akalats inside and outside elephant roaming areas. Data represent means of three transects for each habitat treatment. Coleoptera were more abundant outside of elephant area (t-test, $n = 3$, $t = -3.144$, $df = 4$, $P = 0.035$), whereas akalats were not significantly different in abundance inside versus outside elephant area (t-test, $P > 0.05$)

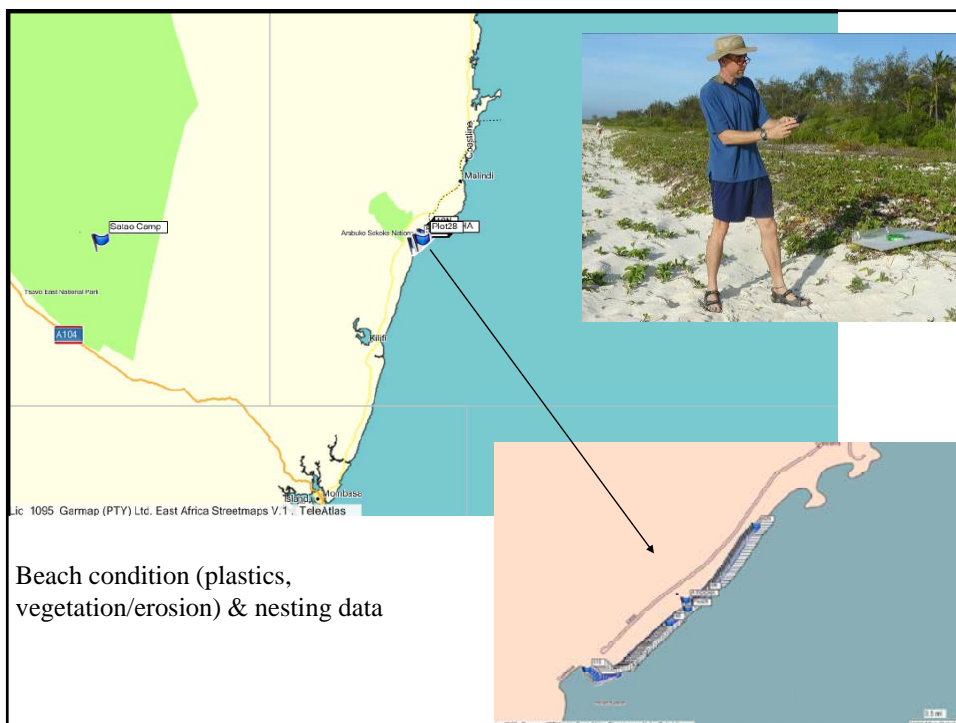
More beetles outside elephant area





Local Ocean Trust: Watamu
Turtle Watch









VII. STANDING COMMITTEES

- A. Academic and Student Affairs Committee
In Joint Session With
- B. Finance, Audit and Facilities Committee

Voluntary Retirement Incentive (VRI) Option for Tenured Faculty Members

RECOMMENDED ACTION

The administration recommends that the Board of Regents approve the adoption of a voluntary retirement incentive (VRI) option for tenured faculty members.

We propose the VRI option as an alternative retirement benefit available to all eligible tenured faculty members who elect to forego their vested right to partial reemployment upon retirement. When elected, a tax-free medical expense account, administered as a Voluntary Employee Beneficiary Association (VEBA) under rules established in the Internal Revenue Code, will be established for the payment of medical expenses after retirement.

The VRI option will be available only when the Provost announces an open election period, at which time eligible faculty members can declare their intent to retire during a specified interval of time and elect this alternative retirement benefit. Upon retirement of a participating faculty member, a VEBA account will be established and receive a lump-sum contribution from the nine or twelve month state-funded position that is vacated by the tenured faculty member. The contribution will amount to 25% of the five year value of the state-funded 40% reemployment, except that there will be a minimum contribution of \$25,000 and a maximum contribution of \$100,000.

BACKGROUND

Faculty members have reported delaying their retirement plans, with the downturn in the economy and the untoward consequences on retirement portfolios. One factor that continues to be identified as an influencing factor is an uncertainty and concern regarding health care costs. The VRI option for tenured faculty members is designed to respond to this concern by offering an alternative benefit that would have certainty at the time of retirement as to the availability of a tax-free medical expense account. At a time when academic units continue to be called upon to plan for declining financial resources, the VRI option is expected to incentivize retirement planning.

The option is modeled after a program already available to librarians, professional staff, classified non-union staff, and contract classified staff at the time of retirement. For these retirees, the VEBA account is funded by 25% sick leave cash-out, a program authorized by the Board of Regents in 1999.

The VRI option was developed in consultation with and received the support of the Board of Deans and Chancellors, Senate Committee on Planning and Budgeting, and Faculty Council on Benefits and Retirement.

Attachment:

Overview of a Proposed Voluntary Retirement Incentive (VRI) Option for Tenured Faculty Members

A-8/203-10

3/18/10

Overview of a Proposed Voluntary Retirement Incentive (VRI) Option for Tenured Faculty Members

Retirement Benefit

- Current – Five-year partial (40%) reemployment – a vested right
- Alternative – Tax-free medical expense account

Eligibility

- Tenured faculty member
- Eligible to retire under UW Retirement Plan (UWRP) rules – at least age 62
- Eligible for partial reemployment

Election

- Application during open election period
- Retirement during specific period
- Irrevocable at time of retirement
- No retroactive availability

Consideration

- Forego vested right to five-year reemployment – contractual agreement
- Lump sum contribution to VEBA account
 - 25% of five-year value of state funded reemployment
 - \$25,000 minimum and \$100,000 maximum

Cost/Benefit

- Improve academic planning
- Respond to faculty concerns
- Economic impact

Implementation Plan

- Spring 2010 announcement
- Open election period – May 1, 2010 through December 31, 2010
- Retirement timeline – May 1, 2010 through June 30, 2011

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

SR 520 Update

This will be an oral report for information only.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

Legislative Report from Olympia

This will be an oral report for information only.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Grant and Contract Awards Summary – January, 2010

RECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit & Facilities Committee that the Board of Regents accept the Grant and Contract Awards as presented in the attached report.

Attachment

Grant and Contract Awards Summary for January, 2010

Grant and Contract Awards Summary

to

The Board of Regents

of the

University of Washington

for

January 2010

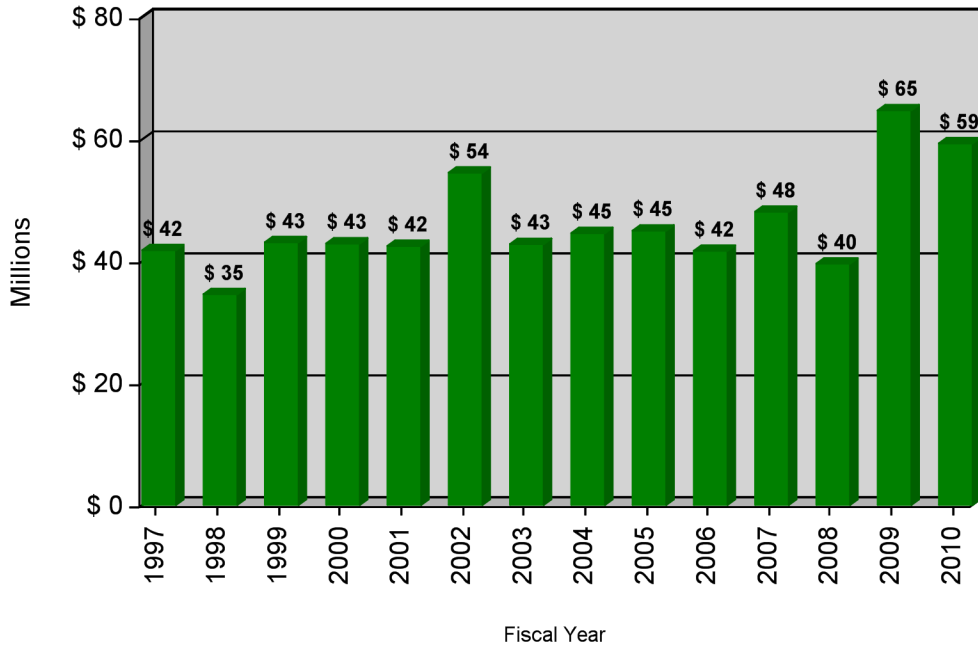
Office of Research

Office of Sponsored Programs

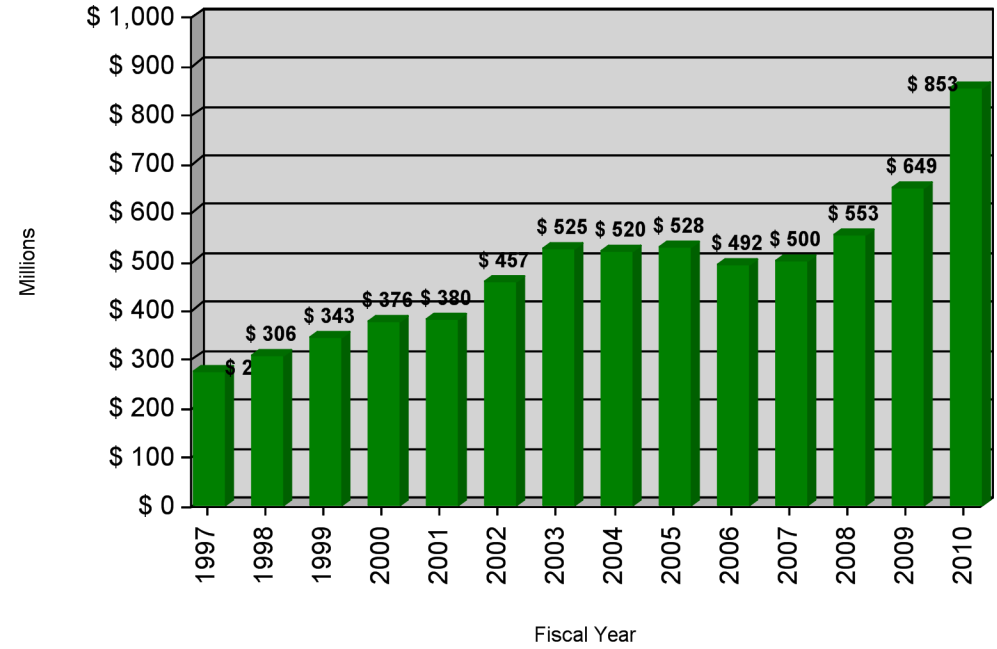
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Summary of Contract Awards	10
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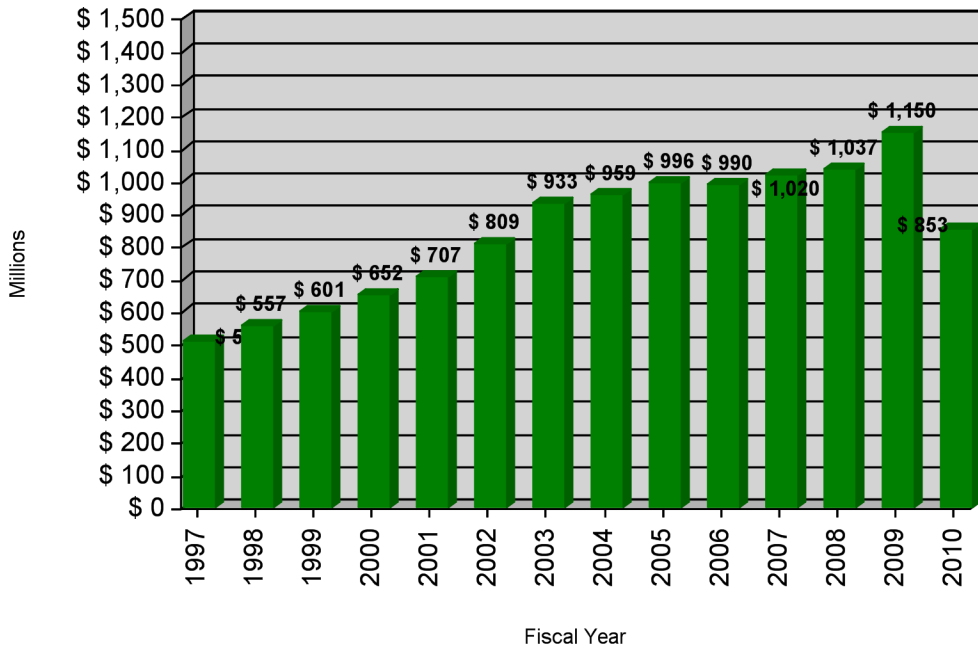
January Only
Comparison of Grant & Contract Awards



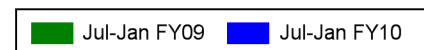
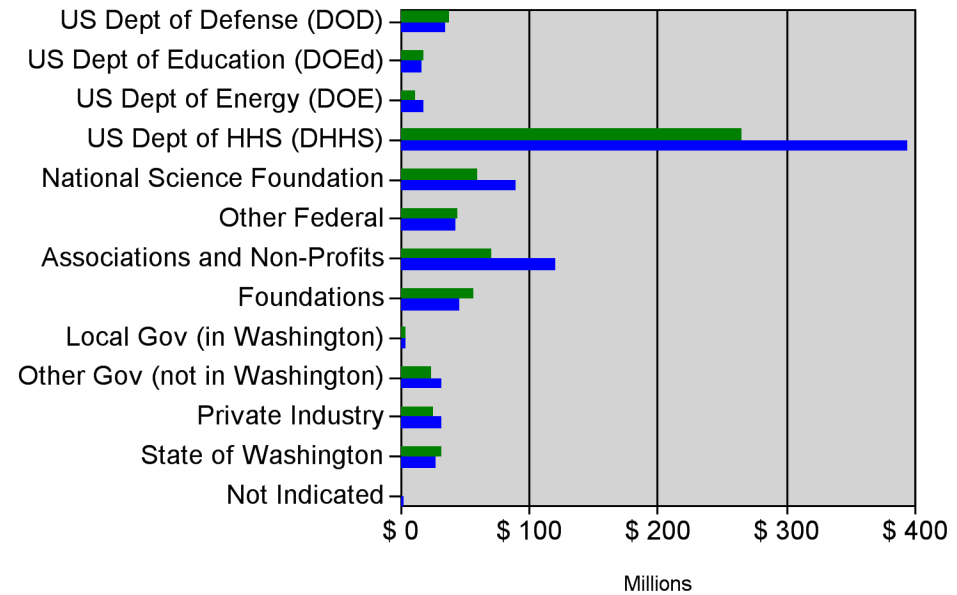
Fiscal Year to Date
Comparison of Grant & Contract Awards



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 AwardsFiscal Year 2009-2010

Month	RESEARCH AND OTHER		TRAINING		Total Grants and Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 92,953,080	\$ 29,367,340	\$ 15,030,890	\$ 1,904,177	\$ 139,255,500
August	\$ 125,313,800	\$ 30,633,740	\$ 5,900,316	\$ 1,531,602	\$ 163,379,400
September	\$ 126,577,700	\$ 35,953,430	\$ 32,079,670	\$ 395,123	\$ 195,005,900
October	\$ 77,578,540	\$ 45,219,880	\$ 28,673,290	\$ 1,363,737	\$ 152,835,500
November	\$ 22,820,040	\$ 62,174,290	\$ 366,285	\$ 725,599	\$ 86,086,220
December	\$ 28,128,920	\$ 26,904,650	\$ 1,144,268	\$ 1,100,108	\$ 57,277,950
January	\$ 34,072,860	\$ 22,639,390	\$ 1,549,702	\$ 987,327	\$ 59,249,280
FY10 to Date	\$507,444,931	\$252,892,725	\$84,744,420	\$8,007,673	\$853,089,750
FY09 to Date	\$402,252,401	\$198,997,291	\$35,696,952	\$12,061,244	\$649,007,889
Over (Under) Previous Year	\$105,192,530	\$53,895,434	\$49,047,468	(\$4,053,571)	\$204,081,861

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by Agency**Fiscal Years 2008-2009 and 2009-2010**

Agency	Jul-Jan FY09	Jul-Jan FY10
US Department of Defense (DOD)	\$ 38,285,461	\$ 34,975,432
US Department of Education (DOEd)	\$ 18,492,986	\$ 15,913,667
US Department of Energy (DOE)	\$ 11,839,583	\$ 17,177,740
US Department of Health and Human Services (DHHS)	\$ 265,177,288	\$ 393,299,056
National Science Foundation (NSF)	\$ 60,356,511	\$ 88,910,804
Other Federal	\$ 43,797,524	\$ 41,912,652
Subtotal for Federal :	\$ 437,949,353	\$ 592,189,351
Associations and Non-Profits	\$ 69,794,592	\$ 120,196,162
Foundations	\$ 57,044,286	\$ 46,442,243
Local Government (in Washington)	\$ 4,360,168	\$ 3,287,415
Other Government (not in Washington)	\$ 23,177,933	\$ 32,302,009
Private Industry	\$ 25,514,574	\$ 30,952,950
State of Washington	\$ 31,166,982	\$ 27,719,621
Not Indicated	\$ 0	\$ 288,231
Subtotal for Non-Federal :	\$ 211,058,536	\$ 261,188,630
Grand Total :	\$ 649,007,889	\$ 853,377,981
Amount of Increase (Decrease) :		\$ 204,370,092
Percent of Increase (Decrease) :		31.5 %

Assuming acceptance of all awards by the Board of Regents

Comparison of Grant and Contract Awards by School/College

Fiscal Years 2008-2009 and 2009-2010

School/College	Jul-Jan FY09	Jul-Jan FY10
Upper Campus		
Architecture and Urban Planning	\$ 1,521,544	\$ 506,930
Arts and Sciences	\$ 58,945,228	\$ 66,145,868
College of the Environment	\$ 24,000	\$ 25,276,996
Director of Libraries	\$ 6,856,985	\$ 132,000
Education	\$ 6,525,234	\$ 3,918,464
Educational Outreach	\$ 96,400	\$ 100,000
Engineering	\$ 51,434,991	\$ 64,458,164
Evans School of Public Affairs	\$ 1,972,762	\$ 984,805
Executive Vice President	\$ 621,238	
Forest Resources	\$ 5,789,514	\$ 1,855,670
Foster School of Business	\$ 770,000	\$ 1,456,477
Graduate School	\$ 4,245,870	\$ 3,802,291
Information School	\$ 4,873,483	\$ 5,965,224
Law	\$ 1,653,453	\$ 1,350,056
Ocean and Fishery Sciences	\$ 56,912,590	\$ 72,082,531
Office of Research	\$ 16,368,710	\$ 28,097,522
Provost	\$ 57,424	
Social Work	\$ 9,616,952	\$ 12,632,530
Undergraduate Education	\$ 234,944	\$ 213,373
VP Educational Partnerships	\$ 30,000	
VP Minority Affairs	\$ 6,612,603	\$ 4,826,313
VP Student Affairs		\$ 280,137
VP Student Life		\$ 20,715
Subtotal :	\$ 235,163,924	\$ 294,106,067
Health Sciences		
Dentistry	\$ 5,771,748	\$ 4,649,508
Medicine	\$ 320,884,362	\$ 454,761,646
Nursing	\$ 8,253,614	\$ 12,307,555
Pharmacy	\$ 6,336,993	\$ 11,425,726
Public Health	\$ 43,242,948	\$ 56,248,417
Subtotal :	\$ 384,489,665	\$ 539,392,852
Special Programs		
Alcohol and Drug Abuse Institute	\$ 2,060,091	\$ 2,806,563
CHDD Administration	\$ 5,061,478	\$ 5,916,823
Regional Primate Center	\$ 18,523,047	\$ 8,774,024
Subtotal :	\$ 25,644,616	\$ 17,497,410
Other UW Campuses		
Bothell	\$ 3,198,925	\$ 1,784,491

School/College		Jul-Jan FY09	Jul-Jan FY10
Other UW Campuses	Tacoma	\$ 510,758	\$ 422,056
	Subtotal :	\$ 3,709,683	\$ 2,206,547
Not Indicated	Bothell		\$ 175,105
	Subtotal :		\$ 175,105
	Grand Total :	\$ 649,007,889	\$ 853,377,981

Assuming acceptance of all awards by the Board of Regents

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

Month	RESEARCH AND OTHER		TRAINING		Total Grants
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 91,428,820	\$ 4,713,717	\$ 15,030,890	\$ 955,270	\$ 112,128,700
August	\$ 119,211,600	\$ 10,426,390	\$ 5,900,316	\$ 998,571	\$ 136,536,800
September	\$ 118,584,700	\$ 3,619,947	\$ 31,878,100	\$ 155,656	\$ 154,238,400
October	\$ 72,006,290	\$ 9,217,262	\$ 28,673,290	\$ 172,632	\$ 110,069,500
November	\$ 16,219,290	\$ 4,912,430	\$ 366,285	\$ 89,960	\$ 21,587,960
December	\$ 25,204,060	\$ 5,145,988	\$ 1,144,268	\$ 304,160	\$ 31,798,470
January	\$ 31,691,800	\$ 2,732,340	\$ 1,549,702	\$ 0	\$ 35,973,840
Year to Date	\$ 474,346,500	\$ 40,768,070	\$ 84,542,860	\$ 2,676,249	\$ 602,333,600

Assuming acceptance of all awards by the Board of Regents

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

Month	RESEARCH AND OTHER	TRAINING	Total Grants
July	\$ 13,082,960	\$ 64,396	\$ 13,147,360
August	\$ 13,285,460	\$ 304,231	\$ 13,589,690
September	\$ 26,139,530	\$ 239,467	\$ 26,378,990
October	\$ 29,279,300	\$ 567,213	\$ 29,846,510
November	\$ 47,961,170	\$ 201,993	\$ 48,163,160
December	\$ 14,914,130	\$ 345,878	\$ 15,260,010
January	\$ 12,820,660	\$ 345,609	\$ 13,166,270
Year to Date	\$ 157,483,200	\$ 2,068,787	\$ 159,552,000

Assuming acceptance of all awards by the Board of Regents

Summary of Contract Awards

Fiscal Year 2009-2010

Month	RESEARCH AND OTHER		TRAINING		Total Contracts
	Federal	Non-Federal	Federal	Non-Federal	
July	\$ 1,524,264	\$ 11,570,660	\$ 0	\$ 884,511	\$ 13,979,440
August	\$ 6,102,208	\$ 6,921,895	\$ 0	\$ 228,800	\$ 13,252,900
September	\$ 7,993,044	\$ 6,193,956	\$ 201,565	\$ 0	\$ 14,388,560
October	\$ 5,572,260	\$ 6,723,323	\$ 0	\$ 623,892	\$ 12,919,470
November	\$ 6,600,753	\$ 9,300,686	\$ 0	\$ 433,646	\$ 16,335,080
December	\$ 2,924,862	\$ 6,844,534	\$ 0	\$ 450,070	\$ 10,219,470
January	\$ 2,381,065	\$ 7,086,388	\$ 0	\$ 641,718	\$ 10,109,170
Year to Date	\$ 33,098,450	\$ 54,641,440	\$ 201,565	\$ 3,262,637	\$ 91,204,100

Assuming acceptance of all awards by the Board of Regents

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

January 2010

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

**Office of Research
Office of Sponsored Programs**

Detail of Public Grant Awards

Federal

US Department of Defense (DOD)

Office of Naval Research (ONR)

To: Bruce M. Howe, Apl-principal Oceanographer \$ 1,562,976
 Applied Physics Laboratory
 For: Acoustic Seaglider2: PLUS
 Eff: 4/1/2007 Classified: No

Total for Office of Naval Research (ONR): \$ 1,562,976

Total for US Department of Defense (DOD): \$ 1,562,976

US Department of Health and Human Services (DHHS)

National Institutes of Health (NIH)

National Institute of Child Health and Human Development (NICHD)

To: Mary Hebert, Professor \$ 1,002,006
 Department of Pharmacy
 For: UW Obstetric-Fetal Pharmacology Research Unit
 Eff: 2/1/2010 Classified: No

Total for National Institute of Child Health and Human Development (NICHD): \$ 1,002,006

Total for National Institutes of Health (NIH): \$ 1,002,006

Total for US Department of Health and Human Services (DHHS): \$ 1,002,006

National Science Foundation (NSF)

National Science Foundation (NSF)

To: Russell E Mc Duff, Director/Chair \$ 3,000,000
 School of Oceanography
 For: R/V Thomas G. Thompson Ship Operations 2005-2009
 Eff: 3/1/2005 Classified: No

Total for National Science Foundation (NSF): \$ 3,000,000

Total for National Science Foundation (NSF): \$ 3,000,000

Other Federal

National Congress of American Indians (NCAI)

To: Bonnie M Duran, Adjunct Associate Professor \$ 1,148,907
 School of Social Work
 For: NCAI NARCH V with CIHR-IWRI
 Eff: 9/1/2009 Classified: No

Total for National Congress of American Indians (NCAI): \$ 1,148,907

Total for Other Federal: \$ 1,148,907

Total for Federal: \$ 6,713,889

Total Public Grants: \$ 6,713,889

Detail of Private Grant Awards

Associations and Non-Profits

International Development Research Centre (IDRC)

To: Christopher Coward, Director
Information School \$ 3,184,389

For: IDRC Supplement

Eff: 10/18/2007 Classified: No

Total for International Development Research Centre (IDRC): \$ 3,184,389

Fred Hutchinson Cancer Research Center (FHRC)

To: James Mullins, Professor
Department of Microbiology \$ 1,119,814

For: Followup Sequencing of Breakthrough Infections from the STEP
Study

Eff: 6/1/2009 Classified: No

Total for Fred Hutchinson Cancer Research Center (FHRC): \$ 1,119,814

Total for Associations and Non-Profits: \$ 4,304,203

Foundations

Henry M. Jackson Foundation for the Advancement of Military Medicine

To: Susan A Stern, Faculty
Department of Medicine \$ 1,289,123

For: A Multifunctional Blood Substitute (MBS) for Field REsuscitation of
Polytrauma Combat Casualties with Brain Injury and Concomitant
Hemorrhagic Shock

Eff: 10/1/2009 Classified: No

To: Wayne J Katon, Professor
Department of Psychiatry \$ 1,135,894

For: A Randomized Effectiveness Trial of a Systems-Level Approach to
Stepped Care for War-Related PTSD

Eff: 9/1/2009 Classified: No

**Total for Henry M. Jackson Foundation for the Advancement of Military
Medicine: \$ 2,425,017**

Total for Foundations: \$ 2,425,017

Total Private Grants: \$ 6,729,220

Detail of Contract Awards

Federal

US Department of Defense (DOD)

Office of Naval Research (ONR)

To:	Neil Bogue, Apl-senior Engineer Applied Physics Laboratory	\$ 1,015,003
For:	Persistent Littoral Underwater Surveillance Research and Development (Options)	
Eff:	4/24/2008	Classified: Yes

Total for Office of Naval Research (ONR): **\$ 1,015,003**

Total for US Department of Defense (DOD): **\$ 1,015,003**

Total for Federal: **\$ 1,015,003**

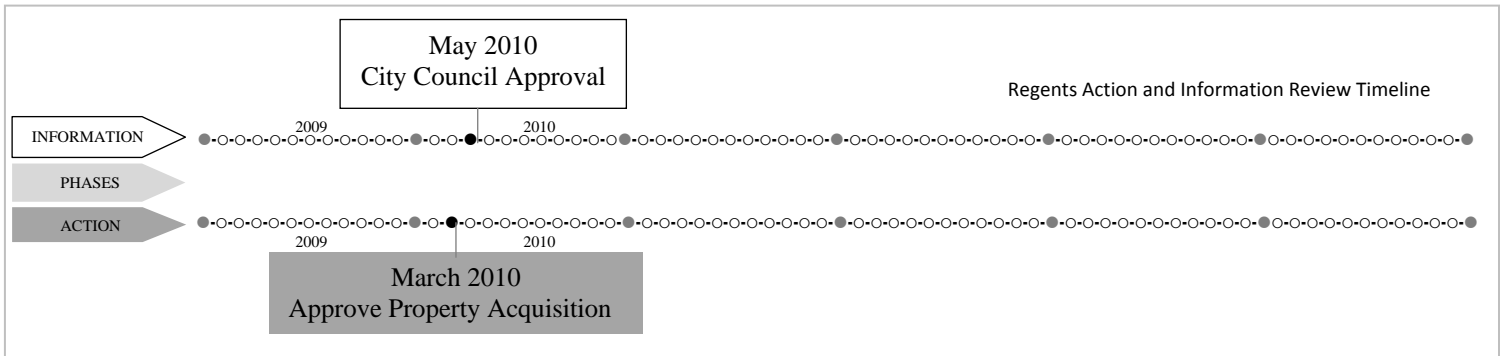
Total Contracts: **\$ 1,015,003**

Grand Total for all Awards **\$ 14,458,112**

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Approve Conveyance of Alleys from City of Seattle to University of Washington



RECOMMENDED ACTION:

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

1. Approve the acquisition of two alleys and related boundary adjustments located at sites 32W and 35W as part of the Student Housing Master Plan.
2. Delegate to the President or his designee the authority to execute all documents related to this transaction.

BACKGROUND:

Two city-owned alleys are located within sites 32W and 35W (Brooklyn Building and Cavalier Apartment blocks). Upon approval by the Seattle City Council, these alleys will be vacated in favor of the University in order to accommodate the development of two of the Student Housing projects. These projects are part of the overall Student Housing Master Plan.

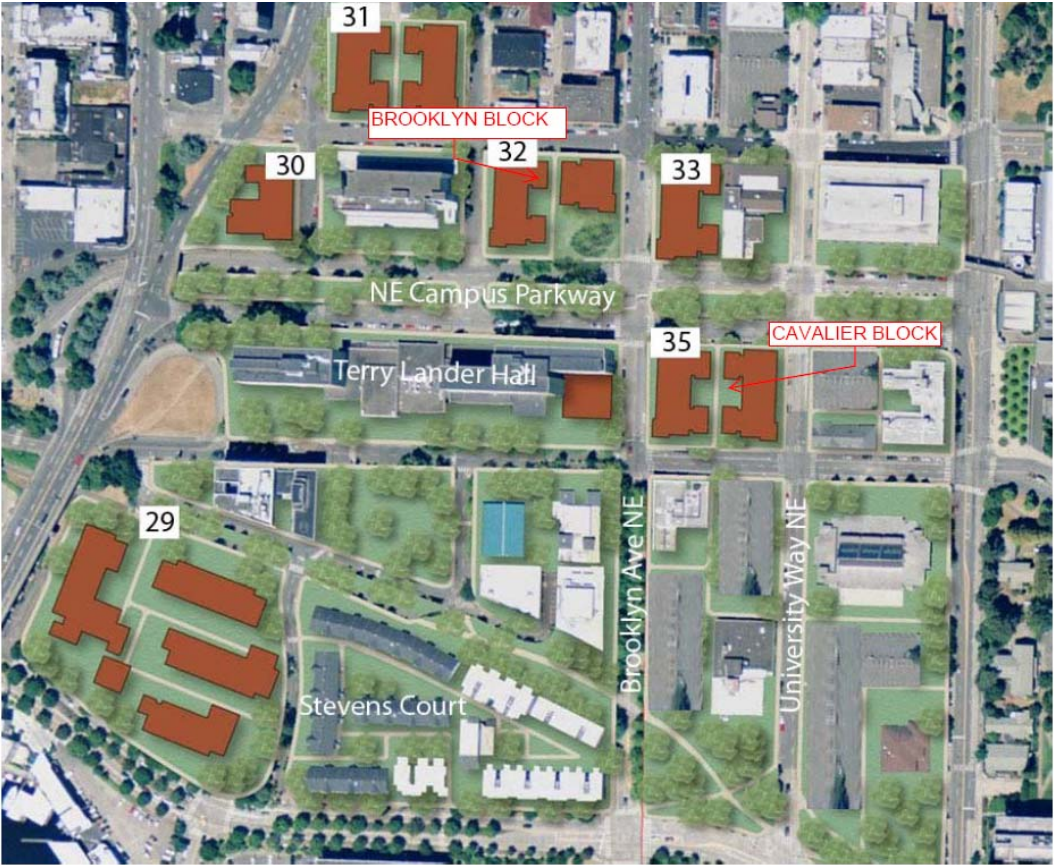
The University’s design of these projects will provide for public benefits as required by city code. These benefits include wider sidewalks, median improvements on campus parkway, benches, and the Heritage Elm tree pocket park.

REVIEW & APPROVAL:

These actions have been reviewed and recommended for approval by the Senior Vice President; the Vice President and Vice Provost, Student Life; the Associate Vice President, Treasury; and the Director of Real Estate.

Attachment
West Campus Map

West Campus Map



VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Report of Contributions – January, 2010

For information only.

Attachment

University of Washington Foundation Report of Contributions for January, 2010

The logo is a white, stylized letter 'W' set against a dark purple square background, located in the top right corner of the page.The background image shows a scenic view of the University of Washington campus. In the foreground, a paved walkway leads uphill, flanked by large, leafy green trees. Several people are walking along the path, including a person with a red backpack. In the background, the Gothic-style architecture of a university building is visible under a clear blue sky.

UNIVERSITY of WASHINGTON | *Foundation*

Report of Contributions

All Areas

January 2010

Report By: University Advancement, Advancement Services, Information Management

ANNUAL PROGRESS BY CONSTITUENCY

School	Current Month (January 2010)				Year to Date (07/01/2009 - 01/31/2010)			
	Gifts	Grants	Total	Donors ¹	Gifts	Grants	Total	Donors
UW Medicine	\$3,463,216	\$5,182,745	\$8,645,961	3,005	\$24,388,426	\$62,043,765	\$86,432,190	11,503
Arts and Sciences	\$2,945,905	\$288,222	\$3,234,127	1,911	\$8,987,138	\$4,793,317	\$13,780,455	9,865
Broadcast Services	\$380,046	\$0	\$380,046	316	\$1,216,697	\$0	\$1,216,697	1,624
Built Environments	\$149,161	\$25,500	\$174,661	156	\$908,956	\$176,908	\$1,085,864	985
Business School	\$400,463	\$0	\$400,463	345	\$9,869,925	\$30,000	\$9,899,925	3,199
Dentistry	\$240,837	\$50,000	\$290,837	188	\$2,493,942	\$291,323	\$2,785,265	1,014
Education	\$346,482	\$0	\$346,482	265	\$1,352,372	\$2,134,598	\$3,486,970	942
Engineering	\$955,797	\$167,624	\$1,123,421	451	\$7,753,421	\$4,352,208	\$12,105,629	3,358
Environment	\$416,724	\$332,305	\$749,029	362	\$3,906,172	\$729,629	\$4,635,801	1,242
Evans School of Public Affairs	\$7,625	\$0	\$7,625	43	\$157,072	\$310,000	\$467,072	222
Forest Resources	\$0	\$0	\$0	0	\$0	\$0	\$0	0
Graduate School	\$9,559	\$0	\$9,559	71	\$816,803	\$0	\$816,803	256
Information School	\$43,499	\$0	\$43,499	54	\$166,455	\$776,250	\$942,705	528
Intercollegiate Athletics	\$2,058,648	\$0	\$2,058,648	2,967	\$6,981,856	\$0	\$6,981,856	7,531
Law	\$113,422	\$15,000	\$128,422	376	\$863,800	\$17,500	\$881,300	1,281
Libraries	\$177,078	\$0	\$177,078	217	\$700,605	\$0	\$700,605	2,063
Minority Affairs	\$22,367	\$0	\$22,367	156	\$248,624	\$25,000	\$273,624	417
Nursing	\$125,617	\$17,342	\$142,959	301	\$2,057,381	\$633,253	\$2,690,634	1,277
Ocean and Fishery Sciences	\$0	\$201,170	\$201,170	3	\$0	\$3,180,515	\$3,180,515	17
Pharmacy	\$210,170	\$0	\$210,170	271	\$917,011	\$1,177,559	\$2,094,570	695
President's Funds	\$41,324	\$0	\$41,324	247	\$299,991	\$0	\$299,991	1,054
Public Health	\$37,617	\$180,841	\$218,458	215	\$575,922	\$11,565,133	\$12,141,055	547
Social Work	\$11,122	\$0	\$11,122	63	\$104,286	\$311,466	\$415,752	437
Student Affairs	\$115,998	\$0	\$115,998	376	\$1,104,849	\$0	\$1,104,849	1,790
Undergraduate Academic Affairs	\$5,229	\$0	\$5,229	81	\$430,164	\$143,276	\$573,440	424
University Press	\$13,100	\$0	\$13,100	23	\$177,805	\$0	\$177,805	92
UW Alumni Association	\$61,739	\$0	\$61,739	1,452	\$450,068	\$0	\$450,068	9,513
UW Bothell	\$5,512	\$0	\$5,512	52	\$324,903	\$759,100	\$1,084,003	249
UW Tacoma	\$110,209	\$0	\$110,209	111	\$1,573,615	\$0	\$1,573,615	452
Other University Support	\$450,353	\$110,000	\$560,353	291	\$1,341,065	\$386,331	\$1,727,396	1,133
Total	\$12,918,819	\$6,570,749	\$19,489,568	13,207	\$80,169,326	\$93,837,130	\$174,006,455	55,507

MONTHLY HIGHLIGHTS

The UW received \$19.49M in total private voluntary support (\$12.92M in gifts and \$6.57M in grants) in the current month.

Areas including UW Medicine, Dentistry, Education, Engineering, Intercollegiate Athletics, Libraries, Nursing, Pharmacy, Public Health, Social Work, Student Affairs, Undergraduate Academic Affairs, University Press and UW Tacoma are ahead of last year's year-to-date totals.

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

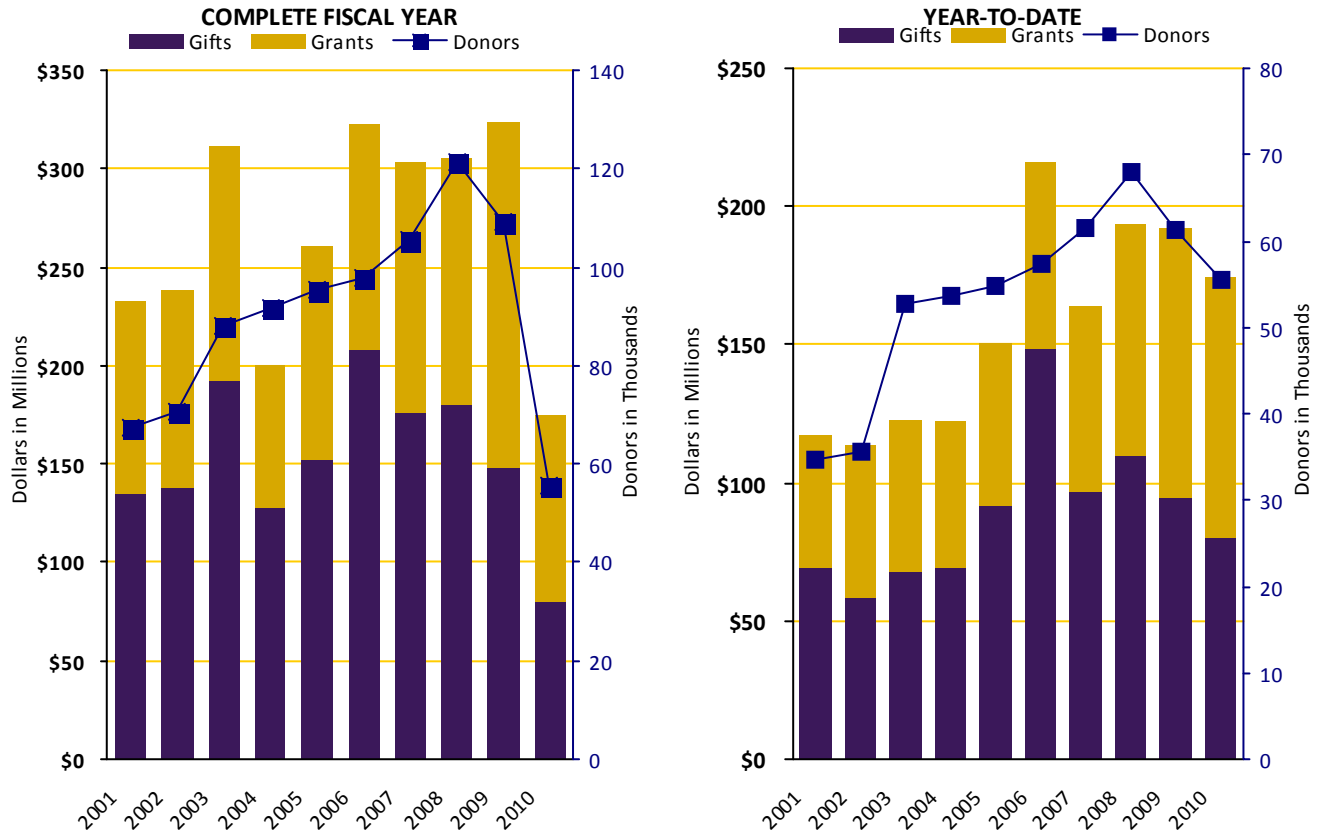
The donor total at the bottom of the chart is not a cumulative total of the rows above. The donor total is the number of unique donors who have been credited with a gift to the UW during the given time period.

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	\$8,645,961	3,005	\$86,432,190	11,503	\$85,930,406	11,452	\$156,190,821	16,799
Arts and Sciences	\$3,234,127	1,911	\$13,780,455	9,865	\$16,524,158	10,532	\$25,589,815	14,817
Broadcast Services	\$380,046	316	\$1,216,697	1,624	\$1,722,473	7,613	\$4,427,717	16,191
Built Environments	\$174,661	156	\$1,085,864	985	\$1,842,324	887	\$2,127,643	1,341
Business School	\$400,463	345	\$9,899,925	3,199	\$18,509,180	3,153	\$25,381,696	4,210
Dentistry	\$290,837	188	\$2,785,265	1,014	\$1,467,146	973	\$2,541,366	1,584
Education	\$346,482	265	\$3,486,970	942	\$2,848,338	1,030	\$3,724,956	1,667
Engineering	\$1,123,421	451	\$12,105,629	3,358	\$11,734,078	3,303	\$18,855,120	4,260
Environment	\$749,029	362	\$4,635,801	1,242	\$4,665,494	24	\$4,679,781	27
Evans School of Public Affairs	\$7,625	43	\$467,072	222	\$1,315,894	283	\$2,718,803	480
Forest Resources	\$0	0	\$0	0	\$1,593,360	607	\$3,451,299	1,096
Graduate School	\$9,559	71	\$816,803	256	\$1,111,414	267	\$1,602,622	324
Information School	\$43,499	54	\$942,705	528	\$989,993	488	\$1,679,278	609
Intercollegiate Athletics	\$2,058,648	2,967	\$6,981,856	7,531	\$6,048,823	6,325	\$15,659,243	23,317
Law	\$128,422	376	\$881,300	1,281	\$2,157,966	1,370	\$2,665,941	1,935
Libraries	\$177,078	217	\$700,605	2,063	\$670,382	1,419	\$1,171,951	5,280
Minority Affairs	\$22,367	156	\$273,624	417	\$314,069	281	\$388,492	511
Nursing	\$142,959	301	\$2,690,634	1,277	\$2,557,818	1,259	\$3,549,704	1,678
Ocean and Fishery Sciences	\$201,170	3	\$3,180,515	17	\$8,646,741	566	\$10,157,709	740
Pharmacy	\$210,170	271	\$2,094,570	695	\$1,254,884	634	\$2,098,248	1,034
President's Funds	\$41,324	247	\$299,991	1,054	\$2,794,766	1,173	\$5,761,734	1,691
Public Health	\$218,458	215	\$12,141,055	547	\$10,172,352	496	\$15,492,932	792
Social Work	\$11,122	63	\$415,752	437	\$169,839	576	\$1,289,956	700
Student Affairs	\$115,998	376	\$1,104,849	1,790	\$939,231	1,702	\$2,906,525	3,000
Undergraduate Academic Affairs	\$5,229	81	\$573,440	424	\$392,161	227	\$424,576	353
University Press	\$13,100	23	\$177,805	92	\$139,305	109	\$219,219	167
UW Alumni Association	\$61,739	1,452	\$450,068	9,513	\$538,439	10,740	\$1,001,508	19,763
UW Bothell	\$5,512	52	\$1,084,003	249	\$1,799,106	258	\$2,229,545	592
UW Tacoma	\$110,209	111	\$1,573,615	452	\$1,438,512	395	\$3,656,827	792
Other University Support	\$560,353	291	\$1,727,396	1,133	\$2,113,368	1,702	\$2,433,450	2,220
Total¹	\$19,489,568	13,207	\$174,006,455	55,507	\$192,402,021	61,345	\$324,078,477	109,083

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

FISCAL YEAR COMPARISON OF TOTAL CONTRIBUTIONS



Fiscal Year	Complete Fiscal Year				Year to Date			
	Gifts	Grants	Total	Donors	Gifts	Grants	Total	Donors
2009-2010	\$80,169,326	\$93,837,130	\$174,006,455	55,507	\$80,169,326	\$93,837,130	\$174,006,455	55,507
2008-2009	\$148,364,809	\$175,713,667	\$324,078,477	109,083	\$94,379,745	\$98,022,276	\$192,402,021	61,345
2007-2008	\$180,735,444	\$124,224,214	\$304,959,657	121,447	\$109,880,533	\$84,070,808	\$193,951,341	67,959
2006-2007	\$176,490,215	\$126,399,369	\$302,889,584	105,353	\$96,703,439	\$67,608,731	\$164,312,170	61,565
2005-2006	\$207,744,231	\$115,261,186	\$323,005,417	97,876	\$148,723,494	\$67,340,072	\$216,063,566	57,408
2004-2005	\$151,969,925	\$108,802,371	\$260,772,296	95,227	\$91,958,042	\$58,146,002	\$150,104,044	54,909
2003-2004	\$128,174,367	\$71,603,323	\$199,777,690	91,903	\$69,490,009	\$52,323,959	\$121,813,968	53,562
2002-2003	\$192,573,183	\$118,677,722	\$311,250,905	88,259	\$67,592,542	\$55,378,469	\$122,971,011	52,770
2001-2002	\$137,959,340	\$100,820,547	\$238,779,887	70,560	\$58,505,478	\$54,904,965	\$113,410,444	35,577
2000-2001	\$134,797,642	\$97,112,979	\$231,910,621	67,307	\$69,131,811	\$47,895,964	\$117,027,775	34,609

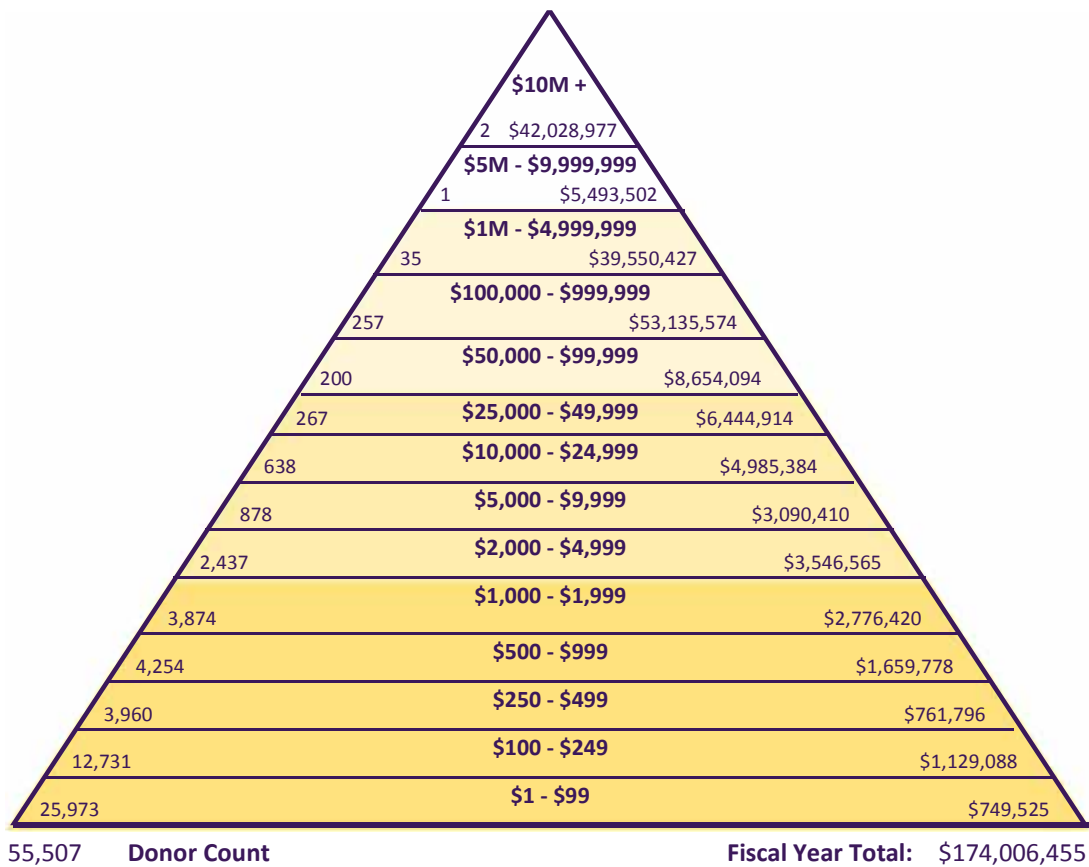
ANNUAL FUNDING THEME PROGRESS

Theme	Year to Date		
	Current Use	Endowment	Total
Student Support	\$4,566,482	\$10,107,291	\$14,673,774
Faculty Support	\$5,430,493	\$6,563,090	\$11,993,584
Program Support for Faculty and Students	\$117,356,630	\$6,170,928	\$123,527,558
Capital	\$9,038,269	\$2,170	\$9,040,439
Excellence Funds	\$14,560,166	\$210,935	\$14,771,101
Total	\$150,952,040	\$23,054,415	\$174,006,455

DEVELOPMENT ACTIVITY BY DONOR TYPE

Donor Type	Year to Date		Prior Year to Date		Prior Fiscal Year	
	Donors	Total	Donors	Total	Donors	Total
Alumni	30,141	\$18,601,347	31,417	\$23,995,539	49,981	\$40,529,614
Corporations	1,602	\$24,779,499	1,621	\$31,122,890	3,029	\$79,017,981
Family Foundations	138	\$9,327,809	135	\$9,385,800	173	\$15,996,206
Foundations	297	\$54,369,574	288	\$59,480,258	427	\$83,293,447
Non-Alumni	22,953	\$20,534,890	27,561	\$28,077,889	54,849	\$41,916,304
Organizations	376	\$46,393,337	392	\$40,339,646	624	\$63,324,926
Total	55,507	\$174,006,455	61,414	\$192,402,021	109,083	\$324,078,477

DEVELOPMENT ACTIVITY PYRAMID



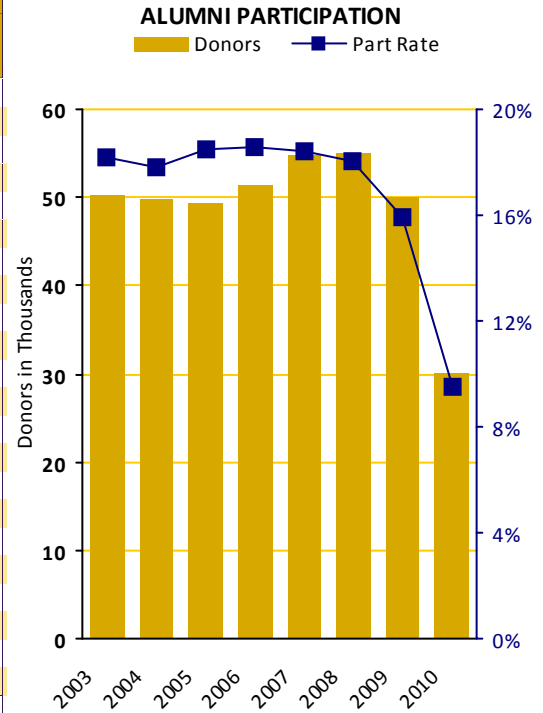
ANNUAL PROGRESS BY GIVING LEVEL

Giving Level	Alumni	Non Alumni	Family Fndns.	Corporations	Foundations	Other Orgs.	Total
\$10M +	\$0	\$0	\$0	\$0	\$25,899,961	\$16,129,016	\$42,028,977
\$5M - \$9,999,999	\$0	\$5,493,502	\$0	\$0	\$0	\$0	\$5,493,502
\$1M - \$4,999,999	\$1,074,165	\$2,513,018	\$5,103,150	\$4,920,510	\$9,972,976	\$15,966,607	\$39,550,427
\$100,000 - \$999,999	\$6,667,304	\$5,092,907	\$2,400,435	\$12,552,819	\$15,180,981	\$11,241,127	\$53,135,574
\$50,000 - \$99,999	\$1,262,904	\$894,823	\$832,633	\$2,664,513	\$1,818,752	\$1,180,469	\$8,654,094
\$25,000 - \$49,999	\$1,172,550	\$991,035	\$447,880	\$1,942,604	\$834,062	\$1,056,783	\$6,444,914
\$10,000 - \$24,999	\$1,504,680	\$1,073,259	\$351,640	\$1,293,437	\$359,036	\$403,332	\$4,985,384
\$5,000 - \$9,999	\$1,143,657	\$861,276	\$111,180	\$581,467	\$176,582	\$216,248	\$3,090,410
\$2,000 - \$4,999	\$1,768,783	\$1,123,763	\$50,861	\$403,784	\$72,901	\$126,473	\$3,546,565
\$1,000 - \$1,999	\$1,414,956	\$1,015,649	\$26,438	\$239,923	\$35,056	\$44,398	\$2,776,420
\$500 - \$999	\$911,098	\$613,434	\$2,991	\$103,762	\$12,410	\$16,084	\$1,659,778
\$250 - \$499	\$464,883	\$251,434	\$300	\$34,695	\$3,482	\$7,001	\$761,796
\$100 - \$249	\$709,718	\$379,177	\$300	\$32,862	\$2,802	\$4,230	\$1,129,088
\$1 - \$99	\$506,647	\$231,615	\$1	\$9,120	\$573	\$1,569	\$749,525
Total	\$18,601,347	\$20,534,890	\$9,327,809	\$24,779,499	\$54,369,574	\$46,393,337	\$174,006,455

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	0	1
\$1M - \$4,999,999	4	8	3	4	7	9	35
\$100,000 - \$999,999	47	65	12	47	48	38	257
\$50,000 - \$99,999	44	58	14	38	28	18	200
\$25,000 - \$49,999	67	70	15	57	27	31	267
\$10,000 - \$24,999	200	254	24	104	30	26	638
\$5,000 - \$9,999	331	353	21	108	31	34	878
\$2,000 - \$4,999	1,161	1,025	18	164	25	44	2,437
\$1,000 - \$1,999	1,775	1,810	21	201	28	39	3,874
\$500 - \$999	2,022	1,995	5	185	18	29	4,254
\$250 - \$499	2,068	1,740	1	117	12	22	3,960
\$100 - \$249	6,953	5,453	3	263	23	36	12,731
\$1 - \$99	15,469	10,121	1	314	19	49	25,973
Total	30,141	22,953	138	1,602	297	376	55,507

ALUMNI PARTICIPATION BY CONSTITUENCY (CURRENT FISCAL YEAR)

Area	Solicitable	To UW		To Unit	
		Year to Date Donors	Part Rate	Year to Date Donors	Part Rate
UW Medicine	19,127	2,501	13.08%	1,908	9.98%
Arts and Sciences	146,824	12,416	8.46%	4,830	3.29%
Business School	38,262	4,534	11.85%	1,895	4.95%
Built Environments	8,184	846	10.34%	506	6.18%
Dentistry	4,540	769	16.94%	510	11.23%
Education	18,841	2,047	10.86%	445	2.36%
Engineering	32,965	3,313	10.05%	1,953	5.92%
Evans School of Public Affairs	2,496	277	11.10%	91	3.65%
Forest Resources	4,612	315	6.83%		
Interdisc. Grad. Programs	1,817	185	10.18%		
Interdisc. Undergrad. Programs	258	10	3.88%		
Interscholar Programs	520	42	8.08%		
Information School	4,614	678	14.69%	369	8.00%
Law	7,905	1,128	14.27%	785	9.93%
School of Nursing	8,644	1,242	14.37%	875	10.12%
Ocean & Fisheries	4,076	362	8.88%		
Pharmacy	3,547	558	15.73%	481	13.56%
Public Health	4,580	496	10.83%	235	5.13%
Social Work	6,522	595	9.12%	332	5.09%
UW Bothell	6,995	385	5.50%	163	2.33%
UW Tacoma	8,050	339	4.21%	175	2.17%
Unspecified	11,600	1,191	10.27%		
ALL UW TOTAL	317,522	30,141	9.49%		



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	19,109	2,200	11.51%	3,576	18.71%	1,437	7.52%	2,279	11.93%
Arts and Sciences	145,069	12,817	8.84%	21,029	14.50%	4,911	3.39%	6,553	4.52%
Business School	37,913	4,480	11.82%	7,343	19.37%	1,799	4.75%	2,345	6.19%
Built Environments	8,096	874	10.80%	1,410	17.42%	437	5.40%	576	7.11%
Dentistry	4,501	755	16.77%	1,237	27.48%	473	10.51%	722	16.04%
Education	18,944	2,071	10.93%	3,494	18.44%	332	1.75%	620	3.27%
Engineering	32,856	3,263	9.93%	4,994	15.20%	1,832	5.58%	2,374	7.23%
Evans School of Public Affairs	2,394	289	12.07%	529	22.10%	87	3.63%	189	7.89%
Forest Resources	4,601	346	7.52%	713	15.50%	140	3.04%	329	7.15%
Interdisc. Grad. Programs	1,719	151	8.78%	261	15.18%				
Interdisc. Undergrad. Programs	247	14	5.67%	27	10.93%				
Interscholar Programs	493	45	9.13%	74	15.01%				
Information School	4,516	639	14.15%	932	20.64%	321	7.11%	395	8.75%
Law	7,755	1,164	15.01%	1,792	23.11%	746	9.62%	987	12.73%
School of Nursing	8,661	1,238	14.29%	1,804	20.83%	744	8.59%	944	10.90%
Ocean & Fisheries	4,038	449	11.12%	681	16.86%	249	6.17%	335	8.30%
Pharmacy	3,529	530	15.02%	895	25.36%	363	10.29%	594	16.83%
Public Health	4,465	467	10.46%	803	17.98%	152	3.40%	288	6.45%
Social Work	6,428	665	10.35%	972	15.12%	356	5.54%	427	6.64%
UW Bothell	6,635	408	6.15%	799	12.04%	96	1.45%	253	3.81%
UW Tacoma	7,685	357	4.65%	793	10.32%	115	1.50%	305	3.97%
Unspecified	11,813	1,281	10.84%	2,160	18.28%				
ALL UW TOTAL	314,219	30,465	9.70%	49,980	15.91%				

Source: University Advancement, Information Management Report # devrpts_s1002153

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



UWAA Member Giving by Constituency

School	Solicitable Alumni	Members ¹	Member			Alumni Giving	
			Donors	Members	Non Members	Members	Non Members
UW Medicine	19,127	1,894	747	39.44%	8.91%		
Arts and Sciences	146,824	18,474	4,241	22.96%	4.14%		
Business School	38,262	7,118	1,948	27.37%	5.51%		
Built Environments	8,184	1,121	286	25.51%	5.56%		
Dentistry	4,540	1,012	345	34.09%	8.73%		
Education	18,841	3,096	858	27.71%	4.98%		
Engineering	32,965	4,505	1,154	25.62%	5.50%		
Evans School of Public Affairs	2,496	285	77	27.02%	6.11%		
Forest Resources	4,612	646	113	17.49%	2.98%		
Interdisc. Grad. Programs	1,817	161	41	25.47%	5.80%		
Interdisc. Undergrad. Progra	258	20	2	10.00%	1.68%		
Interscholar Programs	520	43	5	11.63%	5.24%		
Information School	4,614	750	218	29.07%	9.29%		
Law	7,905	1,025	383	37.37%	9.19%		
School of Nursing	8,644	1,333	417	31.28%	9.05%		
Ocean & Fisheries	4,076	477	110	23.06%	4.89%		
Pharmacy	3,547	623	236	37.88%	9.20%		
Public Health	4,580	419	134	31.98%	7.02%		
Social Work	6,522	606	151	24.92%	5.83%		
UW Bothell	6,995	606	90	14.85%	1.88%		
UW Tacoma	8,050	614	78	12.70%	1.39%		
Unspecified	11,600	2,519	611	24.26%	3.52%		
Non-Alumni		7,783	3,583	46.04%			
Total	317,522	52,692	14,439	27.40%			

Alumni Activity

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

Top 10 Membership by Class Year

Class Year	Part. Rate	Class Year	Population
1955	23.20%	2009	1,503
1953	22.26%	1971	1,098
1959	22.01%	1973	1,059
1946	21.94%	1974	1,048
1954	21.85%	1972	1,026
1956	21.17%	1970	1,021
1952	21.02%	1976	1,015
1950	20.89%	1975	985
1958	20.36%	1977	969
1957	20.32%	1968	880

Activity Participation - Rolling 3 Year Total³

School ²	Participants	Part. Donors	% Donors	Alum Non-Part.	Alum Non-Par Donor	% Non-Part Donor
UW Medicine	3,404	2,685	78.88%	19,109	3,277	17.15%
Arts and Sciences	10,918	2,725	24.96%	136,762	7,765	5.68%
Built Environments	1,118	514	45.97%	7,655	825	10.78%
Business School	5,160	1,391	26.96%	34,710	3,182	9.17%
Dentistry	1,769	741	41.89%	2,682	345	12.86%
Education	1,617	371	22.94%	17,057	938	5.50%
Engineering	2,230	781	35.02%	30,989	3,112	10.04%
Environment	513	489	95.32%			
Evans School of Public Affairs	567	204	35.98%	2,237	361	16.14%
Graduate School	286	180	62.94%	1,269	2	0.16%
Information School	607	176	29.00%	4,306	529	12.29%
Law	1,744	767	43.98%	6,548	1,149	17.55%
Libraries	751	728	96.94%			
Nursing	821	400	48.72%	8,115	1,352	16.66%
Ocean & Fishery Sciences	249			3,624		
Pharmacy	351	209	59.54%	3,272	753	23.01%
Public Health	490	180	36.73%	3,681	382	10.38%
Social Work	639	189	29.58%	6,132	700	11.42%
UW Bothell	551	178	32.30%	6,917	609	8.80%
UW Tacoma	357	167	46.78%	8,494	818	9.63%

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

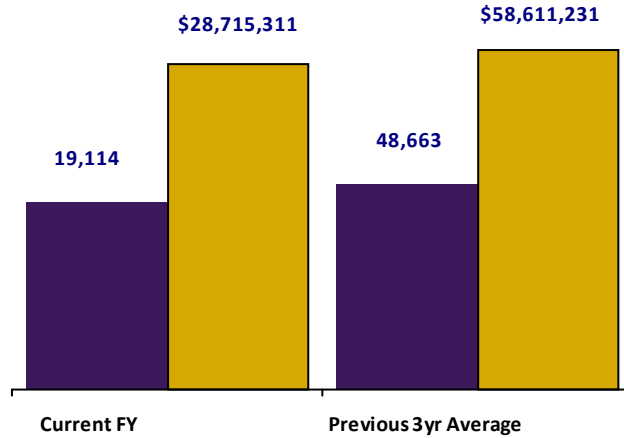
² Activity is based on a unit affiliated Alumni or Donor being labeled as a positive RSVP, host, speaker, or participant at any tracked UW activity.

³ 3-Years consists of any activity since 7/1/2006

Source: University of Washington Alumni Association

KEY PERFORMANCE INDICATORS

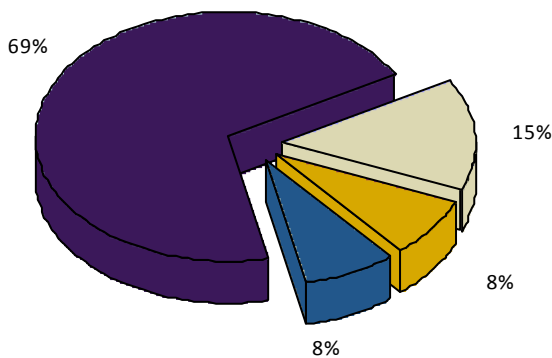
NEW DONOR ACQUISITION



	New Donors	New Dollars
Current FY	19,114	\$28,715,311
Previous 3yr Average	48,663	\$58,611,231

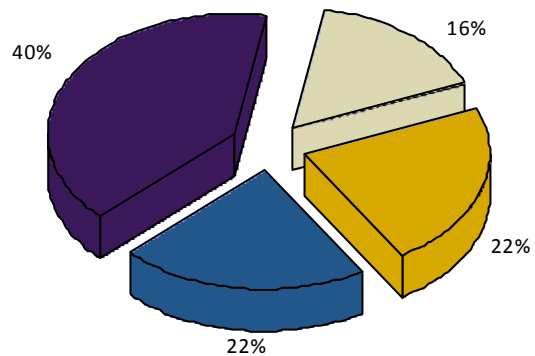
DONOR RETENTION (CURRENT FY)

- 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		Donors	Dollars
Returning Donor - Decreased Giving	17,685	\$73,482,874	Returning Donor - Decreased Giving	16,124	\$65,278,811
Returning Donor - Increased Giving	9,241	\$68,705,885	Returning Donor - Increased Giving	22,023	\$178,192,234
Returning Donor - Same Giving	9,467	\$3,102,186	Returning Donor - Same Giving	21,414	\$8,169,227
Yet to Return as Donor	85,048		Yet to Return as Donor	39,919	

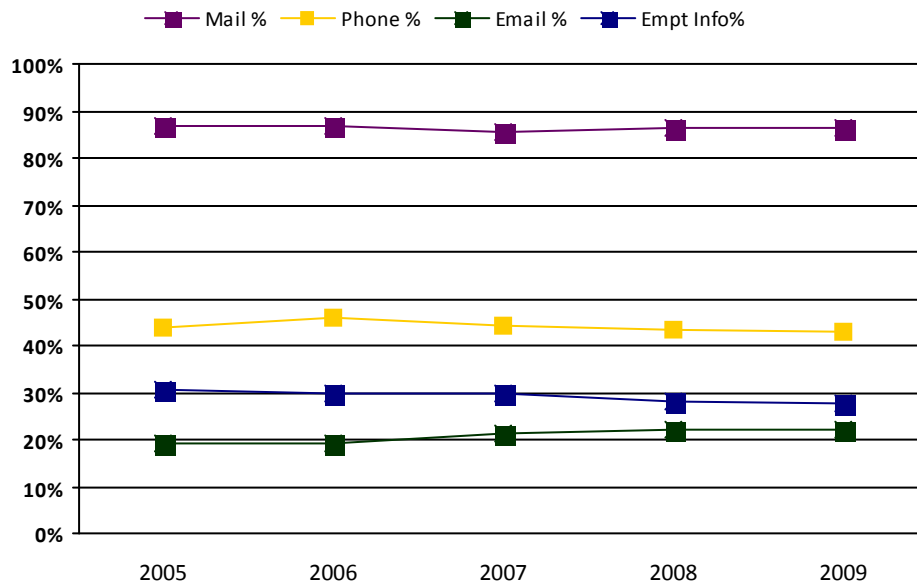
Donor counts may vary slightly due to donor crediting preferences.
 Three-year averages are based on fiscal year totals and do not reflect year-to-date status.

Source: University Advancement, Information Management Report # devrpts_s1002153

STATE OF THE DATABASE

School	Alumni	Friends	Total	Mailable	Mail %	Phonable	Phone %	Emailable	Email %	Emp Info	Emp %
UW Medicine	23,044	33,192	56,236	51,614	91.78%	30,272	53.83%	12,790	22.74%	17,274	30.72%
Arts and Sciences	181,363	17,226	198,589	166,770	83.98%	76,186	38.36%	48,720	24.53%	53,004	26.69%
Broadcast Services	0	37,354	37,354	36,557	97.87%	14,731	39.44%	4,996	13.37%	6,799	18.20%
Built Environments	9,619	1,660	11,279	10,025	88.88%	5,264	46.67%	2,885	25.58%	4,347	38.54%
Business School	47,113	3,725	50,838	42,850	84.29%	21,840	42.96%	15,344	30.18%	21,772	42.83%
Dentistry	5,110	1,518	6,628	6,137	92.59%	3,946	59.54%	1,924	29.03%	2,058	31.05%
Education	25,406	2,208	27,614	21,199	76.77%	11,217	40.62%	4,203	15.22%	7,946	28.78%
Engineering	41,372	3,800	45,172	37,265	82.50%	18,595	41.16%	10,768	23.84%	17,030	37.70%
Environment	0	3,137	3,137	3,031	96.62%	2,355	75.07%	1,136	36.21%	1,271	40.52%
Evans School of Public Affairs	2,824	479	3,303	3,082	93.31%	1,804	54.62%	1,644	49.77%	1,815	54.95%
Forest Resources	5,670	0	5,670	4,672	82.40%	2,260	39.86%	1,265	22.31%	2,250	39.68%
Graduate School	2,050	954	3,004	2,823	93.97%	1,790	59.59%	1,356	45.14%	1,401	46.64%
Information School	5,853	387	6,240	5,174	82.92%	3,206	51.38%	1,788	28.65%	2,644	42.37%
Intercollegiate Athletics	0	8,910	8,910	8,756	98.27%	6,980	78.34%	4,017	45.08%	3,604	40.45%
Law	8,951	1,623	10,574	9,599	90.78%	5,184	49.03%	5,953	56.30%	4,786	45.26%
Libraries	0	11,560	11,560	11,345	98.14%	9,403	81.34%	2,997	25.93%	2,311	19.99%
Minority Affairs	0	975	975	958	98.26%	748	76.72%	504	51.69%	536	54.97%
Nursing	10,908	1,443	12,351	10,231	82.84%	5,721	46.32%	2,836	22.96%	4,770	38.62%
Ocean and Fishery Sciences	4,976	564	5,540	4,673	84.35%	2,377	42.91%	1,307	23.59%	2,178	39.31%
Pharmacy	4,254	759	5,013	4,347	86.71%	2,511	50.09%	1,380	27.53%	2,225	44.38%
President's Funds	0	3,801	3,801	3,733	98.21%	2,989	78.64%	1,369	36.02%	1,997	52.54%
Public Health	5,254	812	6,066	5,529	91.15%	3,045	50.20%	2,435	40.14%	2,804	46.22%
Social Work	7,911	771	8,682	7,408	85.33%	3,509	40.42%	1,766	20.34%	2,935	33.81%
Student Affairs	0	9,136	9,136	8,996	98.47%	7,033	76.98%	3,492	38.22%	4,077	44.63%
Undergraduate Academic Affairs	0	1,154	1,154	1,114	96.53%	853	73.92%	559	48.44%	435	37.69%
University Press	0	573	573	548	95.64%	401	69.98%	219	38.22%	223	38.92%
UW Alumni Association	0	39,549	39,549	38,651	97.73%	25,060	63.36%	20,059	50.72%	15,469	39.11%
UW Bothell	7,916	849	8,765	8,215	93.73%	4,220	48.15%	3,142	35.85%	1,508	17.20%
UW Tacoma	9,241	854	10,095	9,423	93.34%	4,908	48.62%	3,231	32.01%	1,429	14.16%
Other University Support	953	6,305	7,258	6,922	95.37%	5,018	69.14%	3,416	47.07%	1,949	26.85%
Unspecified School	16,587	0	16,587	11,482	69.22%	6,290	37.92%	1,964	11.84%	3,717	22.41%
No Degree\Gift Affiliation	0	276,296	276,296	249,885	90.44%	148,159	53.62%	27,309	9.88%	49,030	17.75%
Total	394,301	380,473	774,774	676,018	87.25%	358,649	46.29%	139,881	18.05%	187,800	24.24%

Database Trends



VII. STANDING COMMITTEES**B. Finance, Audit & Facilities Committee**Actions Taken Under Delegated Authority

Pursuant to the Standing Orders of the Board of Regents, Delegation of Authority, and to the delegation of authority from the President of the University to the Senior Vice President in Administrative Order No. 1, to take action for projects or contracts that exceed \$1,000,000 in value or cost but are less than \$5,000,000, the Administration may approve and execute all instruments.

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY –
CAPITAL PROJECT BUDGETS

1. UWMC NE240 Satellite Radiology, Project No. 202783
Action Reported: Construction Contract Award and Budget Adjustment

On January 15, 2010, a construction contract was awarded to BN Builders in the amount of \$534,999 for the UW Medical Center (UWMC) NE240 Satellite Radiology project. Twelve bids were received for this project; the highest bid was \$642,000. The budgeted construction cost was \$824,575, with a total project budget of \$1,940,000. The budget has been reduced to \$1,360,000, due to favorable bid results.

BN Builders, established in 2000, is a local general contractor that specializes in healthcare/medical, biotech and life sciences, education, and civic projects. BN Builders is currently working on a number of projects at the Health Sciences Center, including the Magnuson Health Sciences Center (MHSC) J1/J2 Microbiology and the AA/BB/RR 4th Floor Surgery Office and Lab Renovation. BN Builders has recently successfully completed the UWMC Blood Services project.

This project will expand the Radiology Services at the NE240 SCOR Suite and the Employee Health area. The project consists of 2,856 gross SF of new procedure rooms including: a Radiology Room, Ultra Sound and general X-Ray Rooms, and a new CT Room. Ancillary spaces such as Dressing Room, Control Room, Nurse Station, Soiled Utility Room, Storage, and Toilet Room are also included.

The construction activities began February 15, 2010 with a Substantial Completion date of July 26, 2010. Occupancy is expected in September 2010 after installation of the CT, and X-Ray equipment.

The project funding of \$1,360,000 is provided by UWMC.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Actions Taken Under Delegated Authority (continued p. 2)

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$240,815	\$246,352
Total Construction Cost*	\$1,523,693	\$974,631
Other Costs	\$24,951	\$21,705
Project Administration	\$150,541	\$117,312
Total Project Budget	\$1,940,000	\$1,360,000

* Includes construction contract amount, contingencies and state sales tax. It also includes Phase I construction cost for Employee Health Renovation delivered through the JOC process as a “make-ready” project for Satellite Radiology.

2. UW Tower C1 and O1 Occupancy Project No. 202925
Action Reported: Select Architect/Adopt Budget

On February 8, 2010, an architectural agreement was awarded to EHS Design, for the UW Tower C1 and O1 Occupancy project under their existing Master Term for Architectural Services agreement. The agreement amount is \$261,056 for basic services versus a budget value of \$400,000 for design consultants. The balance of the design budget is intended for a hazardous materials consultant, furnishing consultant, audio video consultant, move coordination and a previously completed predesign.

EHS Design is a firm with 32 years experience working with public and private entities in the Seattle community. They specialize in designing interior remodels of existing spaces. Their resume contains several projects of this type, including Opus Northwest, City of Seattle, Wells Fargo, and the Air Force Federal Credit Union.

The UW Tower C1 and O1 Occupancy project will provide a tenant improvement renovation to the UW Tower floors C1 and O1 for occupancy by units reporting to Human Resources and Finance & Facilities. Design is expected to be completed by May of 2010 with construction beginning in July, and lasting through November of 2010.

The project budget is established at \$3,950,000. Funding of \$600,000 for design is being provided through the Internal Lending Program. The remaining funding

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Actions Taken Under Delegated Authority (continued p. 3)

source required to complete construction will be determined by the Office of Planning and Budgeting, and be provided prior to bidding the project.

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$400,000	\$400,000
Total Construction Cost*	\$2,500,000	\$2,500,000
Other Costs	\$750,000	\$750,000
Project Administration	\$300,000	\$300,000
Total Project Budget	\$3,950,000	\$3,950,000

* Includes construction contract amount, contingencies and state sales tax.

3. Mechanical Engineering Building Roof Replacement, Project No. 202968
Action Reported: Select Architect/Establish Budget

On December 17, 2009, an architectural agreement was awarded to Cornerstone Architectural Group, for the Mechanical Engineering Roof Replacement, Project 202968, under their existing Master Term for Architectural Services agreement. The value of the design contract is \$100,798. The total budget for consulting services is \$170,828. The balance of the design budget includes previously completed programming and hazardous materials abatement design to be authorized separately. The Master Term for Architectural Services agreement was previously approved by the Board of Regents on May 15, 2008.

Cornerstone Architectural Group has experience in a broad range of project types, and developed a building envelope practice in 2001 that has addressed long-term moisture problems in over 60 projects. The firm has provided services for roof replacements at Magnuson Health Sciences Center (MHSC) AA-Wing, MHSC T-Wing, and Wilcox Hall, curtain wall repairs at Suzzallo Library, and the balcony waterproofing replacement at Gould Hall. Cornerstone has provided investigation and design services for roof replacements and wall, roof, and window repairs at other public agencies locally including the federal General Services Administration, the US Postal Service, school districts, and other state and local agencies. They have been in business in Seattle for 15 years, and have 17 employees.

The purpose of this project is to replace the roof, which has exceeded its service life, on the Mechanical Engineering Building. In addition to replacing the roof membrane, the work will provide fall protection anchors for window washing;

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Actions Taken Under Delegated Authority (continued p. 4)

provide guard rails at roof edges; add and upgrade access ladders to penthouse roofs for general roof access safety; abate an asbestos containing coating on the parapets; and upgrade support structures for roof mounted equipment.

Construction is scheduled to be performed during summer quarter 2010.

The project budget, as established at the conclusion of the predesign, is \$1,325,000. Funding of \$1,325,000 has been provided from the current Building Renewal Capital Budget. The forecast cost at completion of the project is \$1,255,000, which reflects a continuing downward trend in construction costs.

Budget Summary	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	\$170,828	\$170,828
Total Construction Cost*	\$1,033,542	\$963,542
Equipment	\$0	\$0
Other Costs	\$12,944	\$12,944
Project Administration	\$107,686	\$107,686
Total Project Budget	\$1,325,000	\$1,255,000

* Includes construction contract amount, contingencies and state sales tax.

4. Odegaard Undergraduate Library (OUGL) Fire Safety, Project No. 202974 Action Reported: Delegate Award of Construction Contract; Budget Adjustment

On January 13, 2010, a construction contract was awarded to Western Ventures Construction, Inc. of Seattle, Washington, in the amount of \$812,500 for OUGL Fire Safety Project, No. 202974. Seven bids were received for this project; the highest bid was \$1,164,000. The budgeted construction cost was \$980,243. The project budget was established at \$1,500,000. The budget has been reduced to \$1,295,000, due to favorable bid results.

Western Ventures is a general construction company based in Mountlake Terrace, Washington. The company was founded in 1983, has 10 employees, and specializes in public bid tenant improvement projects. Other agencies that Western Ventures has completed projects for include General Administration for community college projects; Seattle Public Schools; and King County. For the

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Actions Taken Under Delegated Authority (continued p. 5)

University, Western Ventures is currently working on the Burke Museum Geology Collections Renovation, and has completed multiple projects that include UW Libraries Remote Shelving at Sand Point, Marine Studies Fire Sprinklers, Magnuson Health Sciences Center B-Wing Elevator Upgrade, Smith Hall Communications Upgrade, and Harborview Medical Center Lab Robotics.

This project completely replaces the existing fire alarm system and expands the existing fire protection system to cover the entire Odegaard Undergraduate Library building. The new fire alarm system replaces an obsolete system and will comply with current codes. The kitchen of “By George” is the only area of the building that currently has fire protection sprinklers. The remaining areas of “By George,” the Undergraduate Library, miscellaneous offices, and the exit stair in the building that serves the Central Parking Garage will be fully protected at completion of the project.

Construction began in January 2010. Completion is forecast for November 2010.

The project budget is \$1,295,000. Funding is provided by Capital Safety through Environmental Health and Safety.

Budget Summary:	Original Approved Budget	Current Approved Budget Forecast Cost To Complete
Total Consultant Svcs	\$133,033	\$121,148
Total Construction Cost*	\$1,202,170	\$1,023,141
Other Costs	\$50,361	\$47,797
Project Administration	\$114,436	\$102,914
Total Project Budget	\$1,500,000	\$1,295,000

* Includes construction contract amount, contingencies and state sales tax.

5. Harborview Medical Center Vascular Center of Excellence Clinic
Project No. 203117
Action Reported: Select Architect/Adopt Budget

On January 14, 2010, a professional agreement was awarded to Zimmer Gunsul Frasca Architects, for the predesign of the Harborview Medical Center (HMC) Vascular Center of Excellence under their existing Master Term Agreement for Architectural Services agreement. The agreement amount is \$118,867 for basic

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Actions Taken Under Delegated Authority (continued p. 6)

services versus a budget value of \$137,337 for all consultant services. The balance of the design budget is intended for a hazardous materials consultant.

Zimmer Gunsul Frasca Architects (ZGF) LLP is an award-winning architectural, planning, and interior design firm with offices in Seattle, Los Angeles, Portland, Washington DC and New York. The partnership employs over 400 professionals with a portfolio featuring public and private projects including academic facilities and healthcare spaces.

This project involves the build out of approximately 11,000 square feet of space on the fourth floor of the Maleng Building at Harborview Medical Center's campus. The project is being designed to meet four goals:

- 1) Enhance the medical center's ability to treat patients with vascular needs,
- 2) Create a comfortable, less stressful, patient centered experience,
- 3) Enhance HMC staff's ability to deliver high quality patient care and provide state of the art space for teaching, and
- 4) Become known as a regional Vascular Center of Excellence.

This new space will include exam rooms, surgeons' offices, space for scheduling, and a large conference room which will be used for patient consultation and healthcare provider education. The predesign effort will be completed in the second quarter of 2010 and a total project budget will be established at that time. This project is currently slated for completion late in 2011.

6. Harborview Medical Center Endovascular OR, Project No. 203118 Action Reported: Select Architect/Adopt Budget

On January 14, 2010, a professional services agreement was awarded to Zimmer Gunsul Frasca Architects, for the predesign of the Harborview Medical Center Endovascular OR under their existing Master Term Agreement for Architectural Services contract. The agreement amount is \$146,522 for basic services versus a budget value of \$175,500 for all consultant services. The balance of the design budget is intended for a hazardous materials consultant.

Zimmer Gunsul Frasca Architects (ZGF) LLP is an award-winning architectural, planning, and interior design firm with offices in Seattle, Los Angeles, Portland, Washington DC and New York. The partnership employs over 400 professionals with a portfolio featuring public and private projects including academic facilities and healthcare spaces. ZGF recently completed a project at the UWMC for the Otolaryngology Eye Center.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Actions Taken Under Delegated Authority (continued p. 7)

This project involves the build out of approximately 5,000 square feet of space of the basement of the West Hospital at Harborview Medical Center's campus. The project is being designed to meet three goals:

- 1) Enhance the medical center's ability to treat patients with vascular needs,
- 2) Enhance HMC staff's ability to deliver high quality patient care and provide state of the art space for teaching , and
- 3) Develop into a known regional Vascular Center of Excellence.

This new space will be one of the first in the country to integrate cardiology, interventional radiology, and surgery, which have been traditionally disparate services. The pre-design effort will be completed in the second quarter of 2010 and a total project budget will be established at that time. The project, with the Department of Health's approval, is currently slated for completion late in 2011.

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY – ACQUISITION OF GOODS AND SERVICES

1. HiSeq 2000 Sequencing Systems Action Reported: Delegate Award of Purchasing Contract

Under delegated authority, the Director of Purchasing Services, or his designee, has executed a contract with Illumina to purchase three HiSeq 2000 Sequencing Systems.

The University currently has three existing Illumina systems used for research in Genome Sciences. These new models will upgrade the existing Illumina sequencing systems. The new HiSeq 2000 sequencing systems involve three instruments, each including a computer workstation, monitor, software, installation and training.

This agreement is being processed under the Sole Source process with the primary justification being the need for continuity of research for Genome Sciences. These new models upgrade existing Illumina sequencing systems. The price of the equipment is list price and has been confirmed.

A Genome Sciences recharge center fund will be used for the initial purchase, and then allocated (as services are used) to various internal and external departments.

The contract value is \$2,070,000 plus 5%. This is not to exceed \$2,173,500 and is tax exempt.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Actions Taken Under Delegated Authority (continued p. 8)

2. RFP Awarded to Studer Group Action Reported: Delegate Award of Three-Year Contract

Under delegated authority, the Director of Purchasing Services, or his designee, has awarded a three-year contract with the Studer Group for the development of University of Washington Medicine faculty, staff, and managers to achieve service excellence.

University of Washington Medicine has a current initiative to develop its faculty, staff and managers with the aim to achieve service excellence. The method of purchase was a competitive solicitation RFP (DL 09-026), with the agreement being awarded to the Studer Group LLC.

This is a new agreement and is not tied to any existing agreement. UW Medicine funds will be utilized for the purchase. The time period of the contract is three years, beginning on February 8, 2010 and running through February 7, 2013.

The contract value is not to exceed \$1,578,000 or \$526,000/year for three years.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Investment Performance Report, Second Quarter Fiscal Year 2010

For information only.

Attachment

Investment Performance Report to the Board of Regents,
Second Quarter Fiscal Year 2010, as of December 31, 2009

UNIVERSITY OF WASHINGTON
INVESTMENT PERFORMANCE REPORT
SECOND QUARTER FISCAL YEAR 2010

As of December 31, 2009



TREASURER BOARD OF REGENTS
TREASURY OFFICE

Published March 23, 2010

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TREASURY ASSETS¹

As of 12/31/09—\$3.3 Billion

Dollars in Millions



Endowment & Similar Funds

Endowment Funds	\$1,480
Operating Funds	360
Consolidated Endowment Fund	<u>1,840</u>
Life Income Trusts	72
Outside Trusts	49
Non-CEF Endowments	17
Permanent Fund ⁶	29
	<u>\$2,007</u>

Operating & Reserve Funds

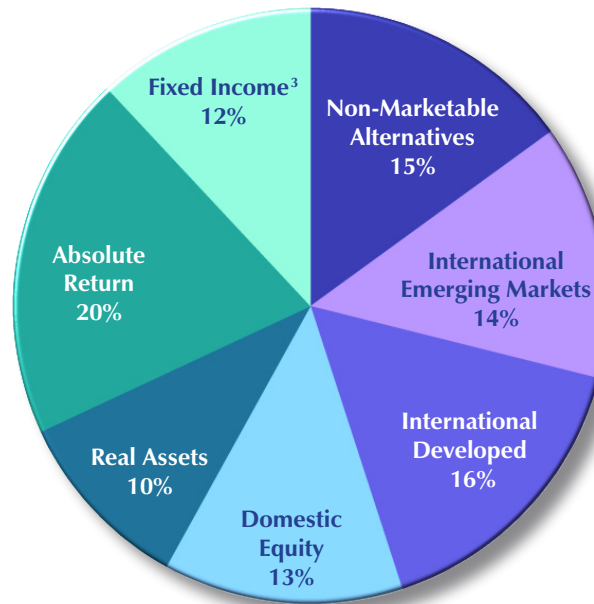
Invested Funds ^{2,3}	\$1,085
Bond Retirement Fund ⁴	16
Building Fund ⁴	23
Debt Service Reserve Funds ⁵	12
Bond Proceeds ⁷	<u>134</u>
	<u>\$1,270</u>

1. Includes assets whose management falls under the auspices of the Finance & Audit Committee of the Board of Regents. Excludes Metro Tract and Forest Trust Lands. All dollar amounts are expressed in millions and represent market values.
2. The Invested Funds holds Consolidated Endowment Fund units valued at \$360. 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 \$75.9 & 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 December 31, 2009

Consolidated Endowment Fund ¹—\$1,840 MM



Dollars in Millions

	Current Allocation		Policy Target	Policy Range
Global Equity	Non-Marketable Alternatives	\$267 15%	12%	5%–25%
	International Emerging Markets	261 14%	13%	5%–35%
	International Developed Markets	303 16%	16%	5%–35%
	Domestic Equity	234 13%	15%	5%–35%
	Equity Fund	\$1,066 58%	56%	45%–75%
	Real Assets Fund	\$178 10%	15%	5%–25%
	Absolute Return	373 20%	18%	5%–25%
Fixed Income Fund ²	222 12%	11%	5%–35%	
Total Consolidated Endowment Fund	\$1,840 100%			

¹ International exposure: 38%; net foreign currency exposure: 35%.

² Includes allocation to cash.

CONSOLIDATED ENDOWMENT FUND (CEF)

For the Quarter ending December 31, 2009

Total Returns ¹ (%)

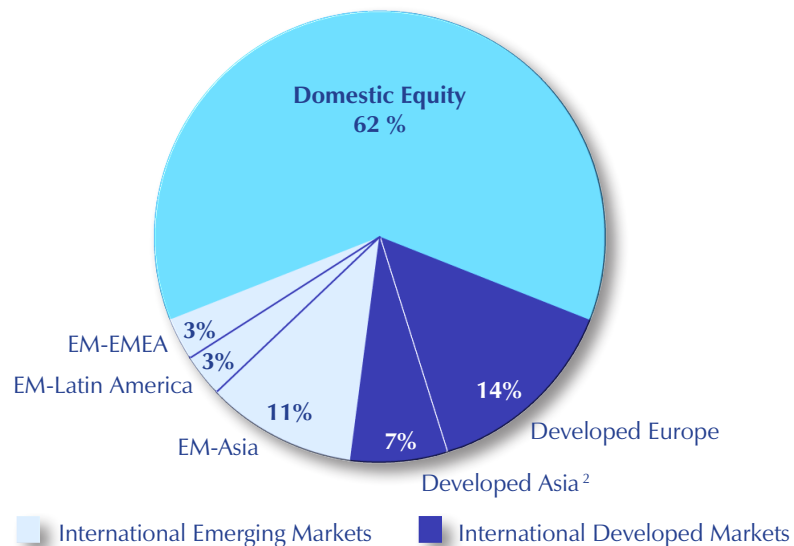
	2 nd Qtr FY 2010	1-Year	5-Year	10-Year
Total CEF Return	4.1	14.0	5.7	4.9
Strategy Weighted Policy Benchmark	3.1	14.7	6.8	4.8
Equity Fund	6.3	22.2	6.2	4.7
Weighted Policy Benchmark	4.7	24.9	5.5	3.2
Real Assets Fund	0.2	-13.2	1.7	—
Policy Benchmark	1.6	-3.8	6.6	—
Absolute Return Fund	4.1	24.2	—	—
Policy Benchmark	1.8	10.3	—	—
Fixed Income Fund	0.3	2.3	3.5	4.9
Policy Benchmark (LB Govt Bond)	-1.0	-2.2	4.9	6.2

¹ Average Annual Compound Return

Activity (in Millions)

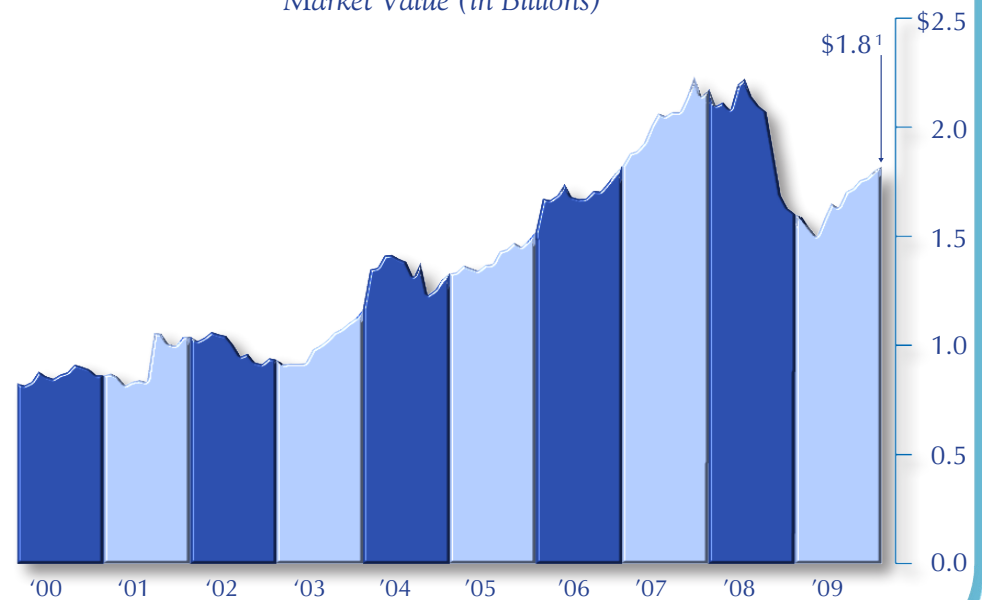
	FYTD 2010	FY 2009	FY 2008	5 Years	10 Years	15 Years
Beginning Balance	\$1,649	\$2,161	\$2,074	\$1,344	\$835	\$274
Gifts	17	84	99	409	624	772
Transfers	3	10	8	57	84	124
Total Additions	20	94	107	467	708	896
Operating Funds Purchases	5	3	44	67	368	368
Net Investment Return	204	(515)	53	431	694	1,171
Distributions	(29)	(75)	(94)	(381)	(638)	(732)
Administrative Fees	(2)	(4)	(4)	(18)	(28)	(34)
Advancement Support	(7)	(14)	(17)	(70)	(101)	(103)
Ending Balance	\$1,840	\$1,649	\$2,161	\$1,840	\$1,840	\$1,840
Net Change	\$191	(\$512)	\$88	\$496	\$1,005	\$1,566

Geographic Exposure as of 12/31/09¹



¹ Includes all strategies in the CEF portfolio ² Includes 3.4% exposure in Japan

Market Value (in Billions)



¹ Reflects inclusion of IF units in CEF starting 7/01—value without would be \$1.5

PERFORMANCE UPDATE

Total Return¹ As of 12/31/09

	2 nd Qtr FY '10	1 Year	3 Years	5 Years	10 Years
Consolidated Endowment Fund	4.1	14.0	-0.6	5.7	4.9
Equity Fund	6.3	22.2	-0.7	6.2	4.7
Non-Marketable Alternatives²	6.3	-7.2	4.5	11.1	3.7
Global Equity ³	6.3	38.3	—	—	—
International Emerging Markets	10.4	71.4	9.0	—	—
International Developed Markets	3.2	29.5	-4.8	4.0	2.7
Domestic Equity	4.9	23.9	-6.0	0.2	1.8
Real Assets Fund	0.2	-13.2	-8.0	1.7	—
Absolute Returns Fund³	4.1	24.2	—	—	—
Fixed Income Fund	0.3	2.3	2.6	3.5	4.9
Public Market Indices					
<i>Equity Indices</i>					
S&P 500	6.0	26.5	-5.6	0.4	-0.9
MSCI ACWI	3.8	42.1	-3.0	6.3	3.1
Russell 3000	5.9	28.3	-5.4	0.8	-0.2
NASDAQ	6.9	43.9	-3.5	-0.1	-6.1
NAREIT	9.4	28.0	-12.4	0.4	10.6
Dow Jones Industrial Average	8.1	22.2	-3.3	1.8	1.2
MSCI EAFE	2.2	32.5	-5.6	4.0	1.6
MSCI EMF	8.6	79.0	5.4	15.9	9.7
<i>Fixed Income Indices</i>					
LB Government Bond	-1.0	-2.2	6.1	4.9	6.2
CG World Bond Index (unhedged to USD)	-1.9	2.6	8.1	4.5	6.6

Sources: Cambridge Associates and State Street

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

² Provided by Cambridge Associates on a quarter lag.

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

INVESTED FUNDS (IF)

For the Quarter ending December 31, 2009

Total Return¹ (%)

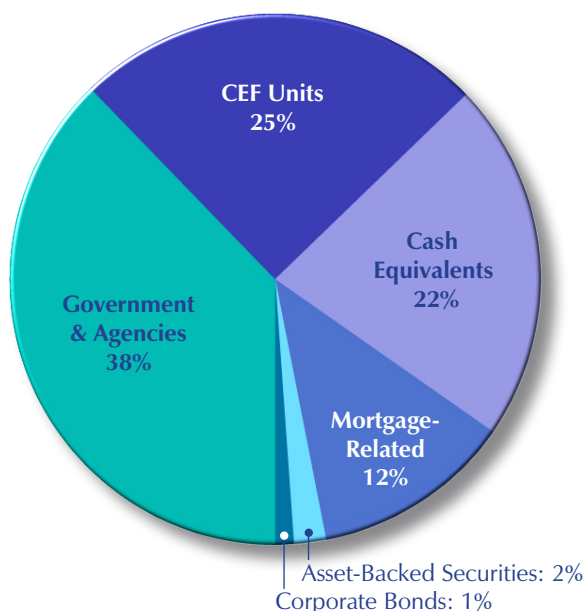
	2 nd Qtr FY 2010	1-Year	5-Year	10-Year
Cash	0.1	1.6	4.0	4.6
Citi 2 Yr Treasury	0.1	1.2	4.3	4.7
Liquidity	0.0	1.1	4.0	5.3
LB Intermediate Govt Bond	-0.4	-0.3	4.7	5.7
IF excluding CEF units	0.0	1.4	4.0	5.2
Weighted Benchmark	-0.2	0.2	4.6	5.4
IF including CEF units	1.0	4.5	4.6	5.1
Weighted Benchmark	0.6	3.9	5.3	5.3

¹ Average Annual Compound Return

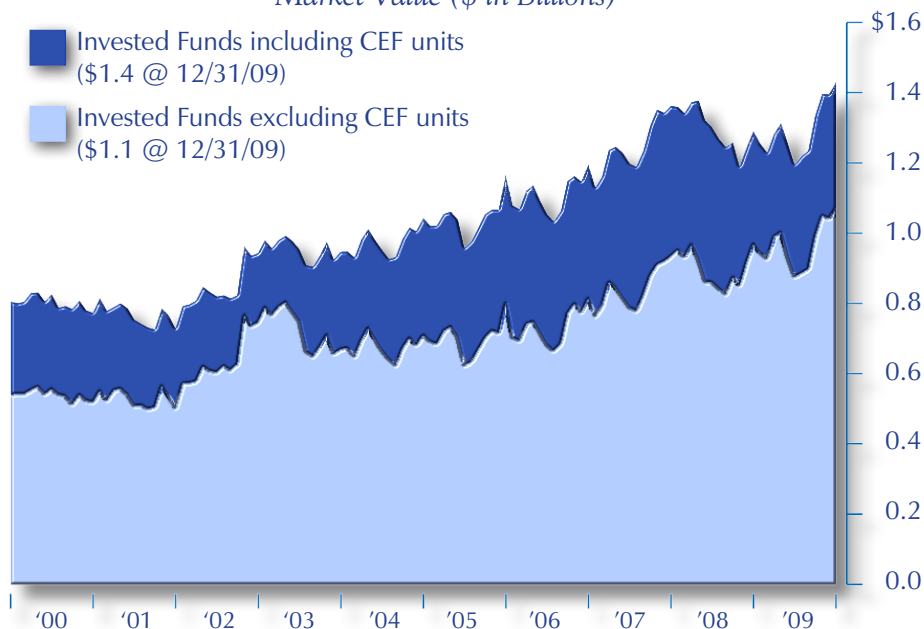
Fund Allocation by Pool (\$ in Millions)

	Fund Allocation		Range	Duration	
				Actual	Maximum
Cash Pool	\$417	29%	10%–40%	0.4	3.0 yrs
Liquidity Pool	668	46%	30%–60%	3.4	4.2 yrs
Total Cash & Liq. Pool	\$1,085	75%			
CEF Units held by IF		25%	15%–40%		
Total Invested Funds		100%			

Mix of Investments



Market Value (\$ in Billions)



CONSOLIDATED ENDOWMENT FUND SPENDING UPDATE

For the Quarter ending December 31, 2009

Interim Policy, Approved 3/19/09

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

Current and Projected Results of Interim Policy

	\$ = 000's		
	FY 2008	FY 2009	FY 2010
Beginning Market Value	\$2,073,519	\$2,161,438	\$1,649,159 (Actual)
Distributions ¹	\$94,314	\$75,478	\$58,800 (Estimated)
Year-Over-Year Decline	NA	-20%	-22% (Estimated)
Effective Spending Rate	4.5%	3.5%	3.6% (Estimated)
Total Return	2.0%	-23.7%	14.0% (Actual FYTD)

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

Quarterly Market Values and Additions

	\$ = 000's		
	Value	Additions	Additions as %
07/1/2008	\$2,161,438	\$34,311	1.6%
10/1/2008	\$1,901,352	\$26,187	1.4%
01/1/2009	\$1,617,610	\$20,809	1.3%
04/1/2009	\$1,515,209	\$12,194	0.8%
07/1/2009	\$1,649,159	\$11,829	0.7%
10/1/2009	\$1,776,688	\$7,786	0.4%
01/1/2010	\$1,840,054	\$14,242	0.8%

Per Unit Distributions FY08–FY11

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

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

SUMMARY OF ACTIONS TAKEN UNDER BOARD DELEGATED AUTHORITIES

JANUARY 1, 2009 THROUGH DECEMBER 31, 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	Reduction	Tygh Capital Management	Domestic Equity	-\$4.0
03/13/09	New	State Street S&P 500 Futures	Domestic Equity	\$50.0 notional
05/08/09	Termination	Chesapeake Partners	Domestic Equity	-\$23.0
08/17/09	Reduction	State Street S&P 500 Futures	Domestic Equity	-\$10.0 notional
11/25/09	Reduction	State Street S&P 500 Futures	Domestic Equity	-\$8.0 notional
11/25/09	New	University of Washington/Public Equity	Domestic Equity	\$8.0
12/10/09	Reduction	State Street S&P 500 Futures	Domestic Equity	-\$33.0 notional
12/14/09	Addition	University of Washington/Public Equity	Domestic Equity	\$2.0
12/18/09	Termination	Rainier Investment Management	Domestic Equity	-\$14.0
12/18/09	Termination	Renaissance	Domestic Equity	-\$35.0
01/29/09	Termination	Brandywine	Fixed Income	-\$40.0
01/29/09	New	Wellington Management	Fixed Income	\$15.9
07/31/09	Termination	Aberdeen Asset Management	Fixed Income	-\$48.0
08/17/09	Liquidation	Wellington TIPs	Fixed Income	-\$10.0
09/18/09	New	Income Research & Management Government/Credit	Fixed Income	\$40.0
09/18/09	New	Income Research & Management 1-3 Year	Fixed Income	\$40.0
09/18/09	Addition	Wellington Management Workout Fund	Fixed Income	\$8.7
01/16/09	New	State Street—Currency Hedge	International Developed	\$40.0 notional
03/13/09	Reduction	Arrowstreet	International Developed	-\$10.0
03/13/09	Reduction	Axiom	International Developed	-\$10.0
03/13/09	Reduction	GMO	International Developed	-\$19.0
07/17/09	Close	State Street—Currency Hedge	International Developed	-\$20.0 notional
07/31/09	New	Goldman Sachs—MSCI World Swap	International Developed	\$30.0 notional
09/18/09	Termination	Liberty Square Japan Fund	International Developed	-\$6.0
12/14/09	Addition	Goldman Sachs—MSCI World Swap	International Developed	\$30.0 notional

SUMMARY OF ACTIONS TAKEN UNDER BOARD DELEGATED AUTHORITIES

JANUARY 1, 2009 THROUGH DECEMBER 31, 2009 (\$ IN MILLIONS)

By the Chief Investment Officer

Public Markets (Continued)

Approved	Action	Manager / Fund	Strategy	Investment (\$MM)
12/14/09	New	Goldman Sachs—MSCI EAFE Swap	International Developed	\$20.0 notional
12/14/09	New	UBS—MSCI World Swap	International Developed	\$30.0 notional
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 (funding 2nd tranche of '08 approval)	International Emerging Markets	\$10.0
09/18/09	Termination	Matternhorn Breithorn Fund	International Emerging Markets	-\$11.0
02/20/09	Liquidation	Morgan Stanley Best Ideas Fund	Real Assets	-\$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

SUMMARY OF ACTIONS TAKEN UNDER BOARD DELEGATED AUTHORITIES

JANUARY 1, 2009 THROUGH DECEMBER 31, 2009 (\$ IN MILLIONS)

By the Chief Investment Officer

Private Markets

Approved	Action	Manager / Fund	Strategy	Investment (\$MM)
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 Capital, Ltd.	Absolute Return	\$10.0
12/18/09	Reduction	Blackrock Relative Value Fund	Absolute Return	-\$5.3
12/18/09	Addition	Bridger - Swiftcurrent	Domestic Equity	\$10.0
02/12/09	Reup	TA Associates Fund XI	Non-Marketable Alternatives	\$8.0
12/18/09	Liquidation	Morgan Stanley Special Situations	Real Assets	-\$2.0
05/15/09	New	Rimrock ABS Fund	Invested Funds - Liquidity	\$30.0

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

UW Medicine at South Lake Union Phase III Option – Approval of Exercise

This item will be considered for action. Item will be provided at the meeting.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Molecular Engineering Interdisciplinary Academic Building (MEIAB) - Approve Exempting Funding from the Internal Lending ProgramRECOMMENDED ACTION

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

- 1) Exempting the \$53.5 million portion of the Molecular Engineering Interdisciplinary Academic Building (MEIAB) debt paid from Building Fee revenues from the Internal Lending Program; and
- 2) Restructuring the debt to a 26-year term, with a 3.6% interest rate, with an annual payment no greater than \$3.2 million from the Building Fee account, beginning immediately.

BACKGROUND

In June 2009, the Board approved the use of the Internal Lending Program (ILP) to finance the Molecular Engineering Interdisciplinary Academic Building (MEIAB). The sources of repayment for the ILP loan are \$53.5 million in Building Fee revenue and \$20 million in Indirect Cost Recovery revenue. The revenue from the Building Fee, while generated locally, is held in a Building Fee account and subject to appropriation by the Legislature. The ILP loan was structured as a 30-year amortizing loan at the current 5.5% ILP interest rate.

Rather than participate in the ILP, the State legislature is directing the UW to set aside \$53.5 million of the proceeds from the UW's December 2009 General Revenue Bond issue to fund the Molecular Engineering Building and to only charge the Building Fee account the actual 3.6% interest rate and 26-year term on these bonds. The bonds were issued under the Build America Bonds program, paying interest-only during the 26-year term and a single "bullet" payment at the end of the term. The proceeds of the bonds were intended to fund cash flows for various approved campus projects, including the Molecular Engineering Building.

IMPACTS TO THE INTERNAL LENDING PROGRAM**Borrowing Sooner for Other Projects**

Setting aside \$53.5 million of the remaining bond proceeds to the Molecular Engineering Building changes the timing of debt issuance for other approved

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Molecular Engineering Interdisciplinary Academic Building (MEIAB) - Approve Exempting Funding from the Internal Lending Program (continued p. 2)

projects. It means that new debt will have to be issued sooner than planned to accommodate cash needs for the UW Medical Center expansion, Phase 1 of the Housing & Food Services master plan, and other approved projects. Based on current cash flow projections, the next round of debt is expected to be issued by August 2010 – approximately four months sooner than originally planned.

Interest Rate Differential: 5.5% vs. 3.6%

Reducing the rate on the Molecular Engineering loan from 5.5% to 3.6% will reduce the expected contribution to the ILP rate stabilization account by about \$500,000 per year. Given the large volume of payments from other projects that are currently being funded in the ILP, this decrease in revenue will not have a major impact on the sustainability of the Program. Further, these funds are not lost to the UW; they will remain in the Building Account and can be used to fund other debt service or campus minor works. However, the reduction comes at a time when the rate stabilization account is still not yet sufficient to offset the impact of a modest rise in external borrowing rates.

Amortizing vs. Non-Amortizing

The Build America Bonds were issued as non-amortizing debt, with interest-only payments for 26 years and a single principal payment at maturity. The legislature is directing that the debt payments from Building Fee revenue be paid as amortizing debt, which will meet the full interest cost on the UW's Build American Bonds debt only if the return on the principal balances paid by from the Building Fee is at least 3.5% over the 26-year term of the debt. Under the legislature's approach, the risk of not meeting this minimum return is borne by the UW.

Impacts on Future Borrowing

Unlike most of the UW's local funds, Building Fee revenues are subject to appropriation and are considered by the legislature to be "State Funds." Given the legislative direction for the Molecular Engineering Building project, future projects receiving funding from student Building Fees would also be issued as separate project debt rather than as part of the Internal Lending Program. Projects that may fall into this category include Balmer Hall and UW Tacoma Phase 3.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Molecular Engineering Interdisciplinary Academic Building (MEIAB) - Approve Exempting Funding from the Internal Lending Program (continued p. 3)

INTERNAL REVIEW AND APPROVALS:

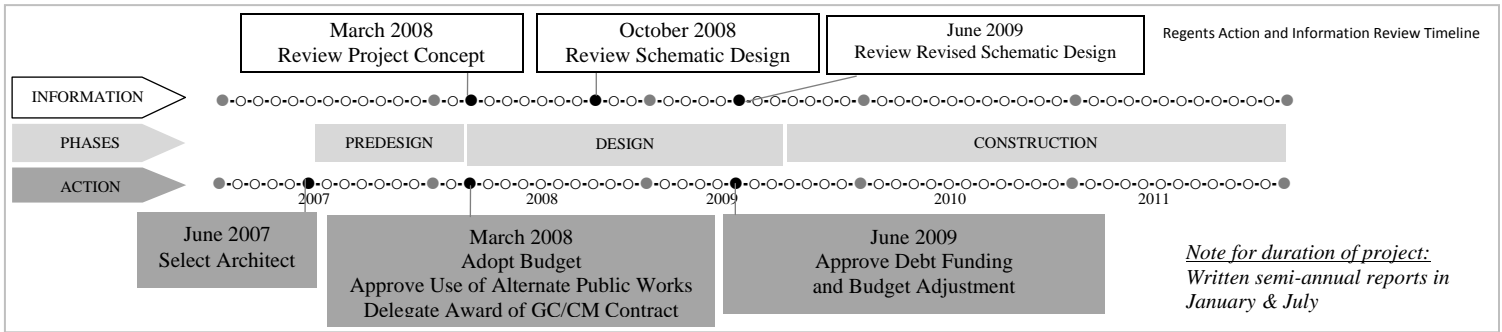
This action has been reviewed and approved by the Senior Vice President for Finance and Facilities and the Vice Provost for Budgeting and Planning.

Attachment

Molecular Engineering Interdisciplinary Academic Building – Approve Debt Funding and Budget Adjustment item from June 2009 Board of Regents meeting (minus attachments)

Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Debt Funding and Budget Adjustment

Approved by the Board of Regents on June 11, 2009, Item F-9



RECOMMENDED ACTION:

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

- 1) Revision of the project budget and scope for the Molecular Engineering Building from a \$78,500,000, 77,000 gross square foot (GSF) three-story building to a newly recommended 89,300 GSF four-story building. The revised budget for design and construction is \$77,723,000, and the total project budget is \$78,500,000; and
- 2) The use of the Internal Lending Program to fund up to \$74,000,000 for design, construction, and equipment.

PROJECT DESCRIPTION:

The Molecular Engineering Interdisciplinary Academic Building (MEIAB) will accommodate growth anticipated in this emerging field. This project will be divided into a Research Lab portion and an Ultra-Sensitive Ground Contact Lab portion, each with support space. Phase 1 is recommended to be modified to add a fourth floor of shell and core space resulting in the same 49,000 GSF of finished space, with a new total of 40,300 GSF of shell space for a building total of 89,300 GSF. To the extent that project savings from the established budget are available, these funds may be used to build out additional finished space. Approximately 12,900 GSF of ground contact laboratory shell space is in the base scope, and the tenant improvement of this space is being designed to be fully built out as an alternate. This alternate is being designed to enable the University to potentially benefit from either a favorable construction market, or in anticipation of receipt of grant funding from the National Institute of Standards and Technology.

Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Debt Funding and Budget Adjustment (continued p. 2)

Approved by the Board of Regents on June 11, 2009, Item F-9

A second phase remains to be anticipated resulting in a total for both phases 1 and 2 of approximately 160,000 gross square feet. The Phase 1 scope also includes the relocation of Cunningham Hall to a site west of Parrington Hall, and the demolition of the existing Johnson Hall Annex. The revised exterior elevation rendering of a 4-floor Phase 1 and a 4-floor Phase 2 is shown in attachment 4. The currently approved scope shown in the October 2008 Regents meeting for the same elevation is shown in attachment 5.

The project will be located on the Johnson Hall Annex site referenced in the Campus Master plan as the 25C site.

PREVIOUS ACTION:

The project was first presented to the Board of Regents in June 2007 and the President was delegated authority to award design contracts to Zimmer Gunsul Frasca (ZGF) Architects. At the March 2008 meeting, the Project Presentation was made to the Finance, Audit and Facilities Committee; the project budget was established at \$78,500,000; the use of alternative public works utilizing the General Contractor/Construction Manager (GC/CM) method of contracting was approved; and the President was delegated authority to award construction contracts, subject to no significant change in scope, the forecast cost being within 10% of the budget and funding being in place. The pre-construction contract was awarded to Hoffman Construction on August 7, 2008. The Schematic Design was presented at the October, 2008 meeting.

SCOPE OF THE PROJECT:

The facility will be home for the Institute for Molecular Engineering and Sciences and will provide administrative support for this new group. These administrative spaces, along with the faculty and staff offices, student workstations, and conference/seminar spaces, will support the laboratory functions which make up approximately 80% of the programmed area of the facility.

The research laboratories provide space for three distinct program directions: new faculty; new initiatives; and shared instrumentation laboratories. These spaces will support faculty research in the areas of bio-chemistry, micro-biology, chemistry and other related fields. The laboratories will be used by faculty and graduate students for collaborative and individual research and are located immediately adjacent to office zones to facilitate interaction and collaboration. The instrumentation laboratory spaces are ground contact open labs to house the vibration-sensitive, specialty equipment that is envisioned as a shared resource for both the building and the University.

The building is being designed to be certified at LEED Silver level consistent with RCW 39.35D.

Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Debt Funding and Budget Adjustment (continued p. 3)

Approved by the Board of Regents on June 11, 2009, Item F-9

FINANCING PLAN:

The sources and uses of funds for the project are below:

Sources of Funds

Internal Lending Program	73,500,000
State Capital Appropriations	<u>5,000,000</u>
Total Sources of Funds	78,500,000

Uses of Funds

Design Costs	8,397,000
Construction Costs	62,835,000
Equipment / Other	<u>6,491,000</u>
Total Design and Construction	77,723,000
Cost of Issuance	<u>777,000</u>
Total Uses of Funds	78,500,000

The debt service on the ILP loan will be repaid from two sources: UW building account revenues and indirect cost revenue.

Revenue from the Building Fee and trust lands will service \$53.5M of the project cost or about \$3.7M per year. This revenue has averaged \$9.5M annually over the last three years. It is expected to grow to nearly \$14M by 2012. Building fees and trust land revenue are deposited in the Bond Retirement Account, a non-appropriated fund on deposit with the State Treasurer. By statute, there is a minimum balance requirement in this fund equal to three years of debt service. Remaining balances after debt service and minimum balance requirements are transferred to the Building Account for capital expenditures as needed.

Indirect Cost Recovery (ICR) revenue will service up to \$20M on the project cost or \$1.4M per year. The Molecular Engineering Building will allow the College of Engineering to house new faculty and increase research for existing faculty; Engineering projects that these new research grants will increase indirect cost recovery by approximately \$1.4 million annually.

The Treasury Office has reviewed indirect cost projections with the Office of the Provost and believes that incremental and existing ICR will be sufficient to pay the debt.

Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Debt Funding and Budget Adjustment (continued p. 4)

Approved by the Board of Regents on June 11, 2009, Item F-9

SCHEDULE:

Architect Selection	June 2007
Pre-design	July 2007 to December 2007
Design	April 2008 to December 2009
Award Pre-Construction Contract	August 2008
Construction	August 2009 to October 2011
Occupancy and Use	January 2012

CURRENT PROJECT STATUS:

Rather than funding the project, the State's capital budget for the 2009-11 biennium included an authorization allowing the University to issue bonds to pay for the construction of the Phase 1 building. The amount authorized was approximately \$4 million less than what was requested, and this shortfall would be restored by the recommended financing plan.

The 20% Construction Document design submittal and cost estimate have been prepared by ZGF Architects, and their estimate reconciled with that prepared by Hoffman Construction. The cost estimate is approximately 8% under the currently approved project's construction budget of \$51,841,188. Depending on the results of the bidding, it is possible that additional savings may be achievable within the newly requested project scope. The College of Engineering also intends to seek grant funding of \$10.4 million to supplement a \$3 million match by the University, and these funds would be targeted to pay buildout shell space created by this budget, and the buildout of the ground-contact instrumentation laboratories. In the event that grant funding is received and the base scope of the project is achieved for less than the budgeted amount, any savings will be used for further build-out of shelled space rather than a reduction in borrowing. In that event, the project budget and scope would exceed this request by 10% and would be brought to the Board of Regents for approval before proceeding.

An early work package, including the relocation of Cunningham Hall, demolition of Johnson Hall Annex, shoring, mass excavation, and certain utilities, is ready to be issued for bids promptly upon approval of the use of the ILP recommended above. The remainder of the project will be bid in August, 2009.

SIGNIFICANT RISKS OR OPPORTUNITIES:

This is an opportunity to provide a signature building expressive of the University's research capabilities at one of the major campus entries.

The weakened construction market provides the potential to realize additional shell space at a favorable cost.

Molecular Engineering Interdisciplinary Academic Building (MEIAB) – Approve Debt Funding and Budget Adjustment (continued p. 5)

Approved by the Board of Regents on June 11, 2009, Item F-9

NIST grant funding is a significant opportunity to realize additional finished space.

REVIEW AND APPROVALS

This recommendation has been reviewed and approved by the Senior Vice President and the Vice Provost for Budgeting and Planning.

Attachments:

1. Project Budget
2. Indirect Cost Recovery Summary, 2008 - 2017
3. UW Bond Retirement Account Summary, 2006 - 2015
4. Phase 1 and Phase 2 Schematic Design rendering
5. Phase 1 and Phase 2 Current rendering

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Internal Lending Program Update

INFORMATION:

The material presented here offers background information on the Internal Lending Program Report that will be presented to the Board of Regents at the March 2010 meeting. The information in this backgrounder is intended to supplement the presentation to the Board.

Attachment

Internal Lending Program Backgrounder

Internal Lending Program Update (March 2010)

Backgrounder

- **Internal Lending Program.** The Internal Lending Program (ILP) was adopted in mid-2008 after receiving new legislative authority to issue local debt for any university purpose. The ILP makes internal loans to campus borrowers and manages repayment in accordance with financing agreements between the campus borrower and the institution. The University bundles those internal loans and borrows externally to secure the funds for those loans.
- **Reporting.** The Treasury Office reports annually to the Board on ILP activities over the prior year, including an overview of the University's external debt portfolio, the status of internal loans, and institutional debt capacity.
- **Annual Bond Resolution.** The annual bond resolution, which authorizes both the issuance of new debt during the upcoming year and the refunding of existing bonds, is presented to the Board for approval each July. The annual bond resolution is limited in the amount of debt that is expected to be issued over the next 12 months.
- **Accomplishments.** After an exceptionally difficult FY2009, access to the municipal credit markets eased with the introduction of the federal government's Build America Bonds Program. In November 2009, the University issued a second round of Build America Bonds for an historic low rate of 3.6% on a \$78 million issue.

The University continued to take advantage of low interest rates on the short end of the yield curve through commercial paper borrowing, with rates averaging well under 1.0 percent. The self-liquidity platform approved by the Board in July 2009 earned the University the highest self-liquidity rating issued by the national credit rating agencies.

- **Loans and borrowings.** In July 2009, the Board authorized \$150 million in internal loans to fund the Student Life renovation projects.
- **Rate stabilization.** The ILP offers a uniform internal lending rate to all campus borrowers. The internal lending rate includes a reserve component for rate stabilization that will be used to subsidize the internal lending rate if increases in external borrowing rates put upward pressure on the internal rate.

The rate stabilization reserve has to be large enough to offset substantial increases in external borrowing rates – otherwise, the internal lending rate will have to be raised in order to preserve the solvency of the ILP. Because the ILP is relatively new, the rate stabilization account cannot currently offset any meaningful volatility in external borrowing rates. As of December 2009, the rate stabilization account was approximately \$1.2 million.

However, based on projected external borrowing over the next 16 months, the Treasury Office does not foresee the need to raise the internal rate at this time.

- Debt structure. The University's external debt portfolio is comprised primarily of amortizing fixed-rate debt issues. Three recent debt issues were non-amortizing ("bullet maturity") fixed-rate issues, which adds structural diversity to the debt portfolio at a relatively low cost. Given the ILP's internal payment structure, non-amortizing debt also enhances income cash flow, which has a positive effect on the accumulation of the rate stabilization reserve.
- Credit rating and debt capacity. The Treasury Office continues to work closely with Moody's and Standard & Poor to maintain the University's Aa1 / AA+ credit ratings (one notch below the highest AAA rating). Among the 209 public universities and colleges ranked by Moody's in FY2008, the University of Washington was among the top 9 in credit rating, with only 3 public universities at the higher AAA level (Michigan, Virginia, and the University of Texas system).

The University's credit rating is a function of the amount of the institution's debt outstanding compared against its financial resources. The University is currently projected to have about \$2.1 billion of debt outstanding in 2018. Based on the current forecast of University financial resources in 2018 and Moody's FY2008 medians for public universities, the University would probably maintain its credit rating within the Aa category with the currently projected debt levels in 2018. It is important to keep in mind that ratio analysis is just one component of the UW's credit rating. Other components include market position, pricing power, and revenue diversification.

- Forward calendar. The Treasury Office expects to issue a long-term bond of up to \$ 150 million later this calendar year to fund cash flows for previously approved projects. The final amount and timing of this bond will depend on market conditions and actual cash flows. In addition, UW may issue Building Fee Revenue Bonds to fund campus projects and lease-backed bonds may be issued through a non-profit entity to fund the first phase of South Lake Union 3.

UNIVERSITY OF WASHINGTON

DEBT MANAGEMENT ANNUAL REPORT



BOARD OF REGENTS
FINANCE, AUDIT AND FACILITIES COMMITTEE
MARCH 18, 2010

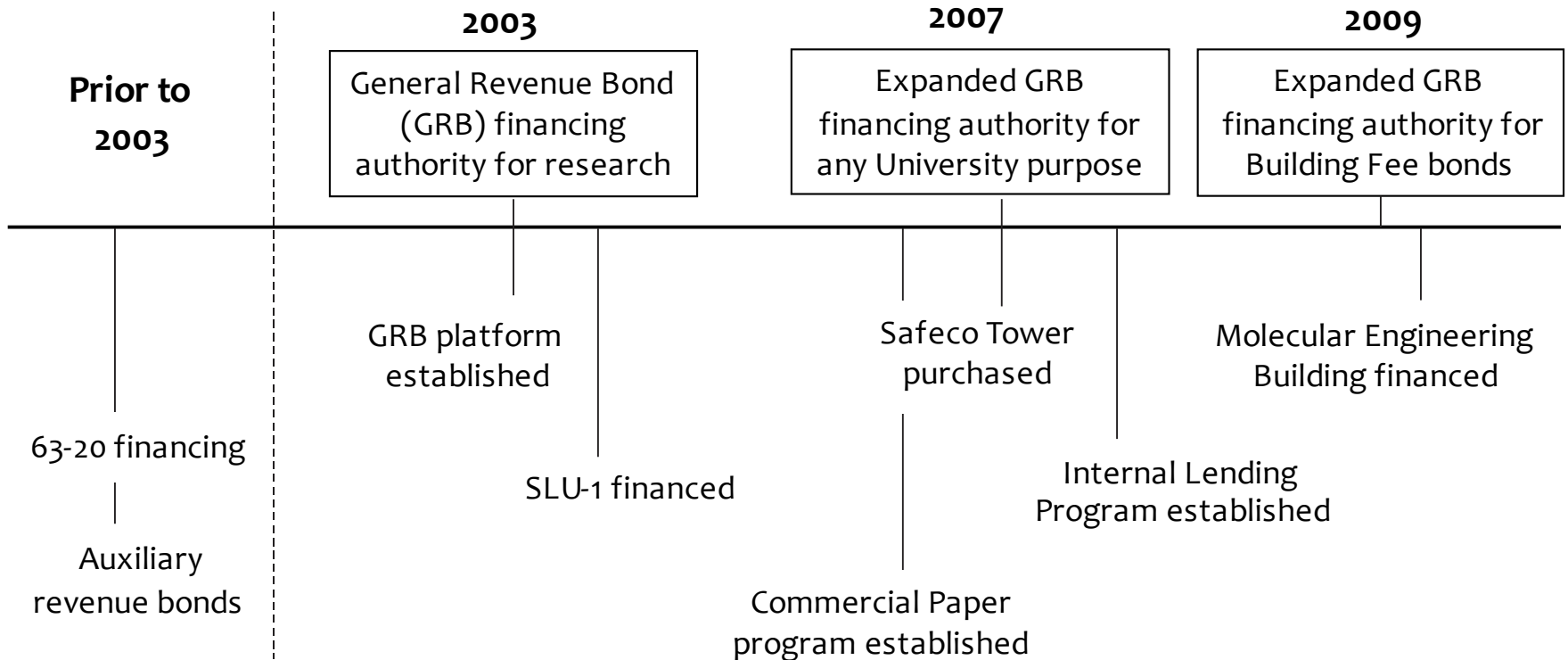
DISCUSSION OUTLINE

Debt Management Outlook	3
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DEBT MANAGEMENT OUTLOOK

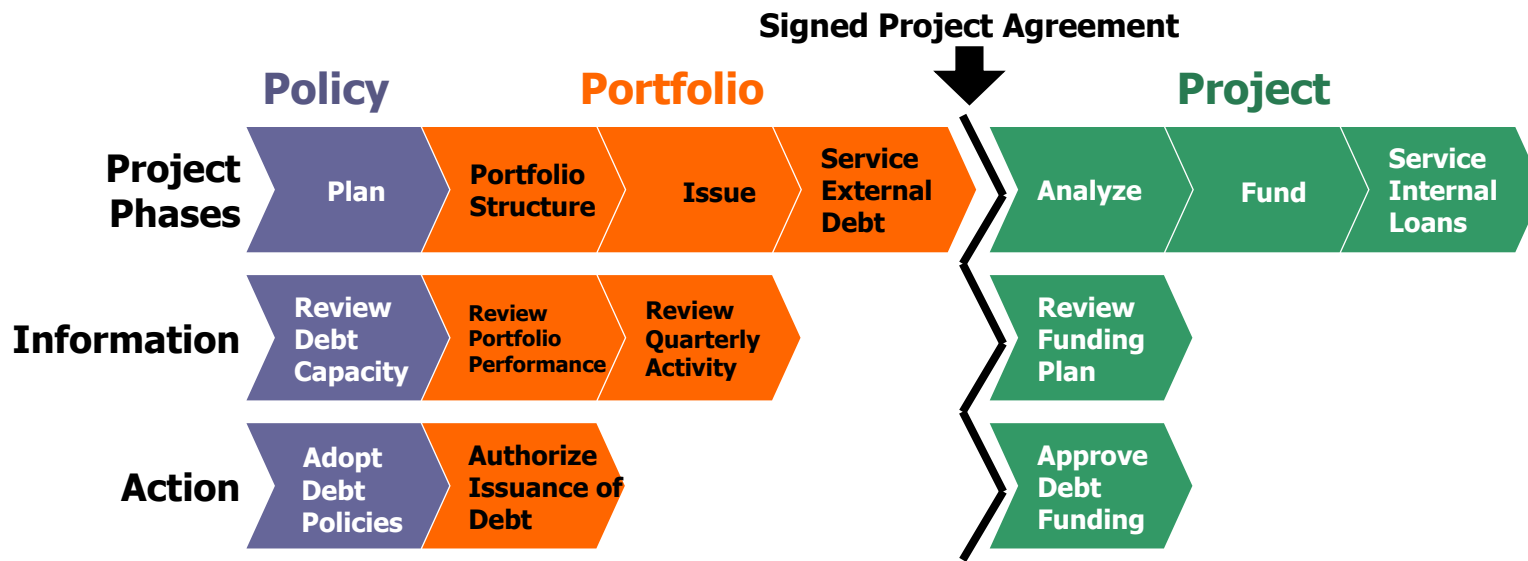
- The University has an aggressive borrowing plan – about \$2 billion through 2022. At the same time, State funding is declining, growth in federal research dollars is uncertain, and overall revenues are slowing, thus making prioritization of capital projects critical.
- Credit markets have strengthened dramatically since September 2008. Bolstered by the Build America Bond program, Aa1/AA+ rated institutions like the University can currently issue long term debt at historic lows. Looking forward, the cost of debt is very likely to be higher given the massive federal deficit.
- Notwithstanding the potential impact of the federal deficit on interest rates, the high level of forecasted borrowing will put additional pressure on the University's credit rating, challenging the University's long term ability to maintain the 5.5% internal lending rate.

UW GENERAL REVENUE BOND (GRB) AUTHORITY

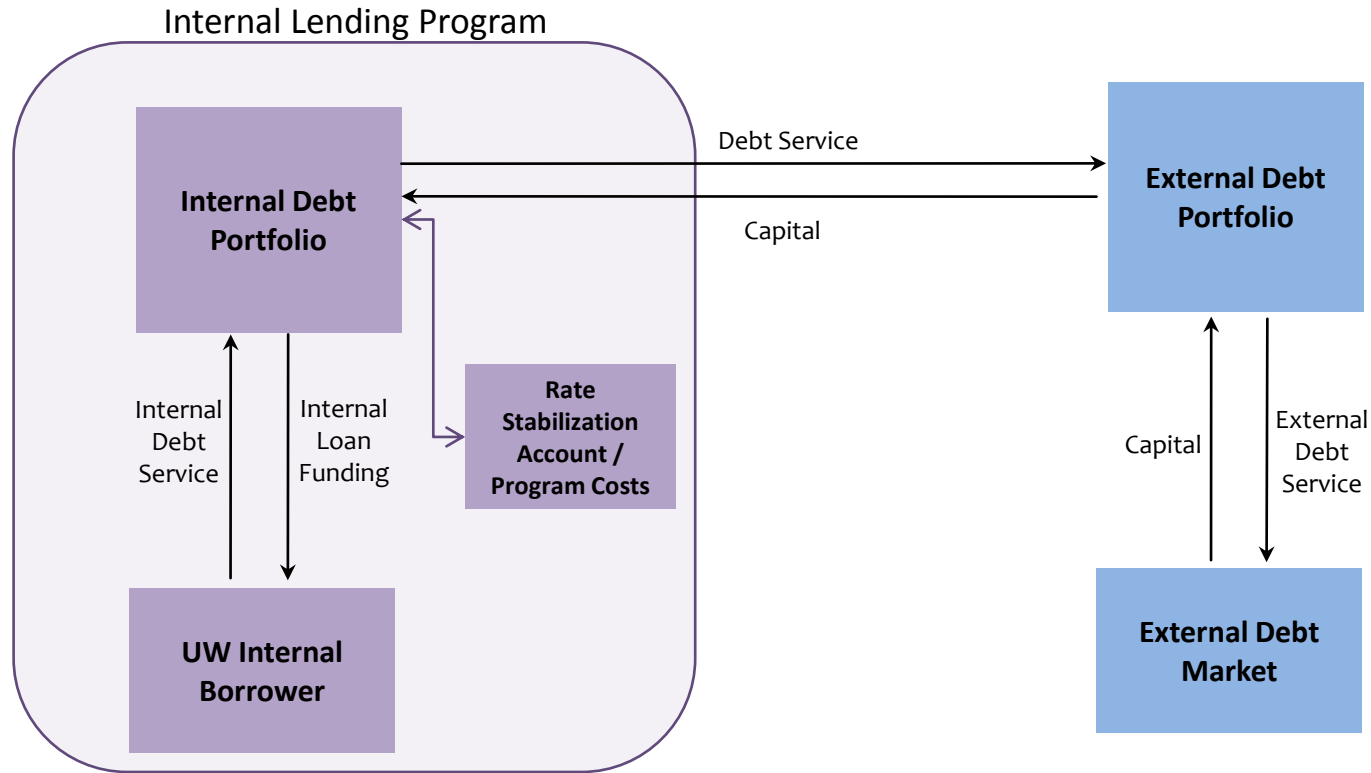


REGENT ROLES

- Adopt debt management policy
- Establish University credit standards (“A” category rating or better)
- Oversee debt outstanding, credit ratings, and compliance with bond covenants and IRS regulations
- Adopt bond resolutions to allow for issuance of external debt
- Approve use of Internal Lending Program to fund capital projects



MISSION & STRUCTURE



- Ensure quality underwriting and monitor new and outstanding obligations.
- Fund rate stabilization account to minimize increases in the internal lending rate.

- Maintain cost effective access to the debt markets.
- Seek opportunities to reduce long term institutional borrowing costs.

ACCOMPLISHMENTS

Maintain Cost Effective Access to the Debt Markets

- Reaffirmed overall Aa1/AA+ credit rating, including site visit with head of Moody's Higher Education practice.

Ensure Quality Underwriting and Monitoring of New and Outstanding Obligations

- Completed uniform audits for Intercollegiate Athletics, Housing and Food Services, Parking, Student Life, and the Internal Lending Program.
- Completed credit assessments for Northwest Hospital, South Lake Union and Student Life.

Seek Opportunities to Reduce Long Term Institutional Borrowing Costs

- Issued \$78M in Build America Bonds in November 2009 at 3.6%, reducing overall cost of ILP debt by 30 basis points – first issuer in State of Washington.

Minimize Likelihood of Internal Lending Rate Increase

- Structured fixed rate bullet maturities to reduce portfolio risk, minimize cash outflow and improve interest earning to support rate stabilization account.

Improve Communications and Operations

- Collaborated with Capital Resources Planning Office to develop One Capital Plan process.

GOALS

Maintain Cost Effective Access to the Debt Markets

- Maintain AA1/AA+ institutional credit rating
- Refine institutional debt capacity model

Ensure Quality Underwriting and Monitoring of New and Outstanding Obligations

- Develop materiality standards for assessing borrowers' risk
- Perform annual review of ILP loans for compliance with financing agreements

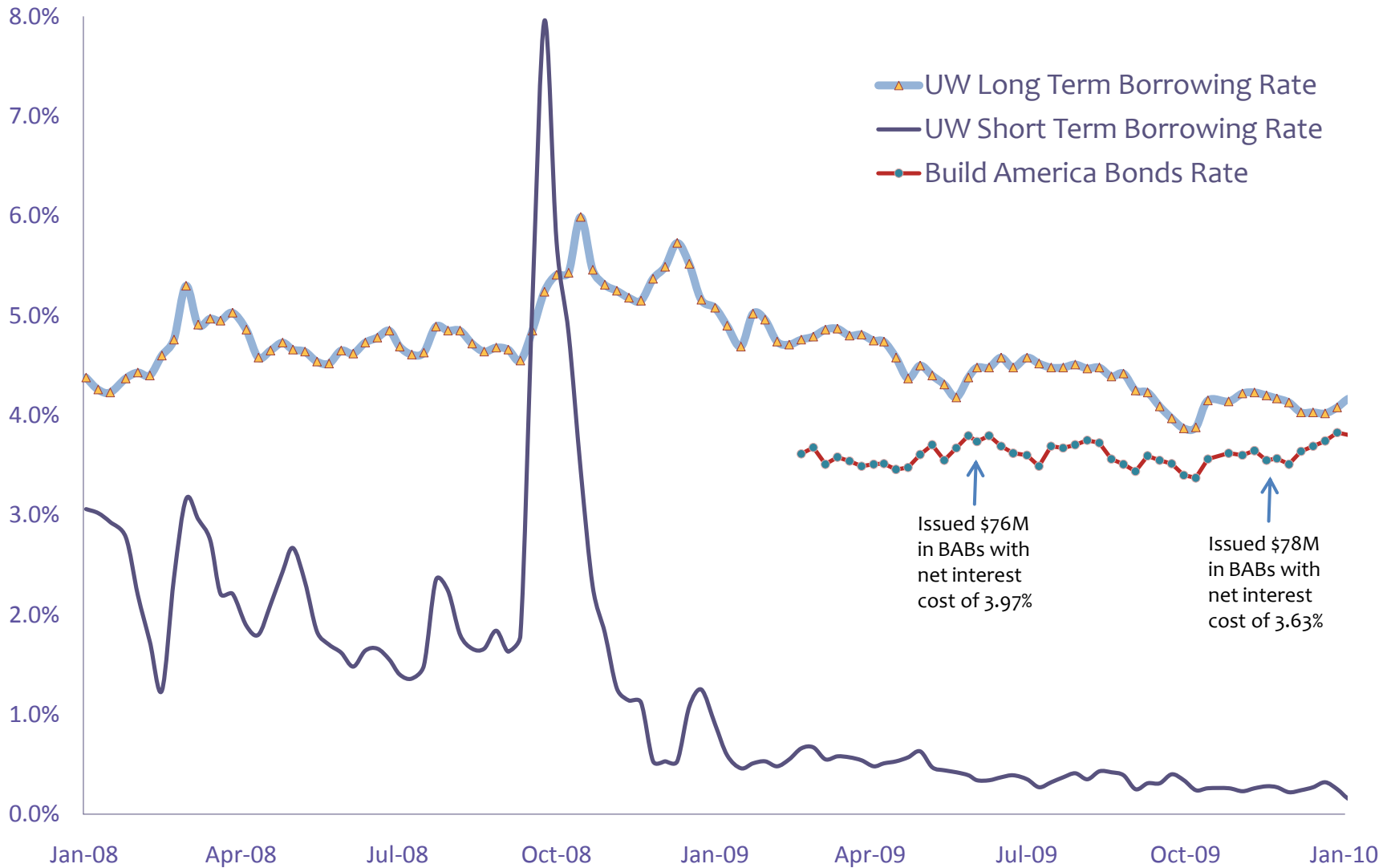
Seek Opportunities to Reduce Long Term Institutional Borrowing Costs

- Issue Build America Bonds (BABs) when lower cost than tax-exempt municipal bonds
- Take advantage of bond refunding opportunities if BABs program allows after 2010

Minimize Likelihood of Internal Lending Rate Increase

- Increase ILP rate stabilization fund

TAKING ADVANTAGE OF HISTORIC LOW RATES



Source: Seattle Northwest Securities

ILP FINANCIAL STATEMENTS – JUNE 30, 2009

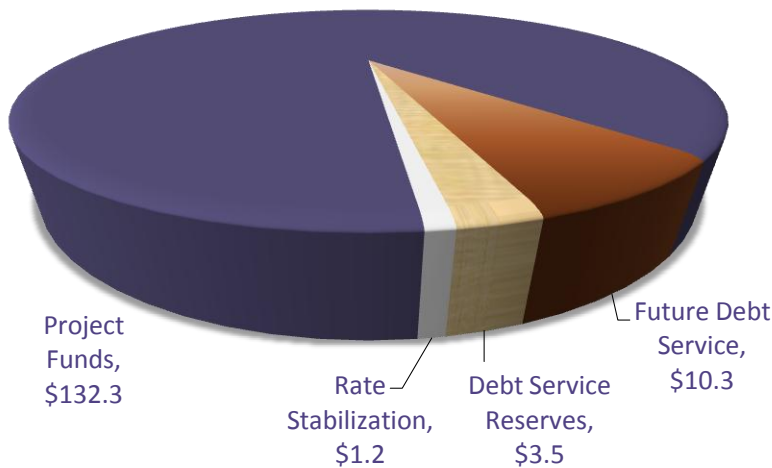
Income Statement <i>(dollars in millions)</i>	
Operating revenues	\$30.5
Operating expenses	27.9
Operating income	<u>2.6</u>
Non-operating revenue	<u>.2</u>
Change in net assets	<u>\$2.8</u>
Net assets at beginning of year	\$0
Net assets at end of year	\$2.8

Balance Sheet <i>(dollars in millions)</i>	
Assets	
Cash & short-term investments	\$84.4
Current receivables	31.9
Current assets	<u>116.3</u>
Noncurrent receivables	553.0
Long-term investments	3.4
Total assets	<u>\$672.7</u>
Liabilities & Net assets (equity)	
Current liabilities	\$66.3
Noncurrent liabilities	603.6
Total liabilities	<u>669.9</u>
Net assets	<u>2.8</u>
Total liabilities & net assets	<u>\$672.7</u>

Source: FY09 ILP audited financials

CASH POSITION AS OF DECEMBER 2009

Ending Balance \$147.3M



ILP Issued Debt Proceeds

Beginning Balance Jul-09	\$87.8
Internal Debt Service	\$28.0
External Debt Service	(\$23.5)
Net Debt Proceeds	\$33.2
Expenses	(\$0.1)
Ending Balance Dec-09	\$125.4

Legacy Debt Proceeds

Beginning Balance Jul-09	\$32.6
Net Debt Proceeds	(\$10.7)
Ending Balance Dec-09	\$21.9

EXTERNAL DEBT PORTFOLIO

Type of Debt	Issued FY10	Total Outstanding	Weighted Average Rate	Weighted Average Maturity (yrs)
Commercial Paper	\$0	\$30	0.2%	0.02
Variable Rate	0	0	n/a	n/a
Fixed Rate	78	687	4.3%	16.1
ILP Total	78	717	4.3%	16.1
Non-ILP Debt	0	369	5.1%	12.9
Total	\$78	\$1,086	4.6%	15.0

(Dollars in Millions)

Source: December 2009 ILP Quarterly

INTERNAL RATE ASSESSMENT

The ILP rate will remain at 5.5% for the next 12 months

- External rates are lower than the ILP rate
- Recent \$78M issuance locked in an all-in net rate of 3.63%
- Between July – December 2009 the ILP added \$300K to rate stabilization account (RSA)
 - Based on current cash flows and recent borrowing cost, the RSA will have \$1.8 M by the end of FY 2010.
 - The relatively small size of the RSA means that it cannot withstand much rate volatility.

INTERNAL BORROWER PROFILE

Borrower	Current ILP Outstanding	Additional Approved	Non-ILP Debt	Total	Potential Exposure
Central	\$289	\$99	\$84	\$472	Additional budget cuts, decline in ICR reimbursements, and limited additional fund sources for capital.
School of Medicine	97	0	181	278	Decline in external support payments & ICR reimbursements.
UWMC	98	131	17	246	Decline in patient revenues and state support.
Student Life	44	150	0	194	Student fee revenue less than forecast.
Housing & Food Services	71	161	87	319	Large capital plan reliant on growing freshman class size & market sensitivity to rate increases.
Intercollegiate Athletics	5	0	0	5	Large capital plan with limited incremental revenue. Minimal exposure on current outstanding debt.
Parking	18	0	0	18	Market sensitivity to rate increases.
School of Business	0	30	0	30	Gift revenue less than forecast, lower enrollment levels in E-MBA program.
School of Dentistry	0	12	0	12	Patient revenue less than forecast.
Totals	\$622	\$583	\$369	\$1,574	

(Dollars in Millions)

EXTERNAL BORROWING (BASED ON JUST-IN-TIME FUNDING)

Approved Project Name	Estimated 2010-11 Construction Draws (next 16 months)
UWMC Expansion, Phase 1	\$109.6
Molecular Engineering	62.9
AAALAC	5.7
PACCAR Business School	30.1
Housing	70.1
Pediatric Dentistry	9.3
Student Life Projects	41.9
J-Wing (Microbiology)	12.4
Alumni Association Tenant Improvements	.9
Less: 2009A & 2009B General Revenue Bond Proceeds	(95.0)
Total	\$247.9

(Dollars in Millions)

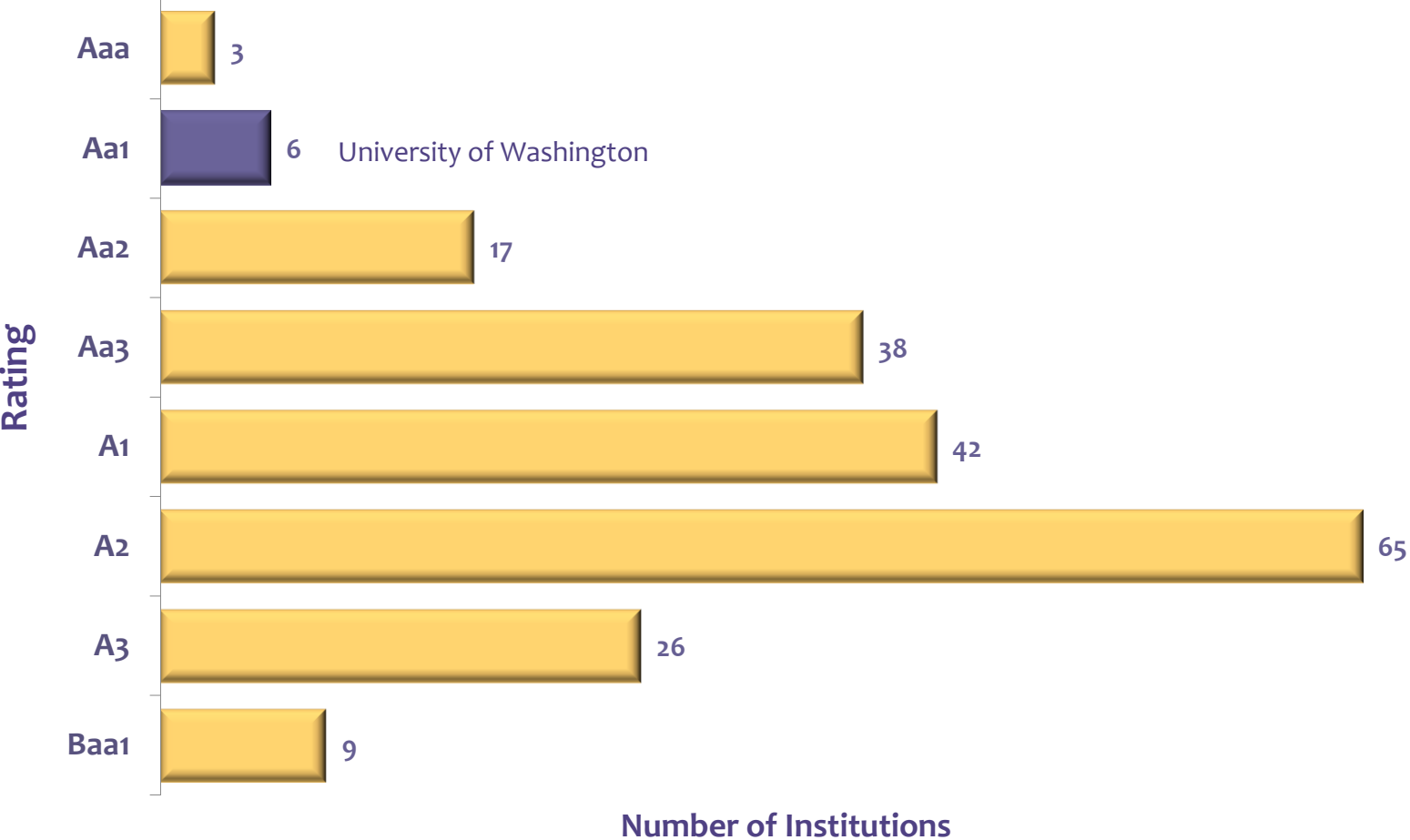
FUTURE PROJECTS (IDENTIFIED, NOT YET APPROVED)

Future Project Name	Estimated Borrowing Amount through 2022
Student Housing, Phases 2-4	\$716
South Lake Union 3, Phases 1-3	433
UWMC Building Expansion, Phase 2	70
ICA Stadium Renovation	90
Enterprise Information System	100
School of Business, Phase 2 – Balmer Hall	43
AAALAC, Phase 2	50
Sand Point Building 5	22
Rainier Vista Parking Garage Improvements	25
UW Seattle Structured Parking	12
Daycare Expansion	5
Total	\$1,566

(Dollars in Millions)

Source: "One Capital Plan", 11/09

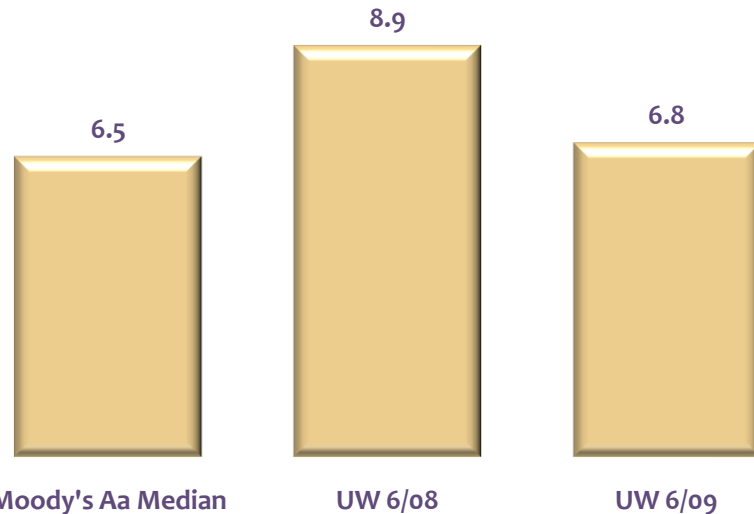
THE UNIVERSITY'S CREDIT RATING



Source: Moody's Public University Rating Distribution July 2009

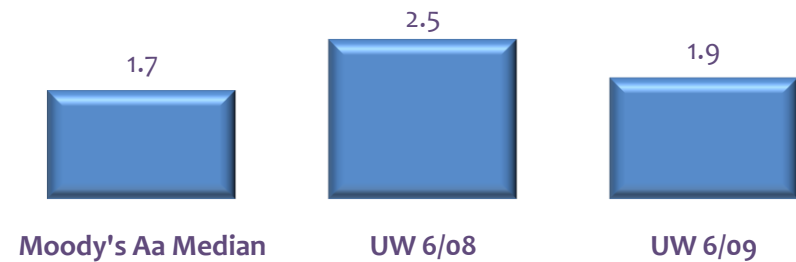
KEY FINANCIAL RATIO COMPARISON

Expendable Financial Resources to Operations



UW has nearly 7 months of expendable resources on hand to fund operations.

Expendable Resources to Direct Debt

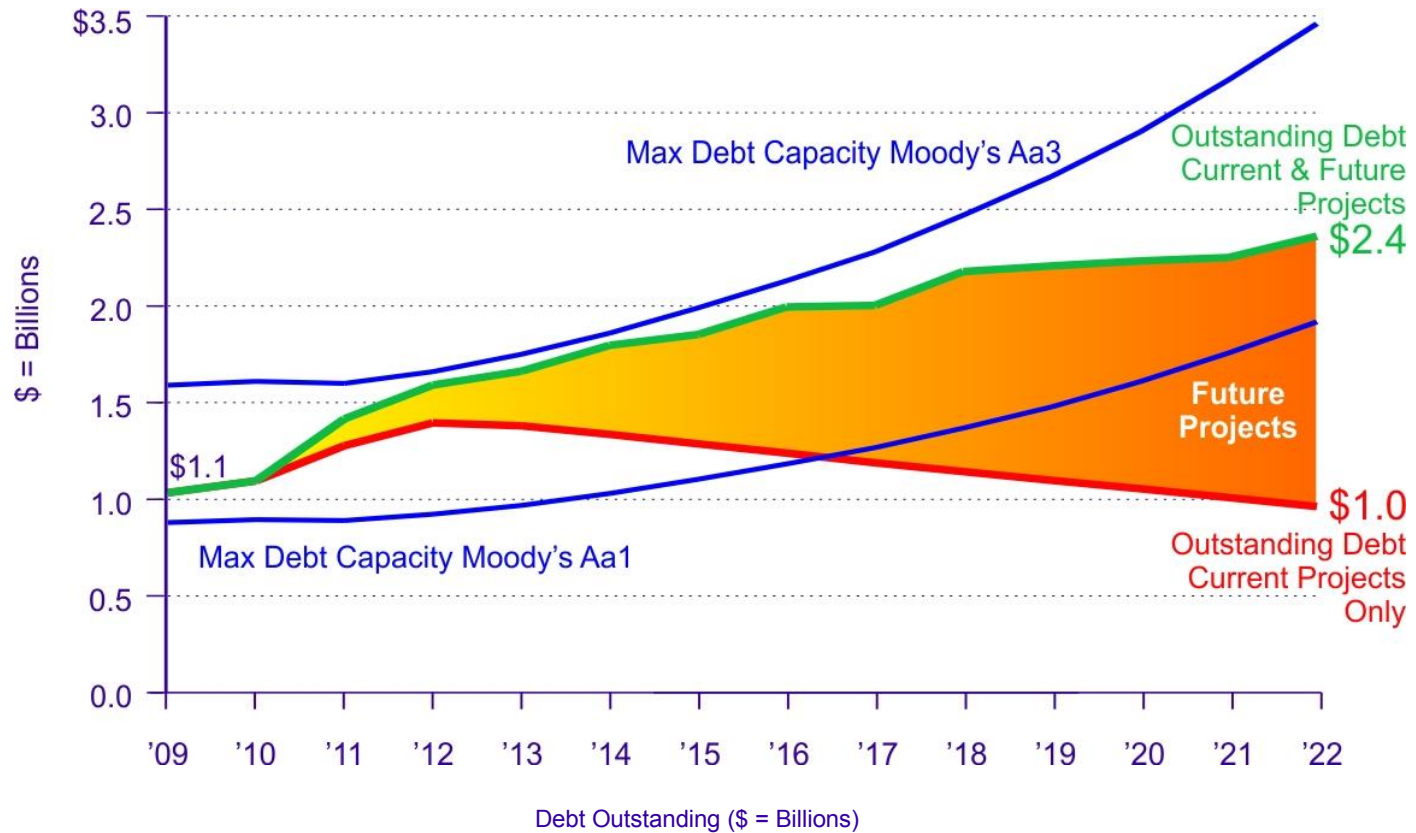


UW 's debt ratio is above the median.

PUBLIC COLLEGE AND UNIVERSITY SECTOR OUTLOOK:

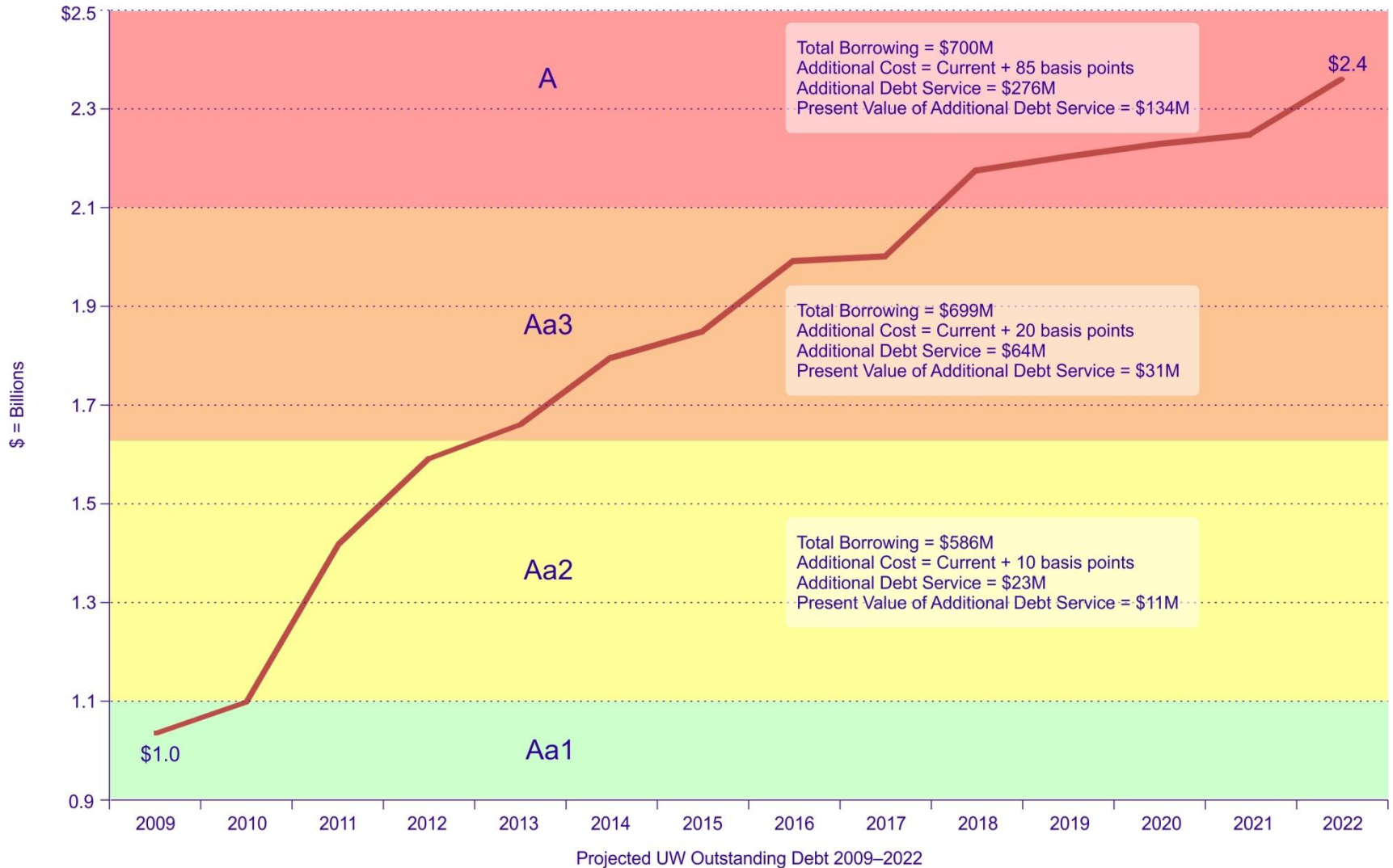
- Moody's negative outlook for public and private colleges and universities continues, but the immediate pressure is easing due to improved financial markets.
- Most public institutions are expected to retain strong credit characteristics due to high student demand, but state support remains under pressure from declining tax revenues.

UW DEBT CAPACITY



	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Education	\$0.23	\$0.24	\$0.26	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.29	\$0.30	\$0.30
Research	0.36	0.51	0.50	0.48	0.51	0.50	0.61	0.58	0.70	0.68	0.66	0.64	0.61
Service	0.51	0.67	0.83	0.90	1.01	1.07	1.10	1.14	1.20	1.25	1.28	1.31	1.45
Total	\$1.10	\$1.41	\$1.59	\$1.66	\$1.80	\$1.85	\$2.00	\$2.00	\$2.18	\$2.21	\$2.23	\$2.25	\$2.36

ESTIMATED ADDITIONAL COST OF DEBT



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

DEBT MANAGEMENT OUTLOOK

- The University has an aggressive borrowing plan – about \$2 billion through 2022. At the same time, State funding is declining, growth in federal research dollars is uncertain, and overall revenues are slowing, thus making prioritization of capital projects critical.
- Credit markets have strengthened dramatically since September 2008. Bolstered by the Build America Bond program, Aa1/AA+ rated institutions like the University can currently issue long term debt at historic lows. Looking forward, the cost of debt is very likely to be higher given the massive federal deficit.
- Notwithstanding the potential impact of the federal deficit on interest rates, the high level of forecasted borrowing will put additional pressure on the University's credit rating, challenging the University's long term ability to maintain the 5.5% internal lending rate.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Benchmarking University Advancement Performance

For information only.

Attachment

Benchmarking University Advancement Performance



BENCHMARKING UNIVERSITY ADVANCEMENT PERFORMANCE

Benchmarking Data based on VSE stats (2009 survey results released on February 2, 2010) and peer lists including Global Universities, HECB Peers, Public Research/Doctoral Universities, and Public and Private Research/Doctoral Universities.

Report Prepared by: University Advancement

Global Universities - FY2009
Ranked by 5-Year Contribution Average

Rank	University	Grand Total 5-Year Average	Alumni Participation	Alumni of Record
1	University of California, Los Angeles	\$356,756,519	8.6%	367,042
2	University of Washington	\$303,135,085	15.8%	315,682
3	University of Virginia	\$240,798,461	18.0%	185,335
4	Univ of California, San Diego	\$135,662,967	4.4%	122,338
5	University of Colorado Foundation	\$120,049,790	5.8%	332,224
6	University of California, Davis	\$93,807,552	7.6%	166,091
7	Rutgers	\$93,523,361	8.3%	345,132
8	University of Maryland College Park	\$93,387,470	7.7%	274,735
9	University of California, Irvine	\$76,926,546	3.8%	112,509
10	University of Connecticut Foundation	\$45,054,295	9.5%	202,366
11	University of Massachusetts, Amherst	\$26,165,629	11.0%	200,818

Source:

The Council for Advancement and Support of Education's VSE Survey / VSE Data Miner.

http://www.cae.org/content/pro_data_trends.htm

(accessed February 3, 2010)

HECB Peer Institutions - FY2009
Ranked by 5-Year Contribution Average

Rank	University	Grand Total 5-Year Average	Alumni Participation	Alumni of Record
1	Cornell University	\$434,709,728	23.4%	226,074
2	University of Wisconsin-Madison	\$402,970,049	11.7%	388,694
3	University of California, Los Angeles	\$356,756,519	8.6%	367,042
4	University of Washington	\$303,135,085	15.8%	315,682
5	University of Minnesota	\$284,319,310	9.3%	497,969
6	University of Michigan	\$284,275,737	12.4%	471,213
7	University of North Carolina at Chapel Hill	\$249,601,663	19.5%	255,473
8	University of Virginia	\$240,798,461	18.0%	185,335
9	Ohio State University	\$225,200,890	14.6%	435,475
10	University of Florida	\$181,535,524	14.7%	320,902
11	Texas A&M University	\$174,622,248	11.6%	332,136
12	Michigan State University	\$143,147,477	13.4%	426,907
13	University of Arizona	\$137,526,505	4.9%	255,333
14	University of California, San Diego	\$135,662,967	4.4%	122,338
15	University of Pittsburgh	\$114,236,593	11.0%	267,551
16	University of Iowa	\$112,457,700	12.1%	258,390
17	University of Missouri-Columbia	\$95,509,482	16.6%	202,468
18	University of California, Davis	\$93,807,552	7.6%	166,091
19	University of Cincinnati	\$91,471,094	8.1%	222,073
20	University of California, Irvine	\$76,926,546	3.8%	112,509
21	University of Kentucky	\$62,714,407	12.1%	174,458
22	University of New Mexico	\$54,073,084	4.9%	150,806
23	University of Hawaii Foundation	\$42,068,613	5.7%	234,963

Source:

The Council for Advancement and Support of Education's VSE Survey / VSE Data Miner.

http://www.cae.org/content/pro_data_trends.htm

(accessed February 3, 2010)

Public Research/Doctoral Universities - FY2009
Ranked by 5-Year Contribution Average

Rank	University	Grand Total 5-Year Average	Alumni Participation	Alumni of Record
1	University of Wisconsin-Madison	\$402,970,049	11.7%	388,694
2	University of California, Los Angeles	\$356,756,519	8.6%	367,042
3	University of Washington	\$303,135,085	15.8%	315,682
4	Indiana University	\$299,165,889	11.7%	433,235
5	University of Minnesota	\$284,319,310	9.3%	497,969
6	University of Michigan	\$284,275,737	12.4%	471,213
7	University of California, Berkeley	\$251,526,586	8.4%	416,449
8	University of North Carolina at Chapel Hill	\$249,601,663	19.5%	255,473
9	University of Virginia	\$240,798,461	18.0%	185,335
10	Ohio State University	\$225,200,890	14.6%	435,475
11	University of Texas at Austin	\$220,642,089	13.1%	454,703
12	Purdue University	\$187,258,981	13.4%	385,869
13	University of Florida	\$181,535,524	14.7%	320,902
14	Texas A&M University	\$174,622,248	11.6%	332,136
15	Pennsylvania State University	\$169,999,087	17.2%	452,087
16	Michigan State University	\$143,147,477	13.4%	426,907
17	University of Oklahoma	\$142,659,637	16.0%	170,634
18	University of Arizona	\$137,526,505	4.9%	255,333
19	Univ of California, San Diego	\$135,662,967	4.4%	122,338
20	University of Nebraska	\$128,793,295	9.9%	284,576

Source:

The Council for Aid to Education's VSE Survey / VSE Data Miner.

http://www.cae.org/content/pro_data_trends.htm

(accessed February 4, 2010)

Public and Private Research/Doctoral Universities - FY2009
Ranked by 5-Year Contribution Average

Rank	University	Grand Total 5-Year Average	Alumni Participation	Alumni of Record
1	Stanford University	\$754,448,813	27.0%	167,623
2	Harvard University	\$648,294,520	19.2%	321,553
3	Cornell University	\$434,709,728	23.4%	226,074
4	University of Pennsylvania	\$425,895,148	24.3%	268,762
5	Columbia University	\$417,335,098	10.4%	338,866
6	Johns Hopkins University	\$407,697,688	19.1%	142,729
7	University of Southern California	\$405,708,252	13.6%	252,114
8	University of Wisconsin-Madison	\$402,970,049	11.7%	388,694
9	Yale University	\$397,379,030	27.8%	141,303
10	University of California, Los Angeles	\$356,756,519	8.6%	367,042
11	Duke University	\$339,614,111	28.1%	140,194
12	New York University	\$309,401,926	7.5%	398,209
13	University of Washington	\$303,135,085	15.8%	315,682
14	Indiana University	\$299,165,889	11.7%	433,235
15	Massachusetts Institute of Technology	\$286,824,044	24.0%	124,078
16	University of Minnesota	\$284,319,310	9.3%	497,969
17	University of Michigan	\$284,275,737	12.4%	471,213
18	University of Chicago	\$254,256,079	21.5%	139,851
19	University of California, Berkeley	\$251,526,586	8.4%	416,449
20	University of North Carolina at Chapel Hill	\$249,601,663	19.5%	255,473

Source:

The Council for Aid to Education's VSE Survey / VSE Data Miner.

http://www.cae.org/content/pro_data_trends.htm

(accessed February 4, 2010)

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities

University of Washington Investment Committee (UWINCO) Update

This will be an oral report for information only.

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities Committee

Metropolitan Tract Quarterly Report for the Quarter Ended December 31, 2009

For information only.

Attachment

Metropolitan Tract Quarterly Report for the Quarter Ended December 31, 2009

Metropolitan Tract Quarterly Report

Q4 as of 12/31/2009

Cash received in 2009 was approx. \$3.2M greater than projected due to modification of the Unico lease to quarterly percentage rent payments instead of a single annual payment after year end.

- The Hotel's revenue was down 20% for the year due to the very soft travel market although it maintained the #1 position in its competitive set and a \$35 rate premium over the competition.
- Office occupancy of the Met Tract was 84%; CBD occupancy was 77% .
- Approx. \$400,000 was paid to UW from Unico for operating savings resulting from energy efficiency projects.
- 2009 capital spending was about 50% of 2008 due to focus on limiting capital projects and fewer TI expenditures.
- 2009 and 2008 cash differential can be attributed to additional Unico quarterly rent payment and a positive contribution from Rainier Tower (\$2.2M in 2009 vs. -\$2.1 in 2008)

Operations & Cash Flow ¹

(Millions \$ - cash flow basis)

	Q4 2009	YTD 2009	Budget 2009	2008	2007	2006
Revenues ²	\$ 4.38	\$ 24.34	\$ 21.24	\$ 16.88	\$ 18.93	\$ 17.77
Operating Expenses ³	\$ (0.72)	\$ (3.77)	\$ (3.77)	\$ (3.58)	\$ (3.96)	\$ (4.41)
Net Operating Income	\$ 3.66	\$ 20.57	\$ 17.47	\$ 13.30	\$ 14.97	\$ 13.36
Non-Operating Expenses (UW RE)	\$ (0.48)	\$ (2.36)	\$ (2.36)	\$ (1.96)	\$ (1.12)	\$ (1.75)
Net Income	\$ 3.18	\$ 18.21	\$ 15.11	\$ 11.34	\$ 13.84	\$ 11.61
Debt Repayment (Borrowing)	\$ (0.04)	\$ (0.33)	\$ (0.33)	\$ (0.65)	\$ 5.53	\$ 4.39
Capital & Tenant Improvements ⁴	\$ (0.03)	\$ (3.76)	\$ (3.76)	\$ (7.14)	\$ (10.91)	\$ (7.97)
Net Cash Flow	\$ 3.12	\$ 14.12	\$ 11.02	\$ 3.55	\$ 8.47	\$ 8.03
Distribution to University	\$ -	\$ (8.00)	\$ (8.00)	\$ (8.00)	\$ (8.00)	\$ (8.00)
Increase/(Decrease) in Cash	\$ 3.12	\$ 6.12	\$ 3.02	\$ (4.45)	\$ 0.47	\$ 0.03

¹ Total cash activity for calendar years shown

² Revenues contain rent from tenant leases plus additional revenue from operating savings payments from Unico, LET receipts from tenants and miscellaneous items.

³ Operating Expenses include LET payments, earthquake insurance, professional fees and Met Tract real estate office management expenses.

⁴ Unico only.

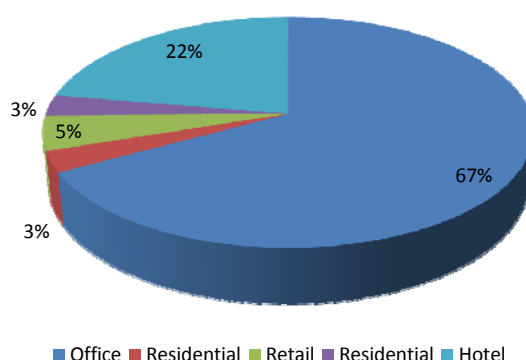
Assets Under Management

2009	Valuation (Millions \$)	2008
\$338.3M	Office Buildings	\$366.0M
\$110.8M	Olympic Hotel	\$111.0M
\$30.5M	Cobb Building	\$29.0M
\$479.6M		\$505.0M

- Internal Valuation as of 12/1/2009
- UW portion of 2009 value is approx. \$342M
- 2009 decrease driven by higher cap rates and lower market rents
- Key assumptions include lease up rates, TI's, exit cap and discount rates

Product Type

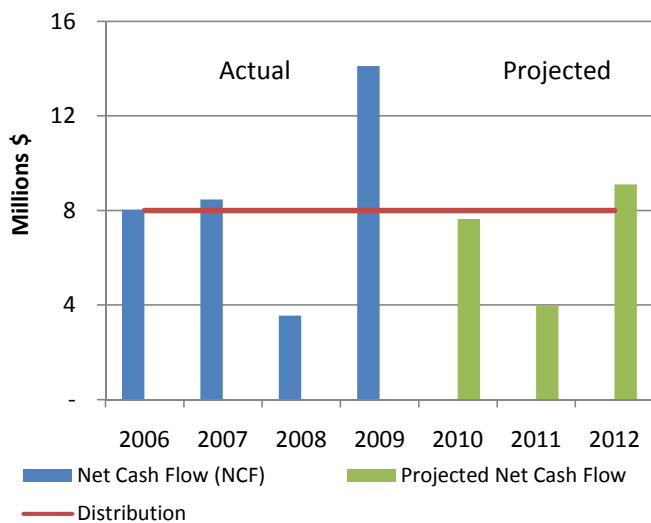
Product Type (by RSF)



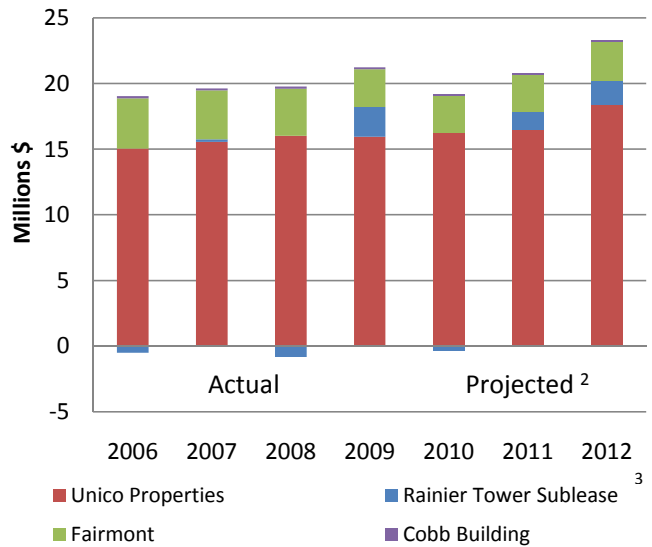
Metropolitan Tract Quarterly Report

Q4 as of 12/31/2009

UW Distribution & Cash Flow



Total UW Rent Earned ¹



- Distribution has consistently been \$8M / year.
- NCF is impacted by capital expenses. Total 2009 capital was \$3.76M. 2011 capital is projected to be \$10.8M driven by leasing and TIs.
- 2009 NCF increased significantly from 2008 due to an accelerated \$3M payment from Unico, lower capital ex and positive contribution from RT Sublease.

¹ Rent earned from each lease only; does not include cash flow items or misc. revenue.

² Based on Argus model of 12/31/10.

³ Represents sublease net revenue including direct op expenses and capital.

Metropolitan Tract Portfolio



Unico Portfolio	
Rainier Tower	569,155 sf
Financial Center	339,527 sf
Puget Sound Plaza	274,885 sf
IBM Building	225,129 sf
Skinner Building	193,672 sf
Total	1,602,368 sf
Retail Space	141,806
Parking Stalls	744
Lease Expiration:	10/31/2014

Cobb Building	
Residential Units	91
Retail Space	18,717
Lease Expiration:	3/22/2050
Rainier Tower Sublease	
Sublease Space	379,463
Lease Expiration:	10/31/2017

Fairmont Olympic Hotel	
Luxury Hotel Rooms	450
Office Space	15,500
Retail Space	28,000
Parking Stalls	787
Lease Expiration:	10/1/2040

VII. STANDING COMMITTEES

B. Finance, Audit & Facilities

Advisory Committee on Real Estate (ACRE) Update

This will be an oral report for information only.

VII. STANDING COMMITTEES**A. Academic and Student Affairs Committee**

In Joint Session With

B. Finance, Audit and Facilities Committee**2010–11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments****RECOMMENDED ACTION:**

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents approve the proposed 2010–11 rental and dining rates for the residence halls, single student apartments and family housing, collectively termed the Housing and Dining System, making the proposed rates effective July 1, 2010.

The proposed residence hall room and dining rates for 2010–11 represent a net increase of 5.14 percent (\$342), from \$6,654 in 2009–10 to \$6,996 in 2010–11, for those with the most common room type and typical dining plan (a double room with the Bronze dining plan). The proposed rates compare favorably with those of other higher education institutions, which were surveyed in February 2010 (attachment 1).

BACKGROUND:**1. Room Rates**

The proposed room rates reflect an increase of 6.4 percent for residence halls and single student apartments and 2.1 percent for family housing. For the residence halls, the rate for a double room represents an increase of \$288 for the academic year (attachment 2). For the single student apartment academic year contract, the increase is \$372 for the academic year and \$42 per month for month-to-month single student apartment contracts (attachment 3). For family housing, the increase ranges from \$15–19 per month, depending on unit size and location. A breakdown of the room rate increases are shown on the next page, along with further discussion of the line items in Sections A and B.

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

2010–11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments (continued p. 2)

	Residence Halls	Single Student Apartments	Family Housing
A1. Operational Increases	1.23%	1.23%	1.0%
A2. Utilities—Power, Waste, Water	.93%	.93%	.93%
A3. Utilities—Cable TV, Data Services, Telephone	2.24%	2.24%	.17%
B. Housing Master Plan (approved March 2008)	<u>2.0%</u>	<u>2.0%</u>	<u>0%</u>
Total Room Rate Increase	6.4%	6.4%	2.1%

The policy of maintaining Family Housing rates below those of the private market is adhered to in this recommendation (attachment 4).

A1, A2 & A3. Operational Increases and Utilities

The Department of Housing & Food Services (HFS) anticipates a 2.16 percent increase in normal operating expenses, not including communication and data, during fiscal year 2010–11. This anticipated increase is higher than the projected 1.9 percent increase given in the Seattle Consumer Price Index (CPI) for 2011 (*Washington Economic and Revenue Forecast*, November 2009, Office of the Forecast Council), for the reasons cited below.

Compensation requirements including mandated step increases for contract classified staff, estimated benefit load changes and room and board compensation changes are covered in this proposal. Minimal increases have been included for contractual increases in supplies and services.

The portion of the rate increase associated with power, water and waste was based on utility forecasts from the UW Power Plant, UW Recycling and Solid Waste, and the city of Seattle.

The 2.24 percent increase for utilities associated with data, telephone and cable TV services is a one-time change reflecting the changes in rate

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

2010–11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments (continued p. 3)

structure and increases in estimated monthly rates for services provided by UW Technology. Their mandate to fully recover costs has resulted in rate estimates associated with student use that include a doubling of network data charges per student room port and an 89 percent increase per port for cable TV. The modification in rate structure and rates for the delivery of data and voice services to administrative offices is changing from a per telephone port basis to a per capita basis. This change in methodology results in increased costs to HFS due to the ratio of telephones to employees; many in HFS do not use telephones in performing their job duties, and therefore network and information technology costs were exempt under the previous system.

B. Housing Master Plan

In March 2008, the Regents approved an annual 2 percent increase for the Housing Master Plan. The 2 percent increase in rates reflects the annual rate increase needed in order to sustain the new debt load that will be incurred in developing new student housing. The 2 percent increase will be reviewed in later phases of the Housing Master Plan and will be discontinued when rates are sufficient to sustain the debt load in accordance with ILP requirements.

2. Dining Rates

All dining plan rates will increase by 2.5 percent. For the Bronze plan, the rate represents an increase of \$54 for the academic year (attachment 2). For all other dining plans, the rates represent an increase from \$66–\$129 for the academic year. A breakdown of the dining rate increases is shown below, along with further discussion of the line items in Sections A and B.

Dining Rate Increase Breakdown

A1. Operational Increases	.50%
A2. Utilities—Data, Telephone	.56%
B. Cost of Food	<u>1.44%</u>
Total Dining Program Level Increase	2.5%

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

2010–11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments (continued p. 4)

A1 & A2. Operational Increases and Utilities

Operational costs for food services are based on increases for supplies and services associated with the Consumer Price Index (CPI) and data-related utilities. As with housing rates, compensation requirements other than salary increases are covered in this proposal. Due to the UW Technology per capita rate structure for administrative data services, Dining Services will experience a significant increase related to food service workers who previously would not have had data costs associated with them.

B. Cost of Food

The U.S. Department of Agriculture forecasts an increase of between 2.5–3.5 percent for the cost of food in the upcoming year, which translates to a 1.44 percent increase in the dining plan rates. Considering cost of food increases in setting dining plan rates allows Housing & Food Services to maintain the current relationship of rates to the buying power of the plan levels.

3. Reserve Requirements/Debt Service Coverage Ratios

The recommended rates will allow the Housing and Dining System to remain financially stable and meet its bond obligations. Under provisions of the bond resolution, the System must maintain a ratio of net revenues to annual debt service of at least 1.25:1. Based on the proposed rate schedules and anticipated expenditures, coverage for the System for 2010–11 would exceed this threshold.

The recommended rates provide increasing reserve balances for the Housing Master Plan. The Credit Analysis for Phase 1 of the Housing Master Plan calls for the Housing and Dining System to achieve a fund balance of \$15.2 million on June 30, 2011, \$3 million of which is necessary to maintain balances required by the bond resolutions. The budget supported by the proposed rates allows HFS to achieve this fund balance.

4. Consultation with Students

On February 2, 2010, the operating budget and the need for adjustments to

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

In Joint Session With

B. Finance, Audit and Facilities Committee

2010–11 Residence Hall, Single Student Apartment and Family Housing Rental Rate Adjustments (continued p. 5)

housing and dining rates were discussed with the budget subcommittee of the Residence Hall Student Association (RHSA). On February 3, the housing and dining rates were discussed with the Residence Hall General Council. Letters detailing the rate proposal were sent to all residence hall students on February 3.

On February 8, the proposal was discussed at Hall Council meetings with HFS staff available at all meetings to answer questions.

On February 3, letters were sent to all residents of single student apartments informing them of the proposed rate changes and inviting them to community meetings on February 10.

On February 3, letters were sent to all family housing apartment residents informing them of the proposed rates and inviting them to community meetings on February 10, 2010.

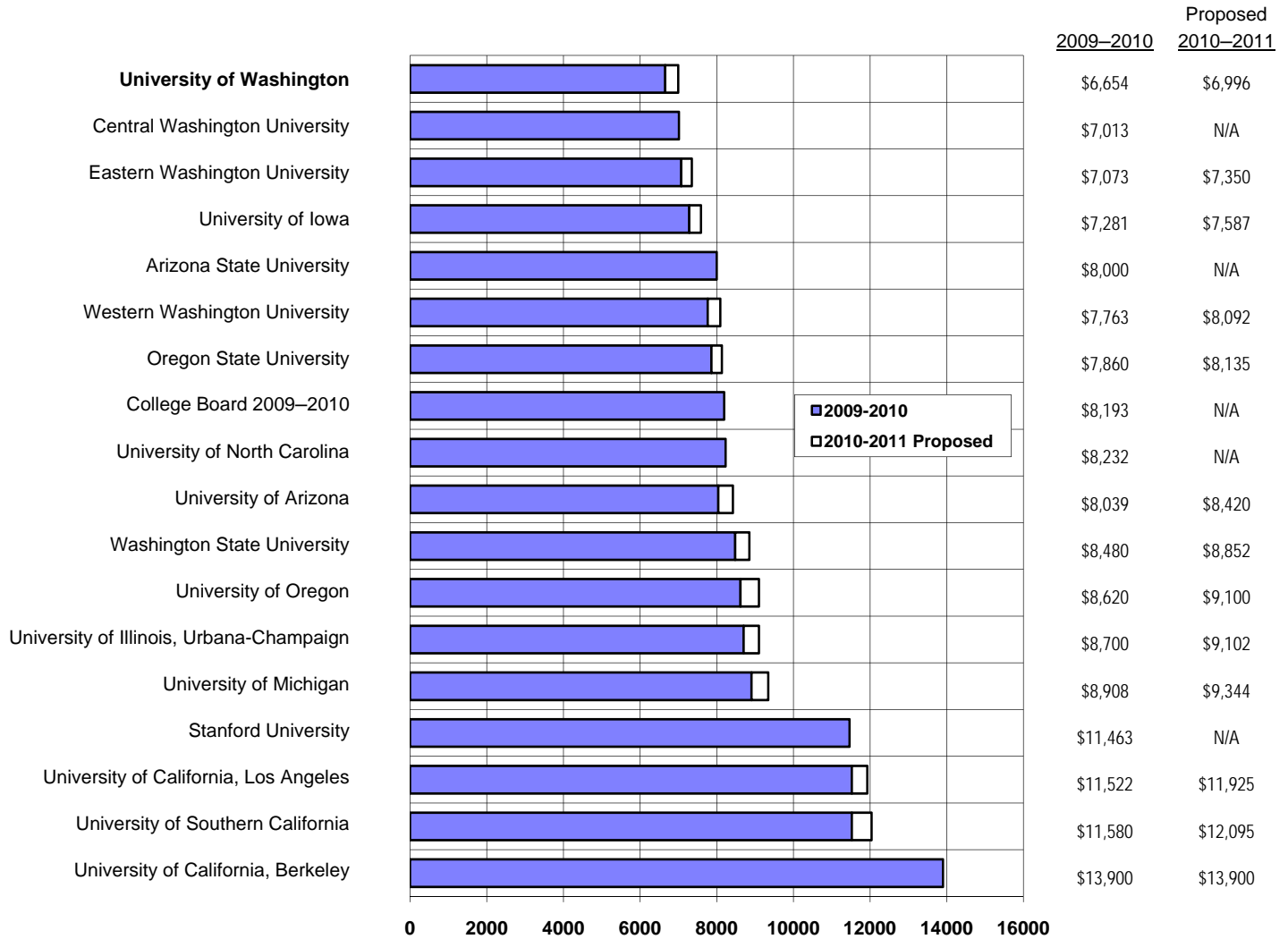
REVIEWS AND APPROVALS:

On February 10, 2010, RHSA voted to endorse the rate proposal. These proposed adjustments have also been discussed with the presidents of the UW Graduate and Professional Student Senate and the Associated Students of the UW. The Vice President and Vice Provost for Student Life has reviewed and approved this recommendation.

Attachments

1. Room and Board Rates of Comparable Universities, February 2010 Survey
2. Proposed 2010–11 Residence Hall Academic Year Rates
3. Proposed Monthly 2010–11 Single Student Apartment Rental Rates
4. Proposed Monthly 2010–11 Family Housing Apartment Rental Rates

**ROOM AND BOARD RATES OF
COMPARABLE UNIVERSITIES**



For comparative purposes, room costs for the schools named above are shown at the double room rate. Board plans vary widely in cost, depending on the types of programs offered. The board costs shown above reflect fixed meal plans ranging from 9 to 16 meals per week (or an equivalent level on a point system), unless a higher minimum meal plan is required. The amount of board included for the University of Washington is the Bronze dining plan—\$2,196 for 2010–2011.

* Trends in College Pricing 2009, College Board

N/A: Not available at time of survey.

UNIVERSITY OF WASHINGTON
Department of Housing & Food Services

**PROPOSED 2010–11 RESIDENCE HALL ACADEMIC YEAR RATES
INCLUDING DINING ALTERNATIVES**

	ROOM TYPE ¹		
	Triple ²	Double	Single
Academic Year Room Rate	\$3,846	\$4,800	\$5,898
Husky Card Deposit ³	105	105	105
Bronze Dining Deposit	2,196	2,196	2,196
Total Room, Husky Card and Bronze Dining Deposit	6,147	7,101	8,199
Silver Dining Deposit	2,676	2,676	2,676
Total Room, Husky Card and Silver Dining Deposit	6,627	7,581	8,679
Gold Dining Deposit	3,264	3,264	3,264
Total Room, Husky Card and Gold Dining Deposit	7,215	8,169	9,267
Purple Dining Deposit	5,310	5,310	5,310
Total Room, Husky Card and Purple Dining Deposit	9,261	10,215	11,313

¹ Over 90 percent of residence hall rooms are included in these room types. Other limited room types are available such as super singles and apartment space that has been converted for use in the residence hall system.

² A triple is a room built to accommodate two residents, which has been retrofitted to accommodate a third resident.

³ A \$105 Husky Card deposit is required of all residents and is completely refundable if not used.

UNIVERSITY OF WASHINGTON
Department of Housing & Food Services

PROPOSED MONTHLY 2010–11 SINGLE STUDENT APARTMENT RENTAL RATES

Stevens Court A–D Academic Year Contract	Current Rate	Proposed Rate 2010–11
	\$5,811	\$6,183
Stevens Court Buildings J and M Month-to-Month Contract	Current Rate	Proposed Rate 2010–11
Four Bedroom	\$661	\$703

ATTACHMENT 3

UNIVERSITY OF WASHINGTON
Department of Housing & Food Services

**PROPOSED MONTHLY 2010–11 FAMILY HOUSING
APARTMENT RENTAL RATES**

Unit	Current Rate	Proposed Rate 2010–11	Private Market Rent 2009 ¹	Percentage Below Market
Laurel/Blakeley				
Two Bedroom	819	836	1,336	37%
Three Bedroom	901	920	No similar product	31% below 2BR rate
Stevens Court Addition				
One Bedroom	791	807	1,034	22%
Small One Bedroom	708	723	1,034	30%

-
1. Source for private market rent: *Apartment Insights Washington*, Fourth Quarter, 2009. Average rents for Capitol Hill and University/North Area.



Board of Regents Meeting

March 18, 2010

W UNIVERSITY *of* WASHINGTON | TACOMA

UP-1/203-10
3/18/10

Co-curricular student experience at UW Tacoma

- Residential housing
 - ✓ Court 17
- Health clinic
 - ✓ Franciscan Health Services
- Student organizations
 - ✓ Where we were in 2009, where we are in 2010
- UW Tacoma students in the community
 - ✓ Community volunteer service hours
- UW Tacoma's STEP Program
 - ✓ UW Tacoma's College Readiness Program
 - ✓ Jason Lee's "Go to High School, Go to College"
- Student union

UW Tacoma Total FTE by Academic Term 2001-2002 to 2009-2010						
Academic Year	Autumn	Winter	Spring	Annualized FTE (3 QTR)	Actual Growth	Percent Growth
2000-2001	1260.7	1281.1	1256.6	1266.1	202.7	19.1%
2001-2002	1554.9	1567.0	1554.4	1558.8	292.6	23.1%
2002-2003	1714.1	1677.0	1609.2	1666.8	108.0	6.9%
2003-2004	1605.8	1620.8	1518.9	1581.8	-84.9	-5.1%
2004-2005	1694.6	1643.0	1566.5	1634.7	52.9	3.3%
2005-2006	1753.7	1687.2	1581.8	1674.2	39.5	2.4%
2006-2007	1861.9	1813.07	1692.9	1789.3	115.1	6.9%
2007-2008	2172.8	2132.6	2024.0	2109.8	320.5	17.9%
2008-2009	2507.5	2533.1	2425.8	2488.8	370.3	18.0%
2009-2010	2671.6	2680.0	2613.0*	2654.9*	166.1	6.7%

*Estimated spring 2009-2010 FTE

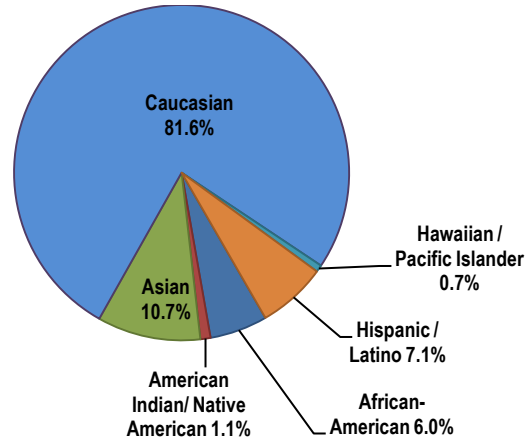
NOTE: **12.2%** is the average growth rate per year over nine years with a **1388.8** total FTE growth.

NOTE: Annualized headcount for 2008-2009 was **2994**. Annualized headcount for 2009-2010 is projected as **3114**.

Ten-Year Growth Plan 2008/2009 - 2014/2015				
Academic Year	New FTE	Total FTE	HEADCOUNT * (est @1.23 per FTE)	Growth Rate
2008/2009	260	2399	2951	12%
2009/2010	235	2634	3240	9%
2010/2011	235	2869	3529	8%
2011/2012	280	3149	3873	9%
2012/2013	280	3429	4218	8%
2013/2014	335	3764	4630	9%
2014/2015	335	4099	5042	8%
2015/2016	410	4509	5546	10%
2016/2017	410	4919	6050	9%
2017/2018	410	5329	6555	8%
Total	3190			

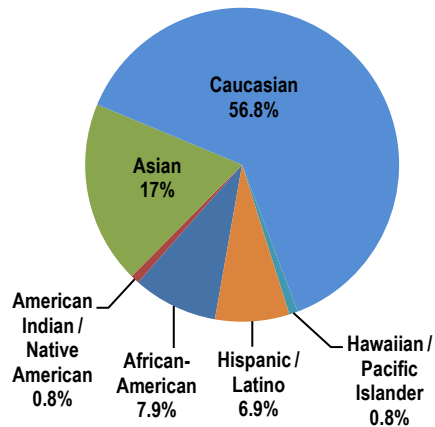
NOTE: The FTE to headcount ratio has changed from historical patterns due to more students enrolling full-time in the last two years.

King – Kitsap – Pierce – Thurston
Combined Race/Ethnicity*

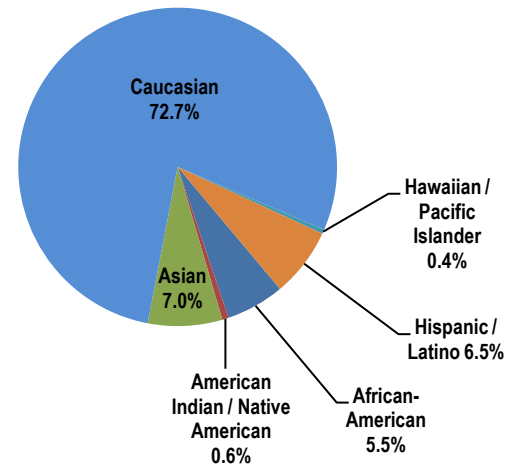


* Sourced from US Census Bureau American Community Survey Fact Sheet data collected over a 3-year time period between January 2006 and December 2008.

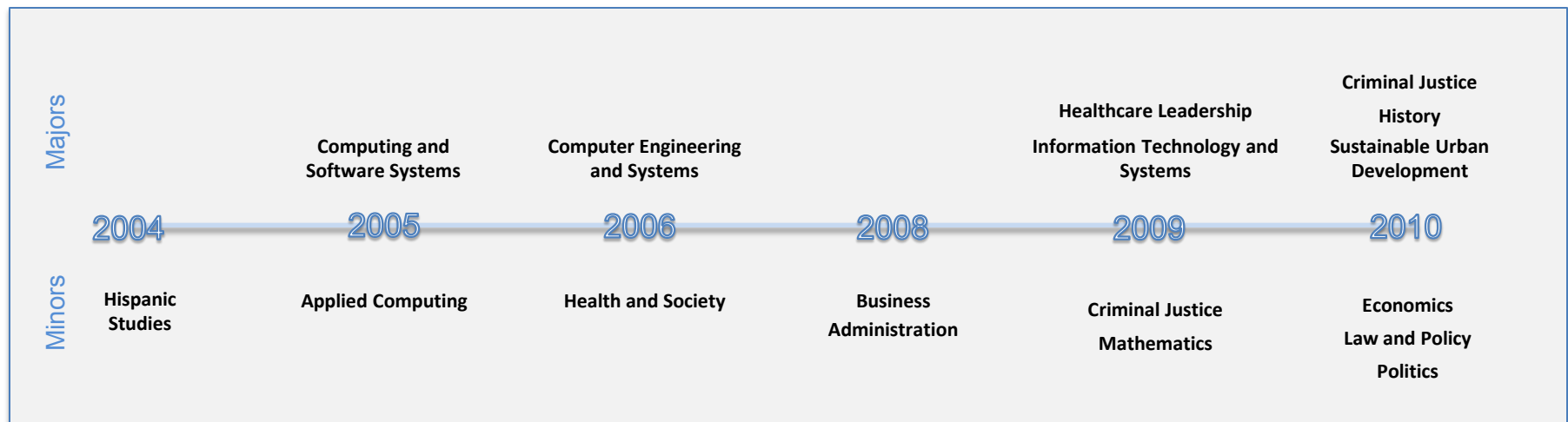
UW Tacoma Undergraduate Race/Ethnicity
Autumn Quarter 2009



UW Tacoma Graduate Student Race/Ethnicity
Autumn Quarter 2009

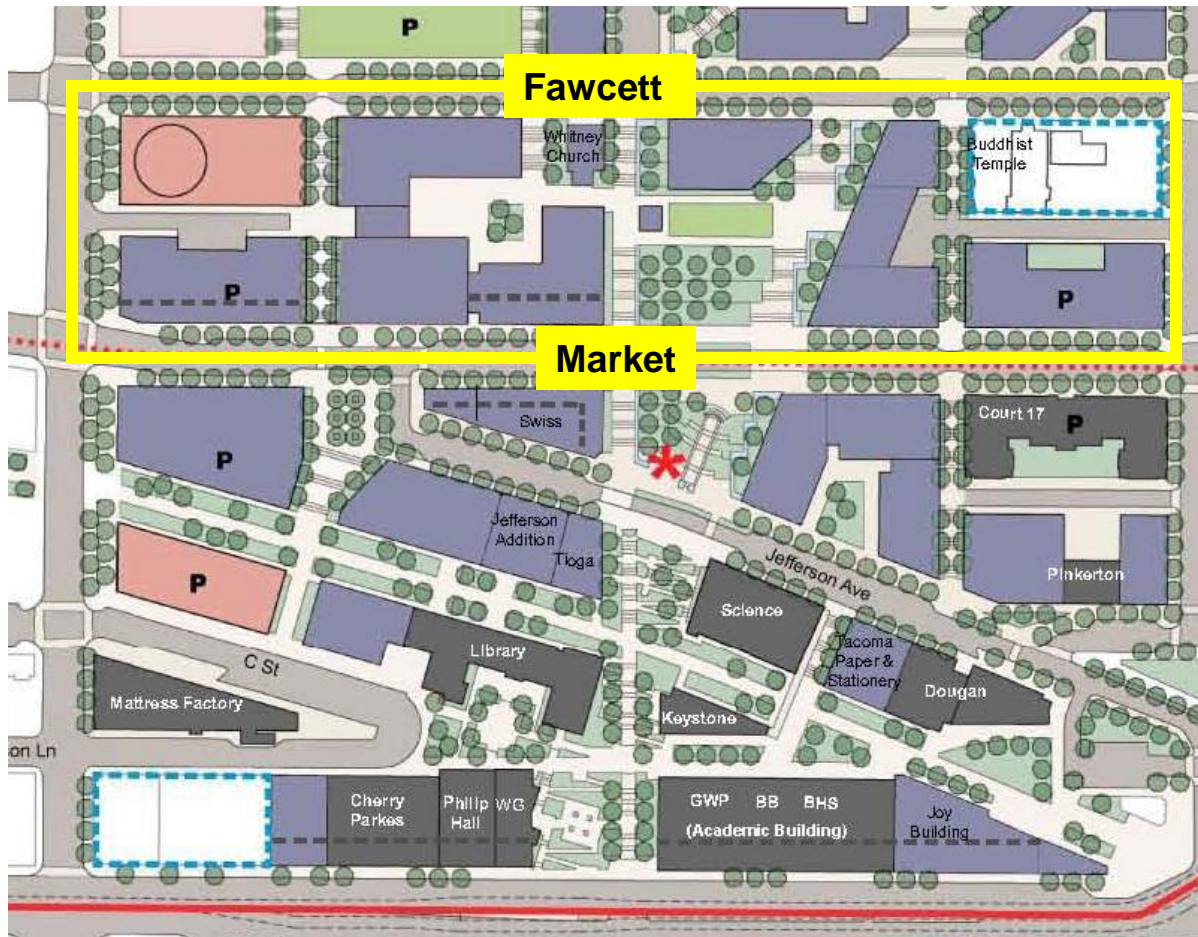


UW Tacoma Majors and Minors 2004 to 2010



- **Approved by the HECB:**
Writing Studies (BA), and MA in Community and Metropolitan Studies.
- **UW Tacoma campus approval:**
Hispanic Studies (BA), Environmental Engineering (BS), Human Rights (BA), and Environmental Engineering (MS).
- **Discussion stage:**
Arts in the Community (BA), Non-Profit Studies (BA), Nursing (BS), System Science (BA), Educational Leadership (Ed.D.) and a Money and Banking concentration within the existing Business major. .
- **Proposed minors:**
Energy Systems and Law and Policy.
- **Proposal in development:**
Convert existing Interdisciplinary Arts and Sciences (IAS) concentrations to majors.

10-Year Capital Plan



Capital expansion focus between Market and Fawcett Streets.

- Housing
- Student Union
- Recreation/ Wellness
- Energy Plant
- Academic Ph 4
- Academic Ph 5

What are our initiatives?

- Tacoma partnership
 - ✓ Economic development
- Center for business innovation
 - ✓ Business owners working together with UW's knowledge-based resources
- Partnering with Tacoma Public Schools
 - ✓ Improving K-12 together
- Supporting local industry clusters
 - ✓ Entrepreneurship
 - ✓ Environmental Engineering

What are our challenges?

- ✓ Raising current use scholarship funds
- ✓ Filling in the gaps that are missing in our lower division course offerings
- ✓ Expanding our portfolio of degree programs to meet the needs of students and the community
- ✓ Addressing gaps in student services
- ✓ Meeting community expectations for growth and expansion